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# **WESTERN CAPE PROVINCIAL HOUSING PLAN CONSULTATION REPORT**

**DRAFT: JULY 2001**

## **1.0 INTRODUCTION**

In August 2000 the PAWC Chief Directorate Housing appointed the Western Cape Housing Consortium to prepare a Five Year Provincial Housing Plan and a Three Year Business Plan for housing to fulfil the requirement of the Housing Act (Sect 7(1)(g)).

The aim of the study is to direct goal setting and resource allocation to achieve sustainable housing delivery in the Western Cape Province.

The study further aims to engage all stakeholders. This was done by engaging with housing representatives from the local authorities, the private sector and civil society in the Western Cape Province. The outcome of these meetings and written comments to the consortium are recorded herein.

## **2.0 STAKEHOLDER IDENTIFICATION**

Invitations were sent out to the Cape Unicity and all Category B and C Municipalities in the Western Cape. The private sector workshop was organised by IHSA and all members received invitations. The civil society workshop was organised by the Development Action Group and NGOs and CBOs operating in various fields across the Western Cape were invited.

## **3.0 CONSULTATION PROCESS**

The preparation process of the Western Cape Provincial Housing Plan consists of three rounds of consultation. This report deals with the second round.

In the first round of consultation took place before the election in December 2000 and consisted of individual interviews with representatives from the Cape Metropolitan Council, the seven District Councils and seven major towns in the Western Cape. The purpose of these interviews was to inform the situational analysis and housing demand determination phase (one) of the study. This phase culminated in a Key Issues and Implications document and a Draft Strategy Document (Phase Two) was subsequently formulated.

The second round of consultation consisted of a series of five workshops with Local Authorities, the private sector and civil society representatives. The key issues identified in phase one were presented at these workshops and representatives had the opportunity to suggest additional key issues and to give input into the strategy formulation process.

The consultants will now finalise the Strategy Document and prepare Draft Five Year Provincial Housing and Three Year Business Plans.

In the third round of consultation the stakeholders will be asked to comment on and give input to the Five Year Provincial Housing Plan and Three Year Business Plan.

## 4.0 WORKSHOPS

Five workshops were organised at five different venues, three in the Cape Metropolitan Area and two outside of Cape Town. The five workshops were held with:

1. Local Authorities in the Cape Metropolitan Area - 23<sup>rd</sup> floor Conference Room, Civic Centre, Cape Town. 14 November 2001 @ 12h00 (Notes taken attached in Annexure A)
2. Category B and C Municipalities outside on Cape Town, not including the Southern Cape - Civic Centre, Worcester. 18 June 2001 @ 9:30 (Annexure B)
3. Category B and C Municipalities in the Southern Cape - Civic Centre, George. 20 June 2001 @ 9:30. (Annexure C)
4. Private Sector - Conference Hall, Milnerton Library. 27 June 2001 @ 14:30 (Annexure D)
5. Civil Society - Community House, Salt River. 11 July 2001 @ 8:30 (Annexure E)

Each workshop included a presentation of the aims, objectives, preparation process, process to date, current status, programme, etc of the study as well as the key housing issues identified in the situational analysis.

The most significant part of the workshops was, however, the questions and issues raised by the representatives. At the workshops in Worcester, George and Salt River the representatives divided into small groups for more in depth discussions. Their responses are summarised in the next section on Stakeholder Responses and details are included in Annexures A to E.

## 5.0 STAKEHOLDER RESPONSES

At the meetings held stakeholders had the opportunity for general discussion to raise pertinent issues relating to the housing delivery process in general or the Western Cape Housing Planning process is specific. Sub-section 5.1 is a discussion of the issues raised frequently by stakeholders during such discussions and in written submissions to the consultants.

At some of the meetings, stakeholders were also asked by the consultants to respond to specific questions relating to specific sections of the situational analysis and strategy report, these were dealt with in small group discussions or subsequent written submissions by stakeholders. The rest of this section, sub-sections 5.2 - 5.10, deals in detail with the stakeholders' responses to these questions.

### 5.1 Issues raised

#### ***Liberating more resources for housing:***

There is a need to politically engage national government for more housing funds. The following was proposed in order to liberate more resources for housing:

- The National Government allocation must be done equally between provinces, or be based on performance.
- In the Western Cape all towns outside the Unicity must be regarded as rural
- A well articulated People's Housing Process sub programme, with an information and awareness campaign to encourage families to help themselves.
- A distinction must be made between the 'deserving poor' and other qualifiers of state subsidies. The "deserving" would be those who contribute of their own resources, attend housing education programs, etc.
- Ground rules must be formulated and incentives made available to private developers.
- A special tax for housing was proposed
- It was also proposed that if there was better integration between provincial departments, as some departments could use the funding surpluses in other departments

- The financial sustainability of the subsidy system was questioned - the suggestion was made that it is time to move away entirely from the subsidy system

### ***Mobilising housing finance***

According to Stakeholders at the civil society the issues relating to increasing the access of low-income households to appropriate housing credit, are that bank loans / bonds are not the appropriate mechanisms, the government and private sector should provide more support to NGOs and CBOs, all private sector organisations should re-invest into development initiatives and the NGOs should have greater control over the subsidy flow - they should be allowed to manage the credit and savings processes.

### ***Quality vs. Quantity:***

The ongoing tension between reaching more people with less support or to provide more state assistance at the cost of reaching fewer people must be addressed. It is proposed that two separate programs directed at "urban renewal" and "serving land" be introduced to meet both the divergent objectives within a single housing strategy.

### ***Identification of needs / Prioritisation:***

It was suggested that, to be needs driven, the housing plan must be informed by a two-way flow of information between the local and provincial levels of government. An administrative procedure was proposed, where, at the beginning of financial each year, Province informs each Local Authority what the apportionment is in terms of the quantum available for new commitments and the quantum available by sub-program.

The Local Authorities then uses this information to prepare their IDPs and annual budgets and they should then inform Province of their local priorities. Province can then use this information to monitor performance and anticipate project applications. Local Councils are responsible for project initiation, oversight and regular claims against progress from the PAWC. PAWC retains the right to direct funding at performing projects, but remains responsible for its original approvals.

It was suggested by members of the civil society that there are two broad categories of housing need:

1. The indigent:
  - Unemployed people
  - People dependent on state grants
  - Employed people with low incomes
2. Crisis situations (which should be prioritised for funding allocation):
  - Evictions/displacements
    - Community
    - Individuals (e.g. AIDS victims)
  - Health hazards
  - Natural disasters

Then there are different categories of special cases, which also fall under both the above-mentioned broad categories, but which may require specific programmes to address.

- Street people
- Women-headed households
- Elderly
- Orphans
- Farm workers
- People with special needs (e.g. AIDS and other chronic illnesses)
- Refugees
- New urban migrants

- Migrant workers
- Single people

### ***The Housing Needs Questionnaire***

It was suggested that the housing needs questionnaire be linked to the above-mentioned list of special cases, asking a breakdown in numbers for each. A rating system to prioritise the needs of local residents was suggested.

Many stakeholders found that the measures of accommodation in the Housing Needs Questionnaire are insufficient and suggested, although the appropriate measures will differ from town to town, the following types of accommodation should be included in the list:

- Serviced sites for shack dwellers
- Rental stock
- Site and service programmes
- Overcrowding
- Backyard shacks
- IDT stands
- Distinction should be made between structures on formal and informal plots
- Formalised informal areas (approved transit camps vs. squatting)
- Rural accommodation

It was suggested that the following should be added to the measures of services:

- Electricity
- Access into the area for emergency services
- Water provision should have a 4<sup>th</sup> category for "other" i.e. bore hole, well, 200m / inside home etc.
- Sanitation provision should have a 4<sup>th</sup> category for central or shared facilities e.g. ablution block
- Stormwater

It was further suggested that the questionnaire be revised yearly, be simplified and that it should reflect cultural identity, in order to ensure fairness in allocation procedures and to facilitate integration of cultural groups

### ***Housing needs currently not addressed:***

The following new mechanisms were proposed to address the housing need currently not addressed:

- Integration with welfare policies and programmes, as many of the special needs categories are welfare issues (and welfare subsidies often exist for ongoing costs but there are no subsidies for the capital cost of providing the physical buildings of care facilities)
- Create wider opportunities for women and those with special needs to participate in the housing development process
- Legislative mechanism specific for housing to prevent unfair discrimination in terms of access to housing

It was further proposed that it should be possible to also use housing subsidies for cluster housing for special needs decentralised/home based care; facilities for institutional care and the provision of short term rental/second phase accommodation (based on the policy for use of subsidies in KwaZulu-Natal).

### ***Homeownership:***

Not everyone can or want to be homeowners. Many beneficiaries do not want to sign for their houses because they do not want to or cannot pay for insurance

Many beneficiaries are unaware of the commodity value of the houses they live in and are alienating them at less than their actual value. Education regarding homeownership to beneficiaries was proposed.

***Rental Housing:***

At the meeting with the private sector it was agreed that there is a need for a rental housing policy to accommodate those who do not wish or who cannot afford to own their own houses.

