

A critique of South African housing policy and some postulations about planning and policy-making in African cities

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Abstract

The article primarily provides a critique of current South African housing policy based on a review of the first phase of the N2 Gateway project in Cape Town. This project was designed as a pilot to demonstrate the principles of the *Breaking New Ground* policy paper produced by the National Department of Housing in September 2004. The article is structured into five sections. The first is introductory. The second briefly describes recent changes in housing policy intention and practice. The third introduces the N2 Gateway project. The fourth is a critique of current housing policy raised by the review. The final section is more speculative. It raises the question of the commonalities imposed by context on the practice of spatial and policy planning in African Cities.

'n KRITIEK OOR SUID-AFRIKAANSE BEHUISINGSBELEID EN SEKERE AANNAMES OOR BEPLANNING EN BELEIDVORMING IN AFRIKA STEDE

Hierdie artikel gee primêr kritiek oor huidige Suid-Afrikaanse behuisingsbeleide gebaseer op 'n oorsig van die eerste fase van die N2 Gateway projek in Kaapstad. Hierdie projek is ontwerp as 'n eerste om die beginsels van die *Breaking New Ground* beleidsdokument van die Nasionale Departement van Behuising wat in September 2004 saamgestel is, te demonstree. Die artikel is in vyf dele gestruktureer. Die eerste deel is inleidend. Die tweede omskryf kortliks die huidige veranderinge in behuisingsbeleid en praktyk. Die derde stel die N2 Gateway projek bekend. Die vierde is kritiek op huidige behuisingsbeleid geopper in die oorsig. Die finale deel is meer spekulêrend. Dit opper die vraag van kommonaliteite wat deur konteks op die praktyk van ruimtelike en beleidsbeplanning in Afrika-stede afgewing word.

BOTHATA BA MOLAO WA MATLO A AFRIKA BORWA LE DINTLHA TSE DING TSA HO THEHA LE HO RALA MOLAO WA MATLO DITEROPONG TSA AFRIKA

Tshwantshiso e qalang e fana ka bothata ba Afrika Borwa ho na jwale ho tsa molao wa matlo a itshetlehleng ho ntshafatso ya karolo ya ho qala ya projeke ya N2 Gateway (E ho fetwang ka yona) ka hara Cape Town (Motse Kapa). Ena porojeke e ile ya thewa ho leka ho bona hore e tla hlahisa dintlhakgolo tsa pampiri ya molao wa *Breaking New Ground*, ho hlahisitsweng ke ba Lefapha la Kaho ya matlo ka kgwedi ya phuphujana 2004. Tshwantshiso ena e bopilwe ka dikarolo tse hlano. Ya pele ke hlekelo. Ya bobedi e hlalosa ha khutswanyane diphetho tsa hona jwale tsa maikemisetso a kwetliso ya molao wa matlo. Ya boraro e tsebisa porojeke ya N2 Gateway (E ho fetwang ka yona). Ya bone ke bothata ba molao wa matlo wa ho na jwale bo hodisitsweng ke ntshafatso. Karolo ya ho qetela ke yona e shebahalang ha holo. E tsosa potso ya dintho tse hlahellang ha ngata, tse laetsweng ke hlakiso ya kwetliso ya sebaka le ho theha molao mo ditropong tsa Sechaba sa Afrika Borwa.

1. INTRODUCTION

This article is primarily a broad-brush review of South African Housing policy. It was generated by a detailed recent review of a case study – the first phase on the much vaunted N2 Gateway Project in Cape Town. However, the review also raised a provoking question about whether or not there are commonalities relating to the practice of urban planning in African cities: commonalities which should give direction to policy (including housing policy) and spatial planning.

The article is structured into five sections. The first is this introduction. The second briefly describes recent changes in housing policy intention and (partially) practice. The third introduces the N2 Gateway project. The fourth is a critique of current housing policy raised by the review. It is structured around nine heads of argument. The final section is more speculative. It raises the question of the commonalities imposed by context on the practice of spatial and policy planning in African cities.

The primary purpose of this final section is to stimulate debate around an important question raised by the review.

