

# ADDRESSING HOMELESSNESS THROUGH PUBLIC WORKS PROGRAMMES IN SOUTH AFRICA

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## **Introduction**

There is no single acceptable definition of what constitutes homelessness because of fluidity and relativity of the concept. Its meaning and construction varies across countries and societies. United Nations (2004) provided a working conceptualisation of 'the homeless' as households or people without a shelter that would fall within the scope of living quarters. It varies from a situation where someone lives in open space, public space, on the street and other places that are not meant for human abode. For someone to be identified as being homeless, it means that such person does not have a permanent primary residence. He or she may be staying in a shelter that he/she has no right over, living on the streets, occupying a room in a motel, sleeping in a vehicle, or living in any other unstable or non-permanent situation. Considering the broad conceptualisation of homelessness, our interest in this discourse are those that are experiencing homelessness by default and not by choice. "The Homeless" by default connotes people who are in need of a 'home' but can neither afford, secure right, negotiate nor take possession of any by whatever means. This experience differs from when someone has the economic means or rights over a permanent primary residence but decides to live in different places where he does not have right of ownership. Such as staying in a hotel room or squatting in a friend's home, where an accommodation is provided on a temporary basis.

As the definition of homelessness is not universally the same, it is therefore a relative concept. Relativists' conceptualization of homelessness implies understanding homelessness across situations, countries, societies and contexts or subjecting homelessness as a culturally defined phenomenon. For instance, according to Canadian Observatory on Homelessness (2018), the phenomenon is "the situation of an individual, family, or community without stable, safe, permanent, appropriate housing, or the immediate prospect, means and ability of acquiring it." Quite differently, Hanson –Easey et al (2016) perceived homelessness from an Australian study as living in accommodation that is below the minimum standard or lacks secure tenure. They also provided three distinct categories of homelessness (primary homelessness, secondary homelessness, and tertiary homelessness) based on specific contexts and situations, in sync with earlier provision of United Nations (2009). Conceptualisation of homelessness based on developed country's context is denoted by two main elements, 'appropriate housing' and 'accommodation that is below minimum standard' may differ from what obtains in developing country like South Africa and others in Sub-Saharan Africa where the conceptualization may exclude definitive measurement of appropriateness and standard. In this region of the world, having a roof over head and right to such abode is sufficient to exclude homelessness, irrespective of quality and standard in most cases.

## ***Homelessness as a social problem.***

Homelessness is not just a problem of a number of households. It is indeed a social problem because it has the tendency to affect the whole society in many and specific ways. Even though, the concerned households or persons are trapped in this circle by circumstances and not by their choice, the ripple effect is usually beyond specific households. This may be better understood from Craine (1997) hypothesis of an 'interconnected and cumulative ecology of disadvantage' where lack of legitimate opportunities determines job prospects

and living conditions. The problem of homelessness is interconnected with other social ills, as the homeless sometimes engage in behaviours such as heavy drinking, which seem to be making escape from homelessness more difficult (Haralambos, Holborn & Heald 2004: 274). Consequences of homelessness as observed by sociologists include but not limited to social, economic, political, cultural, educational, psychological spheres and deepening of poverty in the society.

### **Situational Analysis and Extent of the problem of homelessness in South Africa**

The question is: *What are the levels and trends of homelessness in South Africa – Nationally, Provincially?* There is no doubt that homelessness would have risen in South Africa recent time, in consonance with the current situation worldwide, where homelessness is estimated at 150 million with about 1.6 billion people lacking in adequate housing. Currently, there is no comprehensive and official estimate with regard to the extent of homelessness in South Africa. Despite the unavailability of an official statistics, there is no contestation that homeless people or homelessness exist in the country, which dates back to the period of apartheid regime in South Africa, as reported in Olufemi (1998). Presently, in South Africa there is no national census conducted by Statistics South Africa on homeless people in the country (Speak, 2005), what exists is information on informal dwellings, which according to Statistics South Africa in General Household Survey 2013 is home to 13.6% of South African population. Due to lack of officially produced and documented statistics, researchers rely on unofficial individual studies for the estimate of homeless persons in particular cities in the country.

Various studies, Cross et al (2010) estimated the homeless population in South Africa to be in the range of 100 000 to 200 000 people who live on the streets, while a recent estimate by the Human Sciences Resource Centre, South Africa puts the figure at 200 000, which is a significant proportion of the nation's population of 53.5 million in 2015 (Rule-Groenewald et al., 2015). Across South Africa, the number of people living on the streets has continued to increase (Kok, Cross & Roux, 2010). According to Black (2017), comprehensive surveys taken in Limpopo, Gauteng and Mpumalanga revealed an increase from 0.02% to 0.22% in the population of the homeless, strictly living on the street between 1996 and 2001 (Kok et al., 2010). As at 2015, 0.2% of the City of Cape Town population were conservatively estimated to be homeless (Bernardo, 2015).

### **Drivers of Homelessness in South Africa**

Understanding “the homeless” in South Africa will lead towards the perspectives on the drivers of homelessness or what make people homeless in South Africa. The current vulnerability to homelessness in South Africa is a function of a number of contexts and factors as follows:-

#### *Historical disadvantage*

Impact of apartheid legislations on households led to the emergence of a section of South Africa population, mainly of African origin referred to as previously disadvantaged persons. This category of people were at various points in time driven to homelessness through apartheid government mechanisms such as - forced removals, uprooting, legislated landlessness, denial of documentation etc. Apartheid promoted so-called separate and discriminatory development that involves government legislation on where people could live according to racial classification. This system was implemented through forceful removal or relocation of population groups from one location to another. Pirie & Hart (1985:387) averred that the “system forced black families to live in what was referred to as ‘homelands’ or satellite townships, while permits were issued to the families’ adults to work in the cities, in

mines and on farms.” In this process, ancestral and original homes of indigenous black population were demolished and made desolate, while tracks of lands were forcefully taken away by the apartheid government to establish ‘white only’ settlements/cities, mines and farmlands. The consequence of the above was homelessness and landlessness for the affected black population. The Black population were also denied vital documentation, such as South African Identity document which was the primary instrument in accessing government created benefits and social protection services like social grants and housing. Much of these culminated to the high rate of homelessness at the dawn of democracy in 1994 and to the present overflowing state of homelessness in South Africa.

### *Migration*

Migration of different nature in South Africa has been a potent factor that drives homelessness. When a household leaves its usual place of residence under a desperate situation and relocates to somewhere else, such household runs a risk of being homeless either temporarily or for a long time. Internal migration, mainly rural to urban settlements accounts for much of homelessness in South African Cities, thereby creating ‘urban homelessness.’ This phenomenon witnessed a spike in 1994 (new democratic dispensation) and has continued until the present time. There is continuous influx of people from previously economically disadvantaged provinces to major economically advantaged provinces in the country (Gauteng and Western Cape), in search of better service delivery and living conditions, including jobs. Besides the internal migration, immigration of people from other countries into South African cities also adds to the already overstretched cities, leading to housing shortages and squalor. As the population of the cities stretch beyond what they can contain both in private and public sector housing provisioning, a huge number of households and individuals who are unable to afford a ‘standard’ living place or roof over their head take alternative living abodes, such as shacks (makeshift houses) that are not descriptively ‘homes.’ Irrespective of whether they have houses in the rural areas in the case of internal migration or in their countries of origin in terms of external immigrants, their current context in the cities defines them as homeless households or individuals.

