

Does housing size matter? The politics and realities of housing size

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Abstract

The article examines the emphasis on housing size in the application of housing policy in South Africa and, more specifically, in the Free State Province. This evaluation of housing size in the Free State is conducted against the background of the ideological debate on housing in South Africa. It is argued that, despite pressure on an increase in the housing size in the Free State, the approach has also had negative implications which need to be assessed in more detail. The specific impact of this emphasis on larger housing units has been the fact that the level of services has been neglected, upgrading of informal settlements did not take place, and housing-subsidy allocations followed the availability of stands. In the process, it neglected growing urban areas, increased the pressure on larger municipalities to spend resources on housing, contributed to the problem of horizontal equity, and emphasised the pre-selection of beneficiaries which excluded private-sector finance and ultimately resulted in a slowing down of delivery. The article concludes by arguing that the essential problem relates to the fact that communities cannot make decisions in respect of their housing size and the variety of settlement-related funds which exist.

MAAK DIE GROOTTE VAN HUISE SAAK? DIE POLITIEK EN REALITEITE VAN DIE GROOTTE VAN HUISE

Die artikel ondersoek die klem op huisgrootte in die wyse waarop die behuisingsbeleid in Suid-Afrika en in die besonder die Vrystaatprovinsie toegepas word. Hierdie evaluering van huisgrootte in die Vrystaat word teen die agtergrond van die ideologiese gelaaiete behuisingsdebat in Suid-Afrika gedoen. Daar word aangevoer dat die benadering, ten spyte van 'n toename in huisgrootte in die Vrystaat, negatiewe implikasies gehad het wat in groter besonderhede oorweeg moet word. Die besondere invloed van klem op groter huise was die feit dat diensvlakke verwaarloos is, die opgradering van informele nedersettings nie plaasgevind het nie en toewysings vir huissubsidies op die beskikbaarheid van standplase gevolg het. In die proses is groeiende stedelike gebiede verwaarloos; die druk op groter munisipaliteite om hulpbronne aan behuising te bestee, is vergroot; dit het tot horisontale billikheid as vraagstuk bygedra en het uiteindelik 'n verlangsame in dienslewering tot gevolg gehad. Die referaat sluit af deur aan te voer dat die wesenlike probleem verband hou met die feit dat gemeenskappe nie besluite oor die grootte van hulle huise en die verskeidenheid vestigingsfondse, wat beskikbaar is, kan neem nie.

TOKOMANE ENA E LEKA HO HLAHLOBA TSHEBEDISO YA BOHOLO BA MATLO? TOKOMANENG YA MOLAO WA MATLO A BOHOLO BA TENG

Tokomane ena e leka ho hlahloba tshebediso ya boholo ba matlo tokomaneng ya molao wa matlo ya Afrika Borwa, haholoholo profenseng ya Free State. Tshaka-tshaka ena ya boholo ba matlo Free State e itshetlehile haholo ngangisanong tse teng ka boholo ba matlo Afrika Borwa. Le ha ho ntse ho ena le phehisano ka taba ena ya boholo ba matlo, Free State tsela e latetsweng e na le ditlamorao tse sa lokang. Ditlamorao tsa taba ena ebile hore boemo ba diitshetleho bo theohe, le ho nyollwa ha boemo ba bodulo bo sa ralwang le bona ha bo a etsuwa, le tijelete ya matlo e ne e abelwa feela batho ba seng ba ntse ba ena le diitsha tsa bodulo mme hona ho ile ha baka mathata kgolong ya metse ya ditloropo, ebile ya beha kगतello ho dimasepale tse kgolo ho sebedisa boholo ba diitshetleho bodulong feela, mme sena se kentse letshoho mathateng a tekatekano e bataletseng ya phumantsho ya matlo. Toboketso e ho diitshetleho seng di kgethilwe tse tlong ho una molemo mme hona to qhelela ka thoko mekgahlo ya diitshetleho ya poraefete, ebe nehelano ya matlo sechabeng e a theoha. Tokomane ena e qetella ka ho bontsha hore bothata bo boholo bo bakwa ke hore sechaba ha se sona se etsang diqeto hodima boholo ba matlo a bona, le ho se lekane ha kabo ya diitshetleho tsa kaho ya matlo e teng ha jwale.

