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Challenges and opportunities in the management of social housing: a case study of Garena Rental Village, Polokwane Local Municipality

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2018

https://hdl.handle.net/10539/26964

Rakunama, Thifaneli (2018) Challenges and opportunities in the management of social housing :a case study of Garena Rental Village Polokwane Local Municipality,, University of the Witwatersrand, Johannesburg, <http://hdl.handle.net/10539/26964>

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CHAPTER 1: INTRODUCTION

1.1 Introduction

The South African housing policy was created with a range of tools and programmes aimed at improving the quality of life for the people of South Africa. Social housing is one of the South African housing programmes which was initiated with the aim of improving and integrating communities by providing government subsidised housing. According to Ogunsanya (2009:1), Social housing does not only help the country by integrating and offering shelter to the community but, also benefits the country by regenerating the urban location where this housing stock is located. The Social Housing Act of 2008 has highlighted that social housing should be managed by an independent housing institution or body which should not be governed by any government institution.

According to Du Preez and Sale (2011:1), citing Social Housing Policy for South Africa, 2003, social housing is "a rental or co-operative housing option for low-income persons at a level of scale and built form which requires institutionalised management and which is provided by accredited social housing institutions or in accredited social housing projects in designated restructuring zones".A Revised Social Housing Policy (2003:4) has defined Social Housing as a "housing option for low-to-medium income persons that is provided by housing institutions, and that excludes immediate individual ownership". Government subsidises these types of housing, hence the rental costs are low.

1.2 Background

The Polokwane Housing Association (PHA) is a Polokwane Local Municipality housing entity which was firstly formed in 2001 as a (Pty) Ltd company. The company was re-registered in 2005 under the name Thabatshweu Housing Company (SOC) Ltd after it was noticed that the company was initially registered in a wrong company category

of a privately-owned company instead of State-Owned Company. The company still trades by the name PHA.

Polokwane Municipality, after establishing PHA, mandated it through a Memorandum of Incorporation (MOI) to "develop and manage social and non-social housing, integrated human settlements and to promote housing delivery for a range of income groups in such a way as to allow integration and cross subsidization" (Polokwane Municipality, 2014:9). The PHA is a municipal housing entity, therefore Polokwane Local Municipality established the Social Housing Institution (SHI) and its Board of Directors which, although it functions as an independent entity, "is owned by the municipality and bound into its financing and management reporting systems. It is governed by the requirements of the Municipal Structures Act and the Municipal Finance Management Act" (ibid).

SALGA (2007:58) states that there are three (3) advantages in establishing a municipal housing entity. The first advantage is that there are short communication lines between the municipal entity and the municipality. The second advantage is that the company can access capital funding. This is an advantage because the service provided by the institution "is 'ring fenced', which means that all revenues coming from this service remain within the entity and can be reinvested in social housing development again (*ibid*.)". The municipality also continues to benefit since it owns the assets through ownership of the company (*ibid*.). However, the disadvantage of establishing a municipal entity such as a SHI is that the municipality bears its full financial and others risks. Another challenge is that there is a very high possibility of political interference in the social housing in terms of its operation and management and it can also be difficult for the entity to obtain a loan without a municipal guarantee (*ibid*.). According to SALGA (2012:61), another disadvantage of using a municipal entity is that there is a challenge of possible low rent collection. The reasoning behind this is that the majority of people perceive municipal entities as being associated with the government and free housing (*ibid*.).

Instead of establishing a municipal housing entity, the Polokwane municipality could have established a municipal and private SHI Partnership, which is also known as a Public Private Partnership (PPP) as the second option for a social housing delivery agent. Through such a partnership the municipality and the SHI could agree on the key responsibilities over the agreed period or number of projects. The municipality then would not have any power to control the board and the overall investment of the SHI. According to SALGA (2007:61), a PPP is a joint venture where a municipality and a private party have a temporary arrangement. It is through this partnership that municipality and private party share the ownership role of the PPP. The private party's role is to undertake the development and management of social housing while the municipality's role is to monitor the private party (*ibid*.).

The SHI would use assets from the municipality through an agreement with the municipality in the form of contracts. The advantage of establishing this type of SHI is that the institution can function independently and separately manage its own affairs as a business without any political interference and the municipality can ensure that it provides the SHI with resources. The private party assumes all possible risks in the project and can be held accountable by the municipality. The disadvantage of this approach is that it needs a long-term relationship commitment for viability. It also needs the availability of the land resources to be committed to housing development. The process of establishing this form of partnership is demanding and the municipality would need the required capacity to monitor the private partner (SALGA, 2012:65).

The third option of a SHI which a municipality can use is the third party housing delivery agent. By this approach the municipality transfers all housing stock and land to a third party. The result will be that the land will be lost for future municipal use since the stock is no longer municipal property. The disadvantage of having a third party as the delivery agent is that the municipality does not have any form of ownership and cannot directly control the agent. The process of land transfer and other procurement processes are very difficult because municipalities sometimes are not willing to cede control of the housing stock and the land (*ibid.:*66).

PHA is a Social Housing Institution and its performance is monitored by the Social Housing Regulatory Authority (SHRA) as stated by the Social Housing Act 16 of 2008. The SHRA monitoring functions include “doing all things necessary to ensure good governance and sustainability of SHIs, carry out regular inspections of SHIs to ensure that they are complying with the relevant prescripts and ensuring that they have effective, efficient and transparent systems of financial and risk management” (SALGA,2012:101). SHRA also ensure that SHIs complies with its regulations (ibid.)

PHA built and owns 508 units of social housing in Garena Rental Village (GRV) as the first social housing pilot project of the Polokwane municipality which was built in 2005. The units were handed to first occupants in 2006. Most of the people who occupied GRV had come to the city seeking employment. The units were built with Institutional Housing Subsidy from the provincial Department of Cooperative Governance Human Settlements and Traditional Affairs previously known as Local Government and Housing, and Polokwane local municipality which assisted with the provision of land and all deficit funding. However, the National Housing Finance Cooperation (NHFC) was the main source of funding with a loan of approximately R60.7 million with which to construct the first social housing in the province. All of this was done to realise the Constitutional obligation in section 26(1) which states that everyone shall have access to adequate housing, as well as the Breaking New Ground (BNG) policy which is aimed at creating sustainable integrated human settlements with efficient cities and towns (SERI, 2011:98).

The housing typology of Garena Rental Village are as follows, there are one-bedroom units which are 84 in total each costing R1 275 per month, two-bedroom units which are 408 in total, each unit costing R1800 per month and 16 three- bedroom units, each unit costing R2150 each. According to the Property Manager (2017) Garena was developed to accommodate people who earn between R3500 and R7500 gross income per month working and staying around the city of Polokwane.

Garena Rental village was constructed with the help of institutional subsidy, and according to Housing Code an institutional subsidy has an option of ‘rent to purchase’ which can happen after 4 years from the first day of occupation of the unit however, this can only happen if the lease agreement between the tenant and SHI agrees to this specific option of ‘rent to buy. The first occupants of Garena held a lease agreement with a rent to purchase clause after 4 years of occupancy provided the tenants are paying rent and services in full. After 4 years of occupancy all tenants were expecting the transfer of the units to their name. However, management highlighted that the units were constructed using institutional subsidy and loan from NHFC which needed to be paid back. PHA indicated that it was still owing quite a lot of money for servicing the loan.

According to PHA Official (2017, self-interviewed) PHA conceded that it committed material omissions when the first lease agreement which promised ‘rent to purchase’ option to tenants was drafted. PHA has highlighted that GRV is a social housing project which never intended to transfer the units to the owners. However, since the mistakes were already incurred, PHA management agreed on the cancellation of the initial lease agreement and committed to re-doing another contract which would exclude a ‘rent to purchase’ clause *(ibid)*. The new lease agreement did not have a clause of ‘rent to purchase’ option and this did not sit well with many tenants of GRV (Tenants. 2017, Self-interview). The new lease agreement was done the time when the municipality has just identified Laddana area where GRV is located as the municipality restructuring zone to allow more development of social housings. These social housing are planned to be done under social housing programme which was well described on the simplified Housing Code of 2009.

Figure 1.1 Garena Rental Village flat types



Source: Author personal picture 10/01/2018

In 2010 after the announcement of the change of terms of the lease agreement tenants started to show dissatisfaction on the new lease agreement terms. As a matter of dissatisfaction tenants were no longer paying rental to PHA as expected, tenants were individually no longer paying municipal services such as water and electricity and their municipal accounts were in arrears. By the 2013/2014 financial year some tenants could not agree to sign extension of lease agreement and non-payment of rental was escalating. Non-payment of rental has affected PHA at its financing of NHFC loan and in carrying out maintenance of the property. This has caused many original tenants to relocate out of the property and sublet the units to other people.

In 2016/17 financial year through the help of the municipality, Polokwane Municipality had managed to assist PHA to repay 10 million-rand NHFC outstanding loan and the remaining challenge was to collect maximum rentals to finance the operation and maintenance of the property. Polokwane Local Municipality has been the one financing operational cost of PHA. According to Polokwane Local Municipality 2017 financial statement in 2015 Polokwane municipality gave a grant of 6.5 million rand to PHA, in

2016 gave a grant of 16.7 million and 2017 the grant was 15 020 000 million (Polokwane Municipality,2017). According to the latest annual report of PHA, the rate of rental payments of 2016/2017 financial year has decreased to 45.24 % as compared to 59.18% of the previous financial year (Polokwane Local Municipality, 2017:8). As an attempt to resolve this matter PHA has initiated the process of evicting tenants who are not paying rent as stipulated in their signed lease agreement, a process which has not yet yielded any positive outcome. The provincial government has been working with the Rental Housing Tribunal to mediate the relationship between PHA and tenants. According Patel (2009: unpaged) the Rental Housing Tribunal (RHT) is an independent body appointed by the Member of Executive Council of housing to promote stability in the rental housing sector and to resolve disputes between landlords and tenants of residential dwellings with the least amount of inconvenience and cost to the disputants. It aims to offer a speedy process of justice to resolving disputes that would otherwise remain clogged in the legal system for months, if not years.

From the PHA 2015/2016 annual report managing social housing stock comes with various challenges and responsibilities which need to be addressed. An example is dealing with difficult tenants who frequently boycott rent payment and failure to maintain the property by the social housing institution itself because of financial non-viability (Thabatshweu Housing Company, 2016:5). According to SERI (2011:39), the rental housing sector is characterised by several disputes. The disputes include tenants who do not follow institutions' by-laws, institutions not maintaining property and the non-payment of rental charges by tenants (*ibid*.).

1.3 Statement of the Problem

Various SHIs with the support of the National Department of Human Settlements in terms of SHP are playing a critical role in developing and managing social housing in mainly urban municipalities. On completion of the construction, units are allocated to tenants by various SHIs. There have been many cases where the media had reported about challenges facing SHIs when it comes to the management of their social housing

units. For example, on the 16th of July 2008 News24 published a report implicating Housing Company Tshwane (HCT) and the tenants. The report was about a protest during which tenants demanded that there had to be an investigation on why there was a lack of service delivery as well as alleged corruption implicating the HCT.

As part of the list of the grievance's tenants were demanding that the HCT must stop evicting tenants even though they are not paying rentals because they were staying in a neglected area (News24,2008: unpaged). Tenants were also demanding that the HCT renovate buildings in such a way that it complied with the Sectional Title Schemes Act, and once this was done, they wanted all tenants to receive title deeds (*ibid*.).

In Polokwane there were reports on a succession of protests concerning the challenges within GRV. In February 2012, The Star newspaper reported that GRV tenants owed the PHA R7 million in arrears which lead to the PHA failing to repay a loan by the NHFC (The Star, 2012: unpaged). On February 27, 2014 the Capricorn Review newspaper reported about a protest about a dispute about the rental charges while also calling for the option of renting-to-own to obtain individual ownership title (Capricorn Review,2014: unpaged). On October 29, 2015 the Polokwane Observer newspaper reported about protests which again broke out at GRV; this time it was about the problem of leaking pipes and lack of roof maintenance and claims that the municipality had changed the initial lease agreement of rent-to-buy to rental only (Polokwane Observer,2015: unpaged).

According to the newspaper article the tenants were claiming, that the municipality had changed its lease agreement unilaterally. This raised the question with the researcher if the tenants were aware of who their landlord and managers of GRV were. The PHA is the entity which owns and manages GRV, so the lease agreement is between the PHA and tenants. In 2016, the Polokwane Observer again reported about another protest. This time the protests were against electricity cut-offs, rental arrears and a call for renting with the option to buy (Polokwane Observer, 2016: unpaged).

According to this article “The challenge facing social housing institutions in South Africa: A case study of Johannesburg” Onatu (2012:192) has emphasised that despite the successful stories that are results of SHP, social housing institutions “encounter the problem of poor management of institutions, default in payment by residents and the long process it takes to obtain court injunction to evict or compel them to pay”. He further highlighted that the problem of poor management of institution and default payments of rental had contributed to the collapse of Cope Housing Association one of the social housing NGO in Johannesburg. The NGO social housing institution has collapsed because it was poorly managed and owed 1.4 million rand in arrears for 3 years (ibid.).

In a study conducted by Sipungu and Nleya (2016) for Public Service Accountability Monitor has outlined several challenges faced by social housing institutions in South Africa. The study revealed that affordability is the main cause of default payment of a tenants on social housing institutions. Despite the subsidised rental, it is still difficult for tenants to afford rental (ibid.). The research also highlighted subletting of tenants outside the income brackets as well as bribery and corruption on the allocation process as the main challenges facing social housing institutions (ibid.:19).

Based on the various news reports and previous research conducted there is increasing evidence that reveals challenges relating to an apparent problem arising from the management of social housing stock and tenants who stay in the rental units. However, this cannot be generalised to GRV case since it looks like a special case compared to others. On the other hand, though, the PHA is celebrating having obtained success in the implementation of the first Phase of the GRV’s development and is planning to commence with the GRV Second Phase in the 2018/2019 financial year. However, the view of the researcher is that there are many operational management challenges about the social housing stock that need to be addressed. It is the intention of this research to assess the challenges in the management of social housing units, using a case study of Garena Rental Village (GRV). Even though management of social housing seems to be burdened by many challenges, there might be some opportunities that arise from managing this housing project; for

example, the fact that the units are raising funds for the PHA through municipal subsidisation maybe is an opportunity to PHA, as well as accommodating most people who came to settle in the city. Therefore, it is also the intention of this research to identify and understand opportunities that are brought by social housing institutions.

1.4 Rationale of the Study

Given the challenges set out above, which also resonates with personal experience from working in the housing environment, it is relevant for this research to review the existing management challenges about the social housing stock. This could possibly inform a new approach that can be used to improve the management of tenants by social housing institutions. The research could also be used as the foundation for others in academia working on related topics.

1.5 Aims and Objectives of the Research

1.5.1 Aim

The Major aim of the research is to determine and identify the challenges and opportunities regarding the management of social housing in Garena Rental Village.

1.5.2 Objectives

- To understand the scope of management functions with regard to policy, legislation and the regulations of the National Social Housing programme.
- To analyse the existing challenges and opportunities in the management of social housing.
- To establish the extent to which the housing institution responsible for managing Garena Village is exercising its functions to ensure proper management and the creation of opportunities with regard to the social housing stock.

- To establish the extent to which tenants are exercising their obligations as per their lease agreement to ensure the smooth management of Garena Rental Village.
- To explore appropriate intervention strategies that can be used by the Polokwane Housing Association in managing Garena Rental Village's social housing.
- To make recommendations on the findings of the research.

1.6 Research Question and Sub-Question

1.6.1 Research Question

- What are the challenges and opportunities in the management of social housing stock?

1.6.2 Research Sub-questions

- What is the scope of the management functions as highlighted in the policy, legislation and regulations of the National Social Housing Programme?
- To what extent does the housing institution responsible for managing Garena social housing exercise its function to ensure that there is proper management of the social housing stock?
- To what extent are tenants exercising their obligations as stated in their lease agreement?
- Which are the appropriate intervention strategies that can be used to assist the Polokwane Housing Association to manage Garena social housing units?

1.7 Hypothesis

The research is expected to find out the extent to which the challenges and opportunities in the management of the social housing stock have had an impact on the tenants. The researcher suspects that either the social housing institution or the tenants is not exercising their functions properly as stated in the Social Housing Act

(Act 16 of 2008). In relation to appropriate strategies which the PHA can use to manage social housing, the researcher is expecting to find the root cause of the PHA's management challenges and the applicable strategies for addressing those problems. Regarding the extent to which tenants and landlord are working together to ensure that GRV is properly managed, the researcher suspects that both tenants and the housing institution are not fulfilling their respective functions correctly to ensure that proper management of the GRV housing stock is possible. Through these insights, the research is hoping to be able to make recommendations on the findings of the research.

1.8 Introduction to Key Points of Literature

Various key points were discovered during the preliminary literature reviews which the researcher would like to highlight setting the scene for this research.

1.8.1 Social Housing

According to Nengomasha (2011:21), citing Reeves,2005, "In the European and American context the concept of social housing is mostly used to define housing provided and operated by local authorities and housing associations or registered social landlords, and extended to cover housing managed by these bodies, regardless of ownership". However, in the South African context due to the political and socio-economic inequalities which were inherited from the apartheid government it makes the definition of social housing different to that in the European and American contexts.

In South Africa, social housing before the Social Housing Act came into force, used to be defined as housing that provides "low to moderate income households with affordable housing options, it also includes other services that provide community development and also promote lifestyle which is conducive to community living" (Social Housing Foundation, 2000:11). A new definition after the promulgation of the Social Housing Act is that social housing is "a rental or co-operative housing option

(that excludes immediate individual ownership) for low-income persons, at a level of scale and built form which requires institutional management and which is provided by accredited social housing companies or in accredited social housing projects in designated Restructuring Zones" (Social Housing Act, 2008)

1.8.2 Policies that Underpin Social Housing in South Africa

Different policies have formed the foundation of the existence of social housing in South Africa. There are three key documents which underpin the social housing programme in the country. These documents are the Social Housing Policy (2005), Housing Code (2009) and the Social Housing Act (Act No.16 of 2008) (National Treasury, 2016:3). Both the policies and Acts are guided by the two primary objectives of the Social Housing Programme. These objectives are:

• "To contribute to the national priority of restructuring South African Society in order to address structural, economic, social and spatial dysfunctionalities", and

• "to improve and contribute to the overall functioning of the housing sector specially the rental sub-component since social housing is able to contribute to the range of housing options available to the poor" (*ibid*.).

The policies highlighted that the location of these projects should be in strategic locations where there is a demand for housing. The rental set for the tenants should be one that people with monthly incomes ranging from R3 501 to R7 500 are able to afford , based on their income. The government gives a subsidy which only covers the capital cost of the units and operational costs such as maintenance are paid by tenants through rent collection (*ibid*.:4).