### *Unemployment and low wages*

Historically, unemployment in South African has never been at an unacceptable rate both during and after apartheid regimes. In the present democratic dispensation, unemployment has remained high at about 27.1% in January 2019, especially among youth, black population and women when compared to other social categories. Even where greater number of South African labour force is employed, low wage has been a major problem that leads to unsustainability of families and households. Each and combination of the above scenarios create unsustainable living conditions where households or individuals are unable to afford ‘proper’ living places. In situations where the government agency conducts a Means Test to determine households that qualify for ‘public houses’ some of the low earning families commonly referred to as “the missing middle” are usually left out of the distribution benefits.

### *Social exclusion and cultural rights*

South Africa like some other countries in the continent and globally is challenged with social problem of social exclusion. This is a condition where a society is not mutually and equally accommodating to all people that belong to it, irrespective of their social categorization (gender, race, etc). Quite a number of South Africans are socially excluded from certain benefits. For example, the mentally challenged are to a large extent excluded from public house distributions, which keeps them perpetually homeless. In some communities, cultural rights to inherit homes (houses) and land exclude certain sections of the society, mainly women, widows and the culturally defined ‘unfit’ individuals like adopted children. In this regard, the vulnerability to homelessness among these social groups is far greater than in the groups that have rights to inherit homes (houses).

### *Loss of parents or household bread winner*

Children losing their parents at a stage where they cannot take care of their household affairs, including possessions tend to push them to being vulnerable to homelessness or remaining without a home 'house' if they cannot maintain the one passed on to them by their parents. There is quite a number of double orphans in South Africa who are homeless and live on the streets because of their bereavement.

### *Home desertion*

The estimate of home desertion or the proportion of homeless people who willingly deserted their homes in the world and South Africa are not known. Some family or household members desert home for a number of reasons that range from personal to social in nature. In South Africa, there are both adults and children who have deserted their homes and thereafter remain homeless.

### *Lack of proper identification document*

Possession of proper identification is a necessary step to solving problems and getting attention in terms of securing benefits from the state. There are some individuals who claim to be South Africans but do not have proper identification document to back up their claims. In a modern state like South Africa, the inability to produce an identity document as at when needed or requested leaves one out of all benefits that are due to every citizen. South Africa has a standard bar coded identity document that is issued to all citizens and permanent residents in the country. This document is required in almost every transaction one intends to have with the state, its agencies and other non-state agencies like financial institutions, private schools, private hospitals etc. During the apartheid regime, African population groups were denied of this document. The after effect of this practice created a huge backlog of people born in South Africa who do not have identity cards, immediately at the dawn of democracy in 1994 and up till the present, to some extent. As in most other transactions, a household may not be able to access private housing if it wants to purchase or benefit from the government housing schemes for the purpose of having a 'home.'

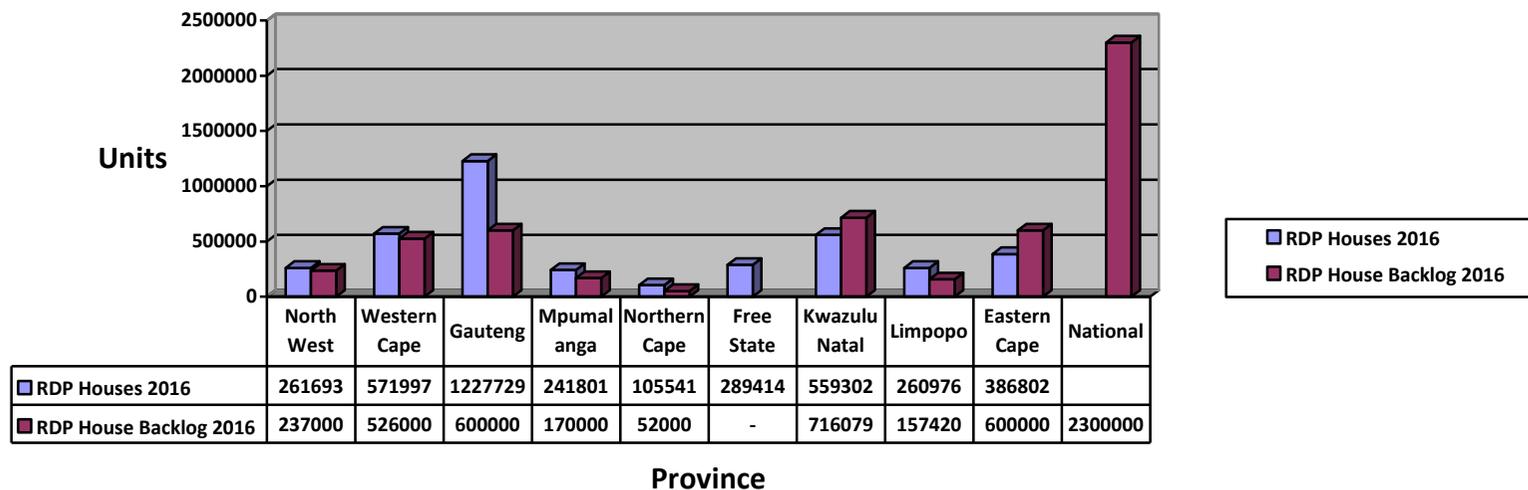
## **Extent of Housing Need in South Africa**

Understanding of the drivers of homelessness or what factors push homelessness in South Africa equally sheds light on characteristics of vulnerable individuals, households and groups. It also narrowly points to people who do not live in places that they own or have right over and the need for proper shelter (houses). Housing need in South Africa is a constitutional right, as enshrined in the Constitution of the Country, translated from the South African Freedom Charter, but the extent of this need appears to be on the steady rise due to one or more of the drivers already explained in the previous section of this paper. For Moroke (2009:7) "Housing need is defined as a combination of people who are homeless; or people occupying unsanitary or overcrowded housing or otherwise living in unsanitary housing conditions; or people who would need to move on medical or welfare grounds." This definition covers care and support needs and other social needs; or people who have a need to move to a locality where failure to do so will cause hardships to themselves or others (Bilson, 2007:4). It is therefore residual and represents the number of households without financial means to make a demand for housing effective in the market (Allmendinger & Chapman, 2000:96). The South African National Department of Housing (NDoH), further emphasised that "housing development needs highlight the existing gaps regarding inadequate houses, the number of houses and the number of people in need of a house" (NDoH, 2005). To distinguish clearly between need and demand, the NDoH (2005) calculates housing need by means of a compilation of the existing housing stock (this includes different types of existing houses, as well as inadequate housing) and estimated future trends, including the estimated population growth, migration to urban areas and the household size (Moroke, 2009).

