

TOWARDS THE DEVELOPMENT OF A WHITE PAPER ON HUMAN SETTLEMENTS

Human Settlements Policy
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human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

BUILDING THE FUTURE TODAY, TOGETHER

PRESENTATION OUTLINE

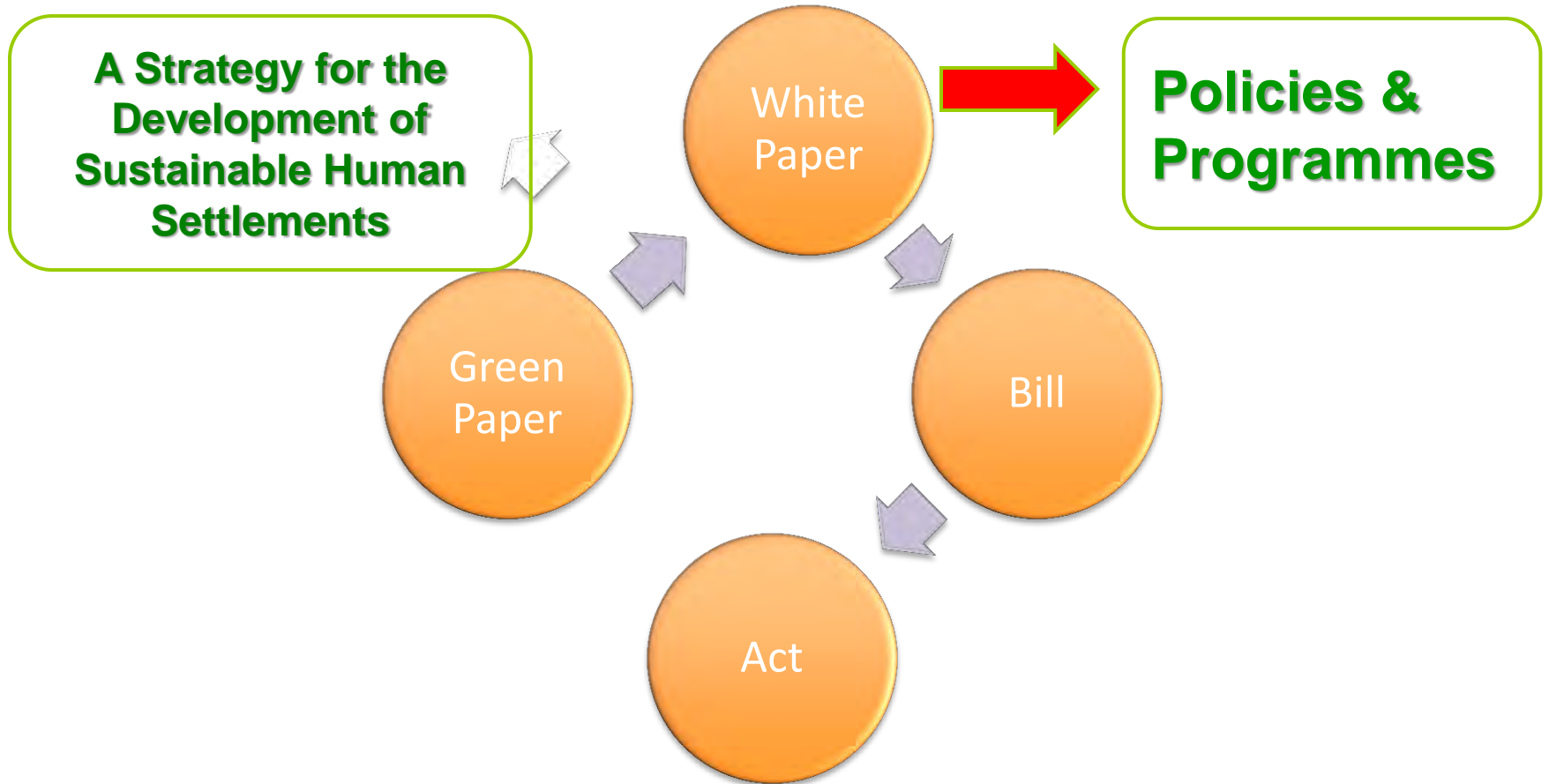
- ① An update on the development of a white paper on human settlements
- ② Content of the proposed white paper
- ③ Process of consultation

PURPOSE

- To provide an update on the development of a **white paper on human settlements**



