

**SUSTAINABLE HOUSING DEVELOPMENT IN POST
APARTHEID SOUTH AFRICA**

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Declaration

I, the undersigned, hereby declare that the work contained in this Research Report is my own original work and that I have not previously in its entirety or in part, submitted it at any university for a degree.

Signature

Name in full

Date

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List of Acronyms

ARP-Alexandra Renewal Project

BESG-Built Environment Support Group

BNG- Breaking New Ground

CBO(s) - Community Based Organisation(s)

DBS- The Discount Benefit Scheme

DLA- Department of Land Affairs

DME- Department of Minerals and Energy

DOH- Department of Housing

DPLG- Department of Provincial and Local Government

ESTA- Extension of Security Tenure Act

FFC- Financial and Fiscal Commission

GEAR- Growth, Employment and Redistribution Programme

HBE- Home Based Enterprises

HSS- Housing Subsidy Scheme

IDP- Integrated Development Plans

LIHEAP- Low Income Housing Energy Assistance Program

MERG- Macro Economic Research Group

MINMECS- Ministerial Forums

NCOP- National Council of Provinces

NHBRC- National Home Builders Registration Council

NHF- National Housing Forum

Chapter One: Introduction

1.1 Background to the Study

The human settlement issue in South Africa has posed a great challenge to the post apartheid government. Due to apartheid, South African human settlements are characterised by spatial separation of residential areas according to class and race; urban sprawl; disparate levels of service provision; low levels of suburban population density; and the concentration of the poor in relatively high-density areas in the urban peripheries and the wealthy in core and intermediate areas (Khan, 2003). Some of the low-cost housing initiatives (such as those of Mamelodi-a housing project on the periphery of Tshwane, Gauteng and Delmas in Mpumalanga) are mere additions to apartheid's black townships, saddled with the same problems of distance from workplaces and lack of proper community facilities (Khan, 2003)

The South African National Housing Policy, The White Paper on Housing has demonstrated its ability to deliver at scale. For example, by 2003 1.4 million houses had been completed and were under construction (Charlton, 2004). In the mid 1990s, the housing policy tended to focus more on quantity, with a widely publicised target of a million houses in 5 years. However, the South African National Housing Policy does not adequately address issues around sustainability, and there is a clear need to link housing to economic development, income generation and survival strategies of end-users (Charlton 2004).

Indeed the above are great quantitative achievements; however, certain fundamental principles were neglected in an attempt to deliver as many houses as possible to many South Africans.

Criticisms of the houses being built include:

- Quality – The quality of the housing is very poor. The new housing schemes are dreary in their planning and layout, to the extent that they often resemble the bleak building programmes implemented by the apartheid government during the 1950s and 1960s. Many of the houses are very small.
- Location and Development Structure – numerous identical houses are in areas with no social or economic infrastructure. The houses resemble the segregated apartheid structures that have not changed much since the advent of democracy.
- The new housing projects do not adequately address the environmental impacts of housing projects.
- Some of the projects have limited access to basic services such as water supply, sanitation and electricity.
- The policy does not adequately address issues around affordability and how financial schemes can be linked to the problem of affordability of the housing.
- The projects lack infrastructure necessary to accommodate for reliable public transport (Verster, 2005: 2).

1.2 The Housing Context in South Africa

Not only is South Africa characterised by a swiftly growing population that is becoming more and more urbanised, but it also has to deal with highly unequal and racially stratified settlement patterns, resulting from its apartheid legacy. This legacy has caused the confinement of the majority of black South Africans to certain areas, usually located on the periphery of urban centers, excluded from service delivery, infrastructure and work opportunities. As a result of the above, the South African housing policy has frequently been criticized for fostering an urban sprawl by locating housing delivery on the peripheries of urban areas .

In a report compiled by The Department of Housing entitled United Nations commission for sustainable development twelfth session, the department demonstrated growing concern regarding the social and environmental sustainability of housing programs and the impacts upon the surrounding environment and human health. There are serious environmental impacts in some low-cost housing programs, such as surface and groundwater contamination associated with the lack of proper sanitation facilities which disturb fragile ecosystems such as estuarine or wetlands areas. Many of these households continue to use dangerous fuels such as paraffin and wood for cooking and heating despite the availability of electricity, because the latter is too expensive for their budgets (DOH, 2004). As a result of building houses on the peripheries, there are also concerns regarding vehicle traffic that release greenhouse gasses (DOH, 2004).

Goebel (2007) identifies four major obstacles to sustainable housing in urban South Africa. Among those obstacles identified are: Neo-liberal macro-economic conditions, enduring historical legacies of race and class and the extent and rate of contemporary urbanisation. Neo-liberal macro-economic policies of the ANC government, especially since 1996 with the introduction of the Growth, Employment and Redistribution (GEAR) Programme have become one of the root failures in addressing sustainable habitats agenda in urban areas. Goebel bases this argument on the view that neo-liberal economic policy deepened the marginalization and the poverty of the already poor, causing for example very high rates of unemployment (Goebel, 2007). The poor as a result cannot pay for the services essential for healthy urban living. Huchzermeyer (2003), argues that government has struggled with its dual commitment to fiscal responsibility and the need to uplift the historically disadvantaged. Neo-liberal policies limited funds available for public and welfare-orientated programmes, meaning that the low-cost housing programmes are underfunded, which results in delays in delivery and provision of housing that is of poor quality, built on cheap land on the urban peripheries. The maximum R15 000 subsidy (for those households with less than R800 per month income)

is not sufficient to build decent accommodation. Quality housing, particularly in terms of location forms part of the requirement for sustainable human settlements.

Apartheid legacies and persistent inequalities are major impediments to sustainable low-cost housing, as the legacy of segregated communities is still alive in South African cities. The biggest concern with the pattern of segregated communities is that historical race and class inequalities in the quality of services, housing and urban environment persist. For example, while policy documents do acknowledge the importance of densification in urban planning for new housing, both to address radicalised geography and environmental concerns, most new development of low-cost housing continues to be on the periphery. Inner city land is expensive and often controlled by powerful business interests. Rapid urbanization, persistent informal settlements and their association with impoverished people has proven a difficult challenge for South African municipalities. According to the 2001 Census, an estimated 16.4% of households nationally were living in informal settlements, and informality tends to go hand in hand with insecurity of land tenure and instability of other conditions such as services and rental rates (Goebel, 2007). In addition these patterns are linked to high levels of unemployment and a growing wage gap between higher and lower sectors of the wage market.

1.3 Aim and Research Question

Post-apartheid Human-Settlement policymaking needs to incorporate considerations about sustainable development, and this report is an evaluation thereof. The aim of the research report is examine the impact of housing on sustainable development through a case study analysis of the 2004 Breaking New Ground (BNG) Housing Programme. Housing on this basis can be understood as sustainable housing. BNG is used as a case study programme against the backdrop of the post 1994 housing policy which will be used to probe whether the principal tenets of sustainable development and sustainable

housing have been adhered to in the Breaking New Ground Housing Programme. Some of the questions that the research will also explore are as follows:

1. What is the importance of sustainable development indicator sets (how sustainability is measured) to housing projects in post-apartheid South Africa?
2. What are the specific concerns that must be addressed, for housing to become sustainable in post apartheid South Africa?
3. What type of infrastructure needs to be put in place for housing to become sustainable?
4. How have financial schemes addressed the problem of affordability?

1.4 Methodology and Structure of the Study

1.4.1 Methodology

The study is descriptive and analytical in nature as it is intended to create an understanding of the impact of housing on sustainable development. The data I collected was analysed by using the qualitative process of thematical and content analysis. According to Mouton (1996: 169), qualitative research is comprised of a wealth of rich descriptive data collected through a variety of methods such as in-depth interviewing and document analysis. The use of this method of data analysis has resulted in a more holistic synthetic and interpretive approach (Mouton, 1996).

The research has relied on both primary and secondary sources of data. In collecting and analysing the data I used a combination of interviews and document analysis methods. I referred to books, documents, reports and articles etc. I focused on South African housing policies, legislations and Bills such as the White Paper and the 2005 Breaking New Ground Housing Programme. The BNG housing programme was examined in terms of its adherences to the principal tenets of sustainable development and sustainable housing.

A study of policy analyses the versatile and complicated procedures by which policy is understood, formulated and implemented, as well as the range of actors involved.

The move towards the development of BNG came about in 2002 when the National Department of Housing undertook a comprehensive review of its housing programme after recognising a number of flaws in the programme. These flaws included peripheral residential development; poor quality products and settlements; the lack of community participation; the limited secondary low income housing market; corruption and maladministration; a slowdown in delivery; underspent budgets; limited public sector participation; the increasing housing backlog; and the continued growth of informal settlements (National Department of Housing, 2008). The review process aimed at providing a new policy direction and establishing a research agenda to inform and support policy decision making within the housing programme, particularly to counter the dispersal of knowledge and intellectual capacity. The review aimed to use the National Department of Housing as a hub to focus and address complex questions of space and economy.

In order to achieve this level of analysis, the housing policies prior to BNG were incorporated into the research in order to understand the context in which BNG was developed. The research material was obtained from local places such as the Wits University library, the internet and the South African Department of Human Settlements website. Analysis of policy documents only helps in understanding policy content ‘on paper’ – this is not sufficient without an analysis of context, processes, measures and impacts. In this regard, various interviews and meetings were arranged with key figures and role players in housing. Not only did these interviews provide contextual insight and critical information, they also added to the reliability and validity of the study.

Individuals that were interviewed included: Mr Mike Makwela from Planact (a non-government development organisation working mainly in the urban areas of Gauteng),

Patrick Lemmans from Anglo Platinum Housing, Dombolo Masilela from the Gauteng Housing Tribunal, Shumani Luruli from Planact and Mr Alfred Moyo from the Makause Informal Settlement. These individuals were selected based on the positions that they hold within their respective organizations, as that would indicate that they are knowledgeable about the subject at hand. The interviews were conducted in November 2010.

The structure of the interviews has been open-ended to gain an in-depth understanding of the subject at hand. The questions that I asked took into consideration: Provision of housing that addresses sustainability issues and environmental issues, provision of housing that is affordable, and convenient in terms of its location to social amenities and economic activities, whether the respective housing policy (BNG) is perceived to be committed to addressing the sustainable housing related needs and problems on a regular basis.

In conducting the research I ensured that there was a participation information sheet and a formal consent form that the participants had to sign before taking part in the research. At first contact I ensured that participants were fully aware of the status the research, by introducing myself as a Development Studies Masters Student at the University of the Witwatersrand in Johannesburg. Participants were fully notified of my intension as a researcher. The consent form was only signed once I was sure that the participant fully understood their level of involvement in the research if they choose to take part. There were however some obstacles along the way, especially during the interview process because of the busy schedules of these individuals, meetings of this nature were dependent on a 'quiet day'. Obtaining the correct contact information for the relevant people involved numerous phone calls to verify email addresses after a few emails were 'bounced' back. As a result, it was not always possible to reach key interview candidates, as some had relocated and are no longer affiliated with their previous institutions. Government officials were especially difficult to get a hold of and to organise a meeting

with, and for this reason I acknowledge that the information contained in this research report may be biased in the sense that it predominantly reflects the views of persons outside of government policy making and delivery structures, but all efforts were made to provide as balanced a perspective as possible.

1.4.2 Structure

Chapter one gives a background of the study and introduces the reader to the research question. This chapter introduces the methodology of the study in which the research design and the procedures used to collect and analyse data are explained. Issues regarding obstacles and hindrance that were experienced during the data collection process are also discussed. Chapter two introduces the reader to the concept of sustainable development, and examples of sustainable development are referred to in order to give an understanding of sustainable development trends in South Africa, as well as provide an understanding of the history of sustainable development in South Africa. Chapter three provides the history of housing in South Africa post 1994. Chapter four, introduces the reader to relevant literature and debates regarding housing and sustainable housing in South Africa. The South African National Housing Policy is introduced, and the South African National Housing Policy Framework is also discussed. Attention is then shifted to describing the Breaking New Ground Housing Programme, its principal tenets, its main objectives and key expectations. Chapter five discusses the impact of housing on sustainable development, in which the importance of housing to sustainable development is also discussed. Chapter six answers the question of whether the principal tenets of sustainable development and sustainable housing have been adhered to in the Breaking New Ground Housing Programme. Whilst chapter six provides a theoretical answer, chapter seven focuses on interview findings in answering the question of whether the principal tenets of sustainable development and sustainable housing have been adhered to in the Breaking New Ground Housing Programme. Chapter eight provides recommendations for sustainable housing development in South Africa, and conclusions to the research question are also drawn.

Chapter 2: Sustainable Development

2.1. Defining Sustainable Development

The notion of sustainable development was acknowledged in the 1970s with the need to merge national and global environmental issues with development (Ebsen and Ramboll 2000). This need led to the establishment of the World Commission on Environment and Development, and by 1987 the expression of sustainable development was defined for the first time as “meeting the needs and the aspirations of the present without compromising the ability to meet those of the future” (United Nations World Commission on Environment and Development (WCED), 1987)

The definition of sustainable development led to different conceptions in most developing countries. In the South, sustainable development was only understood as sustainable economic growth while in the North the focus was more on ecological issues (Esben and Ramboll 2000). However the definition needs to be elaborated, “Meeting the needs of the present refers to the development component of sustainable development which includes the economical, cultural and social issues.” The second phrase of the definition, “without compromising the ability to meet those of the future”, is mostly referring to the environmental issues” (Esben and Ramboll 2000, p. 2).

According to the United Nations World Commission on Environment and Development (1987), there are some critical environment and development policies that countries must follow from the concept of sustainable development. And their objectives should include:

- reviving growth in such a way that sustainable development addresses the problem of the large number of people who live in absolute poverty - that is, who are unable to satisfy even the most basic of their needs.

- Changing the quality of growth in such a way that development will involve more than just growth. It requires a change in the content of growth, to make it less material- and energy-intensive and more equitable in its impact. These changes are required in all countries as part of a package of measures to maintain the stock of ecological capital, to improve the distribution of income, and to reduce the degree of vulnerability to economic crises.
- Meeting essential needs for jobs, food, energy, water, and sanitation, because all too often poverty manifests itself in such a way that people cannot satisfy their basic needs for survival and well-being even if goods and services are available. At the same time, the demands of those not in poverty may have major environmental consequences.
- Ensuring a sustainable level of population, as the sustainability of development is intimately linked to the dynamics of population growth.
- Conserving and enhancing the resource base because if needs are to be met on a sustainable basis the earth's natural resource base must be conserved and enhanced. Major changes in policies will be needed to cope with the industrial world's current high levels of consumption, the increases in consumption needed to meet minimum standards in developing countries, and expected population growth.
- Reorienting technology and managing risk in such a way that there is a link between technology and nature. First, the capacity for technological innovation needs to be greatly enhanced in developing countries so that they can respond more effectively to the challenges of sustainable development. Second, the orientation of technology development must be changed to pay greater attention to environmental factors.
- And lastly merging environment and economics in decision making because the common theme throughout the strategy for sustainable development has been the need to integrate economic and ecological considerations in decision making. This will require a change in attitudes and objectives and in institutional arrangements at every level.

Furthermore, sustainable development seeks to use energy and materials more responsibly, so that they can be renewed and reused. In addition, sustainable development looks for ways to avoid pollution and waste so the environment is healthy. Sustainability seeks to improve our community's well-being in terms of jobs, health, education and how we operate. Values found in sustainable communities include fairness, equity and justice. Thus sustainable communities seek to preserve and protect ecosystems that provide the habitat, food and shelter for our lives and for future generations and the definition has become very complex and multi-dimensional (Centre for Global Studies, 1999).

Sustainable cities on the other hand “rebuild neighbourhoods to become more compact, cohesive communities that support efficient and safe transportation, reduce sprawl, and preserve open space” (Centre for Global Studies, 1999: 2). Such redevelopment is usually focused around urban centres to encourage living, working, shopping, and playing within walking or biking distance. This approach is emphasized to help balance our reliance on private automobiles. Otherwise, cities are more spread out than needed; develop more land than needed; and thereby consume too much time, fuel and money to meet daily needs (Centre for Global Studies, 1999).

According to the Centre for Global Studies (1999), sustainable building processes are cyclical by design instead of ending in waste and pollution, and enable outputs from one process to be used as inputs for another. In addition sustainable building sources will usually require the inputs of energy sources are renewable. They require much less energy, and may even generate their own energy. They are built from recycled and low energy-intensive materials, and have healthful and inspiring interiors. They are built to last for decades, gracefully fit into the community, and provide green space and open space for the community (Centre for Global Studies, 1999). Thus sustainable development provides a vision for the revitalization of urban communities

The publication of “Our Common Future” in 1987 by the World Commission on Environment and Development was the driving force to a huge debate around the issue of sustainable development. However it was not until 1992 at the UN conference in Rio de Janeiro on Environment and Development that it was agreed on world-wide by governments to promote sustainable development (Esben and Ramboll 2000: 2).

According to MacLaren (1996), sustainability indicators must be integrating, forward looking, distributional and developed with input from multiple stakeholders. Integrating in the sense that they must attempt to portray linkages among the economic, environmental, social dimensions of sustainability. Forward looking in the sense that they must be able to determine trend indicators which are linked to targets that define intermediate and final steps towards a particular goal. Distributional in the sense that they should be able to accommodate inter- and intragenerational equity to account for the distribution of social, economic and environmental conditions in the population and across regions. And lastly they must be developed with input from multiple stake holders because the most influential, valid and reliable social indicators are considered to be those that have been developed with input from a wide range of participants (MacLaren 1996).

2.2 Development Problems and Unemployment in South Africa

South Africa is a developing nation and it relies on extractive industries (industries that take natural resources out of the environment like mining) and on exporting natural resources in their raw forms. These industries limit South Africa’s ability to grow. According to Inter-Ministerial Committee for Poverty and Inequality (2003), South Africa mines and exports gold ore, however things would be different, if it instead expanded its gold jewellery manufacturing industry, it could gain additional revenue because people pay more for gold necklaces than they do for raw ore. The downside is that extractive industries like mining harm the environment, but so do processes that

convert ores to products like steel and aluminium. For this reason, many economists and environmentalists argue the South African government would be better off developing its human resources and knowledge based industries. South Africa has faced severe unemployment and poverty. In 2003, 25.2% of the population were unemployed and a high percentage of the population was below the poverty line. Poverty can be defined as the inability to attain a minimal standard of living or meet a person's basic needs (The Inter-Ministerial Committee for Poverty and Inequality, 2003). In South Africa, being below the poverty line meant earning less than R353 per month and the prevalence of unemployment in South Africa makes rising out of poverty difficult for many people.

2.3 The Legacy of Apartheid

The brutal features of apartheid and the forced removals to less productive and less desirable areas, overcrowding in the so-called 'homelands', discriminatory policies affecting blacks who live in or near cities, and the migratory labour system alienated people from their land and resources and contributed to inequitable access to environmental services, unjust land-use policies and environmental degradation. Apartheid economic development was based on an unsustainable dependence on extractive activities, and cheap electricity from dirty power like coal and oil (South African National State of the Environment Report, 2003). This has left a legacy of unsustainable development and environmental havoc. Agricultural production has been resource intensive and environmentally degrading as a result of various government policies. For example, the government has chosen to subsidise damaging pesticides instead of promoting natural methods of pest control. The wrong subsidies result in the loss of biodiversity and the inefficient use of scarce resources (South African National State of the Environment Report, 2003).