In 1994 the emergent South African democratic government inherited a practice where housing was delivered through a fragmented system of race and ethnicity-based administrations into separate racial localities. It was evident that the new government was going to grapple with a huge problem of housing needs and backlogs. At the assumption of governance in 1994, the housing backlog in South Africa was estimated to be at 1.2 million houses (South African Government News Agency, 2014), while the 1996 census two years after further showed that 1.5 million households lived in informal houses in urban areas. Statistics South Africa (2017) General Household Survey revealed that 2.2 million households live in makeshift structures referred to as informal settlement (shacks or shanties). More recently in 2018, there was an estimate of 2.1 million (Gerber, 2018) to 2.3 million housing backlog in South Africa, which means an annual growth of 178 000 units due to population growth, migration and other factors. This claim can be substantiated from the estimate in Figure 1, which indicates that Gauteng has the highest number of houses delivered, followed by Western Cape and Kwazulu-Natal Provinces, yet these provinces are among top four provinces with high housing backlog and needs in South Africa. The frequent house demand protest in South Africa attest to the enormous pressure that housing need exerts on the system. Most of these protests are concentrated in metropolitan municipality areas, cities and other important population concentration hubs like mining towns. It may be inaccurate to estimate the number of housing, including land related protests in South Africa in the past two decades. General observation has shown that housing related protests are on the rise and has become four or five times more likely to erupt when compared with other issues related protests in South Africa.

The revelation on the current housing problem in South Africa is not a recent discovery. The South African democratic government has vested lots of efforts and resources towards addressing this huge problem. However, it is evident from various statistics that quite a number of homeless households are left behind, unaddressed. Official and unofficial estimates are usually based on certain categories of people that have indicated their need for housing, while such estimates exclude the most vulnerable homeless people in the society, such as the street kids, the mentally challenged and others that lack the capacity to engage in a contract. This arouses the curiosity to as – what happens to this category of homeless? It will be interesting to investigate how the government is addressing the housing need of this missing segment of the homeless population. However, the South African government has addressed and is continuously addressing homelessness through various channels.

**Figure 1: RDP Housing Dwellings and Backlogs 2016 by Province**



## **Government Agencies and Public Works Intervention in Addressing Homelessness in South Africa**

Sociologically, house or 'home' is one of the three most important needs of every human. It is regarded as the second need after food on a broader sense, when all living beings, human and non-human are considered. This therefore elevates house as a public good, which requires government attention at all levels. In South Africa, there are selected government agencies and departments that are constitutionally involved in public works, but the public agency on the frontline is the National Department of Human Settlements (NDHS). Its responsibility includes provision of adequate and affordable housing and ensuring that all South Africans live in 'proper' houses with basic amenities. Human Settlement department is organised in the three respective tiers of government (national, provincial and municipal) in the country. Therefore, addressing the housing needs is not a sole responsibility of the national government. Beside the Department of Human Settlement, other government departments and agencies are involved in the housing delivery.

From a broader perspective, addressing homelessness is more than providing affordable or free housing as it is the case in the Republic of South Africa, even though access to housing is one of the most potent means in dealing with homelessness. Physical houses undergo various channels before they reach the homeless and the horrific bottlenecks seem to be in these channels and processes, like possession of proper identity document, birth certificate etc. Therefore addressing homelessness should begin with addressing the root obstacles that negatively the process of housing delivery at different levels of government.

The main question that needs to be addressed is, what is being done since 1994 in addressing the social problem of homelessness in South Africa? As homelessness is a problem that permeates all levels of the community, various governments at different levels and structures are equally involved in addressing it. However, their level of involvement and seriousness, which is obviously beyond the scope of this paper may be a function of how they perceive homelessness. One study found that "three out of four South African metropolitan municipalities viewed homelessness primarily as a social dependency issue, responding with social interventions. At the same time, homeless South Africans indicated that the most important thing the municipality could assist them with was employment and well-located affordable housing" (Atwater, et al 2003: 69).

### ***Social Protection Support Services interventions in facilitating access to homes***

One important step established by South African government in addressing homelessness or need for houses in the country is through social protection related agencies. At the dawn of democracy in 1994, the new South African government began with issuing South African Identity document to deserving citizens who had been denied this vital document by the apartheid regime, which hampered their access to social benefits including housing from the government in the previous decades. This was done through the intervention of the Home Affairs Department. Up till the present time, there is still backlog of South African citizens who are yet to secure proper identity documents, as the Home Affairs Department continuously work towards ensuring that all citizens are documented. Lack of the identity document makes it impossible for anyone who claims to be South African to receive government provided houses.

In conjunction with the Home Affairs Department, some categories of "homeless" (underage orphans, mentally challenged) are provided shelter "home" by the Social Development Department, due to their inability or legal capacity to enter into contract or make an application for a personal house, which may involve some sort of attestations and affidavits. While foster homes, orphanages, motherless babies homes are provided to children, adults

and some street kids are housed in various categories of place of safety. Although it is beyond the scope of this papers, more detailed investigation on the extent and efficacy of these programmes and interventions by the Home Affairs Department and Social Development Department in providing adequate shelter “homes” to these categories of homeless citizens without legal capacity may provide answers to questions that have not yet been sufficiently addressed in the country and in many other developing and developed countries.

### ***Legislations, Policies and programmes to address the forces of homelessness***

There are a number of legislations and policies that set the principles for addressing homelessness in South Africa. These include:

- Republic of South Africa Constitution 1996: Section 26 of the constitution stipulates that *‘everyone has the right to adequate housing; the state must take reasonable legislative and other measures within its available resources, to achieve the progressive realisation of this right’*
- Housing Act 1997: This Act provides for the facilitation of a sustainable housing development process and lays down the roles, responsibilities and functions of the different spheres of government.
- The National Norms and Standards: This policy stipulates the minimum standard for a ‘proper’ house in South Africa. It stipulates that each house must have at least 40m<sup>2</sup> of floor space, two bedrooms, a separate bathroom with a toilet, a shower and hand basin, and a combined living area and kitchen.
- PIE Act (1998) The *Prevention of Illegal Eviction from and Unlawful Occupation of Land Act* (PIE) is an act of the Parliament of South Africa which came into effect on 5 June, 1998, and which sets out to prevent arbitrary evictions
- Rental Housing Act, 1999 (Act No. 50 of 1999) as amended in The Rental Housing Amendment Act 35 of 2014. This Act regulates the relationship between landlords and tenants and it provides for dispute resolution by the Rental Housing Tribunal. It was brought about to protect the rights of the landlord and the tenants alike. As it stands, tenants in the residential property sphere have rights in terms of the Rental Housing Act, the common law, and the Consumer Protection Act.
- The social Housing Act (2008). This Act was meant to establish and promote a sustainable social housing environment; to define the functions of national, provincial and local governments in respect of social housing; to provide for the establishment of the Social Housing Regulatory Authority in order to regulate all social housing institutions obtaining or having obtained public funds; to allow for the undertaking of approved projects by other delivery agents with the benefit of public money; to give statutory recognition to social housing institutions; and to provide for matters connected therewith.
- 1994 Housing White Paper on Reconstruction and Development Programme (RDP). This provided a framework for housing development target of building 1million state funded houses, within the first 5 years at a target of 338 000 units per year.
- 2004 Breaking New Ground: This initiative outlines a comprehensive plan for the development of sustainable human settlements. Policy shift from quantity to quality and emphasised on the process of housing delivery, i.e. the planning, engagement

and the long-term sustainability of the housing environment. Key objective-to eradicate all informal settlements.

