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2019

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Musetha, Mboniseni Aubrey (2019) Implementing Gap Market housing programme in a community characterised by informal settlements:a case study of Alexandra Urban Renewal Project in Johannesburg, South Africa, University of the Witwatersrand, Johannesburg, <http://hdl.handle.net/10539/29013>

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Title: Implementing Gap Market housing programme in a community characterised by informal settlements: A case study of Alexandra Urban Renewal Project in Johannesburg, South Africa.

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A research report proposal submitted to the Faculty of Engineering and the Built Environment, University of the Witwatersrand, in partial fulfilment / fulfilment of the requirements for the degree of Masters -MBE (Housing)

DECLARATION

I hereby declare that the study titled ***Implementing Gap Market housing programme in a community characterised by informal settlements: A case study of Alexandra Urban Renewal Project in Johannesburg, South Africa*** is my own work and that all the sources that I have used or quoted have been indicated and duly acknowledged by means of complete references.

It is submitted in partial fulfilment / fulfilment of the requirements for the degree of Masters -MBE (Housing) at the University of the Witwatersrand. The work has not been submitted before for any degree or examination at any other university.



……. 29/03/2019

SIGNATURE DATE

(Mr) Musetha M.A

DEDICATION

This thesis is dedicated to my strong mother who first taught me the value of education and critical thought. My mom helped me grow up and become the adult I am today with Venda norms and values from deep rural area of Tshanzhe - Thengwe, Limpopo.

ABSTRACT

In post-apartheid South Africa, the government made tremendous efforts to ensure poor people's access to housing. Many houses were delivered under the capital subsidy process which targeted mainly those earning an income value of between R0-R3 501. These are houses build as part of a government-funded social housing project. However, this created a 'gap' in the market between those who earned below the threshold of R3 500 a month, and those who earned enough to get a mortgage. The government therefore created funding instruments to support these kinds of households. In 2012, it created the Finance Linked Individual Subsidy Programme which worked by on the basis of giving assistance to households that qualify for mortgage to buy a house or open stand which is serviced but linked to a contractor. Those who qualify for this scheme are regarded to be occupying the gap market. They are those who are not eligible for the full subsidised scheme while at the same time they do not for a housing loan from the banks. Their salary earning range from R3 501 and R15 000 per month.

Alexandra is a major township with a population of 179,624 people. In February 2001, the government launched the Alexandra Renewal programme which was aimed at conducting a sustainable campaign programme to deal with urban and rural poverty. This campaign also included dealing with underdevelopment, and all sectors and resources from government were to be coordinated towards meeting this goal. Its objectives included to eradicate poverty, equity, underdevelopment, enhance the capacity of local government to deliver and enhance social cohesion. As part of this programme a large number of fully subsidised houses have been built and are still planned. In addition, a set of blocks with 232 FLISP units were planned and construction began in 2013. Applications were received of more than 5000 and housing was assigned to those able to secure the correct finance, meaning that a screening and verification process was conducted to reduce the number of applicants to less than 500. However, this housing was heavily contested by those whose applications were turned down and; other political and civic organisations as they were not content with the screening and allocation process. In expressing their discontent with this project, they went as far as destroying windows, roofs, gutter and doors of these houses. They also occupied units in one of the sites of the FLIP project.

In this research project, I conducted interviews with beneficiaries, those who did not qualify, government officials and other stakeholders in order to determine the contestations surrounding the FLISP project in Alexandra. This overriding aim was guided by sub research question which were aimed at understanding the policy frameworks that are in place to promote mixed housing projects, the reasons behind the adoption of gap market housing project in Alexandra, the experience of beneficiaries of gap market housing project since they moved to their units, the reasons for contestations surrounding the gap market initiative in Alexandra, and the measures have authorities taken to manage and resolve these contestations. This research showed that while FLISP came in place as one way of fast tracking the delivery of housing units in South Africa by providing affordable housing to a segment that was considered "too rich" to receive a free subsidy house from the government, yet "too poor" to access the normal housing loans stream from banks/financial institutions (DHS, 2014), the servicing of this Gap market seems to be slow. In Alexandra, when the "GAP Market" initiative was launched in 2013, it was expected to be completed in 2015 but this did not happen. This is the source of many contestation that has led to invasions of units under FLIP project. There is need to fast track the construction and allocation process in such projects. The department of human settlement and other stakeholders should embark on a program of educating borrowers to improve their financial knowledge. This might help applicant or beneficiaries to prioritise their housing needs and manage debts.

ACKNOWLEDGEMENTS

I would like to thank Dr Richard Ballard for his supervision, guidance, encouragement and mentorship throughout the course of my study.

It is always important to be grateful to the person who gave me guidance since the inception of the research. I salute you for your time, patience and understanding during this research.

I would like to acknowledge my former Employer: Alexandra Renewal Project (ARP) for providing me the time to undertake this work.

Finally, I would like to acknowledge my wife and children for being supportive and always there when I faced hurdles during conducting this research.

LIST OF ACRONYMS

ALC: Alexandra Liaison Committee

ANC: African National Congress

ARP: Alexandra Renewal Project

AURP: Alexandra Urban Renewal Project

BLAs: Black Local Authorities

BNG: Breaking New Ground

FLISP: Finance Linked Individual Subsidy Programme

GDH: Gauteng Department of Housing

HSP: Human Settlement Plans

JMPD: Johannesburg Metropolitan Police Department

JTC's: Joint Technical Committees

MDG: Millennium Development Goal

MEC: Member of the Executive Council

NDP: National Development Plan

NGOs: Non-Governmental Organisations

NDA: National Development Agency

NDH: National Department of Housing

NHB: National Housing Board

NHFC: National Housing Finance Corporation

NHF: National Housing Forum

NHPC: National Housing and Planning Commission,

NHS: National Housing Subsidy

NSP: Human Settlement Plans

RDP: Reconstruction Development Plan

RHPP: Rural Housing Policy and Programmes

SANCO: South African National Civic Organisation

UISP: Upgrading of Informal Settlement Support Programme

URP: Urban Renewal Project

USAID: The United States Agency for International Development

UN-HABITAT: United Nations Human Settlement Programme

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CHAPTER 1

1.1 Introduction

In post-apartheid South Africa, the government made tremendous efforts to ensure poor people's access to housing. The adoption of the National Housing Subsidy scheme in 1994 coupled with some housing policy shifts such as Breaking New Ground and Housing code of 2004 (Huchzermeyer, 2009), has resulted in about 17 different housing options targeting a variety of beneficiaries. While several million households have been assisted through this programme, others are yet to be assisted. Housing initiatives implemented have tended to create a gap in the market. Households earning below R3 501 qualify for a Reconstruction Development Plan (RDP) houses, but only households earning more than R15 000 can get a mortgage. Under Finance Linked Individual Subsidy Programme, households with a salary ranging from R3 501 to R15 000 has been targeted. FLISP is a programme of instrument that seek to help qualifying families through giving a once-off down payment to those who would have secured mortgage finance to acquire a residential property for the first time, the gap. Households in this salary range used to face challenges in attempting to access housing finance from banks. Their salaries were seen as too low for housing loans and yet to high for a government 'free-house' subsidy programme.

In practice, mortgages houses and RDP housing tend to be distributed and located in separate residential areas thereby creating an urban divide. In Alexandra, there were efforts to bridge the spatial location gap between poor families (RDP beneficiaries and informal settlement dwellers) and middle-income earners through the implementation of Gap market housing under the Alexandra urban renewal project. However, the construction processes for this project in Alexandra has since been put on hold due to protest from residents of informal settlements and civic organisations. These protestors argue that, rather than constructing and availing land through FLISP, the city should have given residents of informal settlements an opportunity to own houses through implementing RDP projects. This research uses these events to consider the enormous difficulties in bringing about the government's vision for a blend of housing and income types in integrated human settlements.

1.2 Background

The South African urban landscape was hugely influenced and changed by apartheid as legislated racial separation. Communities where modelled along race lines because of acts like The Group Areas Act of 1950. These policies of influx control restricted black urbanisation. Blacks who were permitted to stay in urban areas resided in shanty towns, black townships and hostels. The old system showed to be inefficient economically, and divisive politically. It was later replaced by a policy of 'orderly urbanization' in the 1980s which was aimed at accelerating the process of cultural change and industrialisation, through ignoring factors that constrained urbanisation (Smith, 2005). While the

negotiations for democracy in 1994, led to the creation of new urban society, and an end to the old apartheid system, the rooted practices/ ideologies and the existing pattern of property ownership has widened the disparity between the rich and poor. Urban life continues to reflect conflicting interests, spatial segregation and imbalances within the labour market despite the rolling out of different housing policies (ibid).

In Alexandra, "Africans" held freehold ownership of property, since 1913. In the 1960s the Apartheid government expropriated all property. Strong community resistance and an apartheid re-engineering response limited the complete resettlement of Alexandra. Greater Alexandra is home to 380 000 people made up of three distinct geographical parts: Old Alexandra; the East Bank and 6500 Households living in abandoned factories in Marlboro, Kew and Wynberg. Alexandra became a Special Integrated Presidential Project in 1994 and Alexandra Renewal Project was declared by the President in February 2001 (Alexandra Renewal Project, Review Summit, 2015). Figure 2, map refer.

In February 2001, the then President Mbeki announced in Parliament the formation of eight urban renewal programmes in South Africa Galeshewe in Northern, Khayelitsha in Cape Town, Mitchell's Plain Inanda and KwaMashu in KZN, Mdantsane and Motherwell in Eastern Cape, Cape and Alexandra in Johannesburg. The Alexandra Renewal Project had an estimated budget of R1.3 billion over seven years,and this was based on an overall business Plan submitted to National Government by the Gauteng Department of Housing for the "Reconstruction and Urban Renewal of Greater Alexandra". All stakeholders were invited to attend the Alexandra Summit, which was held on 18 and 19 April 2001.

According to the Urban Renewal of Greater Alexandra and Overall Business Plan for the Reconstruction (29 September 2000), when the project started in 2001, a population of 350 000 was found to be living in Greater Alexandra Since 2001 to 2011, the Alexandra Renewal Project (ARP) has delivered 11 250 housing opportunities of mixed tenure in Diepsloot, Bramfisherville and in the Greater Alexandra area. In addition to the RDP projects that were delivered between 2001 and 2011, there was also a plan to build FLISP housing for the gap market that would be targeted those people who do not qualifies for RDP as they are earning above R3 501 but below R15 000.The First 232 FLISP Units were build at Alexandra Far East Bank as a pilot project for gap market product in Alexandra. As part of decongesting, bridging the urban divide and upgrading Alexandra township, an initiative to cater for those who don't qualify for RDP houses and for housing under the prime market, (gap market), was launched under the Alexandra Urban Renewal Project. However, this research delves into an understanding of why and how the project has faced intense rejection from surrounding residents and other civil society groups.

1.3 Problem statement

The BNG of 2004tranformed the South African policy on housing and aligned it to international tenets. These precisely stemmed from Target 11, of the Millennium Development Goal 7. Target 11 sets out to improve the lives of 100 million slum dwellers by 2020 (Huchzermeyer, 2011). It adopted the principles of Sustainable Human Settlement and the UN-Habitat's ethos of Cities without Slums, and intended to accelerate housing delivery, restructure and reintegrate human settlements, among other intentions (White Paper on Human Settlement, 2015).

While the achievements of the last twenty-four years in housing occurring in line with accelerating housing delivery cannot be under estimated, the apartheid spatial form continues to characterise South African urban locations. Residential segregation based on access to economic resources is another characteristic of post-apartheid housing processes. In tandem with the housing code of 2009, the government of South Africa has sought to address these imbalances through the implementation of integrated housing development projects.

However, the implementation of gap market initiative, as a complimentary strategy to RDP housing and informal settlement upgrading programmes in Alexandra has been met with intense resistance from different sections of the society. Currently, community members and other civic organisation have demonstrated against this development since 2016. Some of the protesters argue that RDP housing provision should take priority in their neighbourhood. This exposes contradictions that exist in housing provision which calls for an interrogation. The last phase of the Gap Market project has been halted. It is in light of this that this study sought to unravel the contestations that exist between policy and practice paying particular attention to the Alexandra case.

1.4 Rationale

An investigation in the implementation of integrated housing projects (Gap Market in Alexandra), exposed the disjuncture that exists between policy frameworks and practice. According to Charlton and Kihato (2006), the disjuncture between intensions of policy, factors affecting policy, and practise should be explored at a given time and context. Research into the Alexandra GAP market initiative will not only unearth many grey areas and mysteries around the issue of policy in housing and practice, it also brings about lessons for policy makers, donor organisations and interested stakeholders.

It is also imperative to state that the gap market housing initiative was adopted as an idea of integrated human settlements. This was a reaction to the homogeneity of 'RDP settlements' that had emerged in the 1990s. BNG sought to achieve greater urban diversity – a mix of different incomes, tenure types, urban functions, etc. It would therefore be necessary to track and see if the Gap market project in Alexandra is meeting these expectations elsewhere, new settlements such as Cosmo City incorporated

a mix of fully bonded houses (financed through mortgages raised between home owners and banks), fully subsidised houses given to occupants, and partially subsidised housing. However, these housing types were somewhat segregated internally in order to manage expectations of home owners of bonded houses. The present case deals with a different situation – an already settled urban area which incorporates a mix of housing types including an informal settlement targeted for upgrading. The success stories and challenges experienced under the gap market initiative would be interesting to observe given that the context of Alexandra presented obstacles for designing since it has a diversity of income and housing types where space was much more constrained, and backlogs were evident in the number of people occupying informal accommodation.

1.4.1 Research Aim

- The study seeks to critically investigate the difficulties of rolling out an integrated housing project in an area characterised by informal settlements.

1.4.2 Research question

- What are the implications of the gap market housing initiative as a complimentary strategy to RDP housing and informal settlement upgrading in Alexandra Township?

1.4.2.1 Sub questions

- What policy frameworks are in place to promote mixed housing projects?
- What are the reasons behind the adoption of gap market housing project in Alexandra?
- What has been the experience of beneficiaries of gap market housing project since they moved to their units?
- What are the reasons for contestations surrounding the gap market initiative in Alexandra?
- What measures have authorities taken to manage and resolve these contestations?
- What other measures do they feel should be taken in order to address the impasse?