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1. INTRODUCTION AND BACKGROUND

The basic principles of the South African housing policy were developed at the National Housing Forum (NHF) prior to the democratic transition of South Africa in 1994 (Tomlinson, 1998; Goodlad, 1996, MacKay, 1996). The policy developed during this phase can be described as a largely incremental (though in practice a complete product was delivered with very little emphasis on ongoing construction support), based on a once-off subsidy with an emphasis on ownership (acknowledging that the institutional subsidy provided for rental housing). There are some who categorise the nature of the policy as neo-liberal, and who argue that the policy proposals were dominated by business interest (Bond, 1999; Huchermeyer, 2001). Others argue that because of economic conservatism the policy lost its people-centred nature, relevance to the poor and reinforced apartheid spatial patterns (Laloo, 1999; Huchermeyer, 2001; Pottie, 2003). Contrary to this, some suggest that merely labelling the policy and practice as 'neo-liberal' would be somewhat simplistic (Gilbert, 2002; Marais, 2003b). In fact, the tension between the neo-liberal components and the more socialist aspects was noted extensively by Gilbert (2002). From the outset, this tension was visible in respect of the implementation of the housing policy. One fundamental part of this tension regards the size of houses. Politicians wanted to provide bigger housing units, while macro-economic realities and the emphasis on these realities made this difficult (Tomlinson, 1998). The first signs of the discrepancy between the available subsidy and the size of the house that could be built by means of the subsidy, emerged in 1994, when the late Mr Joe Slovo increased the subsidy size suggested by the NHF from R12 500 to R15 000 for households earning less than R800 per month. Subsequently, tension also arose when a number of Members of Executive Councils

(MECs) in provinces started to challenge the amount allocated for the subsidy (Adler & Oelofse, 1996). The Free State embarked on a policy entailing a minimum housing size of 40m². In South Africa, the first attempt to standardise the housing size came in 1999, when it was set at 30m² (Marais & Krige, 1999). The main motivations for standardising the housing size were, firstly, the desire to ensure that beneficiaries received a decent product, secondly, the assumption that businesses (developers) would make extraordinary profits, and thirdly, to obtain political gains in this regard. Both of these intentions seem noble; but they had a number of serious impacts, which should also be taken into account in the debate.

The purpose of this contribution, which is a review article based on a number of articles published during the last ten years (see Marais & Krige, 1997; 1999; 2000; Marais & Botha, 2001; Marais, 2001; 2002; 2003a; 2003b; Marais, Barnes & Schoeman, 2002), is to reflect on the impact of the minimum housing size in the Free State province. Against this background, the chapter is outlined as follows. In the first place, the article will reflect, in more detail, on the international and national policy guidelines that have shaped the South African housing policy. After this background has been considered, the article will focus on the impact of a minimum housing size with specific reference to the Free State Province. Thereafter, the impact of this approach will be considered by comparing the changes in the Free State housing landscape in terms of a comparison of the census data of 1996 and 2001. Attention will also be devoted to the following question: what would end-users prefer, as far as housing size and access to sanitation are concerned? Finally, a number of concluding comments will be made.

2. INTERNATIONAL AND NATIONAL POLICY GUIDELINES

As already noted, the South African housing policy is closely related to the political economy of the World Bank (neo-liberalism) and the World Bank's policy proposals of the early 1990s (Goodlad, 1996; Bond & Tait, 1997; Tomlinson, 1998; Pottie, 2003). Furthermore, both policy and practice have by some been labelled as economically conservative (Pottie, 2003). However, the South African policy