2.4 Sustainable Development in South Africa

Thus in South Africa sustainable development as a process that reflects meeting the needs of the present without compromising the ability of future generations to meet their own needs would mean that natural resources have to be shared with people who are alive on the planet today but also with future generations of the earth's inhabitants. While we can use a certain amount of the planet's resources, we should never entirely deplete a natural resource. In this sense sustainable development requires people to rely as much as possible on renewable resources (the kind that can be replenished) by getting power from the sun rather than power from fossil fuels such as oil, coal, and natural gas, which take millions of years to form. Besides the careful stewardship of natural resources, sustainable development should promote the eradication of poverty and extreme income and wealth inequalities, the goal of full employment, the provision of access to quality and affordable basic services to all South Africans.

2.5 Environmental Service Delivery in South Africa

According to the South African human development Report (2003), environmental conditions relate to three key dimensions of poverty: (1) Livelihoods: poor people tend to be most directly dependent on natural resources, and are therefore the first to suffer when these resources are degraded; (2) Health: Poor people suffer most when water and air are polluted because pollution sources are often placed in or near poor communities; and (3) Vulnerability: Poor people are most often exposed to environmental hazards and environment-related conflict, and are least capable of coping when they occur. While wealthier people are able to afford medical care for pollution related sicknesses like asthma and are able to move out of congested and polluted areas, poor people cannot (South African Human Development Report, 2003). Thus the delivery of environmental services to all citizens is a fundamental goal of sustainable development. Adequate environmental services have in the past been denied to blacks living in both urban and rural communities. Access to safe drinking water, proper sanitation, adequate housing, electricity and effective waste removal not only diminishes health and environmental

risks but also contributes in many ways to economic development. The number of South African households that are deprived of access to 'good' quality basic services increased from 5.68 million to 7.24 million between the 1996 and 2001 censuses (South African Human Development Report, 2003).

Moreover, it is important to note that South Africa is one of the most carbon emissions-intensive countries in the world, due to the energy intensive economy and high dependence on coal for primary energy. South African per capita emissions are higher than those of many European countries, and this is partly the result of energy intensive sectors such as mining, iron and steel, aluminium, ferrochrome, and chemicals to the economy – and the same sectors that make up a large share of South African exports (Visser et al, 1999). South Africa entered the climate change debate relatively late, only ratifying the UN Framework Convention on Climate Change (UNFCCC) in 1997. Since then Government has developed a climate change policy discussion document and worked on a national response strategy, which was circulated by mid-2002 (Department of Environmental Affairs and Tourism, 1998). In addition, South Africa ratified the Kyoto Protocol. The Discussion Document mentions a wide range of possible energy strategies, including greater use of renewable and energy efficiency, as well as cleaner fossil fuels, but with no specific measures. Government released a draft First National Communication to the UN Framework Convention on Climate Change, and this was officially submitted prior to the World Summit on Sustainable Development (Republic of South Africa, 2001). The Department of Environmental Affairs and Tourism finalised the National Strategy Study for Clean Development Mechanism in 1999 which identified areas in which South Africa would attract investment into greenhouse gas reduction projects using the mechanisms of the Kyoto Protocol to the UNFCCC (Goldblatt, 2001).

2.6 Examples of Sustainable Development in South Africa

The Cape Town City Council in partnership with the non-profit developmental organisation, SouthSouthNorth, developed the Kuyasa Low-Income Urban Housing Energy Upgrade Project to retrofit low income houses in Kuyasa, Khayelitsha, with energy efficient lighting, insulated ceilings and solar water heaters. After over a year of planning and design, the Kuyasa project was launched in June 2003 (Renewable Energy and Energy Efficiency Partnership, 2004). It involved the actual installation of energy efficiency and renewable energy technologies in eight low income houses and two crèches. The development project has been recognized by the United Nations as a gold standard clean development mechanism project. The Kuyasa project is the first of its kind in Africa and one of fewer than 50 in the world (Renewable Energy and Energy Efficiency Partnership, 2004).

By reducing the use of dirty fossil fuels for energy, the project resulted in a reduction in greenhouse gas emissions (these are pollutants such as carbon dioxide that are released into the air and contribute to global warming) (Renewable Energy and Energy Efficiency Partnership, 2004). It also provides numerous additional sustainable development benefits such as improved health, access to energy services, and employment creation. The results of the project include a 5% temperature increase within the buildings in winter, a 5% decrease in summer through energy efficiency practices, and a saving of up to 40% on electricity bills thanks to less need for artificial heating and cooling (Renewable Energy and Energy Efficiency Partnership, 2004). Household energy costs have been cut through reduced energy demand and consumption, making more disposable income available for poor families. The Kuyasa project could easily be implemented at a national level as there are over 1.5 million low income houses in South Africa which could benefit from this project design (Renewable Energy and Energy Efficiency Partnership, 2004).

There are few housing projects in South Africa that can be defined as ‘sustainable’ i.e. projects that exhibit all the sustainability features across the spectrum of social / institutional, financial / economic, technical and biophysical/ecological elements. As previously stated one of the aims of sustainable development is to improve the quality of life of people while taking into consideration the needs of future generations and the capacity of the earth to sustain such activities. Many of the projects are still in the planning or early implementation stages. Some have completed demonstration units. As the rest of the projects considered have only recently been completed it is difficult to assess the long-term sustainability. Each project is different from the next with its own specific and regional challenges and constraints. Until such time as ‘sustainability’ is part and parcel of housing norms and standards and there is active regulating of incentives, poor quality housing will be the result.

The All Africa Games Village Showcase in Alexandra was an Eskom and Rand Water funded 1799-unit housing project (inclusive of a school and shopping centre) built in 1999 to house athletes from around the continent to the tune of R80 million. Some of the best consultants were employed here. The village consists of three types of houses put together in different configurations. They have respective areas of 32, 42 and 50 square metres. Dual flush toilets have been implemented allowing the user to select a full 11 litre cistern capacity flush or a 3, 5 to 4, 5 litre flush. The Cobra Stella range of low flow showerheads has also been installed limiting the rate of flow of the water out of the taps and showerheads. The hot water pipes are as short as possible - the maximum length is 2.5m and the standard 100 litre fixed electric storage water heaters (geysers) is in a vertical alignment. All the houses are orientated to the north. The windows were designed to make optimal use of solar radiation. The roofs are light in colour reflecting heat in summer. Roof overhangs, installed over the north facing windows are within 150 mm of the 500 mm overhang regarded as optimal for protecting rooms from harsh summer sun. The discrepancy is due to the standard length of roof sheets available. The houses have

mono-pitch or double pitch roofs with the ceiling following the shape of the roof. Some of these are insulated with 50 mm of ceiling insulation. The units have also had 60 Watt equivalent compact fluorescent lamps installed for internal lighting. Even in a well-funded project such as this not all the sustainability measures suggested by Holm, Jordaan and Partners were incorporated. For example, Eskom declined to put in Solar Water Heaters (SWH). Normal geysers were fitted in spite of the fact that Gauteng has excellent solar radiation conditions especially in winter (Mahomed, 2000). This could reflect Eskom's interest, as their main business being the selling of electricity.

There is also Ivory Park, a township of Midrand which is well located in terms of its proximity to economic opportunities. A company called Middev has secured some British Council funds to build 783 units (80% of the proposed Phase 1). The 42 square metre houses are made of polystyrene-impregnated concrete slabs and attempt to maximise passive solar design. Unfortunately some of the units are built too close together so they cannot benefit from the sun. Due to the lack of funds, the insulation, ceilings, solar water heaters and instantaneous water heaters could not be installed initially and now forms part of the responsibility of the beneficiary. The Sustainable Energy, Environment and Development Programme (SEED) Advisor placed at Midrand Eco-City Project are implementing a ceiling pilot project and instantaneous water heater pilot project. Due to interests from the beneficiary grouping, Middev will now offer in Phase 2, the option of a 33 square meters house with a ceiling as opposed to a 42 square meter house.

Kutlwanong on the other hand is situated near the city of Kimberley in the Northern Cape Province of South Africa. This project provides 52 square metre homes, which incorporate energy efficient measures and passive solar design. The project has included the following measures: orientation of the dwelling to the north, window design to maximize thermal benefits, appropriate roof overhang, insulated ceilings, and polystyrene cavity wall insulation system using a steel frame as the basic structure. The outer walls are made of a single layer of brick (in most cases facebrick) and the inside walls are made

of gypsum board. It has been funded by a number of international agencies, receive support from many stakeholder including both the local authority and intensive support from Peer Africa.

Chapter Three: History of Housing in South Africa

3.1 Historical Background

The most pertinent question regarding housing and human settlements today, “is whether or not development in the field of sustainable human settlements since 1994 has served to further the course of sustainable development, with respect to the inter-linked pillars of environmental, social and economic sustainability” (National Department of Housing, 2004: 2).

As alluded to, the South African housing context is marred by its colonial and apartheid planning inheritance, high levels of unemployment and a lack of social stability, linked to poverty among urban and rural communities (National Department of Housing, 2004: 2). In the late 1970s, the Surplus People’s Project established that as many as three million black people had been forcibly removed under apartheid measures like the Group Areas Act, ‘black spot removals’ and the eviction of labour tenants from farms. From the 1950s, the following 30 years saw the systematic destruction of housing and houses that were not built for blacks in urban areas (De Beer, 2001: 2). As a result of the policies and political turbulence of the apartheid era, the housing market inherited by the new South African government in 1994 was hindered by severe problems.

Lack of access to the most basic municipal services, limited or no access for the poor to land for housing, and a highly destabilised housing environment, added to the housing crisis. At the time of the democratic elections, South African cities were characterised by “dire housing and services backlogs, inequalities in municipal expenditure, the spatial anomalies associated with the ‘apartheid city’, profound struggles against apartheid local government structures, high unemployment and many poverty stricken households” (Pillay, Tomlinson & du Toit, 2006: 1).

Furthermore, non-payment of housing loans and service payment boycotts during the 1980s affected many households. For a variety of reasons, including this non-payment of housing loans, many lenders were hesitant to lend to low income families, resulting in a lack of end user finance (The end-user is the ultimate consumer of the product, especially the one for which the product has been designed). Slow and complex land identification, allocation and development processes resulted in insufficient land for housing development purposes (National Department of Housing, 2000: 2). Other obstacles included the unsuitable standards in terms of infrastructure, service and housing standards, which led to difficulties in providing affordable housing products. Major differences in housing requirements were experienced between provinces and the special needs of women needed to be addressed. Inexperienced housing consumers faced many challenges including “unscrupulous operators who steal their money” (National Department of Housing, 2000: 2) As a result the National Department of Housing needed to introduce a culture of building where individuals and households are able to build their own homes, allowing the opportunity to save money were they can instead of having to deal with unscrupulous contractors who steal their money.

The context in 1994 was outlined in the White Paper on a New Housing Policy and Strategy for South Africa. It highlighted the conditions prevailing at the time with particular focus on the poor. It was estimated that over 66% of South Africa's population was functionally urbanised. The remaining 34% of the total population resided in rural areas, many of whom would spend part of their working lives in the urban areas (Government Digest, 2004: 16). Approximately 58% of all households had secure tenure whereas an estimated 9% of households lived under traditional, informal/inferior and/or officially unrecognised tenure arrangements in rural areas. An additional estimated 18% of all households were forced to live in squatter settlements, backyard shacks or in overcrowded conditions in existing formal housing in urban areas, with no formal tenure rights over their accommodation. This pattern of insecure tenure is without a doubt one of the prominent features and causes of South Africa's housing crisis in 1994. The tenure

situation, which is an indication of the patterns of distribution of physical assets, was further characterised by an unequal spread of home ownership according to income, gender and race (Government Digest, 2004: 16).

The newly elected ANC government's commitment to addressing these issues can be traced to the 1994 Reconstruction and Development Programme (RDP). The RDP was the ANC's election manifesto for a post-apartheid South Africa. The RDP was committed to meeting the basic needs of all South Africans. These basic needs included, among others, water and sanitation, land and jobs. The RDP was also tasked with the restructuring of local government in order to address these needs, as local governments were to become central in overcoming the backlogs (Pillay et al, 2006). RDP housing was a package involving secure tenure, land, a top structure and the supply of water, sanitation and electricity (Mthembi-Mahanyele, 2002).

The government also faced another enormous difficulty. It was not known at the time, how many households suffered from services backlogs; what household incomes were and what levels of services they might afford; whether local government had the capacity to deliver these services as well as knowledge of alternative means of ensuring service delivery (i.e. public-private partnerships); and how the capital and operating costs were to be financed.

To address the housing situation in which the poorest were housed in the least adequate housing, located furthest from economic opportunities, the Department embarked on addressing the challenge of "Housing the Nation". The department's main aim has been to address the needs of households most in need and who are inadequately housed, through progressive access to secure tenure (Government Digest, 2004). By the late 1990s, housing specialists had begun raising concerns that the delivery of RDP houses was inadvertently creating unviable, dysfunctional settlements. From about 1999

onwards, therefore, there has been increasing focus by the Department of Housing on the intention to produce 'quality' rather than mere quantity (Charlton & Kihato, 2006).

The post 1994 housing programme has been highly significant in numerous ways. Housing delivery has been important in demonstrating the distribution of a tangible asset to the poor, and in this sense it can be argued to have played a key role in establishing a certain level of pride among low-income households. According to Charlton and Kihato (2006:254), “it is contended that the government housing programme is one of the few state interventions which places a physical asset directly in the hands of households living in conditions of poverty”. The extent to which the household is then able to make use of that asset to improve its livelihood and to boost its “broader portfolio of assets” (i.e. human, social, natural and financial) is a key indicator of the successful outcome of housing policy (Government Digest, 2004). The National Housing Policy that has been formulated and implemented since then, is strongly influenced by the need to address these problems (National Department of Housing, 2000: 1).

3.2 The Role of Housing

As previously stated, the RDP served as the election ‘manifesto’ of the African National Congress in 1994. This collection of policies assigned a significant role for housing and argued that housing plays a pivotal role in sustainable economic growth and development. Therefore housing should be seen as a means to kick-start growth with development. The delivery of houses should satisfy basic needs and simultaneously stimulate the economy (Hassen, 2003). The delivery of houses should do so by the imperative role housing plays in the economy, by generating income and employment (Hassen, 2003). Secondly, housing should act as a stimulus to growth in kick-start scenarios – “with construction creating demand across sectors with high levels of employment-intensity, with limited demands on the balance of payments and with the

potential, in South Africa, to be non-inflationary, since there is ample excess capacity” (Hassen, 2003: 117). According to Hassen (2003: 117) “This understanding of housing delivery is based on government boosting aggregate demand in the economy through public investment. Boosting demand would stimulate other sectors through its backward and forward linkages. The Keynesian assumption that state intervention was needed to ensure full employment and equitable distributional outcomes implicitly served as the basis for these arguments”.

In the vision of the RDP, housing plays two important roles, firstly in catalysing development and secondly, in terms of directing government spending. In this sense, housing should be considered as a ‘lead sector’ (Hassen, 2003). As a result, the provision of housing holds the promise of both boosting the attainability of physical needs (i.e. housing, water, electricity and land), and reinforcing multiplier effects in the economy. These economic multipliers associated with housing should be perceived to function in various ways. First, as the government sets the wheels in motion for extending housing to the people, the demand for materials used in the construction of houses should increase. Therefore, greater employment in industries supplying bricks, cement and other materials would be the outcome (Hassen, 2003). Secondly, as the construction of houses increases, so too would employment in the construction industry. The third consequence of housing provision is that homeowners should add value to their properties in a variety of ways, leading, as anticipated, to the wider stimulation of the economy. Lastly, through business development and through benefits associated with agglomeration the provision of housing should provide income-generating opportunities (Hassen, 2003).

Housing as a lead sector should be centrally established upon the use of housing as a means to integrate cities and towns (Hassen, 2003). Low income housing provided the government with an opportunity to mediate in the property market and demolish the apartheid spatial form. “The apartheid spatial form – guided by racial and territorial segregation – fragmented areas and fuelled low-density development, which, apart from

producing dormitories and sterile living environments for the majority, reduced thresholds for business activity” (Hassen, 2003: 118). Integrated development planning is premised on increasing densities, co-ordinating public investment, encouraging business development, and connecting transport and land-use planning. According to this planning approach, housing delivery should be aimed at developing townships economically as well as reconstructing urban space (Hassen, 2003).

3.3 South Africa’s Housing Policy

In this section, a background is sketched with regards to the formulation of the South African national housing policy. The main strategies underpinning the housing policy will be discussed, after which the challenges and constraints facing this housing policy will be brought to light. The Breaking New Ground (BNG) strategy will then be introduced against this backdrop.

3.3.1 Background to the National Housing Policy

The formulation of South Africa’s housing policy commenced prior to the democratic elections in 1994, with the creation of the National Housing Forum (NHF). This forum was a multi-party, non-governmental negotiating body, comprising nineteen members from the business, community, government and development organizations. At these negotiations, a number of elaborate legal and institutional interventions were researched and developed. The Government of National Unity in 1994 made use of these negotiations and investigations when it formulated South Africa’s housing policy (National Department of Housing, 2000).

In October 1994, a National Housing Accord was signed by a range of stakeholders representing the homeless, government, communities and civil society, the financial sector, emerging contractors, the established construction industry, building material

suppliers, employers, developers and the international community. This accord formed the basis of the common vision that shaped the core of South Africa's housing policy today (National Department of Housing, 2000). The White Paper on Housing followed the National Housing Accord, in December 1994 and set out the framework for the national housing policy. All policy, programmes and guidelines that followed fell within the framework set out in the White Paper (National Department of Housing, 2000).

Furthermore, the promulgation of the Housing Act in 1997 legislated and extended the requirements set out in the White Paper on Housing. The significance of the Housing Act lies in its alignment of the national housing policy with South Africa's Constitution and clarification of roles and responsibilities of the three spheres of government: national, provincial and municipal. Additionally, the Housing Act stipulated the administrative procedures for the development of the national housing policy (National Department of Housing, 2000).

3.3.2 The National Housing Policy Framework

According to the National Department of Housing (2000), South Africa's housing vision comprises the overall objective to which all implementers of housing policy should work. The Housing Act (1997: 4) states that the South African housing vision is "the establishment and maintenance of habitable, stable and sustainable public and private residential environments to ensure viable households and communities in areas allowing convenient access to economic opportunities, and to health, educational and social amenities in which all citizens and permanent residents of the Republic, will, on a progressive basis, have access to permanent residential structures with secure tenure, ensuring internal and external privacy and providing adequate protection against the elements, and potable water, adequate sanitary facilities and domestic energy supply".

While this vision includes a broad notion of human settlements, the national housing goal is phrased in terms of the delivery of houses. This is “to increase housing delivery on a sustainable basis to a peak level of 350 000 units per annum until the housing backlog is overcome” (National Department of Housing, 2000: 5).

In order to achieve this, the National Department of Housing (2004) endorses low-cost housing by mobilising housing credit for beneficiaries and builders through two mechanisms. The first is the National Housing Finance Corporation (NHFC), which provides comprehensive capital for intermediaries lending to the target group; and the second is the National Urban Reconstruction and Housing Agency (NURCHA), which provides guarantees for the housing development sector to ensure access to capital (National Department of Housing, 2004).

In order to provide quality low-cost housing, the National Home Builders Registration Council (NHBRC) administers a warranty scheme that sets norms and standards for the construction of low-income housing. All low-income houses built need to act in accordance with the warranty as a part of the housing construction process (National Department of Housing, 2004).