- National Development Plan (NDP): In its Outcome 8 (sustainable human settlements and improved quality of household life. NDP's vision of transforming human settlements and the spatial economy to create more functionally integrated, balanced and vibrant urban settlements by 2030.
- Land expropriation without Compensation Bill 2018 (under way)  
This policy is about getting some land for re-distribution to the landless, dispossessed and dislocated during the apartheid regime. It aims at resettlement, redress of past injustices in relation to land.

### ***Department of Human Settlement Interventions in providing Free and Affordable Housing***

#### *Establishment and Maintenance of Housing Entities*

An important step taken by the South African government from 1994 to date was the establishment of various bodies called 'housing entities' which are under the Department of Human Settlement (Table 1). These entities exist as the implementing agencies of the department. In other words, they function based on the mandate given to them by the law and tasks assigned to them by the Department of Human Settlement from time to time. They are collectively the legalised role players in ensuring that the South African vision of addressing homelessness through provision of free and affordable housing especially to the poor is realised. Their sustainability is mainly through financial assistance and grant provided by National Department of Human Settlement (NDHS). In the 2018/2019 (up to Dec 2018) financial period, a total of R1.3 Billion (R1 317 030 000) was disbursed to various entities by the department, which shows the extent of both regulatory and financial commitment of the national Department of Human Settlement in addressing homelessness. Besides the housing entities that are directly involved in the delivery of home opportunities to households, there are two agencies, National Housing Needs Register (NHNR) and National Upgrading Support Programme (NUSP) that facilitate and support the sustainability of the housing project.

#### *National Housing Needs Register (NHNR)*

In order to deal with the inefficiencies, duplications and inconsistencies in the housing delivery in the country, a National Housing Needs Register (NHNR) was established to serve as a central database that offers households the opportunity to register their need for adequate shelter by providing information about their current living conditions, household composition and to indicate the type of housing assistance they require from government. Through this system, households are also able to update their information to ensure that their details are relevant to their current situation. Records of households that have registered their need on other systems/waiting lists are received from provincial human settlement departments and municipalities. The NHNR has the functionality that ensures that the allocation of housing opportunities that are created through the various programmes contained in the National Housing Code is done in a fair, transparent and auditable manner. This is done by selecting households from relevant geographical areas based on the agreed criteria, such as age, preference, employment and income status.

#### *National Upgrading Support Programme (NUSP).*

Through the NUSP, the Department of Human Settlement (DHS) aims, amongst others, to promote incremental upgrading and strengthen capacity of government and professional practitioners to implement community-based upgrading. The NUSP was expected to provide

project level technical support to 119 municipalities over the medium term for planning the upgrading of informal settlements in the year 2018/2019.

**Table 1: Housing Entities under Department of Human Settlement**

| Entity  | Functions   | Grant from NDHS 2018/19                                   |
|---|---|---|
| National Home Builders Registration Council (NHBRC)       | <ul style="list-style-type: none"> <li>Provides warranty protection to consumers against defined defects in new homes.</li> <li>Regulates the home building industry</li> <li>Provides training and capacity building to promote compliance with technical standards</li> </ul>   | NHBRC does not receive financial assistance from the NDHS |
| Community Schemes Ombud Service                           | <ul style="list-style-type: none"> <li>Provides a dispute-resolution service for community schemes</li> <li>Monitors and controls the quality of all governance documentation relating to sectional title schemes; and</li> <li>Takes custody of, preserves and provides public access to scheme governance documentation.</li> </ul>   | R29.4 million   |
| Estate Agency Affairs Board                               | <ul style="list-style-type: none"> <li>Regulates, maintains and promotes the conduct of estate agents</li> <li>Issues certificates from the Estate Agents Fidelity Fund</li> <li>Prescribes the standard of education and training for estate agents</li> <li>Investigates complaints lodged against estate agents, and</li> <li>Manages and controls the Estate Agents Fidelity Fund.</li> </ul> | Nil. Does not receive financial assistance from the NDHS  |
| Housing Development Agency                                | <ul style="list-style-type: none"> <li>Identifies, acquires, holds, develops and releases state-owned and privately owned land for residential and community purposes and project</li> <li>Manages housing developments for the creation of sustainable human settlements.</li> </ul>   | R210.67 million   |
| National Housing Finance Corporation (NHFC)               | <ul style="list-style-type: none"> <li>Broadens and deepens access to affordable housing finance for low- to middle income households by facilitating private-sector lending for housing purposes.</li> </ul>   | R100 million  |
| National Urban Reconstruction and Housing Agency (NURCHA) | <ul style="list-style-type: none"> <li>Provides bridging finance to contractors building low to moderate income housing, infrastructure and community facilities.</li> </ul>  | Nil.  |
| Rural Housing Loan Fund (RHLF)                            | <ul style="list-style-type: none"> <li>Facilitates access to housing credit to low income rural households by providing wholesale finance through a network of retail intermediaries and community-based organisations.</li> </ul>  | R50 million   |
| Social Housing Regulatory Authority (SHRA)                | <ul style="list-style-type: none"> <li>Regulates the social housing sector, and ensures a sustainable and regulated flow of investment into the social housing sector</li> <li>Providing capital grant to accredited social housing institutions.</li> </ul>  | R926.96 million   |

### *Formal Housing Delivery Methods and Mechanisms*

Due to differences in housing need in the country, the National Department of Human Settlement and other related agencies, including the provinces and municipalities are mandated to follow the established formal housing delivery methods. There are formal and informal housing delivery methods and mechanisms designed by the department. However, the scope of this paper is limited to the formal mechanisms and methods (Table 2). These twelve methods with different funding mechanisms and targeted tenure options and solutions are meant to fit different categories of the poor in need of assistance to own a house “home.”

