EVALUATION OF BAD BUILDING PROGRAMME: THE CASE OF JOHANNESBURG HOUSING COMPANY

Mots'eoa Evelyn Koali-740546

A research report submitted to the Faculty of Engineering and the Built Environment, University of the Witwatersrand, Johannesburg, in partial fulfilment of the requirements for the degree of Master of Science in Development Planning.

Johannesburg, 2017

DECLARATION

I declare that this research report is my own unaided work. It is being submitted to the Master of Science in Development Planning to the University of Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination to any other University.

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ABSTRACT

Affordable housing is a major challenge for the low-income households living in the city of Johannesburg. Many jobs are in the city while most of decent and affordable housing is at the city periphery. This creates a disadvantage as low income housing is located far from the area of concentrated commercial and employment opportunities. This group of citizens incur high transport costs to access these opportunities despite being in lower income bracket. Housing for households earning R3 500 per month and below in the inner city of Johannesburg is very limited yet the demand is very high. This forces these households to live in bad buildings as there is limited alternative to formal and decent accommodation available for them.

The Bad Buildings Programme (BBP) was one of the interventions that City of Johannesburg (COJ) developed to address bad buildings in the inner city (1999-2007). BBP aimed to address housing needs for the households earning R3 500 per month and below. The intention was to ensure that bad buildings become viable and productive economic assets. The research aims to determine whether the BBP has met its strategic requirement of providing decent and affordable housing to low-income households living in the inner city. The data was collected from group of policy makers and officials[1] who participated in the BBP who worked in BBP through face to face interviews. The findings show that BBP did not alleviate low income housing in the inner city of Johannesburg. This research concludes that BBP did not fulfil its objective of improving the quality of life of low income inner city residents.

[1] Officials from the City of Johannesburg and Inner City Property Scheme officials, Former Executive Director of the Central Johannesburg Partnership (CJP) and also independent researchers

ACKNOWLEDGEMENTS

I would like to thank God for the strength and ability to carry out and complete this research. I would like to thank my supervisor, Prof Aly Karam for his guidance throughout this research. I am grateful to my family and friends for their love, support and encouragement throughout this research route.

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ACRONYMS

ANC	African National Congress
BBP	Bad Buildings Programme
BNG	Breaking New Ground
CIDs	City Improvement Districts
CHS	Consolidation Housing Subsidy
CJP	Central Johannesburg Partnership
COJ	City of Johannesburg/City of Johannesburg Metropolitan Municipality
CRU	Community Residential Unit
DBS	Discount Benefit Scheme
ICPS	Inner City Property Scheme
IHS	Institutional Housing Subsidy
NHSS	National Housing Subsidy Scheme
NRHS	National Rental Housing Strategy
PHP	People’s Housing Process
RAS	Relocation Assistance Subsidy
RDP	Reconstruction and Development Programme
SA	South Africa

1. INTRODUCTION

1.1 Background to the study

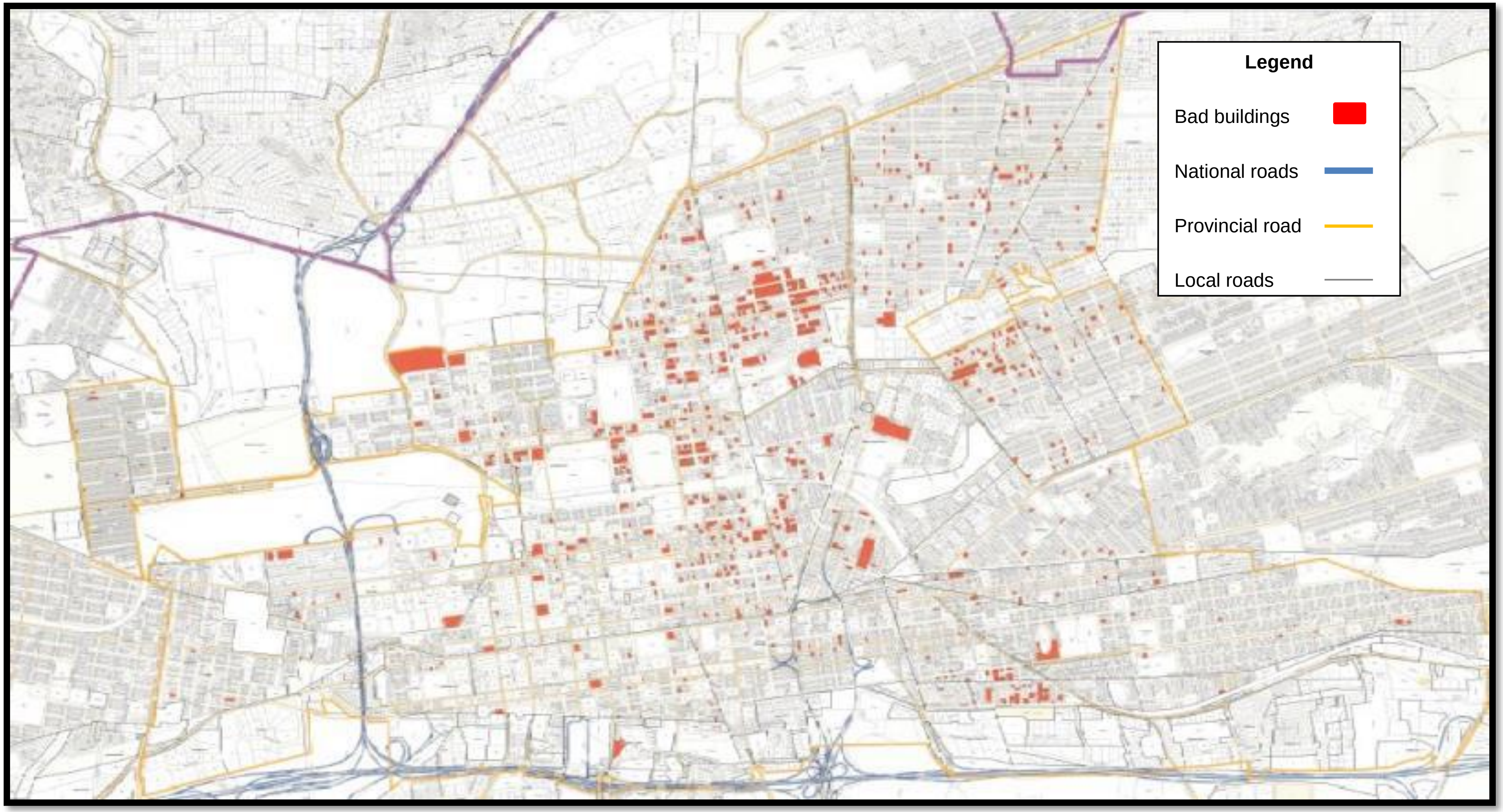
The Government of the Republic of South Africa (RSA, hereinafter SA) provides housing in order to address housing backlog for low income households[2] in the country. Most housing assistance in SA is targeted at people earning less than R3 500 per month (SERI, 2013). There are various affordable housing programmes and opportunities that respond to the low income housing needs. Besides all the government housing initiatives, there is still large unmet demand of adequate housing for low income people in the country (Department of Human Settlements, 2015).

Affordable housing is a major challenge for low-income households and the situation is no different for people living in the inner city of Johannesburg (COHRE, 2005). There is large unmet demand of affordable housing for the low income households (*ibid.*). Due to limited housing alternatives for low-income citizens and poor migrants living in the inner city of Johannesburg, these city dwellers tend to find shelter in overcrowded flats and in deteriorated buildings or what we will call in these research, bad buildings (Tissington, 2014).

The bad buildings were once good buildings and had a good occupancy and management. Figure 1-1 shows the location of bad buildings in the inner city. Some of the owners have passed on, left the buildings in the family trust, disappeared or lost the ability to manage and collect rent from the buildings and decided to abandon the buildings (Steyn, 2015).

[2]In this research report, low income households refers to households earning R0-R3500 per month

Figure 1-1: Map of Inner City showing Bad Buildings



Source: City of Johannesburg

As a result, once good buildings have become neglected, dysfunctional, owe the city property rates and failed to meet the legislation and by-laws (Zack *et al.,* 2009). There are different categories of bad buildings. Zack *et al.* (2009:54/55) categorise bad buildings as:

- *"Slum-lorded buildings*
- *Buildings with absentee landlords*
- *Buildings with small-scale Landlords*
- *Speculated and vacant buildings*
- *Hijacked buildings and buildings hosting fraudulent practices*
- *Public sector owned buildings*
- *Sectional title buildings*
- *Buildings that are vulnerable to degeneration"*

There is no credible data of the number of bad buildings in the city. The number of bad buildings ranges from 122 (ICPS) to 235 (COHRE, 2005). Additionally, according 2011 report by Médecins Sans Frontières (MSF), the city identified 1 305 slum buildings (SERI 2013). The MSF report states that these slum buildings house more than 250 000 people, and 82 of the buildings house 50 000 to 60 000 people with overcrowded and appalling living conditions. As a result, the City of Johannesburg Metropolitan Municipality (hereinafter referred to as COJ) developed a Bad Building Programme (BBP) with the aim to refurbish the abandoned, dilapidated and illegally occupied buildings.

The study, evaluates the BBP. The aim is to assess whether BBP has responded to the housing needs of low-income households living in the inner city of Johannesburg. The chapter provides the background of BBP, problem statement, main research question and sub-questions. Lastly the chapter provides outline of the structure of this research.

1.2 Bad Building Programme

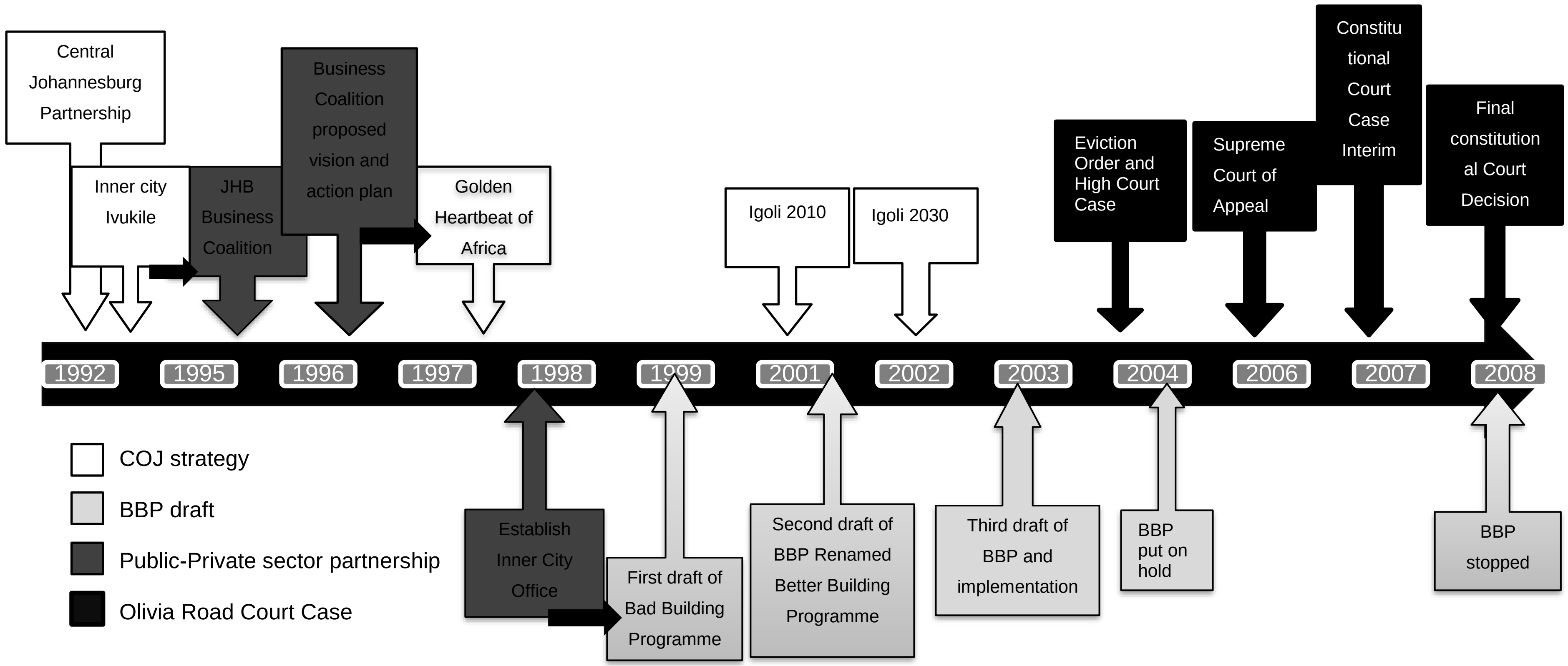
In 1999, the council of COJ approved Bad Building Programme (BBP) as part of Inner City Regeneration Scheme which specifically aimed to address the issue of bad buildings in the inner city and low income housing (COJ 2010). Several organisations (table 1-1) engaged together to come up with the policy on how to revive the inner city (Rubin, 2015). The main aim was to create Johannesburg as a “World Class African City” by addressing urban decay thus creating neat and order in the inner city. BBP initially started as Bad Building Programme in 1999 and was later changed to Better Buildings Programme in 2001 and then transferred to Inner City Property Scheme (ICPS) in 2007 (Figure 1-2). This study looks at the BBP from 1999 to 2007 with an aim to find out how many buildings were successfully refurbished thus provide affordable housing for low income households living in the inner city of Johannesburg.

Table 1-1: Organisations involved in BBP

Government
City of Johannesburg Gauteng Provincial Government Greater Johannesburg Metropolitan Council Inner City Housing Upgrade Trust Johannesburg Development Agency Johannesburg Property Company Johannesburg Transitional Metropolitan Council
Joint Project: Private and Public Sector
Central Johannesburg Partnership Inner City Office Housing Finance Resource Programme
Private Sector
Affordable Housing Company Johannesburg Afrikaanse Sakekamer Johannesburg Chamber of Commerce and Industry South African Property Owners’ Association
Civil Society/NGO
Centre for applied Legal Studies Johannesburg Inner City Community Forum

Source: Rubin (2015: 214)

Figure 1-2: Timeline of development and demise of Bad/Better Building Programme



Source: Rubin (2015: 218)

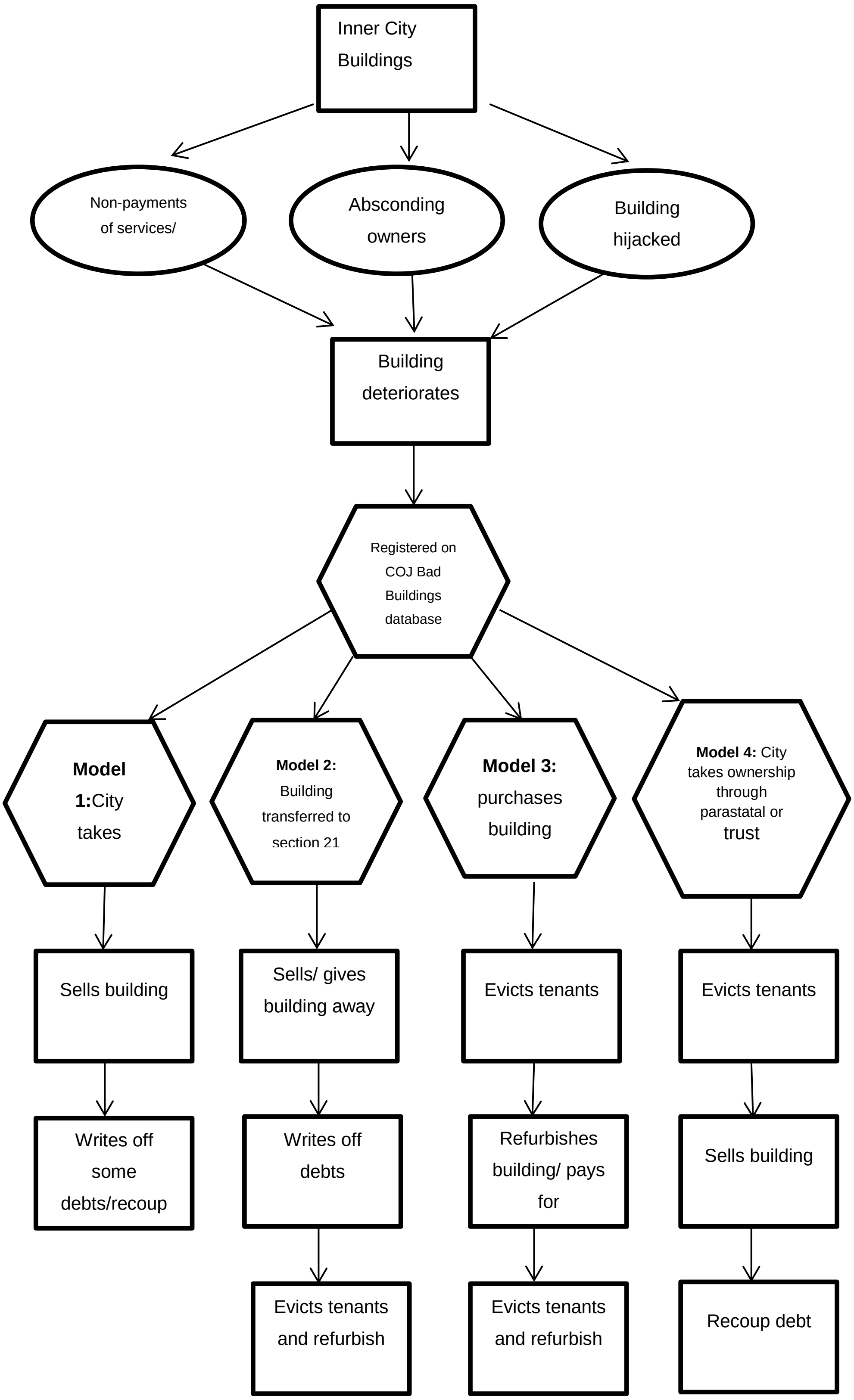
NB: The study looks at BBP from 1999 to 2007

The objectives of the BBP were to facilitate urban regeneration, recover the debt from rates, taxes and services, improve the quality of low income city residents who live in bad buildings and provide adequate, decent and affordable housing to low income households in the inner city (COJ, 2010). SERI (2013) views BBP as a strategy for COJ to address low income housing needs. However, Rubin (2015) stipulates that the main driving forces of BBP were to create the functional property market and to remove poor bad building residents from unsafe and unhygienic living environment.