1.5 Research Methodology

This study was informed by qualitative research design. This choice of this methodology lies on the fact that it comprises "rich descriptive information collected through many methods and forms like documents analysis and in-depth interviewing'' (Mouton, 1996:22). The study shall apply a case study research design. This case of Alexandra Township in Johannesburg was used to understand the issues surrounding the implementation of the gap market housing project. Choice of this location emanated from the fact that as a housing practitioner, I am privy to Alexandra Bothlabela FLISP pilot project that have been happening under the gap market housing programme. Additionally, while I know some of the respondents with relevant information for this study, it gave me a complicated position as a researcher since people involved in this research knew me as a housing practitioner first. I managed this carefully by stressing that the participants would have no bearing on the housing allocation process. Which enhanced my easy access to information during data gathering, I also gave them a choice about whether they can participate or not participate in the research.

I conducted explanatory and action study which is regarded as a process that is reflective and progressive in solving problems by communities working together to address their challenges (Sax and Fisher, 2001). Primary sources of data such as interviews and focus group discussions were incorporated to understand the phenomena under study (the effects of having a gap market housing in an informal settlement context). Interviews were preferred in this case because they enabled the researcher to understand the issues of gap market housing and their coexistence with informality in greater depth and detail. The techniques also allowed the gathering of first-hand relevant information from stakeholders (Wilson, 2013), who are involved in these housing processes. One on one interaction through interviews is important in that it will allowed respondents to open up on their perception of the integrated housing initiatives in Alexandra. During these interviews, questions that were open ended allowed participants to elaborate on their responses so as to get the gist of the matter (Creswell, 2009).

Respondents for this study were purposively selected. While this is a non-representative sample, I was interested in getting a variety of voices on the issue that was under investigation. Informants were made up of residents who have been living in Alexandra formed part of the informants of this research while officials from the city of Joburg, councillors and other relevant stakeholder with relevant information about the research were treated as key informants.

Eighteen respondents were engaged with in this research. These included four officials from the city of Johannesburg. All of these four officials were interviewed at their places of work. Luckily, they are all housed in the same building and setting up appointments for interviews was not a difficult task.

One of the officials preferred to be interviewed in a big room where they share carrels with some colleagues. While the interview the respondent agreed to be recorded, he did not agree to sign a consent form. He only offered verbal consent. During the interview process, the respondent was constantly disrupted by his work mates who needed his opinions on work related issues. However, this did not affect the flow of the interview as the researcher was always quick to pause the recorder each time the respondent got interrupted. This interview lasted for about 40 minutes and the researcher also used his note book to note down additional information such as the facial expressions of the respondent each time he tried to respond to questions. These could not be captured through audio recording.

The other two officials were interviewed in their offices on two separate occasions and they both agreed to be recorded. Both their interviews lasted for about 1 hour and one of them was crucial in identifying the forth respondent who was also a city official. The last city official was interviewed at his work place in his car which was parked in the basement parking lot. While the researcher had insisted for a better venue, the respondent proved adamant that there was nothing wrong with his preferred venue given that he was waiting for a colleague in the parking lot. This interview lasted for about 25min and the respondent refused to be recorded. The researcher had to jot down important points during the interviewing process.

Two activists representing different organisations were interviewed. The first activist was a male from SANCO civil group and was interviewed in an open air. This interview occurred in a Saturday and it occurred after having attempted to set up an interview with the respondent for countless times without any success. It was on this day that the activist was attending to a community meeting that he snuck out and agreed to participate in this research. Since the interview was conducted at an open air and noisy space, it was very difficult to record it although the participant had agreed to be recorded. This interview did not last for a long period because the participant was called inside the hall to attend to a community meeting.

The second activist was a woman who agreed to meet up in a street where she stays. After explaining the whole purpose of the research to her, she verbally agreed that she can participate through answering question but the set up was not conducive for the researcher to use a recorder. At first, the interview began like a social chat as the research escorted the interviewee to a nearby spazza shop where she intended to buy bread. On our way back, we ended up standing under a tree at a street corner where the engagements unfolded. All this time, the researcher was noting down important points that the activist was contributing. Later before the end of the interview, the respondent suggest that we go finish the interview at her place of residence which we did. However, upon reaching her

place, it was not possible to continue with the interview as she had visitors waiting for her, but the interview was long enough to about 50 minutes. While this respondent was interviewed as an activist, she also preferred to be interviewed as a non-beneficiary of the gap market housing project. She was also influential in identifying the other no beneficiaries who participated in this study.

While this study had proposed that two community leaders where to be interviewed, only one gate keeper was available for interview. This leader was also a beneficiary of the gap market project and the first day that the interview was supposed to take place, the responded gave excuses indicating that he was tired, and it was hot. Upon rescheduling an interview with him, the researcher was told to come to his workplace which was not an issue. However, on the day that the interview was supposed to take place at the respondent's work place, he was out of office. He later called and indicted that he was busy organising some strike action and that was the reason he could not make it up for the meeting. The third appointment was successful, and the respondent agreed to be interviewed in a board room. The interview was recorded, and it took about a 1 hour to complete.

1.5 Summary of Data Collection Respondents

Respondents	**Date for the Interview**	**Gender**	**Respondent Position in held**	**FLISP beneficiary**
Four Official from City of Johannesburg Municipality	All four officials were interviewed from 17 to 19 November 2018 at Region E, City of Johannesburg Sandton Office.	Two male And Two Female	1X Official: Deputy Director-Community Engagement 1X Official: Manager-Stakeholder Management 1X Official: Alexandra Renewal Project Manager 1X Official :Region E Housing Manager	No No No No
Two activists representing	both activists were interviewed on the 24 November 2018	Female And Male	Secretary of SANCO Alexandra Region And Chairperson of Alexandra Concern Group	No

different organisations				
Community leader	Reschedule from 25 to 27 November 2018 as per explanation above	male	Chairperson of ANC-Youth League Alexandra	Yes

Secondary sources of data were used to validate the findings obtained through face to face interviews. These included public document on housing such as policies, journal articles among others. Literature in this instance shall be from both South African context and International context.

1.6 Ethical considerations

In this research, ethical considerations were prioritised. Before engaging respondents, I ensured that they were aware of the information concerning this study. First of all, I ensured that the school granted me with an ethical clearance certificate. This certificate helped me to negotiate my way into the research area through unveiling it to relevant authorities such as gate keepers and officials. To participants, I introduced myself and made it clear that while I am also an official, I was also wearing a hat of a researcher and that none of the information they provided was to be used in government processes or decision making. This enabled me to allow the respondents only to sign the consent form after I was sure that they understood the purpose and their role in this research, and that they were not at any stage be prejudiced to participate if they feel that they are not interested.

Considering that some information got form respondents was sensitive, I assured them that the information they revealed was not going to be shared with other persons known to them and was only going to be used for the purpose of this research. Additionally, the information was stored in a password protected computer and participants were free to use any pseudonyms they preferred during interview processes. I was prepared to respond/clarify any questions that arose during the interview processes, and all respondents were alerted that should they feel uncomfortable during the course of the interview, they were free to stop participating.

CHAPTER 2: International Experience on housing

2.1 Introduction

This section attempts to place this study in its scholarly context. While there has been a growing authorship on the policy versus practice debate, the topic is far from being exhausted as a research area. Due to the importance of this discourse, this section seeks to review international literature on housing, its functions, housing approaches and the role different actors in housing policy formulation. Such an engagement is imperative as a way of identifying the segmentation of populations into different classes such as lower middle class, others on very low paid jobs (domestic workers), and others who are unemployed affect their housing options and choices. The chapter also attempts to capture housing as an international social problem.

2.2 The functions of housing

The importance and functions of housing are dynamic and differ from context. However, these can best be understood through conceptualising their opposite condition, homelessness. Kellet and Moore (2003) understood the experiences by which the purpose of striving to get a home can form a culture of oneness among excluded and vulnerable groups, through using a case of homeless young people in Dublin and London, and dwllers of informal settlements in Colombia. The study confirms the Kellet and Moore theory as the people from Alexandra share their resources that they have for building of shack to avoid homelessness which then created togetherness.

This was also emphasised by Ross (2010). According to him, the processes by which homeless people who resided in a place called the Park in Cape Town negotiated and perceived their living conditions suggests that the term homeless might go beyond the common understanding of rooflessness and include the precariousness, causalities and dangers associated to residing under those conditions.

It follows therefore that the functions and meaning of housing the opposite of being homeless. Arguably, according to Kellet and More (2003), having access to a home is seen as a goal responsible for enabling one to socially belong thereby reducing vulnerability (ibid). Housing is not only about shelter but a varied historic, political, economic and social-cultural. This is echoed by Ross (2010) as argued above that a home means a lot than mortar and bricks. A home should “embrace different social-cultural and personal goal in order to gain a stable life because a home results in a sense of pride, belonging and a source of livelihood” (Ross, 2010:34). The economic conditions that make it difficult to achieve these goals in South Africa include unemployment and poverty. Informal settlements development and growth in forced immigrants are strongly linked to these conditions. Backyard shacks and shacks in informal settlements do meet some of the shelter needs of those who

occupy them, and they do so in a way that they can afford. However, they are often poorly built structures that do not have insulation, they leak, they are subject to shack fires and floods, they are less likely to be properly connected to water, sanitation and electricity.

Taking the preceding argument further. While it is more appealing to think that many homeless people see owning a home as a goal, it is also critical to balance this line of reasoning. Homeless people are driven by different aspirations and ambitions. This is well articulated by Maslow's hierarchy of needs in Mittelman, (1991). In this case, a person is likely to prioritise his/her the physical requirements before thinking of anything else/ These are needs that relate to of one's survival such as water and air. It is only when these are met that one is likely to think of their safely and a place to stay. We are reminded here then that housing needs or owning a home is not a primary focus but comes as secondary. The aspect of social belonging come third in this category, only when the first needs are met. In this hierarchy of needs by Maslow, the highest point is that of self-actualization. Self-actualisation in relation to housing suggests that a person would have met all the other needs including a home and what matters now is the type of a house one should own and the location where it should be. Therefore, one should approach the terrain of integrated housing initiatives such as the one Under Alexandra Urban Renewal project with this unfolding understanding of the meaning and functions of housing. It is only until then that one can adequately comprehend the issues at hand without being biased.

2.3 APPROACHES TO HOUSING DELIVERY

2.3.1 Social Housing

There are multiple interpretations to the meaning of Social housing is dynamic. However, for the purpose of this research, an internationally broad meaning of social housing shall be used to mean:

"Housing that has been constructed from public funds" (King, 2006:31). "Rents in this case are subsidised so that housing can be provided at prices that are not principally determined by the motive of making profits. Houses are rather allocated according to need. Political decision making has an important influence in terms of the quantity, quality and terms of provision" (ibid: 31-32).

2.3.2 Self Help Housing Strategy

Self-help approach to housing was popularised by Turner (1972). The strategy emphasis the inclusion of inhabitants in the housing building processes. The use of standards is usually detrimental to this process (ibid). To avoid this obstacle, government should play a facilitating role in the housing processes (Turner, 1972, cited in Bromley, 2003). However, according to Burgess (1982), the idea of self-help is overstated. The concept is likely to serve the interest of one dominant group even in African states because they are already infiltrated by capitalist ideas. Therefore, understanding the contestation surrounding this debate in relation to this study is a critical starting point which helps to configure the role that individuals, states/private sector should play in the delivery of housing. When we have banks, which are qualifying and disqualifying different people interested in FLISP, it would be important to understand if these institutions are doing so in the quest to reduce housing deficiencies and promoted inclusivity which are the goals upon which gap market housing is hinged

2.3.3 Enabling Approach

This approach became popular due to the involvement of the World Bank in housing around 20th century. According to Keivani & Werna (2001: 191) the approach was championed through the theme "developing the housing sector as a whole by enabling primarily formal private markets to work more efficiently". More emphasis was placed on housing provision through the private sector and communities. In principal, the government was not to be directly involved in the housing delivery processes. However, the UN Habitat encouraged a more centralised strategy to ensure community participation while the World Bank advocated for a market-based approach to deliver housing. Enabling therefore entails "legislative, institutional and financial frameworks for entrepreneurship of the private sector, communities and individuals, and hence in this period, the international agencies focused assistance on promoting the development of policies and programmes as opposed to projects" (Jenkins et al, 2007:169). The approach emphasises the role of the state as a regulator of the housing processes rather than direct involvement (UN-Habitat, 2001).

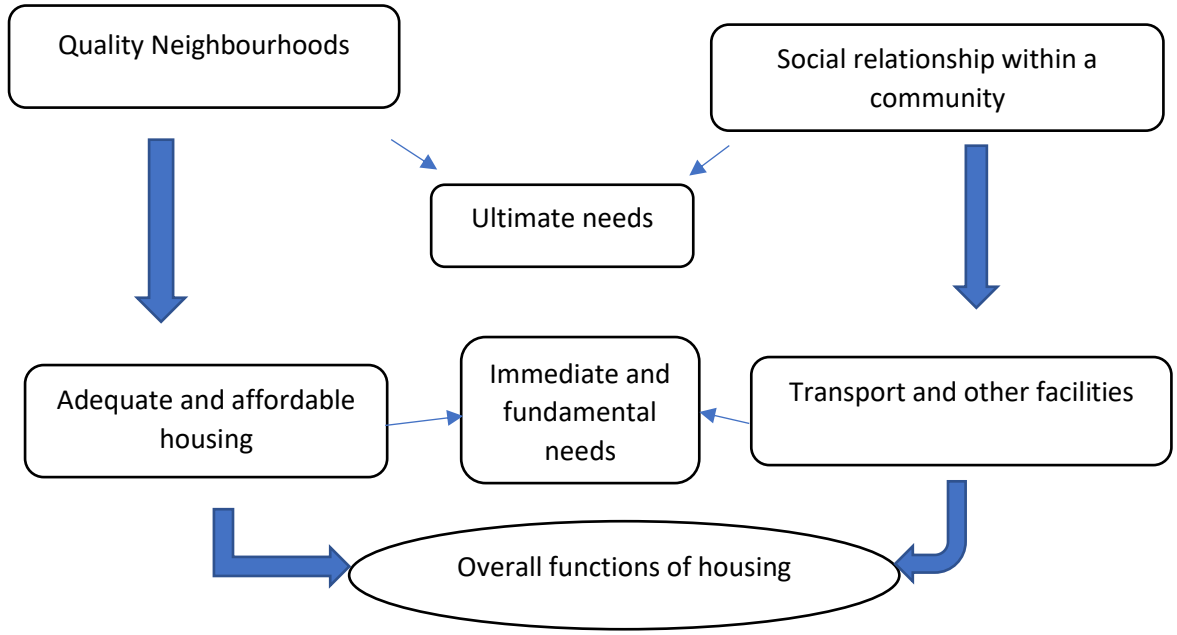
2.4 Informal settlements and upgrading programmes

Informal practices to housing delivery entail developments that are not in line with regulatory frameworks and laws of the town (Sivam, 2003). According to Keivan and Werma (2001), they result from the failure by the urban poor to access conventionally produced housing through market mechanism. In South Africa, these activities occur through land invasions and Alex informal settlements are a good testimony to this. However, informal settlements have been seen as a solution

to housing challenges facing many countries around the world hence efforts to promote their legalisation through upgrading programmes. The upgrading processes can vary but priority is paid to ensuring that dwellers of informal settlement have access to services such as water, clinics, schools, transport, security among others (Cities Alliance, 1999). Provision of such infrastructure will lead to an improvement of the lives of the dwellers of slums. It is important however, to note that there are two broad kinds of solutions to informal accommodation. One is that we should give people tenure of such places and encourage them to invest in improvements themselves over time (as in the Favelas of Brazil). The other is that the state formalises on behalf of people.

