

#6 MOTIVATION FOR A HOUSING DEVELOPMENT SUPPORT PROGRAMME

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Ronald Eglin

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Afesis-corplan has been promoting the concept of managed land settlement (MLS) for a number of years¹. MLS is where government allows people to settle on (semi) serviced land with basic tenure security, and households are able to use their own money to start to build their own shelter and houses. MLS is in line with government's new thinking as reflected in its preliminary draft new Human Settlement white paper where government is considering basing its new housing programme on the provision of serviced sites, and only providing housing top structures to the aged and destitute².

¹ For more information see www.incrementalsettlement.org.za. For early reference to the MLS concept see <http://www.ngopulse.org/article/land-first-innovative-strategy-accelerate-housing-delivery> and see page 185 on https://www.thehda.co.za/uploads/files/SACN_From_Housing_to_Human_Settlements_SouthAfricanCitiesNet_work.pdf

² Department of Human Settlements (2015) Towards a Policy Foundation for the development of Human Settlements (page 61), available at

Contact Details

9 Wynne Street, Southernwood
PO Box 11214, East London, 5213
Tel: +27 43 743 3830
Fax: +27 43 743 2200
Email us: info@afesis.org.za

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A shift to MLS will significantly affect numerous aspects of how land and housing is developed in South Africa. For example, government will need to acquire and develop more land over a shorter period of time³; and government will need to revise its allocation process so that eligible households are first allocated to a piece of land (with at least a basic level of services and basic tenure) and only then will housing top structure subsidies be provided to those households that qualify.

Another aspect of housing development that will be significantly affected by a shift to MLS is the role that government will play in the development of housing top structures. In the MLS approach government shifts from building houses for people to helping people to build their own houses. This learning brief suggests a new role for government as a housing development supporter and facilitator. This shift is line with the call in the National Development Plan (NDP)⁴, that “[t]he state should gradually shift its role from a direct housing provider of last resort to a housing facilitator ensuring adequate shelter and greater access to a wider choice of housing options.” (NDP, page 284)

However, if it is recognised that there will still be some people that are unable to help themselves, there will still be a need for government to provide top structures for the aged, disabled and destitute (such as people living on the street, orphans, etc.). Consideration should also be given to the development of a new special needs housing programme to provide institutional forms of housing to many of these special needs⁵. For most people however, such as poorer people that are younger than a certain agreed age, and for people that don’t qualify as destitute, they should receive at least a semi serviced piece of land. Rather than leaving these people to fend for themselves⁶, government needs to continue to play a role in providing housing and development support.

This learning brief poses and starts to address three questions that government will need to answer in its approach to help people help themselves.

1. What can government do to help people to help themselves?
2. How can government coordinate the development interventions of multiple support agencies over a long period of time?
3. How can building control policy and regulations support self build construction?

http://www.incrementalsettlement.org.za/wiki/images/8/88/TOWARDS_POLICY_FOUNDATION_FOR_HUMAN_SETTLEMENTS_01_NOVEMBER_2015.pdf

³ see learning brief on Land Acquisition at: <http://afesis.org.za/wp-content/uploads/2017/06/Learning-Brief-Land-Acquisition-and-development-for-human-settlement-development.pdf>

⁴ National Planning Commission (2013) *National Development Plan (vision 2030), Our Future Make it Work*, available at: <http://www.nationalplanningcommission.org.za/Pages/NDP.aspx>

⁵ for more on special need housing see <http://www.pptrust.org.za/programmes-and-projects/special-needs-housing/>

⁶ This criticism was levelled at site and service projects implemented by the Independent Development Trust (IDT) in the early 1990s. See <https://csp.treasury.gov.za/Resource%20Centre/Conferences/Documents/Informal%20Settlement%20Upgrading/Scoping%20report%20ISU%20innovation%20and%20scaling%20up%20Draft%201%20for%20team%20comments%20060416.pdf> Although, to be fair, according to observations of the author at the time, there was an attempt to also introduce a consolidation programme for IDT projects, which was aimed at helping people to help themselves. This programme was superseded by the housing subsidy programme of the new democratic government.

1. What can government do to help people to help themselves?



Existing housing programmes of government are geared towards building houses for people and lack mechanisms to enable and support people to meaningfully help themselves. One of the ways in which we suggest government does this is by establishing centres where people can go for advice and support on how to improve their own housing and living environments. The support provided through such a housing support programme can come in two ways, in the form of direct and/ or indirect support.