Figure 1-3 summarises different models that were used in BBP. COJ (2010) explains that their plan was to identify dilapidated buildings which their rates and services owed to the city exceed the value of the building (figure 1-3, model 1). The City thought it would own the buildings but this was against the legislation such as Municipal Finance Management Act (Rubin, 2015). The City sold the buildings to private developers aiming to recoup some of the debts.

The city acquired (expropriated) bad buildings and either gave them away or sold them at discounted prices to not-for-profit companies with an aim to recover debts while also turning bad buildings into viable business entities (figure 1-3, model 2). The programme focused on identifying non-profit organisations to upgrade and refurbish bad buildings. The idea of the BBP was to sell these buildings to housing developers, who will then renovate and refurbish them and rent them out possibly for low cost housing. The aim was to manage and maintain the residential buildings occupied by the poor households into more secure and well managed residential units (COHRE, 2005).

Figure 1-3: Systematic diagram of different models of BBP



Source: Rubin (2015: 221)

In 2001, the City committed R50 million into the BBP targeting to expropriate bad buildings and then carry out the refurbishment of the buildings (Rubin, 2015). Then the City would sell the renovated buildings at the market value price (figure 1-3, model 3). In 2001, BBP was moved to Johannesburg Property Company (JPC) and then renamed Better Building Programme (figure 1-3, model 4) (*ibid.*). According to Rubin (2015) 150 bad buildings were identified and included in the BBP and it is estimated that 12 buildings were successfully refurbished and renovated. BBP moved from one department[3] from another because it was in conflict with various departmental objectives and was finally transferred to Inner City Property Scheme (ICPS) in 2007 (COJ, 2010).

1.3 Problem statement

The City of Johannesburg is the largest city in SA and a major economic hub of Africa (COJ, 2007). As a result, the city attracts migrants from other provinces, Africa as well as the rest of the world (*ibid*.). According to Planact/CUBES (2007) Johannesburg has many poor migrants who come to the city for better living and economic opportunities than their respective places of origin. This population increase in the city increases the demand for jobs and services such as housing among others.

Due to scarce job opportunities and limited affordable and decent housing for low income inner city residents, some of these migrants find it difficult to access formal employment and housing and as a result seek their livelihoods in the informal economy. As a result they enter into informal economy and live in bad buildings which are overcrowded and dilapidated (Planact/CUBES, 2007).This is because income in the informal economy is not sufficient hence they seek shelter in the cheap accommodation close to where they work, hence they live in the inner city buildings which

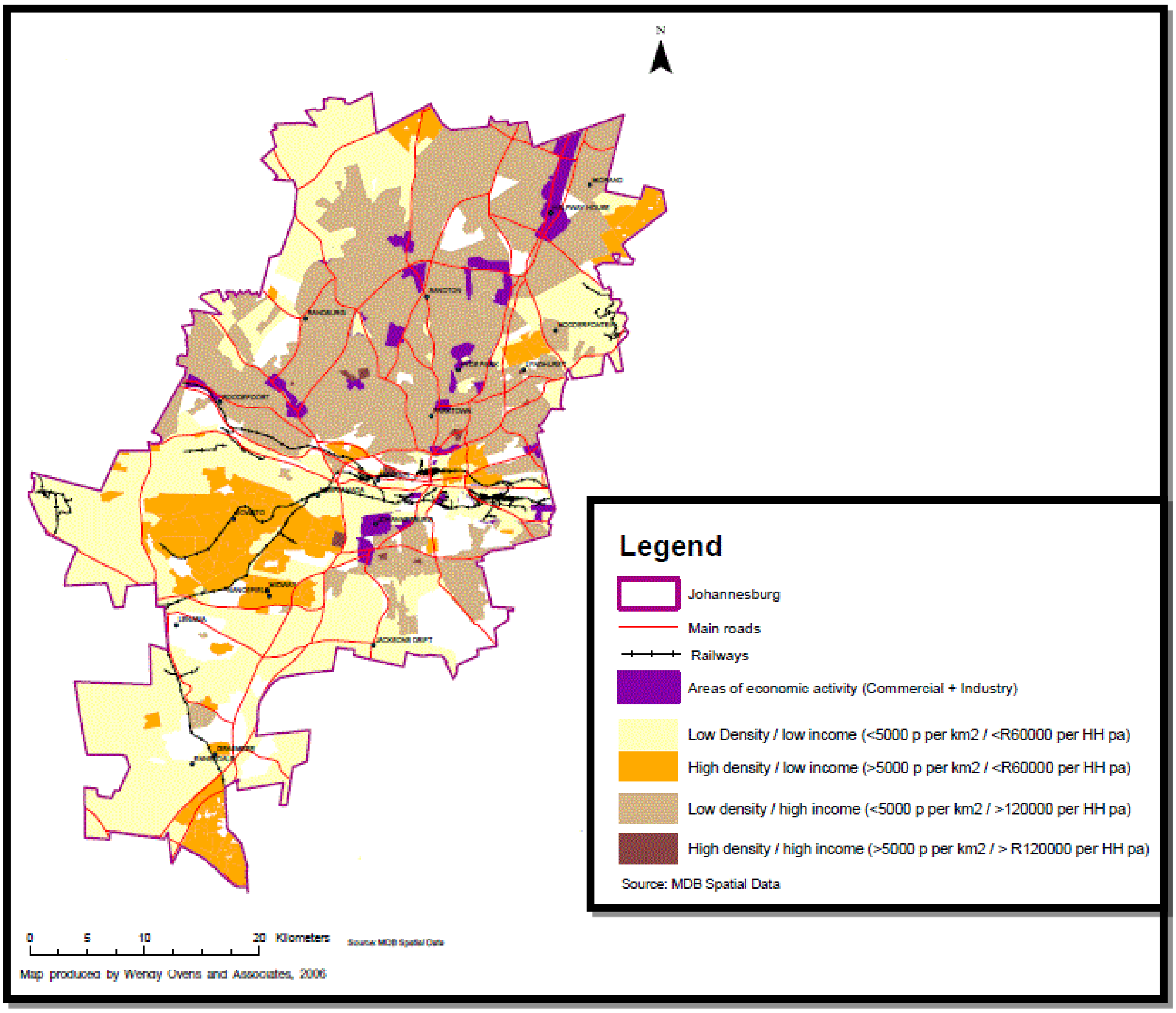
[3]In early 2000s, BBP was in the City's housing department and was stagnant. In mid-2000 it transferred to JPC (Rubin, 2015).

in most cases are bad buildings. Bad buildings offer affordable accommodation ranging from R100 to R1400 per month (Tissington, 2014).

Reviewing the location of Income Groups on a map of Johannesburg reveals that low income groups are mostly located at the city periphery, far from the major economic activities (figure 4-1). First National Bank property barometer reports that about 47 per cent of the affordable housing is located in black townships which are at the city periphery (Department of Human Settlements, 2015) while many jobs are in the city. This creates a disadvantage as low income housing is located far from the area of concentrated commercial activities and also employment opportunities. In order to access these opportunities, low income group incur high transport costs despite being in lower income bracket. Social costs abound as they often lose touch with their personal, family and social connections from the city. They must endure traffic menace and spend long hours in commuting between their locations and the city.

Granted the challenges above, some of low income group find it necessary to stay close to or in the city near the opportunities. According to 2011 population census, approximately 122 000 people (almost half of the people living in the inner city) are earning less than R3 200per month. This income group can only manage to afford to pay up to R900 rent per month (Tissington, 2014). There is high demand of affordable housing in the inner city. It is estimated that about 3 000 units provide accommodation for low income households in the inner city (SERI, 2013).

Figure 1-4: Map of Location of income groups



Source: Planact and CUBES (2007)

Social housing is beyond the means of the poor households currently staying in the bad buildings (COHRE, 2005). Communal and transitional housing provide decent accommodation but they are very few and do not meet the demand (*ibid*.). Planact/ CUBES (2007) stipulates that there has been little direction and policy about housing for the poor living in the inner city.

1.4 Aim and objectives

COJ developed BBP in 1999 with the aim of improving the quality of low income city residents who live in bad buildings, recover the debt in terms of taxes and rates from outstanding buildings and to turn bad buildings into viable economic assets (COJ, 2010). Several companies have implemented the programme with the aim to provide decent and affordable housing in the inner city. The overall aim of this research is to determine whether the BBP has met its strategic requirement of providing decent and affordable housing to low-income households living in the inner city.

1.5 Main research question and sub-questions

To understand how Bad Building Programme as an affordable housing programme has performed, it is necessary to evaluate its implementation. To achieve the research objective, this research report addresses the following question: How has the Bad Building Programme performed to alleviate low-income housing in the inner city? To respond effectively to this question, the following sub-question is intended to unpack and help to realise the research question: Assess whether BBP has delivered affordable housing for low-income people living in the inner city.

1.6 Brief research methodology

The objective of this research is to determine whether the BBP has met its strategic requirement of providing decent and affordable housing to low-income households living in the inner city of Johannesburg. This objective will be implemented by collection and analysis of empirical data. The research strategy for this research is a case study. Case study research answers the questions “how and why” and this questions are exploratory and descriptive (Yin, 2009). The researcher in the case study observes the characteristics of individual units and “probe deeply and to analyse intensively the multifarious phenomenon that constitute the life cycle of the unit” (Biggam, 2008:83).

Generally, case studies are considered to be a qualitative in nature and not quantitative (Biggam, 2008). Qualitative research is a research whereby the researcher does an in-depth and explorative study with the aim to investigate and interpret the phenomenon (*ibid*.). Bell (2005) cited in Biggam (2008) explains that qualitative is concerned in understanding individuals and seek insights and not statistics. As a result, this research is qualitative.

In the process of collecting data, this research focuses on gathering qualitative data. There are many ways of collecting data, such as interviews, secondary data, observation and questionnaires. Weiss (1975) mentions that there are alternative ways of conducting interviews, such as use of records, mail/ e-mail questionnaires, telephone surveys, group interviews or participation observation. This study uses face-to-face interviews as a data collection technique. The interviews are conducted with different stakeholder who participated in the BBP.

1.7 Structure of the research

Chapter one introduces and gives the overview of the context of the study. It provides introduction, background of BBP, problem statement, overall aim and objectives of this research, the main research question and sub-questions of this study. Chapter two provides conceptual and theoretical framework for this research. It defines affordable housing, measures of affordable housing. Additionally, the chapter elaborates on how South Africa is providing affordable housing for low income households. The chapter further explains how other countries and cities are providing affordable housing for low income households in order to address the housing backlog.

Chapter three provides the overview of the study area by providing brief context of the inner city of Johannesburg. Chapter four presents the research methods adopted for this research. The chapter discusses the research strategy which is the case study. The chapter also provides techniques for data collection, framework for analysis and potential problems that this research may encounter. The chapter also highlights the limitation to this research. Chapter five presents and discusses the findings from the interviews. The final chapter, chapter six provides the conclusion and summarises the findings. The conclusion will be based on the research objectives and the main research question.

1.8 Conclusion

This chapter has provided the background of BBP, problem statement, main research question and sub-questions. The chapter has indicated that the inner city of Johannesburg has high low income population. The inner city has limited decent and affordable housing for the people earning less than R3 500 per month. Provision and accessibility of affordable housing is a major challenge in the city. The majority of the low income households are living in bad buildings. The number of policy and programmes has been developed to address the housing backlog.

2. AFFORDABLE HOUSING

2.1 Introduction

Housing is a basic need that has a profound impact on social, health and economic productivity (Anofojie *et al.*, 2013). There are growing international concerns over the housing conditions in the cities of developing countries (*ibid.*). It is estimated that in developing countries, over a billion people live in inadequate quality housing (Awake, 1988; UN – Habitat, 2006 cited in Anofojie *et al*., 2013). In its Universal Declaration of Human Rights in 1948, the United Nations (1949: 5, 6) states that "everyone has the right to a standard of living adequate for the health and well-being of himself and his family, including food, clothing, housing, medical care and necessary social services".

UN-HABITAT (2003) states that many cities in both developed and developing countries are faced with shortage of housing for the low income population. The majority of urban poor are living in unsafe sub-standard housing (*ibid.*). Provision of affordable housing is tremendous task faced by many governments (Chen *et al*., 2006). Cities are faced with the challenges of providing adequate and affordable housing for low income households. As a result, many countries like South Africa have developed policies, concepts and programmes in an attempt to tackle this challenge. Choguill (2007:145) suggests several ways in which governments can intervene to reduce housing challenges in the urban areas:

> *"First, governments can build residential units and rent them at full or subsidized rates, or give them to recipients. Second, government can take steps to lower the price of housing, making it more affordable to residents. Third, governments can improve the workings of the market to facilitate home ownership among citizens*

through steps as making mortgages and other home loans more readily available or through improvements to the access to residential land".

Due to high costs of land, high demand of housing closer to places of work and schools, and insufficient provision of affordable housing in cities, low income people find it difficult to buy or rent decent houses (Zhang and Hashim, 2011). They are forced to stay in informal settlements/slums or sub-standard housing (Ram and Needham, 2016). Zhang and Hashim (2011) point out it is the responsibility of governments to ensure a fair distribution of affordable housing in their respective countries. Quigley and Raphael (2004:208) ask the most important question "what can be done to make housing more affordable"?

The focus of this chapter is to review the literature on affordable housing for low income housing households and how governments have been responding to this challenge. The chapter first defines affordable housing and how it is measured worldwide. Then the chapter reviews international experience in providing affordable housing then reviews South African experience.

2.2 Defining affordable housing

There is no standard definition of affordable housing. Chen *et al*. (2010) point out that affordable housing is a widely used term but it is very ill-defined. The term usually encompasses the provision of low income housing and financial assistance to households that cannot afford to build or rent houses. Sengupta (2014) stipulates that affordable housing has been used synonymously with low cost housing. Urban Research Centre (2008:3) in Australia adds that affordable housing has been used synonymously with "social, public or low cost" housing. Affordable housing is interpreted as the potential of the households to balance the expenditure of its housing and non-housing costs. UN-HABITAT (2003) explains that housing is affordable when it allows members of the households to access other basic living costs such as education, food, health, transport and clothing.

Zhang and Hashim (2011:176) citing Gabriel *et al.* (2005) define affordable housing as “lower cost housing than prevailing market price to meet up with the minimum affordability requirements of low-income people”. Nguyen (2005:17) mentions that the policy makers and the academics broadly define affordable housing in relation to the “economic ability of the household to afford housing”. Affordable housing “expresses the challenge each household faces in balancing the cost of its actual or potential housing on one hand, and its non-housing expenditures on the other, within the constraints of its income” (Jewkes and Delgadillo, 2010: 48 citing Stone, 2006:151).

According to all the definitions above, the overall aim of affordable housing is to assist the low income earners to access decent housing without experiencing financial hardship (Urban Research Centre, 2008). The governments assist low income earners by providing decent and affordable housing to this income group which is mostly excluded by the private market. In this research, I will use Wiesel *et al*. (2012:13) definition of affordable housing: “housing (market or non-market provided) that is rented or purchased at a cost that is not beyond the financial capacity of a household” (not more than 30% of the household income) which is financed through loans, personal income or public/government subsidies.

