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**REPORT ON THE CONSULTATIVE PROCESS ON NATIONAL HOUSING
POLICY AND STRATEGY: TOWARDS THE SECOND GENERATION
HOUSING PROGRAMME OF THE GOVERNMENT**

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1. INTRODUCTION

1.1 Background

Since the inception of a new Housing Policy and Strategy for South Africa built on a national consensus in 1994, it has been widely acknowledged that the achievement of the target of one million houses in 5 years in just over this period and the current figure of 1,4 million houses built or under construction, is unprecedented both nationally and internationally. Some 6,5 million people in both urban and rural areas have benefited from the programme by receiving a fixed asset, security of tenure, basic services such as water and sanitation, and shelter.

The basic thrusts of policy expressed in the 1994 White Paper on Housing, remain valid and will continue to underpin Governments housing programme, while many new policy refinements and innovations have been introduced since.

Having achieved the initial delivery targets there is a need for a renewed focus on the role of the housing programme. This relates to the shift in current policy from shelter provision to sustainable human settlements and communities, and the improvement of the quality of the housing products and residential environments produced through the programme. The introduction of the National Home Builders Warranty Scheme to the subsidy housing market, the medium density and linked social housing programme (spearheaded by the Job Summit pilot projects) aimed at supporting the Government's Urban Renewal Programme, and the requirement that beneficiaries should contribute to the cost of their houses all contribute towards the goal of Sustainable Human Settlements.

In 1994, consensus was reached by all stakeholders in the housing environment on the basic tenets of the White Paper on Housing. The lessons learnt since then, the changing socio-economic circumstances (both nationally and internationally) and the resultant new focus and priorities of the housing programme point to the need to engage all stakeholders to reaffirm, enhance and consolidate the national housing policy agenda for the medium to longer term.

This document reports on the outcomes of the first phase of a consultative engagement with housing stakeholders conducted between November 2002 and February 2003 and covers;

- A description of the consultative engagement in Section 1;
- The organising and structuring of the outcomes of this engagement in Section 2;
- The substance of strategic policy gaps and proposed policy related remedial interventions in Section 3; and Section 4 deals with
- The way forward.

1.2 Towards establishing a National Housing Policy Agenda for a second generation of Housing Development

To launch South Africa into what is being postulated by housing practitioners as the second generation of housing development, a comprehensive process of stakeholder engagement has commenced. The process to date has included the following components:

- A series of 14 workshops with national, provincial, local and sectoral stakeholders has been conducted to communicate the recent policy priorities and to obtain feedback on policy concerns and implementation issues that will inform the future housing policy and research agenda;
- A survey of beneficiaries assisted through the housing programme to determine a beneficiary perspective on the improvement of housing delivery, and how the subsidy scheme affected their lives to enable government to adjust its policies in line with beneficiary requirements;
- A bibliography, of national and international research, which underpins housing and human settlement policy that will be utilised as a basis for policy research to underpin policy development as well as a general reference source on housing and development related matters.

This document sets out a summary of the issues raised by participants at the nine provincial workshops and the subsequent five sector workshops. Detailed schedules of the issues raised in each of the nine provinces and nationally with key sectors of the industry are included in Addendum 2 of this report.

1.3 Scope of work

The Department secured the services of housing experts and facilitators to manage and facilitate the fourteen workshops, write up the proceedings, and compile a draft baseline policy agenda document for further detailed interactive engagement with stakeholder groupings. Agendas and lists of participants for the workshops were provided by the Department of Housing.

1.4 Deliverables

The consulting firm was to provide the following reports:

- 1) By December 13, 2002, draft reports were to be submitted to the client on the discussion inputs in a format to be agreed with the Department of Housing for provincial workshops for the Western Cape, KwaZulu/Natal, and Eastern Cape provinces. The Gauteng Department of Housing decided to conduct its own workshop and the consulting firm attended as observers.

- 2) By February 28, 2003, draft reports were due on the discussion inputs and decisions in a format to be agreed with the Department of Housing for the remaining five (5) provincial and five (5) national stakeholder workshops.
- 3) By March 7, 2003, a comprehensive workshops summary report, combining the outputs generated by all the workshops held was due.
- 4) By March 21, 2003, a draft policy agenda discussion framework document was to be submitted to the client.

1.5 Workshop format

All fourteen workshops, with the exception of the Gauteng Workshop¹, which was facilitated and managed by the Gauteng Provincial Department of Housing, were conducted in the following manner;

- 1.5.1 The consulting firm opened the workshops by welcoming all participants and describing the objectives, expected outcomes and the procedures to be followed during the course of the workshop;
- 1.5.2 An opportunity was created for each of the provincial Departments of Housing to officially welcome all participants and introduce the National Deputy Director General, Mr Ahmedi Vawda;
- 1.5.3 A presentation was then made by the Deputy Director General, Mr Ahmedi Vawda or in his absence a senior representative of the National Department of Housing. This presentation covered the:
 - Current housing policy and strategy, confirming the housing principles as contained in the White Paper;
 - International context that exerts an influence on housing development in South Africa;
 - Current trends and challenges confronting housing development; and
 - Strategic response by government to the trends and challenges in terms of policy shifts.
- 1.5.4 The consulting firm then introduced the consultative breakaway sessions that in the majority of cases consisted of three separate

¹ Due to the fact that the Gauteng Department of Housing elected to arrange and facilitate its own provincial workshop, the focal areas examined during the three break-away sessions differed quite markedly from those facilitated by the team of the consulting firm. Notwithstanding this alternative approach, the team has compiled a summary report of the Gauteng workshop using the same framework as was used for the remaining thirteen workshops. A comparative perspective has now been prepared for all nine provincial workshops and the five sectoral workshops and is included in this report as Addendum 2.

groups totalling on average some three and a half hours of deliberations. Group 1 addressed demand-side issues, Group 3 addressed supply-side issues and Group 2 addressed issues concerning the mechanisms, systems and procedures that provided the link between the demand and supply-side considerations. A breakdown of the focus areas used by the team of facilitators is included in this report as Addendum 1.

1.5.5 Each break-way group identified a person who would as rapporteur deliver the feed-back report to the wrap-up plenary session.

1.5.6 During each of the breakaway sessions participants were able to identify and discuss those issues and concerns that they regarded as being important enough to take forward in the form of a draft policy agenda for further detailed engagement with stakeholders. They were also required to propose remedial interventions to address the concerns raised.

1.5.7 The five sector workshops involved the following groups of stakeholders in the consultative process;

- National Departments and Heads of Provincial Housing Departments;
- Metropolitan and selected District and Local Municipalities and SALGA;
- Social Housing Institutions and NGO's;
- National Housing Institutions, and the
- Finance and Construction Sectors.

Representatives of these stakeholder groups also attended some of the provincial workshops.

2. ISSUES GENERATED BY THE WORKSHOPS

2.1 Organising the issues/concerns into a Schematic Framework

On the completion of each provincial/sector workshop the outputs were recorded in a uniform format. The workshop reports are included in this report as Addendum 2. After the first four provincial workshops (December 2002) and again after the completion of the remaining nine workshops (February 2003) a process was introduced involving a series of scans of the clusters of concerns/issues to identify both their linkages and the frequency by which they were recorded. These clusters were grouped into four major clusters or "strategic gaps" indicated under B1 to B4 on Diagram 1.

These strategic gaps are

1. Limited Integrated Development ;
2. Housing not regarded as an asset;
3. Limited participation of the financial sector;
4. Under-spending of provincial housing budgets.

In turn, each of the major clusters are linked to a number of main remedial interventions proposed by the workshop participants and are indicated under C1 to C9 in Diagram 1. These in turn, are linked to their respective specific issues/concerns that are referred to below each of the remedial interventions in the Schematic Framework shown in Diagram 1 overleaf and later listed in detail in the comprehensive Schematic Framework shown in Diagram 2.

2.2 Linking the National Housing White Paper Thrusts and recent policy shifts with the concerns identified

Having established the three level hierarchy of issues/concerns as illustrated in Diagram 1, the clusters were then examined in terms of their relationships with the National Housing Policy thrusts as set out in the White Paper on Housing and the main policy shifts recently undertaken by the Department of Housing. These recently prioritised policy shifts emphasise a move from shelter provision only to the establishment of sustainable human settlements. This now requires a focus on a demand-led approach to housing delivery, targeting the creation of housing units as an asset, restoring human dignity and giving particular attention to the quality of the dwelling unit itself.

The box in the top right hand corner of Diagrams 1 and 2 indicates the linkages between the Overall National Housing Goal in A1 and the strategic gaps, (B1 to B4) and the seven national housing policy thrusts contained in the White Paper on Housing together with the four recently introduced housing policy shifts.

2.3 Cross-cutting Issues

Diagram 1 also graphically illustrates another group of cross-cutting concerns/issues (interventions). These clusters of concerns/issues are such that they all apply to all the C level remedial intervention clusters of concerns/issues.

Clearly the relationships and linkages suggested between the A, B and C levels of cluster groupings, indicated in Diagram 1, are not the only linkages that exist. It basically illustrates the nature of the challenges confronting the housing sector and confirms the complexity and interrelated nature of the issues. This demonstrates the need for these challenges to be addressed holistically and in an integrated way.

3. SUBSTANCE OF THE CONSULTATIVE PROCESS

3.1 National perspective

During the latter half of 2002 a decision was taken by the Housing MINMEC to engage with the broad stakeholder community to obtain its views on the way forward for housing development in the country.

A national perspective (previously referred to under 1.5.3) was prepared and formed the basis for the consultative engagement that took place during November 2002 through to February 2003. This national perspective took the form of a framework for engagement with the stakeholder groupings and placed housing development within the canvas of “the big picture”, linking housing in South Africa with the international socio-economic context. An

examination of the impact of globalisation and changes in the international economy in terms of production, consumption and reproduction has resulted in a series of strategic positions being adopted by international development finance institutions including UN Habitat, its related Habitat Agenda, the Istanbul Declaration and the UN Millenium Declaration. South Africa is a signatory to all of these conventions and will need to regularly report on progress in meeting agreed upon targets.

The Department's approach to reviewing existing policy is in terms of its legal framework, financial components and its technical capabilities. By so doing, it will be possible to identify whether existing structures/institutions are strong and effective, whether their systems and procedures are supportive of policy and of crucial importance does the implementation of policy in terms of culture and practice reflect the intentions of policy or do they indicate a lack of fit between policy and practice.

The view currently held by Government is that the key tenets of the Housing policy as set out in the White Paper on Housing still apply. Government remains committed to stabilising the housing environment. Attention continues to be given to rationalising institutional capacities, since this is required to keep pace with the rapidly changing socio-political situation. The housing subsidy programme remains the core of the policy and mobilising credit continues to fulfil an essential part of the policy commitment towards a market based reform programme. Support for the people's housing process is crucial for addressing the housing needs of the poorest of the poor. The speedy release of land continues to be essential to meet the demands of rapidly urbanising communities as does the need to redress the embedded nature of Apartheid cities, towns and rural areas. If the poor are to be incorporated within urban and rural economies, the issue of infra-structural service standards and tariffs is absolutely essential.

Whilst the performance of the New Housing Programme since 1994 has been recognised by UN Habitat as international best practice, Government recognises that certain gaps still exist and new challenges are emerging. Due to the risks involved, the financial sector has not played a significant role in making credit readily available to the low-income sector; a withdrawal of large construction companies has been experienced due to low profit margins; a low level of expenditure by provincial governments has impacted on expected rates of delivery, whilst the limited capacity of municipalities to take up housing responsibilities also continues to impact on the rate of delivery and the implementation of Integrated Development Plans (IDP's). The lack of alignment between the three spheres of government's plans and budgets constitutes a major impediment to integrated development, as does the absence of a viable secondary market impair the performance of the housing market itself.

Evidence exists of beneficiaries disposing of their housing units at a cost less than the subsidy value of the unit, thereby indicating a lack of appreciation by beneficiaries of the real value of their asset.

During 2002 Government began to respond to these emerging trends by introducing strategic policy shifts. A move from numbers of housing units to the quality of housing products and environments constitutes one of these shifts. Linking medium density housing to transport nodes, appropriate commercial centres and employment opportunities coupled with urban renewal is one of several interventions to address dysfunctional human settlements.

Government acknowledges the need to establish the conditions to create a greater measure of equity in the economy by establishing assets for the poor and restoring human dignity. Rental housing opportunities are necessary to respond to the needs of people-on-the-move seeking employment as well as to give effect to the Constitutional requirements regarding the housing obligations of Government. The introduction of the NHBRC Housing Warranty Scheme is a commitment by Government to collectively look after and protect housing assets, the bulk of which belongs to the poor.

The introduction of a demand-led and IDP based procurement regime is aimed at linking housing needs and development priorities with municipal capacities and resources, including funding allocations. It was also decided to further enhance the involvement of beneficiaries in the solution of their housing needs by introducing the principle of making a monetary or an in-kind contribution to enable them to access subsidies. A culture of saving is also being promoted by linking savings to subsidies.

The aforementioned responses by government will contribute to the objectives of an integrated housing development approach, the restoration of human dignity, poverty alleviation, Black Economic Empowerment, increased social and economic investment, land for human settlement creation, urban renewal and job creation.

By implementing these policy shifts Government envisages generating a range of targeted outcomes. These include;

- Increasing the number of credit-linked subsidies being disbursed through appropriate legislative interventions;
- Creating situations where beneficiaries are involved in generating solutions to their housing needs via savings programmes;
- Implementing a strategy for social housing projects to provide rental housing at scale by efficiently managed and sustainable social housing institutions;
- Adding new momentum towards and expanding the implementation of the People's Housing Process;
- Enhancing human dignity, a sense of citizenship and affordability by means of increased job-creation through housing projects in which

access to bridging finance for contractors is made more readily available;

- Introducing a co-ordinated development approach with fair competition at all levels involving a multi-year planned housing development approach to ensure the alignment of funding streams.

3.2 Schematic Framework as a basis for a Draft Housing Policy Agenda

A Schematic Framework was compiled, consisting of the concerns raised during the consultative workshops, and these were clustered into groups of policy gaps and remedial interventions. This framework can be used as a basis for the establishment of a policy agenda to advance the policy review process further into its next phase. Diagram 2 illustrates the details of the Schematic Framework. The framework also illustrates the comprehensive list of concerns as well as the linkages between the policy gaps, remedial interventions and concerns.

Detailed concerns relating to the five cross-cutting interventions are listed in Diagram 3.

The Schematic framework illustrated in Diagrams 2 and 3 can together with Addendum 2 be used as baseline documents for the repackaging of issues/concerns by stakeholder groups, eg, the Finance sector, the NGO Sector, the Social Housing Sector, the Construction Sector and provinces. In this way baseline documents can be assembled for use during any engagement with various sectors of the housing industry.

3.2.1 National Housing Goal

Whilst the concept of “Sustainable Human Settlements” currently reflects the overall housing goal of the National Government, it has also been recorded as a strategic concern by housing practitioners across the country. This then provides ample evidence of the relevance and focus of the overall housing goal of the Government.

3.2.2 Discussion of the four strategic gaps

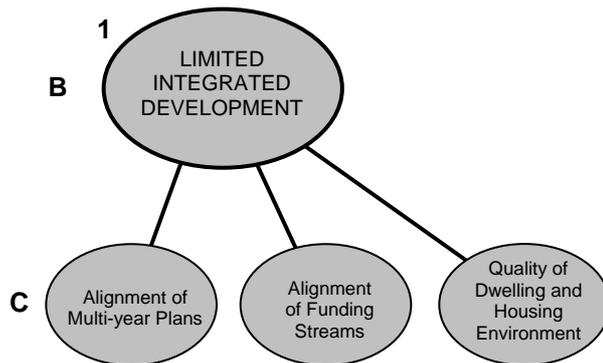
Clearly the strategic gaps identified and the clusters of remedial interventions are a function of the outcomes generated by the nine provincial and five sectoral workshops. Should on-going consultative engagement involve a markedly different representation of stakeholders then it is possible that minor adjustments might be needed with regard to the detail of the framework proposed.

The following constitutes a brief description of the four strategic gaps and their related clusters of remedial interventions.

3.2.2.1 Limited Integrated Development

Notwithstanding the establishment of Integrated Development Plans (IDPs), it has been acknowledged countrywide that integrated housing environments have not been satisfactorily established. How this challenge is to be addressed is indicated in Figure 1 below where a set of three clusters of remedial interventions have been identified as being crucial for this strategic gap to be adequately addressed and eliminated.

Figure 1



Clearly, an alignment of multi-year plans at all three spheres of government needs to be achieved and linked to the IDPs of municipalities. This will endorse and give effect to the policy shift involving the need for a demand led housing process involving the New Procurement Regime.

Attention needs to be paid to the establishment of environmentally sound and energy efficient housing units, whilst balancing the tension between the demand for environmental quality and the need to eliminate monotony in the design and appearance of subsidy financed products being delivered.

The cost of well-located land, generally in infill areas, will need to be addressed to facilitate the establishment of holistic and integrated housing environments. In addition, some form of subsidy provision is needed to meet special-needs housing requirements

Effective systems of monitoring and evaluation are essential for a learning-by-doing approach. Coupled with the alignment of Provincial Multi-year Housing development Plans with the IDPs is the need for an alignment of funding streams to ensure that housing environments timeously comprise essential educational, health care, recreational and community facilities.

Complementing the alignment requirements is the delivery of quality dwelling units and housing environments. How quality can be maintained depends on numerous support activities and responsibilities, most of which will be referred to under the quality remedial interventions cluster.

To complete the interplay of specific remedial interventions is the need for three sets of cross-cutting interventions namely, systems of communication

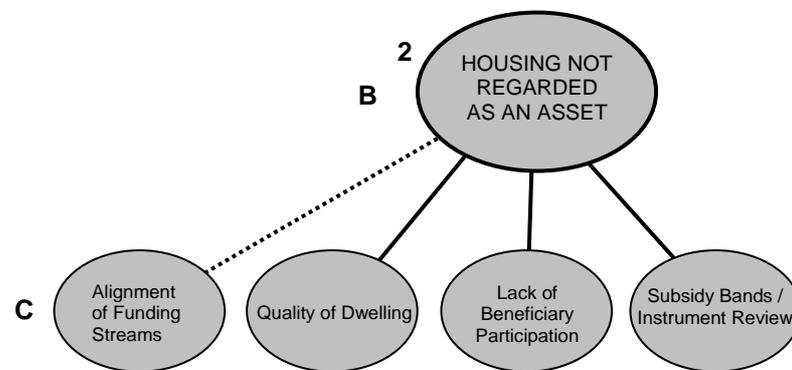
and awareness, targeted capacity building and training and best practice principles of the housing sectors contribution to the urban and rural economy.

3.2.2.2 Housing not regarded as an asset

The fact that beneficiaries are disposing of their dwellings at a cost lower than the replacement value is a clear indication that either beneficiaries are financially in dire straits, or alternatively, the beneficiaries are totally unaware of the market value, or don't regard their dwellings as assets.

Addressing this situation requires a multi-faceted approach diagrammatically illustrated in Figure 2 below, where four sets of clusters of remedial interventions are proposed to address this set of circumstances.

Figure 2



How beneficiaries see and appreciate the grant funded dwelling unit will vary depending on the delivery system involved and their understanding of the value of the unit in the market economy. During the workshops stakeholders indicated that the quality of both the unit itself and its setting exerts an influence on the perceived value of the unit. In addition, the degree to which each beneficiary has been involved in the housing delivery process also impacts on the perceived value of the unit. Of importance, is the beneficiaries understanding of the subsidy itself. Consequently the packaging of this instrument and its linkage with savings is of crucial importance in the adoption of value by beneficiaries.

In addition to the four clusters of remedial interventions, the potential benefit of applying all five cross-cutting remedial interventions should not be underestimated. Sensitively designed awareness and communication strategies together with appropriately designed capacity building and training modules are deemed essential for stakeholders involved with both the demand and supply sides of the housing delivery process. How the impact of HIV/AIDS can be addressed will also exert a considerable influence on this challenge as will support initiatives to the widespread existence of the urbanisation of poverty.

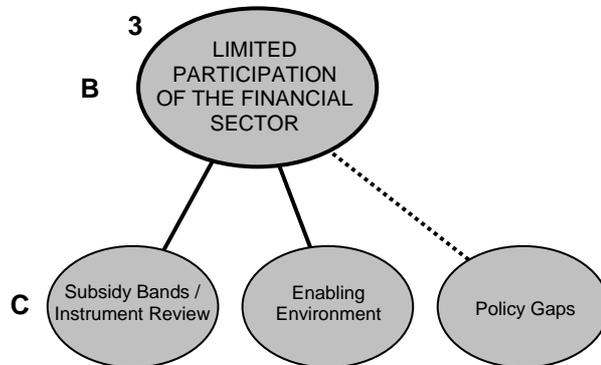
Best practice examples of how housing delivery within the urban/rural economy, can add value, will establish an enabling environment within which beneficiaries can develop a perception of the true value of dwelling units.

It is of crucial importance that a clear understanding is established of how strategic gaps in the housing sector can best be reduced or eliminated.

3.2.2.3 Limited participation of the financial sector

An indication of the failure of the larger private sector financial institutions to penetrate the low-income housing market is that only two percent of all subsidies allocated and disbursed have to date been credit linked. Figure 3 below sets out the integrated approach required in addressing this gap in the market.

Figure 3



Since 1994 continuous efforts have been focussed on turning around this situation. Numerous reasons have been cited for the failure of the finance sector to materially contribute to the funding of low-income housing.

A fundamental reason for non-involvement remains the problem relating to governance. Payment of rates, taxes, rentals, instalments and mortgage repayments need to be respected and the due process of law upheld.

The absence of an active secondary market and an effective primary market coupled with the need for innovative risk sharing by government constitutes some of the main obstacles to the financial sector entering this market.

It is widely agreed that a model of risk sharing needs to be introduced as one element of an enabling environment essential for financial sector participation in the low-income market.

Adjustments to the subsidy quantum, eligibility criteria and provision made for the subsidy amount to be linked to an escalation factor is also regarded as fundamental to meet both quality and norms and standards requirements. Turning around the culture of non-repayment will also be a critical component of the enabling environment. How effective the forthcoming Community Reinvestment Act (CRA) and the Home Loan Mortgage Disclosure Act will be, still needs to be tested with financial institutions and municipalities acting as

developers? The private sector forcefully maintains that the housing industry is over regulated.

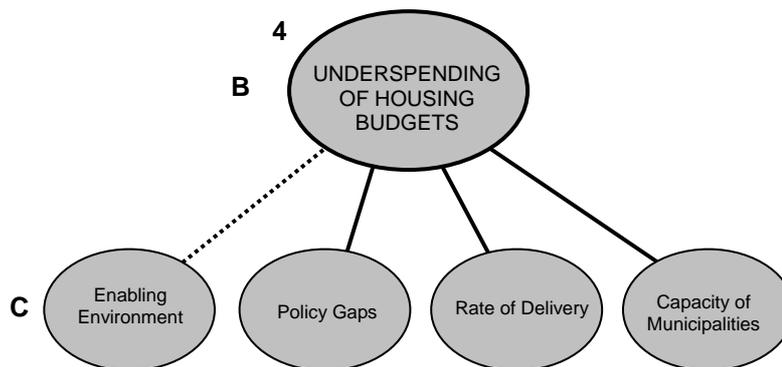
Cross-cutting interventions will need to be employed to enhance communication and awareness, build capacity, increase competencies and introduce innovative measures to address the increasing level of urbanisation of poverty in all provinces.

3.2.2.4 Under-spending of housing budgets

This situation continues to exist within all nine provinces and unless a way is found to speed up the delivery of housing, Treasury will institute measures to address the trends in under-spending. Figure 4 below indicates that four remedial interventions have been proposed to address this challenge.

Basically, the need to speed up the rate of delivery is being hampered by, *inter alia*, the slow transfer of state land to municipalities, a lack of co-operation by traditional leaders, the introduction of the need for beneficiaries to pay R2479.00 from their own funds, (the so-called contribution) and the gap between the introduction of new policy measures and related legislation and guidelines.

Figure 4



A lack of appropriate capacity exists in municipalities, coupled with situations where the “un-funded mandate”² issue is still used as a basis for non-involvement. Of crucial importance is the need for capacity building to facilitate the assumption of housing responsibilities in accordance with the Housing Act.

Poor revenue generation and ineffective cost recovery systems continue to beleaguer the financial viability of municipalities, particularly smaller ones.

² The term “Un-funded Mandate” does not refer to the funding of housing projects. It refers to the wider implications of housing development within a municipality where the municipality is unable to carry its administrative responsibilities in terms of The Housing Act of 1997. This is particularly relevant where a municipality cannot recover the costs (both capital and running) incurred by introducing services.

An enabling environment capable of increasing housing delivery will need to be tailored to the needs of each province within the framework of the national housing policy.

In addition, the introduction of a phased development approach is considered a fundamental requirement to sustain the spending of budgets and to facilitate a dedicated savings culture. A savings linked scheme is judged to be an essential part of the own contribution requirement.

Several cross-cutting interventions will be required to support the above remedial action proposed. Poor levels of communication with provincial government and a lack of awareness regarding policy and procedures still characterise many municipalities.

Capacity building will be needed to increase the ability of municipalities to align their IDP's with provincial plans, implement a demand led procurement regime and effectively monitor and evaluate the performance of their multi-year plans.

4. THE WAY FORWARD

The Department of Housing has decided to finalise its consultative process in a structured manner. This is required to ensure that the concerns raised and the solutions identified are captured in the envisaged housing policy and research agenda for housing development in the country for the medium to longer term.

It is proposed that the following process be adopted;

- Submission of this report to the Housing MINMEC to obtain approval for the report and the proposed ongoing process;
- Using the report as a basis, prepare draft action plans to be deliberated on by the Department of Housing internally, and then with the nine provincial housing departments. This should culminate in a coherent Policy and Research Agenda, and the adjustment of provincial multi-year housing development plans, with a clear definition of roles and responsibilities;
- Hold provincial workshops with provincial stakeholders/groups as a means to provide feedback on the outcomes and processes followed;
- Final adjustments to be made to the National Multi-year Housing Development Plan and once the draft revised National Multi-Year Housing Development Plan has been approved, the implementation of the Policy and Research Agendas can commence.

5. OBSERVATIONS

The following constitutes a breakdown of some observations made individually and collectively during the course of the fourteen consultative workshops.

- Almost without exception, the workshops were welcomed by all who participated. The opportunity for stakeholders to have their voices heard and being able to interact with representatives of the housing sector at all three levels of government proved of considerable value. Participants responded enthusiastically both in debate and offering suggestions during the various breakaway sessions held.
- The introductory presentation made by the Deputy Director General, Mr Ahmedi Vawda was extremely well received in that it carried the participants on a journey that reflected on the past eight years, the status quo at present and a strategic vision of what targets and outcomes the second generation of housing should address. It placed each participant in a tangible and positive frame of reference against which each person felt comfortable enough to offer concerns and make constructive suggestions.
- All the Provincial Departments of Housing attended and actively participated in the workshops. Each Department expressed interest in obtaining feedback from the workshops and provision should be made for feedback by the National Department of Housing in its arrangements regarding the way forward.
- A glaring concern that emerged across the country was the widespread lack of understanding and sense of confusion regarding current policy, its mechanisms, instruments and procedures. Concerns exist in their multitude, but the majority can be addressed through more effective communication and the raising of awareness. This applies generally across the board for all stakeholder groupings including municipalities and Provincial Departments of Housing.
- By ensuring that a range of staff members of the National Department of Housing attended each of the workshops, a measure of capacity building was achieved in that officials were able to at first hand receive feedback from stakeholder groupings of the implications of policy in action.
- By bringing groups of stakeholders together, participants could view the housing challenges facing the country in an integrated manner. It became clear that stakeholder groups would also appreciate receiving feedback and more importantly be able to enjoy an opportunity to interact on a regular basis with peers and related housing practitioners in a positive and productive manner.
- A need seems to exist for an umbrella structure to be established for all three spheres of government within which housing professionals can meet,

discuss and share housing knowledge, experience and best practice. This should link with the currently under discussion, educational programme for housing professionals and practitioners.