Ensuring secure tenure is a major component of the housing programme, and subsidy beneficiaries receive freehold tenure with their new home. Other tenure options encouraged are rental and communal tenure, as provided through social housing options. Two acts uphold the right to secure tenure in South Africa, the Extension of Security of Tenure Act (ESTA) which aims to protect people who live on rural or peri-urban land with the permission of the owner or person in charge of the land, and the Prevention of Illegal Eviction and Unlawful Occupation of Land Act (PIE) that prevents illegal evictions and illegal occupation in urban areas (National Department of Housing, 2004). As can be seen, there are a number of factors affecting housing and the right to legal occupation of houses.

Thus it can be said that the national housing policy is formulated within a framework set out in a number of documents, the most crucial of which is the South African Constitution. The Housing Act is also a vital component, as well as the White Paper on Housing, which forms the fundamental framework for the National Housing Policy. Other key documents that influence housing policy are: The Reconstruction and Development Programme (RDP), The Growth, Employment and Redistribution Strategy (GEAR), the Urban and Rural Development Frameworks, and lastly, White Papers and policy frameworks pertaining to local governments and the Public Service (National Department of Housing, 2000).

3.3.3 The Main Strategies of the National Housing Policy

The National Department of Housing (2000: 7) states that South Africa's National Housing Policy is premised on seven key strategies, namely "stabilising the housing environment, mobilising housing credit, providing subsidy assistance, supporting the People's Housing Process, rationalising institutional capacity, facilitating speedy release and servicing of land and coordinating government investment in development." For the purposes of this research report and to understand the research questions regarding sustainable development and sustainable housing, and how financial schemes have addressed the problem of affordability of the housing attention will be focused on three of these strategies. First, stabilising the housing environment, second, providing subsidy assistance and finally, supporting the People's Housing Process.

In order to stabilise the housing environment, a secure and effective public environment has to be created. Secondly, risk in the low income sector of the housing market needs to be lowered, by ensuring that contracts are maintained and applied and that all parties understand and fulfil their roles and responsibilities-(these risks are discussed in the chapter that discusses the impact of housing on sustainable development) (National

Department of Housing, 2000). The government's approach to attaining this was through the promotion of partnerships and by attempting to build trust within the housing sector, between beneficiaries and service providers.

The second strategy pertains to providing subsidy assistance and involves supporting households that are unable to satisfy their housing needs independently. The most significant principle underlying this strategy is based on the constraints imposed by the need for financial discipline – as the government is not able to supply a sufficient subsidy to cover the costs of providing a formal complete house to every South African family in need. Consequently, the housing policy is founded on the principle of 'width' rather than 'depth', where a large number of families will receive a lesser subsidy, as opposed to a smaller number of families receiving a larger subsidy (National Department of Housing, 2000).

The government acknowledges that the subsidy provided does not itself purchase an adequate house. It therefore promotes partnerships between the provision of state subsidies on the one hand, and the provision of housing credit or personal resources (savings, labour, etc.) on the other. Each provincial housing development fund receives a budgetary allocation from the South African Housing Fund, which obtains its annual allocation from the national budget. The provincial housing department then decides how much from the Housing Fund will be allocated (National Department of Housing, 2000).

This strategy comprises three programmes which make up the National Housing Programme, namely: the Housing Subsidy Scheme (HSS), the Discount Benefit Scheme (DBS) and the Public Sector Hostels Redevelopment Programme (PSHRP). The HSS was put into operation on 15 March 1994 and replaced all previous government subsidy programmes. The scheme grants a subsidy to households earning up to R3500 per month, so as to assist them to acquire secure tenure, basic services and a top structure.

A person is eligible for a housing subsidy subject to the following criteria: his/her household income is not more than R3500 per month; he/she is a South African citizen or permanent resident; he/she is legally competent to contract (i.e. over the age of 21 and of sound mind); he/she is married or cohabitating; he/she is single and has dependants; he/she is acquiring a home for the first time and lastly, he/she has not received a housing subsidy previously (National Department of Housing, 2000).

The Discount Benefit Scheme (DBS) was instituted in terms of Section 3(5)b of the Housing Act, No. 107 of 1997, as a subsidy mechanism to transfer free-standing houses to their qualifying occupants. The DBS was only applicable to state financed property first occupied before 1 July 1993 and housing units or stands contracted for by 30 June 1993, if allocated to qualifying individuals by 15 March 1994. The discounted benefit was for an amount not exceeding R7 500.00, with household income not taken into consideration. Qualifying occupants of state financed rented family housing units could buy their housing units at a discount, to a maximum of R7 500.00, on the selling price. If the selling price was R7 500.00 or less, the discount benefit was limited to the lesser amount and the sales debtor was able to acquire the housing unit without making a further capital contribution. If the selling price exceeded R7 500.00, the purchaser was required to pay the excess (National Department of Housing, 2000).

The Public Sector Hostel Redevelopment Programme (PSHRP) was meant to guide and support the upgrading of public sector hostels. A capital grant of R4, 312 from central government funds is provided for single people and families are entitled to the full subsidy (R15, 000). This did not disqualify people from claiming their subsidy elsewhere unless they choose to purchase their converted unit and thereby use their subsidy entitlement. In theory, the institutional subsidy could also be used for hostel upgrading although, in practice, this has not been the case. The policy allows for ownership and rental, family or single accommodation (National Department of Housing, 2000).

A range of subsidy mechanisms are available: the individual subsidy, the project-linked subsidy, the consolidation subsidy, the institutional subsidy, the relocation assistance subsidy and the rural subsidy (National Department of Housing, 2000). The individual subsidy is for low-income households wishing to buy residential property for the first time, and it may be used to purchase an existing house including the land on which the house stands. This subsidy can only be used once by a successful applicant. In 2006 households with an income of R1 500 per month or less were eligible for a subsidy of R31 929. Households with an income between R1 501 and R 3500 per month are eligible for a subsidy of R29 450 and must pay a contribution of R 2 479. Project-linked subsidies provide for the allocation of housing subsidy funding, to developers to enable them to commence approved housing development projects, and to sell the residential properties created, to qualifying beneficiaries. “The subsidies are therefore ultimately for the benefit of the approved individual beneficiaries” (National Department of Housing, 2000: 25).

A developer instigates, manages and executes the housing project and can be an organisation in the private sector, a public sector institution, a Non-Governmental Organisation or Community Based Organisation. Developers may also encompass joint ventures between a variety of role players or other arrangements. According to the National Department of Housing (2000), once suitable land and potential beneficiaries for a project have been identified, the developer has to make certain that the project site and approach chosen fit within the overall policy for how the subsidy can be used. Secondly, the developer has to prepare a project application and submit it to the Provincial Housing Development Board (PHDB) for approval.

The total amount of the project-linked subsidy is determined by the PHDB. During this process, the PHDB determines the number of residential properties contained in the project. The numbers of properties that will be sold to beneficiaries in each of the three subsidy bands based on the socio-economic profile of the beneficiary community are

determined. The subsidies payable in each of the three subsidy bands are then added together, to arrive at the total subsidy amount payable in respect of the project (National Department of Housing, 2000). Upon the PHDB approving the project after this process, the developer and the PHDB have to agree on how the subsidy will be paid out to facilitate the development process (National Department of Housing, 2000).

Projects will only be favourably considered if it is clear that the project addresses the needs of the disadvantaged communities. New housing developments should endeavour towards the achievement of the basic points of departure of the Housing Policy and Strategy. When upgrading a minimally serviced settlement or providing services to a settled community, it is vital to ensure that the project is carried out in such a way so as to least disturb the rights and relationships of existing occupants (National Department of Housing, 2000).

The consolidation subsidy is for people who have previously received a subsidy, live on a serviced site and want to build a better house such as building a top structure. This money can only be used for building as services have already been provided on the site. In 2006 households with an income under R1 500 per month were eligible for a subsidy of R18 792. Households with an income between R1 501 and R 3500 per month are eligible for a subsidy of R16 313 and must pay a contribution of R2 479. Institutional subsidies are for non-profit organizations like churches, local authorities or housing associations (also called “social housing institutions”) that want to provide rented accommodation to people from lower income groups. It is called an institutional subsidy because it goes to the institution who can rent out the housing to different families. A family who lives in this type of rented accommodation does not jeopardise their chance to apply for their own subsidy at a later date. This is because the subsidy for rented housing is taken in the name of the organisation and not in the name of the individual. The homes developed through the institutional subsidy must remain in the ownership of the organisation for at least four years after they are built. In 2006, the subsidy for the

institutional subsidy per household was R29 450 which is paid directly to the non-profit organisation. The relocation subsidy on the other hand for home owners who are locked into paying for home loans they cannot afford. The loan must have been from an accredited lender and the borrower must have defaulted on at least three payments. This subsidy will help them purchase a home they can afford. A person who is eligible for relocation assistance must enter into a relocation agreement, so as to relocate to more affordable housing. Households with an income of R1 500 or less are eligible for a subsidy of R31 929. Households with an income between R1 501 and R 3000 per month are eligible for a subsidy of R29 450 and must contribute R2 479. Moreover there is the rural subsidy, which is available to people who don't have formal tenure rights to the land on which they live. (Such land is owned by the government and tenure granted in terms of traditional laws and customs). The rural subsidy is available only on a project basis and beneficiaries themselves may decide on how to use their subsidies. The subsidy may be used for building houses, providing services of a combination of both. In 2006 the value of this subsidy was R29 450 (National Department of Housing, 2000).

The last strategy discussed is that of supporting the People's Housing Process (PHP). The PHP offers training and technical support to families who own undeveloped, serviced property and who want to apply for a housing subsidy to build their own homes (Cape Gateway, 2007). By contributing their labour, as opposed to paying someone else to build their home, these families are able to use their housing subsidy and personal contributions to build bigger or better houses for less money. This is because, by contributing labour, the money that would have been used to pay someone else to physically build the house can instead be used to buy more building materials. Houses built through the PHP are larger (36m²) than those built by the Council (30m²) (Cape Gateway, 2007). It is important to note that The PHP is not a subsidy. It is an agreement between groups of people who qualify for housing subsidies to pool their resources and contribute their labour to the group, so as to make the most of their subsidies (Cape Gateway, 2007).

Dissatisfaction with the quality and suitability of subsidised housing has led to an increasing emphasis on the PHP. The focus on the PHP is likely to realise several objectives, particularly to reduce expectations of delivery of complete houses and call for beneficiary households to add savings or labour. It is also intended to compensate for the declining real value of the subsidy by eliminating profit and most labour costs from the housing construction process; assisting in the release of serviced land before housing delivery; and stem the growing rush of land invasions. “It remains to be seen whether the provinces and local authorities will apply this policy successfully, taking into account the politicians’ drive to speed up the delivery of houses and the technocrats’ wish to manage the process and form of urban development” (Kahn & Ambert, 2003: 15). The importance of People’s Housing Initiatives, like the People’s Housing Process, is emphasised in its valuable contribution to the housing project.

Each of these seven strategies is integral to the national housing policy. For this reason, government policy must be seen as a package of these seven interrelated and interdependent strategies.

Another option that is open to people in need of housing is social housing. Social housing can be defined as: “A housing option for low-to-medium income persons that is provided by housing institutions, and that excludes immediate individual ownership” (National Department of Housing, 2003). Social housing is not an option for the very poor. By its very nature, persons accessing accommodation from housing institutions will have to earn a secure income, formally or informally, to be able to afford the rental or other periodic payment for accommodation. Furthermore, social housing cannot be limited to specific income groups if the broader integration, regeneration and market demand objectives are to be realised. The housing option therefore should promote a mix of income groupings covering both low income and medium income persons, as prescribed in the regulations for social housing from time to time. Government’s funding objectives will, however, remain to be focused on the lower income end of the target market. Social

housing primarily covers the rental tenure option and excludes immediate individual ownership by the residents (National Department of Housing, 2003). The social housing option is not intended to be used by beneficiaries seeking immediate individual ownership, as other options have been created within the Housing Subsidy Scheme to accommodate such needs. The social housing option, however does allow for collective forms of ownership, on condition that the persons involved and being housed through collective ownership, are fully aware, understand and subscribe to the forms of collective ownership options. The conversion of these rental schemes into ownership options is not excluded. Such conversions, however, will only become viable options in the long term, and will be based on feasibility studies confirming the sustainability of such a conversion scheme and that of the Social Housing Institution (SHI) concerned. Under normal circumstances the conversion of rental schemes to sale options should not be considered within the first 10 to 15 years (National Department of Housing, 2003).

Through social housing it seems that the National Department of Housing had acknowledged that the development of acceptable and sustainable medium density rental housing can be realised through sustainable social housing institutions and adequate private sector involvement. Social housing can be able to significantly address concerns around urban regeneration and improve housing densities. It clearly contributes to sustainable development, especially when location, integration, viability and sustainability are carefully considered. The option can promote the effective and efficient management of rental and/or collective forms of accommodation (with emphasis on long term management and maintenance) and stimulate economic contribution by way of regular payments to local authorities for services provided. In addition, the sector has the ability to facilitate local economic development through supporting local economies and stimulating a fiscal benefit that exceeds public sector investment in housing. Therefore, the macro objectives of promoting citizenship, democracy and good governance can be contributed to by social housing.

3.3.4 Challenges and Constraints Facing the National Housing Policy

The South African government entered a new phase of the housing programme in 2002, aimed at addressing many of the inadequacies in sustainability of housing provision. The chief shifts in policy and programme focus were, firstly, a shift from the provision purely of shelter to building habitable and sustainable settlements and communities, and secondly, a shift in emphasis on the number of units delivered towards the quality of the new housing stock and environments (Mthembi-Mahanyele, 2002: 8).

Between 1994 and 2004, the South African government invested R27.6 billion in housing. More than 1.3 million houses were delivered, affecting the lives of 6.5 million people. Charlton (2004: 3) notes that “it is widely acknowledged that South Africa’s housing program has led to the delivery of more houses in a shorter period than any other country in the world”. In comparison with housing delivery across the world, “one must be impressed with what South Africa has achieved” (Charlton, 2004: 3). Despite these achievements however, the urban housing backlog increased from 1.5 million in 1994 to 2.4 million in 2004 (Department of Local Government and Housing, 2005).

Some of the reasons for this increase in the housing backlog are natural population growth, a trend towards urbanisation and inadequate delivery to address historical backlogs. According to the Gauteng Department of Local Government and Housing (2005), low levels of delivery are caused mainly by insufficient resource allocation and under-spending due to capacity constraints.

The problem was also exacerbated as the housing policy did not provide a range of options to meet all housing needs, most notably there were no strategies for the upgrading of informal settlements or for the promotion of affordable rental housing (Department of Local Government and Housing, 2005). Baumann (2003) explains that the distinction between the long term ‘restructuring’ aspects of South Africa’s housing policy and the

short term 'remedial' objectives, is based on a dichotomy present in South African housing policy. "Remedial" refers to the sentiment that South Africa's housing policy must address a "historically determined backlog in shelter and human settlement conditions with both quantitative and qualitative aspects, mainly affecting coloured and black South Africans" (Baumann, 2003: 87). This is opposed to ensuring mere access to housing opportunities. "South Africa's housing backlog is understood as related to both economic inequality and to the ongoing impact of intentional residential discrimination under apartheid" (Baumann, 2003: 87).

South African housing policy does not propose subsidies as the main tool to deliver houses to the poor. Instead, subsidies are viewed as an interim system, dependent on the growth of the economy and the "trickle-down" of resources to the poor, as well as the revision of housing finance markets (Baumann, 2003: 86). The main force of the non-subsidy aspect of housing policy has been to remodel the institutional framework of the commercial housing and finance markets. This 'remodelling' is grounded on the assumption that eventually everyone will be able to buy a house without requiring direct government assistance (Baumann, 2003: 86).

The 1994 White Paper on Housing asserts that beneficiaries can be divided into two broad categories. The first refers to those who are able to access extra financial resources for housing above the subsidy through financial systems (commercial or semi-commercial), because of their employment and income status. The policy assumes that this group will increase over time because of macroeconomic growth strategies. Secondly, there are those who are unable to participate in housing finance markets and are therefore totally dependent on the government subsidy, at least until growth in real *per capita* GDP is adequate, to enable them to move into the first category. Due to past racial policies, there is a significant overlap between those in the second category – by nature the poorest and least eligible for housing finance – and black and coloured urban informal and rural impoverished communities. "An income-based subsidy policy targets

these South Africans by default, as it were, not because they are black, but because they are poor” (Baumann, 2003: 87).

Some South Africans who were discriminated against under apartheid may benefit from transformations that improve their access to conventional housing finance and markets, while others may not. Baumann (2003: 87) concludes that “it is imperative that we know what proportion of the target group for housing policy falls into the remedial category – solely dependent on the subsidy for housing – and how present housing policy affects them”.

The original focus of the subsidy programme was largely on ‘the poor’ (Charlton, 2004:), which was defined in terms of income – those households who earned less than R3500 per month, divided into three sub-categories. Since “more than half the families in South Africa earn less than R1500 per month, the bulk of the expenditure has serviced them” (Charlton, 2004: 5).

Furthermore, disparities in the property market resulted in a fissure in the supply of housing by the market to households with incomes ranging between R3 500 and R7 000. The income bands have not been adjusted since 1994, leading to the “criticism that many families above the income cut-off of R3500 per month are undeniably poor, but are not eligible to receive state housing subsidies” (Charlton, 2004: 5). The vast majority of people are excluded from the formal housing market – only 15% of households are able to benefit from the potential asset value of housing through being able to buy and sell property through the formal housing market. The People’s Housing Project (PHP) approach of assisted self-help housing delivery is capable of providing bigger and better houses and empowering communities, but this has been a small proportion of total delivery, due to a general lack of capacity to provide effective support to communities (Gauteng Department of Local Government and Housing, 2005).

There have been many difficulties with housing that have been delivered through the subsidy scheme. Extensive and acute poverty, coupled with the lack of skills transfer and economic empowerment in housing projects have resulted in many beneficiaries being unable to afford the ongoing costs of housing. In order to access the maximum subsidy, a household has to earn a combined income of less than R1500 per month (The National Department of Local Government and Housing, 2005). Charlton (2004: 5) asks how households are to pay for the “product itself and its associated costs, including the upfront contributions to the subsidy and the ongoing services and maintenance costs”.

Baumann (2003) explains that this category of South Africans is poor not only because of ‘market failure’. Apartheid policies, and those implemented long before apartheid, intentionally resulted in them being poorer and more vulnerable than they might otherwise have been. “In this respect, a market-based, income-driven housing policy may only address part of the causes of their housing poverty” (Baumann, 2003: 87). Many new housing projects lack essential facilities and consist of houses only and the location of new housing projects has tended to emphasize apartheid urban patterns and existing inequalities. The poor location and low residential densities of many of these housing projects cannot support a wide range of activities and services in a sustainable way (Department of Local Government and Housing, 2005).

Additionally, problems are experienced with regards to poor construction quality and urban facilities of many new subsidised housing projects. There are severe affordability problems and high levels of non-payment as relatively high rents and levies are needed in order to cover operational costs and loan repayments, although social housing (rental and co-operative housing) projects are often better located and of better quality than other projects (Department of Local Government and Housing, 2005). As mentioned, access to well-located land and integration remain fundamental challenges confronting the objective of sustainable human settlement development. Most housing subsidy projects have been, and continue to be, located on cheap land in peripheral locations, thereby

combining existing apartheid spatial patterns and creating new inequalities. The majority of housing projects are developed without sufficient regard for integration, resulting in the development of mono-functional settlements (Royston, 2003) “The establishment of viable, socially and economically integrated communities in areas allowing convenient access to a range of amenities and opportunities is without a doubt the main challenge confronting housing policymakers and practitioners alike” (Khan, 2003: 228).