2.3 Measures of affordable housing

There are different measures used for affordable housing around the world. The following section will discuss several of them before presenting my definition that I will use for this research.

2.3.1 The United States Department of Housing and Urban Development

The United States Department of Housing and Urban Development (HUD) uses the ratio approach/percentage-of-income, which has become mostly used worldwide (Jewkes and Delgadillo, 2010). This is the relationship between the household's income and housing costs[4]. The mostly used threshold ratios are 25, 30, 40 and 50 per cent. HUD explains that a household should not spend more than 30 per cent of its annual gross income on housing costs.

HUD regards households that spend more than 30 per cent of the annual gross income on housing costs as having housing cost burden. Whereas households that spend more than 50 per cent of their annual gross income on housing costs have "severe housing cost burden". Jewkes and Delgadillo (2010:46) elaborate that HUD measure is "consistent with lender ratios for qualifying for a mortgage loan" in America and other parts of the world. The HUD percentage-of-income measure of up to 30 per cent has been widely acknowledged as affordable (*ibid*.).

The advantage of this measure is that it is simple to comprehend and easy to compute (Jewkes and Delgadillo, 2010). The data needed is always readily available. However, this measure is criticised by the fact that it fails to take into consideration the cost of living variable (*ibid*.). Other households prefer to spend a larger proportion of their household income on housing than other non-housing essentials. The measure does not also control the quality of housing over a period of time. Additionally, the measure uses present income instead of permanent income. The household costs change each year, depending on the costs cut and savings made. Jewkes and Delgadillo (2010) explain that permanent income is used to project the changes in income for future purposes.

[4]Principal and interests mortgage payments, house insurance, property tax and utility costs (water, gas, electricity, sewer) (Jewkes and Delgadillo, 2010).

This research is concerned with households living in the inner city of Johannesburg that earns R3 500 per month and below. According to this measure, housing affordability is determined by the amount of the households' income that goes to housing. The mostly used threshold that is considered to be affordable is 30 per cent of the household income. 122 000 people living in the inner city earn R3 200 per month, it means that according to this measure, this income group can only afford accommodation that does not cost more than R960[5] per month.

2.3.2 Residual Income Indicator

Residual income indicator measures whether the household will be able to access non-housing essentials after deducting housing costs. A household is regarded to have housing affordability problem if after deducting housing costs, it is not able to meet desirable non-housing essentials (Chen *et al*., 2010). The advantage of this measure is that households have a preference on the percentage of their income to use on housing and non-housing essentials.

For instance, a wealthy household can spent about 80 per cent of its income on housing costs and still have superior life style (Chen *et al*., 2010). On the other hand, the poorer household can spend 10 per cent of their income on housing but still face a huge challenge in accessing non-housing essentials. For middle income households, Chen *et al*. (2010) citing Hancock (1993) refer to them as "can pay, won't pay". These families have the ability to pay for their mortgage but could be hindered by their personal preferences. This measure is important because it enables the policy makers to easily identify their targets which need housing assistance (*ibid.*).

[5]The household's income of R3 200 is multiplied by 0.3 (30 per cent) to arrive at affordable monthly income.

2.3.3 Price and Expenditure-to-income-indicator

The price and expenditure-to-income indicator means "the ratio of median/mean market price of a standardised housing unit to median/mean (either before tax or disposable) household/family income" (Chen *et al.*, 2010:884). The price-to-income indicator lies in the ability of a household to have access to mortgage based on their monthly income. Due to lack of access to mortgage, many households cannot afford to purchase a house. Also due to high costs of rent, many households cannot afford to rent decent apartments. The expenditure-to-income indicator on the other hand is used to indicate the affordability of the household after it has attained the mortgage (*ibid*.). Chen *et al*. (2010) stipulates that the expenditure-to-income indicator is mostly used to compare different housing markets geographically.

The advantage of this measure is that it is simple and straight forward (Chen *et al*., 2010). However, the critique of this measure is that is it inequitable (*ibid*.). It excludes the poorer households. This measure denies low income household to have access to mortgage due to low income. Even though this is debatable, it is believed to protect the income of poorer households so that they could have non-housing consumption after housing cost has been deducted (*ibid*.).

2.4 Conceptual framework of affordable housing

Housing encompasses concepts like safety, comfort, dignity and identity, health, social and economic wellbeing for its members. UN-HABITAT (2003) stipulates that many countries struggle to provide adequate and affordable housing to low income citizens. Nair *et al*. (2005) state that there is no country in the world that is satisfied that housing has been delivered to all income groups in the country. Developing countries have the most acute housing challenges than developed countries because according to the estimates, more than 1 billion people in developing countries are inadequately housed while 100 million are homeless (*ibid*.). Challenges in delivering affordable housing differ from country to country depending on the country's social, political and economic context.

Housing differs from households to households depending on the household's income, culture and the style of living (Nair *et al*., 2005). This will determine the design of the house the household can afford. Houses are viewed as part of identity which gives different households a status. Sustainable and affordable housing should be "focused on housing development that promotes social interaction of individuals and cultural enrichment of the community and is aimed to reduce the inequality of housing between social classes" (Nair *et al*., 2005:4430).

Financial capability of households is an important aspect of being able to meet the needs of the members of the households. Housing challenges are due to poverty and unemployment and financial assistance will not help the poor in meeting this need (Nair *et al*., 2005). However, the country should develop programmes and projects that would enable the poor to have a source of income so that they would be able to build and maintain their houses (*ibid*.). "Economic sustainability or affordability of housing should be embedded in an economic development strategy, which strengthens the economic self-reliance of household members" (*ibid*., 2005: 4430).

2.4.1 Legislation: Affordable housing

Housing legislature is an important and key instrument in achieving a fair delivery of affordable housing. The legislation has to be effective to all housing providers and those who do not abide by the law should be sanctioned or held accountable for their wrong doings. Based on the definition of affordable housing, affordable housing is meant for the low income households and as a result, should be only distributed to the eligible households. The private developers who receive any form of assistance from government to provide affordable housing and do not do so should also be held accountable. Affordable housing legislation ought to guarantee fair distribution eligible recipients of affordable housing. Zhan and Hashim (2011) state that this law should be valid and effective thus safeguard and realise the goal of affordable housing.

The affordable housing legislation in South Africa supply housing to the citizens and permanent residents. Government's affordable housing legislations include The National Housing Subsidy Scheme (NHSS)known as Reconstruction and Development Programme(RDP), People's Housing Process (PHP), Institutional Housing Subsidy (IHS), consolidation housing subsidy, Discount Benefit Scheme, the Relocation Assistance Subsidy and the National Rental Housing Strategy (NRHS) and Community Residential Unit (CRU).

The government supports household which aims to build their own houses through PHP (Department of Human settlement, 2012). The PHP enables the community to be active in the housing development thus taking ownership of the process rather than just being the recipients (Himlin, 2008).The housing institution (NGOs) assists the communities in constructing, planning and implementing their own houses (*ibid*.). The aim of the PHP is to improve the livelihood of the communities so that the community can capitalise on the social capital that has been built up (Himlin, 2008).

IHS is paid to the qualified housing institutions to provide subsidised houses either by rentals, home ownerships or rent-to-buy options (Department of Human settlements, 2012). This allows the housing beneficiaries not to pay the full purchasing price. The housing organisations[6] provide housing for the people who earn below R3 500 per

[6]Private developers, government entities or non-governmental (COHRE, 2005).

month (COHRE, 2005). The organisation gets a subsidy to construct a house and the beneficiary gets the ownership of the house after four years (*ibid.*). If the beneficiary decides to vacate the house before four years, s/he will be eligible for another housing subsidy somewhere else (*ibid*.).

Consolidation housing subsidy applies to people who were given land but could not afford to develop build their houses. These are households that earn between R1 501 and R3 500 per month. These households receive an amount of R16 851- R21 499 depending on the income bracket. Discount Benefit Scheme gives people who rented government houses an opportunity to have their own houses. The tenants get the discount of R7 500 of a selling price. This only applies to tenants who occupied the property before 1983.

The NRHS was approved in 2008 to assist low income job seekers in the urban areas who require rental accommodation (Department Human settlements, 2002). Through the NRHS the department of Human settlements has developed a number of public-private rental stocks such as Cavendish in the inner city of Johannesburg among others. Like the NRHS, the CRU aims to provide affordable rental housing. The CRU facilitates the secure and stable rentals for the households earning R800-R3 500 per month (Human settlements, 2012). The programme covers dilapidated, derelict and dysfunctional buildings among other things (*ibid*.). Emergency housing is another government programme which provides housing for people who are in the emergency situations (*ibid*.).

2.5 Residential location

This section explains why people choose different places of residence. People may choose residence due to accessibility of basic service and infrastructure, close to economic opportunities or close to places of their work or children's schools. Most poor people prefer a good location (lower transport costs, access to economic opportunities and urban services) than the quality of housing. Borck *et al*. (2007:2) add that "individuals choose their residence on the basis of a comparison of the utilities they obtain across the two regions".

People move from one place to another or stay in one place for different purposes and reasons. Many households move from one place to another in pursuit of better life opportunities. Household's decisions on choice of their places of residences are determined by the economic vitality, wages, housing affordability and trade-offs between commuting costs and their salaries (Borck *et al.,* 2007;Renkow and Hoover, 2000 cited in Greenlee and Wilson 2016).

While mobility for middle or high income households signal economic growth Greenlee and Wilson (2016) make an interesting point that for low income households, it is sometimes seen as a sign of distress (unemployment). The households' choice to stay close to their places of work is influenced by housing and transportation costs. Greenlee and Wilson (2016) note that the relationship between the two (housing and transportation costs) differentials is opposite to each other. While Yang *et al.* (2012) point out that residential location and travel mode is not independent but the demands of each consider the other.

Borck *et al.* (2007) stipulates that new and advanced innovations of commuting technologies and reduction in transport costs have made it easy for people to commute from one place to another. The United States Bureau of Labour Statistics (2007) found that the largest expenses for most households are housing and transportation costs. The cost of housing and transportation are determined by the location. Most households make the trade-offs when it comes to housing and transportation expenses. Other households prefer to spend more on housing which is located close to where they work (Jewkes and Delgadillo, 2010). While other households prefer to stay far from their places of work and spend more on transport costs and less on housing costs (*ibid*.).

For housing to be affordable, transport and housing costs combined together should not cost more than 45 per cent of the household income (Litman, 2016). Litman (2016) makes an interesting point that cheap house is not really affordable if transport costs are high. People opt to spend more on housing and stay in an accessible location that reduces the transport cost. People need transport to access work, shops, schools and health facilities. Lack of access to transport options reduces the chances of access to jobs and increases the transportation costs.

Despite the fact that affordable housing in the city of Johannesburg are on the city periphery, South African Cities Network (2012) explains that very few are well serviced by necessary infrastructure including transit stops. The South African Cities Network (2012) concludes that majority of affordable suburbs in Johannesburg have poor access to infrastructure and employment opportunities. As a result, this makes it hard for the people to have easy access to economic opportunities in the city.

2.6 Affordable housing: International review

Due to high growing urban population and poverty, African cities face the major challenges in providing housing for the poor (Croese *et al*., 2016). Many countries have developed housing policies in order to provide affordable housing (Urban Research Centre, 2008 cited in Paris, 2007). These policies are “concerned with obtaining more housing to rent or buy in parts of the market that are unaffordable to low income households, using a variety and mix of incentives and regulations” (Urban Research Centre, 2008:17). The section looks at three different affordable housing projects that were carried out at Australia.

2.6.1 Australia

Australia is an affluent country but there are citizens who cannot afford to house themselves. To respond to this challenge, the government of Australia developed a housing policy that would assist those who were excluded by the housing market. The government of Australia successfully designed, developed and financed affordable housing projects. Affordable housing in Australia is increasingly delivered by not-for-profit companies to help to address the housing backlog to low and moderate income households (Wiesel *et al*., 2012). This is because the government of Australia turned to not-for-profit housing companies to help in addressing the housing challenges faced by the country. Table 2-1 gives a brief summary of social attributes of three projects Barwon, Livingstone and Paramount that were carried out at Australian.

Barwon project

It is located in a metropolitan inner city of a busy commercial strip (Wiesel *et al*., 2012). This was a project of two buildings ranging from two to eleven storeys buildings in height. On the ground floor, there was the office space, communal room and parking. Other levels were solely for residential use which consists of 71 dwelling units. 50 per cent of the dwellings units were earmarked for households with moderate income while the remaining 50 per cent was for the households who were eligible for public housing (low income households as well as those that are unemployed).

Each floor was to accommodate both income groups with the aim of promoting social integration (Wiesel *et al*., 2012). This project accommodated a mix of different households (low and moderate income) together with very low income single people of whom were homeless (*ibid*.). The rents were set in such a way that ensures that all tenants will not pay more than 25 per cent of their monthly income. The project was carried out by not-for-profit housing company and financed by government

(75 per cent), commercial loan (20 per cent) and other equity (5 per cent) such as donations (Wiesel *et al*., 2012). When it came to financial issues, rents were set by government to meet the target demand. However, the project is still beneficial to the developer and would be more feasible after 25 year once the loan is paid off (*ibid*.).

Table 2-1: Social and affordable indicators of affordable projects

		Barwon	**Livingstone**	**Paramount**
Social mix	**Age profile**	Mixed	Mixed	Mixed
	Communal space	Meeting room and rooftop garden	Small outdoor play area.	Several internal and external communal spaces.
Affordability	**Rental affordability**	Fixed rent designed to draw no more than 25% of household income net of CRA[7] received.	Rent proportional to income (25–30%).	30% of household income (includes utilities) plus eligible CRA.
	Features improving affordable living	Cross-ventilation through building. Solar-boosted hot water system.	Cross-ventilation (ineffective).	Utilities included in rent. Excellent access to shops, services and public transport.
	Features reducing affordable living	Use of driers.	Minimum costs for gas supply. Use of driers. Inefficient water system.	None
Location and accessibility	**Character of local area**	Inner-city commercial area.	Fast developing inner-city location.	Inner-city residential area.
	Access to public transport	High.	High.	High.
	Access to local amenities15	High.	High.	High.
Overall tenants' satisfaction	**Key features adding to tenant satisfaction**	Well-served location. Rooftop garden. On-site cafe.	Convenient units. Location. Affordability.	Quality of dwellings and appearance of project, location.
	Features detracting from tenant satisfaction	Lack of parking.	Noise; dust; poor ventilation. Personal security issues. Lack of parking.	Lack of parking.

Source: *al*., (2012:75)

[7]Commonwealth Rent Assistance: "fortnightly payment that is available to recipients of government pensions or benefits. It is designed to assist recipients to meet the costs of renting where those exceed a minimum specified level" (Wiesel *et al.,* 2012:13).

Livingstone

Livingstone is 5km from the CDB "on the edge of an area undergoing rapid redevelopment from industrial to residential land use" (Wiesel *et al*., 2012:59). It is an 800m² site with two buildings, one 6 storey while the other is 8 storey (Wiesel *et al*., 2012). Both buildings are predominately for residential use with small commercial unit (45m²) and are connected to each other by external bridge at each floor (*ibid.*).

The tenants were allocated based on the income-mix policy which applies to affordable housing projects (Wiesel *et al*., 2012). According to the policy, one quarter of the dwelling units should be allocated to very low income group, while 45 per cent on low income group and the remaining 30 per cent to moderate income group (*ibid*.). Rent is changed based on the households' income group at 25 per cent, 27.5 per cent and 30 per cent per month. Wiesel *et al*., (2012) point out that the rents were below the market prices but the tenants were charged depending on the income.

Paramount project

Paramount is located on a low rise residential area in the inner city, 5 kilometres from the major CBD, 400m from the public transport options and 1 km from the commercial centre (Wiesel *et al*., 2012). The site covers approximately 0.15 hectors of land. The project encompasses two buildings: one for refurbishment and extension and the other was new development of three storey apartment (*ibid*.). 25 per cent of the tenants are low income earners while 75 per cent are on not. All tenants do not pay rent (inclusive of all utility charges) of more than 30 per cent of their households' income (Wiesel *et al*., 2012).

Wiesel *et al*. (2012) point out that the not-for-profit housing developer acquired this site for $3.2 million and the whole construction costs $8.4 million. 72 per cent was government funded while 28 per cent was funded by the developer through commercial bank loan (*ibid*.). This project provided affordable housing for low income households living in the inner city.