2. RECENT CHANGES IN SOUTH AFRICAN HOUSING POLICY

In September 2004, the Cabinet of the South African Government approved changes in South African housing policy which, if implemented, would bring about radical changes to the structure and form of South African cities. These changes were contained in the document entitled *Breaking New Ground* (2004), which articulated a number of important new policy emphases:

- The intention to rid the country of informal settlements by 2014;
- A commitment to producing better quality, integrated and more efficient total living environments, as opposed simply to shelter;

- A commitment to more integrated communities, including income integration;
- A commitment to promoting a secondary housing market in lower income areas, and the creation of greater investment confidence;
- A commitment to greater choice in terms of unit types, sizes and tenure options and particularly, to higher density urban forms; and
- A commitment to greater social (rental) housing for poorer households, based on a sustainable cost recovery model.

It represents a call for a brave new urban future and is one which has fallen on receptive ears with progressive planners and activists. It also seems that the time has never been more favourable to bring about substantial urban change. The macro-economy is in a healthy state. The Minister of Finance, for example, has committed to the progressive increase of the housing budget alone to over R9 billion by 2010. It appears that the problem at present is less one of finance than the capacity and ability to spend it and to spend it well.

3. THE N2 GATEWAY PROJECT

The N2 Gateway project in Cape Town was launched as a pilot project to demonstrate how the new policy directions could be achieved. In short, it sought to give form to the principles of the *Breaking New Ground* document. The project was planned as a full partnership between National, Provincial and Local Government. It was a highly

ambitious urban mixed-use initiative to provide some 22000 units, both rental and ownership, in two and three-storey walk-up forms. The land involved both greenfields sites and the replacement of some existing informal settlements with formal housing units. Time-frames for delivery, which was to occur in partnership with the private sector, were very tight: an (unrealistic) target of eight months was set for completion (documentation on the project can be obtained from the City of Cape Town Housing Department).

A year and a half later, after the first phase of 705 units had been delivered, the project was temporarily suspended, because of the magnitude of the problems being encountered. In *alia*, these included: the units were far too expensive for the target market; geotechnical information revealed that there was considerable less land suitable for housing than had originally been thought and large numbers of people needed to be relocated out of the area, a situation which many have refused to accept; inadequate allocation processes and procedures had resulted in disputes within the affected community; different spheres of government were blaming each other for the problems; and there were serious concerns about project management.

An interim review of the project was prepared under conditions of considerable confidentiality for the Western Cape Provincial Treasury (Dewar & Evans, 2006). The review revealed that while there was considerable evidence of poor practice (primarily caused by

unrealistic time frames), many of the problems experienced were structural: they were caused by the nature of housing policy itself.

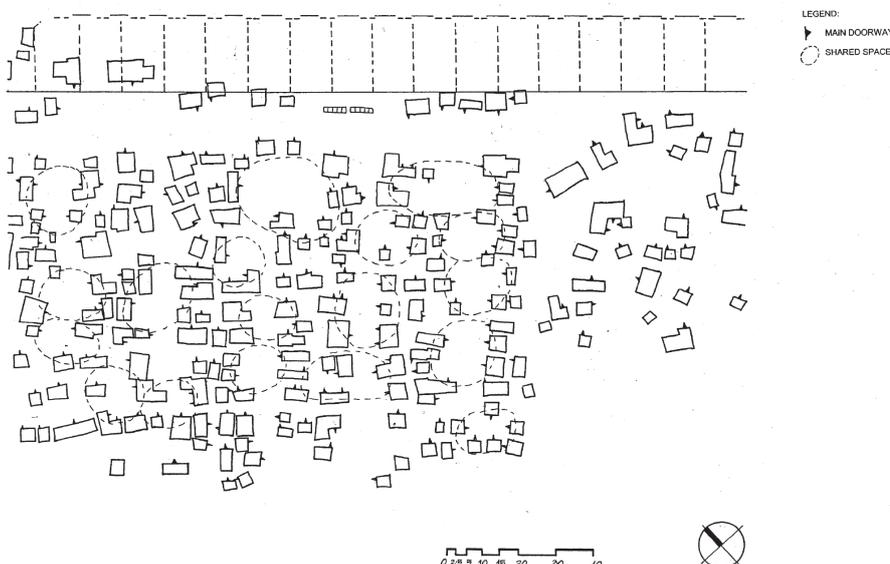
Generalisations on the basis of one case are obviously problematic. Nevertheless, in this case, they appeared so strong and important as to warrant broader verification and debate. They are raised below in this spirit.