Arduous barriers are encountered in accessing land and developing low-income housing projects on well-located land. The overwhelming emphasis on delivery of housing units, the subsidy level; the insistence on minimum sized units; and the move to allocate more subsidies to less-urbanised areas, challenge the prospects for urban restructuring. “If urban restructuring is to be taken seriously, there is a need for substantial shifts in the orientation and implementation of housing policy” (Todes, Pillay & Kronje, 2003: 271).

The restrictions on urban restructuring also need to be recognised. It is quite clear that the inheritance of peripherally located townships and informal settlements will not vanish. Apart from questions of funding, there are social ties and networks, and significant investments in place. Much greater consideration needs to be given to the transformation of these areas, which includes finding ways of expanding local economies in these areas, improving transport, and making life more convenient (Todes et al, 2003)

The housing programme should intend to serve broader economic and social development goals than merely the delivery of shelter (Charlton, 2004). Housing is an important component of the social welfare system, but it is also a key component of the economy. The National Housing Code notes that housing practice should also “reinforce the wider economic impact and benefits to the economy of the housing programme” (National Department of Housing, 2000: 11).

Housing policy is regarded as the principal mechanism for addressing the phenomenon of informal settlements because the assumption is that informal settlements materialise as a result of a lack of housing (Marx, 2003). Thus, current policy should direct attention to different levels of government to devise housing strategies and integrated development plans to meet the goals of integrated, healthier, safer and more vibrant urban areas. While housing policy sets out to attain this, the National Housing Department, according to Marx (2003: 304) simply has no resources to manage the construction and provision of health facilities and services, protection services, local government or job creation initiatives. “Thus, not only does housing policy fail because of these structural bureaucratic limitations in its ability to implement its vision, but it also fails to acknowledge the prior question of why there is a lack of housing in the first place” (Marx, 2003: 304).

Chapter 4: New Direction for Housing Policy-Breaking New Ground (BNG)

4.1 The Main Objectives and Key Expectations of the Breaking New Ground (BNG) Housing Programme

It is against this backdrop that the Department of Housing introduced the “Breaking New Ground” (BNG) Housing Programme at the end of 2004, which was aimed at directing housing development over the next five years. The key expectations of BNG were to “redirect and enhance existing mechanisms to move towards more responsive and effective delivery” and to “promote the achievement of a non-racial, integrated society through the development of sustainable housing settlements and quality housing” (Department of Local Government and Housing, 2005: 8).

Specific objectives set out by the BNG plan are numerous, and include accelerating the delivery of housing as a key approach for poverty alleviation and utilising provision of housing as a major job creation strategy, ensuring that property can be accessed and considered by all as an asset for wealth creation and empowerment thereby influencing growth in the economy. (Department of Local Government and Housing, 2005: 8). According to the Department of Local Government and Housing (2005), crime prevention strategies, promoting social cohesion and improving quality of life for the poor are also listed as BNG's main objectives, by providing community supporting facilities through housing delivery.

Moreover BNG aims to make use of housing as a tool for the development of sustainable human settlements through progressive informal settlement upgrading, promoting densification and integration, enhancing spatial planning, enhancing the location of new land, support of spatial restructuring, promoting and facilitating an affordable rental and social housing market (Department of Local Government and Housing, 2005).

The BNG strategy includes a number of major shifts in housing policy, and through it the government, aims to put South Africa firmly on the way to create sustainable human settlements, as opposed to merely providing houses. The government's emphasis on the function of BNG in creating integrated sustainable development, wealth creation and alleviating poverty, are somewhat optimistic. BNG, in essence then, aims to ensure that present and future residents of such settlements will live in a safe and secure environment with sufficient access to economic opportunities, a combination of safe and secure housing and tenure types, reliable basic services and educational, environmental, cultural, health, welfare and police services (Department of Local Government and Housing, 2005).

As one of the main objectives of BNG, the idea of upgrading informal settlements was intended to work as a tool that integrates informal settlements into the broader urban fabric to overcome spatial, social and economic exclusion. In addition, the informal settlement upgrading instrument would work to support the focused eradication of informal settlements (National Department of Housing, 2005). The new human settlements plan adopts a phased in-situ upgrading approach to informal settlements. Thus, the plan supports the eradication of informal settlements through in-situ upgrading in desired locations, coupled to the relocation of households where upgrading development is not possible or desirable. Where informal settlements are upgraded on well-located land, mechanisms will be introduced to optimize the locational value and preference will generally be given to social housing (medium-density) solutions. Upgrading projects were meant to be implemented by municipalities and were meant commence with nine pilot projects, one in each province building up to full programme implementation status by 2007/8 (National Department of Housing, 2005).

Promoting integration and restructuring is another key objective of the Breaking New Ground Housing Programme. The process aims to integrate previously excluded groups

into the city in such a way that these individuals can gain maximum benefit from the amenities that the city has to offer. The process also ensures the development of more integrated, functional and environmentally sustainable human settlements, towns and cities (National Department of Housing, 2005). Sustainable human settlements are supportive of the communities which reside in areas that facilitate for affordable basic services, educational, entertainment and cultural activities and health, welfare and police services (National Department of Housing, 2005). Land utilization is well planned, managed and monitored to ensure the development of compact, mixed land-use, diverse, life-enhancing environments with maximum possibilities for pedestrian movement and transit via safe and efficient public transport in cases where motorized means of movement is imperative (National Department of Housing, 2005). Specific attention is paid to ensuring that low-income housing is provided in close proximity to areas of opportunity. Investment in a house thus becomes a crucial injection in the second economy, and a desirable asset that grows in value and acts as a generator and holder of wealth. In addition, the BNG Housing Programme contributes towards greater social cohesion, social crime prevention, moral regeneration, support for national heritage, recognition and support of indigenous knowledge systems, and the ongoing extension of land rights which is part and parcel of the notion of sustainable human settlements (National Department of Housing, 2005). BNG aimed to implement suitable policy instruments and adjustments to promote densification in urban areas by October 2004 (National Department of Housing, 2005). The National Department of Housing, in conjunction with the Department of Provincial and Local Government, aimed to investigate the development of suitable policy instruments and adjustments to promote densification by interrogating aspects of promoting densification, including planning guidelines, property taxation, zoning, subdivision, and land swops and consolidation (National Department of Housing, 2005).

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Through BNG, the development of sustainable human settlements was meant to be undertaken within a broader spatial restructuring framework, incorporating the principles of the National Spatial Development Perspective (NSDP) and the National Urban Strategy (National Department of Housing, 2005). In practice, however, spatial planning was to be spread between the Department of Housing, the Department of Land Affairs and the Department of Provincial and Local Government, with significant aspects being addressed by the Department of Transport (National Department of Housing, 2005). Thus Greater coordination and alignment of various planning instruments and economic policies lies at the heart of sustainable human settlements. This requires more than mere co-ordination between departments, but instead BNG suggests the need to develop a single overarching planning authority and/or instrument to provide macro-level guidance to support the development of sustainable human settlements in order to enhance the sustainability of the programme.

The location of housing projects has been criticized as reinforcing apartheid spatial settlement patterns. BNG aims to formulate an overall strategy to facilitate the release of well-located public land to municipalities that will be developed in cooperation with the Department of Land Affairs and the Department of Public Works (National Department of Housing, 2005). Public land and land held by para-statal organisations, where deemed suitable for housing purposes, and would be transferred to municipalities at no cost. The strategy would be coupled to the Public Land Register, which is expected to enhance the coordination of land assembly at project level. Municipalities, in coordination with provincial departments, would thus acquire land parcels for vesting and transfer. A strategy would be developed in conjunction with the Department of Land Affairs to finance and guide the acquisition of private land for housing purposes (National Department of Housing, 2005). All land would be acquired by municipalities in line with Municipal IDPs, Spatial Development Frameworks and would be made available for housing development in line with the Housing Chapter of IDPs. Private land will only be acquired where there is no appropriate state-owned land and whilst preference would be

given to the negotiated purchase of land, land could also be expropriated at market value as a final resort. This strategy was expected to be complete by December 2004, with full implementation by April 2005 (National Department of Housing, 2005). The acquisition of land to enhance the location of human settlements constitutes a fundamental and decisive intention in the apartheid space economy. This cost should not be borne by the poor, but should be treated as a broader social cost. As a result, BNG is intended to promote funding for the acquisition of land that would no longer form part of the housing subsidy. Rather, the acquisition of well-located private land will be funded through a separate funding mechanism (National Department of Housing, 2005). The Department would engage with the South African Revenue Services (SARS) and Treasury to investigate the introduction of fiscal incentives (and disincentives) to support the development of well-located land.

Urban renewal is a targeted intervention by government to resuscitate declining urban areas. Housing plays an important role in a range of urban renewal interventions focused on urban centres and exclusion areas such as inner cities and historical townships. Increasingly, the renewal of inner city areas has become focused on commercial and high income residential property redevelopment. During the implementation of these projects, the current inhabitants of these areas are often excluded as a result of the construction of dwelling units that they cannot afford. Many municipalities are striving to avoid this by promoting, amongst others, affordable inner-city housing. As a new human settlements plan Breaking New Ground would support urban renewal and inner city regeneration by encouraging social housing and increasing effective demand. Social Housing which may be used to facilitate the acquisition, rehabilitation and conversion of vacant office blocks and other vacant/dilapidated buildings as part of a broader urban renewal strategy. By increasing effective demand there may be an introduction of a new incentive to facilitate access to loan finance in the middle-income group above the R3 500 income limit and the reintroduction of demand-driven individual subsidies will have the effect of increasing effective demand for existing, well-located property. This is expected to provide an

incentive for the redevelopment of properties within inner city areas (National Department of Housing, 2005). This is because inner city areas are traditionally integrated into the benefits of the urban economy, which are close to transport hubs and commercial enterprise and work localities. They also have higher order social amenities including hospitals, libraries and galleries. Thus they provide a key focus for urban restructuring.

Lastly BNG places a particular emphasis on the need to develop social and economic infrastructure as part of the housing project. There is a need to move away from a housing-only approach towards the more holistic development of human settlements, including the provision of social and economic infrastructure and new funding mechanisms. BNG states that municipalities must determine the need for social/community facilities through a community profile and facilities audit to ensure that facilities are appropriately targeted. Thereafter BNG envisaged that a multipurpose cluster concept would be applied to incorporate the provision of primary municipal facilities such as parks, playgrounds, sport fields, crèches, community halls, taxi ranks, satellite police stations, municipal clinics and informal trading facilities (National Department of Housing, 2005). The new funding mechanism to be introduced was to fund the development of the primary social/community facilities, which would focus on informal sector upgrading projects, completed housing projects which still lack social facilities and new housing projects.

Municipalities would be the primary implementation agencies and would submit business plans for approval to Provincial Housing Departments. In addition municipalities will be responsible for the operational and maintenance costs, but facilities could be managed/operated by CBO's and NGO's active within the beneficiary communities. Implementation was scheduled to commence on 1 April 2005 and would continue for a three year period after which the assistance provided will fall away and become the responsibility of all municipalities concerned.

Over and above this, it is important to note that this is all government's self proclaimed statements and rhetoric. An analysis of BNG is carried out in chapter 6 and in chapter 7.

4.2. From Housing to Sustainable Human Settlements

4.2.1 Defining Sustainable human settlements

After the 1994 elections, Government committed itself to developing more liveable, equitable and sustainable cities. Key elements of this framework included pursuing a more compact urban form, facilitating higher densities, mixed land use development, and integrating land use and public transport planning, so as to ensure more diverse and responsive environments whilst reducing travelling distances (National Department of Housing, 2004). However despite all these well intended measures, the inequalities and inefficiencies of the apartheid space economy, has lingered on.

The Cabinet then adopted the National Spatial Development Perspective (NSDP) as an indicative framework to inform decisions on infrastructure investment and development spending. This perspective has noted that several development programmes, including the housing programme, is not addressing the distortions of the inherited apartheid space economy.

The Department of Provincial and Local Government has furthermore prepared the Draft National Urban Strategy (2004), which proposes a vision for South African towns and cities where they will be spatially and socially inclusive, well-designed and developed in an environmentally efficient way. Through this new plan, the Department will shift towards a reinvigorated contract with the people and partner organizations for the achievement of sustainable human settlements. "Sustainable human settlements" refer to: "well-managed entities in which economic growth and social development are in balance

with the carrying capacity of the natural systems on which they depend for their existence and result in sustainable development, wealth creation, poverty alleviation and equity.” (National Department of Housing 2004: 11).

4.2.2. The principal tenets of sustainable human settlements

With respect to the above definition, sustainable housing can be defined as housing which progressively enhances the following housing outcomes:

- Households’ access to adequate housing. This entails the question of choice, location, diversity of ownership/rental alternatives etc.
- Affordability in both direct (household level) and indirect terms (level of stakeholders like municipality) terms, as well as in initial and life-cycle-cost approach
- Resource- and environmental-conservation
- Cost-savings for households, communities and municipality
- Household and community health
- Integrated urban environments, secure households and communities
- Job creation and income generation opportunities
- Response to socio-cultural needs within households and communities
- Response to the rights of women, children, disabled, and the aged
- Response to the impacts of growing HIV/AIDS epidemic (National Department of Housing 2004).

A Sustainable Housing Policy should be anchored on the following six fundamental principles: the right to adequate and affordable housing, responsibility for resource- and environmental-conservation, housing as a resource, the right to meaningful participation, the right to cultural sustenance and targeted outcomes for vulnerable population groups.

Sustainable housing should progressively enhance access, choice and affordability in housing and habitat for residents irrespective of gender, colour, sexual orientation, disability age or any other basis of unfair discrimination. Sustainable housing should also be anchored on individuals' and households' access to information and relevant skills to facilitate them in playing their meaningful role in the fulfilment of this right (City of Johannesburg, 2001). This type of housing should take responsibility for resource and environmental conservation for the benefit of both current and future generations. Sustainable housing should provide opportunities for all stakeholders to fulfil their respective responsibilities in this regard through responsive land identification, planning, design, construction, habitation, transformation, demolition and disposal of construction waste. This should cover both housing and the related amenities such as schools, clinics, recreation and economic or commercial facilities (City of Johannesburg, 2001). In addition, sustainable housing should broaden opportunities for meaningful employment through appropriate locations close to work centres, in construction of housing and related social, cultural and economic amenities as well as through the management, and monitoring of the resultant houses, neighbourhoods and urban environments. Facilitation of establishment and growth of appropriate Home-Based Enterprises (HBEs) within formal and informal environment would be one of the anticipated outcomes of sustainable housing (City of Johannesburg, 2001). It should promote the right of meaningful and effective participation of individuals, households and communities in shaping their habitats by generating and packaging relevant information as well as providing access to such information and skills for the various stakeholders to effectively exercise this right (City of Johannesburg, 2001). It should be anchored on the right of individuals, households and communities to lifestyles which do not unfairly restrict belief and practice of their cultural values and needs (City of Johannesburg, 2001). Lastly, sustainable housing should be anchored on targeted outcomes for vulnerable population groups in recognition that certain population groups have been identified as particularly at risk of being disadvantaged by prevailing power relations and development-paradigm.

Thus sustainable housing should specifically aim at targeted outcomes for women, children, aged and disabled as well as those affected by HIV/AIDS epidemic (City of Johannesburg, 2001).

Chapter 5: The Impact of Housing on Sustainable Development

5.1 Aspects of Sustainable Housing in Relation to Sustainable Development

Sustainable housing in relation to sustainable development should take in to account the following aspects of sustainability: A) *Economic sustainability*-sustainable low-cost housing must take into account the economical capacity of the target group. If the house and services are too expensive the poor will not be able to afford to live there and the programme as a whole will most likely fail. Job creating activities such as labour intensive construction methods and the creation of small workshops could present another way of obtaining local economical sustainability. B) *Environmental sustainability*- the housing projects must ensure that the damage to sensitive scenic, cultural and historical landscapes is minimized. Water supply and sanitation must be designed and maintained appropriately to minimize the impact on the local environment. Generally speaking though, environmental sustainability is about minimizing the pollution from consumption of energy, water, minerals, and land, and maximizing the use of recycled materials and renewable resources. C) *Technological sustainability*- Appropriate technology that takes into consideration the local conditions is very important to low-cost housing. Maintenance levels must be taken into consideration as well when choosing building materials and components. Maintenance must be easy and inexpensive. D) *Socio-cultural sustainability*-The design of the housing and the use of materials have to correspond the local building traditions. Lastly when introducing a new low cost housing design, it is important that it is not deemed as a type of houses only for low-income families. This attaches a certain stigma and people with low income do not want live in houses labelled only for low-income people.

5.2 The Importance of Housing to Sustainable Development

Housing plays an important role in sustainable development and quality of life as a whole as all of the major international statements on sustainable development refer to housing and settlement strategies (Winston and Eastaway, 2007). However, indicators from these statements often fail to include good indicators of sustainable housing, and that housing is an undeveloped indicator of sustainable development as a whole and needs to be given more attention (Winston and Eastaway, 2007).

As previously stated, the notion of sustainable development is usually linked to concepts such as those that determine quality of life, well being and liveability. Housing in this sense is an essential component of both quality of life and sustainable development. This is because the quality of individual's life also depends on various aspects of location such as residing in a clean secure area with access to clean water (Winston and Eastaway, 2007). The condition of the house also plays an essential part of the quality of life, through structural and design elements such as damp-proofing, sound-proofing, and energy efficiency. Various aspects of location, construction, design, maintenance and use of housing can have significant negative effects on the environment (Winston and Eastaway, 2007).

Housing is one of the most important public policies affecting urban development and as such has a significant potential to contribute to sustainability because various aspect of housing construction and design can have an impact on the environment (Tosics, 2004). This is due to the fact that the extent of land used and the type of location for constructing housing will determine the impact on environmental resources such as wildlife, landscape, and amenities. The idea of building on land which has previously been used for industry or housing is now considered more sustainable than green-field developments (Tosics, 2004). Higher density developments are more sustainable than low density developments due to the fact that they use less land and are more likely to sustain services such as public transport, education, employment, etc (Tosics, 2004). The construction on the other hand can take up a large amount of valuable environmental

resources such as wood, minerals, energy and water because some of the hard woods that are sometimes used in housing are consumed at the expense of tropical forests and in the process this leads to deforestation, deterioration of soil conditions and reduction in biodiversity (Huby, 1998).

The location of the housing plays an important role in sustainability in the sense that location can affect the extent to which residents use public transport (Huby, 1998). Housing that is located at a distance from the public transport is more likely to result in a higher level of private car use as compared to that which is located close to good public transport. This results in more fuel usage thus negatively affecting the environment. Thus the environmental impacts associated with housing are much worse for lower income groups because the poorer households have less of a choice in determining their environment but will usually find themselves in abandoned, deteriorating spaces with high levels of air pollution and limited access to quality green space. These environmental factors have the potential to detract from the quality of life of the poorer households and may also have a negative impact on their physical and mental health (Huby, 1998).