cannot simply be equated to that of the World Bank (Marais, 2003b). South Africa's housing policy is a mixture of international housing policy proposals and self-generated policy initiatives. As Gilbert (2002) argues, this is the result of the principle of 'scan globally; reinvent locally'. In terms of policy proposals, the influence of the World Bank can be seen, inter alia, in terms of the incremental nature of the policy, the emphasis on a once-off subsidy (as opposed to the interest rate of rental subsidies), the emphasis on ownership, and the assumption that spending on housing should take place within the limits of available public funding. The last mentioned have been identified by a number of researchers as problematic in redressing the spatial legacy of apartheid (Lalloo, 1999; Pottie, 2003). However, some fundamental differences exist (Marais, 2003b). For example, the World Bank's policy proposals of the mid-1990s suggest that only infrastructure and stands should be provided and that housing structures should not form part of any housing subsidies (Marais & Krige, 1999). The World Bank (1993) provides two reasons for advising that funds should be made available for stand and infrastructure development only. In the first place, the cost-benefit argument is forwarded. Set against the reality of great need, it is suggested that a larger number of people will be reached through the provision of the basic infrastructure, than would be the case if both the basic infrastructure and the housing infrastructure were provided. As part of this cost-benefit argument, it is suggested that the economic, health, and environmental impact of infrastructure entails considerably more than the housing structure. The second argument is that the role of government should be that of providing the residential environment, and that government should not provide housing, which most people can provide for themselves. There are two reasons for this. Firstly, the limited resources available do not always make it financially possible to provide housing. Secondly, it is suggested that it would be better not to create a situation that would lead to excessive dependence on the public sector. Furthermore, any emphasis on building standards and regulations is rejected by World Bank proposals. In other words, the emphasis on housing size is not in keeping with World Bank proposals.

It was against this background of the acceptance of a targeted subsidy that housing policy was developed in South Africa during the early 1990s. When the Government of National Unity, led by the African National Congress, came into power in April 1994, the fundamental components of housing policy had virtually already been developed by the NHF; and the *White Paper on Housing* was accepted late in 1994 (Goodlad, 1996; Tomlinson, 1998). The South African housing policy can be described, in essence, as an incremental policy aimed at housing the nation on a progressive basis by means of a targeted subsidy (Marais, 2003b). In addition there has been a specific emphasis on macroeconomic discipline — which for some was in direct conflict with the people-centred approach and the quest to address the spatial inequalities of apartheid (Lalloo, 1999; Pottie, 2003). The emphasis was on width (providing a large number of people with a small product) rather than on depth (providing a small number of people with a large product). The targeted subsidy system provided the largest subsidy to households with the lowest income. The higher the income, the smaller the subsidy became. Initially, households earning less than R800 per month received a subsidy of R15 000. Households earning between R2 500 and R3 500 received a subsidy of R5 000. The subsidy for the lowest income earners, currently defined as those with a monthly income of below R1 500 per month, has more than doubled since the initial subsidy guidelines were put into effect. Although government was initially hesitant to adjust the subsidy for inflation, this has lately been done and the current subsidies levels are on a par with inflation adjustments since 1994 (the amount adjusted with inflation is about R34 500 compared with the current subsidy of just over R35 000).

The implementation of the housing policy was the responsibility of the respective provinces. However, as early as 1994 Members of the Executive Council for Housing started to challenge the housing consensus that had been reached at the NHF (Adler & Oelofse, 1996). One of their arguments was that the housing product to be delivered by the subsidy would not provide decent housing, and amounted to nothing more than the provision of 'toilets in the field'

(Tomlinson, 1998). The Free State province went as far as developing its own *White Paper on housing* (Marais, 2003b). In essence, this White Paper emphasised that housing units of at least 40m² should be constructed. Although the Free State was forced to abandon the proposed White Paper, the principle of the 40m² housing size remained fundamental to the approach in the province. The result of this approach has been that the Free State, on average, has constructed the largest housing units in South Africa (Marais, 2003b). However, this noble achievement has also had some negative implications, which need to be analysed in more detail. It is to these impacts that the emphasis will now be shifted.

3. THE IMPACTS OF A MINIMUM HOUSING SIZE

The emphasis on housing size in the Free State has had seven major side effects, which will be discussed in more detail in this section.

3.1 Services were neglected

The *White Paper on a new housing policy and strategy for South Africa* and the *Housing Act of 1997* both advocate an integrated approach between the top structure and the infrastructure. The *White Paper on a new housing policy and strategy for South Africa* expresses this approach in the following words in its formulation of the national housing vision: 'Government strives for the establishment of viable, socially and economically integrated communities, situated in areas allowing convenient access to economic opportunities as well as health, educational, and social amenities, within which all of South Africa's people will have access on a progressive basis, to:

- a permanent residential structure with secure tenure, ensuring privacy and providing adequate protection against the elements; and
- portable water, adequate sanitary facilities including waste disposal and domestic electricity supply' (Republic of South Africa, 1994: 19).