There was general agreement among the local authorities represented at the workshops in Worcester and George that municipalities cannot afford free houses/services for all. A policy to increase rental stock was therefore requested.

In the Metropolitan area, however, the maintenance, allocation and financial administration of the existing council housing stock is by far the larger demand. It was proposed that an agenda for existing stock, together with a proper set of supporting programs for municipalities be formulated.

***Blockages/Problems in the housing delivery process:***

Many stakeholders, particularly from the private sector group, identified blockages that hinder the delivery process. The following was suggested, not only by member of the private sector but also by NGOs, CBOs and local authorities, as blockages and problems in the process that should be addressed in the plan:

- It is difficult to get information from the metropolitan local authorities. Officials generally they send people to the Unicity for further information.  
The Unicity is busy restructuring and it will take some time before the process is complete, as a result there will be some uncertainty regarding the flow of information.
- It is difficult to make contact with the Department of Housing or get any information from the Department.
- Members of the private sector have difficulties to obtain indications of the status of housing projects from officials.
- There is a disjuncture between the official process and what is happening on the ground, gatekeeping by community representatives is an example of this.
- Further blockages are experienced at the Deeds office, the Surveyor General's office, with planning approvals and the requirements of the environmental act.
- These blockages in the approval process impacts on the cash flow of developers.
- The problem/concern was raised that some developers use institutional subsidies (for the maximum amount) to build houses for people earning more than R2 500/month.
- Political interference in the administrative process is also a concern. It was proposed that a Provincial Housing Circular should spell out the codes of good conduct to councillors, officials and project managers in respect of new housing projects.

***Accreditation:***

The pros and cons of accreditation must be considered. If the CoCT is not accredited, PAWC would have to expand its administrative capacity. Alternatively, if the CoCT is accredited, arms-length institutions of delivery would be needed at the local level.

***Nimbyism:***

Local communities often would not allow low income housing in their areas. The councillors are elected by these local communities and will therefore not support low-income housing in their areas. Province should have the right to overrule such decisions; otherwise infill developments would be impossible.

The planning processes are paid for by the housing subsidy, so if the process is extended because of the reluctance of local communities to allow low-income housing, housing delivery becomes unaffordable.

***Densification:***

A paradigm shift is required that will get all role players in housing to attempt different forms of housing. Lessons must be learnt from the problems in areas such as Manenberg, where high-density housing was not successful because, among other reasons, facilities were not provided to meet the demand.

***Land release/acquisition:***

Province and local authorities must have a land release strategy in place to avoid land invasion. Local authorities should further make money available to purchase land and information about available land must be distributed. A comprehensive audit of land available for housing was proposed.

Province should monitor the local authorities in the way they release land because there is a tendency to give preference to private developers rather than PHP projects.

***Empowerment and Job Creation:***

The Department has a responsibility for job creation in the housing delivery process. There is currently a dominance of white-owned companies in housing construction; the Housing Department must take empowerment seriously.

***Communication/Information:***

Local Government has no real route to National Government, Province negotiates with National Government but Local Government does not know what is discussed at MINMEC, The communication from MINMEC is very limited, the Provincial Department is also experiencing problems in this regard. It was proposed that more workshops should be organised on housing to keep councillors and officials informed.

***End product provided:***

Many stakeholders agreed that the building standards set by the Province should be sensitive to the needs of the poor. It was proposed that beneficiaries should be given more options in terms of, for instance, quality and that the Western Cape standard of services is too high and should be brought down to a level that is affordable to the consumer. There is a need for innovative, alternative housing models.

Further concerns raised in this regard was that the houses being provided cannot be extended and that poor living environments are currently created through the subsidised housing process.

***Questions/Issues relating to the Provincial Housing Planning process:***

- There was a concern that the new councils at local authority level will not accept the new housing plan because they were not involved in the initial discussions. Future invitations to meetings should be broader to include the councillors.
- The source of the statistics on female-headed households and other statistics was questioned.
- The extent to which local communities are involved in this planning process was questioned.

**5.2 Additions to the Key Issues list:**

The following were suggested as important additional issues that should be added to the list of key issues presented at meetings:

- Institutional blockages in the subsidy system
- Administrative issues: preventing double subsidising

- Tenure arrangements
- Land acquisition
- On-selling of properties
- Mobility of transfer: it was suggested that Ordinance 20 of 1974 complicates that process and needs amendment
- Amelioration of poverty
- The spread of informal settlements
- Issues relating to subsidy qualification
- Grant co-ordination, e.g. of Department of Housing and Department of Land Affairs grants
- Greater co-ordination of policies, i.e. between the housing and other development-related policies
- Training of housing officials, including training for police and magistrates, who deal with issues such as evictions
- Capacity building of communities

A further suggestion was that the sphere of government / department responsible for each of the key issues be clearly indicated in the provincial plan.

### **5.3 Comments to the Strategy Document**

The following comments were received in response to the Strategy Document.

#### ***Clarify the links between key issues and strategies***

The links between key issues identified and strategies proposed should be more clearly indicated. It was further noted that the two reports contain a considerable overlap.

#### ***People's Housing Process***

More emphasis should be given to the People's Housing Process in the strategy document.

#### ***Roles of Local Authorities***

The respective roles of local authorities in the strategies should be clarified. It was suggested that the division of provincial vs. local roles and functions in housing should receive more explicit attention to facilitate greater efficiency and minimise misunderstanding. This was seen as the fundamental purpose of the Provincial Housing Plan, as the local councils are the "customer" for the PAWC.

There was general agreement at the workshops with local authorities outside of Cape Town that housing should be a Category B Municipality function. The following are some of the reasons that were given:

- Existing capacity, human resources and infrastructure - the people knowledgeable about housing are at the Category B level.
- Project Management is best done at ground level: local Government should take responsibility because they are closer to the people, housing is linked to water and sewage delivery.
- The IDP is implemented at the Category B level

It was suggested that the Category C Municipalities should provide bulk services.

#### ***The strategic policy components***

Housing representatives at the Metro-meeting were asked to weigh the importance of the strategic policy components suggested by the consultants. The following gives an indication of which strategic components were regarded as priorities (points received indicated in brackets):

1	Apportionment of the Conditional Grant	(33)
2	Land for Housing	(31)



3	Upgrading of Informal Settlements	(28)
4	Managed Land Settlement	(26)
5	Institutional Arrangements	(21)
6	Rental Housing Policy	(20)
7	Urban Renewal	(20)
8	Co-ordination with Bulk Infrastructure	(18)
9	Housing Standards	(17)
10	AIDS Housing	(16)
11	Budget Performance	(15)
12	Housing Allocation Process	(15)
13	People's Housing Process	(14)
14	Savings Linked Subsidies	(13)
15	Hostels Redevelopment Policy	(12)
16	Development Implementation	(11)
17	Sustainability	(10)
18	Rural Housing	(10)
19	Integrated Development	(9)
20	Educational Capacity Building	(8)
21	Urban Housing and Densification	(6)
22	Women in Housing	(4)
23	Farm Workers Housing	(2)
24	Blockages	(2)

#### **5.4 Strategic Emphasis of the Provincial Housing Plan**

Stakeholders suggested a number of themes that should form the strategic emphasis of the Housing Plan:

- Funding of the housing challenge
- Community empowerment
- Acceptable end-product
- Integrated implementation

It was further emphasised that the role of the State should be clarified in the plan, the problem being that the fundamental roles of the different spheres and how they impact on the issues needs clarification. The Housing Act defines certain roles for the different spheres, but these roles need further clarification, the Municipal Structures Act should help to clarify the roles.

#### **5.5 Allocation of Provincial Subsidies between Municipalities**

The following was suggested as criteria for the allocation of Provincial subsidies between municipalities:

- Housing need: with the waiting lists as the main indication of need
- Census figures/population numbers should determine what percentage should be allocated where
- Previous performance/success of the municipality with the implementation of housing projects
- Additional contributions from the municipality
- The IDPs should be used as a measure
- Planned "growth nodes" must receive priority
- Sustainability: an application for housing subsidies must indicate means of economic and spatial development, community education and development programmes
- Availability of land
- Savings and private sector contributions locally (PPP)
- Civil obedience and sweat equity (also historical record of payments)

- Gender equity: head of households

With regard to the way in which funds should be allocated, a variety of answers were received, most agreed that Province should allocate funding directly to Category B Municipalities, but others said that Province should allocate directly to all municipalities in proportion to their requirements.