2.6.2 Lessons learnt

For the company to have access to government capital investment, the company had to adopt the government's rules and regulations. With strong government policy and regulatory requirements and financial assistance to not-for-profit companies, affordable housing in the inner city can be realised. The interesting lesson learnt about all these projects was the plan of promoting different income groups to live together in the same building. This social mix eliminates the possibility of segregation and the concentration of low quality environments.

When low income residents and marginalised groups are spatially concentrated, there are chances that they may suffer from "area effect" (Atkinson and Kintrea, 2002 cited inWiesel *et al*., 2012). This however, "exacerbates their disadvantage by limiting their life-chances in domains such as health, education and employment" (Atkinson 2008:23cited in Wiesel *et al*., 2012:91). On the other hand, when different income groups are spatially mixed together, the possibility of area effects is reduced.

The tenants in all projects have security of tenure and were assured that no evictions will be done during and after the refurbishments of the buildings. The rents in all projects were set below the market rates which made it easy for low income earners to afford. The affordable housing locations shape the environmental, financial and social outcome of the area. A well located affordable housing area provides the residents with easy access to public transport, amenities, basic services and infrastructure and economic opportunities. Affordable housing that is well located reduces car dependency as people will be close to services

(Wiesel *et al*., 2012). However, noise, dust and air quality can be of concern since these affordable housing is located in inner city.

Genuine public consultation for the development of any development is key for the project success. To involve the community at the planning stage, explaining and educating them in a language they can understand eliminates future resistance that may delay the project (Wiesel *et al*., 2012). Not-for-profit companies engaged the community about the proposed development took the community inputs into consideration and gave them feedback. Another importance of public consultation is to mitigate possible local resistance at project inception stage (*ibid*.). Even though the projects were successful, there were risks and complexities that the developers encountered (Wiesel *et al*., 2012).Developers encountered issues such as cost overruns, delays in approving some of the developments and problems with easements (*ibid.*).

In summary, this section was to understand how other countries/cities have developed and delivered affordable housing to their low income residents. This would help to identify the best practice that the SA can adopt in delivering affordable housing in future. Reviewing this case study will help to realise how other countries have developed and delivered affordable housing for their low income residents. Additionally, this will raise awareness and inform a possible approach to the planning and delivery of affordable housing.

2.7 Affordable housing: South Africa

According to the constitution of the Republic of South Africa, housing is a basic human right. Section 26 of the constitution states that:

(1) Everyone has the right to have access to adequate housing.

(2) The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right.

(3) No one may be evicted from their home, or have their home demolished, without an order of court made after considering all the relevant circumstances. No legislation may permit arbitrary evictions.

The constitution is the supreme law in South Africa and it is the government's responsibility to ensure that every right is upheld in the country. IRR (2015) asserts that section 26 of the constitution has created an "entitlement syndrome" where by the poor households misinterpret the section and think that they have "a right to free house". IRR (2015) explains that this section means that the government can progressively realise the achievement of this right within "its available resources".

In 2009, the Department of Housing changed to the Department of Human Settlements. The aim was to create integrated human settlements where people can have all the required services, amenities and infrastructure. Furthermore, the department is committed to upgrade informal settlements and stimulate growth in affordable housing. Minister of human settlements, Lindiwe Sisulu in 2014 announced that people under the age of 40 would not get a "free house". IRR (2015:3) recorded Lindiwe Sisulu:

"Our intention in giving free houses was to right the wrongs of the past and make sure that we can give our people dignity. And that group of people is not the people below the age of 40. You the young people have lost nothing to apartheid...None of you are ever going to get a house free from me while I live."

According to the case "Government of the Republic of South Africa and Others v Grootboom and Others (2000)", in 1999 people were evicted from the informal homes in Wallacedene, Kraaifontein, Western Cape. The land they were occupying was earmarked for formal low income housing. They took the municipality to court because they wanted the government to provide them with proper housing. The Constitutional court ruled that the government is obliged to provide shelter for the evictees. Paragraph 24 of this court case state that:

> *"The right of access to adequate housing cannot be seen in isolation. There is a close relationship between it and the other socio-economic rights. Socio-economic rights must all be read together in the setting of the Constitution as a whole. The state is obliged to take positive action to meet the needs of those living in extreme conditions of poverty, homelessness or intolerable housing. Their interconnectedness needs to be taken into account in interpreting the socio-economic rights, and, in particular, in determining whether the state has met its obligations in terms of them".*

Even though the government does not have enough resources to immediately meet the need of the people, the constitutional court ruled that the government must at least have a plan to fulfil the right (paragraph 95).

> *"Neither section 26 nor section 28 entitles the respondents to claim shelter or housing immediately upon demand. The High Court order ought therefore not to have been made. However, section 26 does oblige the state to devise and implement a coherent, co-ordinated programme designed to meet its section 26 obligations……..."*

In summary and conclusion, the constitutional court made a decision that (paragraph 93):

> *"This case shows the desperation of hundreds of thousands of people living in deplorable conditions throughout the country. The Constitution obliges the state to act positively to ameliorate these conditions. The obligation is to provide access to housing, health-*

> *care, sufficient food and water, and social security to those unable to support themselves and their dependants. The state must also foster conditions to enable citizens to gain access to land on an equitable basis. Those in need have a corresponding right to demand that this be done".*

Anofojie *et al*. (2013) citing the United Nations (1996) states that the cost of doing nothing about providing adequate housing is detrimental because urban slums are potential causes of social and political unrests. This is true in countries like SA. On televisions or radios there is always news about the protests for better services delivery, poor infrastructure, housing and corruption of or dissatisfaction with municipal officials. Most people who protest about housing and better services are usually either from the informal and low income settlements. The protesters publicly declare that the new government (African National Congress-ANC) promised to build them houses. As a result, they demand and expect the government to build them houses together with better services (electricity, toilets, water).

In 1994, the biggest challenge that was facing the government was the provision of housing to the citizens (Wilkinson, 2014). People who need and qualify for housing assistance in South Africa are people who are earning R0-R3 500 a month because they find it difficult to enter into the property market (Department of Human Settlements, 2015). According to Charlton (2016) 40 per cent of South African population (2.3 million households) earn between R0-R3500 per month and thus qualify for housing capital subsidies.

The housing backlog in the urban areas in SA was estimated to 1.3 million units in 1990 (Huchzermeyer and Karam, 2016). This backlog is increasing at the rate of 178 000 units a year (Wilkinson, 2014). Since 1994, the backlog has increased from 1.5 million to 2.1 million units (IRR, 2015). According to Statistics South Africa (2015), there will be 3.6 million new households in 2020 of which 55 per cent will earn below R3 500 per month and thus increase the housing demand even further.

To provide affordable housing, the government developed, amended, adopted and implemented various policies, programmes, guidelines, subsidies and incentives. The aim was to provide housing for those who could not afford to house themselves. The African National Congress (ANC) government enacted its housing policy in 1994 in order to rectify apartheid injustices (UN-HABITAT, 2003). The main priority of the policy was to increase the number of black poor home ownership (Lemanski, 2011). Additionally, the government aimed to rectify the apartheid legacy where blacks would only rent and live in the townships (UN-HABITAT, 2003).The government developed the National Housing Subsidy Scheme (NHSS) known as Reconstruction and Development Programme (RDP) for households earning R0-R3500 per month (COHRE: 2005). The housing delivery through the NHSS provides 25-30m^2 houses (figure 2-1) with running water and electricity to low income households (Lemanski, 2014).

Figure 2-1: RDP house

Source: South African informal city (2012)

Lemanski (2014) records that from 1994 to 2010 approximately 3.25 million units have been built through RDP initiative. IRR (2015) also adds that the government delivered more than 2.5 million units and 1.2 million serviced sites. Table 2-2 shows the number of affordable housing that the government has delivered from 1994 to 2010 in the country. In 1994/95 the government delivered nearly 61 000 houses and increased annually. In 1997/98 and 1998/99, the housing delivery was at the peak. Even though the RDP houses are criticised for being small in size and far from economic opportunities and urban services and infrastructure (Lemanski, 2014; Charlton, 2016), they have provided housing for many poor people who could not house themselves.

Table 2-2: Number of houses built from 1994 to 2010

Year	**No. of houses built**
1994/95	60 820
1995/96	74 409
1996/97	129 193
1997/98	209 000
1998/99	235 635
1999/2000	161 572
2000/01	170 932
2001/02	143 281
2002/03	131 784
2003/04	150 773
2004/05	148 253
2005/06	134 023
2006/07	153 374
2007/08	146 465
2008/09	160 403
2009/10	166 758
Total	2 376 675

Source: Politics web (2010)

In responding to RDP critics Lemanski (2011) stipulates that the government introduced Breaking New Ground (BNG). Like the RDP, BNG is a housing intervention that the government developed for low income households. BNG was introduced in 2004 (SERI, 2013; Lemanski, 2011). The aim of the BNG was to increase the size of the houses ($40m^2$), promote integrated housing subsidies with rental and bonded houses on well-located areas with all basic services and infrastructure (IRR, 2015). The subsidy is paid to the developer either to sell or construct the house (Human Settlements, 2012). The house is then transferred to a beneficiary.

Another important aim of the BNG is to deliver houses close to basic services, infrastructure and economic opportunities (Lemanski, 2011). Charlton and Kihato (2006:257) add that BNG focus was to create sustainable human settlements[8] which aim to "alleviate poverty, and improve quality of life through creating access to basic services within the new settlements". BNG include informal settlement upgrading, provision of land for low income housing in good locations and provision of basic services and infrastructure. The BNG commitment is to assess the needs of the community then provide security of tenure and basic services for the communities thorough either self-help or local contractors (Charlton and Kihato).

2.8 Challenges in providing affordable housing

Ram and Needham (2016) conducted a study in India to find out why private developers fail to construct houses for low income households in urban areas where the need is great. Wiesel *et al*. (2012) agrees with Ram and Needham (2016) that land costs are higher in the cities. The high costs of land in the cities will automatically push the housing price even higher. The cheaper land which can be suitable for affordable housing is at the city periphery.

[8]"viable, socially and economically integrated communities that are located in areas allowing convenient access to economic opportunities as well as health, educational and social amenities" (Human Settlements, 2015:24)

The challenge with the city periphery is that there is lack of employment opportunities, basic services and infrastructure (Ram and Needham 2016). Another challenge is that most of economic opportunities are in the cities and low income people cannot afford to stay far from their places of work (*ibid.*). Another challenge is that low income people do not have access to large credit/loans from financial intuitions (*ibid.*). This prevents this income group to participate in the property markets. The private developers stated that they take loans with 15-18% interest rate to carry out the projects. As a result, they will therefore construct houses for the income groups that afford such houses.

Gabriel *et al*. (2005:14) cited in Urban Research Centre (2008) found that "affordability problems are particularly concentrated on low and moderate income groups in the private rental market". Li (2014) describes that unstable employment, income inequalities and living conditions are the characteristics of people who cannot afford to own or rent a decent house. People who usually have unstable jobs and income and as a result cannot afford to meet their essential requirement (food, housing, education, health) are often regarded as being poor. Li (2014) questions whether housing affordability is due to poverty issues and what really accounts for housing un/affordability.

Cities of most developing countries have high demand of affordable housing and government lack resources to meet this demand (Ram and Needham, 2016). Urban Research Centre (2008) explains that even though housing affordability is easy to grasp, it is very difficult to implement. This is because housing affordability is strongly associated with economic ability of a household. Quigley and Raphael (2004) argue that economic ability/income is a misleading factor about housing affordability. Individuals and or household's circumstances change over time.

Even though the above challenges were found in India, they still apply in SA. The availability of suitable and well located land for residential use is the major challenge in delivering affordable housing. Additionally, supply of basic services and infrastructure become a key challenge due to scarce resources. COJ (2010) acknowledges that the influx of migrant labour puts too much pressure on the limited services and infrastructure. This further increases the demand for affordable housing. Even though the government of South Africa delivered massive affordable housing in the country under the NHSS, the challenges of the sizes and poor structures were of concern.

2.9 Gentrification

During the mid-1970s and late 1980s, the inner city experienced white-flight; institutional capital disinvestment, accelerated decentralisation and suburbanisation which contributed toward the physical and urban decay (Visser and Kotze 2008). Urban decay is not unique to South Africa but has also been witnessed in many cities internationally (Visser, 2002 citing Lees, 1994). Even though Visser (2002) stipulates that white flight resulted to urban decay, it also provides a place of residence and economic opportunities for the low income households. Mosselson (2017) adds that the inner city provides home for black African population mainly consisting of South Africans and migrants from around the continent.

When urban areas decay, the place becomes unattractive to tourists, investors as well as the residents. Additionally, deteriorated areas and abandoned buildings are normal associated with crimes and violence. As a result, the City of Johannesburg found it necessary to respond to this urban decay. The City of Johannesburg initiated urban renewal programmes in order to transform dilapidated and abandoned buildings into economic assets[9]. The aim of the City was to create the inner city as a place where people can live and work in an environment that is safe and affordable.

The urban renewal process started in early 2000s and centres on attracting businesses and private investors. These investors purchase and renovate bad buildings for residential and commercial purposes. Mosselson (2017) citing Beall *et al*. (2000) argue that the City's interest is to achieve Johannesburg as World class city instead of creating employment, poverty alleviation strategies and assisting the informal street traders living in the inner city. The urban renewal is linked to the process of gentrification. Mosselson (2017) citing Murray (2008) views regeneration as a process of iteration of gentrification. This is because the private investor's interests are more privileged than those of the poor.

Gentrification is a "unit-by-unit acquisition of housing which displaces low income residents by high-income residents and is independent of the structural condition, architecture, tenure, or original cost level of the housing" (Visser, 2002:420 citing Kotze, 1998). Visser and Kotze (2008) point out that gentrification in South Africa emerged in two phases. The first phase emerged in 1980s to early post-apartheid years. While the second emerged in 2000s as a result of urban renewal or regeneration. Visser and Kotze (2008) argue that the second phase involves the state interventions.

The downside of gentrification is that it leads to evictions and displacement of the low income households due to rising housing expenses/rental. In order to create space for residential and commercial development Reitzema (2015) adds that urban renewal displaces the low income households. There was massive evictions and displacement of low income households that occupied bad buildings prior to purchase in the

[9] Trendy restaurants, shops, office space as well as residential units.

inner city of Johannesburg. The displacement also occurred as results of rental increase which became unaffordable to some of the occupiers (Mosselson, 2017). Furthermore, the City Improvement Districts[10] (CIDs) exacerbated the displacement of the unwanted population[11] (Mosselson, 2017).

Gentrification does not only lead to evictions and displacement but also stimulate economic growth and rehabilitate the existing property. Reitzema (2015) stipulates that gentrification a back to the city movement of not people but also capital. Reitzema (2015:20-21) citing Smith (1979:151-152) further stipulates that:

> "*Gentrification is part of a larger redevelopment process dedicated to the revitalisation of the profit rate. In the process, many downtowns are being converted into middle-class 21 playgrounds replete with quaint markets restored townhouses, boutique rows, yachting marinas and Hyatt Regencies. These very visual alterations to the urban landscape are not at all an accidental side-effect of temporary economic disequilibrium but are as rooted in the structure of capitalist society as was advent of suburbanisation".*

2.10 Conclusion

The chapter has discussed affordable housing as the main framework for this study. The chapter has also established that the criteria for assessing whether housing is affordable or not. For housing to be affordable, there

[10] "These are local variations of the Business Improvement Districts (BIDs) which have become commonplace in cities across the United States and Britain and which assist in driving entrepreneurial urbanism and the privatisation of public space. In South African cities, CIDs are criticised for enhancing private control of urban areas and further fragmenting already unequal and divided urban landscapes. Their use of privatised cleaning, maintenance and security services entrenches differential access to resources and amenities and makes the disparities between areas controlled by private interests and those yet to attract investment even more stark" (Mosselson, 2017:1284).

[11] Beggars and homeless

are two important areas that determine the affordability of a household. These are financial capacity of a household to afford housing and the location of affordable housing in relation to access to job/economic opportunities as well as access to basic services and infrastructure. From the literature reviewed, it is clear that lack of affordable housing is not unique to SA, but a challenge to other countries as well. Governments have developed and implemented various policies and programmes in order to address the affordable housing challenges.

The government of South Africa has a strong commitment to deliver affordable housing in the country. National housing programmes have played a major role in providing low income housing in the country. There are many housing programmes that the government has developed to assist low income household to access decent housing. The government indeed have delivered over 3 million housing units to low income households in order to combat housing challenges in the country. However, the houses are mostly located at the city periphery, far from economic opportunities, basic services and urban infrastructure. People prefer to stay close to where they work to avoid incurring high transport costs. Despite the government initiatives to combat housing challenges in the country, majority of low income residents in the inner city are still faced with housing challenges and do not have many alternatives.