Interestingly, there has been calls to promote community participation through in-situ upgrading programmes in IS (Patel, 2013). This is considered as the world's best practice in strategies of ensuring that the lives of approximately million residents of slums are improvemed (ibid). Participation remains a pillar of upgrading programmes as is enables societies to meet their basic need (Choguill, 1996). The process also promotes social and economic fabric, as chances of relocations are likely to be avoided (Huchzermeyer, 2009).

2.5 Conceptual Framework



Source: Own, (2018).

The above diagram speaks to the importance of housing provision in a society, to maintain both social and economic cohesion. This follows the assumption that, when all other contingencies are static, housing provision is likely to lead to improved societal moral through integration. However, this assumption should not be overstated as the implementation of gap housing in an area with informal settlements might prove otherwise. At the same time, improved sanitation, resilience and housing quality (occurring in the gap housing projects), might also play a pivotal role in influencing slum upgrading programmes happening in surrounding areas of Alexandra. While the income divides between the poor and the rich poses a threat to social cohesion, pitting this reality against an initiative targeting those who earn above the poor has the likelihood of resolving this conflict. What has always been a societal problem as a result of competition for space due to living conditions in slums and middle-income areas is likely to be solved by integrating these two societies together. This research contributes to understanding how the urban divide can be bridged.

CHAPTER 3: Housing Provision in South Africa from a Historical Perspective.

3.1 Introduction

This section attempts to critically probe into the housing provision and approaches in South Africa from apartheid regime to current democratic government since 1994. It is from such scrutiny that the paper will explore some of the contestations surrounding the provision of housing that perpetuate inequalities in South Africa. This section will also highlight the role of the apartheid government to pass the law to control the access of land by black people to own properties in the urban areas (racial based land access).Based on the apartheid injustice of the past, the new democratic government shifted to redressed apartheid policy by introducing the importance of housing approaches such as Gap Market initiatives that attempts to bridge the gap between affluent and low-income suburbs known as integrated housing approach. The section ends by briefly presenting on the housing situation and developments in Alexandra Township, a case study area for this study.

3.1.1 The History of Land Dispossession in South Africa

Apartheid as legislated racial segregation immensely altered South African urban environment. Homelands include both rural and urban areas modelled along race lines. In towns this resulted in the formation of townships and elite suburbs. This was hugely influenced by pass laws that controlled population migration, further constraining the urbanisation process (Davies, 1981). With the introduction of discriminatory policies, there was political instability which caused a sizeable number of Africans to be accommodated in informal settlements (ibid). Despite the compromises deemed negotiations towards democracy between the African National Congress and the nationalist government which sought to end the end old apartheid system to create an inclusive South Africa, and its cities, this was just the dawn of the creation of a new society. According to Tomlinson (1990), the entrenched ideologies and the vested interests underpinning the pattern of property ownership that existed survived the removal of laws of apartheid. To this end, South African urban life continues to be divided beyond race, class and ethnicity. With this brief background, I shall attempt to review how South African housing system has fared from a historic perspective.

A major characteristic of the pre-democratic period was land dispossession and racialized restrictions on land ownership. In relation to housing. Africans were restricted from owning urban land with the implementation of the 1920 Housing Act 35 (Lemon, 1987). Rather, black Africans were only permitted to rent public housing in the form of single sex hostel(s)/ compounds or reside on black townships. According to the Department of Land Affairs (1997), land in cities was considered property of the government of South Africa.

According to Gardner (2003:5), "since the implementation of the Housing Act in 1920, policies, institutions, administration and legislative frameworks in relation to housing were separated based on geography and race. For Rust and Rubenstein (1996:109), "there were 12 racially based housing departments and six different subsidy schemes in total isolation from each other during the apartheid era". For instance, many departments and ministries were tasked to deal with housing.

Along with land dispossession, policies of segregation were also integral to the period of white minority rule. The colonial government's approach to housing delivery had many problems. The approach led to great inequalities in terms of spatial patterns. For instance, the Group Areas Act 1950 led to the development of black townships such as Soweto in Johannesburg which were located far away from other centres of economic attraction. The other challenge that came with this approach relates to the provision of a specific type of infrastructure and facilities provided in black townships "best suited for Africans" (Morris, 1981:53). National Building Research Institute, Native Affairs Department, the Planning Commission, and National Housing regulated the minimum sizes of houses (40.4m2), size of rooms, provision of a separate lavatory and ceiling height (ibid). Additionally, the standard plan was made after considering factors such as to furniture arrangement, function, ventilation and day light.

3.1.2 Shortage of housing supply

Msipha (2007:25-26) observed that ''the Apartheid regime developed housing policies which did not resolve the housing challenges, neither did these policies meet the needs of indented beneficiaries". Here, while the system perpetuated the establishment of a number of informal settlements in cities, the quantity of supply was outpaced by the quantity of demand because influx control was breaking down and urbanisation was taking off again. This was at the backdrop of massive movement of black Africans into cities due to rapid process of industrialisation (Rust & Rubenstein 1996:89). Around 1980s, civic organisations, public sector bodies and NGOs pressured the apartheid government into reviewing funding mechanisms and institutional arrangements in housing based on international research and policy development.

There is wide recognition that from apartheid to post democracy, the housing policy-making process has been dominated by debates involving different stakeholders (Huchzermeyer and Karam, 2006:26). These intense negotiations were facilitated by the National Housing Forum between 1992-1994 (Isandla Institute, 2001). According to the White Paper on Housing, (1994), on the dawn of the democratic elections in 1994, the negotiations in housing policy led to the Housing Summit were a Record of Understanding. This justifies the reality that "the housing policy-making process (like the transition from apartheid to democracy) had to be resolved through a much-celebrated negotiated settlement, characterised by compromise, which lead to the first democratic dispensation in South

Africa" (ibid:34). African communities were eager to see a correction of the apartheid housing approaches in these negotiations.

3.2 The major housing initiative after apartheid ended

Following democracy in 1994, the National Housing Forum was the first establishment presented with a mandate of providing Africans an opportunity to raise their concerns regarding housing provisioning. Critics have noted that in as much as the housing Forum was supposed to raise policy, financial and institutional solutions to the housing sector, it lacked participation of marginalised groups and intended beneficiaries (Pillay et al, 2006:271). Failure to prioritise participation by the intended beneficiaries jeopardised their representation resulting in their voices being undermined. Participation as a housing concept is an area that even most government are still grappling with. "In a democratic society the state is expected to listen to the voices of the poor" (Msipha 2007: 24).

While the National Housing Forum was faced by the challenge of lack of participation chiefly by the Black African community, it was was further impacted by the repositioning o in 1995 of the National Housing Board into the South African Housing Development Board. According to Gardner (2003:6) the newly formed board saw the introduction of new functions representatives and roles suggesting however that there was discontinuity in what the previous board of the forum had expected to achieve. Additionally, the introduction of the capital subsidy and the enactment of the Development Facilitation Act of 1995 to enable the release of land for housing processes affected the operation the Forum (Rust & Rubenstein 19996). When the White Paper on Housing was adopted in 1994, a new dawn to housing delivery in the new democratic South Africa was witnessed (Garner 2003:6).

There is no doubt that at democracy the housing sector in South African was in a crisis emanating from the previous regime's segregatory housing programmes. This was witnessed by a severe housing backlog as was previously discussed and a huge sprawling of informal settlements. Inappropriate housing programs, economic and social divisions in urban areas characterised the decades of apartheid city planning. However, the first democratic government of the African National Congress had to introduce a new housing programme not only as a way of responding to colonial injustices in the housing system but also as a way of fulfilling some of its election campaign promises. According to Gardner (2003:5), the newly adopted programme (White paper of 1994) "was introduced as an attempt to close the gap created by the previous approach" (Gardner 2003:5). According to Khan and Thring (2003:17) "through the Housing White Paper of 1994, the democratic government committed to delivering one million units in its first five years term, 1994-1999". The commitment was underpinned by the RDP, a plan which was also at the helm of the ANC's manifesto of "housing for all". As was highlighted earlier, this was part of 'capital subsidy'. The programme emphasised provision

of massive housing units without taking into account issues of quality. This partly saves to justify why South Africa still experience an impasse in terms of the delivery of inclusionary, decent and adequate housing.

The democratic government's first attempt to respond to housing challenges was through the construction of new houses (known as RDPs). There is a qualifying criteria for one to be considered for an RDP house based on the National Housing Subsidy Scheme requirements. For example, an applicant should be over 21 and of South Africa nationality. In terms of income, an applicant should earn less than R3,501 per month per household.

3.3 Challenges associated with the capital subsidy (RDP housing)

Prioritising the sector of capital subsidy compromised the viability of other national housing programmes that were also part of the Housing White Paper of 1994. These included, provisions of other forms of ownership such as bonded housing, redevelopment of hostels and provision of rental housing to ordinary South Africans who are not eligible for RDP housing. It is from this backdrop that Charlton et al, (2003:9) observe that "while a subsidy takes many forms, its largest manifestation has resulted in the production of Reconstruction and Development Programme (RDP) houses". The fact that the democratic Government focused on RDP houses rather than the implementation of other available housing programmes might be the reason why South Africa continue to be bedevilled by housing programmes that are not inclusionary. This is premised mainly on the fact that RDP housing scheme does not carter for those whose income bracket is above R3501.

One important one problem associated with RDP is that it created relatively homogenous settlements often alongside existing townships, and so reinforced urban segregation. This is one of the various problems that led to the deliberations on Breaking New Ground. The BNG was moment during which the system of Capital Subsidy was rethought and was aimed at delivering housing that are inclusive and sustainable, hence the use of the term Comprehensive Plan for Sustainable Human Settlements. One most element of this plan was the change of the housing department to Human settlement department to signifying how housing was now perceived as a component that can enhance human development rather than prioritising delivery of structures (HDS, 2005).

Perhaps, it is at this juncture that Gap Market housing initiative, which I shall unpack in greater detail, is a viable option to integrate low income housing options into medium and high-income ones, thereby creating an inclusionary and health societies. Already, the Government used to focus mainly on applicants that qualify for capital subsidy thereby neglecting those who earned more than the subsidy amount or who were without dependents. Gap of beneficiaries had to find housing options elsewhere such as existing public stock, hostels in the inner city and informal settlements. FLISP therefore came

at an appropriate time to respond to this ever-increasing need for housing. Elsewhere, a number of scholars propose for the need to "improve most of these RDP houses since they are in a bad state" (Charlton et al. 2003:9). However, this improvement does not mean that the houses will automatically transform the South African urban scene in terms of inclusion, integration and vibrancy. Here, I make a point that the delivery of mass RDP housing without prioritising other aspects has both financial and social implication but beyond that, other housing options supported by the white paper on housing 1994 can play a huge role in complimenting these low-income housing initiatives.

Taking the unfolding argument further, "the commitment made through the new housing programme led to low levels of private sector investment" (Khan & Amber in Pillay et al, 2006:255). For Charlton et al. (2003:9), in actual fact, beneficiaries could not access loans because the government failure to create a conducive environment. What this means is that there was need for the government to enable the poor to access loans by making necessary arrangements with financial institutions. The state must assist financial institutions by providing certainty in the form of guarantees for low income earners. According to USAID (2001:5) cited in (2003:17), "the democratic government's approach to housing in the first decade has not contributed integration, compaction and restructuring of the apartheid city". The apartheid city created black townships far from economic activities and this has not been fully addressed. As a result, beneficiaries still travel long distances to centres of economic attraction and their work places.

According to Khan and Thring (2003:45), the subsidy system destroys the fragile livelihood and coping strategies of the poor because it emphasises housing as a structure with little if not none efforts to put in place supporting structures that should enhance and improve income levels of poor households. Here, the solution is to urgently connect the provision of housing as a long-term goal to survival strategies of beneficiaries and economic growth (ibid). For Charlton et al, (2003:9), actually "owning a subsidised house worsens the economic circumstances of the poor". This emanates from the fact that; the free housing subsidy scheme does not take into account the survival strategies of the individual beneficiaries. These beneficiaries are mainly Africans and were either not employed or they were self-employed. To make matters worse, they were allocated houses mainly on the urban boundaries (ibid). Since this has an implication linked to the fact that these people will be forced to end up devising strategies to generate income in places where they have settled, it would be prudent to provide centres of economic opportunities in these settlements and emerging townships (Charlton et al. 2003:10).

An interesting policy shift in housing was experienced in South Africa in 2001/2002. The National Department of Housing reviewed the National Housing Subsidy Programme during this [period owing

the housing delivery challenges that were being experienced. The review found out that "in the adjustment of the new areas, it was necessary to focus on the scale of production, on increased emphasis on social housing and on recognition of rental housing" (Garner 2003:29). "There was a need for Government to start recognising both rental and social housing, especially for beneficiaries who do not qualify for RDP houses and further to this was also a need to recognise small landlords found in informal settlements" (ibid:29). However, the gap market that were later to be considered under FLISP, were not included under these reviews.

3.4 Success stories of RDP Housing

Apart from the challenges raised above, the National Housing Subsidy Programme has resulted in the delivery of about five million RDP houses since the onset of democracy (ANC, 2016). The NHSP has also since stimulated the rental market in new townships created post-1994. In fact, the **G**overnment's subsidised houses has provided a vibrant rental market that has hugely contributed to the livelihoods options for low income and poor families. For example, through incremental construction processes, individual beneficiaries have extended their core units into rental rooms in townships such as Dieploot in the North of Johannesburg and Cato Manor in Durban (Charlton et al. 2003:12). Even in Alexandra, the study area of this research, rental market has stimulated housing developments in RDP housing sections. Here, I seek therefore to present and research FLISP housing initiative as a complementary strategy to RPD housing scheme, can sustain and improve the competitiveness of the rental market especially if the government improves the existing infrastructure within the new townships to accommodate the proposed developments. It does so through offering more rental options considering that FLISP grants can be used for both existing houses and to build a new one, which owners might lease out to tenants, although this would be a secondary outcome and not a core function.