ADDENDUM 1: WORKSHOP GROUPS AND FOCUS AREAS

GROUP 1 DEMAND SIDE ISSUES

VALUE FOR MONEY / QUALITY PRODUCTS, CITIZENSHIP – RESTORING HUMAN DIGNITY

- Quality Housing and NHBRC
- Environmentally Sound Housing (energy efficiency, etc.)
- Participation at All Levels
- Needs Orientated Approach - Urban Regeneration – Medium Density Housing
- Black Economic Empowerment (BEE)
- Apartheid Planning Legacy
- Human Rights and Tenure

GROUP 2 LINKING MECHANISMS AND SYSTEMS

COORDINATED HOUSING DEVELOPMENT AND FINANCIAL MATTERS

- Subsidy Levels
- Access to Land for Housing
- Link between Housing and Social Services and Facilities
- IDP Process
- Provincial Housing Development Plans (PHDP)
- Savings, Housing Credit and Contributions
- New Procurement Policy
- Municipal Finance

GROUP 3 SUPPLY SIDE VEHICLES

DELIVERY VEHICLES AND CAPACITY BUILDING

- Social Housing (Institutions)
- Private Sector
- Peoples Housing Process (PHP)
- Training Programmes and Consumer Education
- Hostels Redevelopment
- Municipalities roles – Developer Role and Accreditation
- Housing Development Agency (HDA)
- Rental Housing (Medium Density Rental)

ADDENDUM 2: SUMMARIES OF WORKSHOP FINDINGS

1. GAUTENG WORKSHOP HELD 18 NOVEMBER 2002, CAESARS PALACE, GAUTENG*

Gauteng, Group 1

ISSUES RAISED Gauteng	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Hostels Redevelopment									
A.1 Incongruence of principle of hostel redevelopment with realities & community needs Uncertainty re: political future of hostels No effective buy-in by hostel dwellers			Prov. DoH	Rebranding of the hostels programme to cater for human dignity			Need for additional changes in conceptual approach Maintain regular contact and feedback to residents	Provincial and relevant municipal structures to align approaches	Undertake socio-economic survey and introduce an interactive mechanism to secure buy-in from hostel dwellers
A.2 Cost recovery rentals not matched by material conditions of hostel dwellers			Municipal		Absence of separate budget for municipalities "out of budget expenditure"		Rental tariff needs to match costs of maintenance	Partnership and/or sharing of responsibility required	Additional funding system required

* Gauteng Department of Housing decided to facilitate its own workshop: Sigodi Marah Martin attended breakaway workshops as observers.

A.3 Choice of tenure options not clearly defined			Prov. DoH Municipal		R4000 per bed subsidy needs increasing Conversion costs exceed available funding			Alignment of institutions that address hostels re: range of tenure options	Capacity building of municipalities required for monthly rent collection (property managerial systems needs to be established)
A.4 Gatekeepers tend to block process			Prov. DoH Municipal				Practical measures required to minimise role of gatekeepers	Sharing of experience between institutions involved with hostels	Relevant procedures are required to ensure effective consultation
A.5 General absence of a clear understanding of primary role / function of a hostel			Prov. DoH					Alignment between all institutions	Feasibility studies need to be carried out to determine roles as perceived by hostel residents & practicability of being converted
A.6 Policy indicates that hostels are to become family accommodation resulting in marginalisation of singles			Prov. DoH	Review of policy position required			Interpretation and interrogation of policy and case studies in practice	Alignment of policy interpretation by related institutions	Systems are required that address residents that will be displaced

A.7 Absence of progress due to hiatus in time of uncertainty re: policy review			Prov. DoH	An interim policy position is needed to bridge this policy gap				Alignment of key institutions in terms of interim arrangements	Interim procedures are required to bridge uncertainty period (guidelines)
A.8 Lack of clarity exists re: roles and responsibilities of all relevant stakeholders							Culture of shared understanding of roles & responsibilities	Alignment of institutions to have consensus & shared understanding	Set of guidelines required and awareness procedures to be conducted
A.9 Policy indicates move to family accommodation (cost R20000-40000) Impacts on couples affordability (displaced)			Municipal	Policy to be informed of practical cost implications of more from single accommodation to family units			Professionals must address cost implications of policy switch – alternative approaches necessary	Alignment of outcomes of policy must address cost	
B: Peoples Housing Process									
B.1 Rate of delivery slow			Prov. DoH				Interpretation of policy to widen opportunities for hybrid forms of delivery	Share experience, ie, with related structures	Link PHP with formal delivery mechanisms and systems
B.2 Roles of stakeholders especially province & municipalities unclear			Municipal Prov. DoH	Province to raise issue at HoDs meetings to put this mater on National Agenda			Extract from practical use studies the roles being conducted	Align all structures with approved guidelines	Awareness programme required
B.3 Current funding (facilitation / establishment) do not match cost of materials			Prov. DoH Municipal Contractor	Province to engage with National DoH regarding review of funding (grants) amounts since no increases made since 1995			Culture of interaction between policy & practice required	DoH to revert and review national policy guidelines to clarify intent	Outcomes to be shared via awareness programme

B.4 Lack of clarity regarding use of support centres after housing project completed			Prov. DoH	Policy could introduce partnership arrangements with other Departments to deliver added value service to communities			Hsg. Support Centres to be designed to assume alternative function after completion of housing project	Alignment of social cluster Depts. To share use and prolong life of housing facility	A system of medium to long-term use of the house is required
B.5 Choices offered are limited to pre-drawn plans of Provincial Department & Municipalities a wider choice is needed			NGO CBO					A sharing of best practice to be conducted between structures	PHP delivery system to open up wider choice for beneficiaries
B.6 Lack of capacity in many municipalities to drive PHP process initiatives			Prov. DoH Municipal	Capacity building initiatives are required by National DoH & Prov. DoH to assist build competencies in municipalities			Practice of multi-skilling can address this need	Alignment of structures in terms of building required capacity (possibly sharing dedicated staff)	Capacity building programme to be launched by province in collaboration with National DoH
C: Black Economic Empowerment (BEE)									
C.1 BEE initiative treated as separate entity			Municipal Prov. DoH NGO	BEE to be incorporated within all policy measures and instruments (cross-cutting)			A culture of incorporating BEE automatically in all initiatives required	Alignment of BEE interventions across institutions as a cross-cutting entity	BEE to be integrated into all housing delivery systems & rigorously monitored
C.2 Practice of "fronting" continues and abuses BEE			NGO Municipal				Positive culture of BEE minimising fear of job losses	Ensure consistent application of systems	Effective system of screening (criteria)

Black professionals used as marketing agents – no development in competencies							necessary Messages of unacceptability of “fronting” to be clear	/procedures	Penalise abusers and disqualify from future tenders Investigative follow-ups to measure progress Sensitive mentorship programme
D. Urban Design (Quality of Life)									
D.1 Concern re: quality of housing environments & housing Availability of land within urban edge (expensive) Cheaper land outside urban edge leads to urban sprawl & lack of social amenities			Prov. DoH				Identify best practice case studies as catalyst of innovation Mobilise private sector investment Change typology & densities of housing Introduce medium density housing	Municipalities to identify vacant land Alignment of Social Cluster Departments to obtain integrated approaches	Establish land audit process Make provision for industrial development within new areas

Gauteng, Group 2

ISSUES RAISED Gauteng	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Implications for Disestablishment of Provincial Housing Development Fund			Prov. DoH						
A.1 Accountability needs clarification should funds devolve to Metro Councils form National			Prov. DoH	Need to review existing procedures with a view towards alignment of Policy Framework with Funding allocations			Current practice involves funding to provinces for hostels	Need for alignment of National Policy Framework and funding allocations	
A.1 <i>Continued</i>			Prov. DoH	An examination to be conducted at both National and Provincial levels of effectiveness of conditional grants			Poor performance of housing conditional grants to be interrogated	Alignment of submission and approval cycles of administration	System required to conduct timeous approval and submission of strategic plans
B: Qualification Criteria for Housing Assistance									
B.1 Gap exists regarding single persons without dependents			Prov. DoH	Criteria to be reviewed in terms of constitutional and equity considerations			Case studies to inform policy		Awareness raising required on outcome of this issue

B.2 Subsidy Amount insufficient for single persons			Prov. DoH	Subsidy amount to be a fixed amount irrespective of income level		Case studies of single person conditions to inform policy and eligibility criteria		
B.3 Double subsidy implications should beneficiaries migrate from one province to another			Prov. DoH	Issue to be reviewed in light of HANIS Project and its impact on migration of beneficiaries		Outputs from HANIS Project to be tested against both hypothetical and simulated cases of migration	Alignment of relevant structures and systems to ensure success	All government systems to interface effectively HANIS Project attempting to achieve this level of synergy
B.4 Criteria fails to address Non-South Africans who have entered South Africa legally but do not enjoy citizenship status			Prov. DoH	Policy position to favour these legal residents being able to apply for Transitional / Rental Housing		Case study evidence to be assembled to inform policy	Alignment of provinces that agree this issue requires resolution	Systems to make provision for those persons to be accurately recorded
B.5 A requirement that poorest of the poor make a contribution R2479 (monetary) to gain access to a subsidy will marginalise poorest of the poor			Prov. DoH	Feasibility assessment required of current policy requirement with the view to waive this requirement in terms of the poorest of the poor				Awareness raising needed of PHP policy and rural subsidy policy as windows of opportunity for the poorest of the poor
B.6 Issue of child-headed households was raised but no suggestions made			Prov. DoH					
C: Coordination of Grants								

C.1 Existing funding does not contribute towards an integrated funding source for beneficiaries			Prov. DoH	Policy to be reviewed in terms of current allocations being collapsed into one Municipal Infrastructure Grant		Case study evidence needed to illustrate both implications and potential		Systems required to combine grant streams
D: General Issues								
D.1 All government projects to be coordinated			Prov. DoH	Coordination of government projects to encourage innovation leading to empowerment of beneficiaries				
D.2 Policies to be consistent throughout Gauteng				Examine possibilities to ensure funding institutions (capital and operational) address funding consistently and collectively				Implications of systems to be explored
D.3 Policy direction required to meet the situation where beneficiary not found on completion of house			Prov. DoH	Policy to make provision for an alternative qualifying beneficiary to acquire the house		This situation to be informed by best practice		
D.4 Developers currently unable to access escalation in subsidy bands			Prov. DoH	Suggestion that contracts with developers be amended to allow developers to have access to escalation in subsidy bands		Case study evidence to illustrate practical advantages		
D.5 Lack of efficiency at municipal level concerning management of housing grants			Prov. DoH Municipal		Capacity building / training required to build effective coordination and management efficiency		Alignment of municipal structures to obtain targeted training / capacity building	

D.6 Gap exists between the concept of Social and Transitional Housing			Prov. DoH Municipal	National Policy Framework to review and consider bridging this gap by introducing Communal Housing policy measure	Case study research required to examine practical implications	All relevant structures to align ideas re: bridging policy gap	
D.7 No detailed and shared understanding exists re: meaning / ingredients for attainment of Human Dignity			Prov. DoH	<p>Human dignity to be underwritten by the following eight principles of BATHO PELE</p> <ul style="list-style-type: none"> i. Effective consultation with beneficiaries to ensure buy-in and commitment to housing delivery process ii. User friendly user standards to be applied to inter ail facilitate the attainment of Black Economic Empowerment iii. All beneficiaries to be afforded equal access to essential services associated with housing (Typology of housing to reflect beneficiary needs and conditions) iv. Beneficiaries to be treated with courtesy by government officials v. Information to be made available on request by beneficiaries in a language they understand (Housing Information Centres to be established) vi. Beneficiaries to experience openness and transparency in dealings with government structures vii. In situations of beneficiary grievances opportunities for redress needed viii. Beneficiaries should be able to learn in a user friendly way how monies are being spent 			

Gauteng, Group 3

ISSUES RAISED Gauteng	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Role of Municipalities									
A.1 Lack of funds for Funding for needs assessment			Prov. DoH		Funding required for needs assessment				
A.2 Municipal housing initiatives hampered by National Policy			Prov. DoH	Review impact of policy on case studies of innovative initiatives			Case study material required to inform policy review	Alignment of housing initiatives between levels of government	
B: Gauteng Housing Development Bill									
B.1 Lack of alignment re: Nat. Housing Act and Gauteng Hsg Dev. Bill			Prov. DoH	Require alignment of National Housing Act and the Gtg. Hsg Dev. Bill to be consistent with the Constitution		Certain sections of the Gtg. Hsg Development Bill require revision			
C: Accreditation and capacity building									

C.1 Lack of clarity on implication of accreditation on Housing Development Agency (HAD)			Prov. DoH	Assess impact of accreditation on operation of Housing Development Agency			Case study to be assembled to review internally and at National level if deemed necessary		
C.2 How would non-performance of the Housing Development Agency (HDA) be dealt with			Prov. DoH					In-house responsibility to be arranged re: monitoring of HDA performance	System and criteria required to monitor performance of the HDA
C.3 Capacity building programmes currently experiences gaps re: Finance / Engineering competencies			Prov. DoH			Financial and engineering competencies for non-financial and engineering staff required		Alignment of relevant training institutions in provision of required modules	Systems of accreditation required re: additional competencies
C.4 No provision for an element of choice in accreditation regulations			Prov. DoH	Accreditation regulations to be reviewed to assess need for choice by municipality, acting as a client to establish their own agencies			Use example (hypothetical or actual) to inform review of regulations		

2. WESTERN CAPE WORKSHOP HELD 25 NOVEMBER 2002, BELMONT SQUARE CONFERENCE CENTRE, CAPE TOWN

Western Cape, Group 1: Demand-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
Western Cape									
A: Quality (Dwelling)									
A.1 Quality not easily achieved even at R25800		Ongoing debate	Municipal		Request for more subsidy		Attitude change required	Partnerships required	Innovative delivery systems
A.2 Too much emphasis on detached housing		Will result in low densities and urban sprawl	CTC Planning Dept	Subsidy to cover alternative forms of tenure			Need to explore alternatives at LA level	Inter-institutional collaboration required	
A.3 Subsidy insufficient to produce quality. (Too many imperatives to be met		Less opportunities for innovation and trade-off	Municipal				Discussions with Prov. Dept to establish quality thresholds	Through alignment shared risk can create flexibility	Rationalise application of imperatives
A.4 Make sure quality housing is built		Likelihood of more criticism of contractors						Lack of alignment between Province/Local Authorities.	Quality assurance measures need to be met
A.5 Quality assurance procedures too laborious		Reduces number of applications leading to loss of quality	Prov. DoH			Need to streamline procedures		Seek alignment of relevant structures	Streamline procedures for quality assurance

A.6 How can we ensure quality when we employ BEE Practice		Potential for reduction in compliance with BEE best practice	Prov. DoH			Provision of appropriate skills (Capacity building)	Become aware of best practice procedures	Ensure structures communicate with each other	Apply procurement policy principles
A.7 Catch 22 insufficient housing versus shortage of employment to meet basic needs		Increase in rate of non-repayment. (service charges/housing loans)	Municipal				Attitudinal change focus on developmental housing (PHP)	Alignment of key Depts in Social cluster	Establish innovative systems of support
A.8 Forcing contractors to use local labour can result in this being used as a reason for poor workmanship		Could lead to discouragement of local labour	Housing Assoc.				Best practice to be publicised using case study examples	Alignment of capacity building	Authority need to be careful how they enforce use of local labour
B: Quality; Housing Environments									
B.1 Urban Planning conducted as business as usual. No attention to sustainable outcomes and quality environments		Perpetuation of Urban sprawl / monotonous environments	City Cape Town (Planning Dept)		Possibility of funding instrument as incentive		Professionals operate within comfort zones	Alignment required to focus on Red Book Guidelines	Interaction required to address "How to approaches"
B.2 IDP Process taking too long because of budget of PAWC		Could delay budgeting for ongoing investment	Municipal				Perception exists that Local Authorities not using available funding	Shared understanding and commitment required	Procedures to ensure that funds reach intended target functions.
B.3 IDP process not a continuous process. Merely a once-off "pass go" collect R200.		Disenfranchisement felt by beneficiaries of IDP process	Rent Tribunal Statutory Body			Explore with DPLG how to ensure a continuous process.	Local authorities to maintain working relationships	Link with DPLG	A System required to facilitate continuity of effort
B.4 Medium/High density housing does not lend itself to PHP		Could lead to discouragement of PHP in	Prov. Dept	Rental forms of tenure difficult to			Best practice examples to be used to illustrate	Alignment of key structures to target best	Appropriate delivery system required to

principles		infill projects		incorporate PHP activities			potential	practice	capitalise on use of PHP
B.5 Relationship required between Environment and Planning		Market likely to lead to exploitation of renters	Prov. Dept.				Attempt requirement for interdepartments		Appropriate system required
B.6 Rental market requires some form of regulation		Market likely to lead to exploitation of renters	Prov. Dept					Alignment required between relevant institutions	Appropriate system required
B.7 Should not informal settlements be formalised to ease affordability		Could result in situations of "No hope" for eventual upgrading	Prov. DoH	What legislation is required		In-situ policy already exists	Awareness exercises are required to keep all staff informed	Alignment of key players concerning existence of a policy approach	
B.8 Farm-workers options required (non existent) What interim measures exist?		Evictions and abuse of human rights behaviour will continue	Dept. of Land Affairs	A realistic and sensitive policy is required to address the needs of farm workers country wide			Practice and reality must inform policy	Alignment of practical experience with policy making essential. (Dept. Land Affairs)	Interim system/procedures required to address evictions
B.9 Research is required on migration; to be available to all stakeholders		Need to keep pace with international best practice	Prov. DoH	Policy based research is required and informed by realities			Build culture of R&D	Aligning of research structures and funding	Sharing of outcomes and fostering of debate

C: Finance									
C.1 During roll-over development households are disadvantaged by changes in policy. (R2479 to be paid on resettlement)		Subsidy beneficiaries likely to continue to be penalised unfairly	Prov. DoH	An interim set of policy arrangements are required to satisfactorily bridge pre and post policy situations				Relevant structures need to be aligned	Interim procedures are required
C.2 No provision is made for single persons/pensioners in subsidy scheme		Policy & practice will continue to preclude single people from their human rights	Municipal	Policy instrument required (Rental option)	Funding allocation required	Technical considerations		All relevant structures to be in support	
C.3 Doubt is cast on ability of persons (income less than R800 to contribute R2479		Could lead to misunderstandings of wealth of policy options	Municipal				Unaware of practice of PHP	Ensure alignment of capacity building	Awareness programme required to keep all officials informed
C.4 Ability of beneficiaries to maintain assets and pay for service charges		This constitutes the face of poverty and its affordability outcomes	Prov. DoH		One subsidy for top structure another for land		In-depth discussion required to address solutions	Alignment of relevant structures required	Awareness programme based on best practice required
C.5 Infill cost of land makes development it difficult to address Apartheid planning legacy		Reduction in essential infill / urban regeneration initiatives	Prov. DoH		Special allocation required to offset this predicament		Use of practical case study examples as a case study	All relevant structures to be involved (DPLG/DoH)	
C.6 Identification of inadequately used inner city buildings for use of social/rental housing		Housing associations will struggle to find infill opportunities	Cape Town Council				Shared awareness of current practice		Local Govt. to conduct land housing audit
C.7 Additional funding required for servicing of land			Municipal					Alignment of structures to contribute to	

								funding of broader outcomes	
C.8 How can low-income earners be linked with income generating housing opportunities		How income will otherwise remain low income for life	Prov. DoH.	International best practice will show how Income generation can be experienced				Linking and aligning of structures that Address housing and poverty	Partnership arrangements required
C.9 Multiple unit subsidy required		Densification will only be possible from institutional subsidy	Councillor				Discussion of practice	Involve key structures	A set of procedures could prove useful
C.10 People without R2479 lose position in queue		Potential beneficiaries without R2479 will lose their positions in waiting lists	Municipal				Manage culture of queue jumping	Alignment of relevant structures for consistency	Systems required to avoid penalising ultra poor
D: Policy									
D.1 What will happen to those beneficiaries who lose their houses because of debt/affordability		Unless effective awareness programmes are carried out concerns will increase	Municipal				A will to find out required lackadaisical attitude	Ensure vertical & horizontal alignment	Awareness Programme required to clarify / understand policy
D.2 No apparent congruence between Bill of Rights and subsidy policy		This concern could create ripple effects in W. Cape	Prov. DoH	A reality check needs to be conducted to evaluate and address concerns				Alignment of Policy measures (BoR v DoH)	Systems need to be complementary
D.3 Policy making not fully inclusive despite MINMEC/HOD et al. Bottom up not in practice		Local government will adopt a mode of resistance to responsibilities and innovation	Municipal	Participatory process to test and fine tune policy proposals			Culture of involvement & participation to be created	Policy making alignment required	Participatory / not once off systems & procedures required
D.4 General levels of unawareness		Could create high levels of	Rental Housing				Promote a culture of	Align institutions in	Educational awareness

amongst beneficiary community of Policy and opportunities		dissatisfaction at community / local level	Tribunal				informed beneficiaries	terms of information & opportunities	programmes to be implemented
D.5 Support is required for social Housing Process and institutions (capacity building)		Sense of despair / helplessness could impact on potentials	Cape Town Administ.		Funding required for awareness education			Social Housing Foundation to increase its support	Support systems needed (capacity building)
D.6 Sadly in need of Consumer Education for beneficiary communities (roles / responsibilities)		This can impact negatively on communities being aware of opportunities available	Municipal				Culture of commitment needed	Mobilise all relevant structures to share costs / responsibilities	Integrated Awareness Initiatives required
D.7 Concern regarding the role of Dept of Land Affairs in housing matters (Land availability)		Could further alienate two Depts when collaboration could benefit both	Provincial Municipal					Align approaches and ensure alignment is practised at local level	Mechanisms to ensure cross-cutting considerations are practised
D.8 Do we learn from mistakes and feedback since policy has remained static (social cluster approach)		General sense that iterative cycle of learning-by-doing is not in place	Provincial	Continuous iterative policy making learning-by-doing approach is required			Culture of commitment is required	Align key structures to participate in iterative process (social cluster)	Systems to feed lessons learnt into process
E: Standards									
E.1 Conditions in W/Cape require different specifications (current allowances insufficient)		Additions to subsidy allowances could precipitate under sense of dissatisfaction	SHI (CTHC)	Review of policy instruments and subsidy allowances				Mobilise structures that experience similar circumstances & explore "how to"	Partnership arrangements and synergy required
E.2 With all Norms/Standards and NHBRC		Sense of frustration creeping into	SHI (CTHC)	Review of protective measures in				Assess how an integrated approach can	How to rationalise protective

requirements plus land related procedures little opportunity for trade-off (Protection based policy)		industry - could lead to more relocating in other areas		policy structures / criteria / measures				be introduced	measures
E.3 How can we ensure privacy in terms of size and number of rooms in dwellings?		Will focus now on quality – these questions will continue to be asked	Prov. DoH Municipal	Review how subsidy levels against outcomes i.t.o privacy			Use experience and practical examples to test product (reality check)	Pull in relevant organisations and bodies (reality check)	
E.4 No indication of initiatives to address HIV/AIDS and impact on beneficiary community/ construction industry etc		Concern will grow unless work in progress is shared with all stakeholder groups	Municipal (CTC)	Review required of impact of HIV/AIDS on policy and instruments			Culture of hope to be cultivated (restore human dignity)	Alignment of structures to coordinate approaches	Systems should be consistent and uniform
E.5 Current project outcomes do not reflect needs of diverse communities especially HIV/AIDS		Policy will suffer loss of relevance if current initiatives are not communicated	Municipal	Serious reality check is required to test current policy and best practice examples				Pooling of experience required by structures	Projects need to be designed with specific beneficiary communities in mind
F: Local Government									
F.1 Local governments (smaller) lack capacity competencies		Could develop into collective despair and lack of interest and commitment by small LAs	Municipal				Establish a culture of sharing and caring	Align L.G bodies in districts to share experience and extend support (motivate for funding)	Arrange support & access to income
F.2 Need exists for LAs (smaller) to access funding for		Could lead to loss of commitment and	Municipal				Examples of success to be documented	Align structures to focus on area	Success stories / guidelines needed for

ongoing IDP process & research		interest						of need	awareness
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Western Cape, Group 2: Linking Mechanisms and Systems

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Land									
A.1 Access to land: there is a lack of suitable land for low income earners in convenient locations	Subsidy levels or Subsidy mechanism	Selection of marginal land increases transport and other costs, perpetuates apartheid city	Municipal Prov. DoH		Special Funds should be provided for the acquisition of suitable land in larger urban areas		Culture of selecting peri-urban sites much be changed		New systems required to identify appropriate land
A.2 Price of land	Subsidy levels or subsidy mechanism	Selection of marginal land increases transport and other costs, perpetuates apartheid city	Municipal Prov. DoH		Special Funds should be provided for the acquisition of suitable land in larger urban areas		Culture of selecting peri-urban sites much be changed		New systems required to identify appropriate land
B: Legislation									
B.1 Legislative Procedures for change of use (EIA, planning)	Rate of output		Prov. DoH	Legislate for accelerated procedures (cf less formal		Establish land banking systems		Co-operation between province and municipalities needed –	

				townships Act, DFA)				aggressive implementation of the IDP	
B.2 Legislative Procedures for purchase and land transfer	Rate of output		Prov. DoH	Legislate for accelerated procedures (cf less formal townships Act, DFA)		Establish land banking processes?		Co-operation between province and municipalities needed – aggressive implementation of the IDP	
B.3 Procurement policy doesn't allow municipality to use own land without competitive tendering	Output	Unnecessary delays	Municipal						Clarify guidelines
C: Funding (Alignment)									
C.1 Lack of co-ordination in provision of grants, eg CMIP	Delays		Municipal		Municipal infrastructure grant			Coordination of development	Coordination of development
C.2 Many parallel processes (IDP, PHDP, Budgets)		Wasted opportunities / lack of synergy	Municipal				Requires closer collaboration between spheres of govt	More coordinated	Method should be found for harmonising the different planning/ budgeting methods
C.3 Unfunded mandate for municipalities under Housing Act	Delays to outputs	Delays	Municipal	Clarification required	Process for clarification of financial responsibility		Municipalities not accustomed to housing roles	Municipal housing departments to be created	Municipal systems required
C.4 Housing development not integrated with social facilities etc.	Quality of life Dignity of citizens	Capital value of Housing assets not	Prov. DoH Municipal		Need to ensure that finance is	Better coordination needed			Need for improved integrated

	Efficiency	realised			available for development of integrated development				budgeting
C.5 Municipal budgets insufficient for integrated housing development		Dormitory suburbs/ perpetuation of apartheid planning	Municipal					Creation of multi-sectoral development systems / agencies of Cape Town ILDP	
C.6 Housing a drain on recurrent expenditure budgets due to non-payment of service charges			Municipal		Apply indigent policy Increase FBS coverage		Educate consumers on FBS	Engage community	Better cost-recovery systems required
D: Subsidy									
D.1 Subsidy amounts have not kept pace with inflation	Output	Reducing output due to cost limitations	Prov. DoH		Increased funds				
D.2 Income bands for subsidy have not kept pace with inflation	Access to housing	Some income groups have no options available	Prov. DoH Municipal		Increased availability				
D.3 Own contribution causes people to loose place in waiting lists			Prov. DoH						Systems need to be adjusted to keep eligibility
D.4 Own contribution too high for the poor	Finance/budget	Delays	Prov. DoH Municipal		Quantum of own contribution to be reviewed in relation to needs of				

					specific groups				
E: Over Regulation									
E.1 PHP process suffers excessive regulation		Reduced output	Prov. DoH Municipal NGO						Policy to be reviewed to give more latitude
E.2 Housing policy imposes too many specific requirements – needs more flexibility		Reduced output	Prov. DoH						Policy to be reviewed to give more latitude
E.3 Development system too rigid – cf Cape Town Integrated Land Development Strategy			Consultant			Integrated development vehicle		Consider new arrangements	