4. SOME OVERARCHING POLICY ISSUES RAISED BY THE GATEWAY EXPERIENCE

4.1 The Target for Housing Policy

At the present time, the eradication of informal housing and informal settlements is advanced as the primary purpose of housing policy: the Minister for Housing has committed, in the *Breaking New Ground* policy document, to 2014 as the date by which this goal of eradication will be achieved. This approach is both diversionary and dangerous. A number of points need to be made about informal settlements:

- They represent the lowest (cheapest) form of entry into the housing market;
- For many, they represent the only feasible form of entry;
- For many others, they are the preferred form of entry. There are many observed cases, for example, where households which have been allocated subsidised formal housing have returned to living in informal settlements, for a variety of reasons.



The small arrows mark the entrances to shacks. It can be seen that a sensitive system of social spaces has emerged through processes of negotiation. Pedestrians move through these spaces. If they are in use, they simply walk around them.

Figure 1: Site 5 — Noordhoek: representative area
Source: Dewar (forthcoming)

In objective terms, in many cases informal settlements perform better than their more formal counterparts, in two arenas:

- the nature and quality of the public spatial environment is frequently far more responsive to human need than that found in formal townships (Dewar, forthcoming). This is because the positioning of shacks is often the consequence of bi- and tri-lateral negotiations between neighbours over issues such as light, air, cooking, laundry and livestock. Since a great deal of life in low income areas is, by definition, spent in the public environment, this is of considerable importance. This is clearly shown in the case of the settlement of Site 5, Noordhoek, Cape Town;
- Processes of informal settlement formation, which are dependent upon negotiation and consensual community decision-making, frequently lead to close community ties and to the establishment of informal social support networks (often the only support which the urban poor have). This commonly does not occur in formal townships where, in process terms, households are individualised or atomised. Informal settlements, therefore, hold great potential for the democratisation of the housing process (through the use of street committees, area committees and neighbourhood committees).

It is important to attach two caveats to this discussion.

Firstly, it is important not to romanticise living conditions in informal settlements. Frequently, they are very poor and even unhealthy places in which to live. Significantly, however, the primary problem relates mainly to inadequate levels of shelter and inadequate services. In short, the problem lies with the informal dwelling or shack, not the informal settlement. The housing problem, therefore, can be conceptualised as one of the state assisting households to improve (consolidate) levels of shelter and services, rather than the eradication of informal settlements. Indeed, the problem is frequently one of achieving more of the qualities of informal settlements, and more of the qualities of formal, serviced shelter. By identifying the problem as the eradication of informal settlements, there is a grave danger that, in the longer term, the 'cure' is worse than the 'disease'.

The second caveat is that informal settlements are not the only urban forms of settlement which require upgrading, nor are all informal settlements equivalently suitable for upgrading. An important part of policy formation, therefore, should be an objective assessment of overall settlement conditions, in order to develop a multi-pronged approach to the on-going processes of settlement-improvement. In many towns and cities, this is not happening.

4.2 The Need to Clarify the Role of Housing Policy

As the Gateway project demonstrates, South African housing policy is profoundly schizophrenic at the present time. On the one hand, in terms of its rhetoric, it argues that the State is a facilitator of housing. Through every other action it accepts responsibility as a provider. Moreover, it delegates its accepted responsibility as provider to key political agencies – local authorities – thereby increasing the politicised nature of housing.

The issue of whether the state should be a facilitator or a provider of housing is probable the central debate in housing policy. There are a number of reasons why countries in many parts of the world have moved away from a position of provider.

Firstly, it is a position which is frequently impossible to sustain. Many countries in the world are unable to provide housing for all of its people, particularly developing countries with huge demands on the public fiscus relative to supply.

Secondly, it dilutes energy. Many commentators would agree that primary role of housing policy is not to provide standardised solutions but to generate energies which can be directed at the housing issue across a broad front and over an extended period. Acceptance of responsibility as provider dilutes two of the most important forms of energy in the field of housing:

- The energy of the individual household. Rather than encouraging households progressively to take control of their housing issues over time, and to invest in fixed capital stock to the benefit of all, it creates a culture of entitlement: people do not act, even when they are in a position to do so, while they wait for 'their turn' from the state.
- The energy of the entrepreneur. It is a fallacy to argue that there is no

money to be made in housing for lower income households. The primary financial motor of low income housing provision all over the world is lodging – private rental. Commonly, households build a room, live in it, save to build another room and rent it. Over time, the rent allows for the construction of yet another room and so on, until a class of small developers emerges, owning small groups of units over which they have choices (Dewar, 1997). When the state offers everyone home ownership (a highly expensive model which many households either do not want or cannot afford) for 'free', it takes the energy out of this system and results in high levels of wasted resources.