To reduce the ever-growing demand for housing in South Africa, through infrastructure provision to support housing initiatives that are complimentary to government programmes, the state can only be able to know what type of infrastructure to prioritise in these areas (South African residential areas) through engaging in empirical studies. As such, this research, to some extent will go a long way in unearthing the housing situation in areas where both RDP and FLISP housing development are taking place. Perhaps through taking a micro-perspective to this scenario through a vigorous research, lessons not only for academic purposes but also for different stakeholders such as officials and the government, can be brought to the fore.

3.5 Breaking new ground

Imperative to the evolution of the South African housing sector is the adoption of Comprehensive Housing Plan for Sustainable Human Settlements, popularly known as the Breaking New Ground Strategy in 2004. The purpose of the BNG was enable the effective working of the whole residential property market. The plan endeavoured to respond to demand of housing as opposed to just giving the same product to all families. Most importantly, the BNG was an effort to respond to "the challenge of poverty, improve the quality of life of the poor, create an asset for the poor and finally develop sustainable human settlements" (Pillay, et al. 2006:262). "The plan sees housing is seen as a catalyst for achieving a set of broader socio-economic goals" (Huchzermeyer and Karam 2006:46). As observed by Pillay et al. (2006:257), "it also sought to rebuild a non-racial society by encouraging mixed development projects where different typologies (social housing programmes, BNG houses, rental rooms, credit-linked houses and bonded houses) in one project were to be delivered".

The BNG strategy which later informed the Housing Code of 2009 also speaks to the need to promote in situ upgrading of informal settlements. Through the Upgrading of Informal Settlement Support programme (UISP), emphasis is placed on improving the lives on informal settlement dwellers by taking a positive and indirect measure to the situation of informal settlements (Huchzermeyer, 2011). This is spoken to in chapter two as well. However, South Africa is still grappling with how to address the sprawling of informal settlements particularly in major cities. BNG itself wasn't fully operational due to lack of political will to implement it and it was only until the adoption of the housing code that negative and direct measures such as prosecution, eviction and victimisation, were abandoned. However, all this cannot be put down on lack of political will as it is not just a matter of clicking one's fingers and suddenly everyone is doing this in a new way. There is a whole machinery in place which is hard to dismantle and rebuild in an entirely new way.

Housing developments in the democratic South Africa continue to rebuild on racial and segregatory urban form due to failure to address issues of poverty and economic growth, despite the implementation of a number of pro poor housing programmes. For example, many of the informal settlement dwellers are Africans with only a sizeable number of the minority white community. This last group are tantamount to not benefit from programmes aimed at upgrading informal settlements considering that they do not dwell in informal settlements in huge figures unlike Africans. My perspective therefore here is that, while the BNG Strategy is an unclear programme which might not achieve its goals, the FLISP initiative as part of the human approach to housing programmes, it is compatible with the functionality of BNG and elaborates of thinking within it.

3.6 Gap Housing

While mass housing has been a preoccupation of many scholars world over, (such as Salcedo, 2010), gap market becomes a new area worth exploring. From a generic point of view, a gap is an opening that is left out from something. In relation to human settlement, "Gap housing" is a term used to describe a shortfall or 'gap' in the market between housing delivered by the government and those delivered by the private sector (Housing Code, 2009, Cirolia, 2015). According to Cirolia (2015:123) approximately "2.7 million households in urban South Africa earn too little and too much to qualify for the housing subsidy and a mortgage respectively". FLISP was introduced by the Department of Human Settlements in 2012. After a review in July of 2018, the applicable income threshold for the programme was raised. In typical terms, the gap market housing comprises households that earn an income of between R3501 and R15000. These individuals can neither qualify for mortgages from banks, nor can they qualify for the state subsidised housing schemes such as RDP. In many cities in South Africa, authorities have studied this gap and sought to start filling it. The responsibility has been in the private sector supplying housing at prices that are affordable to ordinary citizens. While the gap market does not qualify for government subsidies, findings reveal that these households were unable to afford bonds instalments from banks. Consequentially, banks used to consider them as risk hence they couldn't access mortgages. However, with FLISP, New mechanisms were implemented in order to enable home seekers in this income bracket to access funding.

According to the FLISP website (2019), FLISP grants are applicable in cases of buying a build-up house or when building a new house. Apart from the approval given of a mortgage based on the income criterion of earning withing the range of R3,501 to R15,000 per month, any applicant must fall within the RDP qualification criterion. This was presented earlier. Firstly, in applying for a grant under FLISP, an applicant must apply for a home loan at a financial institution or bank. For a home loan "applicants have to be over 21, have been employed for a minimum of six months, have no defaults on their credit profile and earn above the minimum salary requirement as decided by their chosen bank. If an applicant's home loan application is denied, their FLISP application will not be considered. Once this has been completed, an Approval in Principle letter from the bank is granted" (www.flisp.co.za).

To enable access to FLISP, the implementation strategy should be done through municipalities. This also complies with the objective of making sure that FLISP projects are in line with the plans of the Departmental Business Plan and Human Settlements (HSP). The marketing of FLISP through campaigns in all provinces is undertaken by NHFC. However, due to lack of funding, provinces such as the Western Cape has been excluded. Using HDA in FLISP is concerning and has been problematic as this is not their core function. Theirs is to obtain land for development. There has been low uptake for FLISP houses suggesting affordability issues. This might imply that without pre-sales, they shouldn't build stock.

FLISP is problematic in that there are challenges in terms of acceptability by communities who don't consider it as an alternative housing

FLISP works on the principle that it has to be linked to home loan. This means that an applicant can't access FLISP before getting a home loan. FLISP It works in two ways. First, it an applicant can use it to decrease their loan amount thereby decreasing monthly repayments. For example, "if the house one wants to buy costs R250 000 and one qualifies for a subsidy of R88 323, their monthly repayments will be R1 696 less than without FLISP" FLISP Website, 2019). Another examples of how this works is that, "if one is paying back a loan at 11.25% (1.00% above prime of 10.25%) over a period of 20 years (which may vary from bank to bank)" (ibid):

Home loan amount	Monthly home loan repayments **without FLISP**	FLISP subsidy amount	Your home loan amount stays the same	But your monthly home loan repayments decrease **with FLISP**
R150 000	R1 574	R114 341	R150 000	R1 200
R250 000	R2 623	R88 323	R250 000	R927
R350 000	R3 672	R38 367	R350 000	R402

Fig 1. Source (Housing Finance Africa, 2018).

The HHSD reviewed the implementation of FLISP in 2011. This was a reverse from the original 2005 form and the NHFC was tasked with the implementation and facilitation of the rolling out FLISP. According to NHFC (2019) this was to be done through centralising processing and together with Provincial Departments. However, banks are the ones that can only inform an applicant about the size of the loan they can qualify for. This will intern determine the type of a house one can buy. Additionally, to FLISP, an applicant can apply for a serviced residential plot. This stand will be free, but receiving it means one cannot get any further assistance from government. Once one receives the stand, it will be up to them to build on it. However, "most municipalities or provincial offices have not implemented this, but it is part of the FLISP policy" (Housing Finance Africa, 2018). "What this means is that one can qualify either for the subsidy (for a home loan to buy a house or build one) or the free, serviced vacant plot, but not both" (ibid). In terms of funding, each year, each provincial departments of human settlements set aside money for FLISP. If the provincial department of human settlements

doesn't set aside enough funding for all the FLISP applications for that financial year, applicants for FLISP for the year won't benefit anything.

Fig one and two below reveals bond options that the gap market housing owners, which is those who earn from R3 501- R15 000, have under FLISP.

NHFC - FINANCE LINKED INDIVIDUAL SUBSIDY PROGRAMME

FLISP Subsidy Bands

How much FLISP do I qualify for? Depending on the applicant's monthly income, the FLISP amount they qualify for may range from R20 000 to R87 000; the following tables indicate the FLISP low and high bands:

Step	Lower	Higher	Amount
1.	R3501	R3 700	R87 000
2.	R3 701	R3 900	R85 825
3.	R3 901	R4 100	R84 650
4.	R4 101	R4 300	R83 475
5.	R4 301	R4 500	R82 300
6.	R4 501	R4 700	R81 125
7.	R4 701	R4 900	R79 950
8.	R4 901	R5 100	R78 775
9.	R5 101	R5 300	R77 600
10.	R5 301	R5 500	R76 425
11.	R5 501	R5 700	R75 250
12.	R5 701	R5 900	R74 075
13.	R5 901	R6 100	R72 900
14.	R6 101	R6 300	R71 725
15.	R63 301	R6 500	R70 550
16.	R6 501	R6 700	R69 375
17.	R6 701	R6 900	R68 200
18.	R6 901	R7 100	R67 025
19.	R7 101	R7 300	R65 850
20.	R7 301	R7 500	R64 675
21.	R7 501	R7 700	R63 500
22.	R7 701	R7 900	R62 325
23.	R7 901	R8 100	R61 150
24.	R8 101	R8 300	R59 975
25.	R8 301	R8 500	R58 800
26.	R8 501	R8 700	R57 625
27.	R8 701	R8 900	R56 450
28.	R8 901	R9 100	R55 275
29.	R9 101	R9 300	R54 100
30.	R9 301	R9 500	R52 925
31.	R9 301	R9 700	R51 750
32.	R9 701	R9 900	R50 575
33.	R9 901	R10 100	R49 400
34.	R10 101	R10 300	R48 225
35.	R10 301	R10 500	R47 050
36.	R10 501	R10 700	R45 875
37.	R10 701	R10 900	R44 700
38.	R10 901	R11 100	R43 525
39.	R11 100	R11 300	R42 350
40.	R11 301	R11 500	R41 175
41.	R11 501	R11 700	R40 000
42.	R11 701	R11 900	R38 825
43.	R11 901	R12 100	R37 650
44.	R12 101	R12 300	R36 475
45.	R12 301	R12 500	R35 300
46.	R12 501	R12 700	R34 125
47.	R12 701	R12 900	R32 950
48.	R12 901	R13 100	R31 775
49.	R13 101	R13 300	R30 600
50.	R13 301	R13 500	R29 425
51.	R13 501	R13 700	R28 250
52.	R13 701	R13 900	R27 075
53.	R13 901	R14 100	R25 900
54.	R14 101	R14 300	R24 725
55.	R14 301	R14 500	R23 550
56.	R14 501	R14 700	R22 375
57.	R14 701	R14 900	R21 200
58.	R14 901	R15 000	R20 000

2

Fig 1. Source: NHFC Website (2018).

First time Homeowner Households earning R3 501 to 15000 per month have two options on how to use FLISP when buying or building residential property for an amount they qualify for:

Option 1
Accredited project developments

FLISP roll-out is linked to **FLISP accredited development projects** in the Province. Individuals identify properties in any of the accredited projects on the list.

Beneficiary signs an **offer to purchase** for a house from an accredited developer and also completes a **FLISP application form obtainable from the developer.**

Option 2
Open market Access

Individuals may identify a property in the **open market (new and existing properties)** in line with the amount they qualify for within the FLISP criteria or may have acquired a vacant serviced stand without government assistance and wish to obtain mortgage finance to construct the house

Beneficiary **signs an offer to purchase with the seller** directly or through an estate agent.

Fig 2, Source: NHFC Website (2018).

This research argues that the extent to which gap market influences spatial preferences and choices; and the economic aspects of gap market is a newer field of research. As such, this analysis of housing places the importance of the FLISP initiative in respect of demand and supply, and as a complimentary

effort to government's efforts of ensuring that all South Africans have access to in line with its policy aims. This brief explanation on the importance of gap in relation to the housing ladder will lead us to the second theme that this section seeks to present, the functions of housing

3.6.1 CRITIQUE OF FLISP

According to Cirolia (2015:120), the concepts of gap market is one that is confused and misunderstood within the South African housing policy and discourse. Through using the case of Cape Town, where serviced land was sold for the purposes of gap market, Cirolia went further to assert that, while the gap market seems to be a functional submarket in the housing process, it can sometimes be targeted unintendedly. However, these developments are happening despite the South African government having seen the gap market under the notion of promoting ownership. However, FLISP is seen as having remarkably given the hardworking yet excluded segment of the market an opportunity to own a home (Parliamentary Monitoring Group 2013). Hence the term 'Gap Market' which implies a noun, or an acronym is popularly used to refer to this segment of the housing market.

As was announced by the then minister of Human Settlements Lindiwe Sisulu in a budget speech in 2014, there was a target to create more than 100 thousand housing units for the gap market (Sisulu 2014). This resulted in many municipalities forgoing nationalised housing projects thereby preferring those that are led by provinces or local authorities. The aim of these more localised project is mainly to service the gap market (Cirolia, 2015). On the contrary, the case of Cape Town Gap market project where households acquired home loans to build houses on serviced land was seen as a failure by those involved in the implementation, particularly municipal officials, owing to the incapabilites of households (ibid). At the national level, there was a delay in implanting FLISP emanating from a lack of budgetary commitment from the government. It would therefore be important to understand the case of Alexandra gap project in respect of these positives and negatives.

3.7 Summary of the South African housing system

The summary above is an indication of actors involved in the South African housing processes. It is from their involvement that we ended up having different housing programmes which produced different forms and types of housing units as shown above. Critical to the table above is also the aspect tenure which played a huge role in the resultant type of settlement. All these different components put together, aimed at achieving a certain form policy goal which might have been either negative or positive to South Africans.

Actors	Structures	Tenure	Settlement types	Planning imperatives
• State (national, provincial, local) • Banks and finance institutions • Developers • Home buyers • Landlords (e.g. of backyard shacks or rooms in a house) • Renters	• Apartheid era 4 room housing • Give away RDP/low cost house: stand alone or semi detached or walk up • Fully bonded house • Shacks in an informal settlement • Backyard structure	• Rental • Formal ownership (has a title deed) • Informal ownership (affidavit); • PTO – permit to occupy • Awaiting transfer (title deeds backlog) •	• Apartheid era townships with many backyard shacks • Upgraded/formalised informal settlement • Greenfield RDP settlements (now with many backyard shacks) • Integrated human settlements (now with many backyard shacks) • Affordable housing suburbs • Urban infill projects (e.g. Fleurhof) • Catalytic projects and mega projects	• Ensuring people have accommodation • Ensure people have good quality structures • Bringing people to jobs and services (positioning houses close to economic nodes, or transport to nodes from housing) • Bringing jobs and services to people (integrated settlements) • Ensuring financial sustainability • housing ladder/market

3.8 Case Study Area

Map showing Gauteng among other South African Provinces. Source



A location Map showing the Gap Market Housing Project in Alexandra. Source: Google Maps (2018).