Western Cape, Group 3: Supply-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Social Housing									
A.1 High establishment and operational costs of social housing institutions			Prov. DoH		Lack of finance prevent institutional sustainability – state to assist with establishment costs				
A.2 Special groups not catered for in social housing			Metro	Review policy to cater for special groups			Provide special units for special groups		
A.3 Social housing institutions not delivering at scale			Prov. DoH			Multilevel designs to be encouraged			Audit system required to monitor performance and address capacity and performance
B: Private Sector									
B.1 Low involvement of private sector, moving away from low income		Loss of capacity for effective	Prov. DoH	New Procurement Regime				All relevant structures to be aligned in	Awareness raising needed of

market		housing delivery		facilitates re-entry of private sector				terms of new policy measure	New Procurement Regime
B.2 Private sector feels that the industry is over-regulated; no incentives for private sector funding, labour and materials costs too high	Private sector to be involved in policy formulation	Subsidy levels / mechanisms	Municipal	Need for reality check on over regulation issue				Private sector to be involved in policy formulation	
B.3 Banks feel that infrastructure and top-structure costs should be separated			Prov. DoH						Research and pilot separation of infrastructure and top structure
B.4 Not much support for SMMEs			Municipal			Capacity building and support for SMMEs			
B.5 Banks not lending Red lining No monitoring of banks			Prov. DoH	New CRA legislation will address concerns			Alignment of structures re: new legislation		
B.6 Declining role of private sector in rental housing			Private sector	CRA guidelines will encourage increased participation			Consultative forum with stakeholders needed	Alignment of private sector bodies re: opportunities	
C: Peoples Housing Process									
C.1 PHP budget is not effectively utilised			Municipal Prov. DoH	Legislation to be revised	Funds for capacity building	Provincial and local government officials to be capacitated to train community members			

C.2 Lack of participation by private sector in PHP			Municipal		Provide funds for awareness campaign				Need to investigate models for material supply, financial and quality control
C.3 Resources for PHP not adequately used, support centres disappear			Prov. DoH			Local government to be responsible for support centres			
C.4 No alignment between PHP and other programmes			Municipal NGO				Align PHP with other government programmes		
C.5 Not much community involvement in PHP			Municipal				Ensure community involvement		
C.6 Role of developers not clear in PHP			Prov. DoH	Developers to be involved in review process of policy			Collaboration between public and private sectors to be encouraged		
D: Training / Consumer Education									
D.1 Lack of training programmes within the housing sector			Prov. DoH		Provide finance for training and capacity building				
D.2 Local government very vulnerable with no skills or capacity in housing			Municipal	Capacity building programme required				Set up special programmes to capacitate municipalities	

D.3 No knowledge of housing consumer rights			Municipal		Provide finance for training and capacity building			Alignment of relevant structures to address consumer protection	Consumer protection awareness needed
D.4 General skills shortage	Public and private sector to provide capacitation grants		Prov. DoH			Provide funds for capacity building			
D.5 No Association of Mortgage Lenders Training			Prov. DoH					Financial institutions to address training needs	
E: Roles and Capacities of Municipalities									
E.1 Roles of each sphere of government not clear			Prov. DoH		Provide finance for training and capacity building			Alignment of structures in terms of role awareness	System for clarification of roles of government required
E.2 Lack of capacity in municipalities is slowing delivery			Municipal Metro	Capacity building programme required	Funding required to improve capacity of municipal officials	Training in housing development required	Capacitate housing competencies	Alignment of capacity building agencies to achieve synergy	
E.3 Municipalities lack dedicated housing sections – unfunded mandate	delays	delays	Municipal	Policy clarification	Financial responsibility to be clarified		Housing competence to be developed at municipalities	Creation of housing sections	Systems and procedures needed
E.4 Local government to have a complete change of mindset			Prov. DoH				Local government to have a complete change of	Alignment of municipalities toward new mindset	

							mindset, not just housing development but renewal and increasing their asset base		
E.5 No accreditation of Local Authorities						Capacity building required		Accreditation of Local Authorities to be accelerated	
F: Integrated Housing									
F.1 Densification of cities is a problem			Municipal		Fiscal incentives needed	Densification guidelines required	Case studies of best practice to inform guidelines	Structures to adopt best practice for densification	Elimination of sprawl in urban areas by constructing one house one plot
F.2 Lack of relevant linkage with IDP			Prov. DoH		Partnership arrangement with DPLG to achieve demand driven housing		Link IDP to housing expenditure framework: IDP should be guide for all development projects	New arrangements to be considered	
G: Farm Workers Housing									
G.1 Farm workers are neglected			Municipal NGO	Review policy to cater for farm workers	Provide funds for special/vulnerable groups				

H. Housing Development Agencies									
H.1 Housing development agencies not successful	No input								
I: Rental Housing									
I.1 Big developers not involved in rental housing/ communities prefer ownership			Prov. DoH		State to provide subsidy		Case studies to inform industry	Construction industry to assess mood in market	
I.2 Low income people prefer to rent a plot			Municipal NGO	Review policy					
I.3 Subsidy not sufficient for quality rental housing			Prov. DoH	Policy instruments to be reviewed	Increase subsidy ceiling to R6000, and collapse bands		Case studies to inform policy review		
J: Non-payment									
J.1 Non-payment of rents and rates	Subsidy mechanisms	No cost recovery	Prov. DoH	Provide for middle income earners			Cost recovery measures to be introduced with improvement in housing stock		
K: Quality (Dwellings)									
K.1 Quality: lack of maintenance characterises the industry			Prov. DoH		State to provide subsidy				
L: Land									
L.1 Land release a problem			Prov. DoH	New procurement regime can address	Special funds for land acquisition needed				New systems needed for land identification

				concerns					
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3. EASTERN CAPE WORKSHOP HELD 27 NOVEMBER 2002, REGENT HOTEL, EAST LONDON

Eastern Cape, Group 1: Demand-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
Eastern Cape									
A: Capacity Building									
A.1 Stakeholder involvement/participation limited and ineffectual due to lack of awareness of procedures		Access to resources of opportunities for delivery lead to frustration	Municipal	Coordinated Awareness Campaign			Culture of awareness and ongoing communication required	Alignment of essential bodies & structures to achieve coherent application of policy systems etc	Policy awareness strategy required
A.2 Local government lacks capacity to fulfil powers and responsibilities		Results in culture of hopelessness & frustration and limited delivery	Municipal / District Govt	Support from National to ensure ongoing commitment			A culture of horizontal / peer group support is required	Vertical alignment essential to build capacity in line with roles/responsibilities	Capacity building programme to be coordinated and integrated to include civil society
A.3 Need to instil a sense of pride and social discipline		Beneficiaries do not feel their needs are being met	NGO				Culture of IDP process – one of a once off process Need to be	DPLG & DoH/LG to engage and form partnerships	Within IDP process beneficiaries to be involved from outset –

							continuous		multi-disciplinary process
A.4 Builders require customised training & capacity building support programmes sponsored by National		Members continue to experience marginalisation from housing projects	Builders Assoc.			Support required by National / Provincial Govt		All relevant agencies need to combine efforts and tailor capacity building to specific needs of construction industry	Using case study target groups test existing programmes against existing
A.5 Local Government take up the responsibility to implement housing and particularly the PHP		Local government will remain out of the housing delivery mainstream resulting in drop in delivery	Municipal			Support for municipalities		Local Government requires support that can be replicated at scale	System of collaboration is required to meet responsibilities with *Awareness programmes are required.
A.6 In context of poverty & unemployment - PHP only option – concern re quality		Interpretations of PHP can be customised to address poverty	Municipal			Support for municipalities required	Culture of shared commitment required	Alignment of key players including NHBRC	Awareness of existing policy & guidelines - Capacity building at municipal level
A.7 Political divisions hampering delivery at municipal level		Vested interest groups can compromise delivery	Prov. DoH			Intervention by strategic leaders	Shared “brownie points” culture required	All relevant parties to be drawn into initiatives	Win-Win partnership arrangement needed
B: Finances / Subsidies									

B.1 How can people who do not have dependants be accommodated within current subsidy instruments (single men also)		Policy not viewed as equitable	Municipal	A review of this matter is required using grass roots case study examples			Actual practice needs to inform policy - its instruments & application	All relevant stakeholder parties to be in alignment	Easily applied (not abused) procedures are necessary (unambiguous)
B.2 Subsidy quantum does not keep pace with inflation rate regarding building materials costs		Can result in "cutting corners" and poor quality and /or smaller structures	Prov. DoH	An interactive/ not top-down review of policy is required				An objective body should monitor this issue regularly	A simple and transparent formula is required to at least reflect reality
B.3 Concern exists regarding existing subsidy bands as these have remained at 3500 since 1994 (people cannot afford to maintain assets)		Policy now addresses only the ultra poor	Municipal	Justification is required why threshold levels remain constant					
B.4 How can quality be enforced/achieved when many regulations are now introduced that constrain delivery more than aid it		Less opportunity for innovation and trade-offs in housing delivery	Prov. DoH				In practice beneficiaries would like to practise trade-off between site and housing expenditure	Relevant structures to be brought together to support innovative best practice. NHBRC role to be more innovative	Examples of "how to" needs to be put together and an innovative communication strategy is required
B.5 Farm workers should not be forced to make the R2479 contribution (low unregulated wages etc)		Can marginalise and exclude farm workers from subsidy system	NGO / Municipal	Review affordability issue in context of unregulated minimum wages					

B.6 How can people access funding to buy land		Can result in misconceptions regarding policy	Councillor Municipal				A culture of informed communities is essential	Relevant parties to align and share costs of awareness programme	An awareness programme required to clarify opportunities
B.7 Mechanism required to attract and secure private finance into social housing market		Continued failure of associations to provide acceptable housing options	NGO	Legal mechanism to facilitate private sector funding				Align partnership with key organisations in support of legal mechanism	Synergy with guarantee/incentive based mechanism
C: Policy									
C.1 Access to rural land is difficult on account of impasse between local govt and traditional leaders		Limited / no rural housing projects	Municipal	Government Departments to expedite ongoing discussions with traditional leaders to achieve a win-win outcome			Culture of confrontation to become one of cooperation	Alignment between DPLG/DoLA to secure coherent framework	Mechanism required to enable land (rural) to be used to generate income
C.2 Legal rights of evicted farm workers being abused		Result in increased numbers of homeless/ squatter households	Prov. DoH	Examine relevant legislation				Mobilise relevant bodies and groups to counter eviction	Interim measures required until policy is finalised
C.3 Concern re: options for evicted farm workers adjacent to place of work		Farm workers only alternative is renting in formal townships (waiting list)	Prov. DoH	Partnership review is needed to bring together all stakeholders to determine win-win outcome				Depts of Land Affairs/Housing/Welfare to address this issue	Farm workers strategy is required (options)
C.4 Housing funds (Subsidies) should be		Increased accountability	Municipal	Clearly an issue for					

channelled directly to Local Govts		possible		review of Constitution					
C.5 How can sustainability of a project be achieved when key ingredients are multi-sectoral and inter-departmental		Continuation of lack of integrated project development	NGO	Multi-sectoral key performance areas are crucial for this partnership		Culture of partnership required	Alignment of essential structures crucial	Multi-sectoral strategy to involve packaging of resources/capacity building	
C.6 More resources to be channelled to job creation rather than housing		Affordability dilemma will continue and worsen	Municipal	Concerted effort to target employment creation together with housing		Utilise a learning-by – doing approach	Alignment needed to address challenge in an integrated manner	Integrated approach required (pooled resources and funding)	
C.7 Conventional housing delivery fails to establish and maintain human dignity and pride		Perceptions that alternative options are unavailable will remain	Prov Dept	Innovation required from National and provincial government		Culture of respect for people and human dignity	Alignment of key players to discuss way forward	Fully participative process of putting people first to be initiated	
C.8 Abuse of PHP principles and procedures by municipalities/private sector developers and contractors		Could result in beneficiaries not receiving value for money products	Donor Agency			Ensure consistent interpretation of principles and procedures	Abusive practice to be corrected before it becomes accepted practice	Obtain shared understanding by all relevant structures of Aim and Objectives of PHP	Introduce effective screening and monitoring procedures and systems

C.9 Relevance and justification of social housing principles are questioned in light of research carried out		Could result in lack of support for policy and its opportunities	Private sector	Research review to be conducted and status quo made more readily available to stakeholders			Create culture of enquiry and sharing of knowledge	Alignment of relevant structures to assemble research agenda	Research agenda to be systematically managed and supported
D: Quality									
D.1 Concern expressed that quality should not simply be managed by NHBRC alone		Perception that quality can only be achieved through policing practice	District Municipal			Alignment process to be supported in policy framework	Quality compliance practice to be one of best practice	Vertical and horizontal alignment of approach to quality compliance	Integrated and complementary sets of procedures to be supported with funding

Eastern Cape, Group 2: Linking Mechanisms and Systems

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Land									
A.1 Role of traditional leaders in land allocation	Delays housing development due to slow decisions or lack of co-operation		Municipal	Government departments to expedite ongoing discussions with traditional leaders to achieve a win-win outcome			Culture of cooperation required	The role of Traditional leaders should be an advisory one	
A.2 Reform of Prevention of Illegal Occupation and Eviction Act	Illegal settlements/land invasions creating many difficulties	Invasion in dangerous areas creates administrative and humanitarian crisis	Municipal Prov. DoH	The Act should be amended to permit eviction in circumstances of life threatening situations					
A.3 Land acquisition very slow and uncertain	Delays in housing delivery programme		Prov. DoH	New procurement regime can assist expedite land offers				Department of Land Affairs to be more active in land acquisition More delegation by DLA national to	Awareness training required to inform stakeholders of new regime procedures

								provincial required	
A.4 Registration of individual transfers by deeds office too slow			Prov. DoH				Best practice guidelines to assembled for wider use	Simplify administrative process for land transfers in housing projects	More efficient administrative system required
A.5 Difficulties with less formal methods of land tenure in terms of subsidy regulations			Prov. DoH			Guidelines required to illustrate best practice		Recognise less formal land tenure rights	
A.6 Role of traditional leaders in respect of land not clear			Municipal	Communal Land Rights Bill and White Paper on Traditional Leaders not aligned at present			Case studies of good examples of land utilisation needed	Link between traditional leaders and municipalities to be productive	
B: Subsidy / Own Contribution									
B.1 Own contributions causing difficulties	Delays in making savings reduce speed of housing delivery		Prov. DoH	Policy guidelines to clearly link between savings and subsidies	Interpret regulation more flexibly				
B.2 Beneficiaries do not have funds to make own contribution	Where no suitable PHP exists can prevent access by some families		Prov. DoH Municipal					Municipalities to be come aware of PHP opportunities	Awareness raising required to encourage savings associations (eg, Homeless People's

									Federation)
B.3 Quantum of subsidy: not enough communication from DoH			Prov. DoH Municipal					Continuous consultation required on issue of quantum	Regular system of communication required
B.4 Income level cut-off too low			Prov. DoH	Policy to be reviewed and income level raised				Continuous consultation required on issue of income bands and cut-off	
C: Peoples Housing Process									
C.1 PHP participants do not have building skills			Municipal					All structures to become aware of PHP procedures	Capacity building at community level required
D: Funding/Regulation									
D.1 Lack/limited funding for bulk infrastructure			Municipal					Alignment required to pool sources of funding	IDP should be used as the primary instrument for aligning budgets and expenditures
D.2 Treasury guidelines on controlling expenditure do not recognise additional expenditure required for housing	Guidelines place cap on expenditure which can limit municipalities' ability to absorb new housing		Prov. DoH	Policy liaison with treasury needed	To be raised between DoH and Treasury		Case studies needed to illustrate impact of concern		

D.3 Non-release of funds by Province for housing			Municipal			To be resolved at HoDs meetings			Better understanding required of the rules regarding release of funds
E: Roles/Coordination between Municipalities and Province									
E.1 Lack of coordination between Province and Local levels			Municipal				Culture of communication to be established and maintained		IDP must be used as a tool for co-ordinated development and as a guide for national and provincial budgeting
E.2 Lack of clarity in role of municipalities, and problems of communication between National/Provincial and Local levels			Prov. DoH Municipal			Guidelines required to bridge DPLG and DoH areas of overlap		E C Local Government Association and Provincial Dept to develop improved working relationships	
F: Municipal Capacity									
F.1 Lack of capacity to prepare business plans for housing development			Municipal			Capacity building needed			Municipalities applying for accreditation to be

									capacitated
G: Integrated Housing Environments									
G.1 Lack of schools, shops, police stations, recreation facilities	Poor quality environment reduce asset value of housing and add to expenditures by community		Prov. DoH Municipal	National DoH to establish collaboration between departments				Alignment needed between funding structures	Improved co-ordination needed, with the IDP as the controlling document
G.2 No links with LED			Province				Case study best practice guidelines to be prepared for use by municipalities	All municipalities to adopt standard LED procedures	

Eastern Cape, Group 3: Supply-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Social Housing									
A.1 Densification has not been vigorously followed in Social Housing	Standards and norms	More land for development	Municipal			Review red book	Walk-ups to be encouraged up to 4 floors to be standardised		IDP process to target densification
A.2 Yard space in social housing is often missing in the provision of this type of housing	Standards and norms	Accommodate cultural functions	NGO			Standards to be revised to make provision for yard space to accommodate cultural functions.	Case studies needed to illustrate best practice and cost implications	Alignment of best practice by Social Housing Institutions	
A.3 Lack of finance and stability in Social Housing	Subsidy levels	Sustainability	SHI		Increase grants to capacitate Social Housing institutions			Alignment of Social Housing Institutions to share experience	
A.4 Need to adjust subsidy income bands for Social Housing	Subsidy levels and mechanisms	More and better housing	SHI		Adjust income bands to one, increase eligibility to R6000 per		Culture of providing different subsidies for different	One single housing bank needed	

					month		income groups must fall away		
A.5 Illegal subletting and non-payment of rental in Social Housing		Maintenance improves	Municipal	Review lease agreement				Introduce stricter controls at institutions	More efficient administrative procedures / systems needed
A.6 Lack of capacity in social housing		Better run institutions	Municipal		Grants secured from donors, NHFC and state		Culture of poor governance must change	Social Housing Foundation to address capacitation needs	Special funds for mentoring programmes and management support
B: Impact of HIV/AIDS									
B.1 High impact of HIV/AIDS		Special groups are catered for	Prov. DoH	Review policy re provision of housing for special groups	Guidelines required to address special groups		Provide special units for Aids victims	Alignment of relevant structures to share experience	
C: Private Sector									
C.1 The private sector has been marginalised by the public sector		Shared responsibility and enhancement of delivery mechanism	Private sector	Private sector to be formally invited to be part of all structures dealing with housing, and to play a part in housing			Best practice case studies required to promote role of private sector	All relevant private sector organisations to establish awareness of opportunities	
C.2 Globalisation and the relocation of private sector companies to other countries	Subsidy levels or mechanism	Better quality housing	Private sector Municipal	Fiscal incentives required to secure private sector players	Tax, profit incentives to be extended to the private sector				

C.3 Private sector is expected to produce bigger houses	Subsidy levels or mechanism	Better quality housing	NGO		Tax, profit incentives to be extended to the private sector		Case studies to illustrate potentials for achieving larger structures		
C.4 NHBRC legislation not easily applied		Norms and standards	Municipal				Review red book. Capacity building drive to be launched on the NHBRC standards	NHBRC to align related structures for transfer of skills for application of legislation	
C.5 No mentoring programme for emerging contractors		Better quality product	Emerging contractor			Include emerging sector in municipal capacity building	Inclusion of emerging contractors with the capacity building programme especially training of women contractors	Alignment of training institutions to achieve pooled resources outcomes	
C.6 Relationship between private sector and local authorities is not very cordial		Shared responsibility and enhancement of delivery mechanism	Private sector			Effective communication strategy required	Municipalities and the private sector to engage in a meaningful public private partnership and the roles well defined. Management support to be formulated under	Alignment of relevant structures in systems of communication	Clear systems of communication required

							municipal policy		
C.7 The legal requirements of rental housing institutions are restrictive for private sector participation			NGO	Allow private landlords with respect to rental Act					
C.8 Incentives for private sector to be negotiated			Private sector		Rates concessions, raising of subsidy bands, tax creep, greater risk taken by the public sector		Case studies to inform policy and procedures		
C.9 Lack of maintenance characterises industry			Private sector				Provide maintenance budget		Effective awareness system to instil maintenance responsibility
D: Peoples Housing Process									
D.1 PHP concept not well understood, quality of houses poor, house size small and material selection poor		Faster delivery process	NGO	Review of policy of PHP	Provide special funds for capacity building	Create support centres, supported by Province	Stake-holders need to be educated in modalities of the PHP, the process, responsibilities and implementation	Create skills centres and provide technical support	Research on models for materials supply, financial controls and quality control
D.2 PHP concept confusing, quality poor, houses same and monotonous			Prov. DoH			Training beneficiaries to build their own houses should be	Consultation should be done before embarking on the building	Co-operatives should be encouraged to spearhead the PHP	

						done			
E: Consumer Awareness / Training									
E.1 Lack of effective consumer awareness and education			Prov. DoH		Funds to be made available for the translation of the Housing Code		Housing code should be simplified and translated into other languages		
E.2 No funds for dedicated training for all housing especially PHP, including development of SMMEs, Policy awareness campaigns, capacity programme for implementing agents, and consumer education on cost recovery issues			Municipal			Capacity building programme required	Check availability of funds from CETA	Alignment of funding sources to achieve maximum impact	Integration of training funds for capacity building and awareness raising
E.3 The subsidy element is not well understood by beneficiaries. Role of all stakeholders not well understood be beneficiaries		Payment levels will improve	NGO Prov. DoH		Provide special funds for capacity building		Introduce newsletters for beneficiaries		Awareness raising to link all players in delivery cycle
F: Hostels									
F.1 Hostel development policy is ambiguous		Policy review required	Municipal	Clear guidelines needed					Public awareness campaign to be undertaken
F.2 Hostels are generally politicised. There is excess of informal dwellers in hostels			Municipal NGO	Review policy and concept of short term rentals	Provide funding for conversion into family units				

F.3 Lack of funding for maintenance and upgrading			Municipal		Maintenance budget to be made available		Best practice examples to provide guidance		More efficient administration and innovative management needed
G: Municipal Capacity									
G.1 Lack of capacity in municipalities re housing			Municipal			Capacity building programme required	Capacitate housing units in municipalities	Set up housing Departments in municipalities	
G.2 No accreditation of municipalities			Prov. DoH					Municipalities to be accredited	
G.3 Lack of housing competencies in municipalities		Housing competencies	Municipal	Review policy	Provide funds for establishment of housing sections at municipalities	Capacity building programme required		Introduce housing sections at municipalities	
H: Non-payment									
H.1 Attachment of houses for sale in execution by municipalities for non-payment of rates contributes to instability			Prov. DoH		Low cost housing should be declared unrateable		Case study material to inform policy and practice		IDP process to realistically identify affordability levels and match beneficiaries with appropriate delivery system
H.2 Non-payment of rents and rates	Subsidy mechanisms	No cost recovery	Prov. DoH			Provide rental stock for middle income	Cost recovery mechanisms to be introduced		Need concerted effort to dispose of/sell

						groups	with improvements of rental stock		government housing stock
H.3 Market makes rents unaffordable to lower income earners			NGO	Rental policy review process required			Case studies needed to confirm and quantify the situation		Need forum for debate and research
I: Rental Housing									
I.1 Rental housing not perceived as an asset by beneficiaries			NGO				Audit of perceptions needed to pinpoint causal relationships		Research on benefits of rental housing assets

4. KWAZULU NATAL WORKSHOP HELD 3RD DECEMBER 2002, ICC, DURBAN

KwaZulu Natal, Group 1: Demand-side Issues

ISSUES RAISED KZN	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Finance									
A.1 Funding is key to quality and sustainability: subsidy insufficient		Unless this perception is addressed policy will be regarded as unrealistic	Prov. DoH	Policy instruments require review		Reality check needed with Prov. Dept. of Hsg re: subsidy amounts	Perceptions need to be followed-up and confirmed at provincial level		
A1.1 Policy is incremental		Recognition of point of departure	Prov. DoH				Revisit projects to determine why policy principle is not working	Check alignment of structures i.t.o. policy	Examine systems/ procedures
A1.2 Subsidy insufficient to produce quality. (Too many imperatives to be met)		Perception needs to be tested	Prov. Dept				Discussions with Prov. Dept to establish quality thresholds		

A1.3 Rural poor cannot afford to make contribution		Rural poor can become marginalised if perception is not corrected	Municipal					Alignment of messages by structures (core principles)	An awareness programme is required
A.2 Budgets are fragmented and lack potential to address integrated development. Roles of govt depts unclear		Continuation of silo funding practice	Municipal	Policy and systems require review to ensure alignment of budgetary procedure			Attitudinal shift required by top management	Alignment of key Depts in social cluster (joint IDP based KPAs)	Systems are required to ensure integrated funding streams
A.3 Housing subsidy procedures complicated and confusing		Increased frustration will be experienced	Prov. DoH Municipal	Review legal procedures		Review procedures at project level	Culture of innovation required to deliver quality	Alignment of proposals (informed by lessons learnt)	Procedures need to be simplified and made more user friendly
A.4 Confusion concerning double subsidy: Lack of clarification regarding role players DoH/DOKG/ DoL etc		Continued lack of synergy / alignment and confusion	Municipal	Policy alignment required to enable packaging of funding streams to be easily accessed by Local Govt				Alignment required for funding streams	
B: Quality									
B.1 Appearance of subsidy funded projects look all the same (degrading – design of units)		Subsidy scheme will continue to be criticised (not only cause of monotony)	Prov. DoH			Policy intent needs clarification	More innovation required	Shared experiences to be encouraged	Process to provide for personalisation/ sense of identity

B.2 Size and Quality of housing		Unless addressed subsidy scheme will carry total blame for quality / size	NGO	Shift in policy from subsidy to capital driven to remove emphasis on govt subsidy			Allow reality and best practice to inform partnerships	Alignment of key role players to clarify roles re: delivery system	Roles clarified / providers i.t.o. -capital -procedures -beneficiaries
B.3 Unprofessional behaviour by developers (engineers often don't visit sites prior to certification)		Reception of professional bodies will worsen, quality will deteriorate	Prov. DoH			Mechanism to ensure policy compliance required	Culture of excellence and quality assurance needed	Alignment of application and interpretation of policy	Data base of service providers required and carefully monitored
B.4 Question raised regarding who defines what quality actually means (NHBRC/ NBRs etc)		Confusion will continue re: criteria		Clarification required concerning balance trade off options available to beneficiaries			Practical experience i.t.o. specific delivery option to inform systems	Alignment of institutions to afford trade off between cost of quality and other features	Apart from NHBRC / NBRs consultative will enable beneficiaries to finally peg quality measure
C: Quality (Housing Environment)									
C.1 Absence of integration of resource streams along delivery chain in search of the establishment of habitable settlements		Continued frustration of attempts to achieve habitable environments	Prov. DoH	Examination of roles of relevant Departments and role players in terms of broader development goals/ objectives			Use grass roots project experience to inform partnership packages	Alignment of key players (bodies) in meeting broader housing environmental targets	Shared responsibilities by relevant departments guided by shared KPAs
C.2 Current housing sector is over regulated with result that limited innovation possible		Mechanisms in place will continue to be blamed for absence of quality/ innovation	NGO sector				Interpretation and application of policy to be more outcomes based and not prescription / protectionist	Structures to have shared understanding of core measures to be adhered to	Method of applying policy (guidelines) to be explored within a best practice framework

C.3 Policy interpretation/ application by Local Govt / Provincial Govt officials inflexible/ based on CYA considerations		Continuation of practice of 'just do your job'	Prov. DoH	Some encouragement by National Dept of Housing could stimulate this initiative			A culture of innovation / risk taking in needed as opposed to protecting one's job	Alignment of key institutions to give effect to innovative policy application	Systems to clearly differentiate between must have / available for interpretation
C.4 Urban integration initiatives tend to be compromised by high costs of infill land i.t.o. servicing		Urban regeneration initiatives difficult to implement	NGO sector		Carefully designed specific subsidy - urban integration	Criteria required to process applications i.t.o. eligibility	Using various case studies the need for strategic support can be tested	The alignment between key role players can assist share cost / risks	Appropriate systems / procedures are needed to administer such a subsidy
C.5 Planning of housing environments still based on racial / class basic costs of inner / close to city land disperses poor outside peripheries		Negative perceptions of interpretation and practical application of policy will worsen	NGO sector	Policy needs revisiting in terms of 1948 National Government policy of favouring Afrikaners			This practice needs careful interrogation by case studies / current practice	Shared view points are required to address concerns	
C.6 Housing is located in areas devoid of employment and social facilities		Possibly a lack of awareness of potential of New Procurement Regime	Prov Dept	Possibility to expand new procurement regime in using IDPs establish nodes in which employment and social facilities can be situated			A culture of shared inter-dept responsibility and risk taking is necessary	Alignment of key Depts to ensure integrated funding streams can target IDPs	Appropriate systems to package required funding streams

