

CHAPTER 3: THE ROLE OF LOCAL AUTHORITY IN ADDRESSING HOMELESSNESS.

This chapter sets to discuss the role of local authorities, in addressing the problem of homelessness in South Africa. Equally discussed, are policy measures, programmes and projects, which the council implements to address homelessness. In addition, it identifies the challenges the local authorities face in addressing the homelessness. The chapter then concludes to note that much remains to be done, if the homelessness is to be eradicated.

The Role of the Local Government

On the 27th October 1994, a historic landmark was reached, when a national housing strategy was launched at Botshabelo, near Bloemfontein. About 600 delegates from all walks of life attended the conference. The Botshabelo National Housing Accord that entrenched the principles of the Reconstruction and Development Programme was launched (*Free State, 1997, Olufemi, 1997, Bolnick and Mitlin, 1996*). The Declaration constituted commitments by individual signatories, such as the government, civil society, the private sector and NGOs to house all South African citizens on a progressive basis (*Olufemi, 1997*). The product would be adequate, and affordable permanent residential structure, with secure tenure, a safe environment of peace and dignity; sufficient water; sanitation; electricity; transport facilities; and adequate land for housing development (*Achiever, 2004; Free State, 1997; and Glasser, 1994*).

The Accord further emphasized the commitment to bring about change through massive campaigns that aimed to end the hostilities that dominated the financial institutions, local government and the community at large. Before the democratic government was ushered into office, there were integrative and administrative obstacles from financial institutions, towards black communities. Black people could hardly access loans from financial institutions. The local government lacked integration, and the services were mostly racially based. Municipalities under black leadership suffered massive financial shortages, whereas those under white leadership had enormous financial income. It is

possible that the black leadership had no proper financial support from the Apartheid government. Another reason could be that the clients under black managed municipalities were so economically deprived that they could not afford payment for services. It is also possible that those black clients were not responsive towards municipal services rendered them.

However, generally speaking, the black communities suffered massive discrimination in terms of services. For example, the rural areas and informal settlements were not represented in local government, and could not access certain services, such as electricity and clean tap water. These services were only limited to towns and cities (*Free State, 1997*). The Accord also sought to end the culture of non-accountability for the services rendered, rent and bond boycotts as well as the culture of non-delivery of services (*Goodlad, 1996 cited in Olufemi, 1997*). Until then, the Accord had concluded the time for political struggle, and commenced an era of cooperation and development.

The local authority is constitutionally a distinct sphere of government, linked with the national and provincial governments. The linking principle is specifically meant to ensure cooperative and coordinated governance. Its role is to guide and assist, more than control and direct developmental decisions. The local council has the mandate to facilitate procurement, acquisition, development and allocation of land to prospective beneficiaries as well as the role to deliver housing for deserving communities. The local authority is also charged with rendering financial and technical responsibilities. The council plays the role of prioritizing the needs of the poor, in respect of housing development, and at the same time consulting with individuals and communities affected by housing development. The council has to “ensure that housing development is economically, fiscally, socially and financially affordable and sustainable” (*Achiever, 2004, p.86*). Equally critical, is the role to ensure “maximum participation of the civil society and communities in decision-making and developmental initiatives” (*Free State, 1997, p. 206*).

To facilitate the process of housing delivery, the Department of Housing promulgated subsequent legislation, e.g. the Housing Act, 1997 (*Act No. 107 of 1997*). The Act obligates the government to prioritize housing for the poor. The local authority has, in this regard, the duty to bridge the gap between the housing market and the street homeless people (*Olufemi, 1997*). Despite entrenchment of RDP principles in section 4.5.4 of the National Housing Policy, to eradicate homelessness in South Africa, the truth is that the government has failed to prioritize the housing needs of homeless street people (*Olufemi, 1997*). We investigate the RDP, with regard to housing delivery, next.

The Reconstruction and Development Programme and Housing

The Reconstruction and Development Programme was an integrated socio-economic policy framework adopted by the government to mobilize national and human resources, to create a sustainable housing environment, which provides the citizens with security, privacy and dignity. The policies of the RDP sought to eradicate institutional fragmentation responsible for uncoordinated, sometimes contradictory decision-making, segregated and isolated projects (*Harrison, 2001*), through the principle of equality, which entails the housing of the homeless South African citizens in a conducive, habitable environment. Equality of housing opportunities must respect, and encourage community empowerment, participation and partnership, affordability, development and sustainability (*ANC, 1994*).