5.3 Environmental Degradation and Health Impacts of Housing

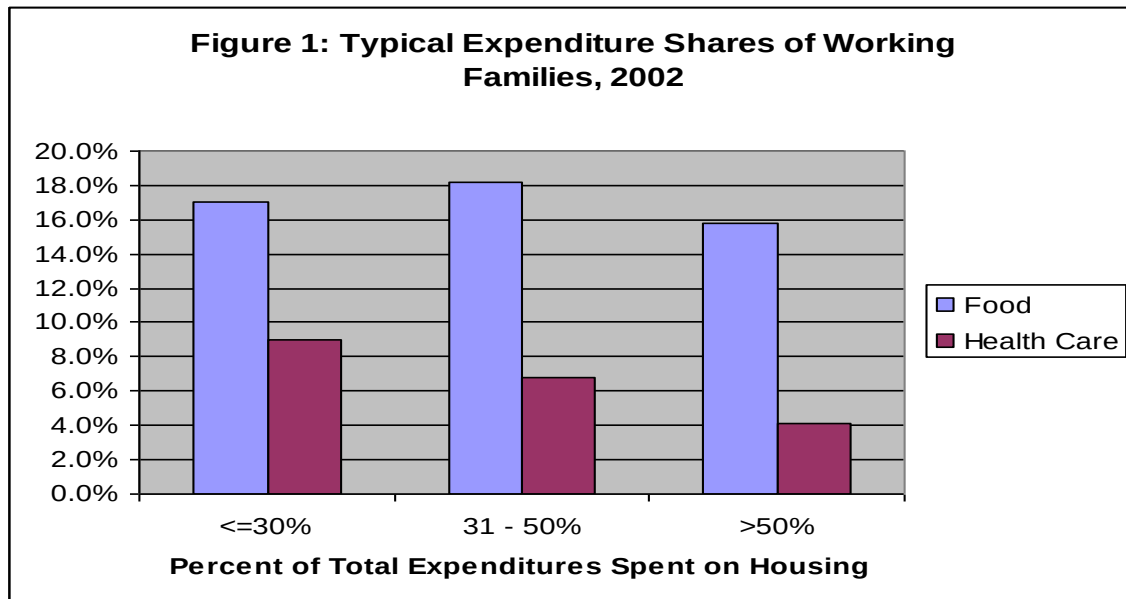
Exposure to allergens, including those often found in poor-quality housing, such as mould, dust mites, mice and rats, and cockroaches can trigger asthma attacks and/or exacerbate symptoms. (Breysse et al, 2004). Lack of adequate infrastructure and services with respect to water, sanitation, surface water drainage, solid waste disposal and energy sources associated with some housing projects has led to cumulative environmental degradation in low-cost housing neighbourhoods over several decades. Besides the loss in environmental quality, the impact on the health of households and communities constitutes a major concern. For example, respiratory diseases due to particulate and gaseous pollution (dust from mine dumps, unpaved roads, construction

sites and bare open spaces as well as smoke from combustible fuels such as coal, wood and paraffin) have been identified as the major cause of death among children while also contributing to high utilisation of health services by all age groups. Prevalence of diseases such as cholera, and gastro-intestinal fever has been strongly linked to environmental degradation. Poor quality housing can also impact health by exposing children to risk factors for asthma and other respiratory illnesses (Krieger et al, 2002). Thus proper maintenance and building manage could to be effective interventions. For example, researchers have found that most asthma is associated with the problem of poor quality housing through all the key stages of the housing project-cycle in both new developments and interventions in existing housing (City of Johannesburg, 2001).

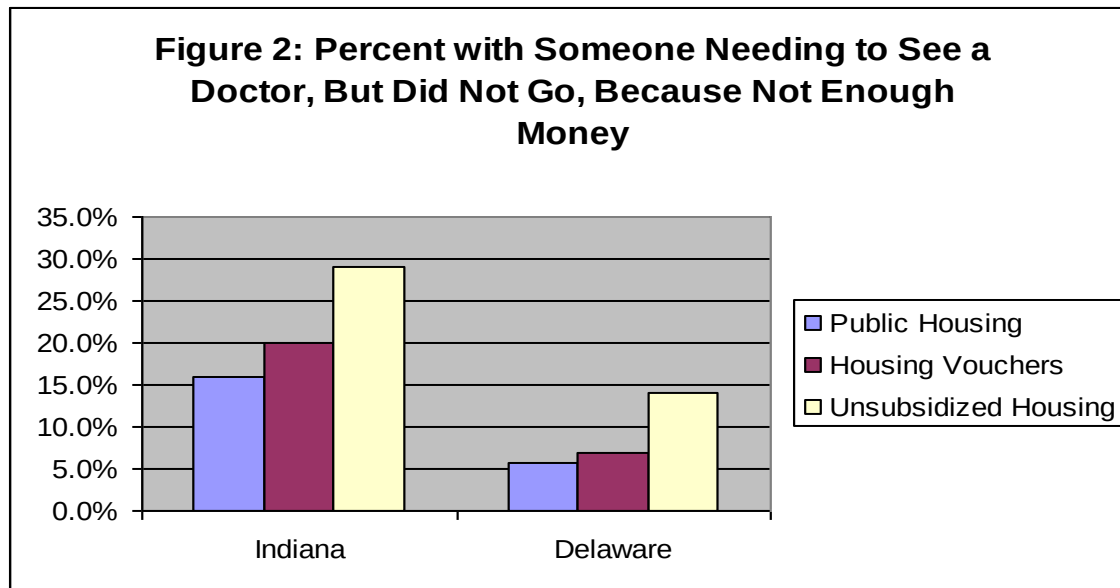
On the contrary affordable housing may have some positive impacts by helping to meet families' fundamental need for shelter as shelter is an important end, in and of itself, whose achievement warrants significant societal investment. Some practitioners point to benefits from affordable housing that extends beyond shelter. For example, some emphasize the role of affordable housing in increasing residential stability, which may lead to improved educational outcomes for children and improved labor market outcomes for adults. Others focus on the community-wide impacts of affordable housing, arguing that affordable housing contributes to the economic development of distressed neighborhoods and to economically vibrant and successful communities. Others focus on the benefits of affordable housing for particular populations, such as the elderly, the homeless, and people with HIV/AIDS.

Affordable housing may improve health outcomes by freeing up family resources for nutritious food and health care expenditures. Families in unaffordable housing tend to spend less on health care than families in affordable housing (Lipman, 2005). As compared with families living in unaffordable housing, families living in affordable housing tend to have more funds left over in their budgets to pay for food and health care expenditures. As shown in Figure 1, for example, working families paying 30 percent or

less of their income for housing were able to dedicate more than twice as much of their income to health care and insurance as those paying 50 percent or more for housing.



Similarly, as shown in Figure 2, a survey of families receiving welfare assistance in Indiana and Delaware (at baseline) found that households living in unsubsidized housing were much more likely to say that they needed to see a doctor but did not, due to lack of money, than households receiving housing assistance through the public housing and housing voucher programs. Thus when confronted with high housing costs, low-income households may also make tradeoffs related to spending on health insurance (Lipman, 2005).



In a paper that identifies expenditures of insured and uninsured households, Levy and DeLeire (2003) found evidence that “the prices of other goods, most notably housing – may be additional important factors causing some households not to purchase health insurance.” Using data from the Consumer Expenditure Survey, the authors found that among households with the lowest levels of spending, the uninsured spent \$88 more per quarter on housing than the insured. The authors however emphasized that further research is needed to better understand the relationship between high housing prices and a lack of insurance coverage.

While no single study has documented the entire causal pathway from unaffordable housing to lower food and health care expenditures to poorer health outcomes, there are a number of studies that are consistent with his hypothesis. For example, doctors in Boston found that children of low- income families that lacked housing subsidies were 50 percent more likely to be iron deficient than children in comparable families that received housing subsidies (Meyers et al, 1993).

Another study, based on a large convenience sentinel sample, found that, among food-insecure households, the children of households that lacked housing subsidies were 2.11

times more likely than children in households with housing subsidies to have extremely low weight-for-age scores (defined as more than 2 standard deviations below the mean for the age) (Meyers et al, 2005). Using the same sample, similar results were found among families that receive assistance through the Low Income Housing Energy Assistance Program (LIHEAP), which helps low-income households pay utility costs to heat or cool their homes – one of the major housing-related expenditures. Children in LIHEAP families had significantly greater weight-for-age scores and a lower likelihood of physical underdevelopment because of malnutrition than children in qualifying families that did not receive benefits (Frank et al, 2006). Thus affordable housing has the potential to positively impact sustainable development by improving the community's social issues such as the health of the community.

Moreover, homeownership may contribute to health improvements by fostering greater self-esteem, increased residential stability, and an increased sense of security and control over one's physical environment (Balfour and Smith, 2006). Well-constructed and managed affordable housing developments can reduce health problems associated with poor quality housing by limiting exposure to allergens, neurotoxins, and other dangers. One way in which poor quality housing can impact health is through exposure to lead, a neurotoxin that is especially harmful to the developing nervous systems of fetuses and children. In children, lead has been linked to anaemia, nerve and kidney damage, seizures, coma, and even death. Lead exposure also has been proven to negatively and irreversibly impact brain development, resulting in diminished linguistic and motor skills and social behaviour (Committee on Environmental Health, 2005). Lastly, stable, affordable housing may improve health outcomes for individuals with chronic illnesses and disabilities, and the elderly, by providing a stable and efficient platform for the ongoing delivery of health care and other necessary services (Aidala, 2005).

5.4 Remote Locations, Deficiency in Services and Socio-Economic Amenities

In view of previous practice of apartheid policies in planning and land-use, housing for low-income households is predominantly located on the urban periphery where land is relatively cheap. Housing environments on such sites was mainly meant to serve a 'dormitory function' and there was minimal provision for integrated communities and services. The main outcome has been high transport costs for households as they try to access job and market opportunities within the wealthier zones of Johannesburg. Provision of bulk infrastructure and services proves to be a prohibitively expensive task for the municipality. A sustainable policy needs to aim at enabling the Council and other stakeholders to progressively address this challenge so as to allow housing to have a positive impact on sustainable development (City of Johannesburg, 2001).

5.5 Unemployment, Poverty and Inequalities

High levels of poverty, unemployment, illiteracy, skills deficiency and income inequalities in South Africa are strongly manifested in Johannesburg. This has been captured in a variety of policy and research reports (see for example iGoli 2010: Economic Overview: 17 - 18). One of the major impacts of unemployment and poverty is inability of households to pay for housing, infrastructure and services. Inequality in income distribution also means that certain categories of the population (especially black, women and children, aged and disabled) are more severely impacted by this national crisis which in turn puts them in a major disadvantage in terms of access to and affordability of housing. The sustained decline of formal job-opportunities and the growth of the informal opportunities create a need for a housing policy which nurtures and facilitates this growth area. Thus in order to have a positive impact on development, housing policy should also address the rights of women, children, aged and disabled as well as address the impacts of HIV/AIDS epidemic on the affordability of housing (City of Johannesburg, 2001).

5.6 Cost and Financial Constraints

All key stake holders in low cost housing delivery (national and provincial governments, local authorities, households/owners, developers etc.) face major financial constraints in meeting their respective responsibilities. This has been the key factor contributing to the practice of decision-making driven by initial-cost considerations (especially to fit the subsidy provisions) while ignoring the long-term costs and life-cycle savings of alternative housing solutions. Thus a housing policy that recognises the need for alternative financing mechanisms which provide more flexibility in terms of choices open to stakeholders in housing delivery, habitation and transformation will have a positive impact on sustainable development. It should also recognise the need of sensitising stakeholders to apply a life-cycle-cost-approach in decision-making in housing projects (City of Johannesburg, 2001).

Given the importance of all these aspects of housing to sustainable development, it has become clear that the notion of sustainability must play a more important role in housing planning. Sustainable housing must be seen as one of the major cogs of sustainable development. Although Johannesburg does not have an explicit sustainable-urban development policy, it has started to articulate some of the key features of such a policy. Some of the starting points are evident in the Integrated Development Planning and Land Development Objective processes. Participation in the national and international initiatives such as Local Agenda 21 is another positive indicator of working towards a sustainable urban development. However, a comprehensive sustainable urban development needs to be anchored on a city-wide commitment to apply sustainable city principles in all spheres of urban planning and programmes. Such principles would address integrated development, good urban governance and management (institutional and financial) (City of Johannesburg, 2001). Integrated planning should be aimed at enhancing synergetic linkages of needs as well as a resource-conserving approach to addressing such needs. Integrated land-use planning, social-economic integration,

alleviation of poverty and inequalities should be key objectives of such planning. Good governance entails transparent and participatory processes in decision making, setting up of relevant and adequate institutional structures, good practices in budgeting and financial management and systematic procedures for decision making. (City of Johannesburg, 2001).

5.7 The Impact of Inclusionary Housing on Sustainable Development

Inclusionary housing can form part of wider processes of integrated planning in South African cities. The fundamental purpose of inclusionary housing programmes is to allow affordable housing to become an integral part of development targeted for higher income groups (Smit, 2006). In this way the energy of market delivered housing is used to increase the supply of affordable housing. Moreover social, racial and economic integration is often achieved. However, negative and positive features and outcomes characterise programmes related to inclusionary housing.

Discussions on inclusionary housing in South Africa started in 2005 at the Housing Indaba in Cape Town. As a result of talks on the topic, a Social Contract for Rapid Housing Delivery was crafted. This contract stated that every commercial housing development not aimed at very low-income groups would have to allocate a certain percentage of units to those who qualify for government housing subsidies (Mokonyane, 2007). After a lot of research was done, the original decision that inclusionary housing should cater for households that earn between R1500 and R8000 per month (Department of Housing, 2007). This amount was amended to the R3500 – R7000 per month income bracket, due to affordability issues (Centre for Urban and Built Environment Studies, 2007)

Some voluntary inclusionary housing developments are already underway. The ‘Jerusalem’ Precinct in Newtown was the first project of this kind to be implemented, and

the Steenberg development in Tokai, Cape Town followed suit (Centre for Urban and Built Environment Studies, 2007). More inclusionary housing projects are in the pipeline for the Johannesburg CBD. New legislation will force developers to think differently about housing, and will hopefully have the power to change the disfigured face of South African cities.

Both the National Department of Housing (2007: 3) and Purchase & Smit (2007: 31) conclude that inclusionary housing will not solve the housing backlog. Inclusionary housing is based on market demand for market housing, and where in first world countries only a small percentage of the population qualify for affordable housing, it is estimated that 70-80% of the population in South Africa falls in this category. This means that only 20-30% of the population form part of the demand for market housing, and thus only a very small amount of affordable housing will be provided by inclusionary housing. However, the potential of inclusionary housing lies not in the amount of housing that it will result in, but rather its crucial role in bridging the social and racial divide.

For inclusionary policies to be successful in South Africa, policies should be flexible to accommodate different contexts. In Malaysia, for example, many affordable housing units are abandoned, because they were built in an area where there was no demand for them (National Department of Housing, 2007). This scenario should be avoided at all cost. The Department of Housing also points out the possible negative effects that income cliffs could have on developments. Lower income groups living in affluent areas could face problems with the cost of food, transport, schools, hospitals and other services in these areas. In this way, instead of benefiting lower income groups, inclusionary housing in poorly chosen areas could cripple them.

Internationally, inclusionary housing has proved to be successful. Countries such as the United Kingdom, the United States of America (USA), the Netherlands and Malaysia implement the principle of inclusionary housing in most new housing developments. The

USA has been implementing this principle since the 1970s (Smit & Purchase, 2007). With due consideration to local context, as well as the flexibility of local government, inclusionary housing could be very successful in South Africa too. The small scale of the impact that inclusionary housing could have on eliminating the housing backlog, is of secondary importance to the impact that it could have on the social face of cities and thus sustainable development. Inclusionary housing could be the catalyst that is needed to transform South African cities from fragmented environments into positive, racially-integrated environments.

5.8 Positive Features and Outcomes of Inclusionary Housing

- Inclusionary programs contribute to the development of economically and racially integrated communities through the creation of mixed income, diverse, integrated communities.
- Inclusionary housing sometimes enables developers to build more densely through the provision of density bonuses. This helps prevent the sprawl that would otherwise be created by single-purpose residential zones. In addition, inclusionary zoning often allows for mixed use and transit-oriented development while protecting surrounding open spaces.
- Inclusionary housing can lessen the concentration of poverty within certain communities, and create greater access to education and job opportunities in the larger region.
- Inclusionary housing helps build a diverse housing market, ensuring that lower income individuals, whose housing needs are not met by the market, can live in a community where they live and work. It also reduces the often-cited spatial

mismatch between urban employers and low- and moderate-income work force (Smit, 2006: 14).

5.9 Negative Features and Outcomes of Inclusionary Housing

- Opponents of inclusionary housing programs assert that developers cannot make money on affordable housing and are saddled with the burden of economically integrating neighbourhoods that have been demographically homogenous for decades. Thus Developers become scapegoats for problems beyond their control, but quickly pass the financial burden of these programs onto the new occupants of the housing, through higher house prices.
- In 2004 a study was conducted by a public policy institute on the economics and real world consequences of inclusionary programs in northern California. It was found that in 45 cities, new housing production dropped sharply, after inclusionary programs were introduced. The cost of inclusionary programs was born by a combination of market-rate homebuyers, builders and land owners, and the burden of the increased costs was too great for any, or all, of them to bear.
- Some critics argue that inclusionary programs should be opposed on the grounds that they represent a form of ‘stealth tax’. For example, in Scotland where each affordable unit costs between 60,000 and 80,000 British Pounds to produce, some developers are being asked to “donate” up to 400 million British Pounds per annum. It is not surprising then that developers see this as a tax on legitimate business activities.
- According to Smit, Whilst Inclusionary housing takes many forms, it often relies on the private sector to finance affordable housing based on the sale of market

units. This may not be a problematic when the economy is flourishing, but becomes a serious problem when the economy falters.

- Affordable housing units usually carry with them affordability controls that typically limit the resale prices to increases in the rate of inflation. Thus, inclusionary housing programs provide individual economic benefits that are difficult to “cash out”.
- When density bonuses are provided as part of the inclusionary solution, some argue that this ‘massing’ represents an unwanted and unplanned-for glut of development that burdens the overall environment, and the public service capacity of the local government.
- Inclusionary housing does not address issues that contribute to the high costs of market rate housing, such as: high land costs, lack of available sites and developer fees.
- Many local governments cannot afford the costs associated with implementing an inclusionary housing process. For example, the staff resources and experience that are necessary to implement and administer an effective program can be very costly.
- Another criticism of inclusionary housing programs is that the numbers of households that benefit from the program are usually small compared with the relative need (Smit, 2006: 15).

Chapter 6: Implementation of the Principal Tenets of Sustainable Development and Sustainable Housing in BNG

As a tool to eradicate poverty, the Breaking New Ground Housing Programme states that poverty manifests itself in different ways which involve three critical dimensions namely: income, human capital (services and opportunity), and assets (National Department of Housing, 2004). A composite analysis of indicators in these three categories assists in compiling a broad picture of the experience of poverty in terms of lack of access to basic needs and the vulnerability, powerlessness and experience of exclusion which accompanies lived poverty. Thus housing is supposed to primarily contribute towards the alleviation of asset poverty. This contribution was to be strengthened in the new Breaking New Ground Housing Programme through supporting the development of sustainable human settlements and the development of housing assets, this was to be done against the backdrop of the 1994 housing policy.