Beside the Social Housing Programme which dictates that social housing must be located in a restructuring zones and must be constructed using Restructuring Capital Grant subsidy, South Africa also has the Institutional Subsidy Programme which is

used to build social housing. According to the revised housing code of 2009, the Institutional Subsidy Programme was introduced with the aim of providing capital grants to social housing institutions to construct and manage affordable rental units. The programme also provides for the sale of units by social housing institution after at least four years have lapsed (Human Settlement, 2009).

In terms of financing of the SHP and Institutional Subsidy Programme normally there is conjunction of NHFC together with SHRA, the Human Settlements (National, Provincial & Local Municipal) Departments and some international players who have over the years helped to develop the Social Rental Housing Sector as the delivery vehicle for rental housing to accommodate the low- to middle-income rental market sector (National Housing Finance Corporation, undated). The NHFC provides top-up funding to SHRA-accredited SHIs that qualify for RCG to complete the project. Once a project is identified in a Restructuring Zone demarcated jointly by the Local Authority and the Province, the SHI applies for RCG to the SHRA and to the Provincial DOHS for Institutional Subsidy. Together with the Institutional Subsidies awarded by the Province, SHIs are enabled to undertake refurbishments of existing buildings or Greenfields constructions, thereby availing decent affordable accommodation to the target market (ibid).

PHA has used funding from the Institutional Subsidy Programme as well as top up funding from the National Housing Finance Corporation during the first phase of construction of GRV, before the area was identified as a restructuring zone of the municipality. According to PHA Official (self-interviewed) the next project will be done with the help of Restructuring Capital Grant as a source of funding.

1.8.3 Management of Social Housing stock

In South Africa there are various actors who participate in the provision of social housing. However, the main stakeholder in the ownership of social housing is the SHI. A municipality ideally provides the land where the houses are located, and the

construction funding is from the national and provincial governments through institutional subsidies and the balance from loans from government parastatals such the NHFC (National Treasury, 2016:5). A municipality may prefer to establish its own municipal SHI entity and in the end such a municipality must allow that SHI to function independently. However, PHA does not function independently, with much municipal interference in its day to day operations. The responsibility of the SHI is to develop and manage social housing units as stated in the Social Housing Act (Act No.16 of 2008), which states that social housing must be managed by an independent accredited social housing institution. This is a new system which GRV must adapt to it since it was formed before this Act was enacted. The institution which was approved by the Social Housing Regulatory Authority to provide social housing is the accredited SHI. Social Housing institutions are responsible for "raising funds for development and refurbishment, maintenance, management and provision of special services for the elderly, disabled, etc. Another important function is that they are also involved in the selection of tenants" (UNECE, 2015).

According to SALGA and CMRA (2012:21), the management of social housing stock is explained as the more challenging element of social housing. This is because managers have to deal with people with different kinds of problems and different kinds of situations. This requires a well-coordinated and well-organized management style (*ibid*.).

1.8.4 Ladder of Subsidized Social Rental Housing Programmes in South Africa

Rental housing has become an important part of the housing market. The principle which governs rental housing is that a "tenant pays rent to landlord to occupy a unit" (SALGA, 2012:5). South Africa now has three different subsidized rental housing programmes which play different roles in the regeneration of the inner city and addressing housing challenges for people of different low-income brackets. The subsidized rental housing includes the Community Residential Units (CRU), Institutional Subsidy and Social Housing Programmes. According to National Human

Settlement Department's (2010) National Housing Policy and Subsidy Programmes document there is differences between these three subsidy programmes.

The institutional subsidy programme does differ from the Social Housing Programme because SHP is only for rental and the units cannot be sold for 15 years, and the Institutional Subsidy Programme allows the selling of units after 4 years. Another difference between these two programmes is that the Institutional Subsidy focuses on development of rental housing at any area where there is population concentration, were as the Social Housing Programme focuses on development of affordable rental housing only at the identified restructuring zones chosen by the municipality (National Human Settlement Department:2010). According to SALGA (2010:12) CRU is the/another programme that provides affordable rental housing by making funds for development and refurbishment of existing public housing stock as well as for the development of new rental housing units available.

According to Social Housing Foundation (2010:18) the different between social housing and CRU is that social housing targets household with monthly income of R3500-R7500 were as CRU targets household income between R800-R3500.However this have now been adjusted to qualifying household income limit for the primary market from R3 500 to R5 500 per month and the upper qualifying household income limit from R7 500 to R15 000 per month (South African Government News Agency, June 19). Social Housing Foundation (2010) has emphasized that the social housing programme is all strictly for spatial restructuring i.e building integrated non-racial societies to contribute to urban regeneration.

1.9 Research Methodology

1.9.1 Research Strategy

This research is aimed at gaining insight about challenges and opportunities that exist in the management of social housing stock. The research has used Garena Rental

Village as case study. The research is exploratory by nature. Having determined the nature of this research, the qualitative approach have been used as the research strategy. According to Bhattacherjee (2012), cited in Stewart (2014:34), qualitative research can be defined as “a systematic mode of inquiry into complex social structures, interactions, or processes by employing observational, interpretive, and naturalistic approaches”. This definition clearly indicates that the qualitative approach focuses more on explaining and describing the event rather than using measurement.

1.9.2 Data Collection, Sampling, Selection and Research Instrument Approach

In undertaking this study, the researcher had utilised primary and secondary sources of data. This is what is referred to as desktop research and it entails accessing and analysing information from published and non-published sources (Khumalo, 2012:7) citing Delaney Woods and Associate (2005). Therefore, all forms of literature and analysis that were applied to this research were reviewed and analysed using desktop research as well as engaging with journals, reports and books (*ibid*.).

Semi-structured interviews were also conducted. As highlighted by Babbie & Mouton (2004) and Buckingham *et al*. (2004), cited in Sobantu (2014:38), semi-structured interviews allow the respondents to be flexible and easily controlled by the researcher. Before the interview is conducted the researcher provided a pre-interview questionnaire to allow the respondents to ponder and review the questions before answering it during the proper interview.

A total number of nine respondents were chosen for the structured interviews. Of these informants, six are residents of Garena Rental Village (GRV). The research was hoping to further interview one provincial Human Settlement department official, unfortunately the respondent could not avail himself for interview, one municipal housing official and one Polokwane Housing Association housing institution official were all interviewed. The reason for choosing this sample size and selecting them

from GRV and government institutions that deal with housing was to obtain information from all stakeholders so that the research will provide accurate information.

Purposive sampling was used to choose this sampling. According to Maree (2007:178), “purposive sampling is used in special situations where the sampling is done with a specific purpose in mind”. For example, this study’s purpose was to find the challenges in managing social housing, hence the respondents chosen were the people having strong interests in it and who know GRV and social housing very well.

1.9.3 Ethical Consideration

This research had considered all ethical issues that affect human research. This includes among others informed consent, confidentiality of key informants, and emotional safety. The researcher had made sure that all the participants are aware that participating in this research will be done voluntarily and he or she could withdraw from the research when they wish. In cases where the participants prefer to be anonymous, the principle of confidentiality was ensured by giving participants pseudonyms. Permission to conduct this research has been obtained from the University of Witwatersrand higher degrees committee.

1.9.4 Limitation of the Study

The expectation was that this research would not be simple to conduct because some key informants had very busy schedules and there also was an unwillingness to participate in this study. To deal with this challenge the researcher made an early appointment prior to an interview and always kept on reminding participants of the interview schedule. Another challenge which was expected was the withholding of information by participants. This was expected from government officials specifically.

The researcher notified the respondents about the anonymity principle and confidentiality so that they could feel secure and not withhold information. Since viability factors such as time and costs made it impossible to include the entire population, this research selected a smaller population sample. This has the disadvantage of not obtaining the most accurate information for the study. Despite all his efforts the researcher failed to interview the provincial Human Settlement Department official because the researcher was not granted permission to do the study in the department. This limited the researcher from obtaining firsthand information about challenges and opportunities in the management of the GRV by the department official who knew much about what the Limpopo Rental Housing Tribunal is trying to do in resolving some of the challenges.

During the process of data collection, the researcher noticed the need of adding NHFC and SHRA officials on the list of respondents to further gain firsthand information from them. This was based on the relevance of these institutions to this study, however attempts to get interviews with officials were unsuccessful and it affected some of the confirmation and conclusions of the study.

1.10 Research Chapters' Division

- Chapter 1 contained the introduction and background of the research, it also provided the research problem statement, the aim and objective of the study, the research question and possible research sub-questions. Chapter 1 also incorporated the research methodology which will be used in this research and described how the results were going to be obtained.

- Chapter 2 highlights some of the literature that is available and relates to both the challenges and opportunities in the management of social housing.

- Chapter 3 provides the details of the study area and the context for empirical research.

- Chapter 4 provides the results and analysis of the findings of this research.

- Chapter 5 is the concluding chapter where the overall synthesis of the research project is summarised, and where major findings are illuminated. The chapter finally provides recommendations and conclusions for future academic research in the social housing management field.

CHAPTER 2: LITERATURE REVIEW

2. Introduction

This chapter presents secondary information gathered from different sources on the issue of social housing. The information reveals the key factors that different researchers believe have contributed to the challenges and opportunities with regard to social housing. It also highlights the theoretical perspective that informs this study and the policies that support it.

2.1 Theoretical Perspective

2.1.1 Arnstein's Model of Participation

The classical "Ladder of Participation" theory devised by Arnstein has been used by different scholars and housing practitioners to illustrate resident involvement and tenant participation in housing management. The Arnstein ladder of participation shows different rungs of participation that run from bottom to top. In ascending order, they begin with manipulation, therapy, informing, consultation, placation, partnership, delegation of power and end up with citizen control (Lau, 2002:41).

Figure 2.1 Arnstein Ladder of Citizen Participation



Source: Arnstein,1969

At the two bottom levels of the ladder there are ‘manipulation’ and ‘therapy’; this is where there is non-participation or little participation. The main role of these two levels is not to enable people to participate in planning, but to enable the leaders or power holders to educate or cure the participants. The Informing and Consultation rungs give the citizens the rights to hear and be heard. But at these stages’ citizens lack the power to have their views heeded by the decision makers. The Placation level is the higher rung of tokenism whereby the have-nots can advise, but the decision remains to be taken by power holders. The Partnership level allows citizens to negotiate and engage with power holders in trade-offs. At the top is ‘delegation of power’ and ‘citizen control’; that is where most of the power is in the hands of citizens, most of the decisions are made by citizens or they hold much of the managerial power (Arnstein, 1969:218).

This model of participation in South African social housing context was explained in part 3 of 2009 Housing Code. The Housing Code policy explained the relevance of having the residents’ representation during and after the development of social housing under the institutional subsidy programme. However it also emphasised that the residents’ representation is solely to ensure that the occupants’ wishes are taken into account, but not necessarily to afford the occupants a controlling role in the management of the housing institution (National Human Settlement, 2009:17).This emphasised what happened during the placation stage of Arnstein ladder, where by occupants are allowed to raise their issues but are not allowed to assist in taking decisions pertaining their issues.

The significance of Arnstein’s Ladder of citizen participation theory in this research is that it may highlight some of the aspects that might be contributing to challenges and opportunities in managing Social Housing. For example, PHA as an institution had adopted this kind of participatory approach of Arnstein’s Ladder of citizen participation as the only genuine form of participation. PHA could have used this model as an early warning sign model if proper research about the correct community participation was conducted. PHA could have noticed that engaging community on the matter that affect them and never gave them chance to assist in taking decision cannot work prior inception of the project. Gershman (2013:35) has criticised Arnstein Ladder, stating

that the ladder is more focused on power, which makes practical participation on the ground difficult. Gershman further highlighted that making assumptions that participation is hierarchical in nature, thereby setting up control of the citizens having control, is incorrect since participants themselves do not engage in participation with the goal of being controlled but in the hope of taking decisions (*ibid*.). In a criticism of Arnstein's Ladder, Collins and Ison (2006:5) mentioned that in a situation where the issue is highly contested or not defined the ladder provides few insights on how progress can be achieved as a collective process with all stakeholders involved. This is more relevant with the research question about appropriate intervention strategies that can be used to assist the PHA to manage GRV. There are no identified strategies that can be implemented without affecting other stakeholders negatively.

2.1.2 Cairncross, Clapham and Goodland's Models of Local Authority Roles in Resident participation

Cairncross, Clapham and Goodland derived three models of local authority roles in resident participation. These models are Traditionalism, Consumerism and Citizenship. According to Lau (2002, 41), the traditionalism model is derived from the ideology of professionalism and representative democracy. In this model the key players are the management of the housing institutions and the councilors. Through traditional patterns the traditionalist is expected to limit tenant's involvement by promoting top down communications with all tenants.

Communications between local municipality and tenants is through elected councilors and professionals and what their communications focuses on normally is the general issues that affect tenants' needs. This is different in the South African context in that the communication between tenants and management goes through the tenants' committee as a requirement of Housing Code to realize participation. Much on tenants' committee roles will be discussed in the next chapter. The Consumerist approach argues that tenants are the "consumer of the housing and therefore their involvement with social housing should be service orientated" (Housing and Community Research, 2016:5). A third model which was derived by Cairncross *et al*., 1997 as cited in Lau

(2002, 41), is the Citizenship Model. The Citizenship Model is built from the combination of consumerism and citizenship ideology. According to Koebel and Etuk (1998:8), “citizenship promotes the creation of community through the collective control of property management by tenants”. It is this model which has highlighted that tenants’ participation is composed of three elements which are structures, processes and outcomes (*ibid*.). However, these models represent the local authority roles in resident participation in the UK context. In South African context there is less focus on the tenants and manager’s needs, each party want to have maximum benefits with the compromise of the other party. What South Africa can learn from this model is to combine Traditional Model and Citizenship model to create well-coordinated relationship with no compromise of one another.

Table 2.1. Summarised model of Local Authority Roles in resident participation

<table>
<tr><th></th><th>Traditional</th><th>Consumerist</th><th>Citizenship</th></tr>
<tr><td>Primary focus</td><td>Focus on producers, i.e. housing managers and councillors</td><td>Focus on role of customer.</td><td>Focus on role of consumer and citizen.</td></tr>
<tr><td rowspan="2">View of tenant</td><td>Focus on needs of tenants.</td><td>Focus on the individual tenant</td><td>Focus on tenants as individuals and as a collective</td></tr>
<tr><td>Paternalistic and authoritarian.</td><td>Emphasis on tenant choice</td><td>Tenants’ rights and obligations.</td></tr>
<tr><td rowspan="2">Information flows</td><td rowspan="2">Reliance on political and professional judgements. Information transmitted through professional and formal political channels</td><td>Market research</td><td>Dialogue</td></tr>
<tr><td>Advertising</td><td>Two-way information flow through many channels.</td></tr>
</table>

Source- adapted from: Cairncross, Clapham and Goodland (1997:27)

The significance of the models by Cairncross *et al*. for this research is to highlight the substantial interest in and support of tenants' participation by housing managers and councilors. Even though the model is reflecting rental housing in the UK, it can be useful to SH in South Africa to adapt this style for tenant empowerment. In contrasting views of this model other researchers have argued that while different managers may speak the language of the empowerment of tenants, in practice they do not grant such powers to tenants (Pawson, Bright, Engberg and Van Bortel, 2012:12).The South African social housing has a combination of different elements picked up from these models, for example its primary focus is much of consumerist model, its view of tenants is more under citizenship model and its information flows is more under Traditional model.

2.1.3 Wekerie *et al.*'s Model of Management of Condominium Housing.

This model is a result of a work by Wekerie and his colleagues in designing a framework of resident's involvement in the management of housing stock. This model does not represent the situation in South Africa. However, the country can learn from the model. According to this framework, there are three ways in which rental housing can be managed. The three ways are identified as the professional management company, partnership management and resident management (Lau, 2002: 43). According to this model, housing can be managed using a professional management or housing model. This occurs when the professional housing manager takes full responsibility for managing the housing. At this stage citizens do not form part or attend any housing management matter, but the housing manager has full control of the management of the housing stock. The owners of the buildings entrust the management of the housing stock to professionals, if the managers will do their best to satisfy the owners and the clients.

The second type of management of housing is through the partnership management model. According to Wekerie and his fellow scholars, in partnership management owners of the houses enter into contracts with sub-contractors on small services such as garbage collection, repairs and maintenance (*ibid*.). The managers leave most of

the decision making to the sub-contractors when it comes to the daily management routine of the housing. The third model of resident management explains that owners voluntarily involve themselves in the management of the housing stock (Pawson, Bright, Engberg and Van Bortel, 2012:17).

The three types of residents' involvement in Wekerie's housing management models as set out above assist this research in understanding the different forms through which management of social housing stock can be done. The model also shows that owners of the housing can delegate the power of the management of everyday operation of housing stock to sub-contractors whereby the sub-contractors will do the work on behalf of the owners.

This is not the state with PHA and many SHI in South Africa, but there are few things which PHA can learn from this model, for example fronting sub-contractors at some of their projects to avoid full responsibilities of poor management. Using this management framework is useful for this research in assessing the managerial style that has been adopted by other owners of social housing and check if they can't be relevant to South Africa.

2.1.4 Customer Delight (Kano Approach)

The theory of customer delight is the brain child of Dr Noriaki Kano in 1984.The theory's aim is to capture what the customers require for products and services. The theory is a tool by which to attain customers' satisfaction with the service and product. Managers can also benchmark customer satisfaction by using this model theory. According to Jerome (1995) and McDougal (2000), cited in Forss (2013:32), having satisfied customers makes the business grow bigger, and create loyalties with clients towards the business. Working relationships between service provider and clients are very important, as stated by Berry (2006).

According to Forss (2013), there are very few techniques that are eligible if one wants to achieve customer satisfaction. Among others he highlights it as: “respond to messages promptly and inform clients regularly, ensure approachable and friendly communications work line, define and apply clear customer service policy, encourage face-to-face or front desk dealings, teaching the personnel attention to detail, anticipate clients’ needs and be able to change fast enough your company’s resources to be able to help them out and finally be reliable partner and keep promises” (Forss, 2013: 33).

However, the theory by Kano was more focused on how customers perceive services and products provision and ignores much of “operational efficiency, except as operational efficiency is reflected in product or service quality that influences customer satisfaction” (*ibid*).This theory can be of significance to this research as a benchmark for creating a better working relationship between tenants whom can also be referred to as clients, and the Housing Institution, which is the service provider. This theoretical explanation implies that if tenants or clients are happy there would not be protests about social housing because customer’s satisfaction will be the symbol of good housing management. This could mean that once clients are satisfied with the services, most opportunities may also arise for that institution. According to Pawson *et al.* (2012:36), landlords use the attitudes of the tenants to measure the success of their business. The attitude of the tenants towards the landlord is what helps to shape the business (*ibid.)*. Checking the past mentioned protest behaviour by PHA tenants it is quite clear that there wasn’t much tenant satisfaction and it is from that behaviour where PHA can adopt this model in trying to resolve its problems.

