

WESTERN CAPE HUMAN SETTLEMENTS ACADEMIC FORUM INAUGURAL MEETING

10 MAY 2011

**Stellenbosch University Bellville Campus
Room 101 van der Horst Building
Bellville**

John Hopkins welcomed all present and thanked them for attending the Inaugural Meeting of the Western Cape Human Settlements Academic Forum.

OPENING ADDRESS

Minister Bonginkosi Madikizela, MEC for Human Settlements, Provincial Government of the Western Cape gave the opening address.

"I am very excited to be addressing the Inaugural Meeting of the Western Cape Human Settlements Academic Forum. As a measure of our commitment to the success of this forum, the Department of Human Settlements has committed to funding the forum with an annual amount of R500 000, and I hope that this investment will be recouped many times through stimulating innovative research solutions, and the building of capacity, which will contribute to an ever increasing ability to provide effective and efficient housing delivery in our province. This follows the Memorandum of Understanding we entered into with the SAHF (Southern African Housing Federation) to establish and facilitate the forum, as well as to fund the SAHF's annual housing conference. I also note with great interest the Memorandum of Agreement between the SAHF and NAHRO (the National Association of Housing Redevelopment Officials) which was recently signed in Washington DC, which will open doors for educational organizations and best practice models for further collaboration in the field of exchange programmes and capacity building.

Those who have encountered me since my appointment to this portfolio will know that one of my regular themes is the need to encourage greater private sector investment and involvement in the affordable housing sector. Today we take the important step of expanding our embrace beyond the private sector, to also encourage and facilitate greater academic sector involvement in providing housing solutions and capacity that meet the needs of a current and future Western Cape, and South Africa.

The Provincial Government of the Western Cape, or PGWC, is pro-innovation. Within our department we are always looking for more effective ways of service delivery, looking to find new ways of thinking and doing, instead of being limited by the constraints of the mindset that has served us in the past. Even though sometimes faced with problems that seem insurmountable, we are committed to facing the difficulties, and to persevere until we find realistic solutions. In that

regard, in the last couple of years, the Department of Human Settlements has made a strategic policy shift away from providing only top structures, to providing serviced sites, especially through the upgrading of informal settlements, in order to benefit the greatest number of citizens in need. To support this strategic shift, we have established a Portfolio Management Unit and are in the process of appointing Professional Resource Teams to address our capacity constraints in planning and project management. These interventions are necessary to ensure that our new strategy is effectively implemented, rather than just a documenting our wish list.

We have also established a Directorate of Affordable Housing to address the gap in the property market between the subsidised market and the traditional bonded market. Many of these initiatives are leading the way in housing policy among the provinces, and some of these policy shifts, such as the greater emphasis on upgrading of informal settlements, are now being adopted by the National Government, as reflected by Minister Tokyo Sexwale's recent 2011 budget speech. The Western Cape Human Settlements department is committed to finding new and creative solutions to many of the problems in housing delivery and making an impact in the lives of many of our people.

It is under the same principle of creative problem solving that I am excited to be a part of the launch of the Western Cape Human Settlements Academic forum. It is a recognised principle in business and society that innovation and creative solutions drive economic growth. Economic growth, job creation and improvements in all areas of human existence, such as health, technology and manufacturing, are driven by both the need for solutions to pressing demands, and the economic payoff of implementing these solutions.

We live in a world of limited resources, and in the Western Cape, we are faced with multiple constraints. We are limited by the availability of suitable land for housing projects with which to provide housing in a way that is economically and socially sustainable. There are limitations on infrastructure; before houses can be built, electricity, potable water, sanitation and waste water facilities need to be installed. There is currently a backlog of more than 400 000 houses in the province, and with current capacity, we can deliver 16000 to 18 000 units a year. There are economic limitations on how much money is available. There are social factors; beneficiaries of affordable housing need to be near available jobs, need to be able to maintain their houses and pay for services, in order to keep enjoying the benefits of having a decent roof over their heads. It is within the context of these limitations that the Department of Human Settlements has placed greater emphasis on the Upgrading of Informal Settlements programme, in which the focus has been for informal settlement dwellers to retain their current structures. Instead of the department building primarily new top structures, a greater proportion of our budget is spent on providing current structures with the basic services of water, electricity and sanitation, thus reaching more people living in desperate conditions in the short to medium terms, while preserving current social networks and established access to economic opportunities.