## **5.6 Appropriate Delivery Programmes**

General proposals relating to delivery programmes were:

- Upgrade or improve the project linked delivery programme
- Attention should be given to both greenfield and consolidation programmes
- A social housing programme of "rent to buy"

The following are the delivery programmes proposed by the stakeholders for different groups in need of housing:

### ***Residents of informal settlements:***

- Evaluate actual need - permanent residence vs. migrant labour;
- Site and services, progressive realisation of shelter
- Serviced sites (including foundations and toilets)
- Rapid land release

### ***Residents of backyard shacks:***

- Evaluate actual need;
- Provide rental stock, site and services and RDP units
- Rental housing
- Develop sites and provide basic services

### ***Shack residents on serviced sites:***

- Evaluate need;
- Provide units
- Full subsidy houses
- Put in place a savings plan, workshop people about the People's Housing Process and provide a top-up subsidy

### ***Overcrowding in formal housing:***

- Site and services, progressive realisation of shelter
- Provide rental stock, site and services and RDP units
- Phased planning (core)
- Rental housing on a 5 year plan

### ***Public rental stock tenants:***

- Site and services, progressive realisation of shelter
- Provide rental stock, site and services and RDP units
- Site and services

### ***Farm workers:***

- Site and services, progressive realisation of shelter
- Social and economic opportunities
- planned hamlets
- provide seasonal rental housing stock to farmer (levy, discount < R 1000)
- Upgrading and maintenance of existing rental stock

- Encourage farmers to team-up with local authorities to develop agri-villages

***Households earning less than R1000/month:***

Stakeholders defined people in 'desperate need' as people:

- without a shack or a place to stay
- living in severe overcrowding
- with no basic services
- with no income
- streetpeople

Most stakeholders suggested families in desperate need rental stock, some that people must be given free water (6kl) and one group suggested a full subsidy house should be provided to all families in desperate need.

**5.7 Capacity Building Requirements of Local Government**

The following was listed as the capacity building requirements of local government:

- Financial capacity
- Staff
- Knowledge and experience in housing.
- Project management skills
- Cash flow management skills
- Community participation skills
- Housing business plan skills
- PRO skills
- Capacity to do education about home ownership
- Skills in training community leaders
- Quality control skills

Other suggestions made were:

- That there is a need for a capacity building specialist
- All housing staff should be transferred to the B Municipalities.
- Consolidate and co-ordinate the existing structures dealing with housing (Revenue, Engineering, Planning, etc.) into one structure responsible for housing.
- A body must be established to monitor and control delivery and set performance standards.
- Community Saving Associations must be established to assist communities in book keeping, etc.

**5.8 Interaction of civil society with provincial and local government**

It was proposed that the engagement between civil society and the Provincial Housing Department and local government on issues relating to housing could be improved if civil society organisations:

- Have representation in key decision-making structures
- Inter-act in an organised manner with councils and officials.
- Have an active role in the IDP and budgetary processes.

The role of NGOs/community organisations in housing delivery could be promoted by the following:

- The Department and local government must allocate resources for CBO capacity
- The PHDB needs restructuring to deal more effectively with community issues and needs
- The capacity of government structures to interact directly with communities needs to be improved.

It was proposed that civil society should play a role in monitoring and implementing the Provincial Housing Plan in the following ways:

- By supporting community - government interactions.
- By developing effective strategies for implementation in support of low cost housing.
- By developing a framework for government on how the private sector can be made more participatory in their housing delivery.

## **5.9 Promoting the People's Housing Process**

A Provincial structure must be set up which consists of CBOs and NGOs to bring together experiences and assist in the co-ordination of housing processes. Furthermore, NGOs and CBOs should be included in the drafting of the national housing policy.

The civil society needs money to organise and support housing delivery in communities, as well as commitment from Province and Local Authorities that they will work with NGOs and CBOs to co-ordinate the housing delivery process. Province and local authorities need to develop a communication strategy with community projects. Local authorities should empower community projects, work closely with them and support community project management to avoid private contractors invading projects

The Provincial Housing Department/ local authorities should, through the IDP process, involve community projects in planning the development of different areas and in identifying needs

## **5.10 Rural/farmworker housing**

It was proposed that rural and farmworker housing issues are promoted in the following ways:

- Quality information dissemination for farmworkers
- Making the environment conducive for participation, because the specific needs of farmworkers need to be determined.
- Needs assessment on existing options, e.g. on-farm / off farm settlements.
- Working with the Rural Development Initiative (RDI)
- The local governments in the rural areas have limited capacity, there is a need for investment

It was stated that the current housing subsidy mechanisms for rural housing are not appropriate and should be revised, the following was suggested:

- Ensuring security of tenure
- Creating servitudes on farms for farmworker settlement
- Landbanking
- Integration with the Departments of Land Affairs in terms of their policy on settlement and land evictions

It was proposed that NGOs/CBOs should play the following roles with regard to rural and farmworker housing provision:

- Organising a workshop with the farmworker/dweller coalition
- Monitoring and evaluating the local government in the delivery process
- Capacity building, research and information dissemination
- Providing information on housing and land availability

## 6.0 CONCLUSION

A broad range of issues were raised by the different stakeholders involved in housing. The key issues that emerged can be summarised as follows:

- i) Liberating more resources for housing
- ii) Mobilising housing finance
- iii) Quality vs. Quantity
- iv) Identification of needs / Prioritisation
- v) Problems relating to homeownership
- vi) An increase emphasis on and the management of rental housing
- vii) Blockages/Problems in the housing delivery process
- viii) Accreditation
- ix) The influence of nimbyism on the housing delivery process
- x) Densification
- xi) Land release/acquisition
- xii) Empowerment and Job Creation
- xiii) Communication with the Department of Housing and Information sharing
- xiv) Problems with the type of environment currently created and the end product being provided

The representatives consulted, welcomed the opportunity to provide their inputs and there were many requests for further workshops.

## Annexure A:

**Workshop with Local Authorities in the Metropolitan Area  
14 June 2001  
23<sup>rd</sup> Floor Conference Room, Civic Centre, Cape Town**

<b>PRESENT:</b>	Mr G. van den Heever	Helderberg Administration
	Mr G.P. van Zyl	Helderberg Administration
	Mr E. Samuels	Blaauwberg Administration
	Ms C. Vuus	Blaauwberg Administration
	Mr M Cupido	Blaauwberg Administration
	Mr J.V. Mkunqwana	Cape Town Administration
	Mr G. Nevin	Cape Town Administration
	Mr J. Kuhn	CMC Administration
	Ms N Walker	CMC Administration
	Mr B Davidson	CMC Administration
	Mr H Steyn	Tygerberg Administration
	Mr T Mitchell	South Peninsula Administration
	Mr H. Paton	South Peninsula Administration
	Ms C. Lamohr	PAWC: Director Housing Management
	Mr A. Bishop	Western Cape Housing Consortium
	Dr B. van Zyl	Western Cape Housing Consortium
	Mr R. Cronwright	Western Cape Housing Consortium
	Mr T. Louw	Western Cape Housing Consortium
	Ms S. van Zyl	Western Cape Housing Consortium

### 1.0 OPENING

Mr B. Davidson, welcomed everyone to the workshop and asked everyone to introduce themselves.

Ms C. Lamohr explained the background to the study and Mr A. Bishop gave background to the appointment of the Western Cape Provincial Housing Consortium.

### 2.0 PRESENTATION: SITUATIONAL ANALYSIS

2.1 Mr R. Cronwright gave a presentation of the situational analysis phase of the study.

#### 2.2 *Questions / Issues Raised*

##### 2.2.1 Situational Analysis:

The following questions and issues pertaining to the situational analysis were raised:

Mr Samuels inquired about the relevance of referring to LDOs in the Western Cape context.

Mr Davidson said that according to the new procurement policy plans for housing must be linked to spatial plans or LDOs.

Mr Mkunqwana raised the issue of NGO involvement, and commented that the housing

situation is continually changing and the growth factor should be taken into account. Mr Paton said that the percentages of population spread between City and Province should give the direction for the Provincial Administration to distribute funding between the City and the rest of the Province.

Mr Mkunqwana commented that it is significant to notice that a significant number of women headed households live in public dwellings.

Mr Van den Heever said that there is a lack of programmes for single people and the elderly.

Mr Mitchell asked whether issues relating to land restitution and redistribution was considered in the needs assessment.

Mr Paton emphasised the need for the stimulation of decentralised economic development in rural areas to help address the growing demand for housing in urban areas.

Mr Bishop said that the Provincial Housing Plan is being prepared within the Provincial Strategic Plan, which address such issues in more detail.

Mr Davidson said that the National Housing Forum gives emphasis to an urbanisation strategy.

Mr Mkunqwana commented that despite the objective that the focus of the plan must be more qualitative than a quantitative, too much emphasis is being given to numbers.

Ms Lamohr said that the numbers presented is an attempt to disaggregate the housing need.

Mr Nevin questioned the proportionment of the growth of different income groups because there would be upward creep.

2.2.2 Mr Bishop explained that there is no information available regarding the growth of income groups, upward creep is taking place, but at the same time, growth is likely to be the highest in the lowest income groups. It was therefore decided to project growth the current proportions.

Mr Mkunqwana said it has been confirmed that grey sector hostels are in fact public hostels.

2.2.3

#### Rural Areas:

Mr Van den Heever said that there is a weak lobby for the rural areas.

Mr Cronwright replied that there is a national focus on rural housing.

Mr Davidson added that the National Department defines "rural" as the previous homelands, so in other words, the Western Cape is not a rural province.