Thus, the intention in respect of the housing subsidy was that a balance should be reached between infrastructure and the housing structure. The importance of service provision from the point of view of health and

the economy is well documented (Cubbit, 1995; Potter & Lloyd-Evans, 1998; Bond, 1999; World Health Organisation, 1999; UNCHS, 1996). Better access to water, sanitation facilities and electricity increases human health and life expectancy (Potter & Lloyd-Evans, 1998). Such access can also contribute to economic development (Bond, 1999). On the other hand, the lack thereof could have detrimental consequences for health and the economy. In the context of the South African policy debate, Huchzermeyer (2002) has noted that South African policy has emphasised individualised decision making at the expense of collective infrastructure and basic needs.

The emphasis on housing size in the Free State has had a negative influence on the level of sanitation provided, the emphasis being less visible in respect of other services in that many of the developments were conducted on already planned sites. As a result of the requirement stipulating the construction of housing units of 40m², the subsidy was used exclusively for the top structure. Only a limited amount of the subsidy, if any, was used for infrastructure and planning purposes. The consequence of this is that the Free State has provided the largest housing units in South Africa, but with the lowest levels of infrastructure (Marais, 2003a). Marais (2003a) indicated that 87.5% of the housing units in the Free State were 40m² or larger in size, compared to 28.5% in South Africa. In contrast, 45.5% of housing projects in the Free State were dependent on a bucket system or a pit latrine system, or had no form of sanitation. In this category, the figure for South Africa was 16.1%.

The following consequences are worth mentioning. Firstly, these low levels of infrastructure in the Free State compared with the rest of South Africa are especially problematic considering the HIV/AIDS pandemic. The question is: What are the indirect costs created for the Department of Health by such an approach? At the same time, Tomlinson (2001) also questions whether, considering the impact of HIV/AIDS, a functional household does still exist. He also argues that a total package of support and not a 'housing only' approach — as found in the Free State — should be implemented. Secondly, Marais (2002) also indicated that such a policy approach has certain gender implications and usually

impacts negatively on women. In the third place, the environmental impact of lower levels of sanitation should be considered (Marais & Botha, 2001). A logical way to address this problem would be to align housing allocations with infrastructure programmes. In fact, this approach reflects the intention of the Free State housing strategy. However, this has been extremely difficult to achieve in reality, as different funding sources have different criteria, as well as different implementers who do not necessarily wish to find common ground in respect of infrastructural objectives. Such an approach also raises questions relating to horizontal equity, which will be addressed later in the document.

3.2 No upgrading of informal settlements took place

Although the new policy direction in *Breaking New Ground* expressed the opinion that informal settlement upgrading should be addressed through community-based subsidies National Department of Housing, (2004), the history of housing subsidies suggested that the normal project subsidies were to be used. Historically, addressing urbanisation, and addressing the settlement needs of a growing number of people residing in informal settlements through the housing subsidy seem to be two fundamental requirements. In fact, the Millennium Development Goals specifically refer to the improvement of the lives of 10% of the population residing in slums. However, UN Habitat (2003) is quick to point out that the growth in slums will outstrip the improvement. Current research has shown the inappropriateness of project housing subsidies for informal settlement upgrading (Huchzermeyer, 2002; 2003). The most prominent points of concern have been that these subsidies focused too much on the houses while neglecting aspects related to the overall improvement of settlements, the inability of local governments to address concerns in respect of the other services, and also that these projects were based on a 'one-size-fits-all' approach. The evidence from the Free State confirms these findings, as the emphasis on housing size resulted in a lower level of services (see discussion above), as well as that informal settlement upgrading was virtually absent.

The urbanisation rate in the Free State is estimated at 71% and has increased considerably during the last 15 years. This increase is mainly owing to the urbanisation of farm workers to the nearest urban area (Hartwig, 2004). However, the upgrading of informal settlements by means of the housing subsidy has been virtually absent from the delivery of housing in the Free State since 1994. The requirements of the 40m² housing policy have played a fundamental role in this regard. In order to provide 40m² housing units, implementers of the housing subsidy sought out poor people who were residing on already-planned sites (without having received ownership). This meant that the full amount of the subsidy could be used for the top structure. Thus, although a number of factors have probably inhibited informal settlement upgrading, the emphasis on 40m² housing units made it extremely difficult to use the housing subsidy in the Free State to address the housing problem relating to informal settlements.