2.1.5 Rational Choice Theory

Rational choice theory is the theory which explains actor’s actions about the decisions which they make. According to Sato (2013:1), “rational choice theory assumes that an actor chooses an alternative that he/she believes brings about a social outcome that optimizes his/her preference under subjectively conceived constraints”. This assumption can be explained as follows: the decision by the actor to an alternative is

influenced by what an actor believes will bring about social outcomes that will maximise his or her utility under the conceived constraints (*ibid*.).

The research by Man (2003) with the title “Resident Participation in Housing Management in Hong Kong: A Rational Choice Perspective”, has highlighted rational choice theory in relation to housing management. According to Man (2013:10), rational choice theory is used to analyse the reason behind an individual resident’s willingness to take part in collective actions that lead to collective goals. The theory highlights that when different residents form part on the collective actions in the housing project, they do it with different motives for taking part in the actions (*ibid*.). “The fundamental core of rational choice theory is that social interaction is basically an economic transaction that is guided in its course by the actor's rational choices among alternative outcomes” (Man, 2013:11).

The rational choice theory (RCT) is used to analyse the collective behaviour of the masses. In housing management where residents participate together, it is regarded as a collective action with the aim of achieving collective results. The collective results that may be achieved through collective actions include “better housing management, improving neighbour relations, strengthening control in management companies, and cutting costs of maintenance and repair etc., whatever profitable to the residents” (*ibid*.:14). Sechser (2001:2) has criticised the RCT, stating that it never hypothesises an adequate test to prove what it claims.

This theory analysis is very relevant to PHA context because it is going to help the researcher during an analysis chapter to understand residents’ decisions. The researcher will find out if the collective decision of tenants is done for betterment of housing management and improving the working relationship between tenants and management of Polokwane Housing Association. Since it is required by Institutional Subsidy Programme to have residents’ representations during development and management of social housing, using this theory will help on evaluating if having

residents' representation does assist with the improvement of the management of social housing.

2.2 Social Housing in an International Context

The term social housing has different meanings in an international context. Petitjean (2011:4) has attested this by writing that in France social housing is referred to as "housing at moderate rent", it is called "people housing" in Austria and "housing not for profit" in Denmark. According to Berry and Preece (2008:3), "Social Housing is an umbrella term used to describe a range of housing provision, traditionally offered by local authorities and housing associations in the UK". According to Nengomasha (2011:21) citing Reeves (2005), the social housing concept in the European and American context is mostly used to define "housing provided and operated by local authorities and housing associations or registered social landlords, and extended to cover housing managed by these bodies, regardless of ownership. The occupiers of these houses are mostly those people who are more vulnerable and disadvantaged within the society" (*ibid*.). Ogunsanya (2009:36) has attested to this. According to Mothae (2013) citing Rust (2012) "Social housing in most European countries was developed intensely after both the first and second world wars due to housing needs during post war restructuring periods". While referring to Britain, he highlighted that because of a higher level of equality, Britain use social housing as the means for providing safety for the vulnerable. Netherland, France and United Kingdom are on the list of countries having many social housings when compared to other European countries.

Many European countries have different sentiments about the laws and policies that are used to govern social housing as compared to market housing. Scanlon, Arrigoitia and Whitehead (2015:4) have asserted that ownership of social housing in many international countries is through the companies that are owned by the municipalities or by the municipalities themselves. In countries like Denmark all social housing stock is owned by the housing associations where as in other countries such as the Czech Republic the social housing stock is the municipality's property (*ibid*.). However, some

of the European countries such as Germany and Spain have ownership exceptions because some of the properties are owned by private landlords who used state subsidies to construct the houses (Scanlon *et al*. ,2015:5).

On the issue of who benefits the most from social housing, it differs in relation to different countries. Broadly speaking, in most European countries people who stay in social housing are pensioners and single parent families (*ibid*: 5). The family comprising of a couple and children, is less representative in many European countries' social housing (*ibid*.). The European model of social housing provision operates in the form of social markets where the "institutional arrangements favour the principle that ownership should be non-governmental and that the landlords operating it should not be motivated by profits" *(ibid.).* The rental in this model is cheaper but inconsistent to demand and the "allocation extends access to a more diverse income group" (Nengomasha, 2011:22). Hence in terms of the income distribution, most of the people who stay in such housing are low income earners.

Many governments' policies in European countries place emphasis on the principle that social housing should accommodate individuals that are homeless. In other countries asylum seekers, as in the Netherlands, are accommodated in social housing (Scanlon *et al*., 2015: 7). In many European countries there has been a decline in investment in social housing as compared to the period between the1980s to 1990s. According to Mothae (2013:47) "the decline in social housing provision in some countries is a result of government cutting down on subsidies in an attempt to reduce spending". Scanlon *et al*., (2015:11) further stated that the present "social housing providers generally have fewer resources but far greater responsibilities", which makes people loathe to invest in them (*ibid*.:11).

2.3 Social Housing in the South African Context

Mothae (2013:55) notes that the concept of social housing in South Africa dates back to 1920.Social housing in the South African context has a different meaning as compared to other international countries, and more specifically the European countries. This is because these countries, when compared to South Africa, have different social issues and histories and they are a welfare states, with subsidised rents by government. South Africa is characterised by social and economic inequalities as a result of apartheid. Therefore, in South Africa social housing is defined based on the funding model which the project falls under.

The first definition of social housing in South Africa as indicated in the National Housing Code (2001 and revised one of 2009) highlighted that, social housing is "rental houses developed under Institutional Housing Subsidy which provides for housing institutions with access to government grants to provide and hold rental housing stock for a minimum of four years". According to Mamaregane (2008:16) housing subsidy is given to qualifying housing institutions to enable them to create affordable housing stock for persons who qualify for subsidies. Phase one of GRV was constructed under this programme before it was changed to social housing programme formed under social housing Act of 2008. This programme allows tenants to be actively involved in the administration and management of the developed rental stock (ibid).

As defined in the Social Housing Act, social housing is "a rental or co-operative housing option (that excludes immediate individual ownership) for low-income persons, at a level of scale and built form which requires institutional management and which is provided by accredited social housing companies or in accredited social housing projects in designated Restructuring Zones" (Nengomasha, 2011:22), citing the Department of Human Settlement (2010) and the Department of Housing (2006). The aim of social housing provision in South Africa as highlighted in the definition is to re-integrate people in towns and cities with formal housing. According to this definition

in South Africa SHP is the only programme which was initiated with the aim of subsidising the people in the inner city as a strategy for regenerating the urban areas (Ogunsanya, 2009:25). This is because many people who are living in urban areas of South Africa are facing the challenges of rental accommodation because they cannot afford private rental. Therefore, SHP is meant to create good living environment for city dwellers.

What differentiates social housing in South Africa from social housing in the international context is that social housing in South African is defined based on the funding model which is used to develop them. In South Africa there is social housing which is constructed using Social Housing Regulatory Authority (SHRA) Restructuring Capital Grant (RCG) subsidy, and others which are constructed using funding from provincial human settlement institutional subsidy. Social housing in South Africa also specifies the spatial location of the project. The location is then determined by the subsidy which is being used for construction of the project. The similarity of social housing in South Africa to that of other countries, and specifically those in the United Kingdom, is that majority of the stock is managed by social housing institutions.

Local government or municipalities have an option of establishing their own social housing institutions; however, the social housing policy excludes the government from the day to day management of the housing stock but allows the government to be heavily involved in the mobilisation of funds (Nengomasha, 2011:22). The similarities in international social housing and South African social housing is that they both serve the people who are unable to afford purchasing their own shelter and depends on rental accommodation. Both in the international and local contexts social housing targets the people who will be able to afford to pay rent. The advantage for social housing rental is that it is meant to be low and affordable. Affordability refers that social housing can be able to be bought or rented by people who do not earn a lot of money. Hence in South Africa the target market is those people who earn between R1500 and R7500 per month. However, those figures are being reviewed to include the people who earn up to R15 000 per month (*ibid*.).

2.4 Legal Framework and Policy Foundation Guiding Social Housing in South Africa.

Social housing has been present in South Africa since the early 1920s as a way of addressing white working class poverty conditions (Social Housing Foundation, 2004:19). However, ever since that time there have been no legal or policy framework which guided the development of social housing up until post 1994. The Constitution of South Africa is the overall legal framework within which the Social Housing Programme was developed to achieve some aims of its Bill of Rights. As stated in section 26 of the Constitution, everyone has the right to have access to adequate housing, and the state, by using its available resources, must formulate all legal and reasonable legislation to enable the progressive realisation of this right. It is on this basis that government has introduced various programmes for housing delivery.

As an acknowledgement of the Constitution, the government introduced the Housing Act 107 of 1997 which has played a significant role in mandating the different tiers of government for their roles and responsibilities when it comes to housing provision. The municipality has the role to facilitate the planning and create the environment which will enable the seamless implementation of a housing project. The provincial government has a responsibility to work hand in hand with the municipality to make sure that housing is provided.

The next policy which was developed was a comprehensive plan which was developed by the national government with the aim of developing sustainable human settlements, which is known as Breaking New Ground (BNG). BNG was launched in 2004 when the government wanted to do away with the housing provision, which focuses more on quantity than quality (SHRA, 2015:17). The idea of introducing BNG was to deliver quality houses and sustainable human settlements. The policy also recognised inner-city regeneration and urban renewal and recognises social imbalance in terms of housing within the urban areas. Therefore, as a way of bringing balance to urban areas, BNG encouraged the development of different housing programmes that also

include SHP as a foundation for creating balanced inner-city regeneration and urban renewal (*ibid*.).

The Housing Code of 2009 is the policy instrument that was developed to support the Housing Act, and it highlights many programmes, policies and subsidies that are used to provide housing, such as the Social Housing Programme by way of institutional subsidies in a comprehensive way (CMRA, 2012:8). However, the very important piece of legislation which supports social housing is the Social Housing Act (Act no 16 of 2008). Housing Act is the legislation which highlights the roles of all stakeholders who participate in the social housing sector. Municipality's roles were clearly highlighted in this act, *inter alia* to *"*create an enabling environment for the delivery of social housing, to facilitate the delivery of social housing and assist delivery agents in getting access to land and building as well as infrastructure and services"(*ibid.:*8) The Rental Housing Act of 1999 is another form of regulation which regulates the management of social housing and the relationship between tenants and the housing landlord as well as the Rental Housing Tribunal.

The other supporting legislation which has a significant role in social housing is the Prevention of Illegal Eviction and Unlawful Occupation of Land (PIE) Act. It is relevant to social housing because it regulates the process to be followed for the proper eviction of the tenants and acts as a guide to what can be done if there is an unlawful eviction (*ibid*.:9). Since Social Housing in South Africa is managed by housing institutions, in cases where a municipality chooses the option of setting up its own municipal SHI entity, it is relevant to establish that entity by using the Municipal Finance Management Act and the Municipal System Act 32 of 2000 to guide the municipal SHI entity in financial management.

The Social Housing Act (Act no 16 of 2008) also requires the establishment of the Social Housing Regulatory Authority (SHRA). The SHRA's main mandate is the disbursement of social housing capital grants and ensuring that Social Housing Institutions (SHIs) are, inter alia, accredited and monitored (*ibid*.).

2.5 Management of Social Housing and its Characteristics

Prior to a discussion of what social housing management is comprised of, it is relevant to first reflect on what housing management is. Housing management is a term which can be traced back to the 1840s from the prominent work of Octavia Hill. Using Octavia Hill's definition, Berry and Preece (2008:3) citing (Clapham, 1997), argued that "housing management was considered to be both a primary activity and have a strong social orientation". They highlighted that Hill placed more emphasis on decentralised management and on placing responsibility for tenant welfare as well as property maintenance in the hands of the housing manager. Berry and Blenkinsopp (undated: 3), citing (Power, 1987), has highlighted that housing management by that time was the core function of local authority and its focus was the management of housing properties and not the tenants. When comparing what Berry and Blenkinsopp wrote about the previous housing management system there is a difference with the current housing management system. The current housing management system focuses on the management of both the properties and the tenants.

Having social housing does not end with owning the housing stock. There are several responsibilities for the owner; this is what differentiates housing management during Octavia Hill's time from current social housing management practices. Gruis and Nieboer (2003:5), citing Priemus *et al.* (1999), defined social housing management as the "the set of all activities to produce and allocate housing services from the existing social housing stock".

Housing management consists of many different activities, *inter alia* technical management, which includes maintenance and renovations; social management, which includes the allocation of houses etc.; financial management which deals with rent collection and management and, lastly, tenure management, which deals with the letting to tenants as well as the buying and selling of the housing stock (*ibid.*). Berry and Blenkinsopp (undated:4) have acknowledged these four management areas,

namely financial, technical, social and tenure management, which housing management activities focus on. However, they highlighted the concern that none of the activities enumerated is indicative of the management of the housing organisations themselves and the form of professionalism that needs to be displayed in managing social housing.

According to Priemus, Dieleman and Clapham (1999:212), social housing management policy and implementation strategies are not implemented by the social housing institution or association in isolation, but it requires interdependencies with different stake holders such as, *inter alia,* municipalities, tenants, the housing ministry, financiers and the housing association staff. The overall workings of housing management reflect how the social housing institution deals with various stakeholders.

2.5.1 Challenges in the Management of Social Housing

This study acknowledges that there has been little research conducted in relation to challenges of social housing management *per se,* and there also is very limited use of and discussion about the applicability and potential for management theory/thought as understood in mainstream academic literature. Discussion around the challenges about the management of social housing can be interesting if, firstly, there can be an analysis of who holds the ownership of social housing stock. A publication by the United Nations has highlighted that ownership of social housing in the European Union is for “national and local authorities, public companies, non-profit and not-for-profit, limited profit associations and companies, cooperatives, charities, private for-profit developers and investors” (UNECE,2015:16).

In the South African context, the Social Housing Foundation (SHF) published a Toolkit on the Management of Social Housing. The toolkit maintains that the ownership of social housing in South Africa is either the responsibility of the municipal entity or the Social Housing Institutions, or secondly, ownership can be shared between the municipality and the private institution through what is called Public Private Partnership

(SALGA, 2007:54). All these publications from SHF and UNECE have pointed out social housing institutions as the main institution by which good management of many social housings across the world can be achieved.

Urban Land Mark (2010) conducted a study on why there is an apparent increase in the eviction of tenants in rental housing. Even though the study was focused on the private rented housings, the findings can be linked to other rented housing, including social housing. The study identified several issues which contribute significantly to the eviction of tenants. These are the challenges which in the end reveal what challenges managers of housing stock are faced with. Most of these factors are socio-economic conditions. These factors include, among others, dealing with tenants who are unemployed, tenants who are retrenched, causing default on payments of rent and utility bills to the municipality (Urban Land Mark, 2010:37).

The study also acknowledged that there is a management challenge caused by a misunderstanding between tenants and housing managers about various issues such as situations where tenants and managers do not appreciate the effects of wrong doing, resulting in conflicts. For example, a case where landlords fail to appreciate that they have not attended to long reported housing maintenance or when tenants fail to appreciate the result of non-payment of rent and municipal utility bills (*ibid*.). Rallings (2014:30) stated that most of the tenants in social housing have an attitude towards rent arrears as if it is not a priority to service their debts, which results in problems for managers who then cannot process payments for operational costs.

A report which was done by CMRA (2011:16), argued that there is still confusion among many tenants about social housing. Many people in South Africa lack knowledge of the social housing concept. People lack clear knowledge of the purpose and goals of social housing and assume that social housing is a form of free housing where its beneficiaries can be compared to those of the RDP/BNG housing programmes.

Owning social housing units brings different responsibilities that can cause challenges for managers. This among others, include raising funds by the social housing institution for developing and refurbishing the building, “property maintenance and selection and management of tenants” (UNECE, 2015:17). All these activities present their own challenges. Regrettably funding for social housing operational costs is not approved of by many municipalities. Then the social housing institution of that municipality must come up with a way to ensure that municipal bills are paid even if it means forcing tenants legally to do so. In a well-functioning SHI, operational costs are funded by the rental money from tenants. However, in a situation where the SHI is a municipal entity and is not functioning well, the municipality tries to raise some funds to bail out its struggling institution.

2.5.1.1 Socio-Economic Segregations Among Occupants

The issue most commented on in social housing, which contributes to management challenges, is that of social segregation. However, this does not apply to South Africa, but it needs to be discussed to highlight the problem that other countries are facing. Social housing in many countries is provided to accommodate households that are marginalised and very poor. According to Fahey (1999:28), “the tendency to concentrate the poorest and most vulnerable people to same social housing” was identified as the main factor contributing to social housing management challenges. Fakey (1999) argued that “the logic of this view is that the problems of poor or marginalised households are likely to be exacerbated if they are surrounded by households in a similar position and if the neighbourhood as a whole is impoverished as well as the individual households living in it”(*ibid*.).Fakey (1999) believes that if social housing is occupied by less economic viable households, the management of social housing have less focus in terms of addressing housing management challenges as compared to the situation where the occupants fall in medium-income brackets.

Friedrichs (1997), cited by Fakey (1999:29), reviewed research on “the impact of neighbourhood on the prospects and behaviour of disadvantaged households” and the

findings were that the behaviour of the household is much influenced by the behaviour of people in the neighbourhood. The conclusion for this research could be that the behaviour of tenants when they are not paying rent and for services is influenced by the fact that the households staying in social housing have one thing in common, which is a low-income level. Priemus *et al*. (1999:214) have argued that social housing units that are characterised by occupants that have mixed incomes and employment is simpler to manage than houses that have a substantial number of low-income occupants.

2.5.2.2 Social Housing Management Institution and Institutional Challenges

From the literature which the researcher has explored, internationally most people believe that social housing is properly managed if management is done by housing institution (UNECE, 2015). In South Africa, the Social Housing Act, Act 16 of 2008 made provision for the establishment of a social housing institution that will be responsible for the overall management of the social housing. Power (1993), cited in Fakey (1999:30), has acknowledged the impact which the social housing institution or association has on the management of social housing units. He stated that generally units that are managed by social housing institutions in European countries are efficiently managed when compared to those administered by local authorities. This was supported by Emms (1990:303) who stated that social housing institutions excel in housing unit's management because of the managerial approach, which is business oriented. However, he highlighted that the managerial style also causes housing associations to fail in coping with socially problematic tenants (*ibid*.).

Fakey also explained that social housing institutions' managements sometimes have internal institutional management challenges which cause them not to address the challenges that tenants have raised. He claimed that these challenges may not come from the social housing institution itself only but may also occur because of poor coordination between all relevant social housing stakeholders (Fakey, 1999:31). According to Fakey (1999:31), citing (Emms,1990 and Power,1997), there is no clear evidence that the management of social housing institutions is done properly, and

what is even clearer is that social housing institutions tend to battle to cope with those social challenges that people in social housing experience.