Thirdly, regardless of how much finance is invested, international precedent shows that there is inevitably continuing dissatisfaction on the part of recipients over the quality of the housing products which are provided (regardless of the actual quality), because people are not involved in decision-making relating to their units (Turner, 1977).

Accepting the role of facilitator, as opposed to a provider, involves acceptance of a position which recognises that housing is not a 'problem' which can be 'solved' through a 'project'. Rather, it is a long-term, on-going, process of improvement, in which the state seeks to assist those who are prepared to help themselves. In cases where this applies, the role of the state as provider is restricted to special cases (particularly, the aged, the infirm and orphans).

4.3 The Need to De-Politicise Housing

Related to the above argument is the need to de-politicise housing to the greatest degree possible. Low income housing has become highly (and dangerously) politicised in South Africa, since the primary developer of it is seen as the local state. The politicisation of housing has a number of negative consequences:

- Housing time-frames become related to political, rather than to housing project, cycles. The Gateway project is a classical case of this;
- There is a tendency for politicians to over-state political promises and these become the 'realities', rather

than the actual realities associated with the housing challenge;

- Success is measured in terms of units only, as opposed to the housing challenge being viewed as the creation of high performing total living environments over time. The pilot Gateway project tried to buck this trend of an exclusive focus on the unit only, but, in the final analysis, it failed to do so;
- Within this limited objective, 'success' is measured in terms of quantities or numbers, rather than quality or overall developmental outcomes;
- Political patronage frequently takes root. In the worst cases, this can slip into corruption. The issue of patronage is already apparent in Cape Town. For example, public land is increasingly claimed by local politicians as being 'reserved' for their local constituents, without consideration of the public good;
- There is overwhelming political pressure for projects to be seen to 'work', regardless of how many subsidies are thrown at them: the situation becomes increasingly non-sustainable and non-equitable;
- Housing decisions are increasingly made on political, rather than professional, considerations and professionals who attempt to restore balance are seen as 'obstructionist' (or worse);
- It becomes increasingly impossible to evict tenants, or to repossess in the case of ownership, in the event of non-payments. Private sector financial institutions consequently become increasingly unwilling to invest in lower income housing;
- It contributes to on-going social tensions: it generates winners and losers, in the sense that some get and others do not. Additionally, struggles around housing become increasingly intertwined with other political issues and agendas, which become increasingly difficult to unravel;
- It generates behavioural outcomes which may be perfectly logical in terms of the individual household, but which are not necessarily socially desirable (for example, households deliberately building in flood plains, or torching their own shacks, in order to jump housing waiting lists);

- It becomes almost impossible to take actions which may be necessary from a public good perspective but which are not perceived to be in the interests of the 'average' household.

There is thus a powerful case for shifting the housing issue: for creating, at all spheres of government, institutions which are independent of government but which engage pro-actively with it. In this case, the State sets policy and provides resources; the non-political institutions implement policy, distribute resources and negotiate with government about policy changes necessitated by issues on the ground.

4.4 The Need to Introduce New Housing Instruments

The pilot project demonstrated that the laudable objectives contained in the *Breaking New Ground* (2004) housing document cannot be achieved using existing policy instruments. New instruments, particularly financial instruments, are required. If social housing is to become a significant plank of South African housing policy, as it should, then innovative instruments to enable it to work are required. Similarly, the promotion of specialist housing institutions, which are expert in the complex arena of social housing, and which operate on principles informed by international best practice in this field, are required. Social housing projects cannot be undertaken as turnkey projects which are then handed over to new agents, as has been the case with the Gateway Project. Financing, construction and administration must all be part of the same institutional package, which contains within it opportunities for cross-subsidisation.

4.5 The Need to Use Housing Processes More Consciously to Social and Economic Ends

Housing issues cannot be separated from broader development issues: it is clearly sensible to use housing processes to social and economic ends. There are two forms through which this can be achieved which require emphasis.

The first, which has been raised, is the need to use housing policy to promote a new developer class from within historically-disadvantaged communities, particularly through the promotion of lodging and small-scale private rental housing.