COMMON GOVERNMENT LEGISLATIVE DEVELOPMENT CYCLE



PROCESS FOR THE DEVELOPMENT OF A WHITE PAPER ON HUMAN SETTLEMENTS

- Phase 1: Conceptualisation
- Phase 2: Development
- Phase 3: Consultation
- Phase 4: Revision
- Phase 5: Finalisation
- Phase 6: Closure

Currently progressing between these phases



RATIONALE FOR A NEW POLICY AND LEGISLATION FOR HUMAN SETTLEMENTS

- Development of a **human settlements macro strategy** that responds to:
 - National Development Plan
 - Constitutional mandate (Section 26, RSA)
 - Development of sustainable human settlements (The Comprehensive Plan for the Development of Sustainable Human Settlements)
 - Responding to lessons learnt in the application of policies and programmes in the last 20 years

CONTEXTUAL REALITIES

- About 60% of population of South Africa is under the age of 34
- The average household income is about R103 204
- Increasing demand for housing - 2 million households in urban areas alone that live in sub-standard housing conditions and are depended on the intervention of the state for housing
- About 3.5 million households do not qualify for full government subsidy or mortgage finance
- In the past 5 years provisions of housing has declined



CURRENT DISCOURSE

- Welfare approach unsustainable as government expenditure continues to grow
 - SA government expenditure on housing is about 2.3% - just above the average of developing countries while Chile is 6%
- Increased demand for housing
 - Rapid urbanisation
 - High levels of unemployment
- Inability for the poor to access the property market – duality of the property market

CURRENT DISCOURSE

- Universal application of the programme across households and communities, with minimum consideration for varying household and community socio-economic contexts
- Unintended consequences of the programme
 - The poor disenfranchised
 - Crowding out of the private sector
 - Limited or no market incentives for developers
 - Limited state capacity
 - Poor quality of housing



CURRENT DISCOURSE

- Market based strategies cannot satisfactorily respond to the housing needs of the poor and increasingly government subsidies are becoming indispensable to the mission of housing the poor – UN Habitat
- The poor need government's assistance for them to access adequate housing.



PROCESS FOR DEVELOPMENT...

- Completed the following...
 - A diagnostic report
 - The first stage of drafting the proposals on policy and legislative reforms
- Further development and refinement
 - Initiating the discussion and consultation to inform the policy and legislative reforms

TOWARDS A WHITE PAPER



human settlements

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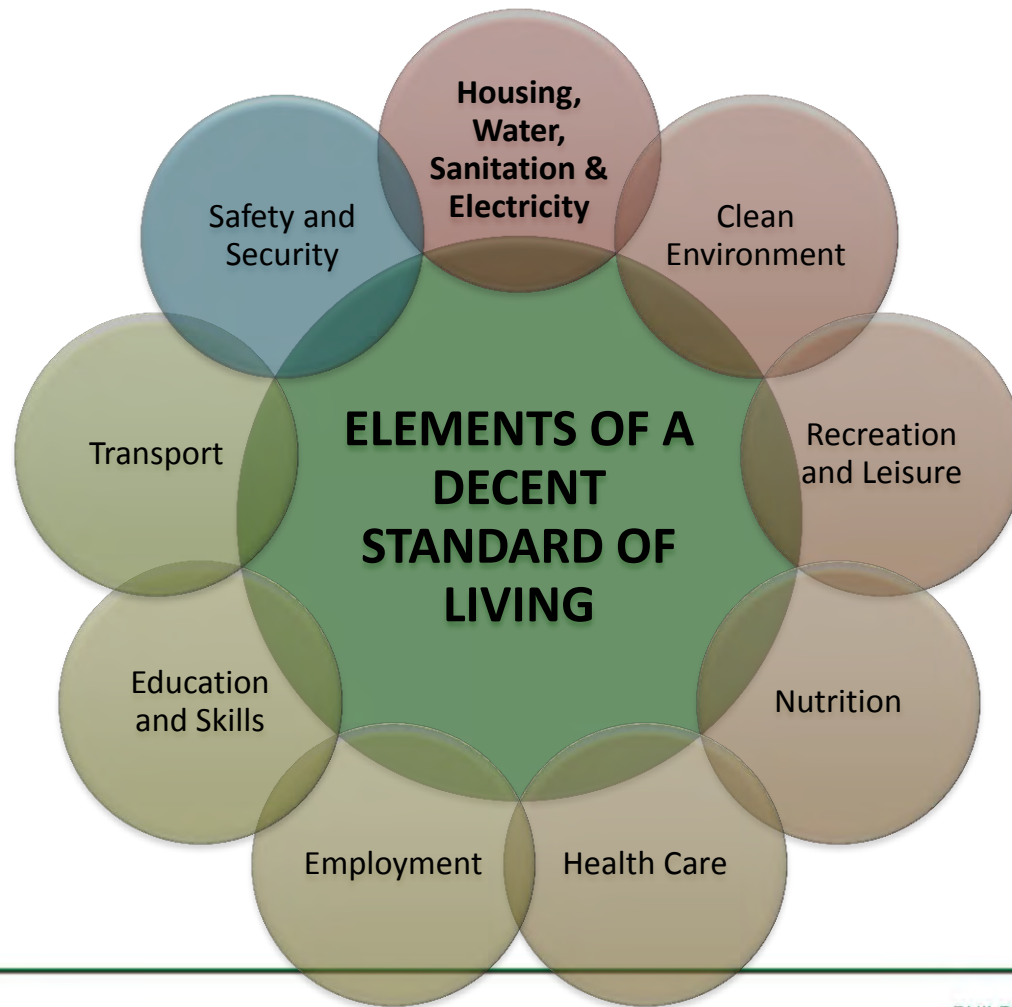
BUILDING THE FUTURE TODAY, TOGETHER