The government, through the proposed plan for housing support centres, committed itself to housing the poor. In the 1995 financial year, the Department of Housing (for the purpose of establishing those centres), provided R50 million. These centres, in cooperation with the local communities, would build on existing facilities in poor areas, mainly to provide the communities with financial; technical and administrative resources; run housing programmes; and play a repository role for the housing subsidies, given to the particular areas in question (*Olufemi, 1997*). The Reconstruction and Development Programme had four objectives, upon which foundation the success of future housing was to be built. These objectives included the realization of the basic needs; development

of human resources; democratization of both the State and civil society; and the real implementation of the Reconstruction and Development Programme itself (*Olufemi, 1997*). The implementation of these four objectives sought to achieve:

1. Stabilization of housing environment in order to incorporate the private sector
2. The institutional, technical and logistical coordination in order to support the communities in improving their housing conditions on an incremental basis.
3. Mobilization of both individual and collective private housing credit, and at the same time protecting the interests of the housing consumers.
4. Provision of subsidies for the disadvantaged people in their aid of accessing housing.
5. Rationalization of institutional resources in the housing sector, within a sustainable institutional framework.
6. Facilitation of land expropriation and servicing, for the purpose of housing development, in response to the enacted Housing Act, 1997 (*Act No. 107 of 1997*).
7. Coordination and integration of the investments and interventions by the public sector on a multi-functional basis.

At least it was good news, when then Housing Minister was announced as the winner of an international award of achievement, for better housing delivery for poor South Africans. If the main beneficiaries were the low-income earners and unemployed homeless street people, then, housing for the poor would be considered a success. However, the pervasiveness of homelessness today questions the government's adherence to principles of the RDP, to provide housing for the poorest of the urban poor (*Olufemi, 1997*). Lack of consistent adherence by the government, to the principles of the RDP, in housing delivery, poses serious housing challenges.

The shift from a holistic approach in meeting the needs of the formerly marginalized people to a more rigid and bureaucratic applications, contradicts the principles of the Reconstruction and Development Programme. While the RDP's vision is to realize an integrated development, the National Housing policy (while it makes references to issues as education, employment, finance, services, environment, etc.), specifically focuses on a

single measurable objective, of achieving a million houses in a period of five years. The question that arises, is how achievable is this objective, when housing delivery is to be realized incrementally? How possible is it to realize housing, with “only a limited State subsidy contribution towards the cost of a house” (*Fitchett, 2001, p. 413*)? These are some of the challenges the government is facing, which we investigate, next.

Local Authority and challenges in Housing Delivery

With monthly incomes of less than R800, or none at all, it is obvious that these people cannot secure finances to provide themselves with housing. The only hope, therefore, is the subsidy worth R15, 000. However, the conditions associated with the subsidy, coupled with a failure by the National Housing Finance Corporation, to finance the housing needs of the poor, leaves the programme ineffective to guarantee sustainable development (*Bond and Tait, 1997 and Huchzermeyer, 2001*). Financial constraints, resulting from poverty and unemployment, coupled with ineffective subsidy schemes, and non-accessible credit for the urban poor, remain problematic to the realization of housing on a progressive basis (*Olufemi, 1997*). The maximum R15, 000 subsidy, without consideration for increments, is insufficient to afford adequate housing. Equally problematic, is the individualized nuclear family subsidy model, which creates speculation, downward raiding, and shack-lordism. The consequence of this process is homelessness (*Bond and Tait, 1997*).

The government’s policy that charges private developers with housing provision for the poor is unsustainable for the beneficiaries, because the end products still poses the old problem of affordability, for poor and unemployed homeless people (*Hendler, 1988*). Although the intention of the new housing policy is to develop and deliver housing within the economic and institutional frameworks, the reality that the State cannot assist the fastest-ever, growing low-income population in South Africa, cannot be ignored (*Jenkins, 1999*). While rapid housing delivery might be desirable (and indeed, politically necessary), the result may fail to correspond with demand, affordability and efficient community development. Moreover, there is the danger that the State may create a

situation of dependency, where people care less to house themselves, but rely entirely on their government for housing provision (*Jenkins, 1999*).

It might have been better to create a mechanism of state-assisted support that involved the participation and partnerships of the community in the housing process, rather than the application of radical new mechanisms by local government, and the private and parastatal sectors. The local authority may argue (and rightly so), that due to complications involved in debates, the NGOs and CBOs are included in the housing sector, in order to engage community participation in the process of producing housing. True or false, it remains to be seen whether or not this will continue without reliable funding from institutions upon which the NGOs and CBOs rely upon for support, in order to carry out duties such as these (*Jenkins, 1999*).

Although it is the local government's responsibility to deliver housing, the institutional and technical requirements, such as the legalities, finances and administration involved, along with the current on-going institutional restructuring, obstruct and prevent communities from addressing their housing needs independently (*Jenkins 1999*). In the absence of skilled government personnel to render the communities such assistance, the private developers remain the only option for the beneficiaries of the subsidy, to turn to for housing delivery. Although a few housing NGOs provide these services, they cannot manage on a large scale, as it is in Latin America in Brazil and Singapore, for lack of financial back up (*Bond and Tait, 1997*). The result of this process is that the beneficiaries are provided with housing products of a poor, inadequate and unsustainable quality. This is because the institutional and technical terms do not consider the socio-economic implications involved (*Lunsche, 1995 cited in Olufemi, 1997*).