2.5.2 Opportunities in the Management of Social Housing

In the absence of empirical research which directly highlights the opportunities that the management of the social housing brings about, the researcher turned to several publications which hopefully can shed light on the types of opportunities that social housing management can have. The Charted Institute of Housing (2010) has described some of the opportunities that social housing management can embrace. The report states that opportunities exist in the impact which social housing has on the life of the people concerned. The report highlights that when one is managing social housing, one is playing a role in creating sustainable communities (Charted Housing Institute, 2010:10). The argument is that social housing plays a critical role of economic renewal and support of social cohesion. The report specified some of the positive issues that those managing social housing sustainably create for the tenants. Among others the report highlighted:

"• Strengthening community cohesion, particular in areas where tensions are known to be associated with the way in which housing is allocated

• Encouraging greater social and economic mobility of social housing tenants

• Broadening choice and wider options for prospective tenants

• Ensuring the most efficient use of the housing stock

• Responding to employment or skills needs specific to the area

• Creating more mixed communities and addressing the long-term sustainability of neighbourhoods

• Developing and maintaining balanced and stable communities

• Attracting a broader customer base

• Addressing specific issues at the neighbourhood level, such as anti-social behaviour and high tenant turnover through prioritising use of local letting policies

• Countering misconceptions as to the apparent unfairness of the allocation process" (*ibid*.).

The report further explained that in managing social housing the lives of many people are touched because social housing plays a critical role in meeting the housing needs of different people, all with a different vulnerability status (*ibid*.:9). The Social Housing Policy (2005:11) states that social housing will ideally improve people's lives through their living environment and open opportunities, both economically and socially.

2.6 Roles and Responsibilities of the Actors in Social Housing Management

According to the SHRA (2015:23), the social housing sector is characterised by different actors who contribute to making up the social housing sector. The actors include the financiers (banks and international donors), support organisations such as the National Association of Social Housing Organisations (NASHO) and SHRA, policy makers (which include all three spheres of government) and the delivery agents (Social Housing Institutions).At this research roles and responsibilities of the policy makers and delivery agents are defined as those who will give direction to the proper management of social housing stock.

2.6.1 Policy Makers' and Stakeholders' Roles and Responsibilities

The three spheres of government roles and responsibilities are articulated below on the table.

Role Player	Role in respect to social housing
National Government	• "Institute and fund the social housing sector • Allocate funds from the department's budget for the operational costs and commitment of the SHRA. • Determine norms and standards to be adhered to by provinces and municipalities.

	• Ensure compliance with its constitutional responsibilities; • Create and uphold an enabling environment for social housing, by providing the legislative, regulatory, and financial and policy framework for the delivery of social housing.
Provincial Government	• Ensure fairness, equity and compliance with national and provincial social housing norms and standards; • Ensure the protection of consumers by creating awareness of consumers "rights and obligations; • Mediate in cases of conflict between a social housing institutions or other delivery agent and municipality; • Monitor social housing projects to ascertain compliance with prescribed norms and standards; • Facilitate sustainability and growth in the social housing sector.
Local Government (Municipality)	• Encourage the development of new social housing stock and the upgrading of existing stock or the conversion of existing non-residential stock; • Provide access to municipal rental stock, land and buildings for social housing development in designated restructuring zones and to municipal infrastructure and services for approved projects; • Initiate and motivate the identification of restructuring zones;
Social Housing Regulation Authority	• Accredit Social Housing Institutions; • Carry out regular visit to social housing institutions to do inspection checking out compliance and see if they have effective, efficient and transparent systems of financial and risk management;

	• To do all necessary things that will ensure that there is good governance and sustainability of SHIs; • Do capacity development to all individuals that are involved in SHIs".

Source: Adapted from Department of Planning Monitoring and Evaluation (2016), SHRA (2015:24) and SALGA (2007:109)

2.6.2 Delivery Agent (Social Housing Institutions)

The Social Housing Act provides for and allows a municipality to establish a social housing institution that will ensure that there is proper management of social housing. However, most social housing institutions are formed independently. Different organisations and legislation have described the roles and responsibilities of the social housing institutions that are also regarded as social housing managers. The Social Housing Foundation has listed the roles and responsibility of the social housing institution in managing social housing as follows:

Social housing institutions' roles as managers of social housing
• Social housing institution must "remain financially viable while providing a good service; • must provide safe, secure, decent housing that is durable, and offers protection from the elements; • must manage the institution efficiently and effectively; • must be fair and transparent in all activities, ensuring that rights are honored, and responsibilities are maintained; • must engage residents in managing the institution, providing appropriate training and capacity-building; • must build communities, providing for conflict resolution and resident support services; • must broaden residents' access to services, such as social welfare, health, employment and education;

- must work with the local authority, local NGOs and private sector organisations to ensure that residents get the best possible opportunities available;
- must train staff to provide a good service and interact cordially with the residents."

Social Housing Foundation (2000:5)

NASHO has also highlighted the two most important functions that social housing institutions perform to ensure proper management of social housing stock. These are tenancy management and asset management (NASHO, undated). What is expected of the social housing institution when executing the two important functions, is outlined below:

Tenancy Management

- "Tenancy management involves dealing with resolving issues related to the tenancy agreement with individual and groups of tenants, as well as the constructive involvement of tenants in the best approaches to the management and development of the company's accommodation.
- Determining the rental levels for the different units and the approach to increases in rentals.
- Managing the payments and non-payments for the accommodation and other services provided to tenants.
- Payment and arrears management.
- To ensure that the company's risks are managed by ensuring housing allocation to tenants who meet the subsidy criteria; are able and willing to pay rental; and are well informed of their respective legal responsibilities" (NASHO,undated).

Asset Management

- "To ensure the efficient and effective management of the assets to maximise the service life of the buildings to house tenants.
- Provide an effective and efficient day to day repairs service to protect the asset and meet tenancy contract requirements.
- To ensure that the communal areas of the flat and hard areas around are kept clean for the sake of tenancy; health and safety; and protection of asset reasons.
- To ensure that the gardens are well kept for tenant; health and safety and asset protection reasons.
- Provision of a secure environment that ensure protection of tenant safety and safety of buildings" (*ibid*.).

According to NASHO (undated), social housing institutions must carry out these two main functions by applying the principles of efficiency, effectiveness and responsiveness if the institution wishes to prosper through good management.

The Social Housing Act in section 14 highlighted the roles which the social housing institution must adhere to in executing its functions. Among others the social housing institution must:

- "promote the creation of quality living environments for low income residents;
- inform residents on consumer rights and obligations in respect of social housing;
- Observe and operate within government policy on social housing;
- Ensure that the content of the lease agreement and proposed changes are communicated to residents and are strictly adhered to by all parties.
- On an annual basis submit its draft lease agreement as well as any prescribed documents and changes thereto for approval to the Regulatory Authority; and

- Ensure that the content of its lease agreement and proposed changes are communicated to residents and are strictly adhered to by all parties" (Social Housing Act, Act no 16 2008).

Despite what the Social Housing Act requires from the managers of social housing, social housing managers are also guided by the Rental Housing Act. Mohamed (2010:186), citing the Rental Housing Act, (Act 50 of 1999) Unfair Practice Regulations, has outlined some of the responsibilities which the social housing managers should adhere to when doing their work. Some of the responsibilities as outlined are to:

(a) "Let a dwelling which at the commencement of the lease is in a condition-

(i) that is reasonable fit for human habitation; and

(ii) which does not contravene the provisions of these regulations, the Act or any other law;(b) keep and maintain the dwelling in accordance with these regulations, the Act or any other law;
(c) take reasonable steps to ensure that the tenant enjoys undisturbed use of the dwelling and in a multi-tenanted building and that no tenant or other person conducts any activity within a dwelling which is expressly prohibited under these regulations, the Act or any other law, which shall include disturbance of the peace of the area;
(d) formulate a set of house rules which must also take into consideration the interest of the neighbourhood with emphasis on preserving the peace;

(e) maintain the common property, if any, in good order, condition and repair;

(f) maintain the outside of the dwelling, including the walls and roof in good order, condition and repair;

(g) maintain the electrical, plumbing, sanitary, heating, ventilation, air conditioning systems and elevator system, if any, in good order and repair

(h) repair any damage to the dwelling or common area caused by fair wear and tear;

(i) provide and maintain appropriate container and places for the removal of ashes, garbage, rubbish and other waste incidental to the dwelling and arrange for its removal;

(j) provide all services agreed to in the lease, *inter alia.*" Mohamed (2010:186) citing Rental Housing Amendment Act, (Act 50 of 1999) Unfair practice Regulations.

The significance of highlighting roles and responsibilities of social housing stock managers in this study is to show what is expected of them as managers of housing stock.

2.7 Accreditation of Social Housing Institutions

For a social housing institution to qualify for the prerogative to deliver affordable rental housing, it must firstly undergo an accreditation process. As defined in the Social Housing Act 16 of 2008, accreditation means the screening, evaluation, provisional and final accreditation by Social Housing Regulatory Authority that will, amongst other things allow a social housing institution access to grants available under the social housing programme.Therefore, all institutions who undertook housing developments with the benefit of an institutional subsidy and those institutions who intend to carry on the business of social housing must be accredited and regulated by the SHRA (ibid). The SHRA must, subject to the provisions of the act accredit institutions meeting accreditation criteria as social housing institutions.

2.8 Roles of Tenants in Social Housing

Tenants' responsibilities are guided by the rules and regulations set by the social housing institution and the rental housing acts operating within its area of jurisdiction. The roles and responsibilities of the tenants mainly form part of the lease agreements between the tenants and the owners of the social housing. In areas where there is a Rental Housing Tribunal the roles of tenants are also clearly explained in the provincial rental tribunal regulations. The Limpopo Rental Housing Tribunal regulations have underlined the obligations of tenants in a rental house. Some of the tenants' obligations highlighted by the Limpopo Rental Housing Tribunal are that the tenant is to: "Pay rent at the agreed time and place; tenants must properly comply with the house rules provided by the landlord at the commencement of the lease of the dwellings and not use it for a purpose other than that for which it was let for (Department of Local Government and Housing, 1999:11).

Mohamed (2010) in his book 'Tenant and Land Lord in South Africa' has further outlined tenants' responsibilities in South African rental stock. These are the responsibilities which most lease agreements between tenants and landlords have. As outlined by Mohamed (2010:187), citing regulations of the Rental Housing Act, tenants have the responsibility to:

(a)" use the dwelling in a proper manner and for the purpose for which it is let, and in a manner, which does not contravene these regulations, the Act or any other law;

(b) Dispose from the dwelling all ashes, garbage, rubbish and other waste in a reasonably clean and safe manner;

(c) Maintain the dwelling in a clean, tidy and safe state of repair

(d) Use, in a reasonable manner, all electrical, plumbing, sanitary, heating, ventilating, air-conditioning, and other facilities and appliances, including elevators, on the premises;

(e) Refrain from intentionally or negligently damaging, defacing, impairing, or removing any part of the dwelling or common property or knowingly permitting any person, who is on the premises with the permission of the tenant or is allowed access to the premises by the tenant, to do so and the tenant is liable for the repair of such damage, fair wear and tear excluded, at the tenant's own cost;

f) Return the dwelling in the same condition as the tenant received it, fair wear and tear excluded;

(g) During the period of lease be liable to maintain, replace or repair electrical globes, fittings and switches and be liable for the maintenance, repair or making good all water-borne taps, stoves, locks, handles, and windows where such damage has not been due to natural causes;

(h) Maintain the garden, if any, and keep the same in a neat and tidy condition;

(i) Comply with the house-rules, which are enforceable pursuant to these regulations and must respect the peace of the area".

Mohamed (2010:187), citing the Rental Housing Amendment Act, 1999, (Act 50 of 1999) Unfair practice Regulations

2.9 Possible Intervention Strategies for Social Housing Institutions Problems

The Social Housing Toolkit highlights some strategies for managing social housing (Social Housing Foundation, 2008:8). European countries have millions of social

housing stock and it means that they have a great deal of experience when it comes to the challenges and opportunities in managing housing stock. However, none of those countries can claim that they have produced the manual for best practice for the management of social housing. What these countries can claim is that they developed some strategies which softened the worst effects of these challenges because even now all these countries cannot claim that their best practice strategies have made problems disappear. However, European countries can be acknowledged as having introduced qualifications and training to achieve proper housing management, e.g., the Institute of Housing, the National Housing Federation etc.

The literature reviewed has acknowledged that some of the challenges in social housing management are the result of the poor functioning of social housing institutions. SALGA (2014) developed the Good Practices in Rental Housing guidelines. The guidelines highlighted some of the possible solutions which may assist to resolve the poor functioning of social housing institutions. The guidelines suggest that to have a well-functioning social housing institution, municipalities must make sure that the SHIs adopt these characteristics:

2.9.1 Financial Sustainability

Financial sustainability of the SHI happens when a SHI has the capacity to execute its functions and ensure that an institution has a “low vacancy; high rent collection rate; effective arrears management; low cost to income ratio, etc.”, (SALGA, 2014:19). SALGA outlined that a SHI must ensure that rent is collected through an efficient billing system because rent is the only way in which SHI can have money to assist in the management of the housing. To achieve this, a SHI has to follow up on tenants who are not paying rent and prosecute them (*ibid*.).

2.9.2 Undertaking Community Development

Some of the management problems highlighted by NASHO (undated) were poor community engagement by the SHI with the community. Many social housing managers of social housing institutions are still under the impression that SHIs only have the role of housing provision and rent collection (ibid.). The SALGA manual suggests that to create a good relationship with tenants, social housing managers must consider undertaking community engagement. This engagement should be broad enough to accommodate many activities such as social cohesion, sports and recreation, science and technology, education and neighbourhood development (*ibid.:*20). Research by Housing Communities Research (2016) has highlighted that community development includes inviting tenants to the decision-making structures of the housing institution, explaining that they are all important for the proper management of social housing (SHI, 2016:7). According to NASHO (2012:4), “Social Housing is more than building and managing houses and apartments. SHIs distinguish themselves from private landlords not only by offering an affordable product but also by building communities”.

2.9.3 Governance

Every institution which aims at proper management of its affairs must ensure that it has proper governance. This can be achieved if an institution has a good constitution and has established a proper, well-functioning board of directors. Governance in the Social Housing Institution includes having a board that has a thorough knowledge about the social housing field and which also operates independently and is not interfered with politically in its operations (SALGA, 2014:20). SALGA went further to suggest that the board’s functioning must always be monitored through its management reports to establish if the management is being undertaken properly (*ibid*.).

The Irish Council of Social Housing (2016:8) agrees with SALGA and it stated that good governance can be achieved if the housing association works in conjunction with

tenants, employees and other stakeholders to achieve the organisation's objectives. In a contrasting view, Burke (2004:6) explained that good governance is not always the solution for solving social housing problems. To some extent good governance has tended to be the problem because in some instances most of the targeted group in social housing has been found to be aggressive and causes grave problems for managers, while not meeting their obligations in any way.

2.10 Conceptual Framework

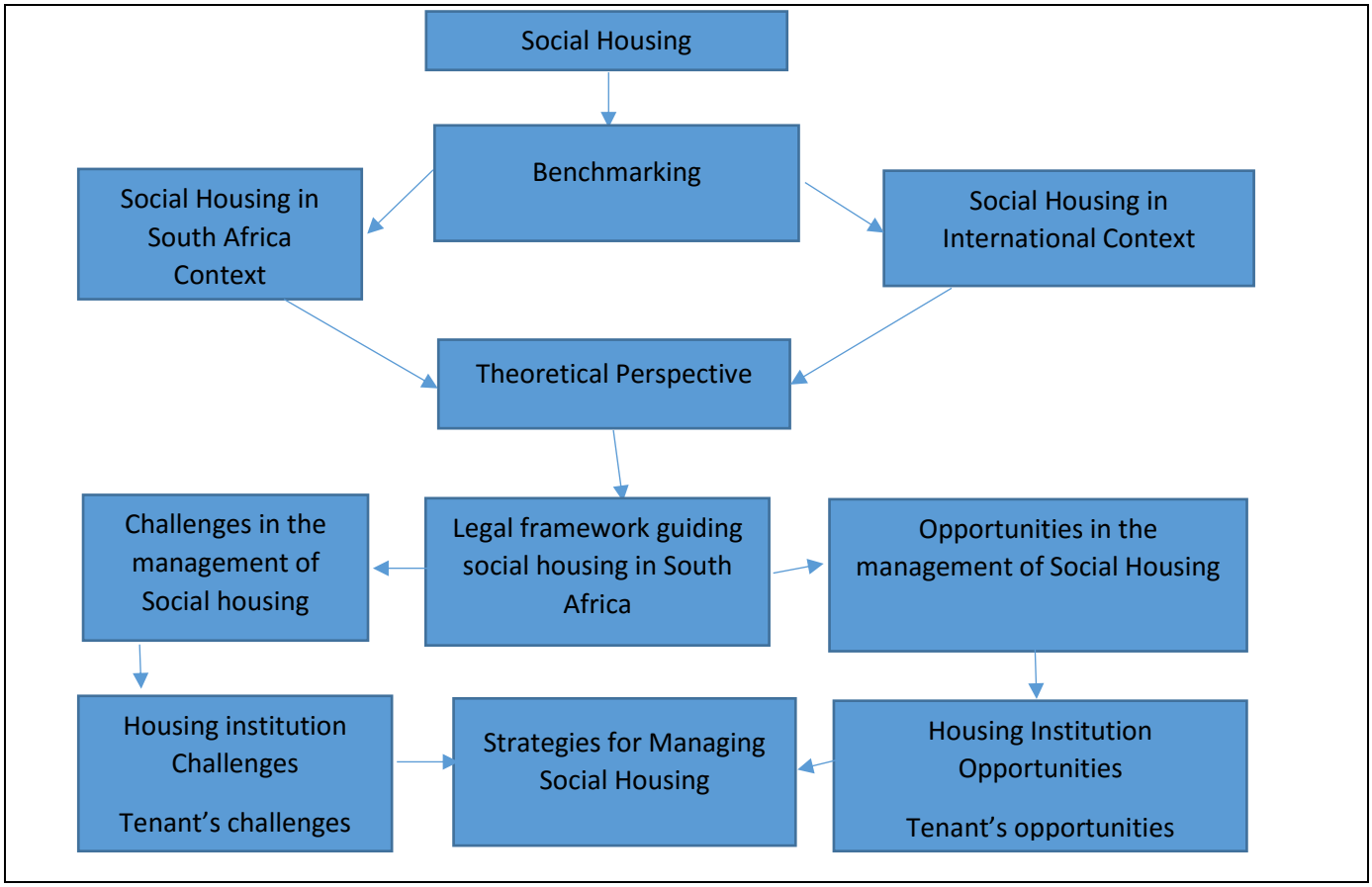


Figure 2:2 Conceptual Framework

2.11 Brief of the Conceptual Framework

The study objective is to research the challenges and opportunities which occur during the management of social housing stock. There are two main concepts that this research will be discussing throughout the research chapters and these are the concepts of 'social housing' and 'management challenges'. As social housing

management is a relatively new phenomenon in the South African context it was very important to first benchmark it against social housing in the international context.