In all the methods, a Means Test is conducted to ascertain whether the household qualifies or not. In this regard, they are clustered into three main categories. The first is for subsidized income group (households with R0 – R3500 per month). Houses delivered to this group of households are either free of charge (e.g. Reconstruction and Development Programme houses) or on highly subsidized rental in the case of public hostels and rent to own for household houses of minimum of 40m<sup>2</sup>. The second category is Gap Income Group for households that earn between R3, 501 – R10, 000 per month. There are also free housing delivery in this category. The mechanisms involved in the housing ownership assistance is through provision of financial assistance to enable the households own a home through either rent – to- own or purchase at a highly subsidized less than market price. It is meant for low and middle income earners to cushion the gap between the market prices and what households can afford as it is the case with Gap: Inclusionary scheme. The government also designed the third method purely to assist households that earn a total income of R10, 000 and above per month to access private market houses that are not built in the public housing schemes, but mainly in the suburbs or other private locations.

Depending on the method and mechanism of delivery, households' expectation are met based on the options and solutions targeted by specific methods of delivery. However, the expected general outcome is for households to have full ownership of houses, either in full or sectional title specification in terms of tenure option, even though there remains rental options for public hostels. The type of response also range from delivery of brand new homes, upgrading or regeneration of existing structures.

Recent developments in the housing delivery include the establishment of Government Employees Housing Scheme (GEHS) in 2015/2016. The scheme is intended to assist public service officials on salary levels 1 to 10 with collateral for access to home loans and home ownership. It was mainly established to address the exclusion of the 'missing middle' in the economy, which means households in the monthly bracket of R3 500 and R15 000, who continue to remain underserved and excluded from accessing home loans in spite of their regular income and relatively secure employment

Similar to other government subsidized public goods and benefits, housing delivery in South Africa has been fraught with a number of issues. This ranges from quality of delivery, corruption, security of tenure, availability of land and other irregularities which are not within the scope of this paper to provide further detail. However, they are issues that are being addressed and dealt with by the government on regular basis. For instance, the Means Test, which is the standard procedure to determine households that qualify for the RDP houses may be circumvented and manipulated by desperate households who earn over and above the threshold. However, the importance, purpose and function of the designed delivery methods and mechanisms in ensuring that affordable houses are provided to South African households cannot be undermined.

**Table 2: Formal Housing Delivery Methods, Funding Mechanisms and Tenure Options attached**

| <b>Formal Housing Delivery Method</b>                                 | <b>Funding Mechanism</b>   | <b>Tenure Options/ Type of Response / Solution</b>                  |
|---|--|---|
| <b>Subsidised Income Group (R0 – R3500 – per household per month)</b> |  |   |
| “RDP” Housing Delivery - National                                     | Subsidy provided by National government for the construction of housing units (top structure).   | Full ownership<br>New house on owned stand                          |
| Backyard Rental Programme (Gauteng Only)                              | The Affordable Rental Accommodation Grant is given to qualifying landlords to repair and rebuild backyard accommodation  | Rental<br>Informal and backyard solution                            |
| Upgrading of Informal Settlements (UISP) - National                   | Municipalities will assume role of developer and will identify informal settlements to be upgraded and apply to the Provincial Housing Department for funding. Subsidies given to individuals. .   | Full ownership<br>Informal and backyard solution                    |
| People’s Housing Process – National                                   | A support organization must be established that then approaches the Provincial / Regional office to make a project application on behalf of applicants. Access is then provided to subsidies as well as other support measures.  | Full ownership<br>New house on owned stand                          |
| Community Residential Units (CRU) – National                          | Development or refurbishment of public housing stock including hostels CRU programme provides a subsidy for the total capital costs of project preparation and development of public property and a once-off maintenance grant after 5 years.  | Rental / sectional title / full ownership, upgrading / Regeneration |
| Enhanced Extended Discount Benefit Scheme – National                  | This scheme promotes home ownership among tenants of publicly-owned rental housing (municipal and provincial). Facilitated by Consolidation subsidy – transfer of long-term state funded housing. Purchasers can receive a discount on the selling price of the property.                | Rent-to-buy   |
| Integrated Residential Development Programme (IRDP) – National        | The IRDP enables the development of well-located, socially diverse projects that provide a mix of income groups and land uses  | Rental / sectional title / full ownership. upgrading / regeneration |
| Urban Settlement Development Grant (USDG) –                           | Developed as an instrument to address linkage between public housing and economic growth to simultaneously contribute to Human Settlements.  |   |
| <b>Gap Income Group R3,501 – R10,000 – per household per month)</b>   |  |   |
| Social Housing Institutions (SHIs) – National                         | The subsidy is paid to approved institutions to provide subsidised housing on deed of sale, rental or rent-to-buy options, on condition that the beneficiaries may not be compelled to pay the full purchase price and to take transfer within the first four years of receiving subsidy | Rental / sectional title / full ownership. upgrading / regeneration |
| Financed Linked Individual Subsidy Programme (FLISP) - National       | In order for those within the gap market to acquire existing properties or to buy a serviced site. The Financed Linked Individual Subsidy Programme (FLISP) applies to people who earn R 3 501 and R 7 000 per month.  | Full ownership  |
| Gap: Inclusionary Housing   | Inclusionary housing projects include both affordable housing and accommodation for middle income households. This is usually done by regulating projects done by private developers to provide a percentage of affordable units benefiting households earning below R10 000 per month.  |   |
| <b>Private Market R10,000 + ( per household per month)</b>            |  |   |
| Developer Implementation, Market Driven; private Sector.              | Bonded; Privately funded Usually provided for people earning between R7, 500 and R40, 000 per month.   | Rental / sectional title / upgrading /                              |

## Housing opportunities provided 1994 - 2019

The government of South Africa through the National Department of human Settlement has continuously delivered a range of housing opportunities to homeless South African citizens from the year 1994 to 2019 (Table 3).<sup>1</sup> A total of about 4.8 million housing opportunities have been delivered, out of which were over 3.3 million housing units, 1.1million serviced sites completed and 369 330 Enhanced Extended Discount Benefit Scheme (EEDBS). Within these years, the NDHS has delivered an average of 45 000 serviced sites, 130 533 houses built and 14 773 EEDBS per annum.