3. JOHANNESBURG: INNER CITY

3.1 Introduction

This chapter presents the history of the inner city of Johannesburg. The chapter will also look at the population dynamics, Socio-economic characteristics and housing conditions of the inner city of Johannesburg to better understand who lives in the inner city, how much they earn and how their living conditions are.

3.2 Affordable housing: Inner city of Johannesburg

Cities are places where diversity of individuals comes together, places of great creativity and places of anonymity (Burzynski, 2012). The urban population growth is higher in developing countries as people migrate to cities with an expectation of finding jobs and better services than in the rural areas (Silitshena *et al*, 2005). There is an international concern about how the cities of the south deal with their vulnerable urban population (Burzynski, 2012). Silitshena *et al*. (2005:26) point out that “once governments accept the responsibility of the welfare of their people, they try to provide housing for those who could not afford to do so”.

Large corporations vacated their premises in 1970s and 1980s to the north. Additionally, “first-time home-owner subsidies” encouraged white families to buy homes in the suburbs (*ibid*.). Formal retailers also vacated to the north to open retail stores and supermarkets close to where their clientele resided. Many property owners abandoned their buildings and moved to the suburbs of north of Johannesburg (Bethlehem, 2013). Around the same time, there was demand of housing for black people in the city (COJ, 2006). This was because there was severe housing shortage in their segregated areas and they also needed places close to where they work (*ibid*.). Additionally, there was also an influx of immigrants who were looking for places to stay in the inner city (*ibid*.). Landlords of empty buildings took advantage and accommodated tenants who were looking for accommodation. The landlords took advantage of the situation and increased rents because of lack of alternative accommodation. Burzynski (2012) states that increased rent lead to overcrowding. More tenants occupied small rooms as a strategy to share rents thus lower individual rent (*ibid*.).

Many of these abandoned formal commercial and residential buildings became numerous informal small dwelling units which accommodate the urban poor and low income city earners [12](Few *et al*., 2004). Overcrowding increase pressure on limited infrastructure and maintenance costs (Burzynski, 2012). Due to concentration of economic activities, good transport networks in the inner city, the city will continue to experience the huge influx of dynamic people in search for the city's opportunities (COJ, 2007).

To address the dilapidated buildings and housing backlog for low income group, COJ developed few policies and programmes:

I. Transitional Housing Programme: This was developed to tackle the homelessness in the city in the early 1990s (SERI, 2013). The aim was to provide temporary accommodation (6 months) for individuals earning more than R450 but less than R1 250 per month and families earning more than R450 but less than R2 500 per month.
II. Inner City Regeneration Strategy (ICRS): By late 1990s government developed and adopted ICRS with an aim to "clean-up" and tackle "crime and grime" in the city (Wilson, 2011). The main was to encourage the private sector to invest and stimulate the property value. The hijacked buildings were to be closed down and sold to

[12]Formal and informal workers: car guards, taxi drivers, cleaners, security guards, informal traders, domestic workers etc. (SERI, 2013)

private developers who would upgrade for both commercial and residential purposes (*ibid*.).

III. Bad/Better Building Programme (BBP): The policy was developed in 1999 (SERI, 2013). The aim was to sell bad buildings to private developers and individuals to upgrade and renovate them for residential use mostly for low income earners (Few *et al.*, 2004).

IV. Inner City Property Scheme (ICPS): Developed in 2007 to replace BBP and was launched in 2011 (SERI, 2013).

Non-profit organisations such as Madulammoho Housing Association and Johannesburg Housing Company among others renovated and converted office buildings into residential stock. Additionally, private companies (Affordable Housing Company, City Property, Jika Housing, and Jozi Housing) and few individuals also converted and renovated old office buildings into affordable residential units. The government also provides social housing grant to create more subsidised rental units (Bethlehem, 2013).The overall quality of housing in the inner city differs from company to company. There is high demand of housing due of close proximity to economic opportunities as tenants save time and transport costs (*ibid*.).

Even though both the private and public sector participate in providing low cost housing in the city, there is still large demand of low income housing in the inner city. In 2005, there was a shortage of 18 000 units and only 3 000 units provide housing for the households earning less than R3 200 per month (Wilson, 2011). The decent private sector accommodation is unaffordable for the low income households living in the city (SERI, 2013). The low income households therefore, opt to stay in bad buildings because there are no other alternatives at their disposal.

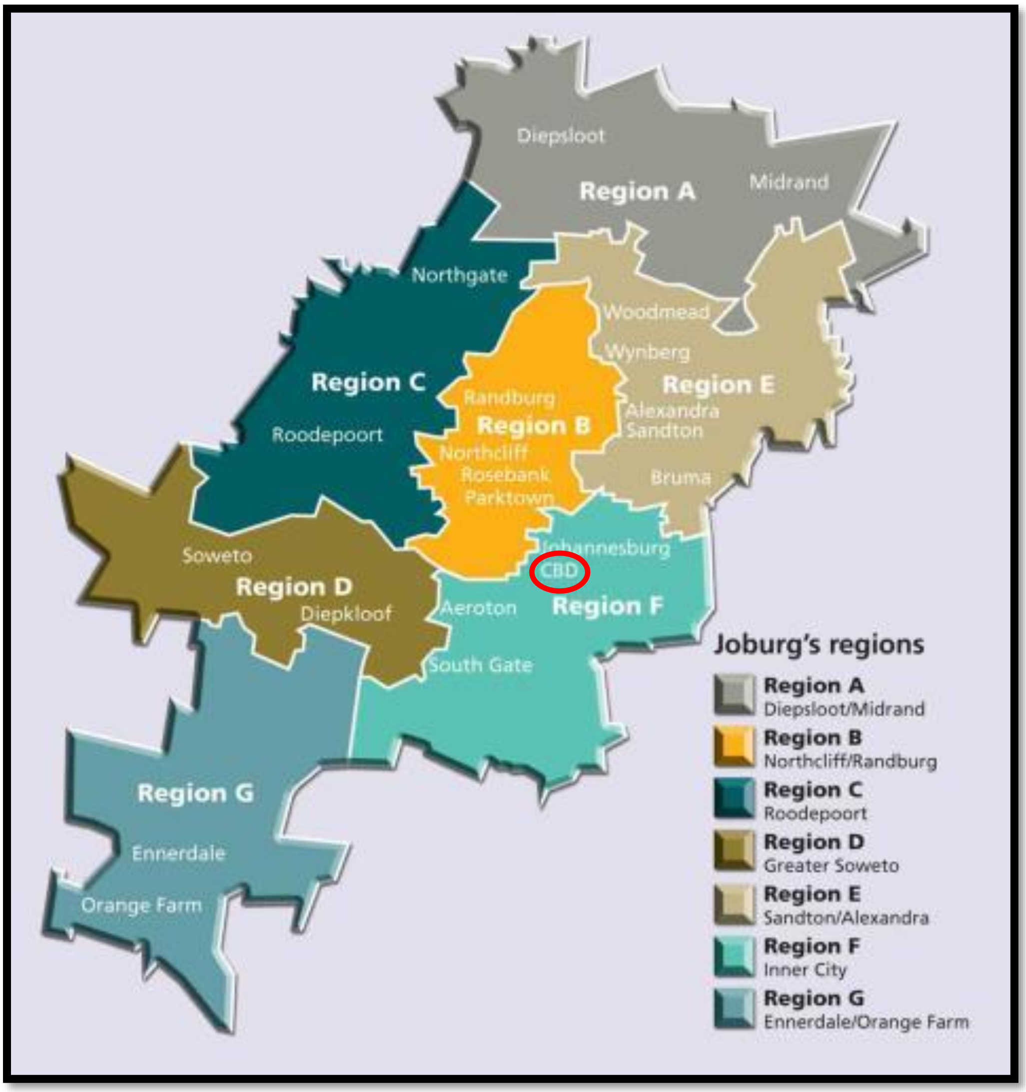
3.3 Historical setting

The inner city of Johannesburg is located in the Republic of South Africa within the smallest and richest province, Gauteng. During apartheid, Johannesburg inner city as well as other areas in the country was governed by segregation laws such as the influx control laws and Group Area Act which prevented or restricted the movement of blacks, coloureds and Indians (Landau, 2006). Under these laws blacks, coloureds and Indians were expected to carry passbooks to enter the inner city and were not allowed to live in the inner city (*ibid*.). In the late 1970s, there was a housing shortage for the blacks, coloureds and Indians at their segregated areas (Simone, 2001). Even though the segregation laws were not yet abolished, the blacks began slowly moving to the inner city (*ibid.*).

During the 1970s, the whites started to move out of the inner city to the northern suburbs. This led to the deterioration of economic and physical fibre of the inner city. In 1990s many buildings were abandoned and this led to increased crime, squatting and hijacking of buildings, social disorder and poor management of the inner city. Compared to other municipalities in South Africa, Johannesburg is more developed and the capital of the richest province (IDP, 2013/2014). The inner city is characterised by urban poverty, inequality and social exclusion (COJ 2011). Unemployment is a contributing factor to increasing poverty and inequality (*ibid.*).

The City of Johannesburg has seven administrative regions. The inner city of Johannesburg is part of administrative Region F (figure 3-1). Region F covers an area of 240.2 km^2 and is located towards south eastern side of the City (COJ, 2010). The inner city is a historic, economic and cultural centre of Johannesburg (COJ 2007). There are large taxi ranks, main bus terminals and railways stations in the city which operate both nationally and internationally.

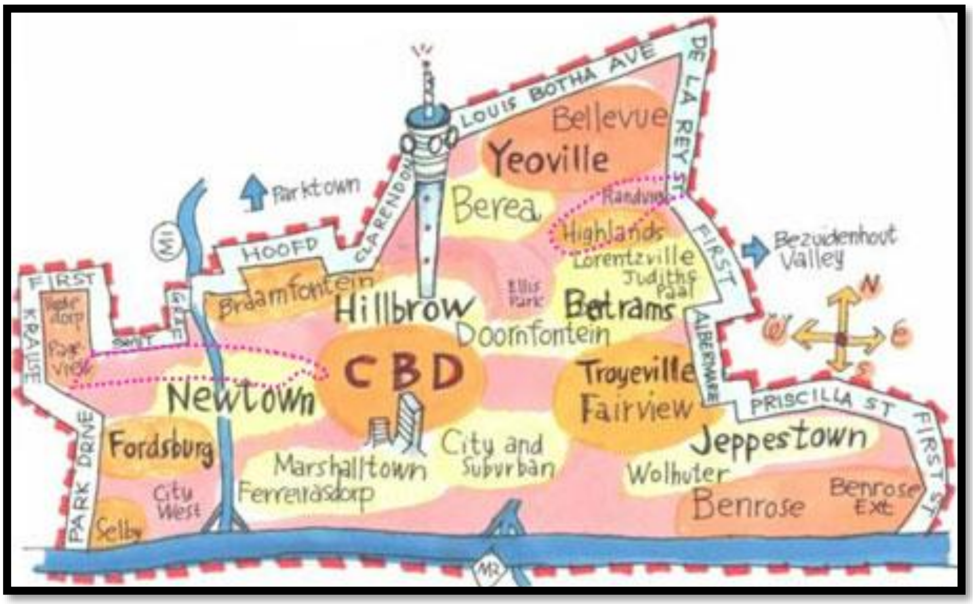
Figure 3-1: Map of Johannesburg administrative regions



Source: COJ (2009)

Region F consists of lower to upper income residential areas, industrial nodes, world class theatres, important facilities, places of attraction and good transport networks (COJ, 2007). It shares the border with region E and B on the north, Ekurhuleni Metropolitan Municipality on the eastern side, region D and G on the western side and Midvaal Local Municipality on the south (*ibid*.). According to COJ (2007) the inner city is the densest part of the region and covers Yeoville and Braamfontein in the north to Marshalltown and Benrose in the south, and Vrededorp and Fordsburg in the west to Jeppestown, Bertams and Troyeville in the east" (figure 3-2).

Figure 3-2: Map of Johannesburg inner city



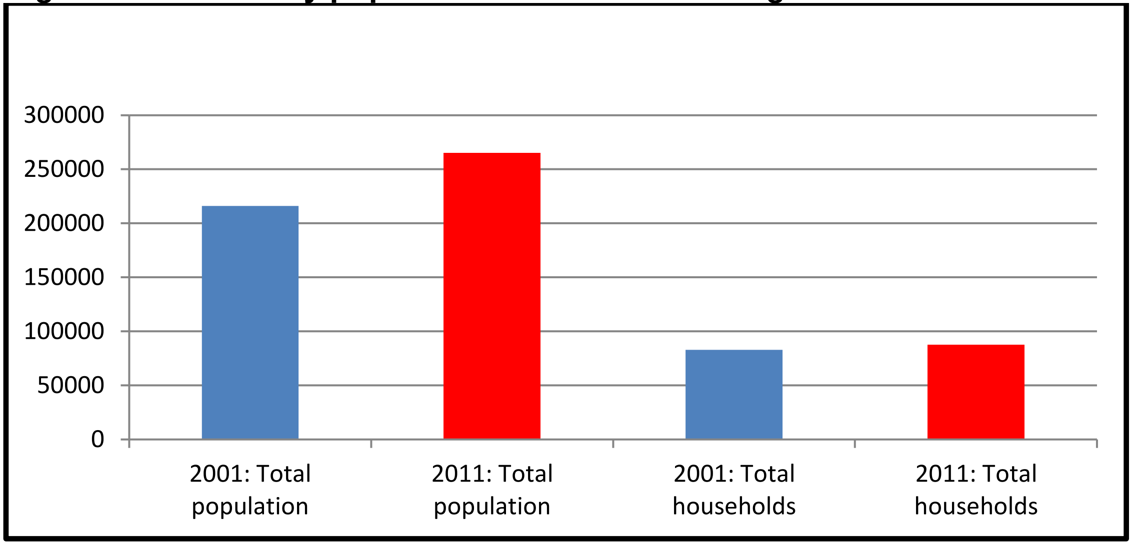
Source: COJ (2007)

The great landmarks of the inner city are the Nelson Mandela Bridge, Carlton Centre, Hillbrow tower, Constitutional hill and the Diagonal Street (COJ, 2007). The inner city functions as business nodes, residential neighbourhood, transportation hub and host of many local, regional and international office accommodations.

3.3.1 Population dynamics

According to JDA (2015) the inner city has the estimated population of 265 292 residents. The Inner city has experienced significant population growth of 23 per cent and households growth of 6 per cent from 2001 to 2011 (figure 3-3). In 2001, the population was approximately 215 979 with 82 968 households (JDA, 2015). In 2011 the population increase to approximately 265 292 with 87 772 households (*ibid*.).HSRC (2013) explains that population increase is due to migrants from other parts of the country and outside the country who come to the city for better opportunities.

Figure 3-3: Inner city population and households' growth



Source: JDA (2015)

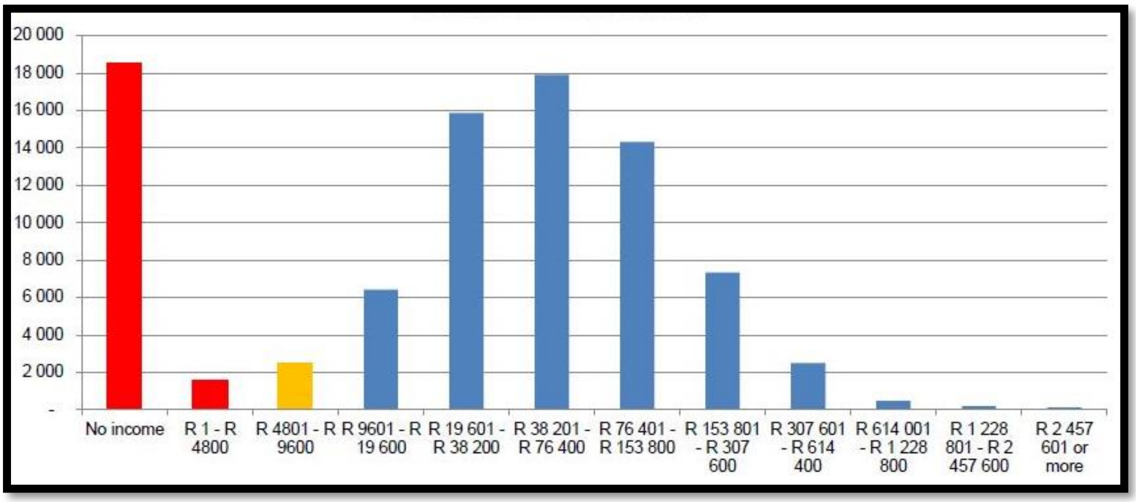
3.3.2 Socio-economic characteristics

The inner city has vast and diverse business and employment opportunities for all income groups as it is located between the affluent northern and the southern suburbs (COJ, 2010). The economy in the inner city is unbalanced and it is characterised by changing patterns of investment (JDA, 2015). According to 2011 national population census, approximately 122,000 people (almost half of the people living in the inner city) are earning less than R3 200 per month. The inner city is a home to several head offices of major co-operations, banks, insurance and mining companies (COJ, 2010). The inner city is only perceived as a "money-making machine" for majority of inner city residents and users as it is only their place of work and making money.