The idea of sustainability is a broad term and may be interpreted in many ways; Goebel adopts the UN approach to sustainable development which defines sustainable development as “human development that promotes human well being in the present without compromising the ecological integrity over a long term.” (Goebel, 2007: 292). The Breaking New Ground initiative includes some positive signs for addressing a sustainable human settlements agenda in South Africa. These include “some support for *in situ* upgrades of informal settlements, accepting critiques of the Greenfields, massive delivery approach to housing, social housing options and explicitly linking health and housing.” (Goebel, 2007: 297). The upgrading of informal settlements can be done through electrification and provision of municipal water or sewerage. This type of programme allows people to stay close to economic opportunities and established transportation routes. It also treats people with more respect in comparison to the forced removals which are usually associated with clearing informal settlements. This type of programme can provide a certain level of skills development such as training residents to

build their own houses as was achieved with the assistance of the Build Environment Support Group (BESG) under the People's Housing Process. In addition, the willingness of government to accept some upgrading projects is part of a wider willingness to accept critiques of the massive developments of new townships in peripheral areas. However although the new policy is a positive step that takes into account some of the livelihoods needs and other preferences of the poor, the process involves many difficulties in tenure issues and land management.

Peripheral low income development in South African cities, including those of the Greenfields projects still continue to deliver housing mainly in terms of numbers at the expense of quality, particularly with regards to good location (Biermann, 2004). Thus the poor continue to be marginalized, with no access to jobs and other urban amenities. The poor thus need to spend more on transport costs, which has some associated consequences to the environment in terms fuel usage and green house gas emissions. Moreover, infrastructure costs to the local authority are higher due to greater distances which need to be maintained with services (Biermann, 2004).

Introducing energy efficiency measures into housing should play a significant role in the notion of sustainable human settlements and sustainable development as a whole. The shortage of housing to low-income families in South Africa is well documented, though the poor thermal quality of the housing that is energy efficient is not well publicized. The reason for this is that the building industry regulatory system has no provision for energy efficiency, and most construction design inadequately addresses this problem (Harris and Krueger, 2005). The first objective of implementing energy efficiency measures in South Africa was set out in a draft developed by the Department of Minerals and Energy (DME) in 2004. Their goal was to reduce the production of greenhouse gas emissions, and move towards sustainable development and minimize the harsh effects of energy use on the environment (Harris and Krueger, 2005). The second objective was for the improvement of comfort in such a way that the thermal efficiency in building suits all

local climatic conditions. This process would reduce energy cost for poorer household. The third objective for introducing energy efficiency was to solve health problems caused by poor indoor air quality in homes, and this could be done through preventing condensation on the interior of walls and ceilings and in the process preventing the development of mould growth, which is a common cause of some respiratory problems (Harris and Kruger, 2005).

Poor urban management contributes significantly to spatially and sectorally fragmented housing development in South Africa (Khan, 2003). If the national government is to address some of the urban management issues, housing policy and budget decisions need to be placed within a more coherent urbanization policy, coupled with strengthening institutional linkages between different spheres of government and between government and other stake holders (Khan, 2003). The problem facing most municipalities in addressing the issue of socio-spatial integration is that there is sometimes forceful resistance from wealthier residents who object to the setting up of low-income homes near their areas on the grounds of property devaluation and other environmental concerns (Khan, 2003). In such cases municipalities have had to upgrade service and housing standards, proving that sometimes inner city housing projects can become more resource intensive both in the financial, institutional and administrative realms. Thus sustainable poverty eradicating development interventions require that the activities of the poor be supported by making sure that affected communities are involved in the decision making process (Khan, 2003). Through the People's Housing Process (PHP), South Africa's housing policy is able to support state assisted, self- help housing programs that aim to support communities organize their own housing construction.

The Breaking New Ground Housing Programme seems to meets the principal tenets of sustainable development only in principle. But in practice this programme fails in the sense that access to well located land and integration still remain the fundamental challenge confronting the objectives of sustainable human settlements development. Most

housing projects continue to be located on cheap land in peripheral locations and thereby further reinforce existing spatial patterns of apartheid and create new inequalities. From a spatial perspective lack of integration has meant “the promotion of integration through the mixed use of social and economic activities amounts to the rejection of fragmentation and separation. This entails integration between rural and urban landscapes, between elements of spatial structure, between new developments and old ones and between different income categories” (Royston, 2003: 235). The idea of good location on the other hand refers to the proximity to urban facilities, services and opportunities (Royston, 2003). The outward spreading of the city still has numerous consequences which include long distances from economic opportunities which also results in higher vehicle dependence, and as previously stated the gas emissions from cars can have some negative effects on the environment.

Sprawling development on the urban periphery continues to impose excessive operating cost on public authority services. Even though residents of shack settlements on the urban peripheries have now come to enjoy access to housing subsidies, they still remain marginalized and impoverished. Even though these residents may have received housing, the lack of economic opportunities means that huge numbers of families are still in the same economic situation as before (Watson, 2001: 123). The location of many ownership schemes, usually on cheaper land on the city edge, has meant that many poor households have had to choose between ownership in the peripheral settlement, far from work, or rental in a better located area (Watson and McCarthy, 1998: 52). On the other hand, some researchers have moved away from the above argument and have begun to question the inherent notion of higher densities. They suggest that informality on the periphery is part and parcel of the South African housing landscape and in this case the importance of an appropriate public transport system in addressing these realities is what should be the focus (Cross, 2006).

The notion of upgrading informal settlements plays a role in the achievement of sustainable human settlements and sustainable development as a whole in South Africa and BNG outlined a clear strategy of how this process could be achieved, however thus far the process has not been implemented. In addition, one of the conceptual issues brought to the fore is that the practice is limited and has serious shortcomings, in the sense that the subsidy scheme is not suitable. Owing to the nature of the subsidy scheme, informal settlement upgrading is not area-based, which results in an over emphasis on owning a house and compared to other countries the involvement of social movements in this process is usually limited (Huchzemeyer, 2002).

Furthermore, conceptual issues such as norms and standards have been an area of debate in housing policy. The initial White Paper on Housing contained no specific guidelines in respect to norms and standards; however some guidelines were set later during the policy development process. Maintaining strict norms and standards is a necessary step in any housing project as developers and contractors in some instances tend to provide products that are sub-standard and this is the negative consequences of not having stricter norms and standards. Housing projects need to maintain stricter norms and standard by locating housing that is close to economic opportunities and services. In contrast, there is the opinion that too much emphasis on the norms and standards could create unexpected policy outcomes. For example, some provinces such as the Free State place high emphasis on the size of the house, but at the same time seem to have the lowest level of infrastructure such as roads, power grids, telecommunications etc...

One of the interventions under the BNG is the accreditation of municipalities, particularly the metros and secondary cities, by the national department. This involves municipalities proving their capacity to plan, implement and maintain projects and programmes that are aligned with their Integrated Development Plans (IDPs) amongst other requirements. It is envisioned that the accreditation of municipalities will assist them to plan better by allocating funding for three years and concluding payment schedules with the provinces.

Accreditation is also meant to improve the transparency of municipal allocations (National Department of Human Settlements, 2009).

Municipalities seem eager to be accredited to get around some of the problems of intergovernmental relations and the dominant role of the provinces in housing delivery. These intergovernmental problems, from the municipal perspective, particularly concern: “the allocation of housing subsidies on an *ad hoc* basis and local government’s resulting inability to plan long-term, the lack of a mechanism to negotiate the number of subsidies allocated, and confusion over what to do to improve allocations, little control over the appointment of developers, difficulties in multi-year planning in housing development and the lack of sufficiently long-term allocations to ensure that developments do not simply take place in peripheral areas where serviced sites are available.” (Mokoena and Marias, 2007: 318)

Successfully accredited municipalities are empowered to manage the full range of housing instruments within their areas of jurisdiction and take control of the demand-driven housing process envisioned in BNG. The policy states that municipalities must develop enhanced housing chapters for the IDPs, which include providing a housing needs assessment, the identification, surveying and prioritization of informal settlements, the identification of well-located land for housing, the identification of areas for densification, the linkages between housing and urban renewal, and the integration of housing, planning and transportation frameworks. Community participation is a key component of this process (National Department of Housing, 2004: 20). Implementation was expected to occur over 10 years, beginning in December 2004 with the nine municipalities and followed by 20 more in year two until all 284 municipalities had been accredited.

The accreditation of municipalities has been proceeding very slowly, however, and as of April 2010 only five municipalities – Polokwane, Emalahleni, Buffalo City, Nelson

Mandela and eThekweni –had been granted level-one accreditation(Cape Argus, 2010). The national government states that in order to fast-track level-two accreditation of metropolitan municipalities, a municipal accreditation capacity and compliance assessment panel has been established (Cape Argus, 2010).

There is however a prevailing satisfaction in some municipalities such as the EThekweni Municipality with the levels of delivery of basic services such as water and sanitation which results in an overall improvement in individuals' lives (Zack and Charlton, 2003).The linkage of access to such basic services to better management of health cannot be underestimated. With illnesses such as HIV/AIDS for example access to clean water and sanitation would make a significant improvement in individuals' lives. As stated in the previous chapter, there is a linkage between health and housing which could lead to more effectively addressing some quality of life issues.

Breaking New Ground Introduced a review process of housing policy that was meant to lay the foundation for a new housing policy and research agenda and to contribute to a 'second generation' housing policy for the next 10 years. However, these outcomes did not occur as envisioned. A Housing Summit in November 2003, where it was expected that the Minister would unveil a new strategy, was downgraded to a 'listening process' (Charlton and Kihato, 2006). This may have been because a national election was around the corner and it was politically difficult to introduce new policy. In early 2004, the Department of Housing, in consultation with the Presidency and the National Treasury, produced a 'turnaround strategy', which contained elements of a new policy direction based on the research process. However this strategy was never implemented and did not significantly shift the department's thinking.

BNG lacks clear strategic direction and the policy is 'confusing and disappointing' given the extensive research and consultation process that occurred prior to its development. This is because the final document reflected surprisingly little of the review process and

lacked the involvement of key officials who drove the process in 2002 and 2003. Instead, 19 different business plans from various sectoral programmes within the department were amalgamated and given to a ‘consultant with links to the World Bank’ to consolidate. According to Charlton and Kihato, ‘Despite this refinement the document does not clearly demonstrate a unifying conceptual foundation which offers policy direction into the future.’ (Charlton and Kihato, 2006: 259).

Moving onto the content of the policy, BNG intended to shift away from a focus on *quantity* of houses delivered to *quality* (size and workmanship of housing product, settlement design, alternative technology, etc) and *choice* (tenure type, location, etc). It aimed to increase the rate of delivery of well-located housing of acceptable quality through a variety of innovative and demand-driven housing programmes and projects. BNG was to build on the principles of the 1994 Housing White Paper but also supplement existing mechanisms and instruments to ensure more responsive, flexible and effective delivery. It also sought to place increased emphasis on the *process* of housing delivery, i.e. the planning, engagement and the long-term *sustainability* of the housing environment.

The BNG policy acknowledged the change in the nature of the housing demand, the increasing average annual population growth, the drop in average household size, significant regional differences, increasing urbanization, skewed growth of the residential property market, growth in unemployment and a growing housing backlog despite substantial delivery over the previous decade. It recognized that the lack of affordable, well-located land for low-cost housing had led to development on the periphery of existing urban areas, achieving limited integration. According to the policy, “The dominant production of single houses on single plots in distant locations with initially weak socio-economic infrastructure is inflexible to local dynamics and changes in demand... the new human settlements planned moves away from that commoditized focus of housing delivery towards more responsive mechanisms which addresses the multi-

dimensional needs of sustainable human settlements.” (National Department of Housing, 2004: 12). Further, BNG acknowledged that subsidized houses had not in fact become the ‘valuable assets’ envisioned in earlier policy. Moreover, beneficiaries’ inability to pay for municipal services and taxes meant that municipalities viewed such housing projects as liabilities, and were not particularly responsive to the national department’s more progressive intentions around housing.

Despite these aims, BNG has not fully addressed the key weaknesses with the previous policy, as identified in the department’s research process, or offering clear direction on the difficult political issues of land ownership, the land market and rights around property values (Charlton and Kihato, 2006). Although the programme strives for broader outcomes, key indicators of performance appear to remain largely quantitative, focused around numbers of houses produced and budgets spent (Charlton and Kihato, 2006: 259). Further, some of the weaknesses of housing policy to date exist *outside* the ambit of the government organs responsible for housing, and there is a worrying lack of alignment between the current focus in government on the contribution of housing to poverty alleviation and the ability of housing policy to achieve these aims (Charlton and Kihato, 2006).

Furthermore, despite the progressive nature of the BNG policy in terms of the choice of housing options it offers as well as its demand-side approach, its stated intent to offer a greater choice of tenure, location or affordability has to date not been significantly realized. The Department still prioritizes fully subsidized, low-density, detached, freehold family accommodation over other delivery modes, tenure systems and accommodation choices (Urban LandMark and Social Housing Foundation, 2010). According to a recent report by Urban LandMark and the Social Housing Foundation (SHF), this is not a justifiable response to South Africa’s diverse and changing demographic composition. BNG housing policy has made little impact on stimulating the supply of rental accommodation affordable to lower-income households (earning less than R3 500 per

month). Although the Social Housing Act requires a proportion of all stock to be affordable to households in the two lower subsidy bands (earning R1 500 to R2 500 per month and R2 500 to R3 500 per month), the scale of delivery in these bands is limited (see section 6.6 on the Social Housing Policy below). The report states that there are increasingly better understood and more clearly expressed requirements for alternative tenure arrangements, such as rental, and intermediate accommodation options, such as smaller-scale, better located units. For example, new private and social housing inner-city accommodation providers indicate very large demand for more affordable smaller units (Urban LandMark and Social Housing Foundation, 2010).

The BNG policy refers to ‘progressive informal settlement eradication’ and states that a phased *in situ* upgrading approach in desirable locations is favoured. Further, it recommends that informal settlement eradication occurs through upgrading in line with international best practice. Relocation is only to occur when development is not possible or desirable, according to the BNG. The policy recognizes that the existing housing programme will not secure the upgrading of informal settlements. It therefore articulates the need to shift the official policy response to informal settlements from one of ‘conflict or neglect’, to one of ‘integration and cooperation, leading to the stabilization and integration of these areas into the broader urban fabric.

The policy refers to nine informal settlement upgrading pilot projects, with the N2 Gateway project in Cape Town being the lead project (National Department of Housing, 2004: 12). It introduces a new informal settlement upgrading funding mechanism, which would support upgrading on an area-wide basis, maintain fragile community networks, minimize disruption and enhance community participation through a phased process. BNG also recognizes the need to redefine the nature, focus and content of the PHP in line with some of the contradictions inherent in the process and to adopt an area wide or community approach (National Department of Housing, 2004: 12).

Despite the stated aims of the BNG, there has been a manifest failure on the part of government to implement *in situ* upgrading of informal settlements to date. According to Richard Pithouse (2009: 2), “At all levels of government and in all parts of the country, there has been a systemic failure to implement the substantive content of BNG that recommends and makes financial provision for participatory and collective *in-situ* upgrades.” There has been a shift to a ‘security driven approach to the urban poor’ (i.e. viewing them as a threat). As a result, the progressive legal and policy framework has been overshadowed by the forceful anti-poor discourse around ‘eradicating slums’ and attempts to formalize this tendency through repressive provincial slum legislation (Pithouse, 2009). Shack dwellers in South African cities still live in life-threatening conditions, where two of the biggest threats are fire and diarrhea (which is related to food and sanitation). Both of these threats could be easily ameliorated within current budgetary limits by providing basic support to shack settlements, most importantly adequate sanitation and water provision but also electricity. According to Pithouse:

“It seems that a major reason for the general failure to provide this support is that the housing subsidy system has created a widespread view that shack settlements are temporary phenomena that will soon be replaced by formal housing. Indeed many government officials have stated this directly. However despite the large numbers of houses built via the subsidy system in the first five years after apartheid there was not a decline in the number of people living in shacks. There is, therefore, no rational basis for the assumption that, under current policies and practices, shacks will soon be eradicated. For this reason the failure to provide basic life saving services to shack settlements – such as electricity, toilets, sufficient water, fire hydrants and so on – must be deemed a major failure on the part of the state.” (Pithouse, 2009: 8)

On the other hand while the inclusionary housing initiative has been widely applauded, it has been slow to get off the ground and has been confined to urban and metropolitan areas in its implementation. Gauteng and the Western Cape have implemented inclusionary housing projects and Johannesburg and eThekweni have lead the way in requiring developers to include affordable housing in their projects. These projects have generally involved large-scale greenfields developments with additional private funding, for example, Cosmo City, north of Johannesburg, and Brickfields, in Newtown, Johannesburg. There have been misgivings about continued spatial skewing because the development of such projects has only been in urban areas and very few municipalities have the capacity required to administer the complex programme. Further, tensions have arisen from different income bands and cross-subsidization within housing developments and buildings. Other concerns are that the capacity and level of sophistication required to model viable projects and implement them successfully may outweigh their limited impact. Also, the impact of the policy on the private sector development market may be negative. Another critical factor is that the size of the middle- and upper-income base is small in South Africa (so the driver of the process is small) and while inclusionary housing is still very important, as previously stated, the scale of impact may not be significant (Smit 2006: 27). There is as yet no legislation to give effect to the initiative and the policy may remain only rhetoric on paper, until further consultation and review takes places.

With regard to urban renewal, BNG states that the policy encourages the promotion of affordable inner city housing by municipalities to ensure the inclusion of poor inhabitants in urban renewal initiatives. The policy envisions that the use of the social housing interventions, as well as the new incentive to facilitate loan finance for individuals earning above R3 500 per month (referred to as the “middle income group”), will create demand for well-located housing and create an incentive for the redevelopment of inner city properties. It places great emphasis on rental housing, through the Social Housing Programme, in order to enhance the mobility of people and promote a non-racial and

integrated society. However, there is a major flaw in the BNG's conceptualisation of the social housing instrument as a panacea for urban regeneration and low-income inner city housing. The shortcoming exists because social housing projects often fail to match the income affordability levels of the majority of individuals and households in inner city areas. In addition, the percentage of social housing units built to accommodate lower-income households is negligible given the scale of demand in a city like Johannesburg. It is against this backdrop that the Breaking New Ground Housing Policy meets the principal tenets of sustainable housing and sustainable development only in principle, but not in practice.

Chapter 7: Overview of Interview Findings

7.1 Subsidy Schemes

On the levels of sustainability, the Breaking New Ground Housing Programme is not working in practice. Mr Mike Makwela of Planact (a non-government- development organisation working mainly in the urban areas of Gauteng) stated that “The Breaking New Ground Housing Programme should be formulated around the enabling approach theme, where the state acts as supporter rather than provider of housing, by providing assistance in the form of a capital subsidy grant to households within a predetermined income range. This is based on the fact that a sustainable housing delivery programme in South Africa has to be located within the supporter paradigm as history has proved that both the private and public sector programmes have failed to provide shelter in adequate volumes at prices the poor can afford.” The subsidy amount is meant to secure a site, basic services and a starter house. The poor would then take over the housing process and build permanent dwellings through incremental house building. Subsidies can therefore be used to encourage participation of low income groups in their own housing. In addition, this participation will enable the poor to understand what it means to own a house and be part of a community.

Furthermore, Mr Mike Makwela added that “most times the poor do not understand what it means to own a house and be part of the community because they were not involved in the process of planning and building. For this reason many allow their houses and communities to deteriorate”. He further stated that, participation forms an integral part of the process of sustainability of housing projects and part of the process of participation is that individuals need to be educated about what it means to own a house and be part of the community, and programmes to facilitate this process are necessary. In addition this participation essentially carves out a role for individual consumers of housing to make some contributions (in terms of their physical labour) that will enable the government to

solve the housing problem. For Mike Makwela, “the sustainability of housing delivery in South Africa continues to be dependent on the individual households’ contribution to the housing process.” However, he states that, lack of affordability of housing inputs continues to undermine the achievement of this goal.