#### Key Issues:

Mr Davidson emphasised the importance of Key Issue 5: Procuring finances to meet the housing challenge, as a provincial function.

Ms Walker said that institutional blockages in the subsidy system should also be included as a key issue.

2.2.4

The suggestion was included in the list of strategic priorities.

Ms Walker further emphasised the importance of issues relating to tenure arrangements, selling of properties and mobility of transfer.

Mr Samuels said that finances and the amelioration of poverty should also incorporated into the list of key issues.

Mr Bishop agreed that these are important key issues to be incorporated.

#### Discussion relating to the Implementation of the Housing Plan:

Mr Kuhn noted a contradiction between the focus on quality and the reality of having to achieve more with less resources. He suggested that a list of all such contradictions in the current situation would be useful in informing decisions.

Mr Davidson said that it is the role of government to identify issues and strategies, and emphasised that in a co-operative system of governance and local government has been allocated a substantial role in housing. The process has changed from a developer driven process to a local government driven process but the mind-set has not changed yet. Therefore there is no clarity on the core functions of the spheres of government, he therefore suggested that the responsibility for each key issue should be indicated in the plan. He added that the issue is that Local Government has no real route to National Government, Province negotiates with National Government but Local Government does not know what is discussed at MINMEC, the issue is about the fundamental roles of the different spheres and how the impact on the issues presented by the Housing Consortium.

Ms Lamohr agreed that communication from MINMEC is very limited, the Provincial Department is also experiencing problems in this regard. She said that the Housing Act defines certain roles for the different spheres but these roles need further clarification, the Municipal Structures Act should help to clarify the roles and IDPs should play an important role, but the process is very dynamic and there is a possibility that in future funds for housing will be transferred directly from National to Local Government.

Mr Davidson inquired about the likelihood that Province top-slice the funds allocated to Local Government.

Ms Lamohr assured him that top-slicing cannot take place because the funds allocated are ring-fenced for that purpose.

Mr Kuhn said that the primary customers of this plan are the Local Authorities and it is important that the respective roles be clearly defined to make the plan executable.

Mr Bishop replied that the roles of the different authorities is a multi-layered issue with different perspectives.

Mr Mkunqwana asked what the timeframes of the proposed plan are.

Ms Lamohr said that the plan is not cast in iron and as conditions change the plan will either be discarded or changed.

Mr Nevin said that political will is important in the dealing with the issue of poverty.

Mr Davidson agreed and said that an important concern is the non-performance of the Department of Welfare, each of the other line functions have to build in a component to deal with welfare-related issues.

### **3.0 PRESENTATION: STRATEGY DOCUMENT**

**3.1** Mr A. Bishop gave a presentation of the strategy phase of the study.

#### **3.2 *Questions / Issues raised relating to the Strategy Document***

Mr Mkunqwana said that there should be more emphasis on the People's Housing Process and on creative methods. The Local Authorities should be adding value by creating the conditions for creative housing provision. Monitoring should also be done by the Local Authorities. He further raised three mayor issues: management, tenure and policy.

Mr Bishop warned that the Local Authority cannot be the player and the policeman.

Mr Davidson said that there is a tension between some of the policy components in terms of the principle of equity.

Mr Kuhn asked what the linkages are between the situational analysis / key issues and the strategies proposed. He said that to be needs driven the strategies should be



informed by a two way flow of information between the local and provincial levels of government. Linkages between issues and strategic policy components must be made explicit.

Mr Bishop asked how he would determine or weigh the importance of need.

Mr Kuhn answered that it would have to be an administrative procedure, at the beginning of each year Province informs Local Authorities what amount of money is available to them, Local Authorities then uses this information to prepare their IDPs and annual budgets and then inform Province of their local priorities. Province will then know where they intend to spend the money and can use this to monitor performance and anticipate project applications.

Mr Louw explained that a prioritisation model is in place but it is not yet in use.

Ms Lamohr said that the prioritisation model cannot be used yet, because the money has already been allocated, the model will start working in two years.

Mr Mkunqwana asked what performance criteria will be used, priority should for instance be given to infill housing over housing development on the periphery of the city.

Mr Bishop answered that the IDP is the appropriate tool for such prioritisation.

Mr Nevin asked that the bigger picture be taken into account, because there is a large demand for housing in the income level just above the subsidy level. Local Government also has the function to see to the housing needs of other income groups.

Mr Bishop replied that the public fund should rather not be used for this income group, there exist opportunities in the private sector to make provision for this group. The purpose of this plan is to administer the National Housing Policy.

Ms Walker emphasised that the strategy document should also deal with the issue of institutional blockages.

#### **4.0 PARTICIPLAN: STRATEGIC POLICY COMPONENTS**

The consultants presented a list of strategic policy components, the meeting agreed that blockages should be added to this list. The housing representatives then prioritised the strategic policy components as follows (points received indicated in brackets):

- 25 Apportionment of the Conditional Grant (33)
- 26 Land for Housing (31)
- 27 Upgrading of Informal Settlements (28)
- 28 Managed Land Settlement (26)
- 29 Institutional Arrangements (21)
- 30 Rental Housing Policy (20)
- 31 Urban Renewal (20)
- 32 Co-ordination with Bulk Infrastructure (18)
- 33 Housing Standards (17)
- 34 AIDS Housing (16)
- 35 Budget Performance (15)
- 36 Housing Allocation Process (15)
- 37 People's Housing Process (14)
- 38 Savings Linked Subsidies (13)
- 39 Hostels Redevelopment Policy (12)
- 40 Development Implementation (11)
- 41 Sustainability (10)
- 42 Rural Housing (10)
- 43 Integrated Development (9)

- 44 Educational Capacity Building (8)
- 45 Urban Housing and Densification (6)
- 46 Women in Housing (4)
- 47 Farm Workers Housing (2)
- 48 Blockages (2)

## **5.0 CLOSURE**

Mr Tobie Louw asked for written comments from the participants on how they see Province's role in housing provision and where the focus of the Provincial Housing Plan should be. Mr Bishop thanked everyone for their presence and their input.

## Annexure B:

### Workshop held with Local Authority Housing Representatives Civic Centre, Worcester, 18 June 2001

<b>PRESENT:</b>	Mr C. Swart	Boland District Municipality
	Mr P. Harzenberg	Boland District Municipality
	Mr S. Rabie	Boland District Municipality
	Mr M.H. Gxoyiya	Breede Valley Municipality
	Mr J.J.N. Kirsten	Breede Valley Municipality
	Mr R.K. Baadtjies	Breede Valley Municipality
	Mrs HJ Louw	Breede Valley Municipality
	Mr G.E. Greenhalgh	Breede Valley Municipality
	Mr N.E. Fonk	Breede Valley Municipality
	Mr K. Stuurman	Witzenberg Municipality
	Ms. P. Mrwetyana	Witzenberg Municipality
	Mr J.G.M. Wiese	Breede River Municipality
	Mr P.A. Bothman	Breede River Municipality
	Mr G.W. Viljoen	Cape Agulhas
	Mr R. Mitchell	Cape Agulhas
	Mr S.A. Visser	Laingsburg Municipality
	Mr D. Carolissen	Winelands District Council
	Mr K. Mrale	Drakenstein Municipality
	Mr D. Friedman	Drakenstein Municipality
	Mr R. Brand	Drakenstein Municipality
	Mr S.C. Arendse	Swartland Municipality
	Mr K. Ford	Stellenbosch Municipality
	Mr P. Jantjies	Cederberg Municipality
	Mr J. Pijpers	Cederberg Municipality
	Mr G. Leo	Bergriver Municipality
	Mr M. Victor	Saldanha Bay Municipality
	Mr J. Veldsman	Saldanha Bay Municipality
	Mr D.J. Adonis	Theewaterskloof Municipality
	Mr B. Tshabe	Theewaterskloof Municipality
	Mr J. Brinkhuis	Theewaterskloof Municipality
	Mr S. Beyers	Theewaterskloof Municipality
	Mr Y. Witbooi	Theewaterskloof Municipality
	Mr B. von Diring	Overstrand Municipality
	Mr R. Williams	Overstrand Municipality
	Mr A. Engelbrech	EVERITE
	Min. Herandien	Minister of Housing, Western Cape
	Mr S. Bedderson	PAWC: Director Housing Management
	Mr R. Cronwright	Western Cape Housing Consortium
	Mr N. van der Westhuizen	Western Cape Housing Consortium
	Ms S. van Zyl	Western Cape Housing Consortium
<b>APOLOGIES:</b>	Ms S. de Gois	Drakenstein Municipality
	Ms M.C.E. Aggenbach	Breede Valley Municipality

### 1.0 WELCOME

Mr Seymour Bedderson welcomed everyone present to the consultation workshop and explained that the purpose of the workshop was to discuss the issues identified in the previous consultations with the Category B and C municipalities, as well as the key issues identified in the situational analysis and to workshop the proposed strategies.

## **2.0 OPENING ADDRESS**

Minister Herandien addressed the meeting.