The second is in the arena of small builders. In the 1990's, wild claims were made about the potential for national economic re-generation through 'inward industrialisation', led by the construction sector. It is important not to fall into the trap of this form of over-generalisation. Nevertheless, much more must be done to promote a network of small builders and to factor them into public housing programmes. The logic of awarding almost all units in the 22,000 unit Gateway housing project, for example, to three capital intensive consortia must be questioned. Of course it is more difficult, administratively and managerially, to work with a network of small builders, but there are considerable social and economic benefits from doing so. The tension between the need for rapid delivery and the need to benefit from process must be acknowledged.

4.6 The Need to Make Allocation Procedures Much More Transparent and Accountable

There is considerable confusion about the issue of housing allocation. In Cape Town, for example, two very different housing allocation instruments are in use simultaneously. One is the historic system of housing waiting lists. This theoretically operates on a time differential basis – first come, first served. There are many households, however, which have been on the housing waiting lists for over twenty years. The other is a 'needs' basis: preference is given to those living in the worst conditions, where public health is an issue, (for example, households living in areas prone to flooding or households which have been made homeless through fires in informal settlements). Increasingly, these systems are clashing and the clash is giving rise to serious problems in the Cape.

Firstly, the deep divide between these systems is increasingly taking on ugly racial overtones. On the one hand, because of the historical demographics of Cape Town, most of the households on the waiting lists are 'coloured': on the other, most new migrants living in unacceptable conditions are 'blacks'. Those on the waiting list feel that they are being discriminated against when housing is allocated to newcomers: on the other, people living in very poor conditions feel that their plight is being ignored by the state. The system is generating considerable anger.

Secondly, there is considerable anecdotal evidence of self-interested actions with negative social impacts (such as people deliberately occupying areas prone to flooding or people torching their own shacks) in order to jump the housing queue.

Thirdly, unit allocation occurs on a project by project basis: When their turn comes up, households must take what is offered. There is thus little choice and there is an increasing mismatch between where people want to live and where they are living. This generates increased movement at considerable expense, it wastes time, and it places pressure on transport infrastructure. Many households, (even those which have been allocated formal housing) are now taking action into their own hands and are moving back to informal settlements, close to where they work or to where they can gain access to public transportation. (Barry, *et al.*, 2007)

Fourthly, possibilities of using the housing process to the ends of political patronage are significantly increased.

A new system is required: perhaps a lottery, held around each new project, where people who want to live in the area put their names in a hat, is the way to go. This requires, however, that at any point in time, there are a number of projects coming on stream in different parts of the city.

4.7 The Need to Gear-up to Tackle Housing as a Long Term Process, not a Short Term Problem

From a local authority (and a national) perspective, it is necessary to view housing, not as a short-term 'problem' that requires rapid resolution through a number of 'projects', but as long-term processes of systematically assisting people to improve their physical living environments. This involves the gearing up of local authorities into appropriate support modes and then their on-going operation on a partnership basis with local communities. Short-term 'problem' approaches will always generate winners and losers and create on-going tensions.

4.8 The Need to Approach Housing Projects Through Much Smaller Bites

The scale and complexity of the Gateway project throws serious doubts on excessively large 'mega-projects'. It

is more sensible to approach the initiation of new housing in a series of smaller projects, with rapid feed-back cycles, spread across the city, so that lessons learnt in any one are fed-back into others on an on-going basis. Short-term corrections and adjustments to changing circumstances are much easier in smaller projects of this kind. The approach also emphasises the importance of smaller parcels of land in well located areas, which are frequently overlooked in situations where the 'macro-project' is seen as the norm.

4.9 The Need to Develop Land Policies

The Gateway project underscores the lack of, and the need for, a thoughtful, defensible land policy for Cape Town (and, by implication, for other South African towns and cities). The widespread political injunction to locate lower income housing in better locations is fine in intent. However, there are a number of ways of achieving this. The issue of land cannot be considered outside of issues such as achieving the highest and best use of land for the city, the issue of value and value - retention and the issue of cross-subsidisation. Simplistic approaches that simply give potentially extremely high value land to one small group, while others get very different, and much worse, outcomes in different places, raise serious questions of equity and of good governance in terms of resource generation and use. A land policy, then, should develop a holistic, equitable and integrative approach to public land, with potentials for cross-subsidisation being an important part of the equation.

5. PLANNING AND POLICY IN THE AFRICAN CITY

Many authors have written about 'the African City' and no review of this is made here. A question that is consistently ignored, however, and which was raised by the Gateway Review, is does the concept have any meaning? Is it possible to generalise about 'the African City' in forms which may be able to give direction to the nature and form of both spatial and policy planning? At the first level of reflection the concept appears ludicrous: there are clearly more contextual differences than similarities between African countries.