Indirect support is where government provides information to households on how to build one's own house, or how a household or group of households can enter into a contract with builders and/or material suppliers. Government can also provide a referral service giving people information on where they can find accredited builders and material suppliers. Indirect support also comes in the form of training in self build housing construction techniques, as well as in housing consumer education. Government can also help with low interest loans so households can buy their own material and pay someone to build their houses for them. In effect government money is not used to actually pay the builders or pay for the material.

The following provides some examples of direct housing support:

- Government builds a house for people in need. Government organises and pays for the labour, material and management costs. This is the process that is followed in most of the existing government subsidised housing programmes.
- Government builds only one or more elements of a house, the household adds the rest. Elements include, for example, roof-on-poles, shell house, core house (just one or two rooms), foundation slab, wet core, facade wall, fire wall, etc.
- Government provides the household with a housing starter kit (and the house is then either erected by government or the household) that could include, for example, wooden floors, panel walls, roof, insulation, piping for toilet and kitchen, and a pre-payment electricity meter.

- Government provides material coupons that households can redeem at designated material suppliers or builders. Mechanisms can be put in place to minimise the possibility of such schemes being abused, by for example, requiring households to pay a deposit to benefit from the material coupon scheme, and only issuing new coupons after it can be proven that a specific phase of construction has been achieved.

In the context of direct support, government money is used to pay for all or part of the material, labour and/or management costs associated with building an actual housing top structure, or buying the land and transferring title deeds.

This housing support programme needs to be located within a broader development support programme of government, which not only helps people build their own houses, but also helps people help themselves in other ways. Helping them to create their own job opportunities, through skills training, provision of affordable business loans, bulk buying schemes, business referral systems, marketing support, access to cheap business premises, etc. Helping them organise their own social and cultural activities, by helping the aged, youth, early childhood development centres, sports clubs, choirs, police forums, and other social and cultural groups and structures. Helping people to organise their own community development structures; by building the capacity of savings and loan schemes, stokvels, residents associations, school governing bodies, and community policing forums to name just a few.

Ideally these various support functions need to be planned and managed as a comprehensive and coordinated development support function. Regional development support centres should be found in well located areas, operating as a one-stop-shop where people can get information and help in building houses, starting businesses, furthering skills and improving health. Local development support centres should also be permanently found in identified neighbourhoods offering similar support services as found in larger regional development support centres. At a more local level, mobile, rotating, and temporary development support centres with all, some, or just one of the development support functions should be provided. A rotating development service would be one where the support service only visits a particular place on a particular day on a rotating basis.

The success of a comprehensive development support service depends on the extent to which there is coordination and cooperation between various government departments and programmes. This learning brief does not explore how this coordination should be managed, suffice it to say that there would need to be some form of development support steering committee involved, that includes representatives from the various government departments as well as from the communities being served. Innovative funding mechanism will also need to be explored for how to establish and maintain these development support centres. The Department of Human Settlements would need to be a key role-player in funding for the capital and operating costs of such programmes and centres.

The housing support programme needs to provide land and housing support both prior to people moving onto the land as well as once they have been allocated and move onto the land. Prior to moving onto the land, people need to have a place they can go to with staff they can meet who can advise them on how they can access land for residential settlement purposes. The housing support centre, as part of a broader development support programme, should have staff who are able to guide people through the land and housing allocation process, and explain how the land and settlement development process works. Box 1 outlines one possible example of how people can be incrementally settled on a piece of land.

Box 1: Example of land occupation process

The process of moving onto and developing the land needs to be carefully worked out and explained to all people involved. For example, if a person or household needs land they can go to a housing support centre where, after they pass through an agreed land allocation process, they are allocated a piece of land in a designated and planned land development area. Initially they can pay a nominal monthly fee to stay on this land. The land remains in the ownership of the municipality - the occupiers are not able to sell the land. If the occupier moves from the land the land is allocated to another person from a waiting list. If the occupier stays on the land for longer than an agreed period of time (e.g. six months) they are then entitled to receive an occupation certificate from the municipality. The household is then entitled to 'sell' their occupation certificate – their right to stay on the land – to anyone they can identify who is prepared to pay them for any improvements they have made to the land (e.g. a house build by the outgoing occupant), on the understanding that the land still belongs to the municipality and the incoming person only gets occupation rights associated with the occupation certificate. In future, after an agreed period of time, if the occupier wants to buy the land from the municipality they can do so using their own money to pay for the legal costs of transfer, and also paying for the actual land costs. If the occupier qualifies for a housing top structure subsidy at this stage (e.g. they are over a certain age or are disabled or destitute) the housing subsidy amount can be used to cover the land purchase and land transfer costs.