Table 3: Total Housing Opportunities (serviced sites, houses/units and EEDBS) Provided 1994 - 2018

| YEAR   | SERVICED SITES COMPLETED | HOUSES/UNITS BUILT | TOTAL HOUSING OPPORTUNITIES |
|--|--------------------------|--------------------|-----------------------------|
| 1994/95  | -                        | 82060              | 82060                       |
| 1995/96  | -                        | 40974              | 40974                       |
| 1996/97  | -                        | 129 193            | 129 193                     |
| 1997/98  | -                        | 209 000            | 209 000                     |
| 1998/99  | 12 756                   | 235 635            | 248 391                     |
| 1999/2000  | -                        | 161 572            | 161 572                     |
| 2000/01  | 19 711                   | 170 932            | 190 643                     |
| 2001/02  | -                        | 143 281            | 143 281                     |
| 2002/03  | 82 286                   | 131 784            | 214 070                     |
| 2003/04  | 42 842                   | 150 773            | 193 615                     |
| 2004/05  | 87 284                   | 148 253            | 235 537                     |
| 2005/06  | 109 666                  | 134 023            | 243 689                     |
| 2006/07  | 117 845                  | 153 374            | 271 219                     |
| 2007/08  | 82 298                   | 146 465            | 228 763                     |
| 2008/09  | 68 469                   | 160 403            | 228 872                     |
| 2009/10  | 64 362                   | 161 854            | 226 216                     |
| 2010/11  | 63 546                   | 121 879            | 185 425                     |
| 2011/12  | 58 587                   | 120 610            | 179 197                     |
| 2012/13  | 45 698                   | 115 079            | 160 777                     |
| 2013/14  | 48 193                   | 105 936            | 154 129                     |
| 2014/15  | 49 345                   | 94566              | 143911                      |
| 2015/16  | 52 349                   | 99904              | 152253                      |
| 2016/17  | 56 886                   | 89186              | 146072                      |
| 2017/18  | 50 309                   | 86006              | 136315                      |
| 2018/19 (Apr to Dec 2018)  | 28 827                   | 58394              | 87221                       |
| <b>TOTAL Sites &amp; Houses</b>  | <b>1 141 259</b>         | <b>3 263 331</b>   | <b>4 404 590</b>            |
| <i>Average per year</i>  | <i>45 650</i>            | <i>130 533</i>     | <i>176 184</i>              |
| <b>1994 to 2018</b>  |                          |                    |                             |
|  | <b>EEDBS*</b>            |                    | <b>369 330</b>              |
| <i>Average per year</i>  |                          |                    | <i>14 773</i>               |
| <b>Total Housing Opportunities (Serviced Sites, Houses/ Units &amp; EEDBS)</b> |                          |                    | <b>4 773 920</b>            |
| <i>Average Total Per Year</i>  |                          |                    | <i>190 957</i>              |

This effort has been implemented based on the government's conception of social protection for the homeless citizens which began in 1994 as Reconstruction and Development

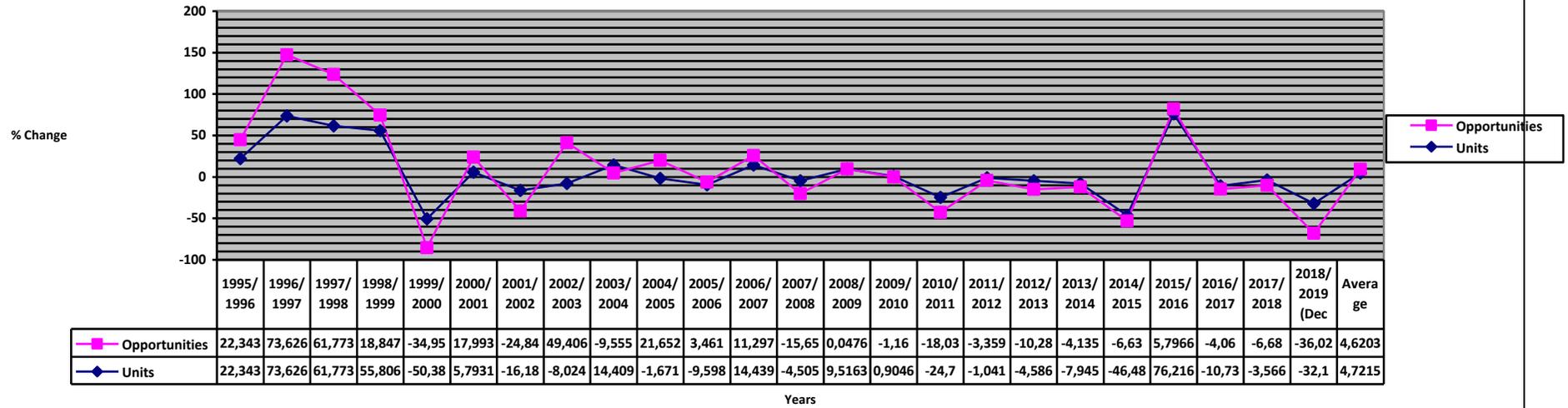
<sup>1</sup> Notes:

- 2018/19 figures are for 9 months only (April to Dec 2018) and are preliminary;
- EEDBS\* (or DBS): Enhanced Extended Discount Benefit Scheme refers to the Housing Programme that provides state subsidies to repair / rehabilitate and even demolish & re-build where necessary, Govt (rental) houses built before 1994 and then transfer houses into the ownership of legitimate occupants.
- In some years, such as 2014/15, 2016/17 and 2017/18, the numbers for EEDBS were removed after verification processes from the figure for Units as they are to be counted only under the EEDBS programme.
- Twenty Year totals are still as follows: Serviced Sites (903 543) Houses/ Units (2 835 275) Total H/O (3 738 818)

Programme (RDP) under the then President Nelson Mandela. The programme had a high ambition and target to deliver over 1million Houses in the first five years of inception. Until the present time, the provision of houses and homes for the homeless has been implemented and set as priority target under succeeding programmes, Growth, Employment and Redistribution (GEAR) and more recently, National Development Plan (NDP) that came after the RDP. Various delivery methods and mechanisms had been applied consistently in meeting this important government objective. Having delivered about 3.3 million houses to households on the average of 3.3 persons per household in South Africa the government through its agencies has made homes available to an estimate of over 6 million people (population equal to the size of a number of countries). Even though the optimal target of providing homes to all deserving South African citizens has not yet been met.

Further analysis of housing units and service sites delivery based on annual growth percentage change (Figure, 2) indicates 1996/1997 and 2015/2016 as the peak years when the highest housing opportunities (service sites and houses combined) were delivered, while 1999/2000 and 2018/2019 were the bleak years (based on the current data of 2019 up to December 2018). Similar trend was also observed in the actual housing units that were delivered, which may be explained by a number of variables, including economic conditions (GDP etc), limited budget for the sector at a particular period, corruption, politicking and regime change. However, irrespective of the negative growths observed in some years, there has been an average of 4.6% and 4.7% annual positive growth for housing opportunities and housing units respectively.