Johannesburg is the economic hub of Africa and therefore, attracts diverse people from other provinces and the rest of the world. According to Hornberger (2011) the majority of the people living in the inner city are migrants. These migrants continue to come into the inner city with the hope to find better economic opportunities than their places of origin.

Frasier and Cox (2005) stipulate that the city does not have sufficient work opportunities as people think especially for unskilled and semi-skilled labours. There is significant large number of no income households in the inner city (figure 3-4).

Figure 3-4: Annual household income 2011



Source: JDA (2015)

HSRC (2013) states that usually when people find it difficult to secure jobs in the formal sector, they opt to work in the informal sector. Compared to other regions in Johannesburg, region F has the highest rates of informal employment. Despite the large number of no income households, the inner city has substantial middle and high income households. HSRC (2013) stipulates that many of low income households living in the inner city spend most of their income on accommodation and food.

3.3.3 Affordable housing supply

Due to the capital flight to the north, the city experienced rapid buildings and residential degradation. There is high demand of housing and insufficient supply of affordable housing in the city (Bethlehem, 2013).

Table 3-1 summaries housing supply of low income housing in the inner city.

Table 3-1: housing supply in the inner city of Johannesburg

Formal private rental	• Large formal private rental providers (e.g. JPOMA members • Estimated 55 000 units under management • Rentals: R750-R5 00+ /mth (excl service charges)
Social housing	• Social housing institutions (JHC, JOSHCO, Madulamoho) • Estimated 4 000 units under management • Rentals: R750-R 2 500/ (generally incl. of service charges)
Small scale landlords	• Generally semi-formal sub-letting arrangement (mainly sectional title units)- sub-letting of space • Number not clear • Rentals:R500-R2 000/mth (bed, doorway, shared rooms etc)
Slumlords	• Formally owned but poorly managed and over-crowded rental stock • Number not known • Rentals not know but likely in line with formal private (noting significant sub-letting)
Informal	• Occupied non-residential spaces- may have some community structure. • Number not known • Rentals not known but case studies suggest very low i.e.<R500/mth

JDA (2016:42)

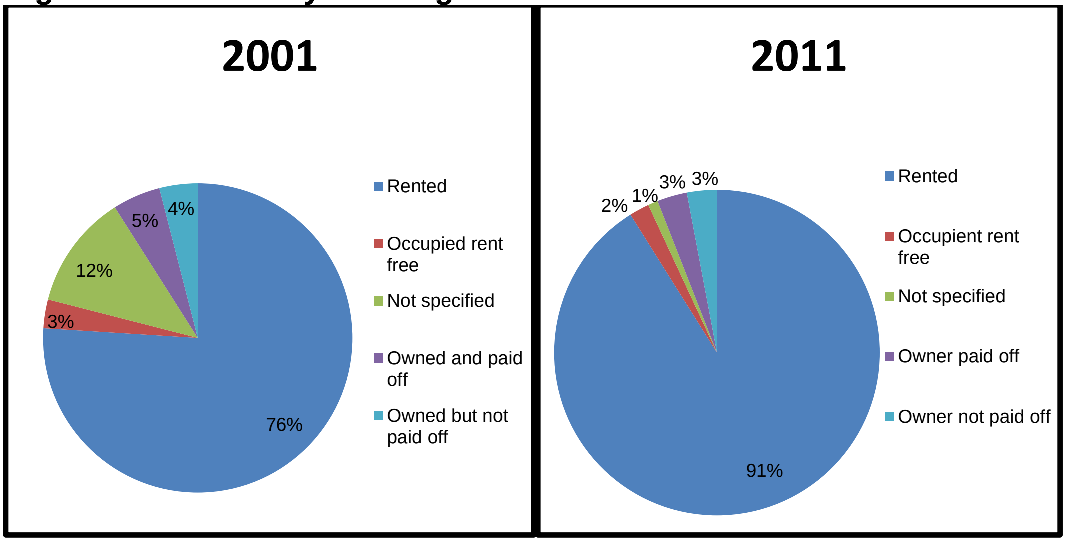
JDA (2016) acknowledges that there is a limited supply of affordable housing in the inner city and these force many low income households to live in overcrowded and dilapidated buildings (bad buildings). SERI (2013) stipulates that the gap between the demand for low income accommodation and the supply in the inner city is very acute. JDA (2016) reports that the past six years, about 50 000 new housing dwellings were delivered in the inner city through the rehabilitation of old residential buildings and the conversion of vacant office buildings. However, most of these dwellings were for the middle income group but the low income household could not afford the rent (*ibid.*).

Housing providers such as JOSHCO and Madulamoho supply accommodation as low as R700 per month but they are not able to meet the demand. JDA (2016:8) admits that “the demand for affordable housing outstrips supply of suitable housing for the poor in Inner City Johannesburg”. There is lack of reliable and consistent data about the demand of affordable housing units in the inner city. JDA (2016) stipulates that COJ aims to provide housing for all and create a sustainable settlement and improve the livelihoods of the inner city residents.

COJ’s Department of Housing aim to create the inner city as a “resilient, liveable, sustainable urban environment – underpinned by infrastructure supportive of a low-carbon economy, which is premised on the development of sustainable human settlements, where the City establishes greater capacity to absorb new entrants and existing residents into a functioning housing system, where all can find a place to live (irrespective of their incomes), that offers good quality of life and is connected to the requisite social amenities” (JDA, 2016:2).

Figure 3-5 shows that the majority of inner city residents are rentering. From the same figure, we can see that the percentage of renters is on the rise from 76 per cent in 2001 to 92 per cent in 2011. According to SERI (2013) many of low income inner city residents work as taxi drivers, domestic workers, informal traders, cleaners, car and security guards and cannot afford buying or renting other apartments.

Figure 3-5: Inner city housing market



Source: JDA (2015)

Despite bad buildings, there are few housing alternatives for low income households living in the inner city. Table 3-2 summarises subsidised rental housing in the inner city for low income households.

Table 3-2: subsidised rental housing in the inner city

Housing type	Income per month	Rental per month
Communal housing units	<R3 500	R450 -R800
Community residential units / family units	R800-R2 500	R200-R800
Transitional housing units	R450-R1 250 for individuals; <R2 500 per household	R150-R450 per unit, R90-R165 per bed
Shelters	R0-R450	R0-R90 per bed
Social housing units	<R3 500	R800-R1500

Source: SERI (2013)

According to COHRE (2005) the cheapest unsubsidised accommodation is R850 per month excluding services charges such as electricity and water. While adding water and electricity charges, COHRE (2005) estimates that the renting cost would be around R1 000. Realistically, approximately 122,000 people living in the city earning less than R3 200 per month are likely not to afford unsubsidised accommodation in the inner city. Table 3-3 summarises the increase of low income households and their potential monthly rental affordability in the inner city.

Table 3-3: Household income and monthly rental affordability

Monthly household income (R)	Monthly rental affordability (R) (30% of income spent on housing)	Number of households in the inner city		Increase or decrease in the number of households	Percentage (%) change
		2001	2011		
None	R0	6 919	13 778	6 859	99%
1 – 400	0 – 120	826	1 099	273	33%
401 - 800	121 – 240	2 635	1 786	- 849	32%
801 – 1 600	241 – 480	5 040	4 721	- 319	6%
1 601 – 3 200	481 – 960	5 095	12 474	7 379	44%
TOTAL		20 515	33 858	13 343	65%

Source: SERI (2015:51)

Berea, Hillbrow and Joubert Park have a large number of medium to high rise residential buildings with many buildings experiencing decay (COJ, 2010). JDA (2015) adds that these areas are the most densely populated in South Africa. Additionally, these settlements have hijacked buildings, illegal slumlords and stressed public environment due to high population density and lack of management (*ibid.*).

3.4 Conclusion

The chapter has presented a case study area. The chapter has also discussed affordable housing and historical settings of city of Johannesburg. The chapter discussed population dynamics, housing and socio-economic background of the area. The focus was on how low income residents in the inner city are accommodated and understand their living conditions. The study area has a diverse low income population and range of economic opportunities which makes to study how people are housed in the inner city of Johannesburg. The inner city of Johannesburg makes it possible to get an insight on how people choose different places to live based on the monthly income.

4. UNDERSTANDING BAD BUILDINGS

4.1 Introduction

The aim of this chapter is to present the research methods that will be used to collect and analyse data for this research. The chapter employs qualitative method responding to the main research question: How has the Bad Building Programme performed to alleviate low income housing in the inner city? This chapter outlines the research strategy that this research undertook to address the research matter above. The chapter also provides data collection techniques, frameworks for data analysis, ethical consideration and limitations to this research.

4.2 Research strategy

Biggam (2008) stipulates that the label attached to the research does not matter, but what matters is whether the strategy is appropriate for the research. Research strategy is “the general plan of how the researcher will go about answering the research questions” (Saunders *et al*., 2000:92 cited in Biggam, 2008:220). There are several ways of carrying out research. These include case studies, surveys, action, historical experiments, and participatory observation (*ibid*.). The research strategy for this research report is a case study. The researcher in the case study observes the characteristics of individual units such as a school, a company or a community.

The purpose of observation in a case study is to “probe deeply and to analyse intensively the multifarious phenomenon that constitute the life cycle of the unit” (Biggam, 2008:83). Case study is used to contribute to knowledge by enabling the researcher to investigate and understand a complex phenomenon (Yin, 2009). Generally, case studies are considered to lend themselves to qualitative rather than quantitative research (Biggam, 2008). Qualitative research is research whereby the researcher does an in-depth and explorative study with the aim to investigate and interpret the phenomenon (*ibid*.).

Qualitative research studies things in their natural settings with the aim to interpret or make sense of the situation (*ibid*.). Bell (2005) cited in Biggam (2008) stipulates that qualitative is concerned in understanding individuals and seek insights. The reason for the use of case study in this research was to investigate deeply and explain the outcomes of the BBP. Yin (2009) stipulates that case study research answers the questions "how and why" and these questions are exploratory and descriptive. This research aims to answer the question "how" with the role of being explanatory and descriptive. The assessment of whether BBP has alleviated low income housing in the inner city is based on qualitative method. As qualitative research is descriptive in nature and focuses on experiences and opinions, this research pays particular attention on the officials and independent researchers' views, opinions and experience on the BBP.

4.3 Data collection

There are several ways of collecting data, such as interviews, secondary data, observations and questionnaires. In case studies, Yin (2009) stipulates that evidence/data can be collected in six different ways: archival records, direct observation, documents, interviews, participant observation and physical artefacts. Table 4-1 shows the strengths and weaknesses of each source.

Biggam (2008) highlights that using more than one method of data collection helps the researcher to triangulate the results. Triangulation helps the researcher to get more description of what they are looking at

(Geertz, 1973 cited in Biggam, 2008). There are several alternatives that the researchers use to conduct the interviews. These alternatives include the use of records, mail or e-mail questionnaires, telephone surveys, group interviews or participation observation (Weiss, 1975). Interviews are appropriate for collecting qualitative data because interviews provide essential source of information (Williman, 2011).

Yin (2003) cited in Biggam (2008) believes that interviews provide essential information in a case study simply because case studies involve people. The interviews provide information to clarify complex situation. The advantage of interviews is that they give the interviewee to express and explain their views. There are different kinds of case study interviews: in-depth, focused, structured interviews (Yin, 2009). An in-depth interview, the interviewer may ask the interviewee about the facts and their opinions. The interviewer may also allow the interviewee to say his own insights about the fact of the matter (Yin, 2009). An in-depth interview takes place over a period of time (*ibid*.).

Yin (2009) elaborates that it is essential to support the interview data with other information from different sources. This is important because the interviewee can give biased or inaccurate responses. Sometimes the interviewee may not fully recall exactly what happened or give false statements involuntarily. Documentation as a source of evidence includes written reports, administrative reports -proposal, internal records and progress reports (*ibid*.). Yin (2009) acknowledges that these documents are not always acute and therefore, must be carefully used.

Table 4-1: Strengths and weaknesses of six sources of evidence

Source of evidence	Strengths	Weaknesses
Documentation	→ Stable- can be review repeatedly → Unconstructive-not created as a result of case study → Exact-contains exact names, references, and details of an event → Broad coverage-long span of life time, many events and many settings	→ Irretrievability-can be difficult to find → Biased selectivity, if collection in incomplete → Reporting bias-reflects (unknown) bias of author → Access-may be deliberately withheld
Archival records	→ [same as those for documentation] → Precise and usually quantitative	→ [same as those for documentation] → Accessibility due to privacy reason
Interviews	→ Targeted-focuses directly on case study topics → Insightful-provides perceived casual inferences and explanations	→ Bias due to poorly articulated questions → Response bias → Inaccuracies due to poor recall → Reflexivity-interviewee give what the interviewer want to hear
Direct observation	→ Reality-covers events in real time → Contextual-covers context of “case”	→ Time consuming → Selectivity-broad coverage difficult without a team of observers → Reflexivity-event may proceed differently because it is being observed → Cost-hours needed by human observers
Participant observation	→ [same as those for Direct observation] → Insightful into interpersonal behaviour and motives	→ [same as those for Direct observation] → Bias due to participant observer’s manipulation of events
Physical artifacts	→ Insightful into cultural features → Insightful into technical operations	→ Selectivity → Availability

Yin (2009:102)

Biggam (2008:223) explains that interviewing different stakeholders allows the researcher for “cross-comparison of responses, encouraging different perspectives of similar issues to emerge”. The researcher collected qualitative data using face to face interviews with an aim to learn whether the BBP met its objective of providing affordable housing to low income households living in the inner city. The researcher made use of documentation as another sources of evidence. All documents used were supplied by the interviewees. The interviews were conducted with the officers at COJ Department of Housing and at Inner City Property Scheme, former executive Director at Central Johannesburg Partnership (CJP), independent researcher/consultant who worked in bad building strategy and former researcher at the Centre for Applied Legal Studies (CALS) and Socio-economic rights Institute of South Africa (SERI). The list of interviews is provided in appendix 1.

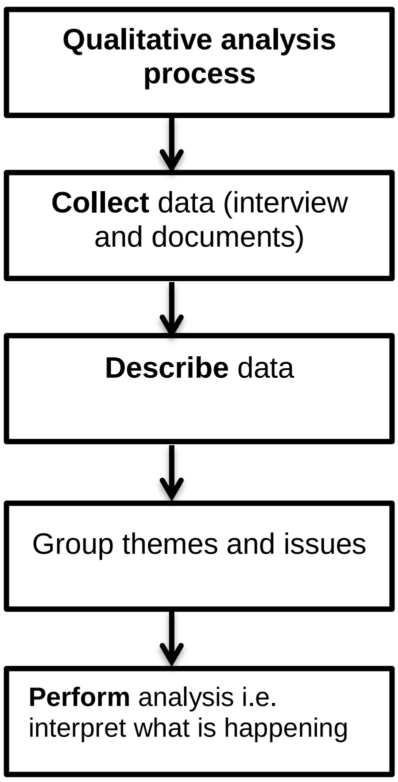
The researcher had the face to face interviews except for the former executive director at Central Johannesburg Partnership (CJP). Due to distance, the interview guidelines and the response were done through e-mails. The interviewees were given the opportunity to explain how they were involved, what were their thoughts, the challenges and successes and what could have been done differently. The interview used structured questionnaires which were prepared well in advance. The interview questions are provided in appendix 2. The questionnaires were e-mailed to the interviewees well in time before the interview. This was to give the interviewee time to prepare and make sure the interviewees were clear of what the researcher required from them and prepared for the interview. This was to give the interview a clear direction.

The researcher used a combination of open-ended and close-ended questions. Qualitative interviewing, using open-ended questions encourage meaningful and thoughtful responses. The advantage of open-ended questions is that the interviewee is not confined to limited responses. The interviewee has a chance to express, explain and expand on their views and answers.

4.4 Frameworks for data analysis

This research is qualitative and the data collected was analysed in descriptive technique. The data collected was analysed by what Wolcott (1994) cited in Biggam (2008) describes as a process of “description, analysis and interpretation”. Biggam (2008:117) explains that this method involves “collecting interview data, describing it (i.e. interview transcription and simple written statements of who said what), followed by the interpretation of the descriptions (=analysis)”. Figure 4-1 shows the graphical approach by Wolcott (1994) that this research will adopt to analyse the data collected.