3.3 Spatial and regional implications

Although a number of factors influenced the location of subsidies, it also seems that the requirement of a minimum housing size has impacted on the location of housing delivery in the province. In the second place, this requirement has placed unjust pressure on the bigger urban areas in terms of delivery. Marais & Krige (2000) found that urban areas in which sites were available (as pointed out earlier), and where there was thus no need to use the housing subsidies for planning purposes, were favoured in the process. In the majority of cases, these areas were small towns. Two factors contributed to this. Firstly, although these small towns experienced high levels of population growth owing to urbanisation, the scale of this urbanisation per town was much smaller than was the case in the larger urban areas such as Bloemfontein and Welkom. Therefore, a number of sites were available. Secondly, an infrastructure grant from the Development Bank of Southern Africa provided well-planned sites in the Southern Free State after 1994. These sites were provided for free by the then District Council between 1994 and 1997 (Marais & Krige, 1997). However, the council had to repay the loan to the Bank. This

meant that the full housing subsidy could be used for the construction of the top structure. Whilst large-scale housing delivery took place in the small towns, limited delivery took place in the urban areas. Marais & Krige (2000) found that, by 1998, only 19% of housing delivery had taken place in the larger urban areas of the Free State, despite the fact that these larger urban areas have approximately 57% of the Free State's urban population. By 2002, there had been a steady increase in the delivery, to 32%, in the larger urban areas; but the percentage of delivery was still remarkably lower than the corresponding percentage of the urban population. The opposite held true in the case of small towns, where housing delivery, as a percentage of the total delivery, exceeded the percentage share of small towns in respect of the Free State's population.

3.4 Increased pressure on the resources of the larger urban areas

The initial low levels of housing delivery in the larger urban areas of the Free State should first be considered in more detail. Specific reference will be made to Welkom and Bloemfontein.

The scenario in Welkom was further complicated by a decision made by the original Welkom TLC, namely that no site development could take place without full services being provided as well. This decision resulted in conflict between the Welkom Transitional Local Council (later the Matjhabeng Local Municipality), provincial structures, and community-based organisations (Marais & Wessels, 2005). It also led to low levels of delivery, as it was impossible to provide a 40m² house as well as full services with the available subsidy. The only way out was to request individuals to pay a deposit, by means of which the land could be serviced. This deposit approach should not be confused with the attempt by government to introduce a compulsory savings scheme in 2002. Yet, this deposit approach was accepted in Welkom because government accepted the R2479 deposit scheme. However, this resulted in objections being raised by a community-based organisation, owing to the fact that poor people could not access housing subsidies, since they had no savings to contribute. Although a savings route

could potentially increase ownership, it could also be a potential mechanism of exclusion — as was pointed out by the community-based group in the case of Welkom (Marais & Wessels, 2005).

The Bloemfontein case represents a different facet of the problem. Considering the price of land and planning in Bloemfontein, it was not possible to provide a 40m² house and a planned or semi-serviced site of any sort in the city, by means of the subsidy. The original Bloemfontein Transitional Council and, later, the Mangaung Local Municipality started to finance the planning and infrastructure from their own reserve funds. However, as this was done in addition to the housing subsidy, the municipality could not recover the costs of their spending. In principle, such an approach is not financially sustainable in the long run; and some reservations in this regard were expressed by the mayor of the current Mangaung Local Municipality.

The two cases above show that the requirement of 40m² housing units will inevitably lead to a standstill in housing delivery, possible exclusion of the poor, and/or municipalities using their reserve funds without recovering the costs in this regard. To a large degree, the current low levels of delivery in the Free State can be attributed to this problem.