## **3.0 PRESENTATION: AIMS, OBJECTIVES, ETC.**

3.1 Mr R. Cronwright presented an overview of the aims, objectives, process, current status and programme of the study.

### **3.2 *Questions / Issues Raised***

The following questions and issues pertaining to the situational analysis were raised:

- The role of a District Municipality in terms of Article 84 of the Municipal Structures Act was discussed and it was decided that the role has not been clarified fully.
- Definition of a Greenfield site
- A contradiction was noted between the option for municipalities to apply for accreditation and to serve as developer, in terms of new Procurement Policy.
- What income group is "destitute", is it below R800 or R1 200 per month per family?
- Should local housing plans wait for the completion of the Provincial Housing Plan?

## **4.0 PRESENTATION: NOVEMBER 2000 MUNICIPAL CONSULTATION**

4.1 Mr N van der Westhuizen presented the issues identified by the Category B and C municipalities during the first consultation process.

### **4.2 *Questions / Issues Raised***

There was a request that the CMIP provincial representatives also attend the second round of consultation Housing meetings to help facilitate integration.

Mr Bedderson replied that the IDP should be used as a tool to reflect all sectoral needs.

## **5.0 SMALL GROUP DISCUSSION ON STRATEGIC OPTIONS**

The meeting separated into four groups to discuss the following four topics:

### **5.1 *Topic 1: Municipal Housing Roles***

Housing is a Category B Municipality function (from all groups).

Reasons:

- To minimise red tape
- Projects have always been managed by municipalities
- Closer to beneficiaries
- Covers biggest area
- Existing capacity, human resources and infrastructure
- B Municipality responsible to deliver in terms of Housing Act.
- IDP is implemented at Category B level

- B Municipality responsible for urban and rural delivery in conjunction and consultation with C Municipality.
- The C Municipality has no role in housing.
- Financing should go directly to B Municipalities if they have the capacity and knowledge
- C Municipalities can provide bulk services
- All housing staff should be transferred to the B Municipalities.
- Performance management by officials and councillors

Capacity building requirements:

- Consolidate and co-ordinate existing housing structures (Revenue, Engineering, Planning, etc.) into one structure
- Province to assist in the development of capacity, especially financially
- There is a need for a capacity building specialist
- Acknowledge the housing practitioner as a "profession"
- Lack of capacity in terms of staff and knowledge / experience of providing housing.
- Additional capacity required in the form of a body/committee/board to monitor/evaluate and control delivery interim of performance standards.

## 5.2 **Topic 2: Suitability of Housing Needs Questionnaire**

Measures of accommodation should incorporate:

- IDT stands, etc.
- Overcrowding
- Backyard shacks
- Formalised informal areas (approved transit camps vs. squatting)
- Distinction between structures on formal and informal plots
- Provision to be made for rural accommodation as well

Measures of services should also include:

- Electricity
- Access to area (emergency services, fire, etc.)
- Water provision should have a 4<sup>th</sup> category for "other" i.e. bore hole, well, etc.
- Sanitation provision should have a 4<sup>th</sup> category for central or shared facilities e.g. ablution block

Additions/improvements to the questionnaire:

- There is no provision on the forms for identifying local residents - rating system.
- It should be revised yearly

## 5.3 **Topic 3: Allocation of Provincial Subsidies and Prioritisation**

(i) Criteria to be used to allocate Provincial subsidies between municipalities:

- Housing need / Actual need
- Waiting list
- Means test
- Population eligible
- Agree with current criteria
- Additional contribution from local authority
- Civil obedience and sweat equity (historical record of payments)
- Savings and private sector contributions locally (PPP)
- Gender equity: head of households
- Growth node
- Historical funding
- Success in dealing with current housing projects

- An IDP and a housing plan must be in place on the local level
- Funds must be made available for "desperate needs" (e.g. fires, evictions)

(ii) Allocation of funding:

Allocate to B Municipality directly (most groups)

Province should allocate directly to all municipalities in proportion to requirements.

#### **5.4 Topic 4: Appropriate Delivery Programmes**

*Residents of informal settlements:*

- Evaluate actual need - permanent residence vs. migrant labour;
- Site and services, progressive realisation of shelter, (option A)
- Serviced sites (including foundations and toilets)
- Rapid land release

*Residents of backyard shacks:*

- Evaluate actual need;
- Provide rental stock, site and services and RDP units, (option B)
- Rental housing
- Develop sites and provide basic services

*Shack residents on serviced sites:*

- Evaluate need;
- Provide units
- Full subsidy houses

*Overcrowding in formal housing:*

- Options A & B
- Phased planning (core)

*Public rental stock tenants:*

- Options A & B
- Site and services

*Farm workers:*

- Option A
- provide hamlets
- provide seasonal rental housing stock to farmer (levy, discount < R 1000)
- Creation, upgrading and maintenance of rental stock
- Rental stock on agricultural land
- Encourage farmers to team-up with local authorities to develop farm villages

Delivery programmes for households earning less than R1000/month:

- Rental stock (most groups)
- for nil to R1 000/1 500

General issues:

- Rental stock: Local Authorities cannot afford free houses/services - promote rental stock
- Beneficiaries should be given more options in terms of, for instance quality
- All towns outside the Unicity should be regarded as rural in nature
- The Western Cape's standard of services is hopelessly high
- The level of service must be affordable to the consumer

#### **6.0 CLOSURE**

Mr Bedderson closed the meeting and thanked everyone for taking part in the workshop.

## Annexure C:

### Workshop with Local Authorities in the Southern Cape 20 June 2001, George

<b>PRESENT:</b>	JE Philips	Beaufort West Municipality
	M Matunzi	Beaufort West Municipality
	D Ndongo	Beaufort West Municipality
	WJ Smit	George Municipality
	SJ Bezuidenhout	George Municipality
	PH de Swardt	George Municipality
	KS Feni	George Municipality
	L Fernold	George Municipality
	Q Simons	George Municipality
	PN Nyuka	George Municipality
	MA de Beer	George Municipality
	D Harker	George Municipality
	Y van Heerden	George Municipality
	A Bekker	Oudtshoorn Municipality
	C van der Mess	Oudtshoorn Municipality
	J Jansen	Oudtshoorn Municipality
	P Luyters	Oudtshoorn Municipality
	J Smalle	Oudtshoorn Municipality
	RD Stemmet	PAWC: Dept. of Housing
	K Langeveld	PAWC: Dept. of Housing
	BJS Hannes	George Municipality: Councillor
	P Mbebe	Mosselbay
	E Lingani	Mosselbay
	Mr R. Cronwright	Western Cape Housing Consortium
	N van der westhuizen	Western Cape Housing Consortium
	S Beddeson	PAWC: Dept. of Housing

#### 1.0 OPENING

Mr Seymour Bedderson welcomed everyone and gave a brief introduction to the Provincial Housing Plan.

#### 2.0 PRESENTATION: SITUATIONAL ANALYSIS

2.1 Mr R. Cronwright gave a presentation of the situational analysis phase of the study, focussing on the key issues identified.

#### 2.2 *Questions / Issues Raised*

- Would the pre-emptive right (sell back to PAWC) not conflict with market forces?
- Who will be responsible for ensuring sales back to PAWC?
- Unfunded mandate of Local Authorities: there is a conflict between legislation and constitutional responsibility of local authority regarding housing
- Who should fund trading services?

- If trading services were taken out of the subsidy, a larger share will be available for top structures.
- Impact of the NBHRC on community contractors, the maintenance responsibility of contractors given the low cost of construction and what are the opportunity cost advantages.

### **3.0 PRESENTATION: NOVEMBER 2000 MUNICIPAL CONSULTATION**

**3.1** Mr N van der Westhuizen presented the issues identified by the Category B and C municipalities during the first consultation process.

#### **3.2 Questions / Issues Raised**

- What is the relationship between B and C Municipalities regarding housing?
- How can a Local Authority be accredited and also be a developer - would there not be a conflict of interest?
- Definition of rural and urban was discussed.
- Should B or C Municipalities determine local housing priorities?
- How will housing funds be channelled? Directly to the Local Authority?
- Define desperate needs
- Should the emphasis be more on quality or quantity in the housing delivery process?
- Require a concerted effort regarding revenue recovery

### **4.0 SMALL GROUP DISCUSSION ON STRATEGIC OPTIONS**

The meeting separated into four groups to discuss the following four topics:

#### **4.1 Topic 1: Municipal Housing Roles**

Housing is a Category B Municipality function (most groups)

Category Bs should do the needs assessments, and both Bs and Cs act as the developers

All municipalities must be responsible for delivery

Reasons:

- Project Management is best done at ground level
- Local government is the actual developer.
- Local Government should take responsibility because they are closer to the people, housing is linked to water and sewage delivery.
- The people knowledgeable about housing are at the Category B level.

Capacity building requirements:

- Funding
- skills development
- consultative process
- project management
- cash flow management
- community participation skills
- housing business plan skills
- PRO skills
- Education about home ownership
- Training community leaders
- Quality control
- Community Saving Association: Book keeping etc.