Figure 2. Left: The aerial view of the site of the Gap market project, source City planning (2009). Right: Gap market housing blocks and the finishing phase of construction, Source: Own, (2018).

3.8.1 Background of the study area

Alexandra is a location in Johannesburg, Gauteng province of South Africa. It is abbreviated as Alex township and is located closer to Sandton upper class suburb. Ironically, this is unusual considering that apartheid planners tried to put all townships to the South of the mining belt but this one remained in the north and therefore has unusual proximity to upmarket areas. Alexandra is popularly known as "Gomorrah" by residents. In terms of tenure, in Alexandra, “Africans” used to hold freehold ownership of property, since 1913. In the 1960`s the Apartheid government expropriated all property. Strong community resistance and an apartheid re-engineering response limited the complete resettlement of Alexandra. Greater Alexandra is the most densely populated area as it is home to 380 000 people made up of three distinct geographical parts: Old Alexandra; the East Bank and 6500 Households living in abandoned factories in Marlboro, Kew and Wynberg.

According to Bonner and Nieftagodien (2008), the township of Alexandra had always been a special place. Alexandra derive this importance from its sole outstanding and surviving case of what was once a hugely influential segment of black urban society. During apartheid, the location resembles a unique “social ethos and showing its different image to the whole urban black whole unlike other areas which was the black freehold system” (Ross, 2010). While under apartheid, Alexandra remained committed to its identity and at present, the township bears the imprint of a largely vanished urban past (ibid).

The establishment of Alexandra as a freehold settlements date back to 1912. The people who shaped the social ethos in Alexandra in critical ways that have been barely registered in the literature (Bonner, 2008). However, these included new immigrants who once worked in white farms were they were squeezed by went on to be relatively prosperous sharecroppers and labour tenants (ibid).

According to Bonner and Nieftagodien (2008), Alexandra’s population grew explosively in the late 1930s and 1940s. The national census of 1946 put Alexandra’s population at 52 066. This was almost certainly an underestimate, mainly because many people are known to have evaded its reach. During a smallpox epidemic that struck Alexandra in May–June 1945, 60 000 people presented themselves for vaccination, and this was generally accepted as a more reliable population figure. By 1948 some observers were placing Alexandra’s population as high as 80 000 (bid). This unprecedentedly rapid increase in numbers radically changed the social composition and complexion of Alexandra. The reprieve of 1979 ended nearly two decades of uncertainty and disruption for Alexandra residents. Based on the promises made by the government and the Alexandra Liaison Committee (ALC), it was perceived as a turning point that would inaugurate a process of major development in the township. The formulation of the Alexandra Master Plan, a blueprint for the reconstruction of the township and the implementation of some projects during the first couple of years of the ALC’s tenure naturally

heightened expectations. Residents looked to Reverend Sam Buti and his colleagues in the Save Alexandra Party to lead this process (ibid).

The years 1984–86 marked the height of popular insurrection against apartheid. Following the impressive and successful Vaal stayaway in November 1984, townships across the country burst into open rebellion against apartheid. The state's attempt to impose conservative Black Local Authorities (BLAs) on black townships, which were armed with only a limited development programme and very little political clout, failed dismally as people's demands for full citizenship and a decent life for all South Africans grew louder. By the beginning of 1986 most BLA councillors had been forced to resign under the mounting pressure of community derision and rejection (Bonner and Nieftagodien (2008).

The seismic political upheavals of 1984–86 posed the most serious challenge ever to white minority rule. Their scale and intensity graphically highlighted the black majority's unequivocal rejection of apartheid and dealt a fatal blow to the government's reform programme introduced in the early 1980s. As the previous chapter demonstrated, the Black Local Authorities (BLAs) – advertised as a cornerstone to the reform package – were widely rejected by the communities they purported to represent and serve. The mounting pressure of public anger and ridicule caused councillors to resign en masse, rendering these local authorities as useless as their predecessors (Bonner and Nieftagodien, 2008).

The relatively short period from the late 1980s to the mid-1990s was a watershed in global and national politics. The fall of the Berlin Wall signified a dramatic transformation of the global geo-political landscape. At the same time South Africa entered a decisively new historical epoch. The political stalemate and relative quiescence that followed the introduction of the national state of emergency in 1986 came to an end in 1988. Heavy repression had failed to break the anti-apartheid movement, although township organisations had suffered some setbacks. The internecine violence that swept across the Reef in the early 1990s resulted in the deaths of thousands of people and at times threatened to derail the negotiations process. While Kathorus (Katlehong, Thokoza and Vosloorus) on the East Rand was the epicentre of this civil war, other townships such as Alexandra also suffered grievously. The violence manifested itself mainly as political rivalry between township residents who supported the African National Congress (ANC) and hostel dwellers who supported the Inkatha Freedom Party (IFP). But the underlying causes of the conflict could not be reduced to such a simple political contestation (Bonner and Nieftagodien, 2008).

The first democratic elections in South Africa in 1994 marked a decisive break with the past and brought to an end the oppression of the black majority. The advent of democracy brought not only political freedom, but also promised emancipation from social and economic deprivation. This dream

was to a large extent encapsulated in the African National Congress's (ANC's) Reconstruction and Development Programme (RDP), which was premised on the Freedom Charter (Bonner and Nieftagodien, 2008).

Alexandra became a Special Integrated Presidential Project in 1994 and Alexandra Renewal Project (ARP) became an urban renewal project as declared by the President in February 2001 (Alexandra Renewal Project, Review Summit, 2015). In February 2001, then President Thabo Mbeki announced in Parliament that Alexandra was to be the site of one of eight urban renewal programmes, along with Mitchell's Plain, Khayelitsha in Cape Town, Inanda and KwaMashu in KZN, Mdantsane and Motherwell in Eastern Cape, Galeshewe in Northern Cape. The Alexandra Renewal Project had an estimated budget of R1,3 billion over seven years. This was based on an Overall Business Plan submitted to National Government by the Gauteng Department of Housing for the "Reconstruction and Urban Renewal of Greater Alexandra". As part of decongesting, bridging the urban divide and upgrading Alexandra township, an initiative to cater for those who don't qualify for RDP houses and for housing under the prime market, (gap market), was launched under the Alexandra Urban Renewal Project. However, this research delves into an understanding of why and how the project has faced intense rejection from surrounding residents and other civil society groups.

Chapter 4: DATA PRESENTATION

4.1 Introduction

This chapter gives a presentation of findings for this research. These findings were guided by different in-depth and semi-structured interviews. The interviews were conducted with many respondents who include housing officials, social movements groups/activists, residents and politicians. Responses given in this section hinges mainly on the quest to understand the implications of implementing Gap market housing in a community characterised by informal settlements. These responses are presented according to questions which guided them are were proposed at the proposal phase of this work. Data is presented not only in a narrative manner, but charts, pictures, figures and maps are also used to reveal different aspects of the research in question. Given that observing ethics is at the centre of this study, the identity of different respondents is prevented by the use of pseudonyms such as informants, interviewees, participants and respondents.

4.2 Implementation of the FLISP project in Alex

In Alexandra, the implantation of FLISP project was done with the purpose of promoting or encouraging uptake, through prioritising government's intervention in providing affordable and sustainable first-time homeownership opportunities for the Gap Market. In terms of communication, the goal of FLISP is to inform plainly, enhance awareness and educate. It is in line with this goal that when the FLISP project was introduced in Alexandra 2012, presentation was done by city officials with the aim of making an awareness to the community at large. According to a city official who was interviewed in this research (City official 1), prior to the rolling out of FLISP and the identification of sites where FLISP projects were going to be constructed, a team was tasked to go into the community of Alexandra to educate the residents. In this process, the first engagement happened in 2010 when a public meeting was convened at Alex Hall where all members of the community were free to attend. It is at this meeting that the criteria qualify and the idea of FLISP was presented for the first time in Alexandra.

After the presentation was done, the next stage was for verification. On the technical part of the project, three sites were identified where houses were going to be constructed. An Independent contractor won the tender to construct these houses and was contracted directedly by the Gauteng Human Settlement Department. The project itself was funded by the provincial Government and land belonged to the City of Joburg. In terms of verification, the processes went through different phases. This first phase involved city officials who attended to residents that showed interest in the project. In this category, the qualification criterion was based on the fact that an interested applicant was to be a resident of Alexandra, should be employed and should provide proof of employment and a three months bank statementing. According to the respondent (official one), many people showed interest

in the FLISP project in Alex than what was Expected. In this regard, more than 5 000 residents came forward looking to benefit from a project that only intended to carter for less than 500 families. What this mean was that, the verification process was to be so thorough and strict so as to reduce that figure to a reasonable number.

After receiving applications, City officials made site visits to verify if indeed applicants were from Alexandra community. At this stage, despite applicants having provided proof residence and IDs, door to door verifications were done. It was after this stage that the remaining applications were forwarded to banks. It is believed that banks did most of the work by screening applicants based on a number of issues. One of the criteria was to ensure that an applicant had enough borrowing power. In this category, many applications were rejected because applicants were still servicing previous loans. Ironically it is at this stage that residents whose applications were rejected started expressing some disgruntlement citing unfairness in the whole screening and verification process. Some members from this group of individuals, together with some members of the community who were left out at the initial phases of the verification process, invaded the FLISP project as soon as it was completed in 2014. Although the project was envisaged to be completed by 2013, it was only until 2014 that the construction process was completed. According to a community leader (Respondent 8), the envisions occurred between 2014-2015 and these people claimed that they were the actual residents of Alexandra and deserved to benefit.

While the Alexandra Allocation task team which comprised of Alexandra councillors, CoJ Housing, Gauteng Human settlement, Alexandra Concern Group and Alexandra Renewal Project, was tasked with allocating the completed units to beneficiaries, this process was delayed as there was need to repair damages done to the properties as a result of invasions and protests. The first beneficiaries, which comprised of about 32 people, moved in their units in June 2016 for the ERF (Kgothasong Complex) and other 94 moved in in December 2017 for ERF 45 Tsepong (Complex). Lesedi complex has never been allocated and is currently occupied by invaders since May 2018. An official claimed that the FLISP units in Alexandra (Gauteng) are the cheapest when compared to those in other provinces since their most expensive one cost about R290 000 while the cheapest one goes for R260 000. However, since the completion of the Alexandra FLISP project in 2014 up to date, there has been about 5 separate invasions (Interview with a community leader, October 30, 2019). The following passages explores these issues in greater detail.

4.2.1 Community's perception on the implementation of Gap Market housing in Alexandra

In line with different housing delivery strategies and policies outlined in the chapter three, the city of Joburg has promulgated different measures and frameworks to ensure that residents in Alexandra have access to housing. While in this section I delve into a narrative about gap market derived from interviewees, it would also be important to mention that local authorities play a huge role in ensuring access to housing by all, as enshrined in the constitution. As such, in as much as gap market housing constitute the thrust of this research, this initiative is discussed in line with other frameworks that support it such as RDP subsidy scheme among others. It would be interesting to begin this engagement by reflecting on the residents' perception of gap market housing.

Residents in Alexandra township have divergent understanding of the FLISP initiative. While most of these residents interviewed in this study proved that they only heard about the gap market for the first-time during consultations with housing officials from the city of Joburg, as presented above only a few activists and local leaders testified that though the FLSIP project was incepted in 2013, its idea was long raised in 2001 by former president Thabo Mbeki. As was presented earlier, it was in February 2001 when the former president announced in Parliament the formation of eight urban renewal programmes in South Africa. One of them was to be the Alexandra Renewal Project with an estimated budget of R1,3 billion over seven years. This announcement was based was based on an Overall Business Plan submitted to National Government by the Gauteng Department of Housing for the "Reconstruction and Urban Renewal of Greater Alexandra". One of the visions of the Alexandra Urban Renewal Programme was the creation of affordable houses and upgrading of existing housing environments. It was in this vision of creating affordable housing opportunities that the gap market housing project was hinged.

The gap market initiative was not a project only implemented in Alexandra. While Alexandra was part of the pilot project, officials interviewed in this research argued that the program was to be implemented else after having seen the success story and challenges faced with this pilot project. In terms of the institutional arrangements, the MEC for Housing from Gauteng became the Political Champion for the project since its inception in 2012. A small team of officials at the Gauteng Department of Housing took overall lead of the project and supported by a small team of CoJ officials who were responsible for City-Funded Projects. Due to capacity constraints a group of lead consultants were appointed on a long-term contract to provide technical and managerial support (Interview, City Official 2, November 2, 2018).

With this in mind, it was very instrumental for the researcher to seek an in-depth understanding of the issues surrounding the implementation of this pilot project in Alexandra. As was presented in chapter two of this thesis, respondents who were familiar with this project confirmed that the gap

market targets individuals with a salary range from R3 501 to R15 000 Interview, FLISP beneficiary 1, October 20, 2018). For others, FLISP has many limitation because the gap market only includes households earning between R12 000 and R15 000. They however raised concerns that some families or households earning from R3 501 to R12 000 could not access housing under this project in Alexandra. Precisely, one resident expressed her disgruntlement about the project as she could not qualify though she lies in the gap market in which her salary ranges from R15 000-R18 000. According to one official, FLISP is a full package in that the more you earn the easier you stand a chance to qualify (Interview, City official 3, October 30, 2018).

Cases of many people having been turned away from the FLISP project were reported throughout the interviewing process. In as much as the majority of residents and community groups interviewed in this research agreed that the consultation process of the FLISP scheme was well marketed in the community, because the officials from the city of Joburg and Banks conducted an open community meeting in Alexandra where everyone was invited in 2012, they raised some concerns over which the verification and selection process was conducted. The verification process was based only on one criterion which was to make sure that the beneficiaries were supposed to be residence of Alexandra. While residents knew among themselves who was/ was not a resident, officials made site visits/ door to door checks to residential places of people who had indicated interest in the FLISP project. It is at this point that some residents, especially non-beneficiaries claimed that they never saw any official visiting their places of residence. Some also claimed that even though they were verified, they were surprised to hear that they could not qualify for the scheme because banks had turned down their applications.