GOVERNMENT APPROACH (2014 – 2030)

- Reduce Poverty and Inequality by 2030
 - Address social, spatial and economic disparities
 - Focus is on economic growth and developing the requisite capabilities



A CALL FOR A HOLISTIC APPROACH



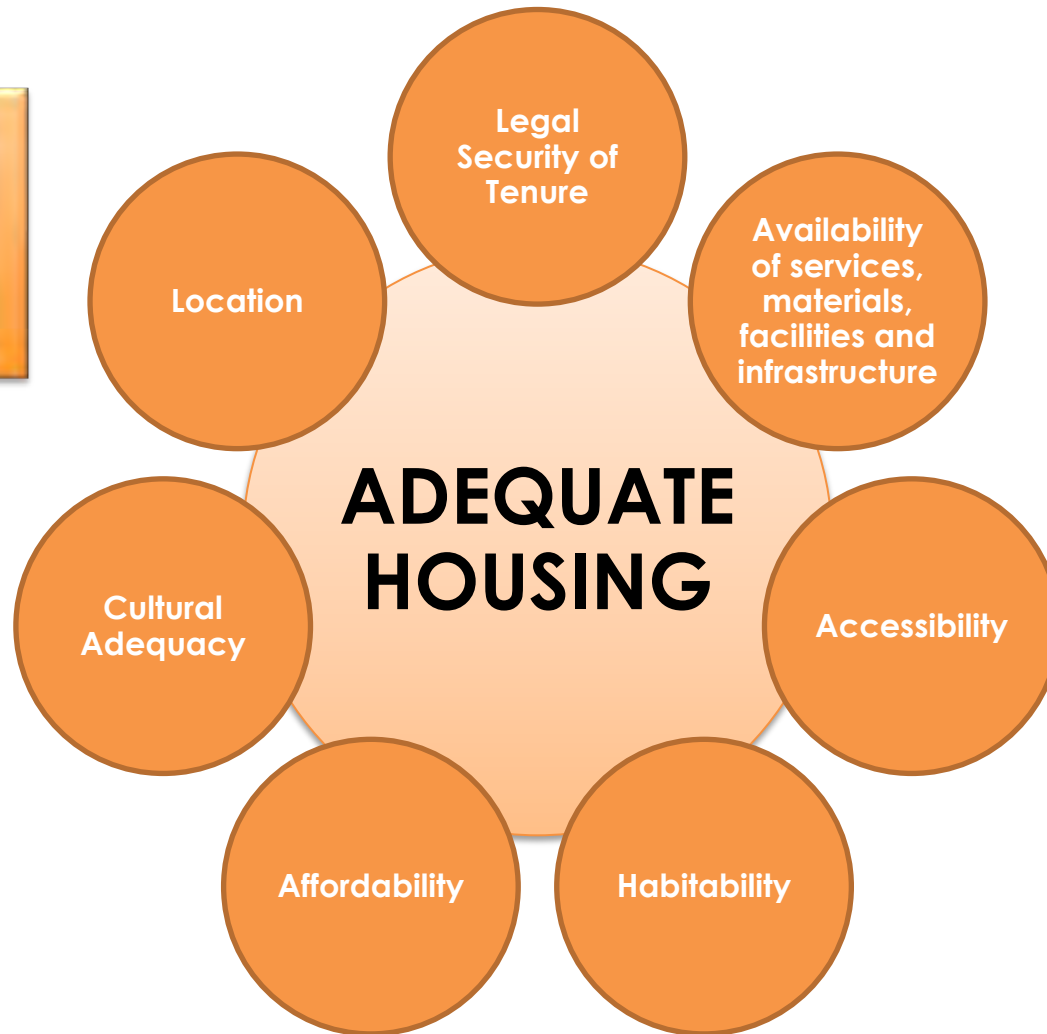
WHAT IS THE BASIC PREMISE FOR THE POLICY?