7.2 Housing Affordability

For many South Africans, the concept of affordable housing means housing costing no more than R16 000.00 in total and constituting the subsidy amount only. This maximum subsidy amount is not sufficient to build decent accommodation; there is therefore a critical need to institute mechanisms allowing for greater affordability of housing by the poor in the areas of access to employment opportunities and skills as well as affordable credit to allow the poor to augment their subsidy amount to make it bigger. In this sense, an increased informal sector role should be called for, as are housing finance mechanisms suited to the circumstances of and affordable by the poor. Locating the poor with sensitivity to their need for proximity to employment, social and other opportunities that optimize their chances to generate incomes should continue to be advocated for.

Housing affordability thus remains a key hurdle preventing large scale delivery of housing in South Africa. On the issue of affordability, Makwela states that, “In most housing projects, starter houses have remained as they were for more than five years. Sometimes with no possibility of an increase in the subsidy amount, for those many people unable to afford to build onto their starter house, the goal of a permanent complete dwelling remains an elusive one. Furthermore, a good number of poor people in whose hands the capital subsidy programme has put properties are also unable to afford the range of ongoing water, electricity and rate charges associated with formalized owner-occupation.”

Affordability is central to the poor's efforts to translate the starter house into a complete dwelling. There is a contradiction in the current market-oriented Breaking New Ground approach to low income housing delivery when unemployment and poverty abound in South Africa. Two areas are at the heart of addressing the affordability question. Firstly, and as defined by Agenda 21 of the UN Conference on Environment and Development, high priority should be given to employment and income generation needs of the poor and the growing number of people without any source of income (UNCHS-Habitat, 1995). Secondly, even among households that generate some form of income, many are still not concerned about housing given their daily necessities of living. For such, credit will need to be availed to augment their limited resources. Such credit will only be desirable by the poor if it is tuned to their circumstances and does not excessively and continuously strain their budget or force them to forego other basic items of expenditure.

Makwela further states that “there still other innovations that government can institute to promote increased affordability by the poor. More realistic building codes and shelter standards and the use of indigenous building materials and technologies have the potential to reduce the ultimate cost of housing and lend themselves better to the individuals' participation in the self-build process.”

These components have the potential to cumulatively make housing more affordable by the poor. The definition of indigenous building materials have universal implications, but, in the context of low income population, such a definition will have to be based on building materials which are both affordable and accessible. In addition, for the low income population, the concept of indigenous building material should be interpreted in terms of basic requirements in construction costs. However, indigenous building materials are sometimes unfavourable because of their low quality or simply insufficiency in supply (United Nations Centre for Human Settlements, 1985)

7.3 Location of New Housing

Makwela states that, “location of new housing plays a critical role in determining the sustainability of housing projects. The houses being built need to be close to economic opportunities such as schools, employment opportunities, clinics etc”. The Breaking New Ground Housing Programme entitles low income households in South Africa to a product consisting of standardized serviced plots with freehold tenure and a core housing structure, thereby conferring on the poor a legal and physical framework within which to operate. It is important to note that, this space should be more than just a family dwelling - it is a piece of potential real estate, a potential site of income producing activities and a base of participation in the large urban economy. Such a site should therefore be provided in locations that maximize these aspects.

Government intervention has thus far taken place through an elaborate centralized housing delivery framework, designed for the rapid delivery on greenfield sites. However this intervention has required the relocation of informal settlement households, predominantly to vast, cheap, peripherally located, standardized dormitory developments, thus largely perpetuating the existing structure of the South African city where the poor are located far from areas of work and play, and where their access to jobs and income are seriously undermined. Some of the relative locational advantages of informal settlements have also been lost.

A key element of the South African housing policy is to ensure that low cost housing is located close to areas of economic opportunities. The importance of access to employment and services is universally recognized. Workers, who are relocated to outlying sites where land is cheap and easily assembled, but where job opportunities are limited, have sacrificed access to jobs. Similarly situated formal workers may also be deprived of work opportunities for example in instances where they cannot be incorporated in work shifts outside normal working hours. With inefficient transport

systems, access has been reduced, commuting times lengthened and commuting costs heightened. Other impacts include development of establishments that cater to consumers routine shopping needs but at monopolistic prices. Yet, the price of better located land is a prohibitive factor given the financial status of low-cost housing consumers, even with assistance. Housing delivery so far points to distant locations of majority of the housing projects that have been either implemented or approved for implementation from areas of economic opportunity.

7.4 Upgrading Informal Settlements

The Breaking New Ground Housing Programme introduces the idea of upgrading informal settlements as part of the processes of achieving sustainability within housing projects. However Mr Alfred Moyo of the Makause informal settlement just outside of Germiston argued that, “this programme fails in practice because no work on upgrading informal settlements has been implemented. In addition, he argued that “land informally settled on can be viewed as already identified and only just needing formalization”.

From this argument I gathered that the role of the state as facilitator has not been exhausted in terms of what it could be doing to begin to package housing projects in a manner which would alleviate the glaring locational hurdles observable in the housing process. Thus more upgrading projects should therefore take place as opposed to sites and service schemes which constitute the majority of the housing projects developed so far. There is a better income generation record in upgrading projects by virtue of their often close proximity to employment opportunities. Furthermore, land owned by absentee landlords, land held by the buffer zones of apartheid city planning and small pockets of vacant land in the middle and high income residential land could be targeted for low-cost housing. In other words, informal settlers will decide where to reside, however this may present issues of overcrowding.

Moyo further states that, “there is an urgent need for government to come up with plans to creatively provide access to public land, or otherwise intervene to make more optimally located land available at nominal cost.” This action by government could actually serve the dual purpose of locating the poor close to the city, and permitting more of the subsidies to be spent on the actual house and services. Scarce and expensive land requires building at high density and because of this, the common low-profile auto-construction of low-cost housing in South Africa seems impractical and unsustainable in the long run.

If a house is to serve as a source of poverty alleviation and sustainability as a whole, then the informal sector has to be formalized as very little wage employment is being created in South Africa, especially relative to need. An acceptance of this status quo (the need for wage employment) points to the need to strengthen the informal sector by formalizing it and by creating new and better opportunities for the poor to participate and removing the myriad obstacles under which this sector operates.

The informal sector in South Africa has been characterized by many small extremely fragile businesses, yielding generally low and often intermittent returns. Working hours are long, working conditions usually poor and security is minimal. While the informal sector does hold the potential to alleviate conditions of poverty and unemployment, it is essential to remove certain barriers. Present harassment of small operators by officials should be removed. Informal sector operators should also be encouraged to use part of their residences for entrepreneurial activities rather than be penalized for doing so.

There is also a need for establishment of institutions operating on a decentralized and regional basis and offering loans of any size to allow business operators to purchase supplies in bulk, thereby enjoying savings. Currently, most credit schemes are directed at small and medium scale businesses in the formal commercial sector, and rarely target the lowest level of informal entrepreneurs. Businesses operating in many of the low-cost

housing areas, poorer areas of the city, and in areas not designated for such operations, are hampered by lack of adequate services in the form of clean water especially for businesses dealing with fresh foods, as well as hygienic surfaces for handling food, electricity and shelter. The national government should provide these businesses should be provided with such services in order to be able to serve the community.

However, over the last three decades, attitudes towards the informal sector have undergone some radical changes internationally. Far from representing the inefficient remnants of a declining traditional economy, this sector, is in fact efficient and labour-intensive: it makes good use of local resources and can go some way towards filling in the employment gap. The informal sector should therefore be directly stimulated and supported by government policy measures. The response to informal settlements in South Africa has largely been informed by national and provincial housing policies and programmes. Policies such the Upgrading of Informal Settlements Programme (Chapter 13 of the National Housing Code) (2004) and Breaking New Ground (2004) (also known as the Sustainable Human Settlements Programme) indicate a significant policy shift in respect of the approach to informal settlements and their upgrading. In broad terms these policies entertain approaches which are more flexible, participative, and integrated. Importantly, the theoretical space for incremental approaches to settlement upgrading and alternative tenure forms is also created. However as Alfred Moyo previously stated, the above policy shifts have not been adequately put in practice and translated into delivery on the ground. They have not been accompanied by the necessary changes in systems, mechanisms and regulations, nor has there been the requisite political will to enable real take-up on the alternative approaches at the provincial and local levels (it being noted that BNG envisaged that municipalities would become the champions of putting the new policy direction into practice by means of pilot projects).

According to Moyo, the informal sector's role in poverty alleviation is now widely recognized. "It is in this sector that more and more poor and new job seekers are finding

opportunities to earn an income. The sector has also been a major source of human resource development since it serves as a training ground for many and enables them to acquire skills at low cost and with little public expenditure in most cases.”

Despite low incomes, many informal workers have mobilized considerable savings both in cash and kind to develop their own businesses. Since all the capital investment in this sector is almost always financed through participants’ own savings, there is little burden on the public sector and little public subsidy to the sector. Yet the sector has expanded tremendously and has generated goods and services of value to the society. These merits if built on hold the key to unlocking substantial income generation potential in South Africa.

The housing process can have important links with the informal sector. The informal construction industry, constituting very small firms and private individuals can itself be a major source of employment much needed by the urban poor. A programme which is organized so that the poor pay professionals as the developer-driven South African mode of house building, has to be inferior to one relying more heavily on unskilled and semi-skilled labour from an income generating point of view, no matter what the relative merits are of housing produced. Overall, sluggish growth of urban employment must continue to be a major concern to housing policy makers considering that the largest part of additional pressure for shelter will come from low and middle income households with very limited ability to pay for housing and related services. Vigorous measures to pursue absorption of as many people as possible into higher paid employment in the formal sector must therefore take place simultaneously with promotion of the informal sector.

7.5 Alternative Forms of Ownership

The focus of the South African housing policy is on owner occupation, and rental housing has been associated with the apartheid housing policy formulation. However

Makwela argues that “rental housing as opposed to ownership needs to be explored because the reality is not everyone is going to be able to own a house.”

One form of rental housing which has not been transferred through privatization or discounted purchase is hostels. The resolution of the hostel question has not been met with great success. Hostels are a result of the political ideology of apartheid, with a form of housing that has left behind habitats that are crime-infested and unhealthy, and where social disintegration has occurred. An analysis of the existing hostel situation is intimidating with imposing architecture in the landscape, and the overcrowding that exists in the hostels may result in health hazards while contributing to the deterioration of the buildings and services. This inhuman face of housing needs radical intervention by conversion of hostels to new environments of social integration. Attempts at conversion of hostels to family units have been met with difficulty because of inappropriate intervention, with a strategy that has developed a negligible amount of family units among predominantly male hostel environments. Intervention has to be more than one-off buildings. The revitalization of entire hostel neighbourhoods should be the focus of any intervention aimed at social integration and thus sustainability as a whole. Reconceptualization of the environment and architecture to more friendly buildings should be called for.

The revitalization of entire hostel neighbourhoods would be perused by all three spheres of government and the private sector. For example The Alexandra Renewal Project (ARP), a joint urban regeneration project between all three tiers of government, the private sector, NGO's and community-based organizations is part of the South African government's Integrated Sustainable Rural Development and Urban Renewal Programme which was announced by President Thabo Mbeki to Parliament in his State of the Nation Address in 2001. It involves the revitalization of strategic urban localities through refurbishing of infrastructure, Local Economic Development projects and social integration (United Nations Habitat, 2009). This has been a key component of the

Government's approach to addressing urbanisation and housing challenges in South Africa and would include the integrated development of the whole area addressing economic, social and physical challenges simultaneously. The ARP is charged with upgrading the living conditions and human development potential pertinent in Alexandra (United Nations Habitat, 2009). The programme has enlisted the cooperation and partnerships of all three spheres of government as well as the private sector. The ARP championed by the Gauteng Department of Housing was to deal with a myriad of issues. This would be not only a housing development initiative but rather an urban renewal project aimed at the provision of sustainable and habitable human settlements targeted at social, economic, physical and institutional transformation for the delivery of integrated communities.

The Alexandra Renewal Programme kick-started with financial capital of R1, 3 billion spread over seven years to revitalize the township of Alexandra (United Nations Habitat, 2009). At the inception of ARP the Greater Alexandra township had roughly 90 000 housing structures including old Alexandra and the relatively new areas like the East Bank, the Far East Bank, Marlboro Industrial, Wynberg, and Marlboro Gardens. Out of these housing structures 6 000 were old bonded houses, 500 were new houses, 52 000 were backyard structures, 1 800 were hostel rooms, 1 490 were flats, 19 000 were public space shacks, 5 000 were factory sub-divisions, and 4 000 were formal units on the East Bank (United Nations Habitat, 2009).

The programme has been sustainable as township residents have found employment on the ARP-related construction sites while others have established small businesses in the area. A unit within the ARP, the Local Economic Development Unit, is tasked with creating a sound and stable economic environment in Alex and ARP has been able to attract funding not only from the provincial government, but the national government and private sectors as well (United Nations Habitat, 2009).

For Makwela, “the issue of inner city housing is another dimension of rental housing that needs to be pursued in South Africa. Bringing people close to the city is widely recognized as a positive move, not only on account of its ability to open up opportunities for the poor, but also because of the potential to utilize already existing infrastructure, and to use costly land optimally.”

Based on the above statement, one can note that, some of the vacant buildings in the city could be converted to rental accommodation. Further, there could be a change in the existing building composition in the inner-city, and offices, commercial and other buildings should incorporate residential accommodation alongside business, recreational and social activities as a way to reintegrate the city. The problem with this is that urban land tenure issues are highly complex in that most vacant buildings in the city are dominated by a few rich and powerful individuals or groups who manipulate prices and constrain access to affordable land for the majority. Furthermore, compactness, bringing poor people into the inner city residential areas has the potential to turn the city into urban slums. Thus the urban poor women and men are constrained to seeking accommodation in high density informal settlements which are located at some distance from employment opportunities thereby imposing substantial transport costs.

7.6 Introducing Inter-Governmental Relations into Housing

Shumani Luruli from Planact (a non-governments development organisation working mainly in the urban areas of Gauteng) highlighted that ‘introducing intergovernmental relations within housing should be an important aspect of building sustainable human settlements.’ Luruli highlighted that one of the major constraints to building sustainable human settlements is the lack of coordinated inter-governmental relations.

Inter-governmental relations in the South African context refer to the interaction of the different spheres of government. South Africa’s laws establish the framework of inter-

governmental relations. The law sets out the principles for co-operative governance and the application of these in the relations between national, provincial and local government (Rucker. A and Tran. G, 2006). The framework states that all three spheres of government, namely national, provincial and local, as well as the private sector and communities, have a role to play in service delivery.

Protests in local municipalities around the country have given rise to the question about the role of local government in the delivery of sustainable human settlements. However local government has only certain powers and functions and that is why most of the complaints about service delivery have been taken to other spheres of government such as the provincial and national governments who also play a role in service delivery.

South Africa has huge service delivery backlogs inherited from apartheid. However the Constitution provides for certain basic rights that underpin the notion of service delivery. Many of these ultimately become matters of life and death, particularly with regard to issues of housing, water, sanitation and health. The challenge to achieve the delivery of these rights relies on a good working relationship between the three spheres of government which are inter-dependent. Co-operative governance accepts the integrity of each sphere of government, but also recognises the complex nature of government in modern society. Today South Africa cannot adequately meet its goals unless the various spheres function interdependently. The White Paper on Local Government (1998, 50 – 51) envisages that a system of intergovernmental relations has the following strategic aims:

- To promote and facilitate co-operative decision-making;
- To co-ordinate and align priorities, budgets, policies and activities across inter-related functions and sectors;
- To ensure the smooth flow on information within government, and between government and communities, with a view to enhancing the implementation of policy and programmes; and

- The prevention and resolution of conflicts and disputes.

The Department of Provincial and Local Government (DPLG) promulgated two important Acts to regulate local government: the Municipal Systems Act and the Municipal Structures Act. The first states that municipal planning must be aligned with, and complement the development plans and strategies of other state organs to give effect to the principles of co-operative government - see Section 24(1). This Act introduced the Integrated Development Planning (IDP) for local municipalities to improve the levels of co-operative governance at local level as well as Ward Committees to create a link between local government and communities.

Luruli also adds that, the role of intergovernmental agencies has also become very important. She states that “South Africa has a diverse range of agencies in place to strengthen the arms of government in the delivery of sustainable human settlements and service delivery as a whole. These include statutory bodies such as Financial and Fiscal Commission (FFC), Auditor-General, State Tender Board, Public Protector, President’s Co-ordinating Council, Interdepartmental forums, Intergovernmental forums, South African Local Government Association (SALGA), National Council of Provinces (NCOP), Ministerial Forums (MINMECS) and other agencies that can contribute to better service delivery.” SALGA’s main role is the effective representation of local government in the legislative processes of all spheres of government and other intergovernmental forums. Therefore it needs to show leadership and help resolve issues of delivering sustainable human settlements. Different levels of government need to take joint responsibility and act together in responding to the crises of service delivery.

Luruli lastly states that “ultimately what is needed is the fast-tracking of service delivery, promoting job creation, increasing effective public participation and increasing local economic development. Ultimately the success or failure of inter-government relations

depends mostly on how much the actors involved in the process are committed to human development by performing their duties with diligence.”

The new Zuma administration has created a new national planning ministry and performance monitoring and evaluation ministry under Trevor Manuel and Collins Chabane respectively. Hopefully the two will be effective in the discharge of their responsibilities.

7.7 Sustainable Building Materials

Patrick Lemmans of Anglo Platinum added that in order to deliver housing that is sustainable, building material should be sourced and used according to its environmental impact to nature and its requirements of energy to produce it. There is a lot of material that can be used from the natural environment but is renewable, e.g. timber, soil and certain types of stone. He recommended that this type of material should be considered first before resorting to non replaceable materials. Clay bricks and cement blocks that are commonly used and popular to communities but can be used in a sparing way since they are non renewable materials. Moreover, Lemmans adds that, Poor thermal design is a contributing factor to spiky electricity demand. Insulation offers resistance to heat and cold from outside and prevents loss of heat in winter and gain of heat during summer. The most important aspects to be considered for insulation without compromise are the roofs by installing in a ceiling and insulation in the walls and by creating cavities or stuffing walls with recommended insulating materials. Elements that insulating materials have are the reflective and resistive types.

Properties of the reflective materials would include; high reflectance of light, low absorptions, low emitting of heat and preventing heat loss or gain. And properties of resistive materials would include; retarding heat flow through a building member, great mass prevention of air movement and low density. Lastly urban greening and vegetation

need to be considered in the development of sustainable human settlements. Breaking New Ground fails in practice because the aspect of greening and vegetation is still a missing element in most of the housing project. Lemmans Stated that “Vegetation is always recommended in neighbourhood space. It is this element that mainly contributes to a pleasant outdoor environment. Deciduous trees and common spaces provide protection from natural sunrays and heat during summer while providing for penetration of sunrays to the desired destination during the winter period. Well planted and kept green areas provide for safer children play areas and lovely aesthetic of communities. A link can also be created for communities to get involved in community gardens, which could be a source of supplementing or subsidizing domestic vegetable food.”