From an official's point of view, one reason why some residents were left out from the project was that since this initiative was only a pilot project, they had not planned for such a huge turnout from residents. When the project was launched, more than five thousand residents expressed interest while the project only intended to carter for less than one thousand (Interview, City official, 1, November 2, 2018). It was as a result of such a situation that the qualification criteria were to be revised and there was need of thorough screening. From the banks' side, many people's applications were turned down because residents had huge credit short falls. In response, some residents felt they were mistreated given that there are rumoured cases of other people who neither qualified in the income bracket of between R3501-R15 000 nor did they had formal proof of employment but went on to benefit from the Bothlabela/FLISP project. Upon seeking clarity on this, residents claimed that city officials have been asking for brides to be considered under this project. However, another interesting angle was brought by one activist who argues that lack of proof of employment doesn't mean that one cannot afford these FLISP houses. Given that many residents in Alex run and own informal businesses, they

might lack formal documents require by banks for them to qualify but these earn much more compared to those that are formally employed. In such a scenario, residents bemoan the use of strict requirements for them to benefits from gap market project.

So broadly speaking, beneficiaries and non-beneficiaries who were interviewed in this research were of the opinion that FLISP project is very important, though they had some reservations which I will present later on (Interview, Beneficiary 2: October 24, 2018, Non-Beneficiary, October 24, 2018). On the issue of banks turning down some applications, many respondents indicated that it seems the implementation of Gap market in Alex was not complimented by enough research. Major contradiction came from the fact that while the income bracket was envisaged to be between R3501 to R15000 at the inception of the project in 2012, there was not provision made to revise this range in the context of fluctuate value of the Rand due to inflation. Case in point is that, while there are those who could to fall within the required income bracket for FLISP in 2012, this is no longer the case as they are now earning above R15 000. This on its own for residents doesn't add up considering that allocation of units to beneficiaries only started in 2016 when they could no longer qualify though they were qualifiers at the inception stage of this housing project. Another interesting concern to note from residents was that there are people who were listed as beneficiaries when FLISP was launched but these have since been retrenched or retired hence they no longer qualify at the moment. All these cases were not catered for when FLISP was introduced to Alex. In light with these inconsistences, the following section presents on the experiences of beneficiaries who have moved into the units under FLISP (ibid).



One of the blocks of the FLISP housing project under construction in 2016. Source: Own.

The experiences of beneficiaries of gap market housing project since they moved to their units

The FLISP project in Alex is located on three sites as was mentioned earlier. The first site has 32 units, the second site has 90 units while the third has 104. However, currently only eleven people has legitimately been allocated to these units. These beneficiaries have already had their names cleared by the banks and are already paying for their bonds through the banks. While some units are still vacant, there are those that are already occupied but their occupants haven't been paying anything to the banks since they moved in in 2016. Upon enquiring why this was the case, officials indicated that there are many outstanding issues in this regard, I turn to these in greater detail in the next section. One of the issues is that these occupants are still waiting for the transfers from the bank while other units are occupied by illegal invaders. With this brief background, it seems fit to now delve into a presentation of beneficiaries' experiences since they moved into their units.

One beneficiary indicated that he is so pleased to be a home owner after having spent the majority of his life staying with his parents (Interview, Beneficiary 3, October 24, 2018). Since he is a married man now, he expressed gratitude to have managed to acquire a unit in his name. During the early days of his marriage, he lived in a back room with his wife and their two children. To him, this situation was not appropriate particularly for their children. As such, the FLISP for him comes with so many improvements to his housing trajectory. However, despite all these positive remarks, this beneficiary expressed dissatisfaction about how he got to be allocated his unit. One important thing that he raised was that at the site where they are staying, he and other ten residents are the lawful occupiers. Meaning they are the only ones who have started to pay for their units through banks. While for this beneficiary, the transfer has gone through already while its still not clear for the other paying beneficiaries. He even narrated how frustrated they are and have gone to the extent of converging meeting with the Allocation task team, to seek a plan that can either make the other occupiers start to pay or that everyone who is residing at this site should not pay at all. This has seen some divisions among residents who have been allocated units under the FLISP project. They even castigate officials for favouritism. It was also quite thought provoking to hear from this beneficiary that his application was treated differently form that of others. For him, at one point his application papers were once misplaced by the officials. Although he had initially received an offer as one of the beneficiaries, this mix up in his application resulted in the bank deducting directly from his salary as he no longer qualify in the threshold that should see one getting a bond from the government. This kind of a scenario occurred because by the time he submitted his application, his income was still in that range required for one to be considered under FLISP but now his salary has already increased. This meant that his paper work was redone. Beyond all these challenges, this beneficiary seems to have witnessed great improvement on his housing process. He even applauds the fact that since he is paying the full amount

for his unit to through the bank, he already has title deeds which prove that he is the sole owner of his units.

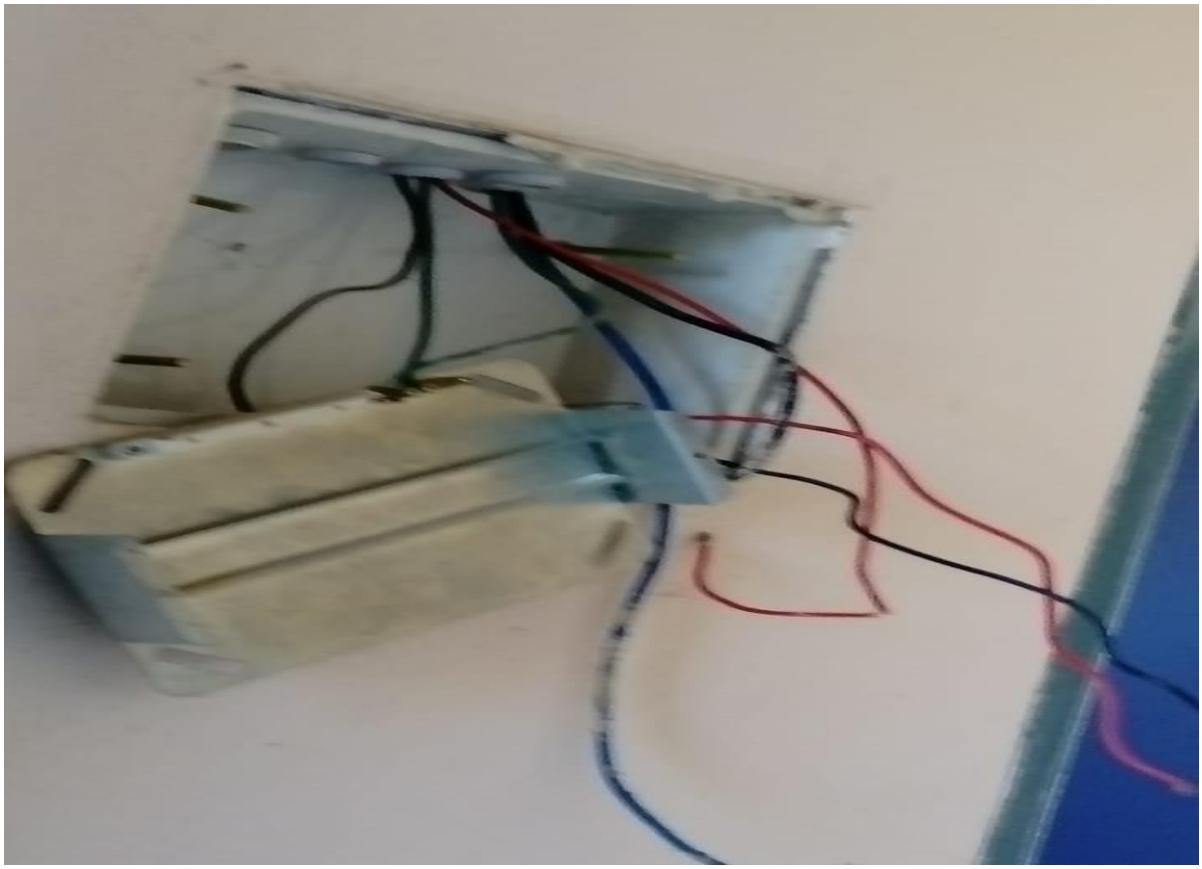
Another beneficiary (Interview: Beneficiary 2, October 24, 2018), who was interviewed in this research was quite happy and optimistic that the FLISP housing project in Alex is a solution to the housing challenges that has been bedevilling the township. In his experience until the time he got allocated a unit under the gap market project, this beneficiary lamented how he used to stay with his wife and children at his sister's place. Upon hearing the presentation that was made at a community hall in Alex about the FLISP housing project, this beneficiary did not hesitate to submit his application. Luckily for him, verification and screening were done, and he qualified, and owns a unit of his own. However, like other beneficiaries who are not yet paying this beneficiary hasn't started paying anything yet to the banks. One reason why he has not started paying is that they are occupying units that were once destroyed by protestors (I will turn to this later on in this chapter), and their argument is that till the city fix these damages, they are not going to pay anything. Some of the things that were broken during protests by residents include roof, gutters, window, doors, taps and water pipes. Besides this impasse, this second beneficiary reported how he and his family has a big space compared to where they were living before. Before he was even married, this beneficiary used to rent a shack closer to Juskei river and remember how one night his shack was destroyed by the water as a result of flooded river. In such a bleak past of his housing experiences, this beneficiary gives more credit to gap housing though he had some recommendations to make. One of these is that the city should have allocated the units as soon as they were completed.

4.2.2 Contestations surrounding the gap market initiative in Alexandra

As noted above, one of the major issues that affected the FLISP project in Alex pertain to the verification stage where all that was done was to check whether one is staying in this area or not. The verification then went to the next thing which in this case involved to banks that would now scrutinise applicants' financial status and borrowing power. It is in these process that many residents especially non-beneficiaries (someone who applied but was turned down) are crying foul. In this case they are residents who believed that they qualified given their financial status, but they were surprised to note that their applications were unsuccessful. Some even recall having submitted proof of residences, banks statements and IDs but when they waited for the officials to make door to door check-ups, these officials never showed up. It would also be important to understand these concerns from residents in the context of a project that only intended to cater for less than 500 residents against a community with more than five thousand residents who showed keen interests at the inception of this gap market initiative.



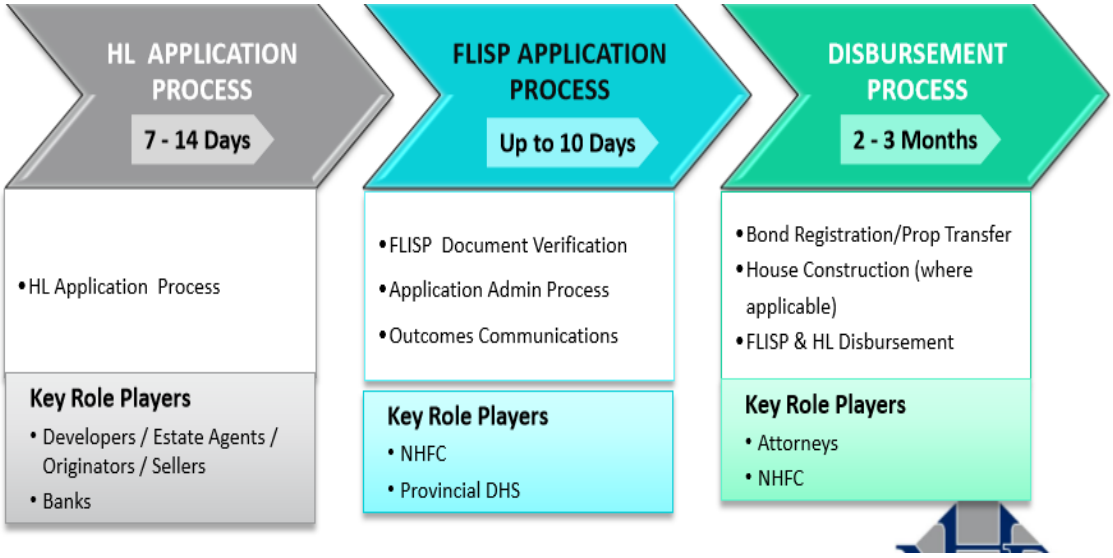






Some the damages that were induced by protestors and invaders (Source, Own).

This first phase led to the decrease in number of people who were eligible to the FLISP project. Many applicants were dropped out because they could not afford to pay for the short fall (since it was a stage to check for people's shortfalls, the bank would say to applicants pay this amount and it will settle the difference). The number of eligible people after the decrease could not be estimated as key since key informants proved to know little about this. However, it seems there was miscommunication between the government officials managing this project and the residents because many people around Alex were not aware of this condition. People were not willing to come open and admit that even if they were an arrangement with the banks, they missed on certain shortfalls. So, the thing is that one could not qualify when they are still repaying another loan somewhere and this for many was not what they thought or maybe it was not properly spelled when the project was presented there. So, a lot of people were discounted based on that. So, there were some discrepancies in the process of communication.



FLISP Indicative Timeline. Source, (NHFC, 2013).

There were challenges that were faced towards that allocation part of the FLISP project. One, as units were completed, which in this case took too long, they were invaded around 2014-15, as was explained in the opening of this chapter. Official with the help of JMPD had to remove those hijackers and repair things such as windows, geysers, taps etc. In Alex when people invade they destroy things such as these, they even stole some of those items. So, this delayed the allocation process and it only began in 2016. After the first invaders were removed in 2016 through a negotiated process, they were placed in one place called Marlboro where they stayed in shacks and were told that if you don't qualify in these FLISP units, allow us to accommodate those who qualify. As noted raised earlier, the FLISP project in Alex is on three sites. There is Lesedi, Tshepo and Kotatshong. Kotatshong was the first block to be allocated followed by Tshepo and Lesedi (as was described earlier). However, Lesedi was equally vandalised again after the repairs. The government decided to fix it again and when the project was about to be handed over, the invaders moved in again in May 2018. In these incidents, invaders were destroying electricity plugs, doors, windows and other things. There have There have been approximately five waves of invasion in the Alex FLISP project.

In terms of the delay in allocation, this might have come out due to invasion and the need to fix and repair these units. Through the project, it has been invaded many times and not once, but initially, this started just after the project was being handed over.

One of the invaders who was engaged in this research made claims that they are the residents of Alexandra, they are the ''sons and daughters of Alexandra'' who are not given an opportunity to stay in these houses (Interview, Non-beneficiary 2, October 23, 2018). The other claim that is that when the whole verification and registration process was conducted, they were at work and they got to be

left out. Others are saying that I never heard about this project although many respondents indicated that this FLISP project was a talk of town and people were advised to apply in 2013. Those who didn't benefit argue that they are staying in crowded houses and they need somewhere to stay. They even maintain that their families are growing now, and they need houses.