- **Section 26 of the South African Constitution, Act 108 of 1996**, which states:
 - Everyone has the right to have access to adequate housing.
 - The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right.
 - No one may be evicted from their home, or have their home demolished, without an order of court made after considering all the relevant circumstances. No legislation may permit arbitrary evictions.



WHAT IS ADEQUATE HOUSING?

The term envisages a particular standard



WHAT ARE HUMAN SETTLEMENTS?

- **Human settlements are defined as the totality of human community — whether a city, town or a village — with all social, material, organisational, spiritual and cultural elements that sustains it**



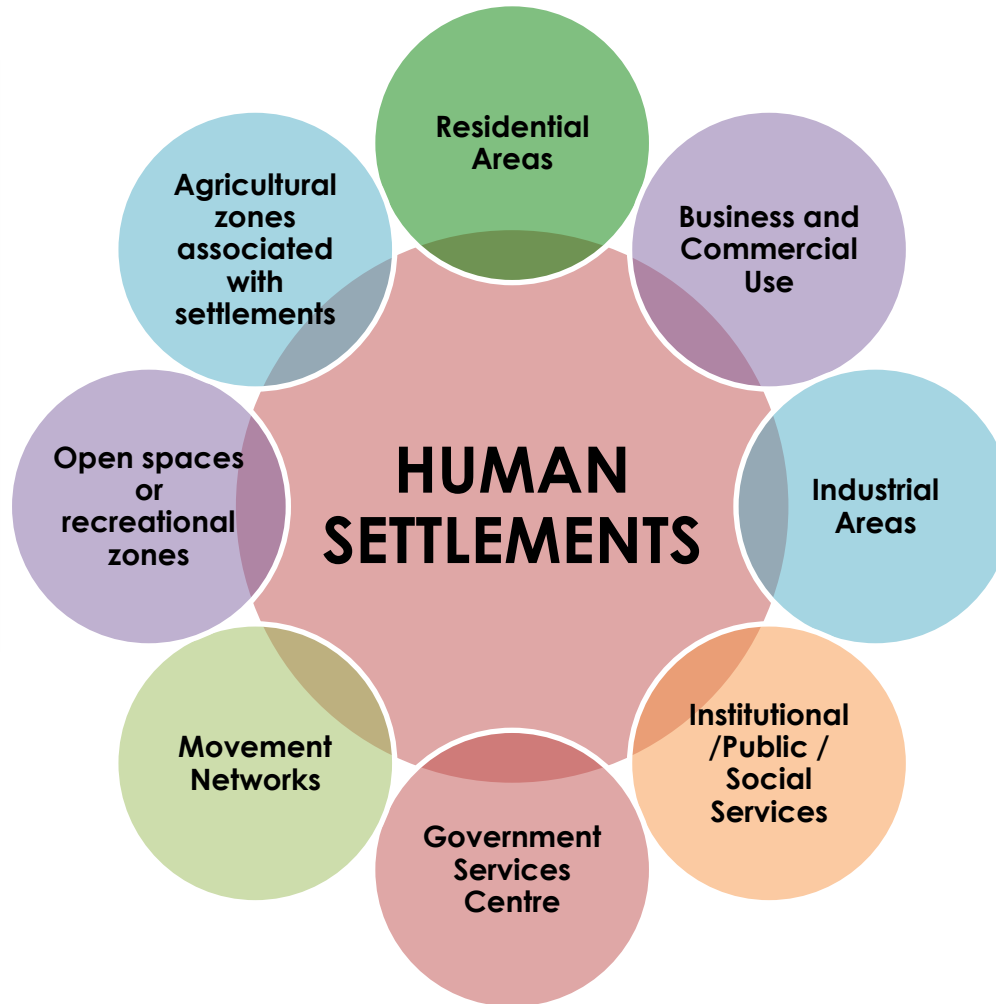
Definition

- **Entire human community** – city, town, village
 - With all the social, material, organisational, spiritual and cultural elements that sustain it;
 - Consisting of physical elements and services
- **Physical components:**
 - Shelter: superstructures of different shapes, sizes, types & materials
- **Infrastructure:**
 - networks designed to deliver to or remove from the shelter people, goods, energy or information



HUMAN IS SETTLEMENTS?

Depending on the geographical location, Human Settlements consist of a combination of these



Definition - example

- Services:
 - Required by a community for the fulfilment of its functions
 - Education
 - Health
 - Welfare
 - Recreation



Landmark Tower

Sports Club

Cemetery

Church

Business

Business

Public Square

Community Centre

Clinic

Shopping Centre

Business

Community Market

Taxi Drop-off

POLICY CONCEPTS

HUMAN SETTLEMENTS

Depending on the geographical location, Human Settlements consist of a combination of the following:

- Residential areas
- Business and Commercial Use
- Industrial areas
- Institutional/Social/Public Services
- Government Services Centre
- Movement Networks
- Open spaces/recreational zones
- Agricultural zones associated with settlements

ADEQUATE HOUSING

The term envisaged a particular standard expressed as follows:

- Legal security of tenure
- Availability of services, materials, facilities and infrastructure
- Affordability
- Habitability
- Accessibility
- Location
- Cultural adequacy

ACHIEVING SUSTAINABILITY

- The sustainability of a settlement depends on the integration of the following four elements:
 - Physical elements
 - Land use patterns
 - Social patterns
 - Operational patterns
 - Settlements consists of hierarchies each with its own peculiarities: City Regions, metropolitans, secondary cities, Small cities / large regional towns, dense rural, small rural, Agri-Villages etc.