At a workshop organised by the National Department of Housing on 11 October 2007 in Bisho which provided a platform for about 30 representatives from government and civil society from the Eastern Cape, Northern Cape and Free State to participate in a review of the People’s Housing Process (PHP). This was a process aimed at getting communities involved as part of the processes of delivering sustainable human settlements,

All parties agreed that the existing PHP was not achieving what it set out to do, namely to support people in housing themselves. The National Department of Housing introduced its new thinking on a shift from PHP to a Community Driven Housing Initiative (CODHI) programme, which was supported by all parties present. CODHI is where the community members decide what type of houses they want and how they plan to build these houses; as well as providing some form of community contribution to the process, such as labour (not necessarily free), savings, material, land, community projects, etc. CODHI is a distinct subsidy type, with its own dedicated CODHI subsidy. An additional subsidy for capacity building of community-based organisations would also be added thereby empowering communities to take their own initiatives to house themselves, with support from government. The new subsidy would be flexible in how it can be used (e.g. to build lower and higher density houses, and using local builders or self-help

construction methods); and would encourage partnership arrangements between government, communities, the private sector and different role players. The government thus recognises the crucial role NGOs will have to play in supporting community-based organisations in CODHI.

Effective monitoring remains a crucial requirement to ensuring efficient housing delivery especially in light of the Breaking New Grounds (BNG) policy which is intended to accelerate housing delivery. Comprehensive Sustainable Settlements entail sound housing delivery to the homeless, reducing the number of homeless, meeting specific targets within given time frames and ensuring ongoing eradication of informal settlements.

The BNG approach is meant to provide homes as opposed to mere houses. In this context homes are defined as decent habitations that link and connect with general infrastructure, like roads, schools, places of work and markets, and comprise a system that enables accessibility and interconnectivity. Houses merely depict superstructures of four walls that can indeed be another shack, but made of bricks, isolated from a proper system. Housing is not about the provision of a house alone, but about careful consideration of public, semi-private and private spaces, landscaping, cost saving, community involvement, social and human capital formation and livelihood considerations. One of the major objectives of our democratic government was to rapidly provide the marginalised communities with decent houses, but the race for delivering decent houses has highly compromised quality excellence and effective eradication of shacks.

Patrick Lemmans further stated that, “access to adequate housing should guarantee people the opportunity to live in security, peace and dignity. It involves more than the right to access to a house but also includes certain interdependent and interrelated human rights issues. Sustainable housing is measured by factors such as legal security of tenure,

the availability of services, materials, facilities and infrastructure, as well as affordability, habitability, accessibility, location and cultural adequacy.”

South Africa’s housing policy is not consistent with the concept of sustainable housing. The South African Government invested R27, 6 billion in housing delivery between 1994 and 2004. More than 1, 6 million houses were delivered, which affected the lives of approximately 6, 5 million people. Despite this, the urban housing backlog increased from 1, 5 million units in 1994 to 2, 4 million in 2004. Moreover, many of the ‘houses’ that were delivered were of very poor quality.

7.8 Quality Control and Monitoring

Dombolo Masilela of the Social Housing Tribunal added that, poor quality, among other defects, is a result of poor workmanship, particularly from amateur contractors who lack the relevant experience. Masilela stated that “Pre-handover evaluation of houses needs to be thorough so that a house of poor quality is never handed over to the new owner. Rather, the contractor or builder must produce houses that meet all the building regulations and standards. Quality control is key to ensuring the maintenance of decent housing standards.”

For example, in the Eastern Cape alone, the National Minister for Human Settlements, Tokyo Sexwale discovered during his fact-finding mission that about 20 000 low cost houses across the province were in a terrible condition and needed to be repaired. In some areas of the province, communities have deserted formal housing settlements, because houses were so poorly built that they could not be occupied any longer. The Daily Dispatch, a local newspaper, reported that the number of homes that need be repaired is almost equal to the total number of homes built in the 2006/2007 financial year. Bhisho is spending R360 million to fix nearly 20 000 broken homes in the province while the poor

live in flimsy cardboard units and ghost towns emerge from the ruins of disastrous housing projects.

In Grahamstown, a low-cost housing project recently handed over 1000 houses to beneficiaries. However, many of the houses posed real safety risks, like loose bricks over the doorways. Some even had walls that swayed in a slight breeze. Cracking walls and leaking roofs were also reported after the handover to the new owners. Unfortunately, this is not the only housing project to be in such a poor state. All over South Africa housing projects have become the subject of scathing news reports. It is also important to note that those housing projects need to be built within stringent time frames determined by strict budgetary plans. If time frames are overlooked, the cost of delivering each house escalates. Inflation increases the prices of building material and equipment, and labour costs are also inflated.

Furthermore, any close monitoring of the budget indicates how available money can be put to use and reflects priority areas. It is gross negligence of duty for any public officials to return the housing budget unspent. As a result of poor monitoring of the budget, provincial authorities around the country have failed to use their entire allocated housing budgets and returned it to the treasury at the end of the preceding financial year.

Masilela also stated that, “the right to adequate housing should ideally result in progressive phasing out of shacks. Fundamentally, when a house replaces a shack, the latter should be demolished. This can only be achieved through effective monitoring of the handover process. As beneficiaries receive their keys, their shacks should be demolished.”

The presumption here, is that “the house that is being handed over is spacious enough to accommodate the household in question. For many years the government has handed houses over to beneficiaries who simply receive the keys and then immediately return to

their shacks, never to evacuate them. Beneficiaries rent the new houses to other people and then sell them after eight years of ownership. Some of these beneficiaries even try to benefit a second time from the subsidy. Sometimes, beneficiaries receive the new house, but sell their old shack. This tends to perpetuate the existence of shacks. However, in the process more people have access to housing.”

The government has made a decent attempt at delivering houses for the poor but the process is still steeped in serious challenges and some relate to corrupt activities perpetrated by both its agents and private contractors. This undermines the impact of the entire housing campaign. Former Minister of Housing, Lindiwe Sisulu once pointed out (2008) that, “we have been very concerned about the incidence of the sale of our houses. Our laws prohibit this, but the practice goes on.”

Huge sums of money have been wasted by officials due to negligence and outright corruption. Thus in order to build sustainable settlements in a cost efficient manner, the Department of Human Settlement needs to exercise a tight fist to ensure that every step of housing delivery is well monitored. However, the process of ensuring that every step of housing delivery is well monitored could result in the delays in the delivery of houses. It is regrettable that what former Minister of Housing, Ms Sankie Mthembi-Mahanyele said in her Budget Speech for Housing in 2001 has not been realised to the fullest in practice. In her speech, she said, “As we look forward to the ongoing challenge of housing the nation, we have renewed our commitment to providing housing at scale whilst focusing more on qualitative aspects of housing delivery compared to the previous term of Government. Our engagements in the international arena aim to broaden our influence and sharing of best practices in policy and programme implementation.”

Following a very broad view of human settlements and the factors that contribute to their sustainability, in this research report, the Breaking New Ground Housing Programme was discussed as a central policy to the development of sustainable development and

sustainable human settlements, against the shortcoming of the 1994 national housing policy. The theoretical and interview findings in both chapters 6 and 7 illustrate that democratic South Africa presented a housing policy that was to a large extent optimistic in term of the delivery of the number of houses. One of the key responsibilities of the national government has been to provide for the basic needs of society and to do so in a manner that is affordable to both the state and the beneficiary.

With huge backlogs in housing and services, the government has focused on meeting quantitative targets, and municipalities have been coerced into meeting these targets at the expense of quality and long-term planning. The result has been new settlements of variable quality and durability. While a vast number of people have been provided with shelter and secure tenure, the resultant settlements lack the social and economic infrastructure that creates liveable settlements. At this point it is quite clear that the main pressure on government now is to improve the quality of delivery, while meeting the quantitative targets that have been set in an affordable manner. It is clear that BNG is fraught with challenges and constraints in its attempts to align policy with practice.

Creating sustainable human settlements in South Africa takes place in an environment fraught with tensions between seemingly incompatible viewpoints, for example, one interviewee says that the development of sustainable human settlements can be achieved through the upgrading of informal settlements while another says there needs to be an improvement in intergovernmental relations. Both Mr Makwela and Mr Moyo call for the involvement of the private sector for the development of sustainable human settlements. However, it is important to understand that involving the informal sector in the housing process has the potential to undermine the monitoring process of housing projects for which Alfred Moyo states could be a solution to the development of sustainable human settlements. The challenge here is to find the golden mean, or the optimum solution for each case that will cause the least harm and the maximum benefit.

Mr Alfred Moyo of the Makause Informal Settlement states the process of upgrading informal settlements has been slow to take off and for this reason, land owned by absentee landlords, land held by the buffer zones of apartheid city planning and small pockets of vacant land in the middle and high income residential land should be targeted for low-cost housing. In other words, informal settlers will decide where to reside. However, it is important to note that this may present issues of crowding and may turn the city into an urban slum. He also stated that, if a house is to serve as a source of poverty alleviation and sustainability as a whole, then the informal sector has to be formalized as very little wage employment is being created in South Africa, especially relative to need. An acceptance of this status quo (the need for wage employment) points to the need to strengthen the informal sector by formalizing it and by creating new and better opportunities for the poor to participate and removing the myriad obstacles under which this sector operates. However it is important to note that if the informal sector is formalized, it would lose its ability to create jobs and it would not be informal any longer.

Shumani Luruli stated that, protests in local municipalities around the country have given rise to the question about the role of local government and inter-governmental relations in the delivery of sustainable human settlements. However local government has only certain powers and functions and that is why most of the complaints about service delivery have been taken to other spheres of government such as the provincial and national governments who also play a role in service delivery. However it is important to note that not only is the local government incapacitated, but the delays in service delivery have also been a result of corruption and lack of responsiveness on the part of local government.

Over and above this, BNG is not doing anything different from the 1994 national housing policy. It is important to note that statements of policy can only be put into practice if they are translated into measures such as laws, regulation and projects that facilitate implementation and have in place a monitoring system

Chapter 8: Recommendations Based on Lessons Learned and Conclusion

8.1. Recommendations Based on Lessons Learned

The National Housing Policy and the Breaking New Ground Housing Policy provide an understanding of sustainable development and sustainable human settlements in principle. However despite this encouraging trend both these policies have been weak in practice and implementation as a whole. Thus it is important for terminology to be used carefully in future policies, especially in relation to implementation and how the policy's principles would be applied in practice. It is of little use to identify integration and densification as principles in the Breaking New Ground Housing Programme without accompanying these principles with practical ways to actually manifest them in human settlements. The same applies for the terms “sustainable development” and “sustainability”, which are often used interchangeably or in relation to other concepts, without considering the practical implications. It should also be recognised that principles cannot be presented in a blanket way, but need to be adaptable to local conditions. There is a need to properly define the roles and responsibilities of different municipal structures in terms of exactly what is required from each type of local council to adequately deliver sustainable human settlements. It is also important to ensure correlation between policy documents which are often based on normative principles and legislation and local regulations (practical mechanisms to guide implementation and enforce specific outcomes).

The Breaking New Ground Housing Policy has had very high standard in principle and can be compared to the best in the world. However it has been written without properly thinking through how that policy can be implemented and what the implications on the ground will be. There is an apparent inability to sufficiently develop methods and mechanisms of implementation that will be implementable and readily understood by all

the implementing agents. Both BNG and the National Housing Policy increasingly highlight government's tendency to pull back and play an enabling role, rather than provide houses and services directly. The result is greater pressure on NGOs and communities to take responsibility for delivery, or to privatise service and housing delivery. If South Africa is to attain its sustainable development and sustainable housing development goals, it needs solutions that bring in all sectors. One of the most important lessons that one can learn about development is that partnership among the public and private sector and civil society is essential. Water, sanitation and human settlements lend themselves to many creative forms of partnerships. However it is important to note that communal action cannot and should not substitute for effective public policy. The South African National Government should always take the lead in achieving the commitments that they have pledged to undertake. Success in this endeavour depends in great measure on the extent to which government as a lead actor in partnership with the public and private sector and civil society become agents that prioritise the needs of the poorest and most vulnerable.

As mentioned in previous chapters, the sustainability of housing projects is limited to only a few housing projects in South Africa. However with the rest, quantitative targets have been set for housing delivery, without accompanying targets for the environmental performance of new housing products. It is therefore doubtful whether the housing delivered by the City of Johannesburg will live up to its vision of sustainable housing except in a few showcase projects. The Question then arises that if a relatively wealthy, sophisticated, well-resourced city like Johannesburg does not fully understand and lacks the will and capacity to tackle what is required to change to a sustainable development paradigm, and translate this into policy that will have a sustainable human settlement as an outcome, what chance do the poorer municipalities have? Another cause for the mismatch between policy and implementation is the fact that many local authority officials are simply not aware of (a) what is required of them, and (b) the options

available. Where policy does exist, there are few supportive regulatory measures and little coordination between national policy and local authority regulations.

In a country with limited natural and financial resources, those resources have to be very carefully allocated. This means that decisions regarding levels of service delivery have to be made within the context of what is ecologically and financially possible, rather than according to unrealistic expectations, short-term economic growth needs, or political expediency. In this case, there is a need for greater awareness amongst political office bearers on the implications and impacts of different service options. This would address the issue of unrealistic policy formulations and political promises leading to high public expectations which set up a series of tensions in trying to attain more sustainable human settlements.

As previously stated, The Breaking New Ground Housing Policy does in principle support sustainable human settlements and sustainable development. But there is a gap between the envisioned outcome of the policy and what actually happens to the ground. At this point there needs to be a Human Settlements Policy that is intergraded at both local and national levels with coordination between at least all the sectors of housing, transport, public works, energy, education, health, environment, and safety and security. There needs to be funding mechanisms that allow settlements to be developed holistically. This means funding that provides for the involvement of professionals such as urban designers and architects; a diversity of housing types, densities and tenures; and the development of social and enabling infrastructure, public open spaces and economic opportunities at the same time as the development of housing. A streamlined and integrated funding and implementation process with a balance between satisfying political imperatives and implementing environmentally responsible technical decisions is necessary for a sustainable housing policy. The development of sustainable human settlements needs to be tackled from a top down approach (national-provincial). But this top down approach needs be different, in the sense that it needs to operate in such a way

that decisions are made on the basis of local level recommendations and requirements and national government should provide sufficient resources for that. This process may require that government take back some of the responsibility it ceded to the private sector and that national government follows an integrated planning process for human settlements that promotes both vertical and horizontal integration.

In order to ensure the sustainability of human settlements, the government needs to get the numbers right. What is meant by this is that the development of human settlements has long-term implications, thus it is impossible to plan for the needs of the next twenty or even ten years without more accurate data from which trends like urbanisation rates and infrastructure needs can be determined. There is also very little data available on the success of infrastructure projects, for instance, how many people are still benefiting from water projects two years after project completion? Being connected to a service is not the same as actually being able to benefit from it and this difference is often not measured. It is therefore crucial that government creates a regular and effective monitoring system of its infrastructure projects and their ability to continue delivering the service and positive socio-economic impacts for which they were designed. Critical data about the prevalence and impacts of HIV/Aids are also crucial if sound planning is to improve sustainability of housing projects.

Furthermore it is necessary that government nurture the spirit of innovation as shown by the people of South Africa through various programmes such as PHP. Creating sustainable settlements often demands simple solutions that address many issues simultaneously. Government should nurture programmes that help communities to develop their own sustainable solutions to local problems. However, this requires an open and transparent process, as well as open minds on the part of the community, their political leaders, the technocrats within the municipal system, and design professionals.

The last recommendation is that, at national and provincial level, roles and responsibilities need to be as clear as possible, information needs to be widely available to people. Decision-makers and communities should be given the tools to understand the requirements of sustainable development and to use these as the main guidelines for planning and implementation. Local level interventions aimed at the creation of more sustainable settlements should follow a strategic but connected approach. Interventions have to be strategic in that the focus is on the priority needs of the community, as identified by themselves, and how these needs can be optimally addressed with the limited resources available to local government. However, these interventions will not contribute to sustainability if cognisance is not taken of the project's relationship to the wider network of needs (including the needs of marginalized groups), its place in the broader planning context, its linkages to existing infrastructure, its acceptability by the prevailing culture, its affordability for both the local authority and the beneficiary, and its impact on the local and global environment. Ultimately settlements will only be sustainable once the values of sustainability have become the basis from which the majority of decisions on the creation and management of settlements are made.

8.2. Conclusion

In conclusion, it is clear that housing and housing provision has become a highly contentious, emotive and political issue. Upon investigating the issues surrounding housing, one can learn that housing is more than just shelter and the type of subsidies operating in a housing situation is a crucial consideration. In relation to the principal tenets of sustainable development and sustainable housing, it has become clear that the physical aspects of housing also need to be considered. Housing refers to more than the tangible house structure and includes the infrastructure and services that supply the house. These include the nature of the water, sanitation, energy and access roads etc. In addition, the neighbourhood in which the house is situated is significant. The living experience of a residential environment is dependent upon the availability and

accessibility of facilities and amenities (such as schools, clinics, police stations, sporting facilities, etc.) in urban settings. One can learn that the connection between housing and income generation is also crucial. The South African government has not been able to supply a sufficient subsidy to cover the costs of providing a formal complete house to every South African family in need. However the reality is that not everyone will be able to own a house. Location has usually been emphasized in this research report – the location of housing in relation to services and facilities in an urban area, such as hospitals, tertiary institutions and art facilities, and crucially, the location of work opportunities is very important in the development of sustainable human settlements and sustainable development. In this regard, travel and transport are also vital – how convenient, safe and affordable are the means of moving from home to work or to other facilities. The diminishing role of formal jobs in the lives of the poor has been acknowledged and more emphasis has been placed on the escalating importance of a range of income generation and survival strategies, and the linkage between these and the home environment. In this sense, the house should be an asset to the occupier – either a financial asset with an exchange value, or an asset with a user value, or preferably both.

Sustainable development indicator sets have become very important to housing projects in post-apartheid South Africa. Housing plays an important role in sustainable development and quality of life as a whole because the notion of sustainable development is usually linked to concepts such as those that determine quality of life, well-being and livability. Housing in this sense is an essential component of both quality of life and sustainable development. This is because the quality of individual's life also depends on various aspects of location such as residing in a clean secure area with access to clean water. The condition of the house also plays an essential part of the quality of life, through structural and design elements such as damp-proofing, sound-proofing, and energy efficiency. Various aspects of location, construction, design, maintenance and use of housing can have significant negative effects on the environment. Housing is one of the most important public policies affecting urban development and as such has a

significant potential to contribute to sustainability because various aspect of housing construction and design can have an impact on the environment because the location, construction, design and maintenance use of housing can have significant negative effects on the environment.

In an effort to address some of the sustainability issues of housing projects, the South African national government introduced the Breaking New Ground Housing Programme. The key expectations of BNG were to redirect and enhance existing mechanisms to move towards a more responsive and effective delivery and to promote the achievement of a non-racial, integrated society through the development of sustainable housing settlements and quality housing. After a board analysis of BNG it became clear that BNG meets the principal tenets of sustainable development and sustainable housing only in principle. However, this programme fails in practice because amongst other things, access to well located land and integration still remain the fundamental challenge confronting the objectives of sustainable human settlements development. Housing affordability still remains a key hurdle preventing large scale delivery of housing in South Africa. In most housing projects, starter houses have remained as they were for more than five years. To date no work on upgrading informal settlements has taken place. Despite its stated objectives, BNG has not fully addressed the key weaknesses with the previous policy as identified in the department's research process, nor does it offer a clear direction on the difficult political issues of land ownership, the land market and rights around property values

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