The government's lack of commitment to secure and guarantee accessibility of State-owned land, so that the subsidy could cater for housing management, presents the poor with serious consequences (*Bond and Tait, 1997*). The problem of land and secure tenure remains the major constraint to the development and provision of adequate housing for the urban poor. Lack of land in convenient locations, with better opportunities and

services for the poor homeless people, is indeed a stumbling block to the implementation of the housing programmes (*Huchzermeyer, 2001*). The problem is further exacerbated by high-priced land and land speculation, expensive construction materials, and labour costs, which the manufacturing and building industries exploit. It is estimated that these costs increase by 18 percent yearly, which makes housing more expensive for the average South African (*Olufemi, 1997*).

During the Apartheid era the council's housing stock were sold, due to a lack of human capital to carry out the administration work, in terms of repair, maintenance, and rental collection. With democratic dispensation, the council was devolved to administer, repair, maintain and replace the council's depleted housing stock, from the Apartheid reign. However, this mandate by the local authorities lacks sufficient resources to carry out effective and efficient service delivery (*Bond and Tait, 1997, Tomlinson, 1999*). Lack of coordinated institutional frameworks, aggravates poor service delivery, in terms of housing provision. This consequently, postpones the housing needs of the urban poor. Furthermore, a lack of institutional capacity, and continuous institutional restructuring have greatly affected the devolution of responsibility for housing delivery, from the national to provincial, and from provincial to local governments (*Jenkins 1999*).

Many of the newly elected councils had no institutional mandate to develop projects that had the attributes of participation. They consciously, or unconsciously, adopted the normative role of their predecessors, who had previously controlled development, for fear that the devolution of decision-making powers, into the hands of the community, would undermine the State powers (*Jenkins 1999*). That unwillingness by the local government to involve the community in the process of housing delivery remains a serious challenge. It raises the question of successful implementation of the Reconstruction and Development Programme (RDP) with its principle of community-based development, within the housing sector. Although we must acknowledge some community involvement in the process of housing delivery, it is critical that we also stress the point that such participation is not holistic. Lack of partnerships with the community-based organizations, is the cause for top-down bureaucratic housing delivery that undermines

the value of community participation. The tendency, therefore, by the local authority, not to cooperate with the community, is borne of many other situations throughout South Africa. This makes it quite problematic to provide integrated and sustainable housing development (*de Satge and Tait, 1996 cited in Jenkins, 1999*).

Conclusion

We discussed the advantages of the government, using private developers to provide housing for the poor. This included the importation of foreign housing policies and ideas that have no value for the local housing needs (*Dwyer, 1975 cited in Drakakis, 1988*). It was argued that such policies are unsuitable for the developing world, because they are costly for the poor with limited resources, in terms of building material to construct new residential homes (*Abrams 1966 cited in Drakakis, 1988*). In short, enormous capital is required, and this is a financial burden to the occupying poor (*Turner, 1976 cited in Drakakis, 1988*). However, it must be recalled that neither private markets, nor Western housing policies, but the kind of choices the governments of the developing world make, count. Thus, wrong choices by policy-makers are responsible for pervasive homelessness. For example, the failure to define and categorize homelessness, in pursuit of addressing every citizen's right to adequate housing; and exclusion of street homelessness in the National Housing Policy, are such wrong choices. Such failure cannot be blamed on the Western housing policies. Hence if the right choices were made, the issues of affordability and homelessness would not arise.

The local authority's role in addressing homelessness was viewed strictly within the framework of its policies, projects and programmes. The reconstruction policies; projects and programmes targeted only the informal settlements (shanty dwellers). The street dwellers (literally roofless), are not reflected in the National Housing Policy. This was a deficiency by the developers, who purported to promote every citizen's right to adequate housing. Lack of demarcation between shack and street dwellers contributed to council's discriminative housing provision, with only squatters as beneficiaries. Government institutions were uncoordinated and fragmentary. No partnerships exist between the

National and the Provincial government, Provincial and Local government, Local government and street homeless people, and the community at large. Although the RDP was viewed as a modernist agenda for social transformation, its merits remain bleak. The cause is linked to persistent inadequate and inappropriate institutional administrative coordination, to deliver on reconstruction; lack of mechanisms to develop and utilize available land, and access more, for continuous development; and bureaucracy and global markets (*Berrisford, 1998; Harrison, 2001*).

The local authority ought to create a clear boundary between the two categories of homelessness, namely, shack and street dwellers. In order to deal more appropriately with the problem of homelessness, such a distinctive focus is critical. This study created that distinction, in order to focus on the street / pavement (rooflessness) homelessness. It is critical, therefore, that a holistic approach that ensures sustainable partnerships among the government institutions; proper planning; and coordination of policies, and programmes; provision of supportive financial mechanisms, and the participation of all the stakeholders, in addressing the problem of homelessness, is implemented.