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A VISION FOR HUMAN SETTLEMENTS

- By 2030, **measurable progress** shall have been made **towards breaking apartheid spatial patterns**, with significant progress towards retrofitting existing settlements offering the majority of South Africans access to adequate housing, affordable services in better living environments, within a more equitable and functional residential property market
- By 2050, **visible results** from effectively coordinated spatial planning systems shall have transformed human settlements in South Africa into **equitable and efficient spaces** with citizens living in **close proximity to work** and **access to social facilities and necessary infrastructure**



POLICY INTENT

- Sustainable human settlements and improved quality of household life:
 - ① Develop spatially and socio-economically integrated settlements and communities
 - ② Increase access to adequate housing and quality living environments
 - ③ Support the development of a functional and equitable residential property market
 - ④ Develop institutional capacity and capabilities

Existent shortcomings and contextual realities

Chapter 1



CHAPTER 1: EXISTENT SHORTCOMINGS AND CONTEXTUAL REALITIES

- The main goal is to set a foundation for developing the new policy direction

OVERVIEW OF CHAPTER 1

1. Policy and legislative reforms in the last twenty years
2. Achievements in the last twenty years
3. Persistent shortcomings to be addressed
4. Contextual realities

Policy vision and intent

Chapter 2



CHAPTER 2: POLICY VISION AND INTENT

- The goal is to provide a framework for the realisation of sustainable human settlements and improved quality of household life
- The intent is to address two closely related facets of human settlements:
 - habitable geographic space or settlement level interventions
 - household level interventions

OVERVIEW OF CHAPTER 2

1. Defining policy vision and intent
2. Interpretation of the Constitutional mandate
3. Understanding human settlements and Adequate Housing



Improving planning, design and development of settlements

Chapter 3



CHAPTER 3: SHORTCOMINGS IN PLANNING, DESIGN AND DEVELOPMENT OF SETTLEMENTS

- Absence of a real focus on settlements planning, design and development
- Lack of synergy in approach and instruments for human settlements, economic development and transport



CHAPTER 3: IMPROVING PLANNING, DESIGN AND DEVELOPMENT OF SETTLEMENTS

- The main goal is to provide a framework for the development of spatially and socio-economically integrated settlements, communities and neighbourhoods