Housing management is underpinned by various theories therefore it is from this perspective that the research highlighted some of these theories and how they can contribute to this study. An understanding of all these concepts will be important for shedding light on what challenges and opportunities are to be expected in the management of social housing from both the social housing institutions' and the tenants' perspectives. It is also hoped that various strategies will be developed to assist in the management of social housing and that this will not only apply to Garena Rental Village, but also to other social housing developments experiencing management challenges.

2.11 Chapter Summary

This chapter outlined the conceptual framework used in this research, presenting a preferred approach to analyse the challenges and opportunities in the management of social housing. The discussion produced the arguments that responded to the objectives which this study set out to achieve. From the start, the chapter outlined the theoretical perspectives of social housing management. This is where the Arnstein Ladder of citizen participation, Customer Delight (Kano approach), Wekerie *et al.*'s Model of Resident Involvement in Management of Condominium Housing and, lastly, the Cairncross, Clapham and Goodland Models of Local Authority Roles in Resident Participation theories were reviewed to help explain the transformation of social housing management approaches.

Different people have different understandings of social housing. Social housing stock in the international context is mainly occupied by the most vulnerable people, which is a little different to what happens with South Africa. Social housing stock in South Africa is occupied by people who work and earn wages ranging between R1500 and R7500 per month as indicated in the Social Housing policy. However, the most common

element in these social housing issues is that they are operated by social housing institutions, either independently or by municipal entities such as the PHA.

The chapter further reviewed challenges and opportunities in the management of social housing. From these challenges and opportunities, the chapter drew and further outlined the responsibilities of tenants and housing managers in ensuring that there is proper management of social housing. The chapter concluded by outlining the possible intervention strategies that can be used to solve social housing institution management challenges. From this chapter it evolves that the research must introduce the context of the study in preparation for gathering information for this research.

CHAPTER 3. SOCIAL HOUSING AND HOUSING SITUATION CONTEXT OF POLOKWANE MUNICIPALITY.

3.1 Introduction

This chapter presents all the data and information obtained from the study. It also highlights housing situation in Polokwane, the current housing strategy of Polokwane municipality and the situation which led to the need for social housing in Polokwane city. This chapter further has a description and background of data collected in relation to the study area. It is the foundation of the discussions on the findings from the study. The findings will be guided by the responses from the questionnaires that are crafted to address the objectives stated in chapter 1 as follows:

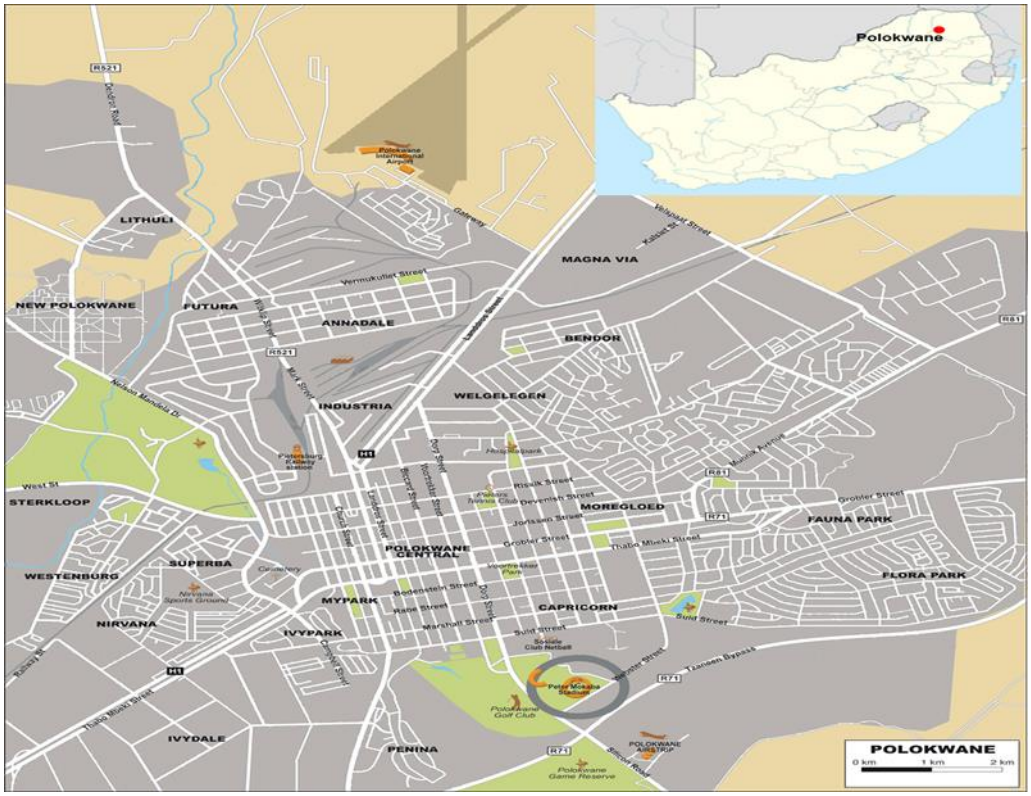
•To analyse the management challenges and opportunities in the Social Housing.
•To establish the extent through which the housing institution responsible for managing Garena Village is exercising their functions to ensure proper management and creation of good opportunities on these Social Housing stock.
•To establish the extent through which tenants are exercising their functions as per lease agreement to ensure smooth management of Garena Rental Village.
•To explore appropriate intervention strategies that can be used by Polokwane Housing Association in managing Garena Social Housing
•To give recommendations on the findings of the research.

3.2 Getting to Know the Study Area Background

Polokwane is a Sepedi name meaning a place of safety. Polokwane is the largest city in Limpopo province and is also the economic hub and administrative capital of the Limpopo province. The city is in the Polokwane local municipality, which is predominantly rural. The city is strategically located complemented by the N1 highway and the Polokwane Gateway International Airport, making the city a gateway to Africa. The city of Polokwane is growing fast economically due to industrial development within the city. Since the city is the economic, political and administrative capital of the province of Limpopo as well as its growth point, most people has seen an opportunity

in migrating to the city as far as employment opportunities are concerned. This has driven many people to go and stay in the city.

Figure 3.1 Map showing Polokwane City



Source: Map copied from Google map, 2017

3.3 Situational Analysis

The situational analysis of this study does not start by zooming in directly on Garena Rental Village, but it first analyses the elements affecting the Polokwane city area.

3.3.1 Demographic Profiles and Characteristics of Polokwane city

All demographic features and trends that happen in the city contribute to every strategic decision which the city council takes. According to Polokwane Municipality (2016:9), “the demographic profiles influence the level of expected demand for goods and services demanded, and the pressure on social services”. Other factors which are affected by demographic shifts include the spatial implications as well as the future projection on the size of the labour force and the employment and unemployment rate

(*ibid*.). Therefore, this discussion will highlight the demographic profile of the city of Polokwane.

3.3.2 Population

According to Polokwane municipality (2016:9), by the year 1996 the population in Polokwane municipality was 424835 people. In the 2011 census the municipality recorded a drastic increase in population of up to 628 999 as compared to the 508 277 people recorded in 2001 (Stats SA,2016). It was also noticed that there was a drastic increase in population around the city itself. In 2001, the population in the city was 86 580 which increased to 166 403 by the 2011 census (*ibid*.). The figures show that there was an average annual growth of 9.2 % in the city.

Table 3.1 Different population growth in Polokwane municipality area and the city.

Places	2001 Population	2011 Population	Avg.annual Growth %
Polokwane City	86580	166 403	9.2
Seshego	71 835	72 181	0.05
Mankweng	23 180	25 869	1.2
Rural Areas	326 675	364 547	1.2
Polokwane municipality Total	508 270	629 000	2.4

Source :Stats SA (2016)

3.3.3 Population Migration Trends and Projections

The migration trends in the city have been reflected in the table 3.1. The table has indicated that the population in the capital City of Polokwane has drastically increased as compared to the population in the areas surrounding the city; these include areas like Seshego and Mankweng. According to SACN (2014:8), there is still some expectation that the population in the city of Polokwane will continue to increase further as the economy of Polokwane is growing fast. Another contributing factor which has played a role in the increase in the number of people migrating to the city of Polokwane is that the city has become the administration headquarters of Limpopo, and this has pushed government officials who use to work in towns like Thohoyandou and Giyani to relocate to Polokwane (*ibid*.). The rise in employment opportunities within the city

is also a draw card. In reference to table 3, the average growing trend of the population in Polokwane city is 9.2 %, which means that if there are no other factors that can hinder the growth, the population is projected to be 246226 by 2020.This will mean a need for additional resources in the city, among others houses and space for development.

People who live in Polokwane acknowledge social housing as one of the solutions for their accommodation. This can be proven by the number of people who are registered on a waiting list database of people who applied to be tenants of GRV. According to one of the Administration officers at the PHA, the total number of people who have registered their names on the database are not less than 1500 (Administration Officer, Personal Interview: 2017). Figures clearly indicates that there is a need to have more social housing within Polokwane City.

3.3.4 Socio-economic Analysis of Polokwane city

According to Polokwane municipality (2016:12), approximately 83% of Polokwane city's economy is represented by tertiary activities such as the general government, community, social and personal services, the wholesale and retail trade, transport and storage etc. The secondary sector of the city consists for approximately 42% of construction industries. The city has less of a contribution to make in relation to primary activities, such as farming, to the economy. In the Polokwane Local Economic Development strategy (2008) factors like infrastructure, skill shortage and administrative capacity were highlighted as the economic development constraints within the city.

3.3.5 Housing Analysis in Polokwane Municipality

According to the Polokwane Municipality Integrated Development Plan (2017), Polokwane local municipality is comprised of both formal and informal housing. The Integrated Development Plan (IDP) (2017:86) has acknowledged that there is a serious housing challenge within both the city and municipality where it specified that "a number of households are living in depressed housing conditions, including informal settlements, backyard rental shacks, and overcrowded informal urban houses".

Adding to this current city depression, the city is also experiencing a great increase in urbanisation, which increases pressure on housing delivery within the city.

Table 3.2 showing distribution of households by type of main dwellings within Polokwane Municipality

Municipality	**Formal Dwellings**				**Traditional dwelling**				**Informal dwelling**			
Polokwane	1996	2001	2011	2016	1996	2001	2011	2016	1996	2001	2011	2016
Households	64221	99138	159082	201793	9601	6003	1896	1444	10447	19476	16044	7731

Source: Stats S.A, 2016

According to Stats SA (2016) there are about 201 790 households that live in formal dwellings within the municipality. The statistics show improvements in housing provision against households that still live in informal dwellings and backyard which has decreased from 16044 in 2011 censors to 7731 in 2016 censors' statistics. The increase in number of households with formal dwellings is attributed to government housing programme of providing houses to the communities and increment of tenure status of households who own and rent houses (ibid.).

Table 3.3 Distribution of households by tenure status

Municipality	**Owned and fully paid off**		**Owned but not yet paid off**		**Rented**	
Polokwane	2011	**2016**	**2011**	**2016**	**2011**	**2016**
	63766	11504	12162	85812	14667	39735

Source: Stats S.A,2016

3.3.6 Housing Backlog

As indicated on the 2017 Municipal IDP, the municipal housing backlog is distributed between households in informal settlements, rural housing, rental, blocked housing (houses which were uncompleted by contractors due to difference circumstances), and Greenfield housing. The ensuing Tables provide the status quo of the municipal housing backlog per housing category.

Table 3.4 Categorical analysis of the municipal housing need both in rural and urban

Housing Category/area	**TYPE OF NEED AND BACKLOG**				
	Informal Settlement	**Greenfield**	**Rental**	**Rural**	**Blocked**
Urban Data Base		37 000			
Polokwane Ext 78	5737 Relocated 1690 4 047				
Emdo Park	60				
Polokwane Ext 44					18
Seshego					500
Freedom Park	275				
Mohlakaneng	Done 131 units				
Seshego H					10
Polokwane ext 40					107
Thokgoaneng					490
Maja/chuene cluster					150
Mankweng G					200
	TYPE OF NEED AND BACKLOG				

Housing Category	Informal Settlement	Greenfield	Rental	Rural	Blocked
Mankweng E					200
Mankweng Unit F					100
Mankweng F	61				
Sebayeng Unit D					30
Nobody/Mothapo					250
Mankweng G Ext	255				
Rural Wards				9 991	500
Around the City			8 000		
TOTAL	**4698**	**37 000**	**8000**	**9991**	**2555**

Source: Polokwane Municipality IDP 2017

As highlighted in the table above the general municipal housing backlog is estimated 62 244 units, inclusive of rural, informal settlement, Greenfield, rental and blocked housing projects. In addition to this, there are over 5000 units that are informally rented out. This is high in the areas of Mankweng, Seshego, and Sebayeng. Approximately 50% of the urbanized households are in rental accommodation and the most common type of rental accommodation that is available for new and particularly low-income urban lodgers is backyard rooms. Polokwane Housing Association was established with a mandate to develop 1000 units as its first project. However up to date only 508 units have been completed and 492 are outstanding which shows a slow speed of addressing the need for rental housing in the city.

3.4 Housing Strategies and Responsible Institutions

The municipality has acknowledged the need to redress the housing backlog within the municipal area and more specifically in the area within the city boundaries. In the Polokwane municipality (2017) IDP, the municipality has highlighted various programmes which the municipality is depending on to redress housing challenges with the assistance of the Department of Cooperative Governance, Human Settlement

and Traditional Affairs (CoGHSTA) Limpopo, and private developers. In the rural areas the municipality provides the so-called RDP houses.

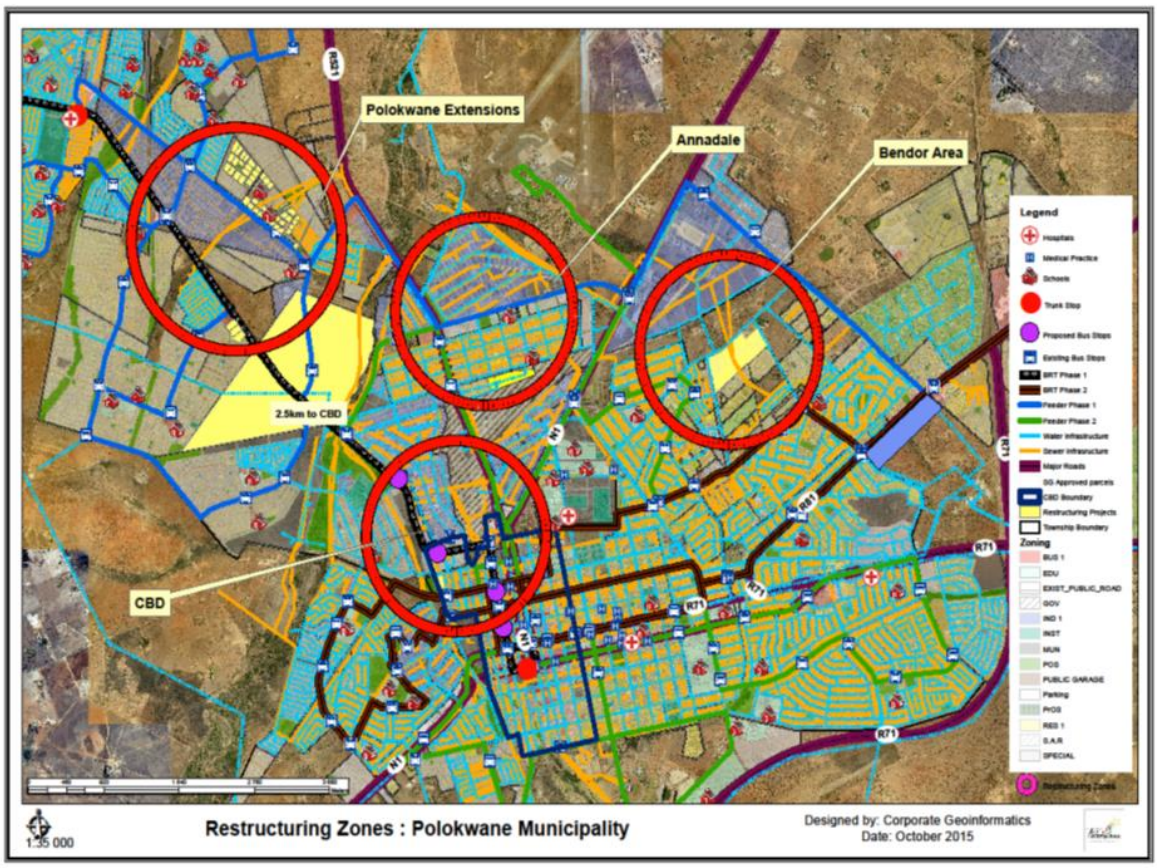
For urban housing development the city has always encouraged *insitu* upgrading and discourages green field development due to growing demands for housing space. The city at present has many programmes in place, such as the gap market or the Financed Linked Individual Subsidy Programme (FLISP) housing development, social housing units' development, bonded free-standing cluster units, luxury townhouses and economy townhouse units (*ibid.*90). These are the housing developments being undertaken by the municipality through the Polokwane Housing Association, CoGHSTA, and private developers respectively and concurrently.

3.5 Social Housing in Polokwane City

According to the Department of Human Settlements gazette which was published on the 28 April 2017, Polokwane Municipality has four social Housing Restructuring Zones. According to SALGA (2007:8), Restructuring Zones is a new concept, which means the geographical area that was identified by the municipality with the help of the provincial government so that it is targeted and focused on for investment. RZs are found within the city and are strategically located in relation to "good opportunities for social and economic development" (*ibid*.). The social housing RZs, as stated in the gazette, include Bendor, Polokwane Extensions, Polokwane CBD and Annadale.

In all four identified RZs of Polokwane municipality, only one has social housing that were constructed prior to the 2008/ SH Act and the PHA is in the process of construction another social housing project. The RZ that had social housing constructed is Annadale. The one that is currently under construction is Bendor.

Figure 3.2 Map showing Social Housing Restructuring Zones of Polokwane Local Municipality.



Source: Polokwane Municipality GIS Section,2015

Polokwane local municipality has a total number of 691 units of affordable rental housing within its municipal area. Out of these 691 units a total of 189 units are administered under the Community Residential Units, programme which is meant to cater for people who earn less than R3500 per month. There is a total of 502 units that are part of the social housing and they are all located at Garena Rental Village, which falls under Annadale Restructuring Zone.