However, there are a number of contextual realities that perhaps describe

many (or even the majority) of African cities. These include:

- Rapid rates of population growth;
- High levels of poverty;
- High levels of unemployment in the formal sector;
- A limited public fiscus relative to demand;
- High levels of informality, in terms of shelter and economic activity;
- A strong emphasis on small businesses in the structure of their economies; and
- Considerable social and cultural diversity.

These have considerable implications for how both spatial planning and social policies with spatial implications are approached. Twelve of these are briefly raised here:

- Planning the African city is not about grand visions or seeking to achieve 'big bang' revolutionary change. It is about achieving a steady, incremental improvement in living conditions. This involves the identification of a consistent, achievable trajectory of change that has a logic which transcends political whim. It is the identification of this trajectory which is one of the primary roles of planning and policy-making: it is the role of the profession to place before society a new, better and achievable sense of possibilities.
- It is about arresting ecological collapse. If nature collapses, society collapses with it. Moreover, there are significant economic benefits to be gained by managing the environment holistically.
- It is about moving towards ecological sustainability, in terms of managing the metabolism of settlements. This involves the maximum use of renewable resources in terms of inputs, optimising energy flows in terms of throughputs and finding ecologically non-threatening and, wherever possible, productive ways of dealing with outputs. Re-cycling, and the use of supplementary systems of supply of essential resources such as water and energy, is essential dimensions of this, as is the need to reduce the ecological footprints of settlements.
- It is about increasing the abilities of local people to access plentiful and,

wherever possible, renewable local resources to their own advantage. This will frequently involve the introduction of simpler, more accessible, forms of technology.

- It involves a return to the starting points of planning: dealing, in the first instance, with issues relating to public health (access to clean potable water, adequate sewerage removal, and access to different forms of energy, ways of dealing hygienically with livestock, access to primary health-care and security of food supply). By definition, therefore, agriculture must always be an important urban activity in African cities.
- It is about creating the pre-conditions for small, self-generated local enterprise to flourish. Three forms of this are of particular importance. The first is the creation of intense vibrant local markets, which are a pre-condition for economic diversification. The second is skills transmission. The starting point for this is to ensure that local skills exist to meet local needs locally. The third is ensuring that public finance which is invested in urban areas circulates over as wide an area as possible, as opposed to centralising in a few pockets.
- It is about learning to work with informality. Informality is not a 'problem' which must be 'solved'. In many cases it reflects high degrees of energy, ingenuity and creativity. The planning challenge is to undertake public actions which give direction to these energies.
- It is about promoting walking, non-motorised forms of movement and efficient public transportation. Without these, people are effectively trapped in space; the potential benefits of urbanism and agglomeration are lost; and the urban system becomes intensely exploitative in favour of the wealthier.

- It is about unleashing creative energies, rather than seeking standardised solutions. It is about selective public actions (actions which people cannot initiate individually) that, in their own right, improve the quality of life, while increasing the manoeuvring space of individuals and ensuring inclusivity of entry. This latter point of inclusivity is of fundamental importance: planning must establish the rules of the urban game – the minimum constraints – which everyone must observe. Appropriately, therefore, planning must be based on a philosophy of strong minimalism.
- It is about celebrating diversity and ensuring that culturally-significant rituals can be observed and practiced in public environments which dignify and celebrate those events and practices.
- It is about focusing public investment in the public realm. Public investment should be focused on actions which benefit the collective, as opposed to the individual household. Of particular importance is the quality of the public spatial environment, for this has the potential to give dignity to entire settlements and all inhabitants.
- In part, planning must follow, not lead. It must be flexible enough to respond rapidly and creatively to local initiatives which hold broader promise. It therefore involves the creation of effective partnerships with civil society.

6. CONCLUSION

It has been argued in this article that there are significant structural problems with South African housing policy. The most significant of this is the confusion about whether the state is a facilitator or a provider of housing. This confusion is increasingly resulting in (frequently violent) political protest. This unrest

is likely to worsen until it is politically acknowledged that the state cannot provide housing for everyone and until it firmly adopts a creative role as facilitator and works with community energies.

More speculatively, it has been suggested that there are important contextual commonalities within African cities and these have significant implications for how practices of spatial planning and policy formation are carried out.

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