OVERVIEW OF CHAPTER 3

1. Interpreting the Constitutional Mandate in the context of developing settlements
2. Goals in the planning, design and development of settlements
3. Physical components of sustainable human settlements
4. Key substantive approach and interventions to realise the goals
5. Envisaged programmes and Implementation strategies



KEY SUBSTANTIVE APPROACH AND INTERVENTIONS TO REALISE THE GOALS IN THE DEVELOPMENT OF SETTLEMENTS

- Utilise the Development of Human Settlements to Improve Spatial Planning and Spatial Targeting
- Improved Access to Suitable Land for Human Settlements Development
- Improve Planning, Design and Development of Settlements
- Provide basic infrastructure and services
- Invest in public spaces
- Develop mechanisms to expedite planning frameworks such as Environmental Impact Assessment (EIA)



Facilitating access to housing for all

Chapter 4



CHAPTER 4: SHORTCOMINGS OF FACILITATING ACCESS TO HOUSING FOR ALL

- The fundamentals of sustainable human settlements are often neglected in the formulation of responses to housing
- Absence of property market considerations in existing instruments



CHAPTER 4: FACILITATING ACCESS TO ADEQUATE HOUSING FOR ALL

- The main goal is to provide a framework to increase access to adequate affordable housing for all South African Citizens by providing an enabling environment in which all residents, irrespective of their wealth, race or gender, can access basic and public services, public spaces and other opportunities



OVERVIEW OF CHAPTER 4

1. The basis for a new housing landscape
2. Strategic intent for achieving the goal of adequate housing for all
3. Design, planning and development of housing
4. Key substantive approach and interventions to realise the goals
5. Approach to implementation



FACILITATING ACCESS TO ADEQUATE HOUSING FOR ALL

- Providing sustainable homeownership and rental opportunities
- Ensuring sustainability and fiscal affordability
- Better utilisation of individual subsidies by focusing on breadth not depth
- Bolster current strategies for consumers protection and education
- Establish an accountable and monitoring mechanism
- Provide rental housing options for the lower and middle income groups
- Stimulating the credit market growth to accommodate the households in the gap market;
- Ensuring culturally responsive settlements and house planning and design



Developing a Functional and Equitable Property Market for All

Chapter 5



CHAPTER 5: SHORTCOMINGS IN THE WORKINGS OF THE PROPERTY MARKET

- Limited or absence of support for poor and moderate income households
- Current strategies deliberately excludes poor households from the property market



CHAPTER 5: DEVELOPING A FUNCTIONAL AND EQUITABLE PROPERTY MARKET FOR ALL

- The goal is to ensure that South Africa has a functional and equitable residential property market for all



OVERVIEW OF CHAPTER 5

1. Current state of the residential property market
2. Strategic goal and thrust
3. Key substantive approach and interventions to realise the goals

SUPPORT THE DEVELOPMENT OF A FUNCTIONAL AND EQUITABLE PROPERTY MARKET

- Develop administrative systems that supports the functioning of the property market for low-moderate income households
- Improve access to affordable finance
- Improve property market information and homeownership education
- Provide transactional support for affordable housing market
- Ensure the realisable value of the full subsidy submarket



Financing and Funding Human Settlements

Chapter 6



CHAPTER 6: SHORTCOMINGS IN FUNDING AND FINANCING HUMAN SETTLEMENTS

- Multitudes of funding frameworks but absence of coherence
- Uneven value derived from developments targeting poor households

CHAPTER 6: FINANCING AND FUNDING HUMAN SETTLEMENTS

- The main goal is ensure that finance and funding for human settlements is geared towards the best possible approach in achieving our vision



OVERVIEW OF CHAPTER 6

- Streamlining the current funding system
- Key substantive areas in financing and funding the development of settlements
- Proposal on new funding reforms

CHAPTER 6: PROPOSED FUNDING REFORMS

- **Infrastructure grant:** This must fund the building of infrastructure and services, including land costs, investment in public spaces, and the like
 - **Construction grant:** This must fund the construction of housing units and serviced sites
 - **Capacity grant:** This must fund professional services and capacity acquisition and development
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FINANCING AND FUNDING THE DEVELOPMENT OF SETTLEMENTS

- Residential Areas
- Business and Commercial
- Industrial Areas
- Institutional /Public / Social Services
- Government Services Centre
- Movement Networks
- Open spaces or recreational zones
- Agricultural zones associated with settlements