C Municipalities should take responsibility for bulk services

#### **4.2 Topic 2: Suitability of Housing Needs Questionnaire**

The measures of accommodation are insufficient (most groups) and should also include the following:

- Dwellings for senior citizens, single people and the disabled
- Serviced sites for shack dwellers
- Dwellings for HIV orphans
- The appropriate measures will differ from town to town
- It is difficult to know where backyard shacks are (4.2)
- Rental stock
- Social housing process
- Site and service programmes
- Overcrowding
- Backyard shacks
- Informal squatter areas
- Homes for the physically challenged
- Retirement villages

Measures of services should also include:

- Stormwater and sanitation
- Electricity
- Running water: 200m / inside home

Additions/improvements to the questionnaire:

- The questionnaire should identify desperate needs
- Number of AIDS orphans
- The questionnaire should be redesigned and simplified

The housing needs questionnaire is sufficient as it is (one group).

#### **4.3 Topic 3: Allocation of Provincial Subsidies and Prioritisation**

(i) Criteria to be used to allocate Provincial subsidies between municipalities:

- Housing need: waiting lists as indication
- Census figures/population number should determine what percentage of money should be allocated where
- Priority should be given to locals: housing needs should be measured in terms of the number of people residing in an area for more than 5 years
- Previous performance of the municipality
- IDPs should be used as a measure
- Sustainability: application must indicate means of economic and spatial development, community education and development programmes in place for the area in need of housing
- Availability of land

(ii) Allocation of funding:

- Allocate to B Municipality directly
- B and C municipalities must receive resources/capacity from Province for their responsibilities, each municipality must be a developer
- Funding should be allocated directly from National level to municipalities

#### **4.4 Topic 4: Appropriate Delivery Programmes**

General Statements made:

- upgrade/improve the project linked delivery programme
- attention should be given to both greenfield and consolidation programmes
- a social housing programme of "rent to buy" should be implemented

*Residents of informal settlements: serviced sites*

*Residents of backyard shacks: move to serviced sites*

*Shack residents on serviced sites: Savings plan, workshop people about PHP, top-up subsidy*

*Overcrowding in formal housing: Rental housing on a 5 year plan*

*Public rental stock tenants: serviced sites*

*Farm workers: Social and economic opportunities, agri-village concept*

Definition of desperate needs:

- the destitute: people without a shack or a place to stay
- severe overcrowding
- no basic services
- no income
- AIDS orphans" need home/communal building setting with foster parents

Housing programmes for households earning below R1000/month: give people free water (6kl) and a full subsidy house

## **5.0 CLOSURE**

Mr Bedderson closed the meeting and thanked everyone for taking part in the workshop.

## **Annexure D:**

### **Private Sector Workshop, Milnerton Library, 27 June 2001 Organised by IHSA**

**PRESENT:** See attached list

#### **1.0 WELCOME**

The chair, Mr John Hopkins welcomed everyone present to the consultation workshop and explained that the purpose of the workshop was to introduce the Provincial Housing Plan to the private sector and to report on the progress made so far.

#### **2.0 OPENING ADDRESS**

Minister Cecil Herandien addressed the meeting.

#### **3.0 INTRODUCTION**

Mr Seymour Bedderson explained the purpose of the Western Cape Housing Plan and introduced the consortium responsible for the plan.

#### **3.0 PRESENTATION: AIMS, OBJECTIVES, ETC.**

##### **3.1** Mr Ashraf Adam of the Western Cape Housing Consortium presented an overview of the key housing issues identified during the situational analysis and the strategies proposed.

##### **3.2** *Questions / Issues Raised*

The following questions and issues were raised:

###### *Homeownership:*

- Not everyone can or want to be homeowners. Many beneficiaries do not want to sign for their houses because they do not want to get their own insurance
- Reselling and leasing of subsidy houses. Many are unaware of the commodity value of the house and are alienating them at less than their actual value.  
New regulations will prevent subsidy beneficiaries from selling their houses to anyone but the government. The Department will in future have little sympathy for people who do not want to take transfer of their homes, these houses should go to others.
- Do you know that the subsidy houses being build cannot be insured because of building standards and the low value of the houses.  
It is now possible to negotiate a package which includes the house and contents.
- One of the reasons why double storey houses are unpopular with beneficiaries is that they often think that they will not be able to build extensions to a double storey house, and since they do not expect to be able to sell their houses in future, they prefer the one house per plot option.

###### *Rental Housing:*

It was agreed that there is a need for a rental housing policy to accommodate those who do not wish or who cannot afford to own their own houses.

*Questions/Issues relating to the Provincial Housing Planning process:*

- There was a concern that the new councils at local authority level will not accept the new housing plan because they were not involved in the initial discussions. Future invitations to meetings should be broader to include the councillors.
- The source of the statistics on female headed households and other statistics was questioned.
- The extent to which local communities are involved in this planning process

*Blockages/Problems experienced by members of the private sector:*

- It is difficult to get information from the metropolitan local authorities. Officials generally they send people to the Unicity for further information. The Unicity is busy restructuring and it will take some time before the process is complete, as a result there will be some uncertainty regarding the flow of information.
- It is difficult to make contact with the Department of Housing or get any information from the Department.
- Members of the private sector have difficulties to obtain indications of the status of housing projects from officials.
- What are the timeframes for this plan?
- How will housing prioritisation be determined?  
The New procurement policy is now in place, but currently only applies to greenfield projects. The budget is, however, tied up with previous projects at the moment because to spend the entire budget it is necessary to over-commit. In future, once the budget is unencumbered, local authorities will prioritise their own needs, not the Province, and this prioritisation will be done in terms of the IDPs.
- Allocation policy: How strict are the waiting lists enforced? Gatekeeping happens by (people claiming to be?) community representatives there is a disjuncture between the official process and the what is actually happening.

*Densification:*

A paradigm shift is required that will get all role players in housing to attempt different forms of housing. Lessons must be learnt from the problems in areas such as Manenberg, where high density housing was not successful because, among other reasons, facilities were not provided to meet the demand.

*Empowerment and Job Creation:*

- The Department has a responsibility for job creation in the housing delivery process
- There is a dominance of white-owned companies in housing construction: empowerment must be taken seriously by the Housing Department.

*Suggestions made:*

- Can a special tax not be implemented to provide for housing
- A study on migration will be completed by early next year, the preliminary findings are available from the research team (contact: Prof. Simon Bekker)
- There is a need for an audit of land available for housing.  
The CMC Administration has done a land audit for the metropolitan area. The audience was also requested to comment on the green paper for land management in the Province.
- Integrated development must happen with other government departments, as some departments have surpluses
- The financial sustainability of the subsidy was questioned - the suggestion was made that it is time to move away from the subsidy system

- Need for innovative, alternative housing models

## CLOSURE

Mr John Hopkins closed the meeting and thanked everyone for taking part in the workshop.

### Attendance Register:

Company	Name
Helderberg Administration	Hans Degenaar
Cape Town Administration	Roger Carney
ASLA DEVCO	D Kok
Hindle Investment Holdings	C Christians
Hindle Investment Holdings	E Miller
Hindle Investment Holdings	JM Adams
Hindle Investment Holdings	?
	B Tait
South Peninsula Administration	L Thomas
Garden Cities	J. White
	NA Ranch
Nomyo Consub Africa	Cobus Louw
Terraplan	Martin Klopper
BKS	Pierre Hugo
Urban Problems Research Unit	Kathryn Lefko-Everett
Univ. Stellenbosch	Simon Bekker
Univ. Stellenbosch	Pieter Cloete
Stellenbosch Municipality	L. van Staten
K&T Consulting Engineers	B. Ntuli
	Bill Hill
CND	Simon Nicks
Saldanha Municipality	Gary Jarres
Saldanha Municipality	Johan Veldsman
Cape Brick	Anthony Grave
Cape Town Administration	Moegsien Hendricks
	?
Swartland Municipality	A Johnson
PAWC: Housing	S Pentz
	W. Samuels
Corobrick	RS Taylor
Corobrick	BD Edwards
NECCO	A Moos
Biz Blocks	C. Greenwood
Julies Trans	F Julies
SACOSBE	S Bayal
Taylor Van Rensburg	C. Heys
Mairol Projects	G. Atsell
Noil Will Caye	Rite Brilk
HHO	Charl Avanah
Iep	R van Rensburg
MCA	Ashraf Adam
MCA	Sjani van Zyl
BCD	C Maasdorp
	I van Wyk
Communicare	KS O'Meara
Breede Valley Municipality	GE Greenhalgh
TV3	T. Walters
Peninsula Construction	S Hofmeyer
JP Robinson & Associates	JP Robinson
M5	A Williams
V3	L Steward
PPC	Roy Hendricks
PPC	B Alropa
IHSA	I Anthony
IHSA	M Penberthy

## **Annexure D:**

### **Notes of the Civil Society Workshop, Organised by DAG Community House, Salt River, 11 July 2001**

**Attendance:** see attached attendance register

#### **1.0 WELCOME**

The chair, Mr Madoda Cuphe from the Development Action Group welcomed everyone present.