It is with these limitations in mind, that the department of Human Settlements welcomes the establishment of the Western Cape Human Settlements Academic

Forum. The above-mentioned limitations represent gaps in our understanding of how best to meet the substantial housing need in the Western Cape. Although we have taken the initiative in some areas, there is much work to be done, and we cannot do it alone. Each limitation represents an opportunity for a creative solution, and it is with this in mind that we welcome new research into housing, town planning and urban design in the Western Cape.

In our drive to provide integrated housing solutions, we recognise that there are many stakeholders, and many angles from which to look at housing. There is the most obvious; the provision of top structures, and so we welcome new building methods and advances in material sciences. There are social factors; how does the provision of housing affect communities, and how do we best involve communities in the planning and building process so as to inculcate a sense of responsibility and ownership among the people? There are sanitation and sewerage solutions; in areas of water scarcity or limited infrastructure, how do we find new ways of dealing with sewerage and providing ablutions that honours human dignity and health yet conserves natural resources? There are economic sustainability factors; how do we create high density settlements that can support businesses in the area, can include health, education and administrative services, and are close to the areas of employment? And how do we ensure that our prioritisation of housing opportunities over top structures is implemented in a way that is consistent with these sustainability factors?

Then there are the financial solutions; in order to service the gap housing market, in which people earn between R3500 and R12000 a month, and are thus not eligible for government subsidies or for a conventional mortgage, how do we support these citizens in the path towards owning their own home? There are also advances to be made in project management, in streamlining bureaucracy, and delegating authority to municipalities in the delivery of housing.

As you can see, a housing solution is much, much more than building a house. Building a house is the easy part, yet to provide housing solutions that are sustainable, both economically and socially, and which benefit all stakeholders, requires investment in all areas of housing; infrastructure provision, social welfare, finance options and transport. This may raise the initial cost of housing delivery, yet in the long term, will reduce costs as the developments ideally become hubs of economic growth for the communities, and in the greater picture, for the Western Cape and for South Africa.

The complexity of housing delivery and the number of stakeholders involved means there are many areas in which research is required. Research, however, needs to be practical, and thus it is my vision that there can be close cooperation and collaboration between the department of Human Settlements and the academic community, that research can be aligned with what is needed, and solutions will be found that are suitable for our local conditions. In the department's delivery of services, we have learned from many of our mistakes, and it is my hope that we can share our learning with the academic community that their research can have a practical, applicable focus.

And finally, I look to the future of housing delivery in the Western Cape, and in South Africa. Solutions to the housing problems require the mindsets of housing professionals who can look beyond piecemeal, stand alone solutions, and consider the interrelated practical, systemic and social complexities of housing. These professionals of the future need to be educated and trained with a view to meeting the unique needs of the South African housing sector, and with an understanding of how the government and private sectors interact to deliver sustainable and integrated human settlements. It is with the need for capable housing professionals in mind that I hope the department of Human Settlements and the academic community can work together to create a curriculum and direct research projects geared to producing graduates equipped for the challenges of working in the human settlements sector, so that we may create a culture of creative and effective housing solutions, delivered by competent and qualified housing professionals.

In the Provincial Government of the Western Cape, you have a partner that is committed to making a success of the forum - from the general environment we create to the specific assistance we can provide in facilitating the development of affordable housing in the province. I invite you to continue to engage with us and to build a partnership that will benefit you and the people of the Western Cape, and South Africa generally.

Thank you.”

“PROVINCIAL OBJECTIVE STRATEGY 6 (PSO6)”

Presentation by Mr Mbulelo Tshangana, Head of Department, Human Settlements, Provincial Government of the Western Cape.

The Presentation can be accessed from the WC Human Settlements Academic Forum page.

“UNTYING THE KNOT BETWEEN HOUSING AND THE CITY”

Presentation by Prof Dave Dewar

Presentation notes:

Introduction:

It is common cause that housing policy in South Africa is confused and ineffective. This has major manifestations.