Figure 2: Annual growth on Housing opportunities and House Units 1995 - 2019

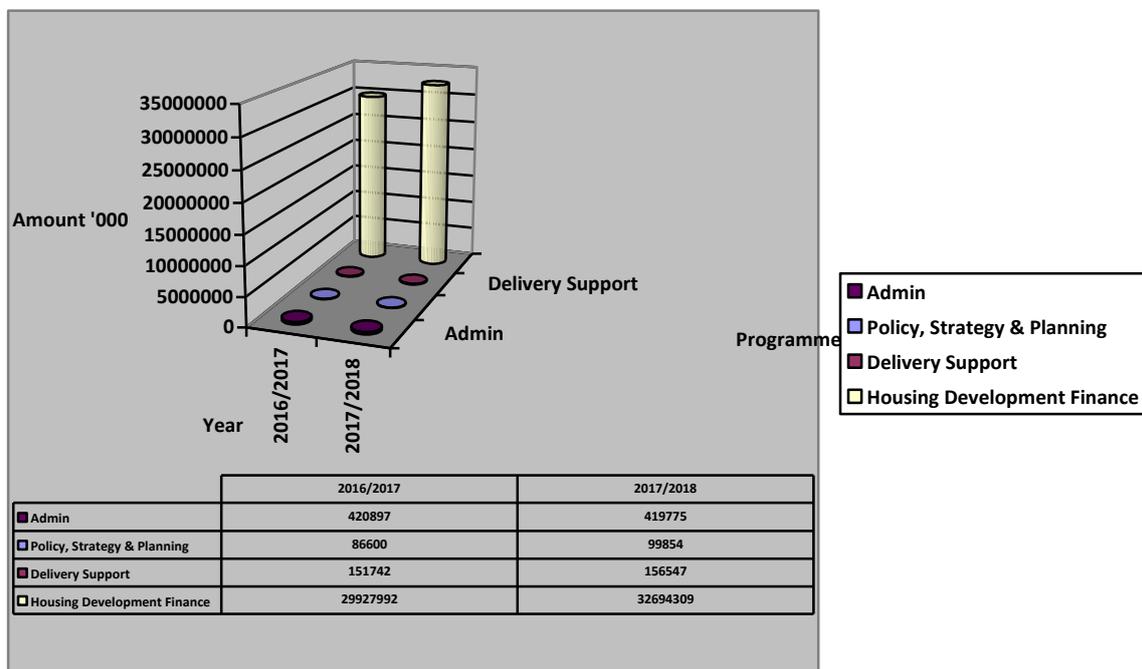


## Commitments and Sustainability Achievements towards Public Housing

### Financial Commitments

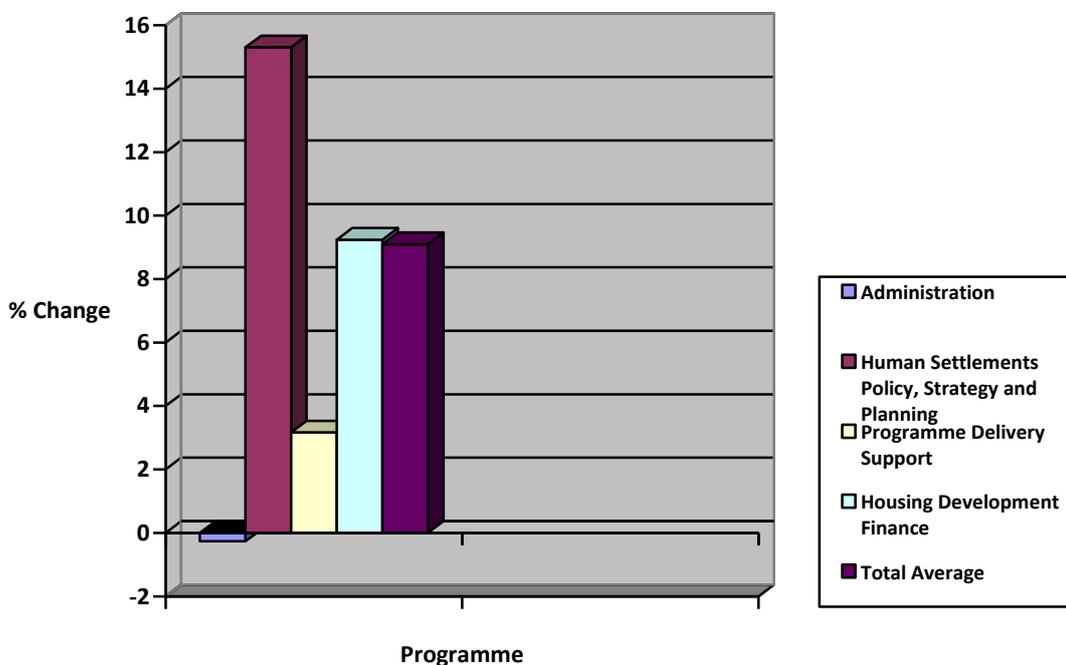
In its bid to deliver homes to the homeless, the NDHS as the frontline public works department in South Africa put in place viable commitments and strategies to sustain the project. This has been demonstrated through the department's financial commitment and the place of Human Settlements annual expenditure, *viz-a-viz* other government sectors in the country. For instance, for the financial year 2016/2017 and 2017/2018 compared, the department vested more expenditure in 2017/2018 (Figure 3). More money was spent on Housing Development Finance and Programme Support in the two years than in any other programme. But considering the expenditure growth pattern (Figure 4), an annual growth of 9% was observed in the total expenditure.

Figure 3: Financial Commitment 2016 -2018



Surprisingly, more growth was observed in the expenditure on Policy, strategy and planning, followed by Housing Development Finance, when compared with other programmes, while Administration expectedly had the least. Considering the year to year change, substantial expenditure was made on Housing development based on the revelation on nominal amount of money spent and percentage change over the year.

**Figure 4: Growth % Change in Programme Expenditure 2016/2017 - 2017/2018**



|   |              |  |
|---|--------------|--|
| Administration                                  | -0,266573532 |  |
| Human Settlements Policy, Strategy and Planning | 15,30484988  |  |
| Programme Delivery Support                      | 3,166559028  |  |
| Housing Development Finance                     | 9,243242915  |  |
| Total Average                                   | 9,099398373  |  |

Similarly, the government commitment can also be gleaned from the expenditure pattern in 2016/2017 and 2017/2018 financial years (Table 4). Overall, Department of Human Settlement received and spent fourth largest amount of money in both financial years. More importantly, NDHS was also the fourth department (at about 9%) in order of expenditure growth, based on percentage change of amount spent in 2017/2018, when compared with the preceding year 2016/2017.