While protesters' and invaders' concerns seem genuine, there is a perception by community leaders that some members of these groups are already beneficiaries of RDP houses who come to invade and cause commotion at FLISP units. It is said that some of these have benefited so in that case their concerns are not genuine. One community leader spoke vehemently that in as much as they sympathise with these people, they also need to be constantly reminded that Alexandra needs to be densified and this can be achieved through such project as FLISP. It cannot stay as it is forever, at some point they need such development where financial institutions will come and invest there in Alex. But if people continue to do what they are doing, they (Alex) will never get a project of this nature again (FLISP). As sons and daughters then they will never have something that they will say it's theirs. An example was given that of Soweto where people saves money and buy houses in Protea Glen. These people buy and don't invade housing properties in Protea. Others are patient enough to wait for other projects but in Alex people are said to have always expected for free things.

One surprising revelation that came from the interviews is that invasion of FLISP units is well coordinated by vanguard groups who have some political connections in the African National Congress. One civic organisation leader confirmed this, although she could not shed more light on how these activities are coordinated. It also came out that invaders pay rental of more than R200 to these vanguards and failure to do so will lead one to be kicked out of the invaded flats. So, this appears to be some sort of hijacking. These leaders have also been identified from different structures of the community and are constantly leading people to invade those FLISP properties. However, one supporter of the ANC was quick to rubbish claims that these leaders are linked to ANC. His sentiments were that:

If people want to do something for political support, this should come as a mandate from the political organisation you represent but, in this case, the leaders do so in their personal capacity. None the less, when they get involved in these shoddy activities, it's difficult to separate their individual positions from those political positions they occupy (Interview, Community Leader 1, October 30, 2019).

But what the interviewee was sure of is that these people are not mandated by any organisation to do what they are doing.

It appears therefore that the contestation surrounding the implementation of the FLISP project in Alex are as a result of many factors as indicated throughout this this section. Some of these are given here in summary and include the fact that the pricing of units and the requirements seem to deny many residents an opportunity to own a unit under FLISP. With regards to vandalism and invasion, there is also blame placed on the government for its failure to secure the units through deploying security personal. Mostly, vandalism is a result of delays in allocating finished units and this accords intruders enough time for they to invade. However, this scenario does not look simply as it appears. In RDP housing development project, people used to protest so that they can be recognised and considered under the scheme. It appears this is one of the reasons for these invasions and demonstration is to seek for attention so that the invaders can be considered in the housing developments.

4.3 Conclusion

While there still appear to be an impasse in terms of resolving the differences between invaders, protestor and non-beneficiaries of the FLISP project in Alexandra, officials reported through interviews that they have and are still in the process of resolving the challenges. Some of the methods that have been employed as was presented throughout this chapter include the removal of invaders by the city with assistance from JMPD although there is still another group of invaders who are occupying FLISP units illegally. However, there has been some rumours circulating that the leadership of the current groups of invaders vows to retaliate in any way possible if they are evicted from these units. It is also said that these leaders have dangerous weapons such as petrol bombs, guns and matchets that they intend to use against anyone who would be up for removing them.

CHAPTER 5: DISCUSSION OF KEY FINDINGS

5.1 Introduction

The thrust of this study was to unpack the implications of implementing gap market housing in a community characterised by informal settlements. While Alexandra has seen an evolution of housing processes predominantly in the form of subsidy scheme (RDP), respondents engaged with in this study recommended the FLISP initiative as one way the government of South Africa can reduce the ballooning housing backlog. However, it was also quite significant to observe that housing initiatives that have been rolled out in Alexandra are par below demand. It appears as if all the major contestations presented in the findings section, that have hindered the successful implantation of FLISP project are linked to this huge demand for housing. The research discussed the development of the South African housing process. FLISP as one initiative that target a different segment of the market (R3 501-R15 000) (Housing Code, 2009), feeds mainly into this housing process. With this in mind, this section brings in to different perspectives on housing that was presented in the literature review section and attempts to give a consolidated argument in respect of the obtaining of this research.

5.2 Discussion on the implementation of FLISP project in Alexandra

The GAP market project in Alexandra was spearheaded by the government of South Africa through the City of Joburg as was reported earlier. While on a larger scale, the project was part of the Alexandra renewal project announced by the former president of South Africa, Thabo Mbeki in 2001 (Alexandra Renewal Project, Review Summit, 2015), the initial adoption of the FLISP housing project in Alexandra was witnessed in 2012. Interestingly, at this particular phase, respondents who were interviewed for this research conceded that enough consultation was done to an extend that at its inception, the FLISP project was a talk of the town. If this is something to go by, one would therefore argue that under FLISP, participation of residents and beneficiaries was somewhat ensured. This tend to contradict Ross' (2010) popular assertion that in South Africa, residents passively participate in the housing process. According to Ross (2010), South Africa citizens, particularly RDP housing beneficiaries only participate in the housing process by ensuring that their names are registered on the data bases, beyond that, they only wait for the state to deliver housing units. However, in relation to this study, it is quite evident that residents in Alexandra, did not only get involved in the housing process by registering or showing interest in the FLISP project. Their actions went beyond this as they were actively involved in engagements and consultations with city officials who were tasked to roll out the Gap market programme in this community. For instances, different residents' associations such as SANCO, were actively involved particularly in the processes of identifying the site at which the FLISP project was to be built.

Be that as it may, it might also be naïve to overemphasise the participation process that was underpinning the inception of FLISP housing project in Alexandra. If the process was very thorough, as assumed and portrayed by different respondents, one would then be forced to question the source of different grievances and contestations surrounding this initiative. For instance, some residents like non-beneficiaries claims that although they were aware if the project, they were never engaged nor were they represented by an associated. This group comprises of disgruntled residents and its not surprising that some of them are actively involved in the hijacking of the completed FLIP units in Alex. Perhaps, this therefore assume that the importance of the FLISP initiative in respect of demand and supply, and as a complimentary effort to government's efforts of ensuring that all South Africans have access to housing as stipulated by policy objectives is dealt a big blow.

Taking the preceding argument further. The drive of FLISP housing in South Africa is to enhance and insure inclusivity, integration and reduce inequality (DHS, 2017). However, the attainability of this drive remains questionable for a variety of reasons that were gathered during data collection in this research. One, non-beneficiaries of the FLISP housing project were excluded despite them thinking they could qualify as per the criteria that they were given. Despite the Department of Human Settlements, (2010) observing that "several housing programmes have sought to increase the supply of dignified and affordable housing for different households", the failure of FLISP to adequately responding to this call by ensuring that those who qualify are accorded an opportunity of own a housing unit have further seen a growth in the proliferation of informal settlements. For instances, in Alexandra, many residents who were disqualified from the FLISP initiative resorted to living in informal settlements under precarious and dangerous living conditions. Some have even resorted to leaving on the urban fringe or outskirts because planning systems promote homogenous housing typologies which increase isolation from places of economic attraction and opportunities (Ross, 2010).

5.2.1 Affordability of FLSIP housing

There have been notable efforts to respond to the housing challenge in developed and developing countries through policies to. However, in many countries including South Africa, these have not really eased the housing problem. While the solution to this for most of the world's population is that "a healthy housing/shelter should be provided at prices ordinary people can afford" (Choguill 2007: 143), the same cannot be said about FLISP housing units in Alexandra. Despite the project having spearheaded to target a specific income group, it is within that same group that some inconsistencies with regards to the price has been witnessed. The housing units under FLISP in Alexandra have different price tags with the cheapest going for R260 000 while the most expensive one is going for R290 000. Even after considering that these prices are seen as the lowest when compared to those of other provinces, the fact still remains the same that beneficiaries of these GAP houses are charged

differently. This argument is at the centre of the reasons behind some occupants of units in Alexandra, not having started paying their deductions despite having moved in about 2 years ago. Some of the beneficiaries were also disgruntled by the idea that when the project was launched, they were told that the government was going to subsidise these units when in actual fact, all the cost are being incurred by the occupiers. This confusion and misinformation obstruct the attainment of sustainability in human settlements.

Sustainable human settlements are those that aim at improving people's lives according to the United Nation Human Settlement Report (2013). However, when beneficiaries like those of RDP houses raises many complains about the whole project, this leaves a lot to be desired and one would be made to question if indeed lives are being improved. While this argument is not to say that everyone interested in the FLISP housing units is disgruntled, it is also clear that the affordability issues has been brought to the test in such a way that those who are already paying for their units through the bank have formed their own association which seem to be against those that are not yet paying. It is at this stage that perhaps Turner's (1985) argument that housing goes beyond the structure or having a roof over someone's head, become relevant. When the experiences and trajectories of attempting to own a home leads to divisions within a community, it might also mean that the whole project is doing a disservice and it will be difficult to attain sustainability under such a pretext. Precisely, the argument by the Choguill (2007) that despite the drive of improving the lives of people through sustainable human settlement having gained impetus in contemporary debates, it appears as this drive is hindered by confusion and misunderstandings in urban policy, resonates with the cases of South Africa in relation to FLISP housing.

It will also prudent to evaluate the affordability of Gap housing in conjunction with the DHS 5year plan implemented in 2014. This Strategic Plan was based on the mandate outlined in the government's National Development Plan. NDP highlighted important aspects in relation to the provision of housing here in South Africa. The first aspect of these key aspects being the "need to fast track the delivery of housing and improving living conditions of citizens, and the second one being to integrate settlements and development in well-located areas" (DHS, 2014). The plan was put in place to enable the delivery of 1.5 million houses through collaborating with other stakeholders such as banks and developers in the housing sectors (ibid). While FLISP came in place as one way of fast tracking the delivery of housing units in South Africa by providing affordable housing to a segment that was considered too rich "to receive free-government subsidies houses, yet too poor to fall within the normal mortgage lending stream within financial institutions/banks" (DHS, 2014), the delivery of these Gap market seems to be slow. For instance in the Alexandra case, when the "GAP Market" initiative was launched in 2013, it was expected that the project will be completed quickly but it took about 4 years to be completed.

Even up to date, one can't really argue that the FLISP project in Alexandra is up and running since there are still many unresolved issues such as the Hijackers who have invaded and occupied the finished units illegally and that of beneficiaries who haven't started paying for the units to the banks. This is not withstanding the fact that the FLISP project in Alexa was used as one of the pilot projects for the whole of South Africa. In as much as hick ups and delays might have been expected, their degree seems to have overstretched. According to Masilela, (2016:02), "Gap Market opportunities/ backlog is estimated to be at 60 to 70 thousand units per annum, while the delivery rate is currently at about 6 000 per annum country wide".

As was obtained during the interviews, the dynamics in the Gap Market segment have already shifted. While there are some units in Alex that haven't been allocated to beneficiaries, when the project was rolled out, it targeted those who earned between R3500 to R15 000. Despite all the years and the fluctuation in prices due to inflation, the concept of only catering for those within this income bracket still applies in Alex. However, looking at it at a broader level, "affordability challenges are hitting in this space where the entry level stock/house averages at R400 000 meaning that for any individual to qualify for a mortgage loan from the bank must be earning at least R14 000 per month" (ibid). What this entails is that in the GAP market, there is a bigger gap being created for those with earnings ranging from R3 500-R13 000. The GAP market consists of a gap in this regard. Additionally, Masilela (2016"03) notes that "the availability of stock, that is, properties between R180 000 to R370 000, for this sub-segment of the GAP market still remains a challenge". In this scenario, perhaps Harris and Giles, (2003: 167) were right to argue that the housing challenge facing many cities "cannot be solved by any one method". Given that a new market segment is emerging in the Gap itself, it might be important to consider how different housing delivery approaches can be used to target this different segment while also taking into consideration contextual conditions.

One of the concerns raised officials during interview processes in Alex from the developers' point of view is that, affordable housing is becoming unaffordable due to the cost of capital and the cost of breaking ground. For instances during the construction of units under FLIPS in Alex, developers faced delays and hiccups due to many reasons which include allowing the provision and connection of services and basic infrastructure to the units and compounds they were constructing. Quite significantly, another delay was witnessed and caused by protesting residents who felt that they were being excluded from this FLISP project and this saw some of them resorting to invading the units, destroying window, doors and roofs as was reported in the findings chapter. These delays have meant that there is need to put in place water pipes, roads, electricity and servicing the sites thereby increasing constructions costs which are incurred by the developers. The irony of the matter is that all these costs incurred will later on be transferred to the beneficiaries. This relates precisely ot the notion

that housing that was intended to be affordable is no longer affordable. History of self-help housing which was popularised by Turner shed much light to this situation and can bring pointers that can be learnt from. One reason that led to the failure of self-help housing was that in situations where subsidies were required to finance housing programmes was that, as noted by Jenkins et al (2007: 163), ''cost recovery proved difficult, with often more than 50 per cent defaults in loans; the private sector was never adequately involved; and there was downward-raiding of projects". Therefore, "higher-income groups which were not adequately supplied by market mechanisms acquired the houses'' (ibid). This trend might soon be experienced in FLISP initiative if precautionary steps are not taken.

5.2.1 Housing as an Asset

Furthermore, the other challenge that is faced in the housing segment in general and FLISP initiative in particular is the ability to create a secondary market. There is a huge dependency on the primary market i.e. new developments in this market. Trading in the secondary market, especially in what we traditionally know as RDP houses, is unregulated and not formalized. What perpetuates this situation is the challenges around title deeds and ownership. In the FLISP project in Alex, many beneficiaries indicated that they can only be given tittles to their units when their have fully paid for them. In this case, it is a process that can take many years suggesting that their houses are not used as an asset in this regard. Housing as an asset can allow families to access say loans from the bank, rent their units out or even develop them in a way that can improve their livelihoods. This idea of seeing housing as an asset is further supported by Choguill (2007). There are three goals that should be attained in housing through policies which include "the need to provide conditions that will lead to household improvement, programmes that will lead to the empowerment of the poor and those to psychologically enhance marginalised segments of the urban community a sense of belonging/self-worth" (Choguill, 2007:18). The argument behind this is that by allowing people to use their units as an asset, they can have a sense of belonging and pride in whatever they can use of they can achieve with their houses.