#### **2.0 OPENING ADDRESS**

Ms Charlotte Lamohr (PAWC: Director Housing Management) explained that the purpose of the workshop was to introduce the Provincial Housing Plan to the non-governmental sector and to report on the progress made so far. She stressed the importance of the input of the NGO sector.

#### **3.0 PRESENTATION: AIMS, OBJECTIVES, ETC.**

**3.1** Mr Tobie Louw of the Western Cape Housing Consortium presented an overview of the key housing issues identified during the situational analysis and the strategies proposed.

#### **3.2 Questions / Issues Raised**

New National Procurement Policy:

- What happens in areas where the IDP is not in place?
- Does this mean that the new procurement policy is giving priority to greenfields projects?
- What would the role of local authorities be?
- Is the budget allocation defined to the national allocation or does the Western Cape make additional funding available - they should if housing is a priority.

People's Housing Process:

- People's Dialogue has problems with the existing savings programmes. The programmes that are underway give benefit to the better off and not the destitute or those most in need of housing.

#### **4.0 PRESENTATION: THE CAPACITY AND CONSTRAINTS OF NGOs AND CBOs**

**4.1** Mr Warren Smit of the Development Action Group presented an overview of the capacity and constraints of NGOs and CBOs in the housing sector in the Western Cape.

#### **4.2 Questions / Issues Raised**

- NGOs need to sort out problems with co-ordination between them. The suggestion was made that NGOs formally form consortiums when they work together on a project.
- If the Province are serious about being proactive they should be clear on responsibilities, for instance, who is responsible for "preliminarily allowing" people to stay in a certain area?; who is responsible for providing services to them? and, who is responsible for moving these people somewhere else after five years, when they

- have started to assume they can stay where they are and invested in their dwellings?
- It is taking 2 years to draw up this housing plan, but who will ensure that it gets implemented? In the meanwhile the poor are suffering.
  - There is a communication problem between the Housing Department and the housing beneficiaries. Some groups jump the list and others wait without getting housing. Priority is being given to informal settlements, but this leads to further illegal occupation of land.
  - There is a lack of information on how local authorities give out title deeds, it takes long and the path to follow is not clear.
  - There does not seem to be any process in place to deal with the housing backlog in rural areas, it seems like the rural areas are being cut out of the process. It is important that Province deals with the disparity between rural and urban areas and make money available for housing in the rural areas. IDPs focus on towns and are very vague where it comes to rural needs, therefore the concern that rural housing problems will not be taken into account.
  - PAWC is looking for partnerships in the release of land.
  - Ringfencing of subsidies for the People's Housing Process is happening, but the People's Housing Process needs to be geared up as the money has not been used in the past. We need more capacity.
  - The NGO sector is very diverse and there is a need for co-ordination. The NGOs representing street people have not been part of the housing process and want to find out where they fit in. A cross-sector workshop between NGOs was suggested.
  - Many of the street people in urban areas are rural people who moved to the city looking for work.
  - What happens to someone who owned a house before but then lost their job and their house: such a person will not be eligible for a subsidy according to current legislation.
  - The following blockages were identified in the housing delivery process: the Deeds Office, the Surveyor General's office, planning approvals and the requirements of the environmental act.
  - A problem was raised that certain developers are using the institutional subsidies (for the maximum amount) to build houses for people earning more than R2 500/month. The emphasis on this target group is not appropriate in terms of need.
  - How will this plan deal with the issue of NIMBYism, where the local community would not allow low income housing in their areas. It is a political issue because councillors are elected by the local communities and will therefore not support low-income housing in their areas. Does Province have the right to overrule such decisions, could the new procurement policy not allow for such a right, otherwise it will be impossible to make infill development work.
  - The subsidies must pay for the planning processes, so if the process is extended because of the reluctance of local communities to allow low-income housing, housing delivery becomes unaffordable in terms of the subsidy.
  - The IDPs are an important element of the process because community participation forms part of this process, but more resources would, however, be required to include more and better community participation in the housing process.
  - How will this plan deal with the release of land in the current situation where there is not enough land available for housing. Answer: this plan can only provide a guideline to the local authorities.
  - How will the plan deal with the quality vs. quantity issue? Answer: The plan could for instance ensure that the prioritisation questionnaire includes questions relating to quality. The best way to improve housing quality is probably to ensure that a greater variety of housing types are available, issues relating to environmental and social

- quality should really be dealt with in the IDP.
- The poor conditions in the housing environments created in the subsidised housing process must be addressed.
- There must be more continuity in the process, once a house has been supplied, many recipients need education regarding home ownership.
- The special/vulnerable groups category must be expanded to include street people, and others without any form of shelter such as rural people who moved to the urban areas.
- There is infrastructure and housing available in rural towns, and many people would like to stay in the rural areas , but this is not being taken into account. A balance must be created between the rural and urban areas.
- The housing delivery programmes must look at different types of products and different tenure options.
- The problem is that many people are not ready to own a house.
- The need and the product must be balanced: the customers often get houses that do not satisfy their needs.
- The plan must keep people from selling their houses.

Mr Louw concluded the discussion by saying that this is a provincial plan and the detail must be attended to by the local authorities. The provincial plan must allude to the problems and give guidance for local authorities to expand on.

## **5.0 SMALL GROUP DISCUSSIONS ON STRATEGY OPTIONS**

The group divided into smaller groups to discuss five different topics.

### **5.1 *Determining and prioritising housing needs***

*Question 1: Are there any other categories of housing need that need to be addressed by the Provincial Housing Plan?*

There are two broad categories of housing need:

3. The indigent:
  - Unemployed people
  - People who rely on state grants
  - Employed people with low incomes
4. Crisis situations (which should be prioritised for funding allocation):
  - Evictions/displacements
    - Community
    - Individuals (e.g. AIDS victims)
  - Health hazards
  - Natural disasters

Then there are different categories of special cases, which also fall under both the above-mentioned broad categories, but which may require specific programmes to address:

- Street people
- Women-headed households
- Elderly
- Orphans
- Farm workers
- People with special needs (e.g. AIDS and other chronic illnesses)
- Refugees
- New urban migrants
- Migrant workers



- Single people

*Question 2: Given the overwhelming demand for housing how can different housing needs be prioritised? How can the provincial housing needs questionnaire be improved?*

- The questionnaire should be linked to the special cases listed above, asking a breakdown in numbers
- If the IDP is implemented properly this would not be a problem, as information on various special housing needs would be available.
- It should show breakdown of size of households
- Should also break down income, and also include higher income groups above R3500 p.m.
- Should reflect gender of head of household
- Should reflect cultural identity, in order to ensure fairness in allocation procedures and to facilitate integration

*Question 3: Are there new mechanisms that need to be developed to address certain categories of housing need that are currently not being addressed?*

- Integration with welfare policies and programmes, as many of the special needs categories are welfare issues (and welfare subsidies often exist for ongoing costs but there are no subsidies for the capital cost of providing the physical buildings of care facilities)
- Create wider opportunities for women and those with special needs to participate in the housing development process
- Legislative mechanism specific for housing to prevent unfair discrimination in terms of access to housing
- Housing subsidies should be able to be used for cluster housing for special needs decentralised/home based care (example of policy for use of institutional subsidies for this in KwaZulu-Natal)
- Housing subsidies should be able to be used for facilities for institutional care (example of policy for use of institutional subsidies for this in KwaZulu-Natal)
- Housing subsidies should be able to be used for provision of short term rental / second phase accommodation, e.g. for rehabilitated street people requiring accommodation for a few months (example of use of institutional subsidies for providing short-term rental accommodation for migrant street traders in KwaZulu-Natal)

*Question 4: Are there, in general, any other important issues (apart from the current list of 14 key issues) that need to be addressed by the Provincial Housing Plan?*

- Province should deal with division of housing functions between district and local municipalities as DPLG is only dealing with functions originally assigned to local authorities and is not addressing housing functions at all
- Grant co-ordination, e.g. of Department of Housing and Department of Land Affairs grants
- More reference should be made to international agreements and standards
- Greater co-ordination of policies required, i.e. housing policy and other development-related policies
- Training of officials on housing issues is essential, including training for police and magistrates, who have to deal with issues such as evictions
- Capacity of communities needs to be built, and funds should be specifically allocated for community capacity building

## **5.2 Interaction of civil society with provincial and local government with regard to**

### **housing delivery**

*Question 1: In the light of the above, how can civil society engage with provincial housing department and local government in decision making on housing delivery and the development of human settlements?*

- Civil society organisations should have representation in key decision-making structures (PHDB, PHD, etc.)
- Civil society organisations to inter-act in an organised manner with councils and officials
- There needs to be a greater co-ordination of grassroots CBOs so that they have a collective, unified voice.
- Civil society organisations to have an active role in the IDP, budgetary processes, etc.