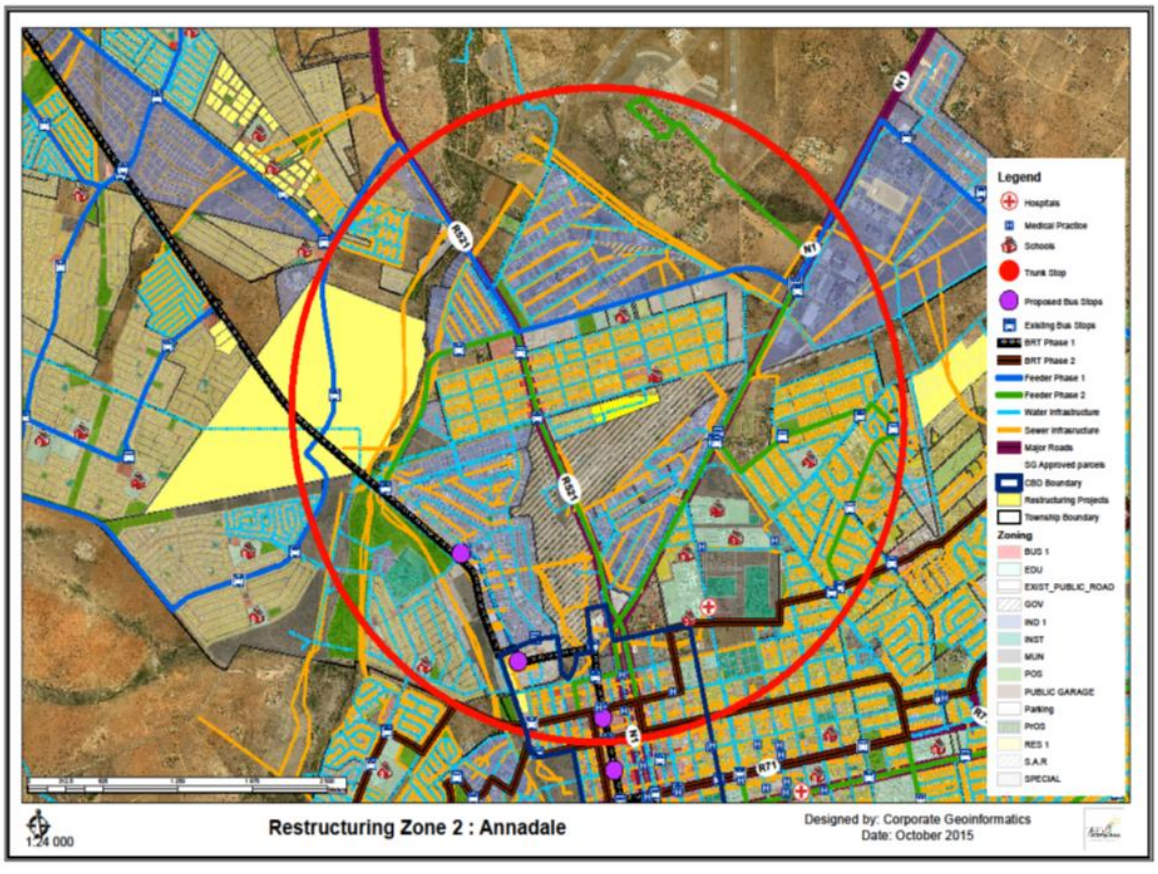
Garena Rental Village is the only social housing available in Polokwane municipality even though it was developed prior to the SHP. In the Polokwane municipality's (2017) IDP the council has indicated that it is in the planning stage to develop more social and other rental housing before 2020.

Table 3.5 showing municipal planned affordable rental housing within Polokwane City from 2017 to 2021.

Project Area	Programme	Target
Ga-Rena Phase 2	Social housing	492 units
Polokwane X 76	CRU	97 units
Polokwane X78	Social housing and CRU	500
Polokwane X106	Social housing	500
Polokwane X107	Social housing	500
Ivydale X35	Social housing	
Bendor X100	Social housing and CRU	198
Polokwane X86	Social housing and CRU	500
Polokwane X121	Social housing and CRU	300

Source: Polokwane Municipality IDP, 2017

Figure 3.3 Map showing Annadale Restructuring Zone where GRV is located



Source: Polokwane Municipality GIS Section, 2015

Figure 3.4 Aerial view of Garena Rental Village



Source: Google earth, self-edited

3.6 Polokwane Housing Association

The Polokwane Housing Association, also known as the Thabatshweu Housing Company, is registered as the section 21 company which was established by the council of Polokwane Local municipality (Polokwane municipality, undated: 14) in terms of the Companies Act. The company was given a mandate in terms of a Memorandum of Incorporation (MOI) to undertake the "management and development of integrated human settlements, social and non-social housing and rental housing units within the Gap market" in the municipality (*ibid*.). The municipal council has given the entity an additional mandate to manage non-social housing rental houses and the profit-making rental houses within the municipality (*ibid.).*

According to the Polokwane municipality IDP (2017), the PHA currently owns Garena Rental Village and manages Seshego CRU. The PHA is conditionally accredited with a Social Housing Regulatory Authority (SHRA), as a social housing institution. The

entity is still in the process of applying for full accreditation which will enable it to access some important benefits such as additional funding for social housing development (Polokwane municipality, 2017:92).

3.6.1 Organisational Structure

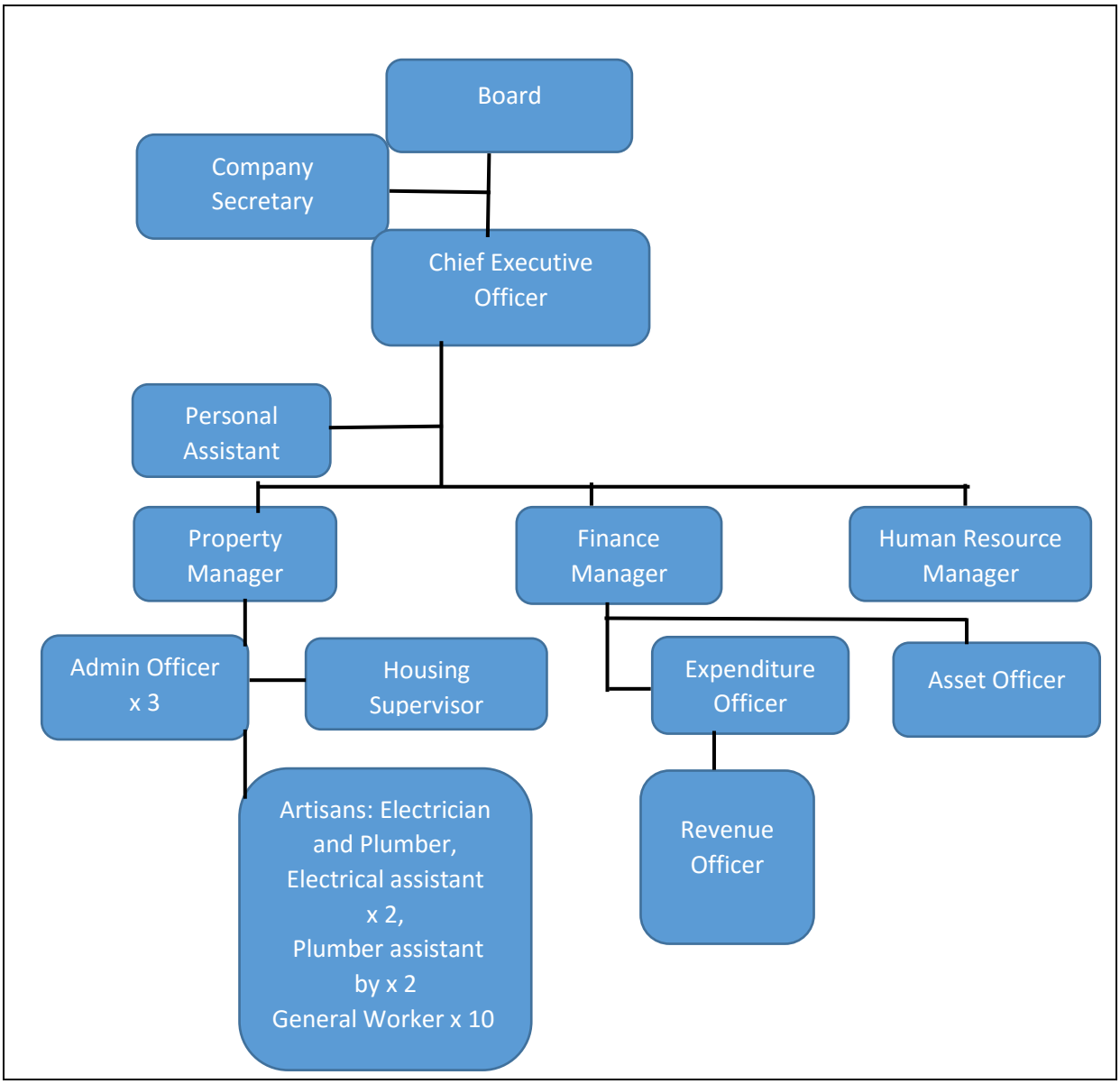
According to the Polokwane municipality (2015:21), the PHA has an approved organisational structure. In the top position of the structure, the PHA has a Board of Directors composed of seven members who are responsible for the oversight functions of the institution. The Board of Directors provide strategic guidance and leadership to the Chief Executive Officer and management team of the institution.

The company has a company secretary who advises the company on all legal matters. The CEO as the senior manager reporting to the Board of Directors is responsible for driving the PHA institute and ensuring that it realises all strategic plans provided by the Board. Reporting to the CEO are three managers who are responsible for property management, financial management and human resource management. There is support staff reporting to the three managers who assist in the proper management of the PHA. The three managers all have the relevant qualifications and skills with which to manage their respective sections.

The property management section is responsible for all issues related to property development and management. The section oversees that property is well maintained, tenants are living according to house rules, and also establishes if tenants are paying rent and also investigate and addresses all the complaints by tenants (Polokwane Municipality,2015:12). Roles and responsibilities of the support staff, such as artisans, have to do with the overall maintenance of the property. The general workers are responsible for doing garden work and all activities that are supposed to be done to make the properties look neat and clean.

The staffing arrangement was that officials who do general maintenance are located on the sites where they will attend to all the reported maintenance issues and also the day to day cleaning activities. However, that it did not seem to be case anymore since every official of the PHA is prohibited from entering GRV.

Figure 3.5 Organisational Structure of PHA



Source: Polokwane Municipality, 2015:21

3.6.2 Tenants' Committee

According to the Housing Code (2009), tenants' committees are suggested for making representations to the governing bodies of social housing institutions on behalf of tenants. Tenants' committees are part of the requirements suggested to constitute a Social Housing Institution to qualify for an institutional subsidy from the government (National Human Settlement, 2009:17). However, the social housing policy itself does not specify if having a tenants' committee is a prerequisite, but it strongly suggests that SHIs should have this committee for the proper participation of tenants in decision

making. The roles and responsibility of the tenants' committee as highlighted in the Housing Code are as follows:

- The committee forms part of the negotiations and is also consulted when the institution makes house rules that will govern tenants, for example in matters like amenities that are used;
- The committee also discusses how common areas and certain amenities are used, maintained and the conduct and behaviour of all occupants;
- Tenants' committee members are also responsible for being part of the housing institution's board of directors where all management matters are discussed, (*ibid*.).

In GRV, where the PHA comprises the management, there is a Tenants' committee. The key responsibility of the committee is to be the communication bridge between tenants and the management of the PHA. The Tenants' committee duty is to take all complaints about issues affecting tenants to the management of the PHA, and if there is something that needs to be communicated to tenants indirectly from the PHA management, the committee is responsible for passing on the message.

3.7 Summary of the Chapter

The population of Polokwane city has drastically increased from the year 2011 to 2016 census with a record of 9.2% population increase. The population growth has contributed much on various challenges which the city is experiencing, and, among others, there is an escalation of pressure on providing housing for people who are migrating to the city. The municipality is attending to the housing challenge through different housing strategies which it is implementing with other organs of state as well as private developers. The researcher couldn't find any statistics on the demand for SH, as they are not kept. The only facts about social housing demand is the PHA's waiting list which may not be a true reflection of what is in demand. However, the provision of social housing is one of the housing strategies which the municipality prefers to use as a matter of addressing housing challenges within the city, as well as redressing past spatial disparities.

The researcher understands that while the municipality is planning to develop more social housing, there are challenges and opportunities when it comes to the management of the current housing stock. It is from this understanding that the researcher has done interviews with the tenants of the GRV social housing project, as well as the municipality to understand the challenges as described in the following chapter.

CHAPTER 4: PRESENTATION AND ANALYSIS OF DATA

4.1 Introduction

This is an empirical chapter which will present the findings from the semi-structured interviews conducted with the tenants of Garena Rental Village as well as the officials from the Polokwane Housing Association and Polokwane municipality. The results are categorised into different themes which emanate from the questionnaires that were used to interview the respondents. As initially stated, the researcher could not locate the respondent who was supposed to come from the provincial department of human settlement because the department did not approve the researcher's request to conduct an interview in the department. However, all other respondents who were selected managed to participate in the study.

For ethical reasons none of the respondents and participants agreed to be identified by name when presenting the data. Therefore, the participants will be identified interchangeably as participant, interviewee or respondent. All respondents were selected based on the number of years they have been staying in GRV and it was assumed that they know much about what is happening into GRV. The officials' respondents were selected based on their area of specialisation in their organisations.

4.2 Biographical Information of Participants

To better understand who, the respondents and participants are, the researcher has highlighted the profiles of each participant below.

Tenant respondent no 1
Lessee no 1 is in the age group of 40-50 years. The respondent is a male from Musina. The respondent's ethnic group is black. This respondent has highlighted that he is the lease holder of the unit and he optionally chose not to disclose the unit number. The respondent has a degree qualification. The lessee stated that he was staying in the 2-bedroom flat and subletting to three other occupants. Lessee no 1

said his salary was above R15 000 per month. When asked about where the respondent had been staying before, he said at GRV, and explained that he was staying in a private rental flat.
Tenant respondent no 2
Tenant respondent no 2 is the lease holder of unit one in an undisclosed flat block in GRV. The respondent is a female from Bochum and she is below the age of 30. The respondent came to stay in Garena 2 years ago and she is black. The respondent holds a diploma and her income level is less than R3500 per month. The respondent is staying in a 2-bedroom flat and is unemployed. The flat was given to her by a relative who relocated to another city. Her source of income is through her informal business. The tenant stated that she had been staying at home and GRV was the first place for her to rent. She also stated that she was renting as a sub-lessee from somebody else who had left the flat.
Tenant respondent no 3
Tenant respondent no 3 is a female who also stated that she was the lease holder in GRV. The respondent said she was from Jane Furse in the Sekhukhune district. She further stated that she was in the age group 40 – 50 years. She is black and has a matric certificate and stays in a one bedroom flat. She is employed, and her salary is between R3501 -7500 per month. The respondent stated that she was sharing the flat with one other person and before coming to GRV she had been staying in a backyard rental in Seshego.
Tenant responded no 4
The tenant, the fourth respondent, is the lease holder of the undisclosed unit in GRV and a female who comes from Giyani. Her age group is in the range of 30-40 years. She is black and has a degree. She stays alone in a 1 bedroom flat. The respondent said that she is employed, and her salary is between R7501-R15 000. Prior to coming to GRV she had stayed at her home in Jane Furse.

Tenant respondent no 5
The tenant, respondent number 5, is the unit owner of the undisclosed unit. The tenant is male and comes from Vaalwater near Modimolle. The respondent is between the ages of 30-40 years. The respondent is black and has a diploma qualification. The lessee is employed, and his salary is between R7501-R15 000.The respondent highlighted that he was staying in a 2 bedroom flat with 3 other family members as occupants. Before staying in GRV, the respondent had been staying in an informal settlement. The unit was owned by someone who relocated to Rustenburg and sub-leased the unit to the respondent. The respondent has not heard anything from the original unit owner since 2015.
Tenant respondent no 6
The respondent is from Seshego and is the lease holder of an undisclosed unit. The respondent is a male from Seshego and is older than 23 and less than 30 years. The respondent is black and holds a diploma. The total number of occupants in the unit including the respondent is 2 and he has leased a two-bedroom unit. According to the respondent, his salary is between R7501 and R15 000 per month. Before the respondent moved into Garena he was staying at his home at Seshego.
Respondent from the PHA
For the purpose of this study the questionnaire did not require much biographical information from the key informant respondents because their information will not add much value to the analysis. However, the respondent from the PHA is a male who holds a degree. The respondent is also responsible for property management at the PHA.
Respondent from Polokwane Local Municipality

The respondent from Polokwane Local Municipality holds a degree. The respondent is female and her responsibility at Polokwane Local Municipality is to manage their housing section. The responsibility of the official in relation to the PHA is to share the housing needs of the municipality for planning to be undertaken to resolve it.

The biographical representation of participants has revealed that most tenants migrated from different parts of the country to Polokwane city. Most participants indicated that they were sub-lessees of their apartments of other tenants. The respondents also show similarities in age; all tenants are between the ages of 23 and 50 years. This is the age at which most people are economically active. More differences were noted in the salary ranges. Most tenants interviewed fell in the income bracket of between R7501 and R15 000 per month and others were above that. The amount specified does not make a tenant qualify for this kind of housing programme. According to the Housing Code quoted in the National Treasury (2016), the income brackets which have been approved to qualify an individual to stay in this type of housing is R3501 to R7500 per month.

Tenant respondent no 3 qualifies to stay in social housing. The remaining respondent, respondent number 2, is below the income brackets required to qualify for staying in social housing across South Africa. Most of the respondents interviewed are educated and hold diplomas and degrees. This is an advantage because tenants and management will have a good understanding when it comes to reading and understanding policies and documents and, presumably, their rights and responsibilities. The research further revealed that many tenants had been staying at their rural houses before they came to stay GRV, and this is their first rental housing. However, there are other tenants who had been staying in backyard rentals, paying cheap rent. The remainder of this chapter will highlight the issue of the interrogations that passed between the interviewer and the respondents.

4.3 Policies, Legislation and Regulations

The respondents from the PHA and Polokwane municipality have shown a clear understanding of the policies, legislation and regulations that guide the social housing programme. Some of the legislation, which was outlined by these officials, were *inter alia* the Housing Act, Social Housing Act, Housing Code, Public Financial Management Act, Municipal Financial Management Act, Consumers Protection Act, PIE Act, and Rental Housing Act.

In a different dimension, tenants in GRV know little to nothing about the Social Housing Programme, policies and regulations. Some of the respondents have identified the lease agreement as the policy which they have come across in relation to social housing. From a different perspective, which was highlighted by the tenants' responses, it is no surprise to see tenants involved in activities that go against the purpose in regulations of the Social Housing Programme. With the in-depth knowledge showcased by officials from the PHA and Polokwane municipality, they seem to be working within their prescribed mandate as assigned by the relevant social housing programme, legislation and policies.