5.3 Conclusion

This chapter presented a discussion of this research. This was done through engaging different sources, discourses and policies relevant to the topics under study. While the discussion assisted in understanding the impasse and the maze surrounding the FLISP project in Alexandra, this was used only as a representative sample and might not entirely be a projective of the bigger Gap Market housing process around the whole of South Africa. This is not to say that relevance cannot be drawn from this case presented herewith, but this should be done through paying attention to differences in the fact that the case under study was only spearheaded as a pilot project. Above these technicalities,

the issue at hand pits the debate of whether FLISP projects helps in addressing the housing challenge bedevilling South Africa or not. In this discussion, it was quite critical to engage and assess this debate through scholarly lense with the purpose of understanding the contestations surrounding the Gap Market intiative in Alex and a greater and deeper length. As such, issues of affordability and the effectiveness in the running of the project were brought to scrutiny. This was not withstanding the broader South African of aiming to see human settlements as centres that can play a critical role in improving people's lives, through which FLISP was initiated. This policy framework is also underpinned by International Organisations such as the Un Habitat, that seek to promote sustainability in housing. It would therefore be prematurely to put a last nail to this research by concluding in a manner that only gives one voice to the discussion that unfolded. In as much as there are ambiguities and challenges surrounding the Gap Market project in Alexandra, there are also opportunities that have been derived from it. The following chapter shall therefore unfold through passing recommendations and a reflection of what this whole research entailed.

Chapter 6: Conclusion and Recommendations

6.1 Introduction

At the heart of this research was the endeavour to understand the implications of the gap market housing initiative as a complimentary strategy to RDP housing and informal settlement upgrading in Alexandra Township. This was necessitated after the realisation that despite policy frameworks in place to promote mixed housing projects like the BNG of 2004 brought the South African housing policy consistent with international thinking of the Millennium Development Goal 7, Target 11, which sets out to improve the lives of 100 million slum dwellers by 2020 (Huchzermeyer, 2011), there still remains a mismatch between these frameworks and what transect in practice. These policy frameworks adopted the UN-Habitat's ethos of Cities without Slums, and the principles of Sustainable Human Settlement and intended to accelerate housing delivery, restructure and reintegrate human settlements, among other intentions (White Paper on Human Settlement, 2015). At a much broader level in South Africa, while the achievements of the last twenty-four years in housing occurring in line with the above cannot be under estimated, the apartheid spatial form continue to characterise spatial planning and housing development processes. Residential segregation based on access to economic resources (low income and middle' upper income) is another characteristic of post-apartheid housing process. In line with the housing code of 2009, the South African government has sought to address these imbalances through the implementation of integrated housing development projects. However, the implementation of gap market initiative, as a complimentary strategy to RDP housing and informal settlement upgrading programmes in Alexandra has been met with intense resistance from different sections of the society. The impasse and contradictions which has also witnessed some protests and invading of FLISP housing in Alexandra were called for the need to embark on this study. Therefore, the following sections gives a summation of the findings and discussions obtained through engaging in this research. The last part speaks to measures that can be put in place to the Gap market housing initiative a success in relation to the quest of reducing the urban housing challenge.

6.2 Summary of key findings

This research configured the challenge of housing in South Africa in the historical housing development processes that were discriminatory to blacks in general and Africans in particular. These processes were categorised mainly into two epochs which are the colonial period and the apartheid period. It predominantly was during the apartheid period that land dispossession and residential segregation resulted in overcrowding of Africans in what was commonly known as black townships and the creation of homelands and elite suburbs. Thus, Apartheid as legislated racial segregation immensely altered South African urban environment. This was hugely influenced by pass laws that controlled population migration, further constraining the urbanisation process (Davies, 1981).

Policy shifts led to instability politically and a large number of blacks were accommodated in informal settlements (ibid). Despite the engagements towards democracy between the ANC and the apartheid government which sought to end the old apartheid system with the hope of creating a city inclusive South Africa, and its cities, this was just the start if the making of a new South African order. "The vested interests and entrenched ideologies behind the existing pattern of property ownership survive the abolition of apartheid laws" (Tomlinson, 1990:23). South African urban life continues to be separated based on class, ethnicity and race.

However, around 1980s, the public sector and NGOs pressured the apartheid state by emphasising the need to align funding mechanism and review institutional arrangements based on international policy development and research. "This was at the backdrop of massive movement of black Africans into cities due to rapid process of industrialisation" (Rust & Rubenstein 1996:89). According to Huchzermeyer and Karam (2006:26), "the housing policy-making process from apartheid to post-apartheid South Africa has been dominated by debates involving different stakeholders". This justifies the reality that "the housing policy-making process (like the transition from apartheid to democracy) had to be resolved through a much-celebrated negotiated settlement, characterised by compromise, which lead to the first democratic dispensation in South Africa" (ibid:27). African communities were quite eager to see a revisit and correction of the apartheid housing approaches in these negotiations, as they were previously excluded.

The National Housing Forum was the first establishment presented with a mandate of providing Africans an opportunity to raise their concerns regarding housing provisioning. While the Forum was expected to solve institutional, policy and financial challenges in the housing sector in South Africa, critics noted "a lack of participation by certain marginalised groups, and also the intended beneficiaries of the housing programme" (Tomlinson and Du Toit 2006:271). This jeopardised the beneficiaries' representation resulting in their voices being undermined. In relation to the FLISP project that was at the centre of this research, participation as a housing concept is an area that even the government is still grappling with. Msipha (2007:24) identifies this trend and went on to state that, in South Africa for instance, most old people, women and children reside in hostels or informal settlements as they are rarely represented in housing initiatives and discourses at policy level. Ironically, in a democratic society the state is expected to take heed and listen to the voices of the poor (ibid). Interestingly, with the adoption of the White Paper on Housing in 1994, a new dawn to the delivery of housing in the new democratic South Africa (Garner 2003:6).

The democratic government first attempt to respond to housing challenges was through the construction of new houses (RDPs). Prioritising this sector compromised the viability of other national

housing programmes that were also part of the Housing White Paper of 1994. These included "the provisions of other forms of ownership such as bonded housing, provision of rental housing to ordinary South Africans who did not qualify for a subsidy and Redevelopment of hostels" (Pillay et al. 2006:254). It is from this backdrop that Charlton et al, (2003:9) argue that "while a subsidy takes many forms, its largest manifestation has resulted in the production of Reconstruction and Development Programme (RDP) houses".

Important to the evolution of the South African housing sector is the adoption of Comprehensive Housing Plan for Sustainable Human Settlements, commonly known as the Breaking New Ground Strategy in 2004. BNG housing plan was adopted with the purpose of "addressing the functioning of the entire residential property market" (Huchzermeyer and Karam 2006:46). Additionally, the plan was expected to address the demand rather than supply which usually led to the allocation of the same product equitably to all households. Most importantly, "the BNG was an attempt to address poverty, economic growth, improve the quality of life of the poor, create an asset for the poor and ultimately develop sustainable human settlements" (Pillay, et al. 2006:262). Breaking New Ground Plan sees housing as an enabler which can lead to the achievement of different goals such as those linked to social or economic. It also sought to "rebuild a non-racial society by encouraging mixed development projects where different typologies (social housing programmes, BNG houses, rental rooms, credit-linked houses and bonded houses) in one project were to be delivered" (Pillay et al. 2006:257;). It is this approach that led to the implantation GAP market housing initiative.

It was prudent to evaluate the affordability of Gap housing in conjunction with the DHS 5year plan implemented in 2014. This Strategic Plan was based on the mandate outlined in the government's National Development Plan. NDP highlighted important aspects in relation to the provision of housing here in South Africa. The first aspect of these key aspects being the "need to fast track the delivery of housing and improving living conditions of citizens, and the second one being to integrate settlements and development in well-located areas" (DHS, 2014). The plan was put in place to enable the delivery of 1.5 million houses through collaborating with other stakeholders such as banks and developers in the housing sectors (ibid). While FLISP came in place as one way of fast tracking the delivery of housing units in South Africa by providing affordable housing to a segment that was considered too rich "to receive free-government subsidies houses, yet too poor to fall within the normal mortgage lending stream within financial institutions/banks" (DHS, 2014), the delivery of these Gap market seems to be slow. For instance in the Alexandra case, when the "GAP Market" initiative was launched in 2013, it was expected that the project will be completed quickly but this did not happen. Even up to date, one can't really argue that the FLISP project in Alexandra is up and running since there are still many unresolved issues such as the Hijackers who have invaded and occupied the finished units illegally and

that of beneficiaries who haven't started paying for the units to the banks. This is not withstanding the fact that the FLISP project in Alexandra was used as one of the pilot projects for the whole of South Africa. In as much as hick ups and delays might have been expected, their degree seems to have overstretched. At a national scale, "Gap Market opportunities/ backlog was estimated to be at 60 to 70 thousand units per annum, while the delivery rate is currently at about 6 000 per annum" (Masilela, 2016:02).

6.3 Recommendations

While the challenges faced under FLISP project in Alex cannot be understated, it is also important to observe some of the success stories which might be a bridging stone for the need of recommendations. The fact that most of the community members swiftly moved to apply to benefit from the FLIP project when it was introduced in Alex suggest how the community is receptive to it. As was identified through interviews, many people still hope that if another site is created for a similar project, they will apply again. This is despite some of the challenges that many faced such as lack of borrowing power, to qualify to be beneficiaries of the project. Perhaps to respond to the challenge of indebtedness which stops many residents from qualifying for FLISP, the department of human settlement and other stakeholders should increase training on borrowing and financial education. This might enable beneficiaries to prioritise housing needs and manage debt commitments.

While the Gauteng provincial Government seem to have actively prioritised FLISP project in Alex with the purpose of enabling homeownership to the GAP market for the first time, some of the hick ups experienced during the implementation of the project such as invasions, delays is allocation are a testimony that the Provincial Department of Human Settlements lacks a dedicated central point to manage and coordinate programmes such as this one. Perhaps, there is need to draw expertise and skills from different departments and to provide hands on support through coping from other provinces that are doing well in this respect might be a solution. This is necessary because, "a measured and well-prepared roll-out of Government's Housing Subsidy Programs like FLISP affords immediate provincial constituents accelerated housing opportunities and improvement of the property market that contributes positively to the economy" (FLISP Website, 2019).

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ANNEXURES

APPENDIX 1

Research Title: Implementing Gap Market housing programme in a community characterised by informal settlements. Case study of Alexandra Urban Renewal Project in Johannesburg, South Africa.

Formal (Signed) Consent Form For Non/Beneficiaries

I hereby confirm that l have been informed of the purpose, procedures and my rights as a participant. I have received, read and understand the written participant information sheet. I have also been informed about the voluntary nature of the study. The researcher informed me of the rights of refusal to answer some questions l do not feel comfortable with as well as the right to withdrawal from the study interview anytime l might feel the need to do so.

I have been informed that this interview will remain confidential, meaning nobody except the researcher will have access to it. I was also informed that my name and identity will not be disclosed at any time (unless I give permission below that my name be used), meaning the data is published in a journal or other publications without my name or disclosing my identity.

I agree to participate in this interview.

I agree / do not agree to audio recording during the interview.

I agree / do not agree to my name being used.

Respondent Name……

Signature…….. Date……

Appendix 2



Title: Implementing Gap Market housing programme in a community characterised by informal settlements. A case study of Alexandra Urban Renewal Project in Johannesburg, South Africa.

Formal (Signed) Consent Form For Key Informants.

I hereby confirm that l have been informed of the purpose, procedures and my rights as a participant. I have received, read and understand the written participant information sheet. I have also been informed about the voluntary nature of the study. The researcher informed me of the rights of refusal to answer some questions l do not feel comfortable with as well as the right to withdrawal from the study interview anytime l might feel the need to do so.

I have been informed that this interview will remain confidential, meaning nobody except the researcher will have access to it. I was also informed that my name and identity will not be disclosed at any time (unless I give permission below that my name be used), meaning the data is published in a journal or other publications without my name or disclosing my identity. I am aware that people directly familiar with the project, however might identify me with statements l make in this interview.

I agree to participate in this interview.

I agree / do not agree to audio recording during the interview.

I agree / do not agree to my name being used.

Respondent Name……

Signature…….. Date……

Appendix 3

Participant Information Sheet

Programme: Master of Built Environment (Housing)

Institution: University of Witwatersrand, School of Architecture and Planning.

Title of the study: Implementing gap market housing in a community characterised by informal settlements. A case study of Alexandra Township.

Greetings

My name is Aubrey Musetha. I am currently a full time studying towards a Master of Built Environment (Housing) in the School of Architecture and Planning (SOAP) at the University of Witwatersrand in South Africa. I am currently conducting a research on "Implementing gap market housing in a community characterised by informal settlements. A case study of Alexandra Township". The purpose of this study is to understand the outstanding issues surrounding the implementation of gap market housing initiative in Alexandra. The research will critically assess the actual housing practices occurring in Alexandra, in relation to integrated projects that are stipulated and promoted by South African housing policies and frameworks. At the end of this study, it is envisaged that this research will unearth areas of sensitivities that might be hindering the successful attainment of integrated communities. The findings will also expose obstacles, strengths and opportunities in relation to the processes of bridging the urban divide. This will go a long way in necessitating a discourse around the contribution of housing delivery practices to conflict and poverty alleviation.

I would like to invite you to be part of this study through an interview process. The interview will take no longer than forty minutes of your time. During the interview, you will be asked questions regarding

the housing process and the criteria through which gap market housing is rolled out, among other issues. The interview will be recorded using an audio recorder (should you give me the permission to do this) and hand-written notes.

You have been selected to participate in this study due to your knowledge about the housing practices in Alexandra Township. Participation in this research 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 in that your name and identity will be protected although your organisation may be identified. The results of the interview and your personal views will not be linked to you in the final report (unless you give me permission to do so), meaning in the event that I use direct quotations from this interview, 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 no foreseeable risks associated with your participation.

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

Appendix 4

SCHOOL OF ARCHITECTURE AND PLANNING
HUMAN RESERCH ETHICS COMMITTEE

SCHOOL OF ARCHITECTURE & PLANNING

CLEARANCE CERTIFICATE
PROTOCOL NUMBER: SOAP048/07/2018

PROJECT TITLE:	Implementation of GAP market housing in an area characterised by informal settlements. A case study of Alexandra
INVESTIGATOR/S:	Aubrey Mboniseni Musetha (Student No: 1526548)
SCHOOL:	Architecture and Planning
DEGREE PROGRAMME:	Masters of Built Environment (MBE)
DATE CONSIDERED:	17 August 2018
EXPIRY DATE:	17 August 2019
DECISION OF THE COMMITTEE:	Approved

CHAIRPERSON _____
(Professor Daniel Irurah)

DATE: 17-08-2018

cc: Supervisor/s: Richard Ballard

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** 22/08/2018

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