D: Awareness									
D.1 Insufficient awareness exists within both govt sectors and beneficiaries concerning subsidy saving schemes et al		Confusion and inefficient governance will continue	Prov. DoH				A culture of informed players is essential for effective housing delivery	Alignment of key structures to disseminate clear and consistent information	An awareness programme to be launched on a regular basis
D.2 Where new policy is contentious National Dept asks local govt to communicate / link with province / local depts		No partnership will exist (shared responsibility)	Prov. DoH			National must inform key players of changes	A culture of shared responsibility is required	Where decisions have been taken with partners / stakeholders all must be involved	
D.3 Beneficiaries need to become aware of their responsibilities		Continued lack of appreciation for shared responsibility	Prov. DoH		National Dept to assist coordinate such an initiative			Alignment of key institutions is required to contribute to shared consumer education	Customised consumer educational systems are needed
D.4 Contractors to be made aware of their responsibilities vis-à-vis quality		Ongoing blame placed on shoulders of contractors	Municipal				Contractor Associations to conduct own awareness programmes	All relevant institutions to align efforts to ensure adequate education	NHRBC enrolment to take care of this issue
E: Community Involvement									
E.1 Lack of participation in the facilitation and implementation of housing programmes (Fronting occurring)		Negative perception of status quo (progress)	Municipal	Black Economic Empowerment Commission has yet to deliver its key findings: Urgency required			Learn-by-doing via case studies	Structures need to get together to share thoughts on way forward	

E.2 In terms of Black non-participation in housing projects		Policy and practice seen to be out of alignment	Municipal				Using selected best practice case studies draw out BEE procedures	Align structures with best practice	Systems need to provide for beneficiaries making an input during selection of builders/ professionals
E.3 Claims that community involvement takes time and this adds a cost to final price resulting in limited involvement		Can result in less community involvement opportunities being introduced	Municipal	New Procurement Regime makes provision for beneficiary involvement early on in a project			Case studies that illustrate best practice to inform systems	Align all relevant structures i.t.o. best practice	Systems that provide for planning before funding allocation of subsidies a la new procurement regime - solution
E.4 Small companies are becoming marginalised by large companies and fronting practice		Can prejudice the good partnership arrangements being conducted	Prov. DoH	Commission to report on its findings			A culture of sharing needs to be cultivated	Criteria & systems to be applied by key institutions	(capacity building required) systems and criteria required for screening and monitoring of employment equity procedures
F: Policy									
F.1 What policy is in place to address the "child headed" household situation		Can lead to policy failure to address reality (HIV/AIDS)	NGO	An integrated policy position needs to be established to ensure that a co-ordinated strategy can be implemented			A culture of care – security and respect is required	Alignment of relevant structures to meet the multi-faceted needs	Cross-cutting system is needed

F.2 When policy changes or new policies are introduced measures to address disadvantaged beneficiaries/ players are required		Continued lack of partnership between Prov Dept National Dept	Prov. DoH Municipal	New amended policies need to be accompanied by appropriate bridging measures and procedures		Alignments are required when cross-cutting influences impact on housing delivery	Bridging measures are required to offset beneficiaries / players assets and investments
F.3 1994 Policy was assumed to enjoy the buy-in by all stakeholders – not true		Need to revisit policy/shifts with concerns	Municipal	Adjust policy to meet the needs of new players & outcomes	Practice will inform necessary amendments to original policy position	Using all relevant stakeholders conduct reality check on policy principles	Adjust systems and procedures accordingly
F.4 Need exists for a radical policy shift away from a subsidy driven position		Can open up flexibility options in existing policy for innovation and effectiveness	Municipal	Policy adjustments can be made in keeping with feedback from experience	Using existing case studies a learning-by-doing approach can inform process	Alignment of all delivery agents where roles are clearly defined	Range of delivery systems providing different outcomes available through choice
F.5 Implications of current policy – poor are forced to live on peripheries / inadequate inner city slums		Perceptions are reality and can negatively impact on future agenda	NGO Sector	Need exists to seriously interrogate trends in both practice and literature re displacement of poor	Use practical case studies as one form of input to debate	Hold regular fora for R&D debate and policy review	Alternative systems/ procedures can be assembled for testing

KwaZulu Natal, Group 2: Linking Mechanisms and Systems

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Land									
A.1 Rural land: lack of co-operation from traditional leaders in release of land	Costs	Delays Unsuitable locations	Municipal	Land Amendment Bill will address this problem				Depts of Land Affairs, Depts of Housing and Municipalities to collaborate and prepare land acquisition programmes	
A.2 Form of land tenure on tribal land/Ingonyama Trust land does not permit charging of municipal rates	Municipal finance		Prov. DoH	Alternative measure to be examined			Best practice guidelines to assist municipalities	Depts of Land Affairs, Depts of Housing and Municipalities to collaborate and prepare land acquisition programmes	
A.3 Responsibility for land acquisition not clear	Delivery system		Municipal	New Procurement Regime guidelines to be used in				All municipal structures to be aligned re: New Regime procedures	

				awareness raising					
A.4 Delays in acquiring land	Delivery system	Costs	Municipal				Audit needed to identify impediments to land acquisition	IDP should be used to identify appropriate sites which must be acquired or expropriated	
A.5 Cost of land	Reduced amount available for top-structure	High land costs drive developers to choose remote sites where land is cheap, imposing high transport costs of residents and lack of access to other facilities	Municipal Developer	Policy review to explore potential for budget separation	De-link the cost of land from the housing subsidy Re-examine the policy regarding double subsidies				
B: Community Resistance									
B.1 Resistance by existing residents to low income housing developments	Pressure from existing residents can force low income housing into remote sites (see above)	Increased costs	Municipal Developer				Case studies that illustrate how NIMBY can be addressed	Municipalities to review NIMBY situations and seek solutions	Long-term planning is required to identify and acquire appropriate sites
C: Alignment of Budgets									
C.1 Lack of alignment between provincial and local budgeting	Results in delays in project implementation	Reduction in output of housing	Prov. DoH	National Dept. Hsg to use Social Cluster to seek				All relevant structures to seek alignment of funding	More consultation required to align budgets and

				alignment					programmes
C.2 Lack of liaison between provincial and local spheres of government	As above	As above	Prov. DoH	Use of Social Cluster as a mechanism for liaison		Effective system of communication needed			As above
C.3 Provincial housing development plan not informed by IDPs	PHDPs could be inaccurate		Municipal			Guidelines required to secure essential marriage between PHDPs and IDPs	A culture of partnership is needed to cement a good working relationship		A direct link is required from the IDPs to provincial planning. Current low standard of most IDPs could be a factor, and needs attention
C.4 Integrated development not being achieved, especially in terms of social/recreational facilities	Results in housing deserts where community is dislocated by having few or any social facilities		Prov. DoH	Social Cluster mechanism can seek alignment of funding				Social Cluster structures to address wider integrated outcomes	Good IDPs will allow the municipality and provincial / national departments to align budgets and implement integrated human settlement projects
D: Municipal Mandate									
D.1 Lack of clarity on constitutional mandate for municipalities in housing provision	Reluctance by municipalities to engage in housing	Reducing speed of delivery	Municipal	Guidelines required for clarification of constitutional clauses					Collaboration between SALGA and DoH required to clarify situation

E: Job Creation									
E.1 Sustainable job creation not being achieved	Housing development requires large numbers of low-, semi and unskilled workers	Development of systematic stream of work enables growth of small and medium businesses	Municipal Developer Prov. DoH				More explicit attention needs to be paid to growing small contractors	Municipalities to ensure continuity of subsidy funding	Systems required to link housing programmes with job creation and skill-building opportunities
F: Policy									
F.1 New procurement policy documents not user friendly			Prov. DoH	Reality check required to assess user-friendliness of document					More effort is required to communicate the policy by drafting user-friendly guidelines and holding more workshops on the subject
G: Municipal Capacity									
G.1 Municipalities do not have the capacity to fulfil their role under the new procurement policy	Reluctance to participate reduces and delays housing output	Reduced output causes overall reduction in quality of life of the beneficiaries	Municipal			Municipality capacity building programme needed		Systems of municipal capacity building is required.	Outsourcing of project preparation is possible
G.2 No funds available for project preparation			Municipal		Not correct: Funds are available from Province on application				Awareness of project procedures needed by municipalities
G.3 Existing municipal accounting systems do			Prov. DoH	Liaison with DPLG to			Best practice examples to		Generally Accepted

not allow effective project management/expenditure control				ensure effective project / financial management			inform municipalities		Municipal Accounting Program will address these difficulties
H: Subsidy									
H.1 Quantum of subsidy too small	If amount is too low to meet minimum norms and standards, units do not get built	Reduction in output	Prov. DoH Municipal		Policy to be amended to include automatic annual review				Amount adjusted annually to keep in line with inflation
H.2 Income bands too restrictive, and upper income band too low	Linking subsidy amount to income poses many admin difficulties		Hsg. Finance Institution		Income bands to be simplified, and adjusted annually				Income levels to be adjusted annually in line with inflation
H.3 Own contribution causes difficulties	Inability of people to save the amount requires delays their access to housing	Overall slowing down of housing delivery	Prov. DoH		Rule should be made more flexible				Awareness of contribution requirement and alternatives via PHP / rural housing

KwaZulu Natal, Group 3: Supply-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure / Institutions	Systems & Procedures
A: Social Housing Institutions									
A.1 The lack of affordable finance for SH Institutions			Metro		The lack of finance prevents the institutions sustainability				
A.2 There is a need to adjust income bands			Metro		There is a need to collapse / adjust housing income bands into one Need to increase subsidy band			Need to coordinate all state funded housing finance organisations into a single National Housing Bank, ie, NHFC, HLGC, NURCHA. A one stop shop	
A.3 Illegal subletting & non-payment of rents			Metro						
A.4 Impact of HIV/AIDS			Metro						
A.5 Insurance cover for special groups			Metro						

A.6 Lack of capacity in Social Housing Institutions			SHI					Strengthen units that deal with institutional capacity. Institutions require redefinition	
B: Role of Private Sector									
B.1 Increase role of the private sector in the delivery of middle income housing			Private sector	Review impact of VAT on this income group	Raise subsidy banding to R7000 (NHFC)				Reduce procedures for the end user to access the subsidy
B.2 Developers should be more involved in housing delivery			Private sector		Require appropriate incentives to attract the private sector back into housing delivery				
B.3 The current policy is devoid of any strategy to deal with the escalation of costs, which threatens the feasibility of housing delivery.			Private sector		Require adjustment of subsidy based on sound statistical data	Need skills training which will lead to the enabling of SMMEs and increased understanding			
B.4 Lack of capacity among SMMEs			Municipal			SMMEs require capacity building and financial resources to be able to perform their responsibilities as implementing agents and to			

						access finance from banks			
B.5 Private sector, ie, banks should be more involved			Municipal			Government should negotiate interest rates i.t.o. loans granted or formulate an affordable package			
C: Peoples Housing Process									
C.1 Lack of capacity in PHP			Prov. DoH Metro Municipal		Lack of capacity	KZN requires dedicated PHP unit for technical support to ensure its sustainability and to speed up the delivery process	Beneficiaries require capacitation	Funds to be made available for "skills centres" which continue to function after project completion.	
C.2 Lack of stakeholder capacity in PHP			Metro		Need to set up dedicated fund that NGOs, Local Government can access to provide training, professional services & quality control for PHPs				Need to investigate models for material supply, financial controls & quality control. Also to establish pilot projects to assess their effect
C.3 PHP too complicated & bureaucratic particularly, the approval stages			Private sector NGO		Reduce red tape in accessing subsidies	The PHP process needs to be written for grass routes level and not at			Simplify the PHP process, but keep checks and balances especially in the

						National theory level			use of funds of funds as this is where the process falters
C.4 The need for budgeting for the transfer of skills for beneficiaries			Municipal				Beneficiaries should be taught social development issues to enable them to support themselves and to adequately maintain their units	To enable sustainable development all gov. depts should be motivated to participate	
C.5 Rate of delivery limited			Prov. DoH				Require more initiatives, ie, Habitat for Humanity, Homeless People's Federation in order to deliver numbers.		
C.6 Process lacks technical support			Municipal						
C.7 Developer driven and not people driven			Prov. DoH					Formation of housing committees within communities	
C.8 There needs to be clarity on the quality control of the top structures that are the product of this process			Private sector						
C.9 Sweat equity needs to be			Prov. DoH				Sweat equity needs to be		Owner should not be paid as

encouraged to reduce poverty/unemployment								encouraged to reduce poverty/unemployment		this is a drain on resources and limits house size
D: Training Programmes & Consumer Education										
D.1 There are no funds for dedicated training for all programmes			Municipal	SETA, Skills Development Act	There are no funds for dedicated training for all programmes				Need integration of funds for capacity building training	
D.2 Lack of housing competencies in Municipalities			Municipal			Lack of housing competencies in Municipalities				
D.3 Housing consumer education is severely lacking			Municipal NGO			Although there is a National Task Team addressing the issue, there is a need for interim measures in the form of funding and training.				
D.4 Smaller municipalities do not have the capacity (staff and finances to adequately implement housing projects and as a result consultants tend to “milk” funds that could be channelled into the project itself and/or used for capacity building			Municipal		Needs to be information as to where municipalities are able to access finance.	Train staff in smaller municipalities. Need to capacitate “housing units”				

D.5 Development of SMMEs			NGO		Development of SMMEs				
D.6 Policy awareness campaign			Municipal				Policy awareness campaign		
D.7 Capacity building programme for Implementing Agents			Municipal			Capacity building programme for Implementing Agents			
D.8 Accreditation of municipalities			Municipal Prov. DoH					Accredit municipalities and companies to deliver the finished housing product	
D.9 Programme for cost recovery			Municipal				Programme for cost recovery		
D.10 Beneficiary education regarding home ownership			NGO/CBO				Beneficiary education regarding home ownership		
D.11 No adequate consumer education to smaller municipalities			Municipal		Dedicated fund for consumer education			Need alignment of capacity building programmes	
E: Hostels Redevelopment									
E.1 Lack of funds			Municipal					Possible use of institutional subsidy	
E.2 Need land for suitable relocation			Municipal						Need land for suitable relocation

E.3 The policy requires review			Prov. DoH						
E.4 Tenants are uninformed			NGO				Education/training of tenants		
E.5 Hostels to be converted into family units			Municipal			Hostels to be converted into family units			
E.6 Hostels highly politicised			Municipal NGO				Hostels highly politicised		
E.7 Excess of informal dwellers in hostels			Municipal				Excess of informal dwellers in hostels		
E.8 Needs to be clarity on funding for maintenance & funding for upgrading			Municipal						Needs to be clarity on funding for maintenance & funding for upgrading
F: Role Of Municipalities									
F.1 Local government councillors want housing development in their wards yet at the same time support non-payment for services to remain "popular" to their constituencies.			Municipal			There needs to be adequate consumer education	National campaign to encourage a culture of payment. Councillors must be seen endorse national policy		
F.2 Lack of capacity			Private sector		Funding required to improve capacity of municipal officials	Municipalities have the responsibility of producing housing however there has been no training of staff to adequately	Capacitate housing competencies		Large municipalities should mentor smaller ones

						effect delivery. Possible use of private sector personnel			
F.3 Attachment of housing for sale in execution of non-payment of rates			Prov. DoH	Low-cost housing should be declared unrateable					
F.4 Municipalities lack capacity and do not understand their role as developers			Municipal			Capacity building programmes are needed.			
F.5 Municipalities responsible for the provision of housing			Prov. DoH	Negotiations should commence on the transfer of assets from the DoH to municipalities					
F.6 Distance packaging of housing projects is problematic as causes delays and depletes funds			Municipal					Need local packaging of projects, province to approve budget and invest with Delivery Agency. Also need different delivery vehicles for urban & rural areas	
F.7 Delivery of housing through PLS is more profit aligned and thus tend to defeat the idea of building			Prov. DoH					PHP requires greater emphasis	

communities									
G: Housing Development Agency									
G.1 KZN S21 Companies lack capacity (SHIs)			SHI			KZN requires more information regarding HDAs for possible application in the province		KZN S21 Companies lack capacity (SHIs)	
H: Rental Housing									
H.1 Rental housing not cost effective because of non-payment			NGO				Rental housing not cost effective because of non-payment		Public Private Partnerships (PPP)
H.2 Impact of HIV/AIDS SH Institutions & rental housing			NGO			SHIs should establish insurance cover for such cases so that they can sustain their projects, lessees should also be encouraged to take out an insurance so that in the event of illness the insurance company will pay the rent for a period of time			

<p>H.3 Consumers have limited choice as majority of the community determine the rental type.</p>			<p>NGO</p>		<p>Allow individual subsidy where developers can undertake a development so that beneficiaries can make a choice based on locality, affordability and value for money. The subsidy should only be made available once the consumer has made the choice.</p>				
<p>H.4 Institutions as a legal entity are restrictive</p>			<p>Umphame Development (Pty) Ltd</p>	<p>Allow private landlords under contract in terms of rental Act, which governs industry, will increase the number of units, create entrepreneurship and jobs. Particularly if small rental schemes are encouraged to expand.</p>					
<p>H.5 Market renders rents unaffordable by</p>			<p>NGO/CBO</p>		<p>Market renders rents</p>				

low-income earners					unaffordable by low-income earners				
H.6 Generally, potential beneficiaries lack understanding of their responsibilities as tenants or housing consumers			Municipal		Beneficiaries should be credited/certified by municipality prior to occupation as this will reduce problems of bad debts and encourage lending.		Each municipality should run a capacity building course that covers rights and responsibilities of home ownership, rental and citizenship.		No person should take occupation (or receive a subsidy) until credited/certified by municipality.
H.7 Inadequate maintenance of rental housing stock			Municipal						Inadequate maintenance of rental housing stock
H.8 Non-payment of rents			Municipal				Need to instil culture of payment		
H.9 Rental housing not perceived as an asset by beneficiaries			Prov. DoH		Need concerted effort to dispose of/sale of Gov. rental housing stock		Rental housing not perceived as an asset by beneficiaries		
H.10 Government should encourage a culture of rental housing			Prov. DoH					There is a need for research and the formalisation of strategies to create habitable rental housing environments	

J: Other									
J.1 Rural housing – complex set of issues a barrier to implementation			NGO/CBO	Land, legal, tenure, certificate of occupation, etc.					Rural housing – complex set of issues a barrier to implementation
J.2 The effect of HIV/AIDS on both the supply and demand side			Metro				Need to acknowledge the multiple effects of HIV/AIDS & devise appropriate strategies in partnership with NGOs, churches, welfare bodies, communities & other gov. departments	Need to bring welfare Department on board & dedicate funding for operating costs of “housing” institutions dealing with HIV/AIDS	
J.3 Rural housing – tenure issues			Prov. DoH	Conventional tenure cannot be applied. Thus require certificates of occupation are a solution as opposed to leases and Permission to Occupy (PTO) because PTOs are upgradeable					
J.4 Politics a barrier to the implementation of			Municipal			Need to capacitate		Dissolution of Ingonyana	

National Policy						traditional leaders		Trust	
J.5 Traditional leaders			Municipal			Municipalities relationship with traditional leaders		Traditional leaders should be able to develop through S21 Co.	Clarity of roles of Traditional Leaders
J.6 Release of land at affordable prices			Municipal NGO		Release of land at affordable prices				
J.7 Lack of coordination among levels of government			NGO					Need institutions that coordinate government actions	
J.8 Review of indigent policy			Municipal NGO						
J.9 Fast tracking of Slums Clearance causes problems for those removed			NGO						
J.10 Cross-border housing supply / provision problematic			Municipal						Require more rural housing development
J.11 Housing delivery is hampered by lack of available land			Municipal						Government should negotiate with the Amakhozi to ensure land at reasonable prices

5. LIMPOPO WORKSHOP HELD 21 JANUARY 2003, PARK HOTEL, MOKOPANE

Limpopo, Group 1: Demand-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Institutional									
A.1 Unsatisfactory relationship between traditional leaders and government		Restricts use of rural subsidies	Municipal		Policy measure to ensure effective involvement		Need exists for a culture of "working with" to cement relationships	An alignment between relevant structures in terms of TLs - municipalities	Effective system required to link TLs to municipalities (procedures)
A.2 Beneficiaries are not sufficiently involved in planning & implementing projects		Frustration at not being able to maximise choice	Parastatal housing finance institutions				Clearly policy is not being applied in practice	Relevant structures to apply same procedures across board	Policy re involving people in project requires an awareness programme
A.3 Absence of synergy between relevant govt. structures – fragmented project outcomes		Housing environments without facilities	Municipal	National Dept of Housing to initiate some action to ensure Departments operate in partnership			Culture of silo functioning to be eliminated	Alignment of key institutions & govt depts to deliver integrated project - houses & services etc	System needed to ensure effective buy-in by key departments
A.4 Housing projects should be linked to IDPs of municipalities		Results in housing delivery not being	Municipal				Municipalities need to be aware of policy developments	Align institutions with new policy measures	Clearly awareness of new procurement

		demand led							regime is lacking – apply awareness
A.5 Lack of synergy between relevant systems of housing delivery		Failure to maximise on combining resources	NHBRC				Case study examples to illustrate best practice	Alignment of essential systems by key structures	Synergy to be established to link essential systems - awareness programme required
A.6 Beneficiaries to be involved in establishing plan of housing units		Units possibly not meeting diverse needs of communities	Municipal				Best practice examples to form basis of awareness programme	Shared experience of best practice. Alignment of best practice	Municipality to become aware of policy – procedures & guidelines
B: Local Government									
B.1 Alternative forms of land tenure required		Housing choices not meeting diverse needs of communities	Municipal				Inter-municipal practice of sharing information	Institutional alignment for existing policy to be consistent	Existing alternatives (rural/urban) requires awareness programme
B.2 Poor communication between developers and local government		Frustration felt by developers unaware of opportunities	Municipal				Best practice to be used to illustrate “how to”	Structures to be aware of procedures	Delivery systems make provision for links between municipalities & developers
B.3 Local government not involved in contract between developer & municipality			Municipal					Alignment of new procurement procedures	New procurement regime involves IDPs & municipality as developer
B.4 No understanding of housing needs			Municipal				No practical procedures used in daily	Structures that apply this methodology	Housing needs methodologies exist but not

methodology							practice	need to align its use & understanding	clearly understood by municipalities
B.5 How housing is allocated to beneficiaries not clearly understood			Municipal				Practical application not widely understood	Alignment of allocation criteria across all structures	Allocation criteria needs to be made clear to all structures (capacity building)
B.6 No monitoring occurs with respect to quality control procedures			Municipal				Best practice case studies to be used to implement effective measures		Reality check is required at municipal level to assess effectiveness of quality control
B.7 Control of system for allocation of houses required			Municipal						Systems already in place in new procurement regime – communication/ capacity building required
B.8 Municipalities in need of empowerment by provincial & national government			Municipal				Best practice competencies required at municipal level	Structures need to be aligned to uniform levels of competence	Systems of municipal capacity building required
B.9 Implications & opportunities for cross border structures not clearly understood			Municipal				A culture of shared information & knowledge required	Municipal structures to be informed of ISRD Nodes programmes	Rural development systems & procedures to be shared with municipal structures
C: Quality (Dwelling)									

C.1 Quality of units suffer on account of poor performance of developer			Municipal				Best practice culture should exist in all municipalities	Role of NHBRC to be made clear to all structures (action NHBRC et al)	Should be covered by NHRBC procedures: -Assessment of competence of developer at inception -Monitor performance during implementation -Administer on site training
C.2 Lack of experience by developers causes delays			Municipal (Housing Division)				A culture of effective competency training should exist within industry	All structures to be aware of competencies training initiatives	Capacity building required - CETA competencies upgrading required
C.3 Need to improve quality of roof construction			Municipal				Specification of thickness of roof sheeting to be reviewed (increase gauge)	Sharing of experience require with all structures	Follow-up concerns in field and assess cause
C.4 Inferior quality of materials being distributed by suppliers affecting quality			Prov DoH / Housing Finance Institution				Practice of using inferior quality materials to be eliminated	All relevant structures / players to be aware of best practice (municipalities)	Certification of suppliers to address inferior quality of materials non-compliance of SABS standards

C.5 Delays in housing delivery caused through ineffective project cycle procedures prior to implementation of projects			Municipal	National DoH to ensure adequate capacity in province at local level			Best practice case study examples to be assembled for awareness building	Alignment of structures to institute best practice procedures – resource capacity / targets	Provincial Housing Development Plans to be reviewed to address poor performance in delivery
D: Black Economic Empowerment									
D.1 Practice of “fronting” continues to impair development of Black developers/professionals			Municipal				Best practice examples/case studies to be used in awareness raising	Alignment of all structures of relevant systems/procedures to address “fronting”	Rigorous system of screening of applicants needed. Debar/penalise culprits
E: Impact Of HIV/Aids									
E.1 Impact of HIV/AIDS on child-headed households			Municipal / Prov. DoH	National/Provincial policy does not make provision for the issue of child-headed arising from PLWA's			Grass roots experience in practice to inform government on policy	Alignment of structures to collectively generate proposals	Systems and procedures to be tested to address this urgent issue
E.2 Impact of HIV/AIDS on providers of housing including all agents in delivery cycle			Financial Institutions. Municipal	National/Provincial policy to address the debilitating impact of HIV/AIDS on delivery of housing in Limpopo Province			Impact to be addressed at coal face to establish impact and mitigating measures	Alignment of structures to address impact on delivery	Systems and procedures required to mitigate against impact
F: Quality of Housing Environment									
F.1 Putting people in housing far away from resources and employment			Municipal				IDP process needs to be discussed at grass roots	All relevant structures to share experience and	IDP process this issue; -awareness to be created via

							level	build capacity	workshops in the province
F.2 Diversity of cultural characteristics not reflected in housing environments			Municipal				At a practical level- concerns to be raised during IDP process. Needs assessment required	Alignment of structures to take cognisance of concerns	An effective IDP system and set of procedures should address this matter in all areas
F.3 People move in search of jobs et al and register on IDP waiting list- At implementation not in area in question			Municipal			Policy provision required to address this situation	Municipality to keep regular check on waiting list and project beneficiaries	Alignment of best practice required in relevant structures	Municipality requires a system to track stability of local community

Limpopo, Group 2: Linking Mechanisms and Systems

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A. Land									
A.1 Process for acquiring communal land or land held in trust by traditional leaders is difficult		Delays in use of rural subsidies	Prov. DoH	White paper offers solutions. Development Facilitation Act offers mechanisms for public involvement in process			Increased involvement of community is beneficial	Alignment of structures to achieve win-win outcomes	Improved liaison between stakeholders: traditional leaders, municipalities and civics
A.2 Access to land in commercial farming areas is difficult		Delays and frustration	Councillor	DoH proposal to give conditional institutional subsidy for rental housing would address part of problem		Farm workers policy needed Home ownership through creation of agrivillages		Structures to be aligned re: Farm workers housing policy	
A.3 Slow and uncertain processing of deeds of grant in R293 towns		Delays	Prov. DoH					System needs to be standardised between different administrations (old homelands). Use of paralegal staff to be	

								encouraged	
B: Subsidy									
B.1 Subsidy income ceiling of R3 500 too low			Municipal		In-crease limit in line with inflation				
B.2 Individuals cannot access credit from housing finance institutions		Limits access to housing by some groups		Community Reinvestment Act will assist in pushing banks to lend in rural and "red-lined" areas					
B.3 Target group not properly identified – eg, they cannot afford the housing solution made available to them		Limits access to housing			Municipalities must make use of cross-subsidies to support indigent policy	Housing must be more affordable	Better counselling of prospective home-owners required		Indigent policy must be used where appropriate.
C: Planning									
C.1 Provincial housing development plans are not satisfactory		Reduces the effectiveness of the planning and budgeting process					PHDPs should be standardised to allow the national Department of Housing to merge the data easily	Better co-ordination is required in housing planning	IDPs prepared by municipalities often do not properly address housing needs, therefore input data is inadequate
C.2 Housing developed in unsuitable locations	Reduces the asset value of the houses	Imposes cost burden on the residents		New Procurement Regime guidelines can assist overcome this concern					IDP must be used to identify appropriate locations

