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## Overall Policy Environment: Summary

### 1. INTRODUCTION

The Policy Environment section sets out the Government's national housing vision, the housing goal, basic points of departure and their fundamental principles. These dimensions set the tone for the understanding of existing policies.

At the most basic level, the housing policy must subscribe to the fundamental values, such as equality, human dignity, and freedom of movement and residence, which are contained broadly in the Bill of Rights in the Constitution.

The overall approach to housing in South Africa is defined by four dimensions:

- The vision defines a future point to which Government wishes to aim.
- The goal clarifies this vision in terms of real outcomes.
- The basic points of departure define the framework or environment in which government works, and the ideas, policies and legislation on which all of their operations must be based.
- The principles define the values in pursuing the vision and achieving the goal.

The purpose of the module is to answer the question “where are we now” in the specific sphere of Housing Policy and to describe the Housing Policy Environment thereby setting the baseline for the Western Cape Provincial Housing Plan (WCPHP).

The module focuses on existing Policy, Legislation, Planning Initiatives at the three tiers of governance i.e.

National, Provincial, Local (Municipal)

### 2. NATIONAL HOUSING POLICY AND LEGISLATION

#### **Housing Policy**

The National Housing Code (Code) as issued on the 10 October 2000 by the Department of Housing provides the current status of National Housing. The Code as the definitive source for the module. The Code is set out in four parts, National Housing Policy, the Housing Act and the related administrative procedures, National Housing Programmes and New Developments. The constraints in the environment and the limitations on the fiscus is seen against the approach to fulfilling the housing role. Acknowledgement is given to general economic growth and employment, and the support needed for the efforts and contributions of individuals who are seeking to meet their housing needs themselves.

The housing vision is confirmed in the Housing Act, 1997 (No. 107 of 1997). Within the Housing Act, “housing development” is defined as.

The Policy is further reiterated in both the Urban and Rural Development frameworks.

The Housing Act states that the Minister must set broad national housing delivery goals. In support of these national goals, the Minister must also facilitate the setting of provincial and, where appropriate, local government housing delivery goals.

Government's goal is, subject to fiscal affordability, to increase housing delivery on a sustainable basis to a peak level of 350 000 units per annum until the housing backlog is overcome.

## Key Issues and Conclusion arising from Policy

Housing cannot operate in isolation. The housing policy and the implementation to which it gives rise, operates within an institutional, macro-economic, and broad social framework:

- The institutional framework has evolved in terms of the housing policy and its seven key strategies.
- The macro-economic environment in South Africa is governed by the Growth, Employment and Redistribution Strategy, otherwise known as GEAR.
- The social environment is influenced by the people involved in the housing sector: housing regulators, suppliers, financiers, and beneficiaries.

Demographic trends are very important in defining the problem and our progress towards a resolution of the housing crisis. The combined efforts of the various stakeholders in the housing sector is critical to the success of the housing programme. Requiring particular attention is the role of women.

## Housing Legislation

An overview of current Housing legislation at National, Provincial and Local Government level is provided in this section of the module with the following reviewed:

### *National*

*Housing Act no 107 of 1997*

*Rental Housing Act no 50 of 1999*

*Housing Amendment Act no 28 of 1999*

*Development Facilitation Act 67 of 1995*

*The Housing Consumers Protection Measures Act 1998*

*National Building Regulations (NBR)*

### **Provincial**

*Western Cape Housing Development Act no 6 of 1999*

*Western Cape Planning and Development Act no 7 of 1999*

### **Local Government**

*Accelerated Managed Land Settlement for Metropolitan Areas*

*National Home Builders Registration Council (NHBRC)*

*National Building Regulations (NBR)*

## 3. NATIONAL HOUSING ACT AND RELATED ADMINISTRATIVE PROCEDURES

### National Housing Act

The Module gives an overview, framework, points of departure and the principles on which it is established.

### Roles and Functions

Key points have been extracted for guidance.

- i) Role and Function of National Government:

The primary role of national government is to “establish and facilitate a sustainable housing development process”, after consultation with the nine MEC’s for Housing, and the national organisation representing municipalities (South African Local Government Association, SALGA)

In order to facilitate and establish a sustainable national housing development process in the Code, National Government, acting through the Minister of Housing, must carry out a number

of key functions. Table 3 in the code sets out these functions with a brief commentary on what the function is to provide.

ii) Role and Function of Provincial Government:

Housing is an area of concurrent competence. The Code states:

Every provincial government must do everything in its power to promote and facilitate the provision of adequate housing in its province within the framework of national policy, after consultation with the provincial organisations representing municipalities.