3.5 The problem of horizontal equity

The emphasis on housing size leads to problems in respect of equity, which are encountered at three levels. In the first place, the question arises as to whether it is fair for people with the same income, and who receive the same subsidy, to receive different products. Although, ideally, beneficiaries of housing subsidies should arguably all receive a product of the same size, reality will probably not allow for this. The problem, however, is that of how to provide different products to the same group in the same area. The question that comes to the fore is: What will happen in a certain urban area if no more planned sites are available? Potentially, some people may receive houses with infrastructure while others may receive housing without infrastructure. The second level of the problem lies in the fact that if the housing subsidy is linked to

infrastructure programmes, this results in the provision of a product of a much higher standard. This influences the width-over-depth principle in the *White Paper* negatively. Essentially, fewer people will be assisted by means of housing subsidies.

3.6 Choosing who the beneficiaries should be and limiting private-sector finance?

Marais (2003b) showed that, for the period 1994-1998, a higher percentage of project subsidies went to the poorer segments of the population than one would expect on the basis of the normal distribution of people earning less than R800 per month. During this period, 84.7% of the beneficiaries fell into this category, while only 46.1% of the population fell under the same category. The emphasis on houses of 40m², as well as the limited access to credit in middle-order and small towns, also contributed to the fact that the income category of R801 — R1 500 per month was basically neglected in these two urban categories. It was impossible to construct a house of 40m² with funding of only R12 500. The limited access to credit resulted in developers choosing beneficiaries with incomes of, initially, R800 and, later, R1 500 per month, or less. The number of housing subsidies allocated to beneficiaries in the R0 — R1 500 income group (after the merging of the R0 — R800 and R801 — R1 500 income categories) increased after 1998. In the 1999/2000 financial year, 97% of the subsidies were allocated within this income band while, for the Free State, the figure for 2000/2001 was 98.7% (CSIR, 2000). For the Free State, these percentages were higher than the average for South Africa. Although the allocation of most of the subsidies to the lowest income group is commendable, the question is whether this is an expected outcome intended by the original housing policy.

3.7 A slow-down in delivery

Housing delivery has slowed down during the last three to five years. Although a number of factors have contributed to the slow-down in delivery, as well as to under-spending, it seems that the 40m² housing guideline in the Free State has also contributed in this regard. The allocation of subsidies to local municipalities is dependent on the availability of planned sites

in these municipalities. At the same time, the emphasis on 40m² housing units means that local municipalities have to fund the planning process themselves. Although a variety of possible alternatives exist in this regard, few municipalities have the money to fund such processes. The fact that they are unable to recover their planning funds from the housing subsidy once the subsidy has been paid out, makes them somewhat unwilling to initiate planning processes. The latest version of the housing-sector plans developed for the Free State provincial government shows that the absence of planned sites at municipal level — owing to financial difficulties — is hampering further housing delivery in such areas.

4. WHAT DO THE FIGURES TELL US?

The sections above have provided a conceptual overview of the side effects of the emphasis on housing size. This section will focus on a comparison of housing statistics in the Free State for the period between 1996 and 2001. An attempt will be made to show the implications of this approach by comparing 1996 and 2001 census results. Before this is done, however, two specific aspects should be noted. Firstly, progress in the housing environment cannot be measured by merely considering changes in that environment; it should also be assessed in terms of access to services. Secondly, some literature (Development Works, 2005) suggests that the increase in informal housing units can be directly attributed to a large increase in the number of households. However, I shall argue that the policy approach in the Free State, which has neglected services in favour of the top structure and which has not resulted in the upgrading of informal settlements, is an important consideration in the province. At least three trends can be identified on the basis of a comparison of the 1996 and 2001 census data in urban areas of the Free State.

Firstly, as has been the case in the rest of the country, the real number, as well as the percentage of people residing in informal settlements, increased. However, the annual growth of informal housing units was slightly higher than the growth in households. In real figures, households in urban areas increased from approximately 450 000 to 605 000. This represents a growth of 6.2% per annum. In the case of the

growth in informal housing structures, the number increased from just over 100 000 to 138 000, which represents a growth rate of 6.5% per annum. Secondly, if the numbers of urban households without access to sanitation are compared for 1996 and 2001, a considerable increase in such households becomes apparent. In 1996, 25 900 households lived under such conditions. This figure increased by more than 11% per annum to nearly 45 000 households in 2001. The question that this brings to the fore is whether this would have been the case if an appropriate programme to upgrade informal settlements existed (because of the housing size emphasis). Thirdly, the figures suggest that the access to water-borne sanitation in formal dwellings has decreased considerably in urban areas of the Free State. In 1996, 74% of the formal dwellings in the Free State had access to water-borne sanitation (Statistics South Africa, 1998). By 2001, this percentage had decreased to 70% (Statistics South Africa, 2003).