C.3 Municipalities must be accredited to run their housing projects	Should enhance value of developments	Increases accountability				Accreditation to either implement or manage housing projects is essential and cost effective		Develop service level agreements between municipalities and province	Provinces and municipalities should co-ordinate with regard to inspection of housing projects
D: Quality (Units)									
D.1 Housing quality not satisfactory	Encourages payments boycotts	Creates negative perception of housing,				Housing should be environmentally sound and energy saving		Municipalities to align quality control measures with NHBC	

Limpopo, Group 3: Supply-side Issues

ISSUES RAISED	Linkages/ Dependencie s	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedur e s
A. Social Housing Institutions									
A.1 Linking savings to subsidies is slowing down delivery	Potential exclusion of lower income groups	Delays during period for saving own contribution	Municipal		Clarify policy for linking subsidies to beneficiaries' own contribution Make undertaking to savers. Policy should support this				Effective systems required between NURCHA and Nat. DoH
A.2 No housing for special needs (HIV/AIDS Orphans)			Municipal	National DoH collaboration with Social Welfare should provide policy for housing for special groups		Guidelines required	Case studies to illustrate and inform policy		
A.3 Non payment of rental affects the sustainability of these institutions. Very low cost recovery	Poor maintenance due to poor cost recovery	Reluctance of new agencies to enter rental market	Private sector				Case studies to inform policy	National DoH in collaboration with Social Welfare should provide housing for special groups	

<p>A.4 Access to subsidy has slowed down due to new policy of “own contribution”. Confusion on meaning of sweat equity</p>	<p>Potential exclusion of lowest income groups</p>	<p>Delays while beneficiaries raise funds</p>	<p>Municipal</p>		<p>This policy needs to be reviewed and own contribution should not be made mandatory and clarity communicated to stakeholders on meaning of own contribution and sweat equity. ITC report to be reviewed</p>				
<p>A.5 Majority of tenants falls in subsidy bands that cannot afford to stay in the institutions.</p>	<p>Limits access to housing by certain income groups</p>		<p>Private sector</p>		<p>Collapse subsidy bands and increase subsidy levels</p>				
<p>A.6 No viability of social housing on current rate of payment and current tenants</p>			<p>Municipal</p>		<p>Policy to be revised to define beneficiaries of social housing to the people earning up to R7000 p. m</p>		<p>Problems to be studied and remedies proposed</p>		

B. Private Sector									
B.1 The private sector does not enhance housing development or delivery		Lack of participation limits available solutions	Municipal					Private sector to form partnership with municipalities, and other government structures	
B.2 Access to housing finance is often a big problem for end users particularly those in the low income group		Lack of participation limits available solutions	Housing Finance Institution				Encourage the state to legislate and force banks to participate in the low-income market. Encourage savings. Coordinate more financial intermediaries in the province		
B.3 Lack of private sector financing due to perception of high risk		Limitation of income groups served: reduction in overall output	Housing Finance Institution		Re-look at way we structure loan of money to reduce cost of money (by Government) Restructure cost of money			Government to accelerate solutions to land tenure issue Private and public sector partnerships and support	

C. Peoples Housing Process									
C.1 Linking subsidy to savings is becoming a problem (poverty among beneficiaries)		Delays while beneficiaries try to save	Municipal	Review policy and clarify what is meant by savings and sweat equity					Awareness raising needed of PHP savings group opportunities
C.2 Slow process			Private sector				Need for training and capacity building Support Centres required		Municipalities to introduce systems to link IDP with PHP procedures
C.3 Slow process and lack of understanding by beneficiaries and role players of process		Delays and/or confusion	Private sector Municipal				Review the policy and embark on awareness campaign to explain it to all stakeholders		Support centres Government / policy review of process accountable and sustainable Support Organisation
D. Training Programmes and Consumer Education									

D.1 Lack of sufficient understanding of housing rights and obligation by stakeholders, borrowers and beneficiaries.			Private sector Municipal			Conduct reality check on understanding of Housing Code via Prov DoH	Training programmes for beneficiaries at municipality level Ensuring all new borrowers attend a training education policy to enable clients/beneficiaries to know their rights and obligation		Awareness raising needed
D.2 Recipient of housing subsidies do not all understand the value of what they are getting, either starter houses or rentals		Lack of understanding of asset value of housing	Municipal Private sector				Coordinated process of providing education to all beneficiaries		
D.3 Municipalities lack capacity to handle housing delivery and development	Impact on programming and budgeting	Delay in implementation of policy and construction of housing units	Municipal			Capacity building programme to be driven by National DoH	The national department in conjunction with DPLG and DoL to embark on training and capacity building programmes for housing staff at municipalities		

D.4 Housing issues, Policies, process and procurement issues are not sufficiently understood by emerging contractors		Implementat-ion delayed by confusion and uncertainty	Private sector			National capacity building programmes required	National capacity building programmes supported by DoL and other development agencies encourage emerging contractors to participate in the housing sector	Emerging contractor associations to arrange for awareness raising initiatives	
D.5 Lack of understanding of housing delivery process and home owner's rights and obligations			Private sector			National DoH to drive this initiative	Capacity building and training to be on government agenda for all role players and beneficiaries		
E. Role Of Municipalities									
E.1 Relationships between municipalities and the construction industry are often strained because of poor quality and slow pace in delivery			Private sector					Ensure that contractors, especially emerging contractors, are registered with NHBRC.	Ensure training and capacity building programmes for municipalities and emerging contractors

E.2 Municipalities cannot deliver on the waiting list. Poor quality of housing, slow and long waiting list.		Delays due to inadequate participation by Municipalities	Municipal	Review role of municipalities to identify bottlenecks	Request more subsidies from national.	Capacity building programme to support municipalities		Municipalities to share and build skills and capacity	Encourage municipalities to prepare housing sector plans and ensure that the IDP process captures all housing and planning issues
E.3 Municipalities are faced with how to cope with housing for special needs (aids orphans, farm workers, immigrants, etc.			Municipal	The national department together with Department of Social Welfare to take responsibility for this			Establish case studies to illustrate special needs and to inform policy		
E.4 Poor communication between municipalities and other organs of state and their immediate environment on housing matters. Municipalities and state owned entities are working in a disjointed manner		Delays and poor implementation	Municipal Private sector				Each municipality should have a communication department and to maintain ongoing dialogue with stakeholders Integrate efforts of provincial, local, national government and SMME's Strengthen capacity at national levels to support provincial and local levels		

E.5 Role of municipalities in housing delivery is not very clear		Delays and poor implementation	Municipal					Review role of municipalities in housing delivery in line with appropriate competencies and improve the quality and rate of housing delivery	
E.6 No formal dialogue between municipalities and the private sector		Sectors of the market not addressed	Private sector	Enabling legislation to encourage private sector to form partnerships with the municipalities				Municipalities to arrange for regular interaction with private sector organisations	
E.7 Municipalities not actively involved in the PHP		Certain income groups / individual interest groups not served	Municipal			PHP to link with municipalities via District Municipalities			Municipalities to be actively involved and monitor the PHP
F. Housing Development									
F.1 Lack of agency in province			Municipal				Need to investigate need for housing development agency		

G. Role of Rental Housing									
G.1 There is a general tendency from all occupants to strive for ownership			Private sector	Review policy to ensure sectional ownership when suitable conditions exist.					Municipalities to consider rental options via IDP process
G.2 Resale of RDP houses extra costs to new owner e. g transfer costs, rates and services costs of previous owner		Lack of secondary market results in devaluation of the housing stock	Private sector	Exempt sellers from transfer costs. Rates and services arrears from previous owners should not be passed on to new owners.			Use case studies to inform and confirm need to review policy procedures		
G.3 Poor state of available social rental housing and lack of maintenance			Private sector				Improve maintenance on social rental housing	Social Housing Institutions to share best practice principles re: maintenance	
G.4 Lack of sufficient and good quality rental housing		Certain groups not served	Housing Finance Institution	Institute rental housing policy and subsidy programme		Guidelines for capacity building required for institutional capacity			
H. Hostel Redevelopment									
H.1 Hostels are in poor state and difficult to convert into family units			Municipal				Examples of successful conversions to be made available to municipalities	Prov DoH and municipalities to accumulate and share best practices	Social housing institutions to be responsible to convert current stock into family units but needs

									support from national Government
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6. FREE STATE WORKSHOP HELD 27 JANUARY 2003, PRESIDENT HOTEL, BLOEMFONTEIN

Free State Group 1: Demand-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
Free State Province									
A. Quality (Dwellings)									
A.1 Appointment of contractors that lack essential competencies and skills			Prov. DoH				Conscious effort to promote in-service training required	NHBRC not yet fully operational in Free State	<ul style="list-style-type: none"> - Effective pre-planning needed - Capacitation of contractors prior to commencement of project work - Allocate 40% contracts to emerging sector + support - Partnership with qualified contractors leads to skills acquisition
B: Finance									
B.1 Allocation of subsidies too late in			Prov. DoH			Apply existing housing	Early planning and submission	Align structures to achieve	-Alignment of budgets of key

financial year						strategy of Free State Province	of applications to Prov. Dept of Housing	integrated project outcomes	department; -PHDP's should achieve better integrated planning; -Planning to be in a 5 yr. cycle
B.2 Difficulties and problems associated with explanation to communities that they now need R2479 contribution			Municipal	Policy formulation and revision needs to be conducted via an interactive process involving Provincial Dept. of Housing and municipalities			Maintain regular and sound communication with Municipalities and communities	-All relevant structures to align approaches and policy development procedures; -Linkage to LED initiatives	-Interactive and timeous link with communities; -effective community awareness programmes; -Policy changes to be phased in
B.3 Number of subsidies allocated to municipalities fail to meet huge demand; (Perceptions exist that municipal structures nor involved in determination of need).			Municipal			National Dept. of Housing to drive PHDP process and build necessary capacity	A culture of accepting realistic targets v resource availability needed	Align key structures involved with PHDP process	Introduction of PHDP's will iron out both; -lack of awareness; and -an accurate indication of need v available resources
C: Capacitation (Municipalities)									
C.1 Housing Delivery too slow			Municipal				-Allocate more subsidies to those bodies that can deliver; -Involve all key players including communities in day to day	Align all relevant structures involved with PHDP process responsibilities	-System of introducing tenders with stiff penalties; -Improve land identification . (5 yr. Plan)

							activities		
C.2 Insufficient dedicated capacity at municipal level			Private sector	Clear way forward required to be led by National and Provincial governments addressing realities and viewpoints			A culture of sharing experiences (best practice) required	Align all structures to improve performance of municipalities	-Continuous programme of encouraging municipal involvement; -Capacity building re: introduction of PHDP's; -Assign responsibilities to dedicated persons; -Balance speed of delivery with building capacity of municipalities
C.3 Insufficient beneficiary involvement in design/choice of house type			Municipal				Best practice examples to be used via horizontal exchanges between municipalities	Align all municipalities with best practice case studies that reflect policy	Awareness procedures required of PHP and best practice approaches that currently exist
C.4 How can capacity of municipalities be built to achieve accreditation			Municipal			National and Provincial dept's of housing to address the challenge	Best practice case studies to be identified and applied	Align all structures in capacity building leading to accreditation	Capacity building system to be applied to tie in competencies for accreditation
C.5 More capacity building is required to increase competencies of all			Private Sector			Capacity building programme is needed to	A culture of teamwork and synergy competencies	Alignment by stakeholder parties in delivery chain	System needed at municipal level to identify competencies

stakeholders						address delivery chain competencies	is required	approach	required in delivery chain
D: Policy									
D.1 No guidelines are available for farm-workers housing; -Good project proposal prepared but no subsidies available			Prov. DoH	An integrated set of guidelines are required to address the challenge involving all relevant players and stakeholders			Practical solutions to be packaged as best practice case studies	All relevant structures to align their efforts to meet this challenge	Strategy needed at local level to overcome fear by farmers re: tenure issue
D.2 Is government's long term objective to address low-cost housing?			Municipal	Policy objectives are now more qualitative than previous quantitative targets-Now quality of both the unit, housing environment and poverty are the objective			Practical examples are required to link theory with practice	Structures are now required to pool resources and skills to collectively meet these challenges	Systems are now required to address change in focus and priority
D.3 Why does the policy drive away big companies/ (construction) and the banks?			Prov. DoH	An ongoing pursuit for the increased participation of big construction companies and banking sector required			- Culture of ignorance prevails - Culture of continual awareness required	Shared awareness of causal relationships	- Awareness of market forces and guarantees that banks demand - Awareness of norms/stds versus subsidy amount = minimal profit
D.4 Why is the role of the PHP only seen as a last resort option?			Prov. DoH				Culture of uninformed provincial officials needs to change	General awareness of provincial policy thrusts required	Awareness of internal DoH policy thrusts required
D.5 Confusion concerning change in policy regarding R2429 contribution			Municipal			National to ensure HoDs - Provincial DoH - conduct		-All structures to be aligned re transition (policy)	Broad based awareness required to cover transition

						awareness (DPLG Province)		direction) - LED initiatives to bridge affordability	between old PHP & new procurement regime
E: Systems/ Procedures									
E.1 Perception that Provincial DoH (MEC) gives projects (big) to big developers & not small projects to small contractors			Municipal				Practice of allocating small projects to small contractors to be adopted	Alignment of structures in terms of provincial strategy & focus	- IDP led initiatives need to be supported - Strategic priority outcomes needed (balance delivery with capacitation) - Prov DoH to make clear & transparent policy & allocations
E.2 Identification of land too slow			Municipal				Practice of completing IDP on schedule (best practice to be collected & shared)	- Alignment of key structures involved in delivery chain (capacitated) - IDP (Prov/ Municipal IDP process to be improved	- All essential links in delivery chain to be efficient (system capacity building) - IDPs to be completed on schedule
E.3 How to deal with ever growing waiting lists			Municipal			Best practice case studies to be shared by National	Identification of best practice case studies	Alignment of municipalities in terms of best practice	Systematic building of appropriate ways of addressing waiting lists
E.4 Developers & contractors being			Municipal				- Perhaps in practice Prov	Alignment of shared	- More opportunities to

appointed on behalf of municipalities by provincial DoH							DoH has acted as "developer" - Accountability should rest with municipality	understanding of realities	be given to municipalities by provincial government - Perhaps incorrect perception requires awareness of actual practice
E.5 What needs to be done to ensure effective participation in P H D Planning process?			Prov. DoH			Incentivise guidelines required to subtly solicit compliance	- Practical levels of competence required - Acknowledgement of good governance & reward system	All structures to be aware of compliance criteria / measures	-Planning process to be ongoing - Regular monitoring & review - Dedicated responsibilities - Compliance measures & capacity building

Free State, Group 2: Linking Mechanisms and Systems

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Land									
A.1 Lack of appropriately located and serviced land		Delays	Municipal	State should expropriate land where no other suitable land exists			Provincial DOLGH and DEEAT to work closely to expedite development, esp. EIAs	Co-ordinate with DLA to accelerate information on state land and transfer	IDP should identify suitable land
A.2 Process for re-zoning and removal of restrictions on land are very slow		Delays	Municipal					Accelerate and simplify re-zoning and removal of restrictions on land	Imperative systems and procedures needed
A.3 Lack of land to promote integration and hence sustainable settlements		Lack of value for housing; apartheid-type development	Municipal			Guidelines for New Procurement Regime to facilitate integrated housing areas	Inner city land should be used for rental/ social housing; sites for PHP should be identified early and developed as soon as possible		
B: Integrated Planning									

B.1 Lack of clear policy guidelines, eg on new procurement regime, role of stakeholders, access to subsidies, indigent policy		Potential confusion and delays	Municipal				Guidelines required	More capacity building required in policies and procedures	Improved communication between national, provincial and local
B.2 IDPs not always realistic		Inefficient use of funds	Province			Support required from Prov Dept	IDP should be co-ordinated with provincial sectoral programmes	Province to engage with municipalities to monitor and support the IDP process	Support to be given to access and use statistical sources consistently
B.3 Provincial housing planning does not allow long enough for quality projects to be implemented		Speed	Province				More realistic planning and implementation times should be allowed		
B.4 PHDP is not understood by municipalities, and not communicated to grass-roots		Delays	Municipal				Better quality inputs into the IDP and communication between Province and Municipalities		Improved information sharing and capacity building at municipal level
B.5 PHDP implemented in a fragmented way		Delays and inefficiency	Parastatal				Enhance intergovernmental coordination between local provincial and national government	Alignment of planning activities	
B.6 Sectoral programmes are not aligned		Unsatisfactory housing environments	Municipal Councillor	National DoH to use Social Cluster to align sectoral funding			Improve co-ordination in planning housing projects		Co-ordination systems between provincial and local

									government should be more formalised. Dedicated officials to be appointed
B.7 District and local municipalities not co-ordinated in service provision		Unsatisfactory housing environments	Municipal				Better systems for co-ordination required	Partnership arrangements to be struck	
C: Role of Municipalities									
C.1 Lack of proper handover of projects to municipality, causing difficulties in billing etc		Loss of income, poor quality control	Municipal				Improve communication between Province, municipality and developer		Improve system for use regarding handover of completed projects
C.2 Municipalities do not have the capacity to implement housing projects		Lack of ownership of housing projects	Province			Municipalities must be accredited and capacity building under-taken with realistic time-frames, and responsibilities for implementation		Municipalities must establish housing departments / multi-skilling	
C.3 Role and effectiveness of state-owned enterprises not clear		Speed and quality of delivery	Province				Need for effective monitoring of state housing institutions and clarification of mandate and functions	Review the role and effectiveness of state enterprises	Awareness raising required to clarify roles and responsibilities
D: Finance									

D.1 Poor people eg. unemployed cannot afford the own contribution		Delays	Municipal		The own contribution to be reconsidered in light of affordability. Delays in implementation and lack of PHP projects				Systems needed to link saving to subsidies
D.2 No clear guidelines on operation of savings scheme: NURCHA system inaccessible		Delays	Municipal			Accelerate guidelines on savings schemes and consider alternative mechanisms			Examine systems proposed for the mechanism, and search for more appropriate ones
D.3 Progress payments should be made for PHP projects		Delays due to lack of funds	Municipal		Guidelines should be more flexible to permit this				
D.4 No clear division between income and expenditure on housing and general municipal funds as no separate account can be opened		Possible impact on finance	Municipal		Separate fund within municipal accounts should be created				Relevant financial statements required
D.5 Insufficient funds and staff within municipality for development of housing projects		Delays	Municipal		Systems to accredit and municipalities and permit transfer of funds from Province should be accelerated	Capacity building programme required to build staff complements		Municipalities should establish housing departments	

Free State, Group 3: Supply-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
Free State									
A: Social Housing Institutions									
A.1 Lack of funding to sustain SHIs.			Dept. of Housing		Require grant and donor funding	Guidelines needed to direct consumer education	A culture of shared best practice to be established	Prioritisation of social housing programs should be in line with other subsidy programs (alignment)	Administrative systems to be improved via capacity building - Consumer education required
A.2 Ineffective functioning of social housing institutions			NHFC		Funding required for effective functioning of SHIs		Require improved governance and management	All structures to align best practice systems & procedures	Effective operational and financial management systems required
A.3 Lack of cost recovery			NHFC		Increased allocation for social housing subsidies.		More effective buy-in by police re evictions	All structures to adhere to best practice systems & procedures	More effective screening of applications re: affordability / risk. Potential beneficiaries to become aware of responsibilities

A.4 Lack of national coordination of policy			Municipal	Guidelines required to assist structures operate in accordance with policy measures				A national coordinated plan is required for all relevant structures	A system to facilitate synergy between institutions	
B: Private Sector										
B.1 Lack of incentives for the private sector			Prov. DoH Municipal	Shared risk policy measures required	Incentives for the private sector required			Innovative practice of shared risk needed	Alignment of structures to principles of shared risk	Systems is needed to share risk required
B.2 Red lining, lack of empowerment, volatile markets.			Prov. DoH Municipal	New CRA legislation to address red lining		Guidelines to promote alternative construction methods		Integrated guidelines for improved consumer education	Alignment of effective measures to be adopted by all relevant structures	-Systems of screening project tenders -Penalise defaulters -Consumer education needed
B.3 Developers delay housing delivery process			Prov. DoH			Guidelines for municipalities to address offenders			Developers to attend compulsory workshops organised by municipalities	Clarify & improve the procurement process System & procedures needed to address offenders
B.4 Non-promotion of alternative construction technologies			Municipal Prov. DoH			Guidelines for promotion of alternative technology needed		Case studies to illustrate use of alternative technology	Best practice to be shared by all relevant structures	Awareness programme to promote alternative technologies

B.5 Private sector not willing to take risks			Municipal	A framework is required that facilitates risk sharing to be prepared in collaboration with key players				Alignment of all players re: risk sharing	
C: Peoples Housing Process									
C.1 Require more support More capacity for contractors within the communities			Prov. DoH			Guidelines required to facilitate effective capacity building		Alignment of key structures re: opportunities for capacity building	Awareness programmes of capacity building opportunities
C.2 Beneficiaries not properly consulted in the construction and manufacturing of the materials			Municipal				Projects to be implemented using best practice guidelines	All relevant structures to align procedures re: involvement of beneficiaries	Procedures in PHP guidelines to be clarified with project initiators
C.3 Misunderstanding of PHP process.			Prov. DoH Municipal			Review guidelines to check relevance to concern	Raise awareness of house types and implications thereof	Alignment of key structures re: PHP process	Awareness campaign needed to clarify concerns (workshop / roadshow)
C.4 Vulnerability to be hijacked by unscrupulous elements			Municipal				Case studies to be packaged to illustrate abuse & measures to ensure compliance	Municipalities & NGOs to adhere to policy guidelines	Systems required to ensure policy compliance
C.5 People's housing process not implemented according to the prescripts			Municipal			Reality check required of Provincial govts interpretation of policy principles		Provincial DoH to hold workshops in areas where PHP projects are in implementation or are likely	Systems needed to assess compliance to be applied during initial application for funding of projects

C.6 Subject to abuse, fraud and corruption.			Municipal			Reality check needed to ensure provincial govts effective management	Practice of checking for compliance required	All relevant structures to apply clear systems of management	Clear indication required to check compliance and reduce risk of fraud / corruption
D: Training Programmes And Awareness									
D.1 No single nationally co-coordinated capacity building programs			Prov. DoH	Simplification of the housing code and promotion of easy guidelines for the officials				Institutional arrangements to be in place within the municipalities in terms of the mandate, staffing and resources	Awareness raising programmes to inform all stakeholders of capacity building opportunities
D.2 No housing competence and capacity within municipalities ie, mostly not covered in the planning			Prov. DoH	Overall framework required to guide housing competency and capacity building – SMME support and training Housing practitioners to be trained in tertiary institutions		National DoH to drive housing professionals competency development; and; Capacity building at municipal level - Reality check needed at Prov DoH to ensure awareness takes place	Case studies of best practice processes & procedures required	Alignment of all relevant structures with guideline framework	
D.3 Officials still do not understand the different subsidies programs and people's housing			Municipal				Ongoing culture of awareness raising & skills acquisition required	Alignment between structures re: awareness raising	Awareness programmes to address lack of understanding by govt officials

process									
E. Role of Municipality									
E.1 No housing competencies / planning is not covered in the IDP's			Municipal	Strategy required to address housing professionals' competencies			Case studies of successful competency building required	Alignment of structures re IDP process re: to housing. Need to institutionalise housing function within municipal structures	Awareness raising of IIDP process and related planning responsibilities
E.2 Housing not prioritised in some municipalities			Municipal					Key structures to ensure compliance takes place re municipal management	Systems of prioritisation required in municipalities (use case study examples)
E.3 Provincial Government implements but there is no legal enforcement.			Municipal	Review constitution re: compliance obligations / responsibilities for prov govt				Alignment of provincial Depts of Housing re compliance procedures	Systems needed to ensure policy compliance
E.4 Capacity constraints, unfunded mandates and access to land are challenges			Municipal	Guidelines for new procurement regime will address land needs High level political intervention re unfounded mandate		Capacity building programme for municipalities to be driven by National Dept of Housing			
E.5 Non-completion of projects by the	Accreditation of		Municipal	New regime guidelines will			More effective administrative	NHBRC to screen	Effective monitoring

developers Slow release of land for housing	district municipalities			address land release			systems to ease release of land	applications I t o track record	system required to track developers progress
E.6 Lack of human resources capacity			Municipal	Review the Municipal Systems Act so that housing can be formally recognised as a function of the municipalities		National capacity building programme required		Structures to address sharing skills and resources	System of multi-skilling required (delivery chain capacity building)
E.7 Role clarity on the function of the municipalities at district and local levels			Municipal	Roles & responsibilities to be clarified via working sessions		National DoH to drive role clarification			Awareness raising required via provincial DoH
E.8 Resolve the contradicting issues between the Housing Act and the Municipal services Acts			Municipal	Review conflicting areas between two Acts Clarify outcomes					
F: Housing Development Agency									
No input			Prov. DoH						

G. Rental Housing									
G.1 Depleting rental stock			Municipal	Rental policy & guidelines required Sub-letting of on-site accommodation needed			Case studies to be collected to inform policy & practice		Systems required to manage sub-letting of rooms
G.2 Rental not affordable to low income earners			Municipal	Innovative policy measures needed			Case studies to inform policy and practice	Funding structures to seek alignment of funding Sharing of risks by structures	
G.3 Rental is currently supply driven			Municipal	New procurement regime can ensure demand driven approach				Alignment of best practice IDP process	IDP process to ensure rental housing becomes demand driven
G.4 Poor living conditions			Municipal					All municipalities to become demand driven through IDP process	IDP process to address poor living conditions
G.5 Lack of beneficiaries education			Municipal			Consumer education programme to be promoted by National via Prov DoH	Change in mind set & culture of beneficiaries re: rental housing	Alignment of structures in delivery of consumer education	
H. Hostel Redevelopment									
H.1 Only three municipalities in the	Need to convert into		Municipal	- Link hostel concepts to				Relevant municipalities	Interactive system of

province have hostel stock	proper family units			rental housing approach - Need policy name change - Review conceptual approach				to identify needs of hostel dwellers	involvement with hostel dwellers required
H.2 Mostly not in habitable conditions			Municipal				Case studies to indicate potential outcomes	Alignment of approach by relevant structures	Interactive system of involvement with hostel dwellers required
H.3 Breeding ground for criminal , social , and political problems			Municipal				Practical solutions needed to socio-political problem		System of securing buy-in by residents to address problems
H.4 Often associated with the apartheid regime			Municipal	Need for new conceptual approach with buy-in by all stakeholders			Case studies of successful examples to inform policy & practice		
H.5 There is need for new policy and change of the mind-set			Municipal	New conceptual approach to be carried out				Alignment of relevant structures in forging new approach	Systems needed to involve hostel residents in new approach

7. NORTHERN CAPE WORKSHOP HELD 29 JANUARY 2003, HORSESHOE MOTEL, KIMBERLEY

Northern Cape, Group 1: Demand-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
NORTH CAPE									
A: Subsidy Criteria Sale Of Assets									
A.1 Beneficiary sells asset and moves into rental accommodation			Municipal	Legislation required to prevent resale (existing policy requires resale to Prov DoH)			Opportunities can be tested in practice & become best practice	Sharing of best practice with associated structures	Introduce community based swap mechanism ownership to rental eg
A.2 Resale of assets at a value less than subsidy amount			Prov DoH	Policy now under review to resolve constitutional matters			Case studies of situations to be used to inform policy revision	Align relevant structures with process & outcome re policy	Awareness programme with beneficiary groups of value of asset & resale opportunities
A.3 Can divorced person (court order) with dependants qualify for subsidy?			Municipal	Policy requires a will to be submitted on subsidy application			Grassroots experience will inform policy revision	Alignment with Dept of Justice to ensure legal consistency	System under review - if a female & male inherit asset female can qualify
A.4 Eligibility criteria for single person with dependants too high at 21 years (child headed household)			Prov DoH	Policy to reduce minimum age to 19/20			New proposals to be tested against case study examples	All relevant structures to be involved in this process	

