

SUPPORT PROGRAMME FOR PUBLIC HOUSING PRACTITIONERS



# **The Municipal Leadership Housing Forum**

*Building Houses through Building People*

# Agenda: 9 February 2011

2

10h00	<b>Arrival and tea</b>
10h30 – 10h40	<b>Welcome :</b> Phumlani Mbulawa (SACN)
10h40 – 11h15	<b>Setting the context-key national policy drivers:</b> <i>Matthew Nell(Shisaka)</i>
11h15- 12h15	<b>Informal settlements and backyard rental:</b> <i>Steve Topham (IOD)</i>
12h15 – 13h15	<b>Law and order in metropolitan cities – land invasions and building high jacking:</b> <i>Stephen Berrisford (Urban LandMark)</i>
13h15 – 14h15	<b>Lunch</b>
14h15 – 15h15	<b>Delivery constraints in the housing sector:</b> <i>Christine Glover (OMIGSA)</i>
15h15 – 15h45	<b>Tea</b>
15h45 – 16h45	<b>Market failures:</b> <i>Robert McGaffin (Urban LandMark)</i>
16h45 – 17h45	<b>Community Mobilization:</b> <i>Ishmael Mkhabela (Joshco)</i>
17h45 – 18h00	<b>Summation of the day and closure:</b> <i>Matthew Nell (Shisaka)</i>
19h00	<b>Dinner</b>



# Agenda : 10 February 2011

3

08h30 – 09h30	<b>Breakfast</b>
09h30 – 09h45	<b>A brief overview of the Support Programme for Public Housing Practitioners : <i>Afsaneh Tabrizi (Shisaka)</i></b>
09h45 – 11h00	<b>Key considerations for housing and planning strategies for the next political term (<i>Facilitated discussion</i>)</b>
11h00 – 11h30	<b>Tea</b>
11h30 – 12h30	<b>Key considerations for housing and planning strategies for the next political term cont.</b>
12h30 – 13h00	<b>Summation and closure: <i>Matthew Nell</i></b>
13h00 – 14h00	<b>Lunch and departure</b>



# Setting the context – key national policy drivers

4

The following key national drivers are likely to have significant impact on policy and practice in the human settlements sector in the next few years:

- Outcome 8
- Emerging Changes to Overall Housing Strategy
- MIG Cities and Accreditation
- Land Use Management Bill



# Outcome 8 (1/5)

5

- **Outcome 8** was approved in January 2010 by Cabinet Legotla as part of a new outcomes based approach to defining targets and measuring progress of Ministers.
- **Outcome 8** in particular relates to the Minister of Human Settlements
- **'Outcome 8's** objective is: ***'Sustainable Human Settlements and Improved Quality of Household Life'***.
- To meet this objective, the DoHS has **prioritized four areas of work** between now and 2014:
  - **Accelerated delivery** of housing opportunities
  - **Access to basic services;**
  - More **efficient land utilization;** and
  - An **improved property market.**



# Outcome 8 (2/5)

6

## Key Housing Programme emphasis to achieve the Outcome 8:

- Focus on **informal settlement upgrading** - expanded implementation of the National Upgrading Support Programme
- Review **standards & densities of products**
- Process required to **identify and transfer state owned land** that can be used for development
- Support for **private landlords and social housing institutions**, especially in inner city areas
- Implementation of a **backyard rental upgrading programme**
- Implement an **affordable housing land servicing** and conditional **release programme**

# Outcome 8 (3/5)

7

## Key Financial Initiatives to achieve Outcome 8:

- Finalize a **strategy to promote private sector finance** (utilize DFIs or other sources to under-write portion of risk / provide guarantees)
- Establishment of **bulk infrastructure planning** and **funding mechanism**
- Establish **funding coordination mechanism** (alignment of PIGs and MIGs with housing grants)

## Key Financial Initiatives to achieve Outcome 8:

- Housing **accreditation for Metros and top 21** municipalities

# Outcome 8 (4/5)

## Key Planning Initiatives to achieve Outcome 8:

- **Municipal support interventions** including the development of **comprehensive infrastructure plans aligned to human settlement plans**
- Implement incentive systems for Local Government to **optimize for location**, e.g. density bonuses for developers
- Implement land use management systems to **improve development and zoning processes and systems**
- fast-track development of **new comprehensive land use management legislation**