4.4 Challenges and Opportunities in Social Housing Management

4.4.1 Challenges over the Management of Garena Rental Village

The main concerns of many tenants interviewed in GRV is the gradually decaying infrastructure, poor security, regular shutting down of basic services (water and electricity) and an irregular schedule for waste collection. Tenant respondent no 2 highlighted poor response to reported maintenance issues (water leakages and sewage blockage) as the main management issues in GRV. The respondent also picked up on the non-payment of rent by fellow tenants. This tenant sees it as a challenge since there are no consequences regarding non-payment and this in turn discourages other tenants from paying their monthly rent. Tenant respondent no 3 believes that tenants have lost trust in the housing association since at the beginning

they were promised a rent to buy tenure approach, but this was changed unilaterally without due consultation.

A respondent from the Polokwane Housing Association raised multiple challenges in relation to the management of Garena Rental Village, rent boycotts by tenants being the most critical one in the housing management. The tenants' committee is highly politicised, which in turn negatively influences the tenants not paying rent while putting pressure on the PHA officials not to enforce rent collection, especially during election periods. The continuous evasion of rent payment has over time increase the operational costs of the PHA, which has a knock-on effect on the scheduled maintenance of the units. This is the conclusion of Rallings (2014), who noted that housing managers are facing challenges from tenants who have a negative attitude towards rent payment, with most of them believing that social housing institutions are government run where people should stay for free.

The main challenge of the rent boycott is the result of a promise by the PHA to tenants. On the initial lease agreement PHA agreed that after five years of rental tenants will be given the houses permanently. This undertaking was not fulfilled, and this has led to confusion among tenants who, in turn, exacerbated protests and rent boycotts with the support of the highly politicised tenants' committee (Tenant respondent 6, personal interview, 12 September 2017). Without any revenue stream, the PHA has scaled back on infrastructure maintenance and security upgrades. The lack of rent payment has also affected the municipality's capacity for the continuous provision of basic services such as water, electricity and waste collection. This is because municipality has an obligation to provide necessity to community such as water and electricity, and from this case it is not getting any service fee from tenants. All these factors have contributed to GRV becoming unsanitary and ungovernable.

During data collection, on 18 October 2017 the researcher had an opportunity to attend one of the tenants' meetings in GRV. It was at that meeting that the tenants' committee threatened those tenants who are acting in accordance with the law to stop what they

were doing, or else they were going to be dealt with decisively. The tenants' committee claimed that since they had taken a resolution in 2014 to stop paying rent and all basic services, tenants should continue to exercise that resolution. On that day they also took a resolution to deny every official of the municipality, the PHA and Department of Cooperative Governance, Human Settlement and Traditional Affairs access to the premises. They claimed that all three institutions were plotting to evict them, so the tenants should understand that GRV was theirs and that nobody could ever do anything to them.

Some of the utterances by the committee at the meeting were not based on the facts in terms of the researcher's understanding of social housing but amounted to political in-fighting. For example, one of the committee members stated that he did not like one of the councillors of the Polokwane municipality being the regional chairperson of the ANC, and none of the proposals which the councillor made about GRV should be implemented. When asking one of the individuals in attendance about the proposal which the politician in question had made, it appeared that it was to write off all the debt people owed to the PHA and the municipality so that people could start with a clean slate and begin paying rent and for services afresh.

The researcher's observation while on the site was that the state of un-governability in GRV has resulted in illegal sub-letting or sub-leasing by some tenants, which has a major effect on overcrowding in GRV. Overcrowding has caused the capacity limits of the bulk infrastructure provided to be exceeded, which is the direct cause of water leakage and sewerage overflow problems. The over politicisation of the tenants' committee has caused tenants to shirk some of their responsibilities, and this is has resulted in more confusion on whether tenants should pay rent and for services or not.

4.4.2 Opportunities Arising from the Management of Garena

All the respondents praised the affordability of the low rentals that they are paying compared to other alternative accommodation available around Polokwane city. They

also feel that the location is within proximity to employment opportunities with a resultant lower burden of transportation associated costs. Nevertheless, there is a sentiment within a grouping of tenants who explained that there are no properly defined opportunities associated with residing in GRV due to a lack of consistent basic service provision and the deteriorating infrastructure. Tenant respondent no 4 has identified GRV as a very good place for people who enjoy socialising since there one can enjoy social cohesion.

The official from the local municipality recognises the significant role GRV plays within the setup of the city and the opportunities it provides through accommodating many residents who are contributing to the economic activities of the city daily. The respondent also indicated that rates collection was one of the opportunities for the municipality. The respondent from the PHA was of a different view, explaining that GRV is not providing any opportunities for them. However, it provides opportunities to the community, which is benefiting from the accommodation.

According to respondents, the GRV has numerous opportunities that it provides, from the suitably located areas to affordable accommodation, though this perception is not shared by all. The PHA cites that GVR does not provide any opportunity which it can exploit. This sentiment is grounded in the fact that most tenants are boycotting rent payment, which reduces the capacity of GVR as a revenue making tool, making it impossible for the PHA to carry out its major responsibilities.

4.5 Social Housing Institution, Roles and Responsibilities

4.5.1 Lease Agreements

Most tenant respondents interviewed know who the landlord of GRV is, and they identified the PHA as their legitimate landlord. However, some of the tenants have the sentiment that GRV is government property, which belongs to the municipality. According to respondent no 5 who sub-leased from somebody, she believes that her

landlord is the one she is renting to. It was clear that she has no idea of who owns GRV.

When it comes to the context of lease agreement, most of the tenants in GRV are not familiar with the conditions stipulated in it. Some respondents believe that management did not fulfil its role properly in terms of providing a comprehensive explanation of what was expected of the tenants, while some tenants did not have an opportunity to sign the lease agreement. Other respondents explained that they had only signed a 12 months lease agreement when they moved to GRV in 2007, and never had signed anything again.

The PHA Respondent (personal communication, 2 October 2017) inferred that the ungovernable state in GRV has left them in a compromised situation where they cannot account for the number of tenants who are residing either legally or illegally on the premises. Deteriorating channels of communication made it impossible to continuously extend the lease agreements and update tenants with new important information critical to establishing good management practices. A poor communication strategy between the PHA and the tenants committee has caused confusion about the conditions of lease agreements with tenants who have little to no idea of what they were signing up for. Lack of proper dissemination of information has pitted the PHA against tenants on issues of rent boycott and strikes, which are affecting basic service delivery and regular maintenance of the units. According to the Consumer Protection Act (Act 16 0f 2008) sections 49-52, the responsibility of properly informing the tenant of the conditions of the lease agreement lies solely with the landlord. Therefore, the fault, in this case consequently resides with the PHA for their failure to acquaint the tenants with lease agreement conditions.

4.5.2 Roles and Responsibilities

However, despite tenants not being aware of the conditions in the lease agreement, most tenants recognise rent payment as their main responsibility while only a few goes further to acknowledge that keeping the units clean and not sub-leasing without consent are their other responsibilities. However, most tenants acknowledged that they are not doing enough to carry out their own roles and responsibilities to support the proper management of GRV, while others argue that the PHA is obsolete since most of the tenants are not paying their stipulated rent and that property maintenance is non-existent.

The responses by the respondents from the PHA and Polokwane municipality showed an acute awareness of their principal responsibility towards the management of GRV, and there is close cooperation between the PHA and Polokwane municipality in resolving those factors that have destabilised the rental village over the past years.

According to the PHA, staffing arrangements comprise of a property manager, a tenant's liaison tasked with ensuring the orderly placement of tenants, the maintenance staff comprised of a plumber and an electrician and general workers for gardening and cleaning. The negative factor is that workers are being refused access to the premises, except for the plumber. According to the respondent from the PHA, the main service which the support staff provides without hesitation is the plumbing service. The respondent at the PHA explained that this is a strategy to ensure that water leakages should not affect building quality. The researcher observed that there are private plumbers who live on site and who have been accommodated in shipping containers by the tenants' committee. They are identified by many respondents as helping with plumbing issues at personal costs to the tenants.

Even though there is an understanding that the PHA and Polokwane municipality comprehend their responsibilities in relation to the management of GRV, the

communication breakdown still remains a discouraging factor that prevents them from performing their duties. Being unable to enforce the payment of rent, is becoming the main hindrance factor for executing the roles and responsibilities of the PHA. The institution is failing to collect the necessary funds to perform the day to day operations of GVR.

4.5.2.1 Specific Service Ratings by PHA and GRV

In the questionnaire which officials from the PHA and tenants at GRV have responded to, there was a section where they were required to give a rating to specific services that are offered by the PHA. The services were categorised into two key management function items, which are asset management and tenant management. The rating score scale was from 1 up to 5, whereby 1 was itemised as very well, and 5 as very badly.

4.5.2.1.1 Asset Management

Table 4.1 Key Asset management functions

Key Management Function	Participant							
ASSET MANAGEMENT	**Tenant 1**	**Tenant 2**	**Tenant 3**	**Tenant 4**	**Tenant 5**	**Tenant 6**	**PHA Official**	
Reactive Maintenance	5	4	4	3	5	5	2	**Rating of how well the service is done** **1-5 1 is very well and 5**
Planned Maintenance	5	3	5	5	5	5	5	
Security	3	4	4	3	3	3	1	
Cleaning	4	5	3	3	3	5	2	
Gardening	5	5	5	4	3	5	2	

								is very badly

Source: Compiled by author

As indicated in table 4.1, the interview with the official from PHA has revealed that when it comes to reactive maintenance of the assets, they wait for a call from the tenants to report the fault. After receiving the call, maintenance officials go to the site to do the maintenance. The PHA gave themselves 2 on reactive maintenance, which is equivalent to good. In terms of planned maintenance, the PHA officials acknowledge their dismal failure to do planned maintenance, stating that the PHA has got no budget for executing those functions. In the scoring they gave themselves 5, which is equivalent to doing very badly. In terms of security the respondent from the PHA explained that there are security personnel on the ground who are expected to perform all the security functions in GRV. According to the PHA respondent, cleaning and gardening functions are performed as scheduled and they rate themselves 2 on that score.

The overall self-scoring of the PHA officials did not reflect that the organisation is struggling to perform its duties. In contrast, most tenants in GRV believe that the PHA is not doing well when it comes to reactive maintenance, planned maintenance, security, cleaning and gardening. The majority respondents have scored the PHA 4 and 5 on these functions, which is markedly different from what the PHA scored itself. The reason stated to support these ratings was the fact that tenants have the perception that the PHA is doing nothing to address tenants' challenges.

4.5.2.1.2 Tenant Management

Table 4.2 Key tenant management function

Key Management Function	Participant							
TENANT MANAGEMENT	**Tenant 1**	**Tenant 2**	**Tenant 3**	**Tenant 4**	**Tenant 5**	**Tenant 6**	**PHA Official**	
Tenant take-on and preparation	4	3	2	3	3	2	1	**Rating of how well the service is done** **1-5 1 is very well and 5 is very badly**
Tenant exit	4	3	5	4	4	2	2	
Rent Collection	4	3	4	3	4	3	3	
Arrears Management	3	4	4	3	3	5	4	
Tenant Enquiries	3	4	4	3	4	5	2	
Tenant dispute	4	4	4	4	5	5	5	
Illegal occupancy	5	4	5	3	4	5	4	
Tenant engagement and education	5	5	5	5	5	5	5	

Source: Compiled by the author

The respondent from the PHA, in explaining the tenant intake process, stated that they use an existing database consisting of the applicants. When one tenant moves out of a unit, the PHA screens the next person on the data base to determine if he or she qualifies. Such a person is allocated a space and replaces the tenant moving out. In scoring themselves, they believed that they are doing well in this matter. On the issue of rent collection, the respondent from the PHA acknowledged that they were failing to enforce the regulations due to political interference and rent boycotts. When it comes to control of illegal occupancy, the PHA respondent said that it is very difficult for them to identify illegality on the premises since they are no longer allowed to enter the property. Tenant engagement and education is a factor which is totally lacking in GRV.

The majority of the tenants' respondents have applauded the PHA on the process it used when they were taken in as tenants in GRV. Various respondents scored the PHA 2 and 3 respectively on those issues. However, when it comes to scoring the services of rent collection and arrears management, tenants who seemed to be paying rent were very concerned with how the PHA is enforcing rent payment, stating that it is not doing enough to enforce it since many tenants are not paying rent. In terms of solving tenants' disputes with the PHA, tenant respondents have identified the Tenants' Committee as the body resolving all the challenges that tenants experience. They scored PHA 5 on that function. Tenants have emphasised what the PHA has highlighted about tenant engagement and education in GRV; they stated that they had not seen any such activity happening in GRV.

Many scores that were given are related to what initially was indicated as the challenges facing GRV. The scoring was a method for the identification of the real challenges that were initially stated by tenants and the respondent from the PHA.

4.6 Suggested participants' recommendations or solutions

The overall perception of tenants in GRV is that their contribution towards good management is minimal when compared to the efforts which the PHA has made since the inception of the programme. Citing animosity towards the PHA, most of the tenants have restricted their role to the payment of monthly rent. The tenants recommended that engagement with the managing entity (PHA) to resolve the elements impeding improvement in GRV should be a major focus, while also trying to eradicate the political influence within the tenants' committee. They also recommend that maintenance crews should be permanently based in GVR to improve their response time. Lastly, tenants stated the PHA should not renege on its initial promise of a rent to buy approach. Tenants' perceptions towards the PHA on its mandate to create a positive environment, is that there should be awareness campaigns and workshops to enlighten tenants on conditions of lease and on the responsibilities of the PHA and Polokwane municipality.

The Polokwane local municipality official concedes the challenges being experienced in GRV but believes that the PHA has the capacity to address these challenges without a need for interference by the municipality, citing the board of directors managing the PHA and its functions. However, to improve the opportunities which GRV provides, the respondent is of the view that rent payment and the discouragement of protests can help rectify the problems being experienced in the management of GRV to turn it into a model of success. While they also believe that opportunities are available for the construction of more social housing, there is great need to rethink the approach and strategy of managing social housing to limit rent boycotts and service delivery protests.

The PHA respondent recognises the shortcomings at GRV. In an attempt to normalise the situation, the PHA has approached the Limpopo Rental Tribunal through the office of the executive mayor of the Municipality to seek political intervention, while at the same time going through a parallel process with the courts to enforce evictions of tenants who contravene their lease agreements and those who reside there illegally. The PHA has a strong belief that an approach of educating tenants and occupants in GRV will assist residents in coming to a full and comprehensive understanding of the conditions contained in the lease agreement as directed by the legal prescripts. This will result in the good management of GRV. Instituting depoliticising strategies within tenants' forums is another approach of ensuring better communication channels between tenants and officials and can lead to a reduction of conflicts. All these strategies should be executed with the overarching view of ensuring that government property is not utilised for free.

4.7 Conclusion

This chapter has detailed and presented the analysis of the findings of the study. The GRV social housing project was launched with the aim of accommodating the lower middle-class people in Polokwane City. However, the project seems to be affected by management challenges, caused mainly by a communication breakdown between the tenants and the landlord, the PHA. The communication breakdown has resulted in

challenges whereby the roles of the Social Housing Programme in South Africa are not realised in the correct manner. The issue of rent boycotts has been identified as the main outcome of the communication breakdown, and this affects the operations of the PHA. The overall findings of this research will be discussed in the next chapter and recommendations will be made thereafter.

CHAPTER 5: CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter will give a summary and conclusion drawn from the research and provide recommendations.

From the onset of this study the research was done with the aim of answering the problem statement, which was identifying and determining the challenges and opportunities in the management of social housing, using the case study of Garena Rental Village as indicated in chapter 1 section 1.3.

The research therefore sought to:

- understand the scope of management functions with the policy, legislation and regulations of the National Social Housing programme (Objective no 1), This was covered in chapter 2 Section 2.4;
- analyse existing challenges and opportunities in the management of social housing (Objective no 2), which was dealt with it in Chapter 2 sections 2.5.1, 2.5.2 and chapter 4;
- establish the extent to which the housing institution responsible for managing Garena Village is exercising its functions to ensure the proper management and creation of good opportunities about the social housing stock. (Objective 3); this was covered in chapter 2 section 2.6.2 and chapter 4;
- establish the extent to which tenants are exercising their functions as per their lease agreement to ensure the good management of Garena Rental Village (Objective no 4); this was covered in chapter 2 sections 2.7 and in chapters 4 and 5
- to explore appropriate intervention strategies that can be used by the Polokwane Housing Association for managing Garena social housing, Chapter 2 section 2.8 and Chapter 5.

The research was largely exploratory in nature. Even though the research did not cover all possible study areas to assist the researcher in drawing a very strong conclusion, it is assumed that the research findings will contribute to highlighting the challenges and opportunities inherent in the management of social housing.

5.2 Key Findings

The research has revealed challenges and opportunities inherent in the management of social housing. All respondents have indicated the challenges and opportunities in managing social housing. However, the researcher has noted that most responses were aimed at justifying the position of the respective respondents, with no one agreeing that they are contributing negatively to the management of GRV social housing. Nevertheless, the responses in support of the literature have successfully addressed all the objectives of this research.

The research has outlined findings from this research as summarised below:

- Officials have shown the best understanding of the policies, regulations and acts that support the national social housing programme. Officials also know how the acts, regulations and policies are used to promote good management of social housing. However, the tenants hardly know anything about the policies, regulations and acts that support social housing. This creates a challenge because some of the demands that tenants make have no relation to the Social Housing Programme specifically.
- Major challenges found during research was the politicisation of the tenants' committee, which is contributing to the PHA failing to execute its duties and this also contributes to a breakdown of the relationship between tenants and the PHA management;
- Rent boycotts are affecting the financing of the PHA's operational costs, which has led to other challenges that tenants are complaining about, such as unmaintained infrastructure, poor waste control and security;

- The GRV project has been hijacked by the tenants' committee. The PHA management no longer has a say in the project and most tenants relies on tenants committee for management decisions. The tenants' committee's role of becoming the communication bridge between management and tenants has disintegrated; the committee now has a negative influence on the residents.
- The state of the un-governability of tenants has an impact on the payment for other essential services, such as water and electricity.
- The PHA has demonstrated failure to acquaint the tenants about their responsibility and duties before signing the lease agreement, and it has further failed to let tenants sign an extension of the lease agreement once tenants' contracts expire. As a result, many tenants are staying in the GRV without contracts.
- According to tenants and the PHA official, the PHA has created false hope with the tenants by promising tenants an option of rental with a view to buy. This is seen as the main thing which caused the disorganised state of GRV. It is suggested that management must not promise tenants things that it cannot able to realise.
- PHA as a social housing Institution has failed to adhere to some of the stipulations that were highlighted in Section 14 of Social Housing Act, such as ensuring that the context of the lease agreement as well as prescribed changes are communicated to residents and are strictly adhered to by all parties.
- Due to the relationship breakdown with the tenants, the PHA has failed to bring stability to the housing project and to ensure that GRV is properly managed.
- There is no proper consultation between tenants and the PHA any longer. When the PHA attempts to have consultation with tenants the tenants' committee coerces them to not cooperate.
- Many tenants do not qualify to benefit from GRV because they fall outside the stipulated income bracket of R3500 to R7500 per month to qualify as beneficiaries of GRV. Some were earning too little to qualify while some earn more than the income level that allows them to stay in GRV.