A.5 Qualification criteria for subsidies already too low – irresponsible youth acquires & abuses assets			Municipal			Prov. Housing Development Plan (5yr) will assist	Community compact mechanism to assist	Sharing of experience by relevant structures	Conduct awareness programmes to avoid practice of abuse
B: Quality (Asset)									
B.1 Electricity essential for houses – enhance quality/ value/ economic/ human development			Construction Sector			Make provision for internal reticulation N E Regulator funds external reticulation		Construction sector structures to generate awareness of policy guidelines	General awareness campaign/ enquiry service required for ad hoc enquiries
B.2 Current housing delivery results in poor workmanship			Municipal				Practice of in service training to become the norm	NHBRC not yet fully operational	<ul style="list-style-type: none"> - Effective pre-planning needed - Capacitation of contractors prior to awarding of contract - Partnerships with qualified contracts - NHBRC to address
C: Finance Beneficiary Contribution									
C.1 Assets built too small not sufficient funds			Municipal			<ul style="list-style-type: none"> - Escalation factor to be linked to subsidy - System of rewarding beneficiary initiative 	Attitudinal change in thinking of solutions		Awareness programme for beneficiaries re alternative options

						needed			
C.2 How can poorest of the poor accumulate R2479 contribution?			Regional DoH		- Saving scheme linked to subsidy/ credit via NURCHA - PHP rural subsidy does not require R2479		Practice of utilising sweat equity to offset contribution		Awareness programme to open up opportunities for beneficiary response (HOPE)
C.3 Cost of services vary/ differ from one locality to another – resulting in different products			Prov. DoH	Separate serviced land and house in terms of subsidy amount		Apply new procurement regime to achieve this			
D: Sustainability									
D.1 No jobs and social services infrastructure where housing is required			Municipal		Possible partnership to pool funding streams	- Survival strategy required (incentives) - For new projects – apply PHDP/IDP to address realities	- Interaction with residents to indicate options/ realities - Survival strategy to be prepared	Alignment of relevant structures to achieve maximum impact	A system of partnership is required to maximise investment potential and achieve integrated outcomes
E: Municipal Capacity									
E.1 Limited capacity in municipalities to facilitate involvement of people in housing delivery chain			Municipal		Funding to focus on integrated plans	Capacity building frameworks required	Best practice to serve as basis for skills acquisition	Build all essential structures into delivery chain	- System of mentoring on an experienced official to official basis - Capacity building (delivery chain)
F: Farm Workers' Housing									

F.1 Demands being placed on small scale farmers for housing (gap in policy)			Farm Workers Assoc.	Policy & guidelines required	Institutional subsidy instrument a possibility (Farm Workers Association)	Realities of complexities require linkages with other departments	Case studies illustrating variety of situations to inform policy	Alignment of relevant structures to form essential partnership arrangements	- Awareness of options available to be conducted - Practical procedures required
G: Consultation / People's Participation									
G.1 People on the ground are not being consulted adequately before, during and after project implementation			N Cape Prov. Legislature			Provision to be made to ensure compliance with guidelines	Introduction of new procurement regime in practice will use municipality as developer to ensure people are involved	Alignment of relevant structures to ensure consistency in regime implementation	Awareness programmes to cover people's role in New Regime
G.2 Pre-screening of applications take too long by Provincial Dept of Housing			CBO/ NGO			Dept of Housing (National) busy with municipal access system	All relevant information to be obtained at source & provided	An alignment of relevant structures on speeding up procedures	Clarity & awareness of procedures to be consistent on both sides
H: Structures									
H.1 Assignment / delegation of housing functions to municipalities not always well understood			Prov. DoH			Interactive programme involving all three spheres of government		Alignment of capacity building programmes needed DPLG busy decentralising powers	System of capacity building using delivery chain approach
J: Systems									
J.1 Is NHBRC sufficiently geared and has capacity to			Prov. DoH			Guideline required for municipalities	In service skills acquisition required	- Build capacity at municipal level	System of pooling skills to build capacity

serve all provinces satisfactorily?						on capacity building		- Share resource capacity between structures	needed
K: Land									
K.1 Absence of land legislation to allow land to be made available at no cost to NGOs			CBO / NGO				Policy exists where municipality has serviced land with own funds = no cost to developer / NGO	Alignment of all structures re existing policy	Awareness programme required
K.2 More land required for low cost housing			Municipal			New procurement regime will meet this need		Alignment of structures in terms of understanding of new requirement	Awareness programme required re: new procurement regime
L: Integration									
L.1 Absence of health & educational facilities in housing areas			District municipal		Mechanism required to assemble packaged funding stream		Practical working relationship required - champions in relevant departments	Alignment of relevant depts to ensure integrated outcomes	Awareness of new role of municipalities as developer to ensure integrated approach

Northern Cape, Group 2: Linking Mechanisms and Systems

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Land									
A.1 Transfer of land too slow due to zoning restrictions (agricultural – residential) and township establishment procedures		Slow delivery	Municipal				Work with all stakeholders together to avoid delays		Establish land committee to co-ordinate and implement
A.2 Farmers are throwing workers off their land, and creating housing problem for municipalities		Housing backlog will increase	Municipal	Establish system whereby farm workers can benefit from subsidy scheme			Case studies of successful schemes needed	Municipalities to establish productive working relationships with farming community	IDPs to address farm workers needs in integrated framework
A.3 Mining land sterilises large areas		Unsatisfactory land being selected due to lack of alternatives	Municipal	Department of Energy and Minerals should enforce requirements to rehabilitate land after mining has ceased					Mine rehabilitation should be monitored to ensure that it is done when and as required

B: Alignment of Plans									
B.1 Lack of alignment between Integrated Development Plans and Provincial and National Plans	Inefficient usage of funds		Prov. DoH Municipal	IDP should inform provincial and national housing development plans				Partnership arrangements to link IDPs with PHDP Plans	
B.2 Lack of ownership of IDPs which are done by consultants	Housing being developed in unsatisfactory locations	IDPs not fully utilised	Prov. DoH Municipal			Reinforce PIMMS centres and capacity of District Municipalities to support Local Municipalities	A practice of linking consultant-driven IDPs with in-house municipal officials		System of placing officials within IDP process
B.3 IDPs too narrow, and make unreliable projections		Uncertainty and inaccuracy in planning and budgeting process	Municipal					Local municipalities should get more support and capacity building in housing policy and practice	
B.4 Planning and co-ordination does not work in practice	Inefficient use of resources		Prov. DoH	Stakeholders should enter into memoranda of understanding with compliance systems				Alignment of relevant structures in terms of compliance	
B.5 Procedure for initiating projects not clear: what comes first?			Municipal	The process for the new procurement regime is in Chapter 3 of the Housing Code					

B.6 Lack of understanding of housing policy and implementation process		Delays and wasted funds	Municipal				Province is preparing a user-friendly version of the Housing Code		Awareness raising required
C: Municipality									
C.1 Municipalities cannot afford to identify and develop housing projects		Delays and uncertainties	Municipal		Province to make available bridging loan funds			Municipalities to approach DoH for funding	
C.2 Poor financial management by municipalities results in stringent controls on funds allocated by Province to municipalities		Strict controls and reporting procedures required by Province before any payments	Prov. DoH				Better training of officials is required		More efficient management systems required
C.3 Housing projects create burden on municipalities due to non-payment of service charges		Delays and uncertainty	Municipal	Revise and refine indigent policy Review equitable share formula					Innovative systems of cost recovery required by municipalities
D: Subsidy/Savings									
D.1 Subsidy level has not kept pace with building costs	Expenditure	Reduction in amount of housing built	Contractor		Increase annually in line with inflation				Systems of combining serviced sites with PHP required
D.2 Income ceilings for subsidies out of date	Expenditure	Important sector of population unserved	Developer		Revise annually in line with inflation		Case studies to inform policy		
D.3 Subsidies do not allow sufficiently for differential costs eg, soil conditions	Expenditure	Reduction in house construction due to	Municipal		Make increased allowances for soils, and		Case studies to inform variations in soil, topography and		

		limitations in cost			climate and remoteness		climate		
D.4 Lack of insurance for house (top structure)		Lack of security for low income housing dwellers	Prov. DoH			Undertake feasibility study for group insurance systems			
D.5 Insufficient motivation to save for housing	Delays due to slow take-up of subsidies	Lack of pride in product and sense of ownership due to low personal financial commitment	Municipal	Fiscal incentives to encourage savings	Establish high interest rate, accessible (eg through post office) savings scheme for housing				Systems to link savings to subsidies required

Northern Cape, Group 3: Supply-side Issues

ISSUES RAISED NORTHERN CAPE	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Social Housing Institutions									
A.1 Limited experience in this province			Prov. DoH	Social housing to be basis for rental housing options			Case studies of best practice to inform rental housing policy		
B: Private Sector									
B.1 Low profit margin and no meaningful incentive for the private sector			Private sector/ Municipal		Increase in subsidy amounts suggested		Case study material to be assembled to be included in awareness raising of potentials	Pool funding streams to increase financial viability of projects	Awareness raising in private sector bodies
B.2 Lack of access to finance for emerging contractors: no bridging finance, security, capital etc			Private sector/ Municipal			User friendly guidelines required to form basis of effective communications strategy	Examples of packages of bridging finance support to be assembled	Alignment of structures that support bridging finance services State housing bodies to communicate / market their services	Awareness of NURCHA's role in bridging finance

B.3 Difficult market for emerging contractors to compete			Emerging contractors			Guidelines prepared by National Dept. Housing and NURCHA	Practical examples of methods to access bridging finance to be used in awareness raising	Emerging Contractor Associations to approach NURCHA for information, re: access to bridging finance	Awareness raising by Emerging Contractors Associations using guidelines etc.
B.4 High inflation and lack of price monitoring and control for building materials			Emerging contractors			National to encourage Provincial Depts of Housing to negotiate discounts Monitoring of market is necessary	Detailed information feedback required to inform policy monitoring	Alignment of provincial structures to negotiate discounts from suppliers for emerging contractor sector Material supply industry to monitor prices/inflation impact	
B.5 No structures to bargain for contractors with suppliers			Emerging contractors	Policy to make provision for housing professionals to participate				Structures that represent housing professionals to enter collaboration arrangements with local government structures	Awareness raising required to inform and encourage professional bodies to enter sector
B.6 Elaborate process for professionals with insufficient compensation									

C: Peoples Housing Process									
C.1 Poor quality of housing			Municipal		Review facilitation / establishment grant amounts	Increase grant amounts	Best practice examples to be used to raise awareness	Municipal structures to raise awareness of PHP procedures and quality monitoring	Systems to effectively monitor quality needed Obtain support from PHPT
C.2 Communities not empowered to drive the process			Municipal / NGO			User friendly guidelines to assist municipalities to mobilise community interest	Use the best practice PHP case studies to encourage increased involvement Practical site visits / exchanges	Alignment of municipal structures to raise awareness and encourage communities to adopt PHP approach	
C.3 No meaningful contribution by beneficiaries(Sweat Equity low)			Municipal			Reality check required to match practice with policy	Review situation to identify causes of lack of sweat equity contributions	Provincial Depts. Of Housing to drive this initiative	Awareness raising of causal relationships re: failure to obtain sweat equity contributions
C.4 Implementation of policy is at provincial level- to be at local levels: process to be at municipal level			Municipal			Capacity building programme required to support municipalities		Municipal structures to request support opportunity to drive PHP process Provincial Depts of Housing to promote awareness with	System of capacity building to be applied where municipalities lack skills and capacities

								municipalities to take up responsibilities	
C.5 Community and other stakeholders not properly informed about programme			CBO/NGO	Policy to take cognisance of feedback reality check		Reality check to be conducted on user friendliness of guidelines	Case studies of application of guidelines required	Provincial Depts of Housing to collaborate on reality check	
D: Training Programmes and Capacity Building									
D.1 Lack of awareness on the PHB and difficulty in understanding the housing code			Municipal / NGO			Guidelines to assist Prov. Depts of Housing tackle awareness training	Practical and user friendly illustrations via case studies of housing process & roles and responsibilities of stakeholders	Prov. Dept of Housing to conduct awareness raising among all stakeholder groups in provinces	
D.2 Lack of capacity within the emerging contractor fraternity			Emerging contractor	Accreditation of training programmes need to be established		Targeted capacity building programmes required to link beneficiaries to implementing agents Best practice case studies to be used	Alignment of all training institutions to provide support for merging contractor sector		Systems and procedures needed to build synergy between relevant training authorities
D.3 Housing Code too complicated			Municipal NGO	Housing code need to be reviewed and a user friendly version to be prepared and published in all languages			Simplified user friendly version to be tested for legibility with representative group of stakeholders		

E: Role of Municipality									
E.1 Municipalities do not play active role in housing			Prov. DoH			Nat/Prov Depts of Housing to promote role of municipalities in housing Capacity building support needed for municipalities		Alignment of municipalities re: their role / potential in the housing process	Campaign of awareness raising of potential role of municipalities via SALGA et al
E.2 No appropriate and sufficient capacity to handle housing issues			Municipal			Dedicated capacity building programmes required for municipalities	A culture of sharing skills and competencies required by municipal bodies	Alignment of capacity building organisations to ensure effective service delivery	Systems to provide for accreditation of competencies and skills
E.3 Municipalities with capacity do not have control of the process			Municipal			Capacity building training leading to accreditation to be offered to municipality		Municipalities to approach provincial Government to take full responsibility for housing – accreditation required	System of capacity building to be conducted Accreditation process to be followed by municipality
E.4 Municipalities do not have the necessary finance to perform mandate			Municipal			Clarification of roles of municipalities in Act required		Municipalities to engage with Prov/Nat Housing re: unfunded mandate issue	
E.5 Attachment of houses due to non payment			Municipal				Case studies of situations to reveal causes of non-payment	Municipal structures to share experiences and adopt best	Systems required to address non-payment of municipal

								practice	charges
F: Housing Development Agency									
F.1 No experience in province			Municipal Prov. DoH			National to request HoDs to discuss during HoDs meeting	Example of Gauteng Agency to be prepared for other Provincial Govt Departments of Housing	Structures that express interest to discuss with Provincial Dept. Housing	
G. Rental Housing									
G.1 Formal rental housing not available for the low income category			Municipal	Rental policy for low income group required			Case studies to illustrate low income subletting practice and to inform policy practice	Municipal structures to establish management of subletting	Awareness raising of backyard subletting opportunities
G.2 Ownership is preferred than rental in the low income category			Municipal				Best practice examples of practical trade-off decision making to be available to municipalities		During IDP process municipality to determine collaboration with beneficiary communities' form of tenure
G.3 Private sector not catering for the low income group			SHIs / Private sector	Policy to clarify how rental housing can be delivered and managed			Examples of private sector rental housing grants successfully needed to inform stakeholders		

G.4 Lack of awareness by beneficiaries often leads to non-payment.			Municipal					SHIs to conduct awareness training activities to ensure beneficiaries undertake responsibilities Municipalities to assist with awareness training	
G.5 Management issues dogged institutions.			Private sector / Municipal			Capacity building programmes to secure involvement of private sector in improving efficiency and productivity		Rental housing institutions to involve private sector	Systems of mentoring efficiencies and level of productivity required
G.6 Regulate renting of backyard dwellers and prescribed minimum norms and standards			Municipal	Provision required in policy for effective management of backyard rental accommodation		Guidelines required to assist municipalities manage their institutions		Alignment of all relevant structures to ensure effective management of backyard subletting	
H. Hostels Redevelopment									
H.1 Hostel associated with socio-cultural problems(political violence)			Municipal Prov. DoH				Alternative uses of hostels to be compiled and made available to municipalities		IDP process to establish way forward re: current stock of hostels

8. NORTH WEST WORKSHOP HELD 31 JANUARY 2003, TUSK HOTEL, MMABATHO

North West, Group 1: Demand-side Issues

ISSUES RAISED NORTH WEST	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Capacity Building									
A.1 Municipal officials together with councillors required capacity building (current programmes ineffective)			Municipal			Accreditation of courses to ensure uniformity	Identify appropriate group to train (delivery chain)	- Absence of housing division / unit in municipality – (trainees return to non-housing home) - Alignment of relevant structures to address cross cutting skills	System of capacity building to link with area of responsibility
A.2 Reduce / eliminate dependency on consultants			Municipal				Need to build capacity at municipality level	Alignment of structures to share skills	- Guidelines required for selection and management of consultants - Sharing skills between municipal structures
B: Quality (Dwellings)									

B.1 Majority of houses (RDP) are identical / similar / look the same / monotonous			Municipal			- New procurement regime will address this concern - Medium density scheme will address	- Implementation of new Procurement Regime will overcome this situation - PHP can also rectify this concern	Structures to become aware of new policy	Awareness raising system required
B.2 Quality of PHP dwellings questionable			Contractor Municipal			Policy to be illustrated via best practice	Municipalities can assist in practical support	All structures to become aware of guidelines	- Careful monitoring system required - Awareness of PHP guidelines
B.3 Quality of building material used in PHP poor by passes NHBRC			Municipal				Build up practical skills & competencies at municipal level	All municipal structures will be developers in terms of new regime	Raise awareness of system in place to address quality
C: Rural Land Issues									
C.1 Land ownership not readily being achieved because of tribal chiefs' resistance			Municipal	Impasse between central govt and tribal chiefs to be resolved and a win-win situation to be established to release land for development			Best practice case studies to be prepared to inform policy guidelines	Alignment of relevant structures to address impasse	System of land development required (trade-offs needed)
C.2 Sanitation required in rural settlements			Municipal CBO	As in C:1 above to establish a working rationale to address sanitation requirements			- Case studies to inform best practice / policy - Organise community – apply for rural subsidy	All relevant structures to align approach to rural development	- System of needs assessment required - Awareness programme needed

C.3 Lack of support by traditional leaders for land for housing			Municipal	As in C:1 above to clarify future opportunities for rural communities				All relevant structures to meet with rural tribal leaders	
C.4 Confusion regarding future of farm workers			Municipal	Policy required for farm workers housing policy to be linked to other departments			Case study examples to inform policy position	Alignment of structures to address farm workers	
D: Integrated Development									
D.1 Affordability remains a crucial challenge re: housing delivery			Municipal	Conceptual approach to be innovative	Incentivised financial plan needed	Practical policy incentives to be applied to secure business sector involvement	Best practice examples to be identified and to be widely applied	Alignment of structures in terms of best practice	System required to link business sector to housing delivery
D.2 Lack of integrated, holistic and sustainable environments			Municipal				Practice of maintaining regular contact with community structures required	-Alignment of relevant social cluster departments to ensure funding for social facilities; -Aligned budgets	IDP's to be carried out incorporating resources from relevant departments
E: Community Participation									
E.1 Culture of expectation and waiting for houses from government to change to one of doing it for oneself.)PHP)			Municipal			Prov/National DoF to lead the building of a culture of self-reliance	-Effective working relationship between municipalities and communities; -Workshops within communities	Alignment of approach to be conducted in all relevant Depts.	-Awareness programme required; -Capacity building in municipalities
E.2 Communities remain unaware of			NGO and CBO's				Consumer education	Alignment of relevant	Awareness programmes re:

opportunities available to them							building confidence within communities	structures in awareness principles	PHP process needed within all stakeholder groupings
F: Land Availability									
F.1 Speedy release of land leading to infra-structural development required			Municipal				New Procurement Regime will in practice address this matter	Alignment of structures in improving efficiency of systems	-Improve efficiency of existing systems; -IDP process to be conducted; -Prioritise projects
F.2 Inability to access rural land for development purposes			Municipal	Impasse with Tribal Leaders to be resolved in a win-win manner to release rural land for housing development				Alignment re: clarification of roles and responsibilities concerning tribal structures and municipalities	System / mechanism required for conflict resolution; -Land claims to be speeded up
F.3 Bottlenecks exists re: transfer of land from provincial to local government			Municipal	Procedures required to enable state land to be transferred direct from National to local level				Alignment of all relevant structures with improved procedures	Administrative procedures to be made more efficient
G: Policy									
G.1How can government help our homeless and unemployed people			Municipal	Focus to be on ownership and not rental options			Case studies to illustrate best practice to be used to encourage NGO / CBO /municipality partnerships	Sharing of best practice experience	NGO/CBO's and municipalities to conduct surveys to identify indigent families; LED programmes required

H: Policy Abuse									
H.1 Beneficiaries selling stands. (below cost price)			Municipal		New Procurement Regime will discourage this practice		-Strict penalties to be administered; -Best practice case studies required	Alignment of structures in terms of best practice	-A contribution by the beneficiaries will discourage these sales; -Awareness programmes together with policy guidelines needed
H.2 Practice exists where subsidies do not reach target market of the poor			Municipal				Stiff penalties for abusers	Alignment of systems and procedures	-Systems re view; -Rigorous monitoring required; -Awareness programmes needed

North West, Group 2: Linking Mechanisms and Systems

ISSUES RAISED	Linkages/ Dependence s	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedure s
A: Land									
A.1 Tribal authorities not co-operating in release of land		Delays	Municipal Prov. DoH	Land Use Management Bill and Community Land Reform Bill will address this problem			Involve them from the start	Role of traditional leaders has to be clarified	
A.2 Cost of private land	Reduces amount available for top structure	Delays	Municipal						Expropriate if necessary as a last resort
A.3 Township proclamation process too slow		Delays	Municipal Prov. DoH	Consolidate and modernise legislation to simplify process					Establish deadlines linked to performance indicators
A.4 Land invasions and squatting		Implementation problems	Municipal			Allow settlement in demarcated stands on sites specified in the IDP/ Spatial Development			

						Framework			
A.5 Slow transfer of land from Province		Delays	Municipal						Set up task team to expedite land transfer
A.6 Housing not a priority in some municipalities	Unsuitable land being selected		Prov. DoH						Increase capacity at municipal level to deal with housing issues
B: Alignment									
B.1 Poor linkage between Province and National on housing, and lack of budget alignment		Inadequate planning	Prov. DoH				Appoint co-ordinators at National and Provincial level and implement good management strategies		
B.2 IDP process flawed by lack of community participation, corruption, lack of funds and skills		Low quality of land selected and unreliable planning procedures	Municipal				More support to be given to the IDP process by DPLG and Province		
B.3 No input into PHDP from some municipalities which have not prepared their own HDP. PHDP uses unreliable information			Prov. DoH				Province should support municipalities and facilitate the process		
B.4 Inadequate linkage between IDPs and PHDP			Municipal			Guidelines to be prepared on linkages			
B.5 Municipalities do not have funds for		Delay	Municipal			Funding question to be		Role of municipalities to	

identification and preparation of housing projects						examined		be expanded together with capacitation and funding	
B.6 Poor cost recovery results in drastic legal action eg attachment of moveable and immovable assets Housing projects impose burden on municipal finances due to insufficient cost recovery	Negative attitudes result in devaluation of housing	Lack of funds for maintenance	Municipal	Genuine cases are covered by the indigent policy	Present policy covers indigents – funded by equitable share				
B.7 Lack of clarity on New Procurement Policy		Delays	Municipal					Capacity building and training required	
C. Subsidy									
C.1 Quantum of Subsidy has not kept pace with inflation		Restriction of access	Municipal		Increase annually in line with inflation				
C.2 Income bands have not increased since 1994		Restriction of access	Municipal		Adjust to match rate of inflation				
C.3 Subsidy policy in rural areas not clear		Confusion for the public, reduced output	National	Policy be further developed to consider, eg improvement of existing housed					
C.4 Need for a subsidy policy to improve/extend houses		Increased positive attitude	National	Existing consolidation subsidy does not meet the need in all cases, further					

				work is required to develop the policy					
C.5 Need for subsidy to improve tenure status			National	Department of Land Affairs is working on this					
C.6 Eligibility criteria for capital subsidy need to be reviewed			Municipal	Cases, eg, single divorced woman, migrant labour which are excluded need re-examination					
C.7 Clarity needed on operation of own contribution scheme, eg collection systems			Municipal				Capacity building required		
C.8 Own contribution unaffordable by unemployed		Delays	Municipal	People's Housing Process is an option for people without savings					
C.9 Danger of own contribution being stolen near/at the collection point			NGO	Policy still being developed in detail					
C.10 Lack of capacity at municipal level to handle this			Municipal	Present policy does not use municipalities as administrators of the scheme					

C.11 How does the savings scheme work?			Municipal	Policy to be developed further			Capacity building to be undertaken when policy is finalised		
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North West, Group 3: Supply-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A. Social Housing Institutions									
A.1 Not much support is given to Social Housing Institutions	Certain sectors of the population under served	Lack of output, lower middle income group underserved	Private sector, Municipal SANDF		National Govt and foreign donors to increase grant and monitor performance. Social Housing Process to be reviewed.				
A.2 Stakeholder Interference in the operation of the institution		Delays in implementation	Private sector, Municipal					Independent Board to be appointed	
A.3 Lack of appropriate capacity at Social Housing Institution			Private sector, Municipal SANDF		Special Capacity Building grants to be provided by National, Management Support from private sector to improve performance		National training programme to be developed		
A.4 Social Housing Institutions have		Solutions may not be	NGO/CBO				National Housing to		

been supply led rather than demand led		appropriate					ensure Social Housing operates on demand and mainly serves the middle income group		
A.5 Very weak consultation process with stakeholders and beneficiary community		Solutions may not be appropriate	Municipal, SANDF				Beneficiary community participation and other stakeholder involvement to be enhanced		
A.6 Poor quality and maintenance of the housing stock	Potential for non-payment in protest	Lack of pride in housing by residents	Municipal, SANDF						Beneficiary community participation and other stakeholder involvement to be enhanced
B. Private Sector									
B.1 Contractors withdrawing because of low profit margins		Reduction in output	SANDF			Increase subsidy levels and bands, use subsidy only for Top Structures			
B.2 Private sector not prepared to carry all the risks in low income housing development		Cost increases, or delays due to lack of output	Private sector					Encourage PPPs, PS must share some of the risks associated with low income housing provision, optional use of the private sector	

B.3 Private sector not consulted on housing issues		Opportunity for financial support not taken	Private sector				Include all facets of the private sector (financiers, suppliers, contractors, professionals) in the IDP Process, create a dialogue between private sector & public sector		
C. Peoples Housing Process									
C.1 Lack of capacity and cannot deliver at scale		Reduced output	Municipal Dept of Local Gov						Municipalities to be mandated to be fully responsible for PHP within their areas of operation
C.2 Lack of understanding and awareness of the process to all stakeholders		Delays	National Housing Dept. Municipal	Review the whole PHP Policy and process and inform all stakeholders accordingly					
C.3 Insufficient support or resources available to this form of delivery		Delays	Private Sector		Review Terms of funding				
C.4 Traditional leaders not properly informed about the PHP			Dept of Local Govt, Municipal				Awareness campaign on PHP and special		

							programmes for Traditional leaders		
C.5 Lack of quality assurance and control		Poor quality can lead to devaluation of the product	Private Sector, Municipal						NHBRC to supply minimum standards, municipality to monitor quality
C.6 Limited consultation and involvement of beneficiaries and community in process			Municipal Private Sector				Community and Beneficiary to be more actively involved		
D. Training Programmes And Awareness									
D.1 Lack of dedication at all levels of Govt particularly at municipal level for implementation of projects		Delays	Municipal Dept of Local Govt, Private Sector				National Department of Housing and Department of Labour to spearhead special housing programme to create housing practitioners and housing competencies at municipal levels		
D.2 Housing code not accessible and not easily understood			Municipal Private sector				Simplify Housing Code and translate to all local languages		

E. Role Of Municipality									
E.1 Most municipalities do not have competencies in housing or dedicated housing sections		Delays and/or confusion regarding implementation	Municipal National Dept of Housing		Fund and encourage municipalities to set up housing sections in the municipalities, and produce housing sector plan				
E.2 No appropriate skills at municipalities		Reluctance by municipalities to play role in housing delivery	Municipal				Encourage and fund universities and tertiary institutions to have special programmes on housing		
E.3 General lack of housing special skills and capacity at municipal levels		Reluctance by municipalities to play role in housing delivery	National Dept of Housing				Encourage and fund universities and tertiary institutions to have special programmes on housing		
F. Housing Development Agency									
F.1 This vehicle not available in the Province			Municipal				Research into the suitability of Housing Development Agency as an appropriate Delivery mechanism is sort for in the		

							province		
G. Rental Housing									
G.1 Current utilised rental stock not appropriate			Municipal Dept of Local Govt	Rental housing to be supported for migrant workers and special groups ie, HIV orphans					
G.2 Preference for ownership to rental			Municipal	Rent to buy option to be promoted					
G.3 Informal Renting not controlled, backyard dwelling flourishing			National Dept of Housing				Research into backyard dwellings to be instituted. Backyard dwelling to be supported, monitored and regulated		
H. Hostel Development									
H.1 Conditions at hostels are bad and not habitable and are breeding grounds for crime			Municipal	Hostels to be converted to family units, Hostels not to be continued in future (no new stock), hostels to be managed by municipalities. Conflict resolution					

				mechanisms to be introduced in the administrat- ion of the current stock					
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9. MPUMALANGA WORKSHOP HELD 3 FEBRUARY 2003, THE ARENA, NELSPRUIT