## Key Housing Transactional Initiatives to achieve Outcome 8:

- Address **legal transfer requirements and costs, as well as Deeds Office capacity**
- Increase **property ownership education** for consumers
- **Remove re-sale restriction on RDP units**

# Outcome 8 (5/5)

9

Areas of work	Output	Unit of measure	Target 2014
Accelerated delivery of housing opportunities	Households adequately sheltered	Number of households with inadequate shelter (i.e. living in informal settlements)	600,000 households
	Rate of affordable rental delivery	Number of new affordable rental units	100,000 over 5 years
		Number of informal rental upgrades	200,000
Access to basic services	Access to water	% of households - access to basic services: water	100%
	Access to sanitation	% of households - access to basic services: sanitation	100%
	Access to refuse removal	% of households - access to basic services: refuse removal	75%
	Access to electricity	% of households with access to basic services: electricity	92%
More efficient land utilisation	Improved densities	Average number of formal affordable subsidies dwelling units per hectare	60 units/ha
	Utilisation of state owned land	Number of low income/affordable housing units delivered on well located public land (all three spheres of govt)	400,000 units/6,250 hectares
Improved property market	Address housing product costs	Extend bulk infrastructure contribution exemption to 'gap' housing market	Exemption applicable to all housing units <R250,000
	Coverage of housing segments	Number of housing opportunities in the 'gap' market	600,000 per annum
		Number of loans (mortgage and other) in the gap market	

# Emerging Changes to Overall Housing Strategy

10

## **Key issues that appearing on the agenda:**

- The Top Structure issue
- Housing Bank (restructuring of the HS DFI's)
- Integration initiatives:
  - MIG/HS integration;
  - Municipal HS and Infrastructure Plans
- World Bank loan (USD500 million or thereabouts) to SA local government for housing and infrastructure

# Land Use Management Bill (1/2)

11

- In June 2010 the **Constitutional Court declared invalid parts of the Development Facilitation Act 67** of 1995. The Court gave government 24 months in which to remedy legislative defects in the statute. This provided the opportunity for new legislation to be drafted. There will be **severe time constraints on any consultative process** between now and June 2012. The voice of local government – and especially the cities – will be crucial then.
- A draft Land Use Management Bill was submitted to Parliament in late 2008 and sent back to the Department of Rural Development & Land Reform for further work.
- The Presidency is now supporting the Department of Rural Development & Land Reform to redraft the bill in order to meet the Constitutional Court's deadline. The drafting team is reporting to an **Inter-Ministerial Committee consisting of the Ministers responsible for the National Planning Commission, Rural Development & Land Reform, Co-operative Governance & Traditional Affairs and Human Settlements.**



# Land Use Management Bill (2/2)

12

- The draft bill is not yet a public document but indications are that it:
  - Seeks to **establish 'directive principles'** that will guide all spheres of government in regard to spatial planning, land use management and regulation.
  - These directive principles are likely to include, critically, the **promotion of compact, sustainable human settlements; the discouraging of urban sprawl; and the promotion of close proximity** between residences and workplaces.
  - It will also establish **norms and standards for spatial planning and land use management**, which will apply to new provincial planning legislation.
- The draft will **clarify the respective roles and functions of national, provincial and local government** in the operation of the planning and land use management system.
- **Executive decision-making** for all planning decisions, including township establishment and rezoning, **must reside with local government**. This has implications for planning appeals and approvals by provincial structures.



# Conclusions

13

The emerging national policy directives indicate a significant shift in the way in which housing delivery is to occur in SA:

- **Municipalities** likely to play a **more dominant delivery role** and to **be supported with funds** to do this
- A stronger focus on:
  - Improving the **delivery of infrastructure services**
  - **Upgrading informal settlements and backyard rental**
  - More **emphasis on subsidising servicing rather than completed houses**
  - **Better integrated cities** i.e. identifying well located land for the poor, urban management