Figure 4-1: Qualitative data analysis process



Source: Biggam (2008:120)

After data collection, all the findings were described then grouped into relevant themes and analysed. The importance of working with qualitative analysis paradigm is explained by Bogdan and Biklen (1982:154) cited in Biggam (2008:120) as “working with data, organising it, breaking it into manageable units, synthesizing it, searching for patterns, discovering what is important and what is to be learned, and deciding what you will tell other”.

4.5 Ethical considerations

Decisions based on ethics in research determine whether the researcher takes into account the participant’s needs and concerns (Scheynens *et al*., 2003). The research has to be just and protect the participant’s safety, dignity and privacy (*ibid*.). Ethical issues were important to this research. The researcher conducted the potential interviewees in advance either by e-mails, telephone calls or by going to their places of work to set the appointment for the interviews. The researcher introduced herself and made the potential interviewee about the nature of the research and then provided them Participation Information Sheet (PIS) (for copy of PIS see appendix 3) and consent forms.

The aim of the PIS was to inform the interviewee about the nature of the research. The PIS stipulated how much time the researcher aimed to conduct the interview. It also made the interviewee that her/his participation was voluntary and will not be regarded in anyhow. Before conducting the interview, the researcher informed the interviewee about the nature of the research and when they agree with the terms of the research, they had to sign the consent form. Scheynens *et al.* (2003:142) defines informed consent as “when a potential participant freely and with full understanding of the research agrees to be part of the project”. The interviewees signed the consent forms as a sign that they were informed about the purpose and the procedure of the research and willingly agree to participate in this research.

4.6 Limitations of the study

Collecting data for this research was problematic in several ways. Firstly people were reluctant to participate in the research. They highlighted that they were busy at work and could not spare any time to participate in the research. Official[s] from Johannesburg Housing Company were anticipated to be interviewed but the researcher was denied to interview any officials. Secondly, the researcher encountered was the fact that the BBP was stopped in 2008. The researcher was denied interview because officials who worked in the BBP no longer work in the institutions. Lastly, some of the interviewees either took long to respond or gave the researcher the appointment for the interview two to four three weeks from the contact date. Interviews were conducted between August and November. At some point the research was at almost stand still. Few e-mails were never responded to by the potential interviewees while some bounced back.

Biggam (2008) explains that there are limitations and issues related to implementing case studies and usually the researchers are able to recognise the limitations in their work. Biggam (2008) further explains that the results that the researcher finds provide detailed information, experiences and individual perceptions. Additionally, the results provide valuable insight information. However, the results cannot be generalised. The results of this research cannot also be generalised.

4.7 Conclusion

The research strategy for this study is a case study. This research uses a case because case studies allow the researcher to investigate deeply thus providing detailed information. Data was collected using in-depth, focused and face-to-face interviews. The potential interviewees were selected because of their involvement and participation in the BBP. Additionally, the report made use of the documents and written reports only provided by the interviewees. The research is descriptive and data was analysed in accordance to “description, analysis and interpretation” method. All the interviews that were conducted went smoothly and the interviewees were willing to share their experiences with the researcher. The researcher made sure to inform the potential interviewees well in advance about the nature of the research. Lastly the chapter outlines the limitations that the researcher and constraints that the researcher encounter with carrying out the research.

5. EVALUATION OF BAD BUILDING PROGRAMME

5.1 Introduction

This chapter reports on the findings from case study through the interviews conducted with the different stakeholders. The chapter first discusses the aims and objectives of the Bad Building Programme (BBP). Then the chapter discusses the results from the interviews conducted. Lastly the chapter provides the analysis and interpret the findings with the aim to respond to the main research question and sub questions. In view of this, the chapter augment the analysis of the interview with the findings from various documents provided by the interviewees.

5.2 Aim of Bad Building Programme

BBP was developed in 1999 as a mechanism to deal with bad buildings in the inner city. According to COJ (2010) a building is classified as a bad building if it is abandoned by the owners, hijacked by slumlords and squatters, deplorable state, seat of criminals, in arrears in rates and services, is derelict and contravene the City's by-laws and other legislation. The main objectives of BBP were to recover debt owed to the City, facilitate the urban regeneration in the city, improve the quality of life of low income inner city residents and accelerate residential development in the inner city (COJ, 2010). The city identified buildings that negatively affected the urban fabric and those that were in arrears. These were buildings that had social and physical problems and those that were dangerous for human habitation.

The aim of the City was to acquire the buildings through legal processes and sell them to developers at the discounted market value or price equivalent to the debt. According to SERI (2013) the 2001 inner city position paper states that addressing bad buildings was the City's key priority. Out 10 000 units that needed major attention, 5 000 units were to be included in the BBP while 2 000 units were considered to be demolished and 3 000 units to be improved (*ibid*.). The following section looks whether the BBP has provided affordable housing for low income households living in the inner city of Johannesburg. The following section looks at the interviews conducted for the purpose of responding to the sub-questions and main research question.

5.3 Reflecting on findings

The researcher collected empirical data by interviewing with different stakeholders. This section presents findings from the interviews and how they responded to addressing main research question and sub-research questions. To present the findings from the interviews, the discussion has been grouped into themes which are key to this research: Bad Building Programme, BBP performance, the constraints and whether affordable housing was realised through BBP. The main focus was to assess whether BBP achieved its objective of providing decent and affordable housing for low income inner city residents thus improving their quality of life.

<u>Bad Building Programme (BBP)</u>

According to respondent A, BBP was the initiative of the City which aimed to regenerate the inner city through the redevelopment, renovation and regeneration of bad buildings. The objectives of the BBP were to improve the buildings, provide safe and legal accommodation and turn slum buildings into well managed buildings (respondent C). Respondent C further adds that on top of the urban regeneration, the need to upgrade bad buildings was also to respond to enormous need for housing as people were moving out of the townships into the inner city (respondent C).

The aim was to regenerate the inner city properties (bad buildings) so that they become habitable and viable assets again (respondent A, B and C). Respondent C mentioned that the City was concerned about the hijacking and invasion of buildings. The owners of the buildings could not get the invaders out of their buildings even though the buildings were occupied illegally or by force and the police could not do much (respondent C). This caused the City to look at the alternatives on how to tackle the situation (respondent C).

Respondent C stipulated that the City tackled the bad buildings with the City's by-laws and or through legal processes (court). All the departments (health, environment, planning among others) in the City that had the by-laws which could impact on the building came together to rate the building (respondent C). Respondent C stated that water, electricity, rates and taxes would not be paid, and this would pile up so much that they costs more than the value of the building. The City would put more pressure by issuing fines to those who owe the City, and those who could not afford to pay would face the evictions (respondent C). Respondent A also mentioned that the City also targeted buildings that were dilapidated and that were hijacked by either slumlords or urban poor. These buildings would be expropriated and then made available for refurbishment through public tenders (respondent C).

There was a huge demand for low to medium income housing and developers could not build fast enough to respond to the need (respondent C). Additionally, there were stressed buildings and developers who badly wanted to refurbish these buildings (respondent C). In order for the City to respond to these challenges, respondent C stipulated that the City provided the developers with the buildings at a discounted price so that they could provide cheaper accommodation. Respondent C stated that the BBP caused brutal evictions of poor households who were living in bad buildings. For the building to be renovated and refurbished, the City was putting eviction orders to evict occupiers of bad buildings. Then later the private developers who bought bad buildings from the auction also evicted people from bad buildings. There were massive evictions which resulted in many people being homeless (respondent E).

The evictees took the City to court because they felt that the City should help them. The City argued that it did not have the obligation to assists people who have been evicted by private developers (respondent E). However, respondent E felt that the City's argument was weak because the results of evictions are the same (evictions results in homelessness). Respondent E stipulated that in Olivia road court case, the constitution court ruled that the City was obliged to provide alternative accommodation for the evictees and the evictions cannot take place from these 'bad buildings' unless the municipality provides alternative accommodation.

Hundred and fifty (150) buildings were identified and were to be put under the BBP (interview conducted by Researcher and consultant who worked on bad building strategy for City of Johannesburg, 12 June 2009). However, 12-15 buildings were successfully refurbished (interview conducted by respondent C, 12 June 2009). BBP was officially stopped in 2008 because:

1. People bought buildings at auctions and then signed commitments to refurbish but did not. Instead they slum lorded the buildings. There was a manipulation of the process by unscrupulous landlords

2. Some did not upgrade but only did cosmetic changes and the buildings did not turn around.

3. Political problem: councillors were saying the BBP only benefitted white developers (interview conducted by respondent C, 12 June 2009).

Respondent C made an interesting point that BBP did not end because it failed to achieve its objectives. It was aggressively stopped because of Inner City Property Scheme (ICPS), and because the priority shifted to the beneficiaries (developers) rather than the end users (low income households) (respondent C). Respondent D also felt that the BBP could not have been stopped because it was starting to be effective and sadly, due to the City's internal politics, it was stopped. Respondent C felt that the programme could have achieved better outcomes if it was not stopped because it was the learning experience of how to respond to bad buildings in the inner city. Respondent D also felt that if BBP had continued, it could have provided valuable contribution to what was meant to be achieved respondent E also felt that the programme could have achieved better outcomes if the City had accepted when it was challenged in court (Olivia road court case)[13] and come up with a clear plan on how to deal with the evictees.

Respondent D mentioned that even though BBP did not eradicate low income housing needs of people living in bad buildings, but it was the only plan that tackled and addressed bad buildings in the inner city. This is because few buildings were successfully refurbished and provided affordable housing for low income inner city residents. Respondent C and D both mentioned the fact that the BBP was transferred to Department of Economic Development was a mistake that would lead to failure. Respondent C mentioned that with time, those who were working in the programme would have become more sophisticated in their strategy on how to handle different issues. Without a doubt, respondent C believes

[13]The case was in court in 2007 and the judgement came in 2009 (respondent E).

that if the programme was not stopped, it could have produced much better results.

Respondent D stipulated that the success of BBP was that it provided better quality accommodation for the occupants than the previous accommodation they occupied even though it was very limited. Respondent D further stated that companies like Johannesburg Property Company build a good experience and managed to make excellent results in towards urban upgrading. Additionally, private companies like Johannesburg Housing Company also managed to refurbish buildings and provided reasonable accommodation for low income tenants (respondent D).

Due to several flaws that BBP encountered, respondent B highlighted that the end of BBP gave rise to ICPS to correct the flaws. One of the flaws was the interference of legal fraternity. Respondent A stated that the programme failed because of the following reasons: firstly, it took the city a long time to legally acquire bad buildings. Respondent C and D add that even the legal process of transferring the properties was very slow and difficult. Secondly, respondent A pointed out that the City lacked capacity to follow-up that the upgrading of the buildings materialised. Thirdly, in order to upgrade the building, the developer was required to raise a substantial amount of capital. Respondent C adds that it was the complicated scheme to do and legally the City could not take someone's building and give it to somebody else. Respondent B stated that another challenge was the fact that the city did not have a clear plan on what to do with the people that were to be evicted from the buildings which were to be refurbished.

Respondent B mentioned that the City was obliged by the court of law to provide alternative accommodation to the people that were to be evicted from bad buildings. Respondent D viewed this as a human problem that was unfair because many of the hijacked buildings, the poor pay the criminals who pockets the money and not maintain the buildings. However, the court ruling negatively affected the progress of the BBP. The process of evictions also took so long and the City could not quickly release the buildings to the developers (respondent C).

Respondent A highlighted that only already established developers (white) benefited while previously marginalised developers (black) did not. Respondent A mentioned that most of the BBP's beneficiaries/ people who bought most of the buildings were white, already established developers. The city wanted to bring in black developers in the property space through "Property Market Transformation Agenda". The City did not fulfil its aim as the beneficiaries were always white developers. And hence the ICPS was established with the intention to diversify pool of beneficiaries who are going to work on the refurbishment (respondent A).

Respondent A stipulated that the biggest challenge BBP was that the buildings earmarked for refurbishment were occupied. Due to lack of alternative accommodation, respondent A stated that even when developers were ready to refurbish the buildings, it was difficult to move into properties and have them ready for development.

> *"The constitutional court has made a ruling that when you do the evictions the city must provide alternative accommodation. Without the availability of alternative accommodation facilities, it is difficult for us to then move into properties and have them ready for development. Everything hinges on what we are able to do with the occupiers of the buildings. We can take all the buildings in the city and make them part of the scheme but if we have got nowhere to put people in those buildings, so that we can release those buildings for development, we are back to square one"* respondent A, interview 11th August 2016).

Respondent C highlighted that the City had various maps of bad buildings of which the database did not correlate. This is because the database was not clear about why the building was called bad building. One could not tell from the maps whether the building was bad because it had a broken window, hijacked, poorly maintained, seat of criminals or it owed the City rates and taxes (respondent C). The City needed different strategies to tackle these bad buildings as it was using the same strategy for buildings with different challenges (respondent C). Buildings which criminal activities happen or that are run by criminal syndicates needed to be tackled using the police or SARS or even home affairs (respondent C). Other buildings just needed the City to negotiate with the owners or even the tenants.

Another challenge that respondent C pointed out was that the City's departments were at complete war with each other. It's either the City's departments were competing to take BBP or not take the responsibility of the bad buildings (respondent C). Respondent C mentioned that there was no way the City could tackle bad building without addressing the housing crises in the inner city. Another challenge that hampered on the success of BBP was corruption. Both respondent C and D mentioned that there was corruption in different City departments. Respondent C mentioned that there was fraud and corruption in the revenue department. As a result, there was lack of transparent information about the bad buildings. Additionally, it became hard to find out which bad buildings were available for refurbishment. And also, it became hard to track down developers who got bad buildings but do not provide accommodation for the intended beneficiaries (respondent C). Respondent D also mentioned that officials in either rates or various service departments accepted “bonuses” from rates collection and the City could not recover the outstanding rates and services.

Respondent D raised the issue of gentrification. Due to high construction and running costs, respondent D emphasised that it was unlikely that the private developers would largely accommodate low income households after renovating the buildings. The consequence of refurbishing and renovating bad buildings largely led to the displacement of poor/low income households who occupied these buildings. Respondent D felt that this was a "stupid objection" because:

> *"If you are going to make a building that has been gutted by those living in it provide water electricity etc. the building would obviously be 'gentrified' in comparison to what it once was. That would in turn lead to those who had previously lived in it as a 'bad building' not being able to afford to return"* (interview 7th November 2016).

<u>Was affordable housing was realised through BBP</u>

Respondent C explained that the government had no mechanisms to provide affordable housing in the inner city. The government provides RDP houses on the green fields or at the city's periphery. However, developers who converted bad buildings in the inner city provided mostly for medium income earners and not for the very poor (respondent C). Respondent C made an interesting point that developers provided affordable rentals because they managed to provide accommodation for the low income households that one could not get elsewhere. Respondent C stipulated that BBP was intended for low income households but quickly provided for high income because the delivering and running costs were extremely high.

Respondent A mentioned that the City does not assist private developers financially. It is the developer's responsibility to source their own funding to refurbish the buildings. Respondent A stated that the developers sometimes raise funds through commercial banks and it would negatively impact on developers' return on investment if they provide social housing. As a result, respondent A stipulated that the City does not dictate to the private developers who to accommodate after the building has been refurbished. The developers are free to set market related rentals.

Respondent A highlighted that there are high chances that after the city's regeneration, low income households are likely not to be able to afford housing in the inner city.

5.4 Insight into Bad Building Programme

This section analyses the case study outlined above as well as interpreting the findings. Precisely, the section analyses the sub-question: Assess whether BBP has delivered affordable housing for low-income people living in the inner city. Then this section will analyse the main research question: How has the Bad Building Programme performed to alleviate low-income housing in the inner city? Assess whether BBP has delivered affordable housing for low-income people living in the inner city.

The overall aim of affordable housing is to assist the low and poor income households to access decent housing without experiencing financial hardship. Households that need affordable housing lack the financial capacity to participate in the private sector market. This is because in most cases private developers provide market related developments which usually excludes the low income households. The general findings of this study show that BBP has managed to refurbish few buildings. Out of 150 bad buildings that were identified and included in the BBP about 12 buildings were successfully refurbished and renovated. Due to construction and running costs, it was difficult for private developers to largely cater for low income households. However, there were private developers who managed to refurbish bad buildings in order to accommodate low income households.

From the interviewee's view, the main challenges that led to the BBP being stopped was the fact that the City did not have a plan of how to deal with the evictees. Other challenges include fraud and corruptions of City's officials, internal politics in the City and lack of political will from government, financial capital to refurbish and renovate the buildings, alternative accommodation for the evictees, long and difficult processes of expropriating buildings and gentrification. It also took long and was an expensive process for the city to acquire/expropriate bad building. The city also lacked capacity to make follow ups on private developers that the refurbishment actually materialised and whether those who acquired the buildings provided affordable housing for low income households.