- Tenants are not willing to mend their relationship with the PHA because they do not want to lose the illegal benefit they are enjoying of staying for free.
- Tenants have shown an interest in staying in a good, healthy environment with all services installed and functioning. However, they are not willing to spend money on the services they need.
- The researcher has noticed little knowledge of the Social Housing Programme by tenants and how it operates, hence most tenants still have an understanding that social housing is government housing, and for this reason they will not pay rent for what they regard as a government owned property.
- Respondents have identified the spatial location of social housing in relation to other amenities within the city as an opportunity. There was appreciation on the side of the tenants for the fact that GRV has given them an opportunity to stay in the city and in better accommodation as compared to staying in a backyard. GRV has assisted in creating a more a more mixed communities and addressing the long-term sustainability of the neighborhoods.
- Respondents have recommended more engagement on how GRV and social housing programme works. They acknowledged that most of them cannot claim to know how the Social Housing Programme works.
- Some tenants have recommended that they should own units so that they can take care of them on their own.

In summary, the key findings have reflected that there are quite several challenges inherent in the management of social housing. As stated at the beginning of the research, the lack of knowledge and understanding on what social housing is has created conflict between social housing managers and tenants. From the research a breakdown in communication is the major perceived issue in need of being resolved.

5.3 Intervention Strategies

- **Getting SHRA to Intervene in the PHA Challenges:** According to the PHA 2015/2016 annual report, SHRA has been informed about most of the

challenges being experienced by the PHA.SHRA took a step of appointing a service provider to assist the PHA in addressing all its shortcomings that also may impact on the PHA's accreditation (Polokwane Municipality, 2016:5). However, SHRA's attempt to solve the challenges of the PHA, are not adequate. The SHRA capacity development team has to play the critical role of also capacitating the tenants of GRV. This is in line with their legal mandate, which allows them to do whatever is necessary to ensure the good governance of a social housing institution. The researcher has made an attempt to communicate with SHRA on their intervention strategy to the PHA challenge and the response from an official at SHRA was that the organisation is busy with assisting the PHA with its overall business planning so that the business will be sustainable, and also to improve the PHA's accreditation status (Mofokeng, Personal communication: 27 November 2017).The respondent acknowledged that most challenges that the PHA face are the result of poor business planning. However, according to the researcher, SHRA intervention is not enough for resolving the current challenges in GRV. SHRA has to become involved at ground level to assist the PHA in resolving all its challenges.

- **Tenants' Education:** One of the main challenges that were noted as a reason for the un-governability of GRV is the way in which tenants influence one another. The tenant committee does not seem to have attended a workshop to guide them about their responsibilities. From the three hours meeting which the researcher attended, it became clear that the statements by the tenants' committee members to the tenants were quite different to what is expected of a tenants' committee, as suggested by the National Housing Code. The tenants' committee has repeatedly accentuated that there must not be any negotiations between tenants and the PHA. Therefore, as a starting point to intervene in the challenges in GRV, the PHA must find a mediator who will educate the tenants and workshop the tenants' committee about all matters related to social housing.

- **Political Intervention:** Responses to a questionnaire by the PHA respondent and evidence of what the tenants' committee members were saying during the meeting, makes it clear that a great deal of politicking is taking place. This has a direct impact on the management of GRV. In the light of this evidence, the PHA should try to ensure that it gets together all political stakeholders who have either a positive or a negative influence on tenants or the PHA to try and resolve their issues so that the PHA can be managed without undue political interference.

- **Rental Housing Tribunal Intervention**- There is a great deal of dissatisfaction among the tenants in GRV with the rental tribunal. Most tenants do not trust the Limpopo Rental Housing Tribunal, claiming that it is biased when it mediates in the conflict between the PHA and tenants. Despite this dissatisfaction, the rental tribunal must continue to attempt to find a solution of all the challenges that are affecting tenants in GRV.

5.4 Recommendations

The recommendations below have been developed from the key findings of the research to assist in solving what was observed to be the main causes of challenges facing management of social housing. Most of the recommendations are directed to the municipality and to the Social Housing Institution management.

- The Need to have a Public Private Partnership SHI instead of a Municipal Entity SHI – The Social Housing Act of 2008 has highlighted that social housing should be managed by an independent housing institution or body which should not be governed by any government institution. Due to the experience gained from the study a better model needs to be devised given the SALGA recommendations from the inception of this report. The researcher has noted the disadvantages of having a municipal housing entity. Most tenants have taken advantage of the municipal entity SHI because it operates under the municipality's control and public has an

understanding that they will not pay for all services rendered by the municipality. Therefore, from this perspective it is advisable that the municipality enters into a partnership with an independently privately-owned SHI so that it can develop SH within the municipal space.

Tenants have strongly emphasised the need to be given the units permanently, and it was observed that the tenants' request is guided by the general misunderstanding that SH is government housing and for that reason it may be occupied without cost. Therefore, having a privately-owned SHI will make tenants not take advantage of SH as opposed to what is currently the case in GRV. For the envisaged new upcoming social housing project, the municipality must consider partnering with an external, independent, private institution to develop and manage social housing for the municipality.

- Proper Vetting of Tenants–The majority of respondents' incomes is higher than the prerequisite amount to qualify for a social housing programme. Many of the tenants are sub-lessees and have occupied units without following the proper procedure. There is a need to administer the process of tenant intake properly. If a potential beneficiary does not qualify for the social housing programme an alternative and different housing programme should be sought after and explored.

- PHA must not Compromise the Process of Evicting Tenants who are Ungovernable –The PHA's failure to manage its property is a result of the compromise which the PHA makes when it comes to dealing with tenants who do not pay rent. There have been ongoing protests and rent boycotts by tenants of GRV, but there has not been any eviction of those tenants. The PHA may be a municipal entity SHI but that does not mean that the management must compromise decisions that will bring stability and governability to GRV. From what the researcher has discovered from the PHA's official respondent, it can be concluded that the inability of the PHA to act on evicting tenants who

are not paying rent is because of political interference. The situation in GRV needs a bold leader who will not compromise when taking decisions.

- Appointment of an unknown mediator to resolve PHA and GRV Tenant's Matters–The PHA and GRV situation is currently being resolved by the provincial rental housing tribunal. However, the challenge is that the Limpopo Rental Housing Tribunal is located at the provincial department of human settlement offices. This creates another challenge because whatever the tribunal tries to do in mediation between the tenants' committee and the PHA, the tenants' committee concludes that it is biased towards the PHA. As highlighted, tenants do not understand the independency of the PHA from the municipality, from the provincial Human Settlement Department and now from the Limpopo Rental Housing Tribunal. Therefore, there is a need to have a mediator who is new and unknown to help resolve all the challenges.

5.5 Conclusion

The findings of the research have revealed many challenges in the management of the GRV social housing project. However, the results cannot be generalised to other SH projects because the GRV case is different. The research could not make the expected finding as guided by the objectives because the GRV project has been hijacked by tenants. It is difficult for the researcher to draw a conclusion on whether the PHA has failed to do its work as highlighted in the lease agreement, because the researcher now knows that the GRV project has been hijacked, tenants are not paying rent and there is a great deal of political interference in the management of the PHA. With such findings, it is not a simple matter for an organisation to perform its functions as a landlord in the face of all these challenges.

Most of the recommendations highlighted in this research are what the respondents believes to be what can be done to help resolve the identified challenges. Even though the challenges identified cannot be generalised to other Social Housing Institutions,

they emphasise what the literature has pinpointed as challenges in managing social housing. In conclusion, the research has added to the literature of the challenges and opportunities in the management of social housing, and how some of these challenges maybe resolved.

5.6 Recommendations for Further Research

There is a need to continue with this study in a broader context by including other municipal Social Housing Institutions to make a comparative study that will draw a broader conclusion that can be generalised.

It is also recommended that another comparative study be done between municipal entity social housing management and a Public Private Partnership social housing institution to determine which institutions are most successfully managed.

The research has raised the notion with the researcher to recommend the need for a study that will be investigate a possible relationship between tenants' satisfaction, rental price and the period for which tenants stays in social housing.

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APPENDICES

APPENDIX 1

Polokwane Municipality questionnaire

Hello, I am Rakunama Thifaneli. I am from Limpopo province stay in Polokwane City, Laddana Suburb. I am currently doing my Master's degree at WITS University and my study is about "**Challenges and Opportunities in the Management of Social Housing: A case study of Garena Rental Village, Polokwane Local Municipality**".The whole interview will be done in accordance with the agreement we initially came to after having received the participant informant sheet, which was explained to you. Once again, let me thank you for agreeing to participate in this interview. You are allowed to ask me any question which you don't understand, and if one of these questions does not sit well with you, please let me know.

Please tick using the (X) in the appropriate boxes as response and provide a brief comment in the space provided for in the question where is necessary.

1. BIOGRAPHICAL INFORMATION

1.1 Gender

MALE		FEMALE	

1.2 Educational Qualification

Below Matric		Matric		Diploma		Degree	

1.3 Position held in Polokwane Local Municipality

……

2. POLICIES, LEGISLATION AND REGULATIONS

2.1 Are you aware of the policies, legislation and regulations that support the National Social Housing Programme? Yes/No

If yes, please highlight some

……

2.2 What does the policies/regulations/legislation says about the general management scope of social housing stock in South Africa?

……

2.3 According to policies/regulations/legislation, who is responsible for managing social housing?

……

3. CHALLENGES AND OPPORTUNITIES IN SOCIAL HOUSING MANAGEMENT

3.1 What are the challenges that Polokwane municipality is faced with regard to the Polokwane Housing Association's management of Garena Rental Village housing stock?

……

3.2 In your own view, what opportunities does Garena Rental Village create for Polokwane Local Municipality?

……

4. SOCIAL HOUSING INSTITUTION ROLES AND TENANTS' RESPONSIBILITIES

4.1 What are your roles and responsibilities to both Polokwane Housing Association and tenants in ensuring that Garena Rental Village housing stock is properly managed?

……

4.2 Can you describe the relationship between Polokwane municipality and Polokwane Housing Association in relation to the management of Garena Rental Village?

……

4.3 Are you happy with Polokwane Housing Association's overall management of Garena Rental Village? Please elaborate

……

5. RECOMMENDATIONS/SUGGESTED SOLUTIONS

5.1 Are you able to share how your institution is planning to address some of the challenges which are directly linked to the management Garena Rental Village housing stock?

……

5.2 In your own view, what can be done to improve the opportunities which Garena Rental Village provides to Polokwane municipality?

……

5.3 Are you planning to recommend the development of more social housing stock in your municipality in the future? If yes, what lessons will you take and also disregard from the management of Garena Rental Village?

……

The end

APPENDIX 2

Questionnaire Polokwane Housing Association

Hello, I am Rakunama Thifaneli. I am from Limpopo province and stays in Polokwane City, Laddana Suburb. I am currently doing my master's degree at WITS University and my study is about "**Challenges and Opportunities in the Management of Social Housing: A case study of Garena Rental Village, Polokwane Local Municipality**". The whole interview will be done as per the agreement we initially came to after having received the participant informant sheet, which was explained to you. Once again, let me thank you for agreeing to participate in this interview. You are allowed to ask me any question which you don't understand, and if any of these questions does not sit well with you, please let me know.

Please tick using (X) in the appropriate boxes in response and provide a brief comment in the space provided for the question where necessary.

1. BIOGRAPHICAL INFORMATION

1.1 Gender

MALE		FEMALE	

1.2 Educational Qualification

Below Matric		Matric		Diploma		Degree	

1.3 Position held in Polokwane Housing Association

……

2. POLICIES LEGISLATIONS AND REGULATIONS

2.1 Are you aware of the policies, legislation and regulations that support the National Social Housing Programme? Yes/No

If yes please highlight some

……

2.2 What does the policies/regulations/legislation say about the general management scope of social housing stock in South Africa?

……

2.3 Do you use the National Social Housing Programme policies, regulations and legislation as the guiding tool to manage your social housing stock?

……

3. CHALLENGES AND OPPORTUNITIES IN SOCIAL HOUSING MANAGEMENT

3.1 What are your main challenges in managing Garena Rental Village social housing stock?

……

3.2 Does the social housing stock at Garena Rental Village provide you with any opportunities? Yes/No

If yes, please provide them

……..

4. SOCIAL HOUSING INSTITUTION ROLES AND TENANTS' RESPONSIBILITIES

4.1 How many units are there in Garena Rental Village?

……

4.2 What are the respective proportions of tenants staying in Garena, legally and illegally (Please insert estimated figures on the dotted lines).

Legally ……..

Illegally ……

4.3 Which income group mostly resides in Garena Rental Village in terms of proportions? (Please insert approximate figures on the dotted lines out of 100 %)

Low-income: .....

Medium-income: .....

High-income: .....

4.4 What are your institution's roles and responsibilities in the management of Garena Rental Village social housing?

……

4.5 Can you please explain some of the roles and responsibilities that tenants in Garena are expected to exercise?

……

4.6 Can you say that you are happy with the way in which tenants at Garena are contributing to the smooth management of the housing stock? If not, please explain

……

4.7 In the table below showing the services that different social housing institutions normally provides to the tenants while in the process of managing the housing stock and tenancies, can you please indicate how you provide or deal with such services and rate yourself out of 5?

KEY MANAGEMENT FUNCTION	HOW DO YOU DO IT	RATE HOW WELL IT IS DONE 1-5. where 1 Is very well and 5 very badly
ASSET MANAGEMENT		
Reactive maintenance		
Planned Maintenance		
Security		
Cleaning		
Gardening		
TENANT MANAGEMENT		

Tenant Take in and Preparation		
Tenant Exit		
Rent Collection		
Arrears Management		
Tenant Enquiries		
Tenancy Problems/Disputes		
Illegal Occupancy		
Tenant Engagement and Education		

4.8 What are the Polokwane Housing Association's management and staffing arrangements in Garena Rental Village? Please elaborate.

……

5. RECOMMENDATIONS/SUGGESTED SOLUTIONS

5.1 Are you able to share how your institution is planning to address some of the challenges which are directly linked to the effective, efficient and responsive management of this stock?

……

In your own view, what can be done to improve the opportunities which Garena Rental Village provides?

……

5.3 Are you planning to develop more social housing stock in future? If yes, what lessons will you take from the management of Garena Rental Village?

……

The end

APPENDIX 3

Questionnaire to Tenants at Garena Rental Village

Hello, I am Rakunama Thifaneli. I am from Limpopo province and stays in Polokwane City, Laddana Suburb. I am currently doing my master's degree at WITS University and my study is about "**Challenges and Opportunities in the Management of Social Housing: A case study of Garena Rental Village, Polokwane Local Municipality**". The whole interview will be done as per the agreement we initially have from the participant informant sheet which was explained to you. Once again, let me thank you for agreeing to participate in this interview. You are allowed to ask me any question which you don't understand, and if one of these questions does not sit well with you, please let me know.

Please tick using the (X) in the appropriate boxes in response and provide a brief comment in the space provided for a question where necessary.

1. DEMOGRAPHIC INFORMATION

1.1. Interviewee details

Position in the unit	Gender
Leese/tenant of the unit	
Spouse of the owner	
Other (Specify)	

1.2 Where are you originally from?

……

1.3 Age group

Below 30 above 23		30-40		40-50		Above 50	

1.4 Race

Black		white		Colored		Other	

1.5 Educational Qualification

Below Matric		Matric		Diploma		Degree	

1.6 Number of tenants staying in your unit in total, including interviewee

……

1.7 Unit owner's total income level per month

Less than R3500		R3501-R7500		R7501-R15 000		Above R 15 000	

1.8 Source(s) of income (there could be more)

Salary (Monthly)	
Self-employed	
Old age grant	
Other (specify)	

1.9 Description of your Unit physically

Unit no (optional) ……

Bachelors Flat	
1 Bedroom Flat	
2 Bedroom Flat	
3 Bedroom flat	
Other, specify	

1.10 What type of accommodation were you living in before you moved in here?
E.g., private rental flat, backyard rental, informal settlement, shared formal house?

……

1.11 What tenure type was that accommodation?

……

2. POLICIES LEGISLATION AND REGULATIONS

2.1 Are there any policies and regulations that you know about which guide you as tenant of a social housing project? If yes, please name them?

……

2.2 Do you understand what social housing and its roles for the public are? If yes, please explain?

……

3. CHALLENGES AND OPPORTUNITIES IN SOCIAL HOUSING MANAGEMENT

3.1 What are your main challenges as the tenant(s) with regard to the management of Garena Rental Village?

……

3.2 What are the opportunities that you can identify from Garena Rental Village?

……

4. SOCIAL HOUSING INSTITUTION, TENANTS' ROLES AND RESPONSIBILITIES

4.1 Do you know the name of the landlord of Garena Rental Village? If yes, please name them.

……

4.2 Do you have a signed lease agreement with the landlord?

……..

4.3 How well are you acquainted with the lease agreement that you signed? Please explain

……

4.4 Do you have any challenge in meeting the clauses on the lease agreement? Please explain

……

4.5 Normally, how do you have a meeting with the land lord and what method of communication do you use if there are challenges that need to be addressed?

……

4.6 Do you know the roles and responsibilities of Polokwane Housing Institution with regard to Garena Rental Village?

……

4.7 What is your role and what are your responsibilities highlighted on the lease agreement you have signed?

……

4.8 What services does the landlord provide for you? (Please go through the table below and assess how well the landlord does this on a scale of 1-5)

KEY MANAGEMENT FUNCTION	HOW DO THEY DO IT	RATE HOW WELL IT IS DONE 1-5 1 Is very well and 5 very badly
ASSET MANAGEMENT		
Reactive maintenance		
Planned Maintenance		
Security		

Cleaning		
Gardening		
TENANT MANAGEMENT		
Tenant Take-on and Preparation		
Tenant Exit		
Rent Collection		
Arrears Management		
Tenant Enquiries		
Tenancy Problems/Disputes		
Illegal Occupancy		
Tenant Engagement and Education		

5. RECOMMENDATIONS/SUGGESTED SOLUTIONS

5.1 Are you able to share how you are trying to help Polokwane Housing Association to make sure there smooth management of Garena Rental Village is possible?

……

5.2 In your own view, what can be done to improve Garena Rental Village so that staying there create more opportunities?

……

5.3 What do you think can be done by Polokwane Housing Association and Tenants of Garena Rental Village to create the smooth management of these stock?

……

The end