The functions of Provincial Government include the following:

- Provincial Policy determination
- Provincial Legislation to effect delivery
- Housing Development co-ordination
- Municipal intervention on non performance
- Multi-Year Plan preparation
- Municipal Accreditation
- Provincial Legislature accountability

iii) Roles and Functions of Local Government:

The functions attributable to the role as:

- Health and safety
- Efficient services
- Housing Delivery goals
- Land for Housing
- Public Environment
- Conflict Resolution
- Land use
- Housing Development

Details are available in the Code.

### **Key Provision of the Act**

Five key provisions are set out in the Housing Act:

National Norms and Standards

- Financing our Housing Programmes
- Managing our Assets, Liabilities, Rights and Obligations
- Housing information
- Delegations

## **4. NATIONAL HOUSING PROGRAMMES**

The Housing Act, 1997 defines a National Housing Programme as any policy framework that achieves the following objectives:

- Assistance to persons who cannot independently provide for their own housing needs.
- facilitation of housing delivery.
- rehabilitation or upgrading of existing housing stock.

The programmes currently identified are:

- the Housing Subsidy Scheme from which seven specific mechanisms are identified.

- the Discount Benefit Scheme to promote Home Ownership of government rental stock .
- the Public Sector Hostels Redevelopment Programme for upgrading government stock.

The rules and each of the programmes are dealt with in the module.

## 5. SUMMARY OF FINDINGS OF THE PLANNING INITIATIVES REVIEW

### *West Coast Investment Initiative*

- A growing need for housing can be expected at Saldanha Bay.

### *Provincial Growth and Development Strategy*

- The approach to housing development must be well co-ordinated and synchronised between the different role players to ensure effective implementation.
- The appropriate technology must be utilised to ensure sustainable development, the development of livelihood skills, the application of minimal norms and standards and consideration of weather, environmental, technological and other expected risks.
- Lobbying mechanisms must be developed to utilise linkages and funding.
- Alternative housing options must be explored.
- Further research into health, social, land, community needs, accessibility of services and environmental issues relating to housing provision is necessary.
- The reality of non-delivery in the housing process must be addressed, in order to do this the People's Housing Policy, the subsidy system as well as housing delivery performance must be investigated.
- Sustainable basic infrastructure and services must be provided to existing and future housing development.

### *Provincial Environmental Policy*

- Environmental integrity must be maintained in order to conserve the biodiversity of the Western Cape Province. For this purpose a place-specific approach to planning was developed which uses biosphere reserves as spatial planning categories. In terms of this categorisation housing would be accommodated in Category D.
- The coastal zone policy highlights the need maintain a balance between development and conservation. It states that adequate housing must be provided within or in close proximity to coastal towns and settlements and, where possible, in compact nodes, within existing disturbed areas and behind frontal dunes. Further design guidelines are suggested to ensure that development blend in with the biophysical characteristics of the environment.

### *Provincial Rural Development Strategy*

- Guidelines were formulated to ensure that agricultural holdings in the urban fringe are established on a sustainable basis.
- The Draft Policy for the Settlement of Farm Workers provides for on-farm and off-farm settlement options for farm workers in order to allow farm workers and their dependants to fully benefit from the various tenure, housing and subsidy benefits and rights which are available to them.

### *Provincial Urban Settlement Framework*

- The draft green paper identified the need to synchronise the public delivery of economic and social infrastructure with the state funded housing process.
- It recommended a concept of primary concentration of settlement in the Western Cape within the Cape Metropolitan Area, with secondary concentrations in a selected number of smaller towns, based on the availability of natural and infrastructural resources in the existing settlements.

- The development potential of individual urban settlements should serve as a determining factor in the approval of subsidised housing projects.
- Certain urban places would then be prioritised for infrastructural provision and the public investment in infrastructure investment should be used as a tool to achieve desirable urban settlements.
- The available funds for subsidised housing should be spent equitably in relation to the needs in the Province.
- Subsidised housing projects should spatially be well integrated into the existing urban settlements.
- Measures should be introduced to minimise the environmental impact of low cost housing.
- It is proposed that the Provincial Department and Ministry responsible for housing should engage with National Government regarding the need for subsidised rented accommodation and higher density housing.

### ***Cape Metropolitan Housing Strategy***

- The challenge in new housing delivery is to reach more families with less money and to maintain or increase the percentage of the provincial housing subsidy currently going to the Cape Metropolitan Area.
- The Metropolitan Housing Strategy is concerned with the inequity that exists in the level of subsidisation due to the high "hidden" subsidies to rental accommodation and home ownership occupiers (due to low rents and under-recovery of rents). This "hidden" subsidy is much higher than the central government's housing subsidy.
- It is proposed that a new strategy be implemented to deal with the allocation of housing. The existing process incorporates the use of waiting lists, which are seldom utilised but expensive to maintain. It is proposed that a new strategy should phase out the use of waiting lists by encouraging people to rather open savings accounts and receive their subsidies based on their savings track record. It is proposed that a mechanism be put in place that can evaluate the under-utilised land and buildings for possible incorporation into the metropolitan housing stock.