Overall, the figures confirm the conceptual arguments that were put forward earlier in the article. Firstly, if a programme to upgrade informal settlements had been in place, there would have been a considerable decrease in the number of households without any form of sanitation in the urban areas of the Free State. However, the opposite happened in practice as housing size was over-emphasised. Secondly, the larger annual increase in informal housing units, as well as housing units without sanitation, compared to the increase in households, suggests that the policy approach in the Free State also contributed to the increase in the percentage of informal housing units. This finding is in contrast to research conducted by the National Department of Housing, which simplistically attributes the increase in informal housing units in South Africa to a higher-than-expected increase in households between 1996 and 2001.

5. DO PEOPLE WANT BIGGER HOUSING UNITS?

In the light of the above overview, the question that comes to the fore is whether poor people want bigger housing units. There is one simple answer: Yes. Existing research also reveals that, to a large degree, beneficiaries of the state subsidy programme

indicated that their housing units were too small (see Public Service Commission, 2002). In addition, bigger houses are also usually a result of larger families and allow for the possibility of survival strategies for example using parts of the house for business purposes. However, the question that is relevant to the results of this research, is that of whether this is a fair question to ask the beneficiaries. In the second place, one could ask whose responsibility it is to provide a bigger housing unit — if that is, indeed, the need of beneficiaries. After all, there are only a few people in the world who would not be pleased to have bigger and more convenient housing units. In research conducted by Venter (2005) in the Mangaung Local Municipality, it was shown that, despite their negativity concerning the size of the housing units provided by means of a state subsidy, the overwhelming majority of people would prefer a smaller housing unit with a higher level of basic services, to a larger house with lower levels of service access. In fact, more than 90% of the 400 respondents felt this way. Research conducted by Botes, Krige & Wessels (1991) in the early 1990s also indicated that people in informal settlements rate access to water and sanitation as being more important than access to a housing structure. In fact, the appropriate provision of water and sanitation, something which has not materialised owing to the emphasis on housing size, might be a far more appropriate mechanism to enhance livelihoods than the emphasis on housing size.

6. CONCLUDING COMMENTS

This article has argued that, despite the political (in some cases noble) intentions that underlie the requirement concerning the minimum housing size in the Free State, this requirement has had a number of serious impacts on the settlement environment in the province. The emphasis on housing size has contributed to services being neglected; a total lack of informal settlement upgrading and greenfield developments; unjust pressure on the finance of larger urban areas; an over-emphasis on housing subsidies to the lowest income group; a specific regional bias towards small towns; problems of equity; and a slowdown in housing delivery. Part of the dilemma in the Free State is that, ideologically, the pressure to increase the

housing size has been in conflict with the principles accepted in the initial *White Paper on Housing*. The question is that of how the need for a decent place in which to live, can be reconciled with macro-economic realities and the actual ability to address the housing needs of the poor. In my opinion, one should accept two fundamental premises. Firstly, it is essential to accept that communities should be enabled to make their own choices. Indeed, those who need to live with the long-term implications of such decisions should rightfully have a fair say in this regard. This article has furnished enough evidence that a one-size-fits-all approach (40m² houses for all areas) is not suitable for all localities. The second aspect which should be considered, and which goes hand in hand with the first, is that there should be a rationalisation of all settlement-related funds. Such a fund should at least include the various infrastructure funds, as well as the housing subsidy. Broad parameters should be set for such a fund, including allocations over, at least, the medium term expenditure framework (MTEF) cycle. However, decisions on the size of housing structures and the level of service should be taken locally. In this way, it will be possible to ensure that such decisions are taken at a level where the local politicians and people are responsible for their decisions. In conclusion, I cannot agree more with Huchzermeyer (2002: 67):

... that our understanding of intervention processes has been biased towards the realities of project managers and implementers [I would like to include politicians], rather than the experiences of organised informal settlement communities.

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