People who got the buildings were the already established white developers and the city wanted to bring in the black developers into the property market. Another challenge was that the buildings that were to be refurbished were occupied. As a result, the city could not evict the occupants without alternative accommodation. The city did not also have a clear database of bad buildings. The database did not correlate and this made in difficult to why a building was referred to as bad building. Bad buildings have different challenges but the city had one size fits all strategy to address all bad buildings in the inner city.

The successes of the BBP are that the City managed to identify bad buildings in the inner city which needed to be refurbished and provided direction for implementation (BBP). Additionally, BBP provided better decent and affordable accommodation even though it was limited and it addressed the issues of what to do with the people living in bad building.

How has the Bad Building Programme performed to alleviate low-income housing in the inner city?

The BBP was one of the City's mechanisms of bringing back dilapidated buildings into valuable assets as new residential development. It was building a good experience and slowly achieving excellent results in upgrading dilapidated properties and providing better and decent accommodation for low income households. There are private companies that performed reasonably well in providing low income housing.

Considering the challenges, the BBP did not achieve its intended objective. Out of 150 buildings that were put in BBP, 12 were successfully refurbished. If BBP was not stopped, it could have made more positive contribution in delivering decent and affordable housing for low income households in the inner city. More building could have been refurbished and renovated not for housing purposes only but for other economic purposed.

5.5 Suggestions for research

The study found that the BBP has rarely benefited the intended beneficiaries as housing costs in the inner city are still high. The BBP has not alleviated low income housing needs as affordable housing is still a major challenge in the inner city. From the literature and desk top research, it found almost half (approximately 122 000) of people living in the inner city earn R3 500 per month and below. Additionally, the study found that the private sector does not really cater for low income housing needs as the rental charges are higher than their salaries. As a result, the study recommends that the COJ should review the delivery of affordable housing in the inner city and respond to the housing needs of the low income residents in the inner city. Moreover, the government can encourage and assist the private sector in delivering the affordable housing thus meeting the need where demand is great.

Most studies have focused on the strategies of dealing with bad buildings and inner city regeneration. There is less focus on the people who live in these bad buildings. Future research should focus on the experiences of people living in bad buildings. In order to improve their living conditions, they should be involved when developing the strategies of dealing with bad buildings.

5.6 Conclusion

This chapter has discussed the aim of BBP, as well as analysing the empirical data collected. The findings from the interviews conducted indicated how the respondents perceived the BBP. The respondents had similar perspective about the BBP and the challenges in proving affordable housing in the inner city. The aim of City is to ensure that all residents have access to housing as well as basic services and amenities. The City is faced with numerous challenges including affordable housing delivery in the inner city. The low income residents live in bad buildings as it is the only cheaper accommodation they could afford in the inner city. BBP was a mechanism for the City to realise its aim and address these problem.

6. CONCLUSION

6.1 Introduction

Bad Building Programme (BBP) hoped to renovate bad buildings in the inner city and turn them into economically viable assets. Additionally, the BBP hoped to increase the housing stock especially for low income household. The City views bad buildings and lack of affordable housing as a serious challenge that needs to be tackled. Bad buildings provide accommodation to the majority of low income households living in the inner city. Since 2009, the City has been trying to address bad buildings and low income housing challenges in the inner city without a major success. The city has developed several programmes to address low income housing challenges for poor residents. The chapter presents the summary the findings of the study. The chapter then provides the conclusion of the study based on the research objective and the main research question.

6.2 Summary of findings

The aim of this research is to determine whether the BBP has met its strategic mandate of providing decent and affordable housing to low income households living in the inner city. The main research question for this study is: How has the Bad Building Programme performed to alleviate low-income housing in the inner city?

The challenge of providing decent and affordable housing is not only faced by the City of Johannesburg (COJ) but the world as a whole. The government of South Africa addresses the housing backlog in the country through the delivery of affordable housing (RDP and BNG). However, as discussed in chapter 2, majority of these affordable houses are at the city periphery away from job opportunities with high transport costs for the poor. BBP as an attempt to address bad buildings and increase low income housing stock in the inner city has resulted into evictions of poor and low income households from their homes thus causing homelessness. This shows that there is lack of alternative affordable housing available for low income households living in the inner city. However, the City has acknowledged the need for low income housing and is committed to address the demand.

COJ implemented BBP as a mechanism to address bad buildings in the inner city and to facilitate the development of affordable housing delivery. Based on the literature, the research found that there is large demand of affordable housing and the insufficient supply to meet the need of low income households in the inner city. The findings of the study indicate that the BBP has achieved moderate success in alleviating low income housing in the inner city. The major achievement was the identification of bad buildings in the inner city. However, the refurbishment of buildings was hampered by lack of alternative accommodation for the evictees. Even though the city has developed few housing programmes that respond to low income housing challenges, the number of dwelling units is very few compared to the demand.

BBP's challenges ranged from corruption and fraud, alternative housing for the evictees, financial ability of private developers to finance the refurbishment and renovations of the buildings. BBP was "one-size-fit-all" strategy to address all bad building in the inner city. The findings show that this strategy could not fully work because one strategy cannot address different challenges and categories of bad building. Different buildings with different challenges needed to be tackled in different ways. Flexibility could have been very useful in addressing different categories of the bad buildings.

The general outcome of BBP did not fully fulfil its objective of providing decent and affordable housing to low income households. The findings show that due to high construction and running costs, most private developers could not be able to provide low income housing. As a result, they provided mostly for middle and high income households. After the refurbishment and renovations of bad buildings, the rent levels generally increased to the level which was mostly unaffordable to the majority of the intended beneficiaries (low income households).

According to the findings, even though the private developers see the need to provide affordable housing for low income households, it becomes difficult without the government assistance. Private developers set their rentals according to market value. Clearly it shows that private developers find it difficult to cater for the needs of low income households. Where the private sector fails, the state is expected to assist. According to court cases, COJ was obliged to provide alternative accommodation for the evictees. The City must not only facilitate the housing provision in the inner city but also play a major role in providing affordable housing to those that are excluded in the market property.

The fact that the City/ government did not assist private developers with funding led the BBP to achieve small number of affordable housing units. The findings show that most of the private developers raise the capital to refurbish and renovate the buildings from bank's debt funding. Bank's debt funding increases additional costs which hampers that provision of affordable housing. For private developers to provide affordable housing under this circumstance would increase the developer's financial risks and hampers their success in the property market. However, the findings show that these private developers could have been able to deliver more affordable housing unit if their rents were set to recover the debt and costs. Additionally, the City did not follow up on companies which got the building on discounted prices that they delivered affordable housing.

6.3 Conclusion of the study

The government of South Africa provides housing in order to address backlog in the affordable housing supply to low households. Chapter two of this study provided an overview of affordable housing. The chapter also outlined how affordable housing is measured and also challenges in proving affordable housing. Amongst the challenges, financial capacity is a major challenge in providing affordable housing. Although the national government has implemented and delivered massive affordable housing in the country, the inner city of Johannesburg still has a major challenge in providing low income housing for low income residents. The private developers, due to financial constraints, largely find it difficult to respond to the of the low income housing needs of inner city residents.

Chapter five discussed the empirical analysis with an aim to answer the research question: how has the Bad Building Programme performed to alleviate low-income housing in the inner city? To conclude based on the findings, affordable housing is in great demand and the private sector fail to meet the demand. The shortage of decent and affordable housing for low income households in the inner city of Johannesburg is a major crisis. The current supply is not able to accommodate the current residents. The City of Johannesburg is mainly focusing on providing the RDP/BNG houses outside the city. There is less focus in providing housing in the inner city.

Many of the low income households stay in bad buildings in the inner city. This is because bad buildings offer cheaper accommodation. The BBP only achieved to fully refurbish and renovate few buildings thus addressing the low income housing needs for the few. In order to achieve affordable housing the City needs look at and try to address the challenges that increase the rents. Based on the finding, it is difficult to envisage a condition which low income residents in the inner city of Johannesburg will afford a decent and affordable housing in future. By this far, the City has not successfully addressed the housing needs of low income residents in the inner city.

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APPENDICES

Appendix 1: List of interviewees

1. Respondent A: An officer at Integrated Regional Economic Development Directorate responsible for Inner City Property Scheme. Inner City Property Scheme. Interviewed on the 11th August 2016.
2. Respondent B: An officer at Housing Programme Support. Department of Housing, City of Johannesburg Metropolitan Municipality. Interviewed on the 31st August 2016.
3. Respondent C: A Researcher and consultant who worked on bad building strategy for City of Johannesburg. Interviewed on the 1st November 2016.
4. Respondent D: Former Executive officer at Central Johannesburg Partnership (CJP). The respondent e-mailed the completed questionnaires because he is retired and stays in Cape Town. 7th November 2016.
5. Respondent E: Former researcher at the Centre for Applied Legal Studies (CALS) and Socio-economic rights Institute of South Africa (SERI). Interviewed on the 8th November 2016.

Appendix 2: Interview questions

City of Johannesburg Metropolitan Municipality

Greetings

My name is Mots'eoa Koali and I am a student studying towards my Master's in Development Planning at Wits University. I am currently investigating the extent to which the Bad Buildings Programme has alleviated low-income housing in the inner city. The information that I collect will only be used for academic purposes. This questionnaire is completely anonymous and participation in this research is voluntary. I would like to invite you to participate in this research process, however, if you are uncomfortable with any of the questions or do not wish to answer then that is acceptable and we can stop at any time you like. With your permission, the interview will be recorded using an audio recorder and hand written notes. If you are willing to participate, I will appreciate if you allow me to ask you a few questions. The interview will not take more than 45 minutes of your time.

Can you please introduce yourself?

1. What is your position?

2. Did the municipality set any special policy considerations or regulations for the companies that undertook the Bad Building Programme? If yes, please explain your answer?

3. What were the challenges of the programme?

4. What were the successes of the programme?

5. Did Bad Building Programme have some effects that were not intended? If yes, how did you respond to the effects?

6. Did you make any follow-up on companies renovated the buildings under Bad Building Programme? If yes, how did you make the follow-up?

7. Did you regulate rentals for companies that participated in Bad Building Programme? If yes, how was the policy structured?

8. Besides the Bad Building Programme, how is the city responding to the housing needs of people living in bad buildings/ earning less than R3500 per month?

This is the end of my questions. Thank you once again for the opportunity to interview you.

Inner City Property Scheme (ICPS)

Greetings

My name is Mots'eoa Koali and I am a student studying towards my Master's in Development Planning at Wits University. I am currently investigating the extent to which the Bad Buildings Programme has alleviated low-income housing in the inner city. The information that I collect will only be used for academic purposes. This questionnaire is completely anonymous and participation in this research is voluntary. I would like to invite you to participate in this research process, however, if you are uncomfortable with any of the questions or do not wish to answer then that is acceptable and we can stop at any time you like. With your permission, the interview will be recorded using an audio recorder and hand written notes. If you are willing to participate, I will appreciate if you allow me to ask you a few questions. The interview will not take more than 45 minutes of your time.

Can you please introduce yourself?

1. What is your position?

2. Why was the Bad Building Programme transferred to your office?

3. How did the goals and objectives differ when the programme was still managed by City of Johannesburg Metropolitan Municipality?

4. How did you measure the achieved goals?

5. What were the challenges of the programme?

6. What were the successes of the programme?

7. Did Bad Building Programme have some effects that were not intended? If yes, what were they?

8. How did you respond to the effects?

9. Did you make any follow-up on companies renovated the buildings under Bad Building Programme? If yes, how did you make the follow-up?

10. Did you regulate rentals for companies that participated in Bad Building Programme? If yes, how was the policy structured?

11. What were the major lessons learnt about Bad Building Programme?

12. Besides the Bad Building Programme, do you have any programme/project that address the housing needs of people living in bad buildings/ earning less than R3500 per month?

This is the end of my questions. Thank you once again for the opportunity to interview you.

Independent researchers and consultants

Greetings

My name is Mots'eoa Koali and I am a student studying towards my Master's in Development Planning at Wits University. I am currently investigating the extent to which the Bad Buildings Programme has alleviated low-income housing in the inner city. The information that I collect will only be used for academic purposes. This questionnaire is completely anonymous and participation in this research is voluntary. I would like to invite you to participate in this research process, however, if you are uncomfortable with any of the questions or do not wish to answer then that is acceptable and we can stop at any time you like. With your permission, the interview will be recorded using an audio recorder and hand written notes. If you are willing to participate, I will appreciate if you allow me to ask you a few questions. The interview will not take more than 45 minutes of your time.

Can you please introduce yourself?

1. How were you involved in Bad Building Programme?

2. What was your personal view about the goals and objectives of the Bad Building Programme?

3. What was your impression about Bad Building Programme?

4. Was Bad Building Programme good or bad idea? Please explain your answer.

5. Was the Bad Building successful? Please explain your answer.

6. What were the challenges of Bad Building Programme?

7. Did the Bad Building Programme have some effects that were not intended?

8. What do you think was not done properly for the programme to be successful?

9. Bad Building Programme was criticised by evicting the poor from their homes. What was your view on this?

10. Were there any other alternatives of renovating bad buildings without displacing the bad buildings residents?

11. Who were the main beneficiaries of the Bad Building Programme?

12. In your own context, what does housing affordability mean?

13. What do you think needs to be done for both public and private companies to provide affordable housing for the low-income households?

14. If the same programme was to be done again, what need to be done in order for the programme to be successful?

15. Do you have anything you can like to say about the programme?

This is the end of my questions. Thank you once again for the opportunity to interview you.

Appendix 3: Participation information sheet

<u>PARTICIPANT INFORMATION SHEET</u>

Evaluation of Better Buildings Programme: A case study of Johannesburg Housing Company.

Greetings

My name is Mots'eoa Koali and I am currently a full time student studying towards a MSc Development Planning in the School of Architecture and Planning (SOAP) at the University of Witwatersrand. I am currently investigating the extent to which Bad buildings have alleviated low-income housing in the inner city.

I am inviting you to be part of the study through an interview. The interview will take no longer than an hour of your time. The interview will be at your office or any place suitable for you. During the course of the interview you will be asked questions regarding the Bad Buildings Programme. The interview will be recorded using an audio recorder and hand written notes.

Your participation is voluntary, you may refuse to answer any questions that make you uncomfortable, and you may withdraw at any time without penalty or loss. You will receive no payment or other incentives for your participation. Your participation will be completely anonymous and you will not be personally identified in the final report. You will be referred to as (respondent A/B/C). However, your organisation may be identified.

The results of the interview and your personal views will not be linked to you in the final report. In the event that I use direct quotations from this interview, please note that your identity will not be revealed. Any comments that you make that you deem "off the record" or similar, will not be quoted. Further, any information that you share will be kept confidential and can only be accessed by me on a password protected computer. There are also no foreseeable risks associated with your participation.

The research undertaken is solely for academic purposes and once completed will be available electronically and can be accessed publicly.

If you have any questions, concerns, or comments or if you would like a copy of the final report, please feel free to contact me at 740546@students.wits.ac.za or my supervisor at aly.karam@wits.ac.za.

Kind regards,

____

Mots'eoa Koali,
Masters of Science in Development Planning

Appendix 4: Ethics clearance certificate

SCHOOL OF ARCHITECTURE AND PLANNING
HUMAN RESERCH ETHICS COMMITTEE

CLEARANCE CERTIFICATE
PROTOCOL NUMBER: SOAP50/24/06/2016

PROJECT TITLE:	Evaluation of Better buildings Programme: A case study of Johannesburg Housing Company
INVESTIGATOR/S:	Mots'eoa Koali (Student No. 740546)
SCHOOL:	Architecture and Planning
DEGREE PROGRAMME:	Master of Science in Development Planning (MSc DP)
DATE CONSIDERED:	08 September 2016
DECISION OF THE COMMITTEE:	APPROVED
EXPIRY DATE:	08 September 2017

CHAIRPERSON
(Professor Daniel Irurah)

DATE: 09.09.2016

cc: Supervisor/s: Prof. Aly Karam

DECLARATION OF INVESTIGATORS

I/We fully understand the conditions under which I am/we are authorized to carry out the abovementioned research and I/we guarantee to endure compliance with these conditions. Should any departure to be contemplated from the research procedure as approved I/we undertake to resubmit the protocol to the Committee.

Signature **Date** 25/10/06

School of Architecture & Planning
University of the Witwatersrand
Private Bag 3 Wits 2050
Johannesburg South Africa
www.wits.ac.za

T +27 11 717 7623
F +27 11 717 7648