- Numbers of households which are inadequately housed is increasing, despite the considerable best efforts of the state.

- The number of households in the largely unserved gap in the incomes between R3 500.00 – R15 000.00 (roughly the point where banks kick in) is increasing. This is a matter of grave concern. These are the teachers, nurses, policemen and so on – the middle class plays a crucial role in bringing society together
- It is also common cause that South African cities are extremely inefficient and inequitable. Indeed a recent United Nations review of world cities acknowledged South African cities the most inequitable (and by implication inefficient in the world)
- I will argue that the 2 are interrelated.

The excuse

At the heart of the problem is housing and poverty.

- Most of the problems associated with housing in South Africa stem from the fact that the state is profoundly schizophrenic about its role in housing. In terms of the rhetoric it argues that it is a facilitator: In every other way it acts like the provider.
- Moreover, the primary agent of provision is the local state, by definition then, housing is a high politicized field.
- Two factors flow from adopting this position as provider.
 - Firstly informal settlements are seen as the problem. It is the primary purpose of housing policy to eradicate them.
 - Secondly, in terms of this position, success is measured in numbers not quality. Numbers are best achieved through large capital intensive mass housing schemes which are dependant on large amounts of cheap land.
- The outcome of both of these factors is that our cities are spinning out of control. On the one hand, by not acknowledging informal settlements people seek land wherever they can find it, regardless of the structural implications for the city. On the other, the large amounts of cheap land which are pre conditions for mass housing schemes can only be found on the periphery. Both practices entrench the spatial characteristics of apart, fragmentation and separation which underpins most of the problems of the cities.
- This position of politicized provider also underpins most of the bad housing practices which we read about almost daily in the newspapers.
- Housing time frames become related to political rather than the feasible housing prospect cycles.

- Politicians tend to overstate political promises and these become the “realities” rather than the actual realities associated with the housing challenges. Failure to meet these promises in time causes frustration and disappointment.
- Success is measured in terms of shelter as apposed to shack living environments. The quality of the total living environments being created is appalling but no-one seems to care.
- The use of housing as an instrument of political patronage becomes common and in the worst cases, this slides into corruption.
- There is overwhelming political pressure for projects to be seen to work, regardless of how much subsidy is thrown at them: the situation increasingly becomes non-sustainable and inequitable.
- It becomes increasingly impossible to evict tenants or, in the case of ownership, to repossess units in the event of nonpayment. Accordingly, private sector financial institutions become increasingly unwilling to invest in low income housing.
- It creates a culture of entitlement. It takes energy out of the system, energy of the individual and energy of the entrepreneur. In short, these problems we read about everyday are substantiated. They are inevitable outcomes of the structural position adopted by the state.
- Significant improvement requires changing that position and embracing the role of facilitator and not provider.

The Facilitative State

I wish to discuss two dimensions of this facilitative role.

1) Informal Settlements

- The first relates to informal settlements in a facilitative position. Informal settlements are not to be seen as “problems” which must be solved through housing policy; rather they must be seen as the bottom rung of the urbanization ladder.
- The real issue is ensuring that they are located in structurally statuesque ways. Well located land should be prepared to receive these.

What is meant by this?

- Living in informal settlements should not be romanticized. They are often uncomfortable, unhealthy and unsafe places. If the land is

prepared, they don't have to be. In two respects, at least, they are much better than the townships resulting from RDP Housing.

- The pure grand spatial system is much better than that which can be designed (shacks). They result from a process – negotiations. However, the process does not necessary result in good decisions.
- Community ties and levels of organization are much higher. They too result directly from processes of settlement formation.
- The central question then is how we get the best of top down approaches:

Employers
Organizations
The role of NGO's
Consolidators

- The second arena of facilitators relates to households earning between R3 500 – R15000 – the affordable and social housing markets.
- The gap in the arena is growing rapidly and I believe it offers an exciting way to beginning to restructure and densify South African cities.
- The concept of the urban corridor provides a useful way of thinking structurally. The term 'corridor' is not in the past instance a transport related term. It refers to the wide bands of more intensive mixed-use areas which tend to take form relatively quickly around a more continuous movement outwards, when they are not prevented from doing so. Social and affordable housing should be used to reinforce these.