*Question 2: How can the provincial housing department promote the role of NGOs/community organisations in housing delivery?*

- It is crucial for the Department of Housing/local authorities to recognise the existence of grassroots housing association and CBOs
- The Department and local government must allocate resources for CBO capacity to act as a collective in the local areas.
- PHDB needs restructuring so that it can deal more effectively with community issues and needs
- The capacity of government structures to interact directly with communities need to be improved.
- Civil society organisations to provide a framework for government on how the private sector can be made more participatory in their housing delivery.

*Question 3: What role can civil society play in monitoring the implementation of the Provincial Housing Plan?*

- NGOs must not substitute the government's role in working with communities. NGOs must rather support the process of community - government interaction.
- Civil society organisations to develop effective strategies for implementation policy in support of low cost housing.

*Question 4: Are there, in general, any other important issues (apart from the current list of 14 key issues) that need to be addressed by the Provincial Housing Plan?*

Comments to the key issues:

- Devolution of Power: Increased liberalisation put more and more pressure on poor areas to take responsibility for their poverty
- Housing rights: give the community the opportunity to challenge the housing rights
- From "one size fits all" to a customer focus: how realistic is the implementation?!
- Integrated housing development: To include different income groups within one area of housing development
- Reducing dependencies and empowering communities: Globalisation? Privatisation? Less public spending? GEAR?

Additional key issues:

- Resource the plan for holistic, integrated implementation
- There is a trend to push the responsibility for housing to communities, rather clarify the role of the State.

### **5.3 Promoting the People's Housing Process**

- Setting up a Provincial mechanism/structure which consists of CBOs and NGOs to

- bring experiences and to assist in the co-ordination of the housing processes.
- NGOs and CBOs should be part and parcel of the drafting of a national housing policy.
- The housing budget must be increased as promised in the white paper
- Province and local authorities must have a land release strategy in place to avoid land invasion
- Local authorities must make money available to purchase land available,
- Local authorities must service the land
- Information about available land must be distributed
- The Provincial Housing Department/ local authorities should, through the IDP process, involve community projects in planning the development of different areas and in identifying needs
- Local authorities should empower community projects, work closely with them and support community project management to avoid private contractors invading projects
- Capacity building for local officials and provincial officials to:
  - Improve facilitation of projects
  - Reflect/evaluate the processes
  - Develop policy guidelines to issue title deeds and transfer of properties
- NGOs need money to organise and support housing delivery in communities
- NGOs need commitment from Province and Local Authorities to work with NGOs and CBOs to co-ordinate the housing delivery process
- The building standards set by the Province should be sensitive to the needs of the poor, e.g. the materials used are not SABS approved, but often help create local economic opportunities
- Province and local authorities need to develop a communication strategy with community projects.
- Province should monitor the local authorities in the way they release land because there is a tendency to give preference to private developers rather than PHP projects.

#### **5.4 Rural/farm worker housing**

*Question 1: How can the provincial housing department promote rural/farmworker housing?*

- Quality information dissemination for farmworkers specifically
- Making the environment conducive for participation at local level: decentralisation
- Needs assessment on existing options, e.g. on-farm / off farm settlements etc.
- Integration of policy implementation, clarifying the authorities' responsibilities eg. DLA or PHD
- Integration with the Rural Development Initiative (RDI)
- Redefining priority areas
- There must be better integration between the Departments of Housing and Land Affairs regarding settlement policy and land evictions
- An assessment must be done of the options available to farmworkers/dwellers.
- The farmworkers' needs must be determined, e.g. for a garden to cultivate.
- The local governments in the rural areas have limited capacity, there is a need for investment
- Security of tenure is an important issue in the rural areas.
- Servitudes must be created on farms for farmworker settlement
- Landbanking must be implemented

*Question 2: Are current housing subsidy mechanisms appropriate? If not, what form should appropriate subsidy mechanisms take?*

The current housing subsidy mechanisms are not appropriate and needs to be revised.

Reasons:

- It assumes a stable income which few farmworkers have
- Most women farmworkers are seasonal workers, therefore the current system discriminates against women, seasonal women farmworkers must be included.
- Single headed households fall in the same category
- The on-farm settlements vs. security of tenure imbalance is not appropriate
- Emergency shelter for farmworkers in case of evictions

*Question 3: What should the role of NGOs/CBOs be with regard to rural/farmworker housing provision?*

- Similar workshop for the farmworker/dweller coalition
- Monitoring and evaluating the local government in the delivery process
- Capacity building, research and information dissemination through local authority and government budgets
- Giving the bigger picture with information on housing linked to land information

*General comments to the presentation:*

- Clarify the order of priorities in the plan, what is meant by them?
- The rural need has been estimated at 5% - this is incorrect.

## **5.5 Mobilising housing finance**

*Question 1: How can the provincial housing department mobilise for national, provincial and local government funds for housing and other components of integrated development?*

- (i) Disbursement of subsidy
  - Government must set clear priorities around subsidy programmes
  - What requirements are set around projects in programme areas?
  - Government must clearly prioritise housing to the poorest of the poor - not based on political priorities
  - Community driven developments - communities must be educated on how systems work - simple rules & frameworks for implementation
  - Administrative inaccuracies must be addressed
  - Title deed costs must be paid out of the subsidies - consolidation subsidy
  - Finishes required erode the subsidy
- (ii) Bridge finance subsidy
  - Organisations providing bridging finance should be encouraged by:
    - Government honouring their agreements
    - Agree to repay subsidies
    - Agree on timing
    - Number of subsidies allocated per annum
- (iii) Income:
  - Informal nature of income - unstable
  - Greater than R1500 - low/no subsidy
  - No loans - banks

*Question 2: How can the savings contribution of beneficiaries be promoted?*

- (i) Government must recognise/encourage savings:
  - Regular, small savings
  - Build on group savings models/culture
  - Build regular savings - productive, emergency purposes

- Trends must be acknowledged
- (ii) Government must promote group savings
  - Campaigns
  - Examples of impact of savings
- (iii) Enabling environment for savings mobilisation
- (iv) Subsidies, savings and loans must not be spent on developers and consultants
- (v) The models developed by NGOs and CBOs must be supported
  - Bridging finance
  - Support to savings mobilisation
  - Loan models
  - Funding
- (vi) Savings groups must be supported
  - Which banks are easier to use
  - Subsidise service fees, interest rates
  - Book based savings
  - Encourage savings vs. loans
  - No minimum deposit amounts
- (vii) Forms of savings to be encouraged
  - Cash
  - Sweat equity
  - Material
  - Labour

*Question 3: What role can the provincial housing department play with regard to increasing access of low-income households to appropriate housing credit from banks, micro-lenders, etc?*

- Bank loans / bonds not appropriate
- Government and private sector support to NGOs and CBOs
- Community re-investment for all private sector organisations to development initiatives
- NGOs greater knowledge / control over subsidy flow - manage credit / savings processes

## 6.0 CLOSURE

Mr Madoda Cuphe closed the meeting and thanked everyone for taking part in the workshop.

<b>PRESENT</b>	Ashraf Mohamed	Legal Resources Centre
	Angus Isaacs	Surplus People Project
	Anthea Billy	Legal Resources Centre
	Sidney Khumalo	NADEL Human Rights, Research & Advocacy Project
	Mzukisi Zikwali	South African Homeless People's Federation
	V. Saldanha	Legal Resources Centre
	S. Makabeni	Legal Resources Centre
	T. Louw	AFRICON
	S. Van Zyl	MCA
	C. Lamohr	PAWC: Director Housing Management
	Z. Paulse	PAWC: Housing Management
	B. Van Zyl	BvZ
	T. Msabeni	Foundation for Contemporary Research
	Heinrich Stoffels	Ocean View Development Trust
	Omar Slarmie	Ocean View Development Trust
	Ruth Hall	Centre for Rural Legal Studies
	Patricia Mabuda	Masizakhe KTC

Yvonne Ngoma	Gugulethu Backyard Association (GUBA)
Yoliswa Matthews	DAG
Dawn Malotane	Community Action for Street People
Nondibawo Mdyidwa	People's Housing Network Forum
Joe Dyasi	Southern Cape Land Committee
T.P. Smile	SANCO
Benita Loff	The Haven Night Shelter Organisation
Preeya Ramjee	The Housing Consumer Protection Trust
Jaap De Visser	Community Law Centre
Ashley Loesch	Foundation for Contemporary Research
Trevor Edwards	Ocean View Development Trust & PHPT
C. Glover	People's Dialogue
M. Hoffmann	People's Dialogue
Karin Kleinbooi	Centre for Rural Legal Studies
Rose Horne	Women on Farms Project
Michael Prinsloo	The Carpentry Shop
Warren Smit	DAG
Madoda Cuphe	DAG
Mzwabantu Pongolo	DAG
Shamil Manie	DAG
Anthea Houston	DAG
Olivia van Rooyen	The Kuyasa Fund
Nontando Ntliziywana	People's Housing Network Forum
Tembisa Soga	South African Homeless People's Federation
Jacobus Davidson	Southern Cape Land Committee
Cwayi Joyce	South African Homeless People's Federation
N. Qumza	South African Homeless People's Federation
Sue Custers	DAG

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