**Table 4: Government Expenditure 2016/2017 – 2017/2018**

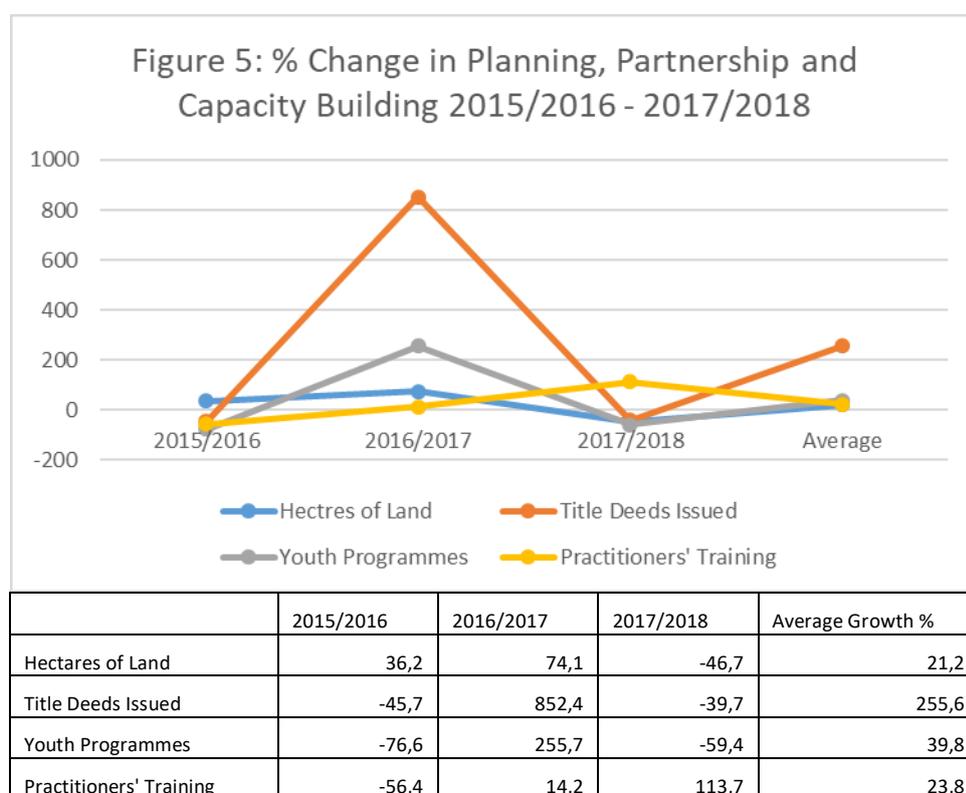
| Departments                                    | 2016/17 | 2017/18 | % Change |
|--|---------|---------|----------|
| Basic Education                                | 226.6   | 243     | 7,2      |
| Economic Affairs                               | 201.7   | 215     | 6,6      |
| Defence, public order and safety               | 190     | 198.7   | 4,6      |
| Human Settlements and Municipal Infrastructure | 179.8   | 195.8   | 8,9      |
| Health   | 170.9   | 187.5   | 9,7      |
| Social Protection                              | 164.9   | 180     | 9,1      |
| General Public Service                         | 70      | 70.7    | 1        |
| Higher Education and Training                  | 69      | 77.5    | 12,3     |
| Agriculture, rural development and land reform | 26      | 26.5    | 1,9      |

### **Planning, Partnerships and Technical Capacity Sustainability Trajectories**

The National Department of Human Settlement (NDHS) address the provision of homes to the homeless in the country through strategic planning, partnerships and capacity building. Through these, the sustainability of the project of providing hoses to needy citizens can be assured. The actual achievements of the department in selected aspects within the four financial years 2014/2015 – 2017/2018 attest to what the relevant public work department is doing in realizing the dream of affordable housing to South Africans (Table 5). The department achieved substantially in all the four aspects measured, having driven the delivery of an average of about 4000 Hectares of land, 64588 title deeds, 180 youth bursary programme supported and training of 602 settlement skills related practitioners in the four year period.

Table 5: **Planning, Partnerships and Technical Capacity Building 2014/2015 – 2017/2018**

| Programme performance indicator   | 2014/2015 | 2015/2016 | 2016/2017 | 2017/2018 | Average    |
|---|-----------|-----------|-----------|-----------|------------|
| Number of hectares of well-located land <b>acquired</b> and released for new developments | 2 635.1   | 3 589.1   | 6 250.385 | 3329,446  | 3951,00775 |
| Number of pre-and post- 1994 title deeds issued   | 26 279    | 14 266    | 135 878   | 81 929    | 64588      |
| Number of youth supported through the Bursary Programme                                   | 300       | 70        | 249       | 101       | 180        |
| Number of practitioners trained in human settlements skills development programmes        | 803       | 350       | 400       | 855       | 602        |



On the average within the last four year, all the target areas experienced positive growth, especially the number of title deeds issued which witnessed about 256%. The focus on title deeds can be connected to the desire of the government to ensure that those that have received houses or serviced sites also secure their right of ownership on these properties.

The increase in the title deed and the amount of Hectares of land secured and released to various households in the country is further driven by the recent government policy on Land Expropriation without Compensation. This policy replaces the previous implementation of “willing seller willing buyer” arrangement where the government purchase land from ‘land rich’ white farmers who own huge tracks of farmland for further distribution to homeless African households. The authenticity of this practice was questioned and variously flawed on the ground that the land being purchased by the government on behalf of the homeless African households were the same land that were taken from them by force or from where they were displaced from.

## **Conclusion**

The government of Republic of South Africa has addressed the social problem of homelessness from various directions, mainly through legislations, policies which are further sustained by commitments and partnerships. Considering the implementation of this noble project, the South African government through its frontline public works agency, the Department of Human Settlement has delivered housing opportunities and units to a huge number of households and population that is equivalent to that of some medium size countries. The basis for this social provisioning is enshrined in the 1996 constitution, which makes provision of housing to the homeless the responsibility of the government. In this regard, most houses were (are) built and delivered to the homeless by the government free-of-charge, which puts South African government priority in addressing homelessness in the country as one of the most generous in the world. Even though, further analysis has revealed consistent positive growth in the housing delivery through legislated methods and mechanisms in the country, the housing programme is faced with some challenges that are material and human in nature. Addressing homelessness still remains one of the priority programmes of South African government through its public works agencies. Even though giant strides have been made over the years in delivering over 3.3 million housing units and 4.8 Million housing opportunities, many more houses are yet to be built as the population increases. There seems to be a vicious, unending cycle of housing need in the country, which need to be addressed.

## **Policy Recommendations**

Against the observation on the present homelessness situation in South Africa, the following recommendations are made.

- 1) The government should sustain and intensify issuance of national identity document, birth certificates and other civic registrations to ensure that no citizen is excluded from social benefits
- 2) Housing benefits right should be extended to the previously excluded population, such as the orphaned children at their age of 18years
- 3) The responsible government agency should implement shelter rights for all citizens, including the mentally challenged
- 4) The National Housing Needs Register should be designed to accommodate housing succession information. This will entail a follow up on houses whose originally allotted owners are deceased to officially hand such houses over to next family member in succession and register them as such.
- 5) Implementation of complete ban on sale or purchase RDP (freely acquired houses) and other types of houses.
- 6) Implementation of greater access to housing through compulsory employment policy on housing, as currently done with Medical Aid and pension benefits. Employers must provide houses for employees through rent-to-own etc.
- 7) Extension of public housing to semi-rural areas to arrest the influx into urban areas to obtain houses.

- 8) Similarly, economic diversification and strengthening of rural economies should be made a priority in order to create jobs in the rural areas and limit rural urban migration.
- 9) Besides, economic development in the country should be made more evenly distributed across provinces, municipalities and local authority areas. This will lead to more even distribution of economically active population, including those in housing need, which is perceived as more severe in some cities and provinces than in others.
- 10) The government should apply the appropriate legislation to expropriate more land for the purpose of redistribution to the landless and building houses for the homeless.

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