Conclusion

Again organization is the key. It is not the role of government to build or manage housing. Rather its role is to facilitate the emergence of organizations which specialize in the field of Social Housing. In this way we can begin to de-politicize and normalize housing.

Finally I want to emphasize the vital role of design.

- A major problem with current developments is that they are not based on any realization of how cities work. They are treated as engineering projects. They are built from the bottom up (roads and sad little houses) with no understanding of what holds the whole together. We need to return to a situation where the making of settlements is based on an undertaking of structure and space and where the public space – the space between buildings – is the primary building block of settlements. Urban design (not

architecture, planning or engineering) must lead. Having said that, it is necessary to entrench inter disciplinary ways of working as apposed to the current practice of multi-disciplinary projects.

The Presentation can be accessed from the WC Human Settlements Academic Forum page.

QUESTIONS AND ANSWERS:

Ms Nasima Badsha CEO of Cape Higher Education Consortium (CHEC) opened the floor for discussion and said she welcomes the commitment to strengthen ties with the Academic Forum and will lend support to the initiative as well as feed issues from the Forum into the CHEC Forum.

Q: How are tenders being awarded and being organized and how do the Province and the City of Cape Town work together?

A: Process is straight forward and the awarding of tenders is regulated by the Public Finance Act. There are committees in place responsible for the process. A citizen can challenge the decision made on a tender

Q: The challenges of land ownership – superblock. Is the state regarded as the landlord or must the land be released for capital. How can this be transformed?

A: Ownership is key in the finances used. Social Rentals – Does work if well managed.

Q: Building materials/technology – are developers looking beyond concrete to the innovative?

A: Looking at the density – the conventional method works the best and is efficient for delivery of product. Clients don't buy into innovative systems yet alternative technology is working.

Q: Information on innovative technology and information centers – Can this information be accessed?

A: Engaging with people to make this available – a blog is to be developed whereby people can not only access information but can also exchange ideas.

John Hopkins ended the meeting by commenting that:

- Acknowledge the Academic sector as a partner – to engage with the department for sustainable solutions
- Purpose of the Forum would be:
 - Stimulating dialogue/debate
 - Research and policy support and implementation of that support
 - Quantity/quality of post graduate student
 - Channelling professionalization into housing

- Raises a question about roles
 - Academics important to provide support on policy formulation and research can play a major role
- The Forum to be inclusive and representative of all disciplines and the need for steering mechanics to guide the Forum. Academics to comment on roles and function of the Forum
- The Forum is to facilitate with mentorship

General feedback and comments from attendees

- Sustainability of building materials – there is a need for understanding and a solution found in the near future
- Funding – The Forum can be used by acting as a facilitator mobilizing resources
- There must be an open invite to participate in groups and have targets – the Forum must not be in a perpetual state of discussion
- There is a need for a platform to unload frustrations
- There is a need for a concrete operation process
- Can the syllabuses change?
- Identify researches – they can act as interfaces between professionals
- The Forum is a good platform to open doors that is not only for academics
- The Forum must not only be academic but must also engage with the City of Cape Town, PGWC and Local Authorities. Need to have practical side to move in the right direction
- PGWC – all officials to be part of the Forum and John Hopkins will manage it for the Province as he has the capacity
- Academics must find a common ground of interacting with each other and government
- The Forum was very important in working towards professionalization of housing and existing qualifications need to be replaced with new ones.

Resolution

It was decided that a steering committee with representatives from the 4 Universities will be established in order to set up a framework for the content for forthcoming meetings.

Names supplied at the meeting:

University of Cape Town representative: Robert McGaffin

University of the Western Cape representative: Prof Chris Tapscott

Cape Peninsula University of Technology representative: Prof Johannes Cronje

Stellenbosch University – name to be submitted.

FORTHCOMING MEETINGS

2nd Meeting: 26th July - 14h00-17h00 – Stellenbosch University Bellville Campus

3rd Meeting: 12th September -14h00- 17h00 at the SAHF International Conference to be held at Cape Sun, Strand Street, Cape Town