Mpumalanga, Group 1: Demand-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Value of Asset									
A.1 Value of asset/product perceived by beneficiaries to be very low or none at all; Need for ROI principles			Land Affairs			Policy guidelines required to assist establish a process/project that will encourage further investment	A culture of appreciation for asset value to be created and maintained	All relevant structures to deliver same message/information	-Consumer education to embrace awareness of financial gain and areas of responsibilities; -Procedures needed from manifesto via IDP to post occupancy to cover full range of information
A.2 Implementation of projects fail to instil in beneficiary community and related stakeholder groups the full value of assets created			District Municipal	Initiator of integrated development to be driven from high political level to ensure a pooling and commitment of resources			An integrated implementation culture to be established	Alignment of all related structures re: procedures and content of messages	Systems needed to mobilise and package funding from each relevant silo of funding
A.3 Size and durability of assets perceived as			Prov. DoH Municipal				Use of best practice case studies to be	All stakeholders to align approaches	-Awareness initiatives to introduce

negative qualities of an asset							used to communicate alternatives	towards value for money assets (size and quality)	alternative routes to larger units; -Monitoring of projects and training of contractors
A.4 Reduce pressure on beneficiaries to sell assets			Municipal				Practical best practice initiatives to be used as incentives	Alignment of structures with best practice case studies	-Awareness programmes -Community based LED initiatives
B: Quality (Asset)									
B.1 Absence of the direct involvement by beneficiaries in decision making re: size of asset v choice of materials etc; -Trade-off absent			District Municipal				Practical opportunities to be found to increase beneficiary involvement in mass housing projects	Sharing of best practice case studies to achieve maximum involvement	Awareness programmes to convey maximum opportunities for trade-off decision making
B.2 Houses too small and quality of dwellings poor			Prov. DoH				Multi-faceted approach to increasing size of houses; (cross subsidisation)	Sharing of best practice case studies	Monitoring and screening of contractors to ensure quality of end product
C: Capacity Building (Municipality)									
C.1 Poor communication and contact between Municipalities and contractor sector re: housing projects and contracts			NABCAT Prov. Builders Assoc.			-Operational policy for municipality; -Capacity building required	Culture of service delivery chain capacity building required	Alignment of effective systems and core staff compliment	Communication and contact systems required with dedicated staff with responsibilities at

									municipalities
C.2 Municipalities not resourced to take up responsibilities in terms of the Act.			Municipal				Best practice examples to be used in replication of "help desk" concept	Align all municipalities once system is operational	-Mpumalanga to set up "Housing Help Desks" to link up with all relevant stakeholders; -Effective system of working relationships required between Prov. Depts and municipalities
D: Land Issues									
D.1 Slow and confusing transfer of state land to municipalities			Municipal	Strategic policy review to be undertaken by National D of H to enable Dept of Land Affairs to acquire land and DPLG to service land thereby leaving Dept of Housing to finance housing units. (Subsidy-house)			Case study material to inform policy review and amendments	Alignment of relevant structures with improved procedures	Speed up administrative procedures
D.2 Full ownership of land currently inhibited by absence of relevant security of tenure			Land Affairs	R188 (PTO) to be upgraded where practical and feasible		Township establishment procedures required to meet informal land rights situations	Case study examples to be applied in policy review		An instrument of ownership is required to convey a sense of full ownership to potential beneficiaries in traditional areas
D.3 System of ownership slow and unclear leading on occasions to a beneficiary selling			Municipal				A culture needed where land holds a value and can be used	Alignment of structures to observe asset value building procedures	Awareness programme required aimed at building of asset value

land (see A.1 / A.2)							productively		required
D.4 Unavailability of suitable land			Prov. DoH			New Procurement Regime can address this matter. Guidelines required		Key structures to address this challenge in an integrated manner	Land Audit and system of land availability and delivery required
E: Communication									
E.1 Ineffective and poor communication between builders and municipalities			NABCAT Prov. Builders Assoc.				Culture of shared understanding to be established	Alignment of key dedicated officials can be achieved via a road show	An awareness road show could enhance understanding of relevant dedicated officials and their duties
E.2 Lack of consistent level of understanding of policy procedures in stakeholder groups			Municipal	Communication strategy required to ensure all stakeholder groupings are conscientised to an effective level			Stakeholders to meet regularly on matters of practical housing delivery procedures	Alignment of structures in terms of consistent level of understanding	Strategy to target all relevant stakeholders with relevant delivery information
E.3 Huge gap between emerging contractors and state structures re: consumer education			Prov DoH Municipal				At a practical level contractors to organise into groups to secure awareness sessions	Structures to introduce regular initiatives to maintain effective communication with contractors	Consumer education and awareness programmes to be broader than basic core areas
F: Environmental Impact									
F.1 Concern exists regarding delays			Municipal				Best practice examples to be	Alignment of all relevant	Proposal that EIA move up in

caused by EIA process							applied in exploring time saving initiatives and procedures	structures to address factors causing delays	sequence after IDP but preceding land offers in New Procurement Regime
G: Participation									
G.1 Training support to be conducted throughout delivery cycle; Empowerment and capacity required			District Municipal				Partnership agreement to incorporate key departments.	Best practice case studies to be used to inform both policy and practice	System of packaging training to cover full delivery cycle
G.2 People are not participating in the housing delivery cycle			Municipal				Roles of ward Committees and other structures to be clarified; (Guidelines)	Case study best practice examples be used to inform policy and practice	Packaging of capacity building and direct involvement of people in delivery
G.3 Roles of District Municipalities relative to Prov. /local structures need clarification and promotion			District Municipal					Practical examples of how synergy can be achieved to be assembled	Systems that support synergy are required

Mpumalanga, Group 2: Linking Mechanisms and Systems

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Land									
A.1 Delays in release of state land	Budget drawdown Increased squatting / land invasions	Delays in implementation	Prov. DoH	National Dept of Land Affairs should permit "fast tracking"			Adopt "fast tracking" whereby procedures for community consultation, township establishment and DLA approval are undertaken simultaneously	National Department of Land Affairs should proactively identify land for release for housing	
A.2 Land Claims prevent effective action (Present guidelines prescribed by DLA require claimants to agree to development before any processing can take place)	As above	Delays	Prov. DoH	Policy should be reviewed, eg to state that only gazetted land claims need to be considered			Improve communication on the subject		
A.3 Some traditional leaders appear not to be co-operative on		Delays	Municipal	Role of traditional leaders in			Structured capacity building		

land matters				respect of land to be clarified and a legislative framework established			programme in development to be undertaken		
A.4 Lack of clarity of policy with regard to private towns (eg owned by mines, parastatals etc)		Waste of assets	Municipal	Detailed policy must be developed to deal with private towns no longer required by owners					
B: Alignment									
B.1 Lack of links between IDPs and Provincial Housing Development Plan		Inadequate planning	Prov. DoH Municipal				Procedure for alignment/ co-ordination need to be improved		Quality of IDPs needs to be improved
B.2 Lack of alignment in policies – eg, land and housing		Lack of holistic development	Municipal				Improvement of co-ordination in implementation	Timeous sharing of information between national and provincial levels	
B.3 Unresolved cross-border issues (ie, approval, funding and development of projects in cross border municipalities)		Delays	Municipal					Guidelines for preparation of standard memoranda of understanding/ implementation agreements between provinces	

								should be prepared	
C: Non-payment									
C.1 Burden caused by non-payment of service charges by residents	Lack of funds for maintenance	Reduction in municipal capacity	Municipal		Increase equitable share to match increasing number of indigent		Better home-owner education		Do not allow debt to grow large. Implement indigent policy. Improve credit control
D: Municipal Support									
D.1 Municipalities should all give guarantees to building material suppliers for building contractors working on their projects	Difficulty for emerging contractors to grow	Delays in building contract	Private sector		Province has established system for contractors to open joint accounts with materials suppliers				
E: Subsidies									
E.1 R3 500 income cut-off for subsidies too low		Exclusion of large group	Municipal		Amount should be raised in line with inflation				
E.2 Own contribution unfair – people who received subsidy before did not have to pay it		Delays and exclusion of poor	Municipal	Must be reviewed: the new policy creates impossible political problems					
E.3 Many people cannot afford to save so much money		Delays and exclusion of poor	Municipal	People's housing process is an option available to them					

E.4 Own contribution policy not clear		Confusion in implementation	Municipal				Capacitation of beneficiaries and stakeholders to be undertaken		
E.5 Quantum of own contribution too rigid			Prov. DoH		Should vary with income				
E.6 Combination of two incomes of disadvantaged, eg pensioners results to more than R800		Possible inequity	Prov. DoH	Policy to be reviewed to recognise this problem	DoH should investigate taking responsibility for capital subsidy for institutional care facilities				
E.7 Savings scheme not clear		Delays and uncertainty	Municipal		Policy being developed Meanwhile NURCHA scheme will assist				

Mpumalanga, Group 3: Supply-side Issues

ISSUES RAISED	Linkages/ Dependence s	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedure s
A: Social Housing Institutions									
A.1 Lack of appropriate funding for social housing institution			Housing Institution/ Prov. DoH		Capacity building grants requested from DoH	Increase in institutional subsidy required		Alignment of funding sources needed Sharing of risks by related institutions	System of shared risk needed
A.2 Access to suitable service land is often a problem.			Municipal			Guidelines for new procurement regime can address this demand			System of land identification needed by municipalities Land audit needed within IDP. System of land expropriation to be introduced
A.3 Few Housing Institutions.			Municipal Prov. DoH			Private public partnership guidelines needed	Case studies of best practice (PPPs) to be assembled	Municipalities need to explore via IDPs need for social	Opportunities for public/private systems of partnerships

								housing	to be explored by municipalities
B: Private Sector									
B.1 Low profit margin and no meaningful incentive for the private sector			Emerging contractor		Review of subsidy amount linked to larger units		Case studies needed to illustrate how private sector can participate in market		Awareness of opportunities available via PPP needed
B.2 Lack of access to finance for emerging contractors: no bridging finance, security, capital etc			Emerging contractor			Guidelines required to communicate finance options and procedures	Case studies to illustrate how emerging sector can access bridging finance	Alignment of structures re: availability of bridging finance State housing institutions to market services	Awareness raising of role of NURCHA
B.3 Lack of capacity from emerging contractors to deliver quality houses. Schedule of completion of projects not adhered to.			Municipal Emerging Contractor	Partnership arrangements required between Dept of Labour and Dept of Housing to address funding for capacity building			In-service training to be introduced by municipalities with support organisations	Alignment of relevant structures to offer capacity building Linkages with CETA and NURCHA required	Systems of screening and monitoring progress System of support for sector
C: Peoples Housing Process									
C.1 process not clear to municipalities in terms of their role as possible support organisations			Municipal Emerging contractor			Reality check required to assess extent to which		Alignment of municipal structures re: awareness of	Awareness maintenance required between

						guidelines convey principles and procedures		their roles and responsibilities	PHPT and municipal structures
C.2 Support funding for PHP process is not enough.			Municipal Emerging contractor	Policy review required. Facilitation and establishment grant amounts to be increased			Case study examples to be assembled to inform policy of grant funding		
D: Training Programmes And Capacity Building									
D.1 Lack of capacity within the emerging contractor fraternity			Emerging contractor Municipal	Provision needs to be made for required accreditation for training programmes			Case study examples of best practice to inform and structure training modules	All relevant training bodies and authorities to align and integrate support for emerging contractors Inter-departmental linkages are necessary (collaboration)	Procedures and systems are necessary to ensure synergy exists between structures
D.2 Housing code too complicated			Municipal Emerging contractor	Housing code needs to be reviewed and a user-friendly version published in all languages			User friendly version needs to be tested for legibility with representative body of users		

E: Role of Municipality									
E.1 Municipalities do not play active role in housing			Municipal		Role of municipalities to be clarified in terms of Act and constitution			Key structures to align their efforts to encourage municipalities to play an active role in housing	Awareness training to be conducted via SALGA and other structures
E.2 No appropriate skill and sufficient capacity to handle housing issues			Municipal		Dedicated capacity building programme to be established for municipalities		Culture of sharing skills / competencies to be established	Municipalities to have in-house skills/capacity to fulfil responsibilities (sharing also possible)	Systems of accreditation required to provide for career planning
E.3 Municipalities do not have control of the process or in charge of housing in their areas			Municipal	Role of Municipalities to be promoted by National/Provincial Depts of Housing		Guidelines to be prepared to support municipalities assumes full responsibility		Alignment of structures in support of municipalities growing their capacities	Systems of accreditation for skills and competencies required
E.4 Municipalities do not have the necessary finance to provide infrastructure			Municipal	National Dept of Housing to seek collaboration with DPLG et al.			Best practice examples of pooling and gearing of resources to be used as basis for awareness raising	Alignment of funding sources to mobilise funding packages	Systems of financial gearing needed
E.5 Lack of suitable land for housing development due to land claims.			Municipal	MOU required between Dept of		Guidelines in New Procurement Regime will			IDP process to initiate land audit which will link with

				Housing and Dept of Land Affairs to be forged to address land concerns		address land issues			new procurement regime
E.6 Housing in traditional areas is very slow			Prov. DoH Municipal	Impasse between traditional leaders and municipalities to be resolved and clarified				Collaboration between traditional structures and municipalities to lead to win-win situation	Mutually acceptable systems and procedures required
E.7 Insufficient coordination with province on the provision of housing			Municipal			Guidelines to be formed using case study examples	Help desks and support centres to be introduced in practical situations as illustrations of mechanisms for co-ordination and communication	Improved alignment between Prov. Dept of Housing and municipalities sought	System of linking housing sector plans with IDPs to be established
F: Housing Development Agency									
F.1 Not sustainable. Currently highly subsidised by government. Low interest rate and good service from credit institution(MHFCO)			Financial Institution/ Municipal		Subsidy to be gradually removed				

G. Rental Housing									
G.1 need for formal rental housing in province			Prov. DoH Municipal	Rental housing policy and guidelines required			Practical examples and case studies of backyard rental accommodation to inform policy and practice	Social housing institutions to be the frontier / launch pad for low to medium income rental housing	Systems needed for supporting and regulating private backyard rented accommodation
G.2 Ownership is preferred than rental in the low income category			Municipal	Policy to focus on long term ownership					During IDP process emphasis to be placed on ownership rather than rental. Municipalities to decide
H: Hostels Redevelopment									
H.1 Current in bad state (low maintenance, no payment of services, poor administration and breeding ground for criminals)			Municipal Emerging contractors/ Dept of Housing	Policy to place emphasis on conversion to family units					During IDP process focus to be placed on conversions to family units and sold to owners / beneficiaries

10. NATIONAL DEPARTMENTS AND HEADS OF PROVINCIAL HOUSING DEPARTMENTS WORKSHOP HELD 5 FEBRUARY 2003, CSIR*

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source**	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
SD.1. HIV and AIDS are not mentioned in the policy framework	Nature of housing demand	Potential errors in planning	State Depts.	Policies must respond to the crisis created by child-headed house-holds	New mechanisms needed		More awareness is required		
SD.2 Lack of alignment of housing and arts and culture	Depreciation of the housing environment leading to reduction in value of assets Employment generation	Quality of environment	State Depts.			An enabling environment should be created for arts and culture which can be done at very little cost			

* Due to the specific nature and interactive process conducted during this sector workshop, it was not possible to provide a detailed breakdown of the issues generated by the category

** Sources were all State Departments

SD.3 Policy has an urban bias			State Depts.	Development of policies eg for tenure in rural areas and farm-workers housing under development					
SD.4 Problems of release transfer and re-zoning of land ownership in respect of providing for schools and other social facilities		Negative perceptions of housing development by the residents	State Depts.					Town Planning process deals with this problem	MEC should not approve projects unless satisfied with the provision for social facilities
SD.5 Problem of providing infrastructure for sites for social facilities		Negative perceptions of housing development by the residents	State Depts.				More care required in co-ordination		IDP provides the framework for the orderly alignment of development.
SD.6 IDP process not achieving the necessary co-ordination	Depreciation of the housing environment	Lack of suitable land and co-ordination with other sectors	State Depts.						Co-ordination in developing and implementing the IDP should not be left to junior officials who cannot speak for and/or commit their department
SD.7 Gap between planning and budget		Unspent funds or inadequate delivery levels	State Depts.				The IDP has to be based on realistic budgets		
SD.8 Cost of servicing land for social facilities			State Depts.		Municipalities can recover these costs, but the financial				

					burden of holding serviced land for long periods must be recognised				
SD.9 Financial institutions are not playing a sufficient role		Lower middle income group disadvantaged – reduction in housing output	State Depts.		Community Reinvestment Bill and Home Loan and Mortgage Disclosure Act are intended to address this problem				
SD.10 Private sector not playing its role		Lower middle income group disadvantaged – reduction in housing output	State Depts.			Balance of risk sharing being altered eg, through the new procurement regime			
SD.11 Conflicts on rightsizing and evictions create difficulties		Reduction in lending to lower income groups	State Depts.					Improved governance and understanding necessary at the community level	
SD.12 Lack of capacity and problems of accreditation of municipalities		Reduction in outputs and negative impact on local participation	State Depts.	Policy to be reviewed to resolve apparent conflicts between New Procurement Regime and Hsg Act			Capacity building needs in housing should be aligned with DPLG capacity building programme	More capacity building required at local government level, esp. because of the duties imposed by new procurement	

								regime. Housing departments must be established	
SD.13 Delays in the release of land	Budgets and planning	Reduction in output	State Depts.	DoH is undertaking dialogue with DLA to request them to take responsibility for providing land for housing				New procurement regime will address this issue to some extent	
SD.14 Much of the land which is suitable for housing is too expensive	Devaluation of the value of the housing developed	Higher transport costs for the beneficiaries	State Depts.	Expropriation may be used where necessary		May have to use less desirable land			
SD.15 Land costs consume too much of the subsidy amount			State Depts.		DoH is currently discussing with DLA to meet land costs and CMIP to meet infra-structure costs				
SD.16 Small black contractors may be disadvantaged by new procurement regime			State Depts.					NHBRC has the role of support for small contractors	
SD.17 Confusion regarding policy and implementation procedures			State Depts.				More capacity building may be required in these matters		

Subsidy income bands do not reflect current incomes		Exclusion of some income groups			Income bands to be revised in light of inflation				
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11. METROS AND SELECTED DISTRICT AND LOCAL MUNICIPALITIES HELD 6 FEBRUARY 2003, CSIR*

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source**	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
M.1 Policy is drafted in very rigid terms Need for policies which recognise the positive aspects of informal settlements		Delays, potential increase in backlog	Metros / District Councils	A review should be undertaken with a view to expand the coverage of the policy					
M.2 Role of municipalities needs to be expanded (eg, housing development plans) but needs to be clarified/ housing not a core function. More funds required for local government so that they can perform housing functions		Improved product quality due to improved site selection and consultation	Metros / District Councils		Study regarding the financial impact of housing functions on local government to be undertaken				
M.3 Housing competencies need to be created at local level			Metros / District Councils				Training and capacity building programme to be undertaken		

* Due to the specific nature and interactive process conducted during this sector workshop, it was not possible to provide a detailed breakdown of the issues generated by the category

** Sources were all Metro Governments and selected district and local municipalities

M.4 Clarity required on accreditation of municipalities		Delays	Metros / District Councils	Resolution of the differences between accreditation under Housing Act and the new procurement regime					
M.5 Problem of double subsidy to be clarified			Metros / District Councils	Policy should recognise the practice of double subsidy and build on it					
M.6 The subsidy is inadequate in areas with very high land prices eg R2400 per erf.	Devaluation of assets	Delays, exclusion of suitable sites – increased user costs	Metros / District Councils		Cost of land to be excluded from the subsidy				
M.7 The problem of mine dumps: government should provide extra funds			Metros / District Councils		Further studies of the cost of variations in land conditions				
M.8 Improved communication required between provinces and metros – which use the majority of Housing Funds in some provinces		Disputes and divergences on policy leading to delays	Metros / District Councils				Noted that MINMEC is the political body, on which SALGA is represented – SALGA is upgrading its skills in housing	Forum exists for technical discussions in form of technical task team	
M.9 The housing sector is more advanced than others in practicing the type of integrated planning required under the IDP.			Metros / District Councils		Better programming of funds is needed to integrate all sectors in meeting capital and operating costs of social				

					facilities				
M.10 Not enough differentiation in the subsidy system, eg, allowances for situations such as recognition of backyard shacks for rental, co-operative housing	Recognition of informal sector in housing	Potential housing solutions not being recognised – increases in backlog	Metros / District Councils	Policy should address special needs accommodation, overnight shelters, aids orphans, rental of backyard shacks etc					
M.11 A new research agenda is required which recognises the diversity between SA's different regions and metros			Metros / District Councils					More work to be done on this matter	
M.12 We do not learn from Africa's experience			Metros / District Councils	Consider allowing larger erven, leading to larger houses and therefore low cost rental accommodation		Consider sanitation upgrading grant			
M.13 Traditional leaders allegedly delaying release of land. Slow release of land owned by DLA, DPW			Metros / District Councils					Improved systems are needed relating to land release	
M.14 Many stalled projects reduce the funds available for new ones			Metros / District Councils		Full financial status of stalled projects to be studied and solutions found				
M.15 Housing subsidy should be			Metros / District		Consideration is being given to				

combined with CMIP, or at least more closely aligned with CMIP			Councils		this matter				
M.16 Provinces should use a system like the IDP to integrate their planning and budgeting			Metros / District Councils					Improved alignment, liaison and communication required	
M.17 Local government not well represented in the policy-making process			Metros / District Councils				SALGA represented on MINMEC/ Technical Task team has good representation from Local Govt.		
M.18 National housing institutions not represented outside Johannesburg – leading to bias in support for projects			Metros / District Councils				Question to be raised with them		
M.19 Anti-eviction campaign impacting negatively on good governance.			Metros / District Councils					More support to be given to local government in dealing with this issue	
M.20 Project approval and payment process does not fit the circumstances of implementation in some cases. More flexibility required for dealing with informal			Metros / District Councils					This problem was addressed to some extent in April 2002 and will be further refined	

settlements, eg putting in roads									
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12. SOCIAL HOUSING INSTITUTIONS AND NGO'S SECTOR WORKSHOP HELD 12 FEBRUARY 2003, CSIR

Group 1: Demand-side Issues

ISSUES RAISED Social Housing Institutions	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Linkages / Alignments									
SA.1 No effective linkage between Housing Development Plan and Water Services Plan			S H Assoc.				Best practice of collaboration to be conducted	Structures to achieve alignment	Systems needed to ensure effective dove-tailing of plans
SA.2 Need for Departments of Public Works and Housing (Provincial and Local levels) to collaborate			Dept. of Social Develop.				Culture of partnership required	Relevant Depts. To establish partnership arrangements	Systems needed to promote and establish collaboration
SA.3 Need for effective communication between all three tiers of government			NGO (H4H)	Some form of policy implementation agreement re collaboration				Alignment of key structures in setting up of systems	Multi-sectoral communication system required
SA.4 Support required for non-housing environmental elements			SHI	Need for multisectoral financial instruments	Subsidy instruments	Guidelines to facilitate use and application of such instruments			

SA.5 Funding framework required to guide the introduction and maintenance of the Community Reinvestment Act (CRA)			SHI	System to cascade down from national to provincial government to PHDP's to channel initiatives					
B: Land									
SB.1 Demand for suitably located and acceptable land required for poor households			NGO/CBO		Fiscal incentives required			Alignment of key structures to pool resources	System of monitoring areas of potential danger needed Land audit and IDP planning process to address access to suitable land
SB.2 Redressal of land segregation required; (high/low income)			SHI				Case study based best practice to inform systems	Structures to seek alignment of theory and practice	Systems required to ensure sensitive mix of income groups and protection against downward raiding
SB.3 Affordable well located land needed for PHP			NGO/CBO	Broad based socio-land economy framework to make provision for affordable and accessible land for PHP. Guidelines needed.				Relevant structures to align ideas and best practice case studies	Practical support system required
SB.4 Linking well located and affordable land with employment			SHI				Best practice examples to be used in practical	All relevant to share same principles and procedures	IDP process to be innovative and effective in parcelling land

opportunities							illustration of possibilities		with other elements and resources
C: Subsidy Structure									
SC.1 Income qualification ceiling too low (not changed since 1994)			SHI	Regular review required Increase threshold to R7000	Economic basis of subsidy system needs review		Case studies to inform basis for review	Alignment of all relevant structures to ensure buy-in and implementation	Once reviewed an awareness programme is required
SC.2 Subsidy bands do not reflect changes in market			SHI	Increase ceiling to R6000 to reflect market situation			Use case study information to inform basis for review	Sharing of procedures to be applied between all relevant players	Effective awareness campaign required
SC.3 Growing resource gap due to fiscal drag			SHI	Current rationale inappropriate to adequately address eroding of value of subsidy triggers that release investment flows to be found			Case study material to be collected from wide use	All key players to be involved with this initiative	Systems that address this challenge will need to be established
SC.4 Policy to clearly indicate implications of tenant that becomes unemployed (loss of income)			SHI	Policy mechanisms to be forged with relevant departments like Social Development to generate source of financial assistance to more realistically reflect market conditions			Alternate forms of housing delivery to be applied to these situations	Sharing of experience and best practice essential	
SC.5 No specific subsidy instrument to meet the needs of informal housing upgrading (policy gap > research)			SHI	Policy gap to be addressed to meet specific demands of conditions prevailing in informal settlements			Case study material and practice to inform policy	All relevant players to be involved with this policy measure	Awareness campaign necessary
SC.6 Impact of HIV/AIDS and loss of income due to retrenchments on households			SHI	Safety net concept to be explored to meet growing demands of pandemic and low-income realities. Reserves required for operating costs			Research required to isolate case study situations	Partnership arrangements required to ensure an integrated approach	System of communication and sharing of best practice to be established

D: Product Quality									
SD.1 Quality of products problematic in terms of form of structure and location to employment			NUM				Practice of IDPs to reflect wider needs of housing environments	Sharing of best practice with all stakeholders	New procurement system to address quality of unit and housing environment
SD.2 Frustrating building standards delaying progress of PHP (Code not user friendly)			NGO/CBO			Guidelines to be more user friendly			System of policy awareness required to effectively communicate guidelines
SD.3 Housing subsidies in isolation of opportunities for skills acquisition / - job opportunities – fruitless			NGO/CBO	Linking subsidy system to community based saving schemes that are broader than only housing is right direction to follow			Using existing case study best practice to inform policy	Alignment of best practice needed	System of awareness required
SD.4 Subsidy instruments in isolation cannot effectively meet needs of low-income			NGO				Case studies to be assembled to illustrate best practice and link to IDP process		Systems required to mobilise packages of support eg Arts & Crafts Movement
SD.5 How effectively are Social Housing Institutions performing?			SHI	Policy guidelines required for M/E			Best practice examples required to illustrate monitoring and evaluation procedures	Alignment of criteria to be used in monitoring performance (Institutions and Practitioners)	Effective system for monitoring performance required (Player v referee issue)
E: Misinterpretation of Policy									

SE.1 Concern re: misinterpretation of PHP policy & guidelines – abuse of support grants by developers – municipalities & provincial government			NGO/ CBO	Review policy in light of widespread practice			Case studies (practice) to be assembled to illustrate lack of compliance	Alignment of key structures essential to meet objectives	Procedures need to be simple and clear to all stakeholders
SE.2 Urban economy objectives for social housing not understood / agreed / considered			SHI	Review of role of social housing in urban economy		Where do poor fit in urban economy? Macro-economic view	Case study evidence of impacts of social housing interventions to inform policy		Systems required to support urban regeneration and economic integration
SE.3 Social housing exists within unfunded “welfare mandate”			SHI				IDPs to address social and economic integration	Key structures to align & collaborate	Systems and procedures required to mobilise partnerships
F: Capacity Building									
SF.1 Effective capacity building for communities to be conducted within a framework of alignment of training institutions			CETA	Policy to provide for alignments & partnerships			Case study examples are required to illustrate process	Alignments of key structures including Dept of Labour - CETA	Systems & procedures to ensure synergy
G: Community Participation									
SG.1 Beneficiaries need to be involved in social housing process including management			SHI	Policy needs to review role of beneficiaries in co-operative management			Case studies to illustrate pros & cons between cooperatives & social housing Associates		