2. How can government coordinate the development interventions of multiple support agencies over a long period of time?



At present, government follows a project based approach to housing delivery. Government approves housing projects where contractors are appointed to build a certain number of houses of a certain

quality at a given price over a given period of time. Government's role in housing development is generally complete once beneficiaries move into the houses. With the shift towards a MLS approach to settlement development, government is now unable to appoint a contractor to build houses like they did in the past. Government needs to rather find ways to support people over a much longer and indeterminate period of time to build their own houses.

This means that government needs to change from a project based approach to an area based programme approach to housing development. A project has a beginning and an end - like building 500 houses and letting people move in to these houses; whereas a programme does not have a beginning and an end - people are continually improving their housing conditions into the future.

Housing (and development) support programmes can form the core of such a new area based programme approaches to housing and settlement development. Area based inter-government departmental steering committees can be established, that bring together support services from, for example, the Departments of Human Settlement (DHS), Social Development and Small Business Development.

In order for government to be able to provide this more area based housing support approach, the DHS will need to re-skill many of its staff members. Housing project management and housing construction management skills will no longer be needed as much as they were in the past within the DHS. There will rather be a need for new skills such as construction training, advisory support in owner managed construction contracting, and organisational development.

3. How can building control policy and regulations support self build construction?



Existing zoning legislation does not adequately accommodate self build options that will be the predominant form of housing construction in new managed land settlement areas. Most residential

land use 'zones' found in municipal land use schemes do not allow people to build temporary accommodation or shelter. Households are expected to build formal houses that satisfy building control legislation. This makes it very difficult for people, especially low income households who cannot afford to build more formal structures, to build incremental houses as envisaged in the MLS approach.

The Spatial Planning and Land Use Management Act (SPLUMA), no. 16 of 2013, makes provision for municipalities, in their Spatial Development Framework plans, to "identify the designation of areas in the municipality where incremental upgrading approaches to development and regulation will be applicable" (in section 21(k)). The SPLUMA goes on to say that the land use scheme of the municipality should "include provisions that permit the incremental introduction of land use management and regulation in areas under traditional leadership, rural areas, informal settlements, slums and areas not previously subject to a land use scheme" (24.2(c)). This needs to be interpreted to include areas where MLS approaches are being implemented.

Municipalities have and are developing their own land use management by-laws regulating the type of activities and structures that can be undertaken and built on specific pieces of land (such as land designated as an incremental settlement area). This provides a window of opportunity for municipalities to develop specific regulations that accommodate more incremental housing solutions. For example, special zoning categories should be developed that differentiate between a dwelling and shelter, where one needs to obtain building plan approval for a dwelling, while allowing people to build shelters (that do not require building plan approval) in areas where MLS approaches are being followed.

National government needs to develop guidelines and land use zoning category templates that municipalities can use when they develop or revise their municipal land use management by-laws. National government also needs to consider amending legislation⁷ and/or developing guidelines relating to building control procedures and rules.

Conclusion

In summary, in order to address the three identified questions raised above, the following recommendations are made:

1. Government needs to establish a housing support programme as part of a broader development support programme to help people to help themselves.
2. Government needs to shift from a project based approach to housing (top structure) development to more of an area based approach, with the necessary departmental re-skilling and re-tooling, so that households in a particular area can be assisted over a longer period of time to improve their own houses.
3. Government needs to update its land use and building control rules and regulations making it possible for people to build more temporary forms of top structures that do not require formal building control approvals.

⁷ such as the National Building Regulations and Building Standards Act, Act no. 103 of 1977

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Contact Details

9 Wynne Street, Southernwood
PO Box 11214, East London, 5213
Tel: +27 43 743 3830
Fax: +27 43 743 2200
Email us: info@afesis.org.za

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