Performance Reporting, Monitoring And Evaluation

Chapter 7



CHAPTER 7: SHORTCOMINGS IN PERFORMANCE REPORTING, MONITORING AND EVALUATION

- Currently measurement is target driven based on the number of households assisted through the delivery of top structures and serviced sites delivered annually
- The absence of a relationship between what is measured and the envisaged outcomes remains a setback that must be addressed
- The absence of a comprehensive information on human settlements make the utilisation of the current databases severely limited for decision making



CHAPTER 7: PERFORMANCE REPORTING, MONITORING AND EVALUATION

- The main goal is to ensure that performance reporting, monitoring and evaluation focus on determining progress towards the achievement of sustainable human settlements and improved quality of household life

OVERVIEW OF CHAPTER 7

- Measuring progress towards the achievement of sustainable human settlements
- Key approach to performance monitoring and reporting
- Key approach to evaluation
- Procedure for policy review



PERFORMANCE REPORTING, MONITORING AND EVALUATION

- Strengthen Performance Monitoring and Reporting to ensure Accountability
- Performance monitoring and reporting must focus on determining progress towards the achievement of the outcomes or goals of human settlements
- The key approach to monitoring and reporting will be at both Settlement Level and Household Level
- Develop standards and criteria for monitoring and reporting
- Develop a comprehensive information system database for human settlements including a Geographic Information System
- Monitoring and reporting must include progress towards achievement of societal-wide issues



IMPROVING POLICY IMPLEMENTATION

Chapter 8



CHAPTER 8: IMPLEMENTATION SHORTCOMINGS

- Disjuncture between policy and practice
- Changing policy environment
- Capacity to implement
- Lack of policy coherence
- Lack of a strategy to ensure coordination of funding and programmes
- Psychological distance between all three spheres of government

CHAPTER 8: IMPROVING POLICY IMPLEMENTATION

- The main goal is to provide a framework to improve policy implementation



OVERVIEW OF CHAPTER 8

1. Policy and practice
2. Goal in improving policy implementation
3. Key substantive approach to improve policy implementation
4. Institutional arrangements



KEY SUBSTANTIVE APPROACH TO IMPROVE POLICY IMPLEMENTATION

- All spheres of government, government entities and other government departments will be mobilised to work together to achieve a common goal
 - Mobilisation of and engagement with all relevant stakeholders to contribute in the development of sustainable human settlements will be prioritised.
 - Clear five-year milestones to ensure that the policy vision is kept on track and realised by 2030 will be developed
 - Local level capacity and institutional capabilities required for improved implementation will be established
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CONSULTATIVE PROCESS



OBJECTIVES OF THE CONSULTATIVE PROCESS

- To obtain specific policy insights on the shortcomings of current policies and programmes
- To solicit inputs on what the policy must address
- To ensure the participation of stakeholders in the development of the white paper
- To mobilise various role-players to support the development of the policy



CONSULTATIVE PROCESS

- A series of consultative engagements will be held with targeted structures which will include government, government agencies, non-governmental organisations, private sector, academia, civil society, professional bodies, etc.



CONSULTATIVE PROCESS

- **Category 1: Internal consultation**
 - DHS, EMT, MINTOP, TECH MINMEC, MINMEC, Provinces and Municipalities
 - **Category 2: Government consultation**
 - Government Departments, Government Entities, Parliament, Government Clusters, etc.
 - **Category 3: Public Consultation**
 - Professional Bodies, civil society, private sector, NGO/CBO, etc.
-

APPROACH TO CONSULTATION

- Differs from each **phase** of the policy development process and **category** of stakeholders, will **take various forms** which include workshops; round tables; meetings; seminar; media (radio; TV; newspapers; etc.); government gazette; etc.

FORMAT OF THE INTENDED PROVINCIAL CONSULTATION

- Provincial workshops of about 2/3 days per province
 - **Officials:** *province, municipalities, entities, other government departments, etc.*
 - **Stakeholders:** Professional bodies, NGOs, organised labour, civil society, researchers, etc.
- The workshop for officials might be separate from stakeholders



MANAGEMENT OF THE CONSULTATIVE PROCESS

- Province to host the consultative workshop (s)
- Co-management (national and province)



PROPOSED ROUND TABLES

- Monitoring and Evaluation
- Finance and Funding
- Rental
- Informal Settlements Upgrading
- Property market
 - The gap submarket
 - The subsidy submarket
- Planning

THANK YOU

Please send inputs and suggestions to:

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