H: Non-repayment									
SH1: Incidence of non-repayment often through incitement by one individual			SHI				Practical use of incentivised practice can alleviate this situation		System of awareness raising needed
J: Finance									
SJ.1 Need for access to affordable forms of financing			SHI	Affordable finance can best be accessed once social housing is located within a broader context of aiming at sustainable housing environments				Alignment of departments & financing institutions = pooling & gearing of resources	
SJ.2 Need to combine sources of financing to create affordable finance			Dept of Social Develop.	Policy framework & guidelines required			Practice of pooling resources to become a culture of shared responsibility – case studies to inform policy	Alignment of financing structure including micro finance bodies	Systems & procedures to facilitate pooling of resources needed
SJ.3 government to take over responsibility to finance & build capacity for social housing – reduce dependency on EU financing			SHI	Policy to aim to reduce dependency and provide a financing framework that assembles range of finance sources in a geared manner			Practice of sound management of EU financing to render a more efficient service		National system require to clarify capacity building needs of institutions

K: Affordability									
SK.1 Financial ability of households to pay for services (ongoing requirement)			RWAF	Safety net policy measures needed as in C6			Affordability criteria to be used in practice by SHI		Realistic system of screening potential beneficiaries needed
L: General Comments									
SL.1 Subsidies not to be regarded as equity			SHI	Policy issue – how to capitalise social housing institutions					
SL.2 Social housing institutions not capitalised in a rigorous manner			SHI	Issue needs to be followed up with S H Institutions					
SL.3 Viable secondary market requires more than just credit			SHI	This requires an integrated approach involving all relevant structures			All situations that impact on secondary market failure to be unpacked		

Group 2: Linking Mechanisms and Systems*

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
S1. Non-alignment of planning processes and budgets	Inefficient use of funds	Delays	Consultant			DoH should increase its support for provinces and especially municipalities in housing planning	Insufficient consultation with poor in planning process - DoH should support municipalities by capacity building and easier to use guidelines		
S2. New procurement regime is biased against the poor	Potential exclusion of the poor	Not clear	NGO	Review implications					As currently drafted the system favours big business and land-owners, should be reviewed

** Due to the specific nature and interactive process conducted during this sector workshop, it was not possible to provide a detailed breakdown of the issues generated by the category*

S3. Very onerous procedures to obtain institutional subsidy Slow payments after approval of subsidies		Reduction in output and threat to sustainability of Social Housing institutions	SHI				Improve understanding of successful links between funders (Province) and users	Research required on implications of municipalities disbursing subsidies (all subsidies, not just institutional)	
S4. Presumption that social housing institutions have substantial capital to meet up-front costs Delays in obtaining approval for institutional subsidies results in sale agreements for existing buildings being cancelled		Reduction in output and threat to sustainability of social housing institutions	SHI		Policy should allow for funds to be advanced to social housing institutions				
S5. NGOs, eg, SA Homeless People's Federation prejudiced by complex system and lack of up-front funding Lack of user-friendly information to help small organisations		Financial situation of NGOs developing PHP jeopardised	Consultant				Support and capacity building required for small institutions / groups		Implementation should be inclusive of organised structures of the poor
S6. Housebuilder's course not accredited			NGO					NHBRC and CETA to address the issue	
S7. Adequate consumer education lacking in social			NGO						Consumer education to be improved in

housing developments									social housing
S8. Skills in developing PHP projects lacking		Delays	NGO				Training and capacity building required for NGOs etc in planning systems and the new procurement regime	Municipalities should be trained and sensitised regarding the PHP	Guidelines should be easier to understand and further developed
S9. PHP facilitation and establishment grants difficult to obtain		Delays and disincentives to participate in PHP	NGO		Funds should be made available for management training and capacity building of institutions working for the poor				
S10. Lack of integrated, affordable, quality housing			NGO		Subsidy to be for top-structure only. Additional funds to be made available for quality project identification and design	More flexibility required in policy with regard to top-structure and layout design			
S11. Lack of integrated, affordable, quality housing			NGO		Quantum of subsidy does not allow for extra costs incurred in small projects	Mass production / developer lead projects do not foster integration			

12. Slow land delivery causes delays	Backlog increases & under-expenditure	Delays	Consultant	Incremental development (eg land-only first, such as Mayibuye/4 peg) to be incorporated in national policy		DoH and DLA to co-ordinate in land identification and acquisition. DEAT also to be closely involved to facilitate and expedite EIAs	DoH to increasingly involve DLA and DEAT to align policy and assist development		Improve system for coordination between Province and local government
13. Landlord and Tenant Act poses threats to social housing		Withdrawal of social housing institutions from rental market	SHI	Current difficulties regarding eviction (cf Pie Case) must be addressed by amendments to the Act. It must also be possible for Tribunal decisions to be made an order of court					
14. Policy does not address the indigent people			NGO	Scope of the present indigent policy, eg with regard to payment of service charges, should be expanded		More flexibility should be applied to servicing and infrastructure standards	More attention should be given to capacity building of the disadvantaged consumers, especially in the rural areas		
15. Inadequate attention to SMMEs			NGO						LED programmes to be co-ordinated with housing development

System prejudices emerging contractors			NGO						
S16. Lack of institutions addressing the rural market and savings in the rural areas			Consultant						Awareness raising of rural subsidy procedures
S17. Lack of policy to address needs of AIDS orphans			NGO	Policy and guidelines required			Case studies to inform policy		
S18. Inadequate use of monitoring and evaluation to learn from our experience			NGO					Alignment of municipal structures re: M/E systems	Effective monitoring & evaluation systems to be applied
S19. The word "beneficiary" should be replaced by "homeowner" in policy documents to give sense of ownership over product			NGO		Review policy				

Group 3: Supply-side Issues

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A. Social Housing Institutions									
SA.1 Lack of monitoring of Social Housing Institutions			SHI					Establish monitoring and evaluation system that captures key function areas and indicators	
SA.2 Social Housing Institutions not operating independently.		Reduction in the effectiveness of the delivery vehicles	SHI						Establish monitoring and evaluation system that captures key function areas and indicators
SA.3 Lack of adequate capacity		Reduced output	SHI				Grants should be provided by the National Department of Housing and donors for a capacity building programme		
SA.4 Social Housing Institutions not		Threat to the availability of	SHI					Review established	

sustainable		this mechanism						criteria and ensure sound financial sustainability	
B. Private Sector									
SB.1 Contractors withdrawing because of low profit margins		Reduction in output	NGO		Increase subsidy levels and use subsidy only for top structures				
SB.2 Private sector not prepare to carry all the risks in low income housing development		Reduction in output	NGO/SHI		National government should share some of the risks associated with low income housing provision.		Encourage PPP's.		
SB.3 Private sector not sufficiently consulted on housing issues			SHI				Create a dialogue of consultation between private sector & public sector		Include all facets of the private sector (financiers, suppliers, contractors, professionals) in the IDP process
C. Peoples Housing Process									
SC.1 Access to subsidy through PHP is slow		Delays in implementation	SHI			Introduce a separate procurement policy on PHP, national to coordinate			

SC.2 Not much awareness on the PHP		Potential confusion and delays	SHIs NGO		Create a subsidy category "land subsidy"		Review policy and market and communicate to all stakeholders		
SC.3 No uniform Policy between provinces regarding PHP			SHI			PHP to be flexible but minimum standards to be set			
SC.4 No Quality Control	Potential protest action leading to non-payment of service charges	Loss of value of the asset	SHI					Municipalities to be responsible for Quality Control	
D. Training Programmes and Awareness									
SD.1 Lack of dedicated capacity building at all levels of Government particularly at municipality level for implementation of projects			SHI				National Department of Housing and Labour to spearhead special housing programme to create housing practitioners and housing competencies at municipal level		
SD.2 Housing code not easily understood		Confusion and delays in implementation	SHI NGO CBO				Simplify Housing code		

E. Role Of Municipality									
SE.1 Most municipalities do not have competencies in housing or dedicated housing sections			NGO		Funds to be secured to create housing sections at municipalities				
SE.2 No appropriate skill level at municipalities and general lack of housing specialist			NGO				Encourage and fund universities and tertiary institutions to have special programmes on housing		
F. Housing Development Agency									
SF.1 This vehicle not available in most province			SHI / NGO					Research into the suitability of a Housing Development Agency as an appropriate Delivery mechanism to be researched	
G. Role of Rental Housing									
SG.1 No affordable rental housing		Sectors of population will not be served by the policy	NGO			Formalise backyard "shacks" for rental (while monitoring).	Rental housing should be affordable for the targeted group/market. Research should be done on	Municipalities should have rental stock targeting low to medium groups.	

							backyard rental		
SG.2 Land not readily available		Delays	SHI				Inter-governmental cooperation on different subsidies eg, land subsidy etc.	Land should be expropriated for housing if need be to accelerate housing delivery. Mixed land use. Enact the Community Reinvestment Bill.	
SG.3 Quality of housing environment is poor	Potentially negative attitudes to the product and municipality	Loss of value of the housing	SHI			The size of house should be increased. Land should be well located. Environmental aspects should be taken into consideration.	Provide tenure options. Create a wide range of choice of options		
SG.4 No formal support of SMMEs in Housing		Missed opportunity for employment generation and empowerment of disadvantaged groups	SHI				Increase support for the project management skills. Identify gaps of capacity		Introduce low cost systems & procedures eg, insurance for small contractors and help to control risk within housing projects.
SG.5 Support of SMMEs in Housing		See above	NGO				A dedicated support programme for small contractors.		
SG.6 IDP Guidepack does not include housing sector			NGO						Amend guidelines and encourage the

plans.									production of housing sector plans
SG.7 Contribution and sweat equity as applicable under PHB is not well understood		Confusion and delays in implementation	NGO	Review Policy					
H. Hostel Redevelopment									
SH.1 Conditions at hostels are bad and not habitable and are breeding grounds for crime			SHI NGO	Hostels to be converted to family units, Hostels not to be continued in future (no new stock)			Conflict resolution mechanism to be introduced in the administration of the current stock	Hostels to be managed by municipalities	

13. NATIONAL HOUSING INSTITUTIONS WORKSHOP HELD 17 FEBRUARY 2003, CSIR*

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source**	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
NH1. People's Housing process: Concerns about slow delivery Concerns about misuse of the process to bypass NHBC requirements		Delays	State Hsg Inst.	Consider revising guidelines					
NH2. Lack of concrete programme for skills development in connection with construction of housing			State Hsg Inst.				Linkage with CETA, NHBC, and other capacity building programmes	Contractor development programmes to be developed	
NH3. Housing output this year has declined from previous levels	Funding unused		State Hsg Inst.				New policies require better communication	Attempts to create assets are creating delays, eg, the requirement for the "own contribution"	It takes time to shift from supply driven to demand driven systems
* Due to the specific nature and interactive process conducted during this sector workshop, it was not possible to provide a detailed breakdown of the issues generated by the category. ** Sources were all State Housing Institutions									
NH4. Policy changes			State	Should be		Different			

have created bottlenecks			Hsg Inst.	provision for transitional arrangements in cases of drastic policy change, eg, the own contribution		models should be developed and compared			
NH5. Gap in understanding between National, Province and Municipality		Delays	State Hsg Inst.					Better links needed between national and municipal level in housing delivery	Need to capacitate municipalities
NH6. Lack of willingness of municipalities to participate in housing development	Lack of usage of funds	Delays and confusion	State Hsg Inst.					Municipalities need to understand their role better	
NH7. Lack of mechanism for the flow of funds from the NHFC			State Hsg Inst.		Further development required to strengthen links between State institutions and between them and consumers				
NH8. System whereby work is given to different emerging contractor each round prevents development of skills and experience			State Hsg Inst.						Enter into development agreements with contractors
NH9. Access to finance by low income households	Exclusion of certain income groups	Delays	State Hsg Inst.				More research and information needed from international		

							practice		
NH10. National Home Builders Registration Council – what does it offer the developer/contractor			State Hsg Inst.						Awareness raising necessary for stakeholder groups
NH11. Should savings be a pre-condition for subsidy/credit			State Hsg Inst.				Case studies required to inform debate		
NH12. Need for monitoring and evaluation of communities where subsidies have been given			State Hsg Inst.					Alignment of municipalities regarding best practice	Effective systems of monitoring required
NH13. Better liaison required with other Departments involved in human settlements			State Hsg Inst.						Efficient system of communication required with relevant departments

14. FINANCE AND CONSTRUCTION SECTOR WORKSHOP HELD 18 FEBRUARY 2003, CSIR

Group 1: Finance Sector

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
Financial Institutions									
A: Financial Issues									
FA.1 Mechanism required (municipality) to assist beneficiaries that cannot afford to pay			Financial institutions	Need to effectively structure grant/market money			Basic water/electricity now free; case study to inform best practice		Systems of awareness to be launched to be informed by best practice
FA.2 How can financial institutions be encouraged to partner NHFC et al			Financial institutions	Policy needs to address key areas of risk: Political will needed to enforce law			Practice of syndication already in use	Alignment of shared best practice required	Best practice systems of awareness required
FA.3 Why does non-repayment still prevail in the market -Dysfunctional secondary market -Inequitable delivery =skewed asset values -View that money for empowerment does not gear private sector funding			Financial institutions	Policy framework required that tackles all areas of risk Integrated approach with key stakeholders			Case study situations to inform policy Right questions need to be asked Practice of shared risk to be common place	Shared understanding of causal relationships and challenges Partnerships between banks and govt essential	Comprehensive campaign to grow the sense of value of the subsidy/asset System of shared risk crucial

-No sense of asset value in market									
FA:4 Does the NURCHA Savings Scheme meet the needs of the market place? -Do H policy measure will provide the link with the subsidy; (no guarantee) -NURCHA savings linked to banks			Financial institutions	Policy to accommodate alignment Issue of loss of position in queue to be addressed Issue of pace of saving Data base not yet linked to subsidy			Best practice case study examples to be used to communicate savings linkages	Alignment between DoH, NURCHA, banks and micro lenders	Clear systems of communication required to inform all players

Continued Overleaf

B: Land Housing Markets									
<p>FB.1 Land and housing markets not working properly;</p> <ul style="list-style-type: none"> -No respect for law and order; -Poor quality service delivery; -Ethos/culture of non-delivery; -Perception of value of asset/subsidy; -Ineffective local authority management; -Economic woes (unemployment) 			<p>Financial institutions</p>	<p>Integrated and partnership approach required to link and align policy measures with broad based commitment to create and protect assets</p> <p>Policy measures to focus on “greening” initiatives</p>			<p>Culture of respect for value of asset</p> <p>Examine success stories, eg Gauteng Partnership Fund</p> <p>Best practice examples; Melville/Orange Grove</p>	<p>Alignment of key structures including Department of Housing, Justice and Safety and Security</p>	<p>Systems and procedures to create synergy in meeting multi-sectoral requirements</p>
C: Legal Issues									
<p>FC.1 Ineffectiveness of foreclosure legislation;</p> <ul style="list-style-type: none"> -Police force un-committed to eviction process; -Absence of buy-in by key stakeholders; -Linked primarily to beneficiary affordability 			<p>Financial institutions</p>	<p>Policy measures to bridge departmental cluster, (Dutch safety net)</p> <p>Incentivised measures to enhance asset value required</p>	<p>Housing Court needed to handle conflicts</p>		<p>At IDP level target market identification critical and need to match housing delivery alternatives</p>	<p>Alignment of key structures (Social cluster) to obtain buy-in and commitment</p>	<p>Systems of more sensitive screening of beneficiaries at time of application required</p>
<p>FC.2 Prevention of Illegal Evictions Act Hinders/prevents</p>			<p>Financial institutions</p>	<p>Department of Housing intervention</p>	<p>Horizontal rights provision required</p>		<p>Case study illustrations of current</p>		

<p>evictions by social housing institutions.(PIE) -Extends eviction period leading to cost overruns (losses); -Constitution provides for vertical rights, (Govt. to individual). Horizontal rights required</p>				<p>required re: legal amendment</p>			<p>situation to inform policy and legislation</p>		
<p>D: Impact of HIV/AIDS</p>									
<p>FD.1 Impact on child-headed households; -Child headed households inheritance issues; -Affordability concerns; -Educational needs concerns; -Disclosure issues, identify risk and address it</p>			<p>Financial institutions</p>	<p>Policy required to provide a protective environment; Legislation to address under-age inheritors of assets; A trust a possibility to protect assets until child reaches legal age</p>			<p>KwaZulu Natal using transitional subsidy Gauteng using subsidies to establish child headed organisation; Zambian model extended family approach to mortgage bond repayment</p>	<p>Sharing of practice with associated structures</p>	

E: General Issues									
FE.1 Need exists to negotiate with related structures with the intention to structure and share risks associated with –Neighbourhoods; -Social Housing; -HIV/AIDs			Financial institutions	Policy measures to be put in place to share risk; Policy to explore roles and responsibilities re: to public and private sector bodies			Case study best practice to inform awareness programmes	Alignment of relevant structures to join in sharing of risks and protecting assets	
FE.2 Provinces and Municipalities ill-informed re: changes to policy (New Procurement regime) leading to slow down in delivery and lack of bridging finance used as excuse			Financial institutions	Policy guidelines and awareness programme required			Case study examples to be collected to form best practice	Alignment of structures re: guidelines	Awareness programme to inform provincial departments and municipalities of new regime
FE.3 Municipalities allocate projects to contractors with limited experience			Financial institutions				Practice of in-service training for contractors required; Contracts of less than 50 houses unviable	All structures including municipalities to apply same criteria	Careful screening required to identify competence and need for capacity building
FE.4 Failure by Provincial Departments of housing to make irrevocable cessions to lenders results in lenders withdrawing			Financial institutions	Policy guidelines required to address this situation			A culture of information sharing to be established	Alignment of key players required in terms of best practice	Awareness campaign to inform all players of procedures and new developments

from market									
FE.5 Late payments cause delays and destroy cash flows and can lead to bankruptcy of contractors			Financial institutions				Best practice methods to be shared between all structures	All Departments of Housing to maintain efficiency in payment procedures required	Systems of timeous payment by Provincial Depts. Of Housing required
FE.6 Widespread resistance to implement R2479 contribution by officials and local politicians			Financial Institutions	New policy buy-in to be driven from a high political level			Case study examples required to illustrate how this situation can be addressed in different circumstances	NURCHA can assist in setting up savings programmes to assist with assembly of contributions	Procedures are required to link savings to contributions
FE.7 Policy shifts can lead to slow delivery when new measures fail to tie in with current practice			Financial Institutions	Policy developments to take full cognisance of existing procedures and practice; Guidelines required			Case studies need to be assembled to show how transition can be successfully managed	Best practice to be shared with all relevant players	A system of bridging previous and new practice to be established
FE.8 No provision is made to address situations where beneficiaries become un-employed and fail to meet repayment demands			Financial Institutions	Integrated policy measure linking other departments in sharing of risk and setting up of a fund to address these situations in a sustainable way			Case study best practice is required to illustrate how this partnership can be packaged and accessed	Sharing of risk and pooling of resources required	Effective systems required with minimum of bureaucracy

<p>FE.9 Reality check required to address the Quality v Quantity issue; Smaller houses fully compliant (with defects) versus larger PHP houses not fully compliant (with no defects)</p>			<p>Financial Institutions</p>	<p>Need exists for research</p>			<p>Case study examples need to be prepared to address this matter</p>	<p>All relevant structures to be informed re: outcome of this intervention</p>	<p>Procedures required to clarify perceived conflict in practice re: quality v quantity issue</p>
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Group 2: Construction Sector

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A: Finance									
CA.1 Access to finance for small contractors – unable to meet the requirements for surety		Lack of entrepreneurial development	Contractor						New procurement regime will assist by offering more support for small contractors
CA.2 Lack of funds for bridging loans		Lack of entrepreneurial development	Contractor		Bridging finance systems to be developed				
A.3 Small margins			BIFSA		Review basis on which subsidy amount is calculated				House construction should be undertaken through competitive tendering with escalation clauses
CA.4 Banks discriminate against informal sector		Lack of growth in business / access to housing	Developer					Alignment of structures addressing informal sector to	

								meet with banks	
CA.5 No or slow payments to contractors		Loss of profit for small contractors/ developers	Contractor						Procedures should be introduced to ensure prompt payment
B: Tendering Process									
CB.1 Contractors rejected for tendering as they lack relevant experience		Lack of entrepreneurial development	Contractor				Big developers do not subcontract enough to emerging contractors		
CB.2 Lack of information on tenders		Lack of entrepreneurial development	Contractor						Better information systems needed on tenders
CB.3 Tender documents too complicated			Contractor				Support and capacity building needed in tendering and tender documents		
CB.4 People lack building skills: therefore construction is very slow		Delays	Developer				In service training required in project implementation	Alignment of training institutions to deliver effective programmes	Awareness raising of training opportunities required
CB.5 In Western Cape standards for PHP houses are higher than developer-built house, therefore the product is more expensive			Developer	Policy should be more flexible				Alignment of standards essential	Awareness raising is required of standards expected

CB.6 Preferential procurement policy not being implemented		Lack of development of emerging contractors	Contractor						
C: Savings									
CC.1 Savings requirement for “own contribution” is unaffordable for many people			Developer		Reduce the amount to retain the principle while being more realistic				
CC.2 Delays experienced while saving for own contribution inflate costs further		Delays	Developer		Allow people to make own contribution within 12 months of occupation and/or rent to buy until amount is paid		Use savings record as an indicator, not just a lump sum – compare Cape Town scheme		
D: Municipalities									
CD.1 Lack of capacity/ Infrastructure development inadequate or late		Delays/loss of profit for small contractors/ developers	Contractor				Need for monitoring and performance measurement	Provinces should support and strengthen local government to develop their capacity in housing	Municipalities need to capacity building and support to strengthen their system
CD.2 Slow and uncertain decision-making		Delays/loss of profit for small contractors/ developers	Contractor				Awareness needed of the impact of this problem on small business		

D.3 Corrupt officials at local and provincial government levels		Delays/loss of profit for small contractors/ developers	Contractor					Strong action needed on corruption	
E: Land									
E.1 Land required for housing is not proclaimed, causing delays		Delays	Contractor				Problem of release of land, especially in rural areas needs attention		
E.2 Local government delays in making land available for development		Delays	Contractor	New Procurement Regime will speed up process					

Group 3: Construction Sector

ISSUES RAISED	Linkages/ Dependencies	Implications/ Impact of Issue	Source	POLICY			OTHER COMPONENTS		
				Legal	Finance	Technical	Culture/ Practice	Structure/ Institution	System & Procedures
A. Subsidy									
CA.1 Subsidy amount not appropriate- amount too low, not in line with escalation since 1994:		Certain sections of the community excluded	Construction sector (women in housing) SAWIC		Increase subsidy inline with inflation				
CA.2 Subsidy levels and bands not appropriate: bands to be increased from 0-6000		Sections of the community excluded	SAWIC		Adjust subsidy bands in line with inflation				
CA.3 Subsidy linkage to savings although causing some hardship, it should be continued			SAWIC		Link eligibility for subsidy with savings				
CA.4 Subsidy administration often cumbersome, no joy from municipalities and contractors don't want to be involved in the administration of subsidies.		Potential delays in implementation	SAWIC					Municipalities to be encouraged to handle the full subsidy administration	Investigate methods of simplifying subsidy administration

CA.5 Access to information and general communication between emerging contractors and municipality not very good.		Lack of efficiency in implementation	SAWIC				Information on subsidy to be easily accessible at retail stores municipalities and available in all languages		Examine systems for communicating with emerging contractors
B. Construction Standards and NHBRC									
CB.1 The house is not recognised as an asset.	Poor repayment	Devaluation of the settlement	Municipal & SAWIC			Investigate means of increasing quality	Beneficiary awareness on Govt policy and strategy to be undertaken		
CB.2 Lack of Awareness on the value of the asset.			Women for Housing				Education on the value of the asset to be undertaken		
CB.3 No national minimum standards available.			SAWIC						NHBRC to prescribe and make all stakeholders aware of the national minimum standards of the provision of low income housing
CB.4 Not much information available on Backyard dwelling.		Opportunities for housing delivery mechanisms could be missed	Construction SAWIC	Research into the suitability of backyards as a supply vehicle and the necessary applicable					

				stands to be undertaken					
CB.5 NHBRC policies and standards not properly understood by emerging contractors			SAWIC				Public awareness campaign to be undertaken on the NHBRC standards		
CB.6 The focus on PHP and the possible application of NHBRC standards is often not compatible			SAWIC	Review policy to evaluate the costs and benefits of using the NHBRC standards in PHP		The standards of PHP to be formulated and should be in line with minimum standards set by the NHBRC			
CB.7 No monitoring and evaluation of contractors engaged in the housing sector for performance and workload.			SAWIC						Set up a knowledge base for performance of the construction sector and capture pertained statistics in particular on emerging contractors
C. Environmental Issues									
CC.1 The IDP process to be more participatory. Contractors and community not currently involved in IDP		Quality of site selection could be reduced with consequent loss of value of development	SAWIC				The IDP Process to be more participatory. Contractors and community to be actively involved		

CC.2 Land and Planning issues are often not resolved before implementation.	Planning and budgeting process affected	Delays	SAWIC						Land and planning and environmental issues (EIA) to be resolved by municipalities before implementation starts.
CC.3 Construction of housing has not been taken has a major alleviation of poverty and a major creation of jobs.			Municipal	Construction of housing to be taken as a means of kick starting the economy (particularly job creation and alleviation of poverty)					
CC.4 Insurance and welfare for construction workers is not comprehensive			SAWIC	Workman's compensation to be reviewed					
D. Role Of Municipalities									
CD.1 Land Expensive for small contractors			SAWIC			Cost of land for low cost housing to be reviewed and municipalities to be solely responsible for acquisition of land			
CD.2 Municipalities sole responsibility on land acquisition will cause delays in implementation		Delays, and possible cost increases	SAWIC			The new procurement policy to be adapted so that province			

						becomes involved in land acquisition			
CD.3 Lack of suitable and well positioned land (closer to job opportunities)		Devaluation of quality of developments	Municipal & SAWIC					Low cost housing to be sited close to jobs (must be reflected in IDPs), mixed Development to be encouraged	
CD.4 Cost of bulk Infrastructure and reticulation depletes the subsidy.		Reduction in unit size or reduction in total output due to price constraints	SAWIC			The subsidy to be mainly for top structure. The municipality to be solely responsible for the provision of infrastructure.			
CD.5 Communication gap between contractors, municipalities and the province.			SAWIC				Communication to be improved between organs of government and the construction industry		
CD.6 Lack of information from municipalities and other government agencies on potential housing projects			SAWIC				Housing Information Centre to be opened at municipalities		
CD.7 Lack of capacity at municipalities hinders project			Municipal				A Dedicated Capacity Building Programme for		

implementation and a source of frustration for emerging contractors							Municipalities to be implemented by National Department of Housing and other Govt Agents		
E. Training and Capacity Building									
CE.1 No focus on women in construction			SAWIC						Procurement (tendering) rules to be reviewed to give women in construction special points
CE.2 No targeted procurement of women in construction			SAWIC						Quota systems or selected tendering to be extended to women in construction.
CE.3 No allocation or quotas for emerging or women in construction			SAWIC			Quota Policy to be resolved and if feasible introduced			
CE.4 No linkage of capacity and work load and ability			SAWIC			Quota Policy to be resolved and if feasible introduced			
CE.5 No training or specific capacity building programmes for emerging contractors and especially for women in construction			Construc-tion SAWIC				A Dedicated Capacity Building Programme for women to be implemented by National Department of		

							Housing and other Govt Agents		
CE.6 Procurement procedures (tendering) not properly understood by emerging contractors		Increased costs Opportunities for employment generation missed	Construction SAWIC				Special capacity building programme to be undertaken by state tender boards and municipalities to contractor on tendering		
CE.7 The process and procedure in the PHP not understood			Construction SAWIC Municipal						The policy and programme on the PHB to be reviewed
F. HIV/AIDS									
CF.1 Lack of information on the impact of HIV/AIDS on the construction industry.			SAWIC				The impact needs to be investigated or researched		

* SAWIC: South African Women in Construction