

# **National Upgrading Support Programme**

**ABSA Municipal Leadership Housing Forum  
12-13 November 2009**

# Current Context and Impacts 1

## Minister's speech, Cape Town, 17 September 2009:

- Global & local economic recession – loss of jobs, houses, contents and livelihoods
- Poor GDP growth (way below 6% target ) not keeping pace with population growth
- Prevailing poor planning & weak leadership in project implementation
- 21<sup>st</sup> Century is the urban century – massive increase in informal settlements, now over 2 000 nationally

## Current Context and Impacts 2

- Chief concern on the question of SA urbanisation is not only the question of informal settlements...but that this major human phenomenon has not been planned for, neither has it been budgeted for
- Hence growing and worrying trend of violent protests on issues to do with service delivery
- Decrease in revenue collection by SARS – down by R60bn in FY09/10 – will lead to cuts in departmental budgets
- **For DHS this means fewer home-building projects**

## Informal settlements 'eradicated' by 2014?

- 1.1 million households in informal settlements 2008 estimate (growing at 2-6% pa across different councils)
- Now over 2 000 informal settlements in country
- Full RDP package (40m<sup>2</sup> top structure, 250m<sup>2</sup> stand plus 30% for roads and amenities) would need:
  - 35 750 ha, plus bulk and connector infrastructure
  - R84bn - 70% of projected national housing budget 09-15
- Upgrading Informal Settlements Programme = 15% of Housing & Human Settlement Grant (2008 estimate) – would take up to 28 years to meet 2014 target

## Abahlali baseMjondolo appeal

Abalahli case (October 09) challenged KZN Slum Elimination Act (esp MEC power to instruct municipalities to evict)- ConCourt ruled:

- *Can only evict as matter of last resort, after all possible steps to upgrade areas in which homeless people live*
- *Evictions can take place only after proper engagement – taking into account wishes of people who are to be evicted, whether areas where they live can be upgraded in-situ, & whether there will be alternative accommodation*

## **Which all implies...**

- More flexible responses in a time of restricted resources
- 'Housing' without houses – land, tenure issues
- More emphasis on upgrading and 'proper' engagement processes with affected communities

## **Response...**

- National Upgrading Support Programme partnership between DHS and Cities Alliance
- Assessment of Informal Settlement Upgrading Programme - 16 Pilot Projects – in late 2008
- Report and wider assessment in 2009

# Flexible, Speedy, Responsive?

There are many examples of good practice – eg Ethekewini, Cape Town, Nelson Mandela, Johannesburg, Emalahleni, Colesburg, Bitou – but not enough at national scale

- Total focus on providing houses rather than sustainable human settlements – production system, operated by functionaries
- Inflexible - ‘eradicate’ rather than ‘upgrade’
- Relatively little engagement with communities, and how to strengthen livelihood strategies
- Coordination between sector departments is weak
- Layouts are usually fairly low density & located at urban peripheries
- Service levels often inappropriate, entail high future costs to municipalities

## Alternative - Incremental Upgrade Approach

Upgrade via selection from package of components, and planned process of improvement, including:

- Services: emergency; basic; full service level – taking account of sustainability, operations and maintenance costs to municipality
- Tenure: recognition of informal settlement; interim tenure; rental; leasehold; freehold
- Social & Community Facilities: co-location in settlement or easy access for public
- Human-centred & environmentally sustainable planning layout – safe, good quality neighbourhoods, upgradeable, maximum use of renewable resources
- Community-based participation processes
- Crowd in support programmes (eg skills, business support, health & hygiene education)



## Flexible and Responsive

- Instruments already in place eg Part 3 National Housing Code – needs promoting and adopting more widely
- Approach is in line with constitutional right to access to housing:
  - Delivers security and services to more people, faster
  - Delivers houses later, in ways suited to people's actual priorities
- For example:
  - Ekurhuleni Upgrading for Growth Survey 2007 (n=5 862 h/hs)
    - 98% preferred ownership, 50% wanted to build themselves with grant or PHP
  - Rustenburg Informal Settlements Survey 2009 (n=3 124 h/hs)
    - 73% preferred to rent

## National Upgrading Support Programme: Objectives

- Promote incremental upgrading as a major complementary housing programme, in line with Part 3 NHC (where possible, in-situ)
- State target to improve basic infrastructure, services and land tenure for all informal settlement households by 2014 – for example, improving lives of 1 million households by 2014
- Improve programmatic approach to upgrading, strengthening coordination with other sectors and partners
- Strengthen capacity of government and professional practitioners to implement community-based incremental upgrading

# **NUSP components are...**

## **Policy Refinement & Promotion**

- Promoting use of Part 3 NHC; reappraising existing subsidy mechanisms; monitoring & evaluation

## **Network & Information Dissemination**

- Upgrading Forum – community of practitioners; practical partnerships (eg DBSA, DPLG, 2E Project, Urban LandMark, FinMark)
- Housing Development Agency to serve as Secretariat

## **Guidance & Tools**

- Upgrading Manual, action research, information on complementary initiatives

## **Technical Assistance**

- Targeted technical assistance, capacity building & skills transfer to sub-national governments, technical teams and professionals

## **NUSP is not...**

- Extra capital finance for housing, planning or infrastructure – existing grants still apply
- A blueprint imposition of new standards and products – it emphasises locally responsive solutions and processes
- New – Part 3 NHC was approved in 2008, & is based on earlier versions developed in 2004. This is the first concerted effort to implement at scale
- Just about housing – sector departments, communities, business and relevant NGOs are essential partners

# NUSP Elements

## National Upgrading Support Programme Unit

### Policy Refinement

- Promoting Part 3 NHC
- Monitoring & Evaluation

### Network & Forum

- Upgrading Forum
- Partnerships (eg DPLG, DBSA, NDPG, ULM, 2E Project)

### Guidance & Tools

- Upgrading Manual
- Research
- Information circulation

### Technical Assistance

- Targeted TA at sub-national level
- Guidance to prof & technical teams

- Implementation of good practice
- Programme roll-out at scale towards objective targets

## NUSP Roll-out

- Roll-out programme to 48 ‘catalyst’ municipalities (across all provinces, about 75% of all informal settlement households)
- Municipalities identified on basis of needs, capacity, opportunities and willingness to participate
- Provinces and Municipalities must commit to participation in NUSP, involving of counterparts, communities and sectoral departments
- Will enter into process of developing improved programmes, community-based planning and resource mobilisation

## **NUSP Schedule**

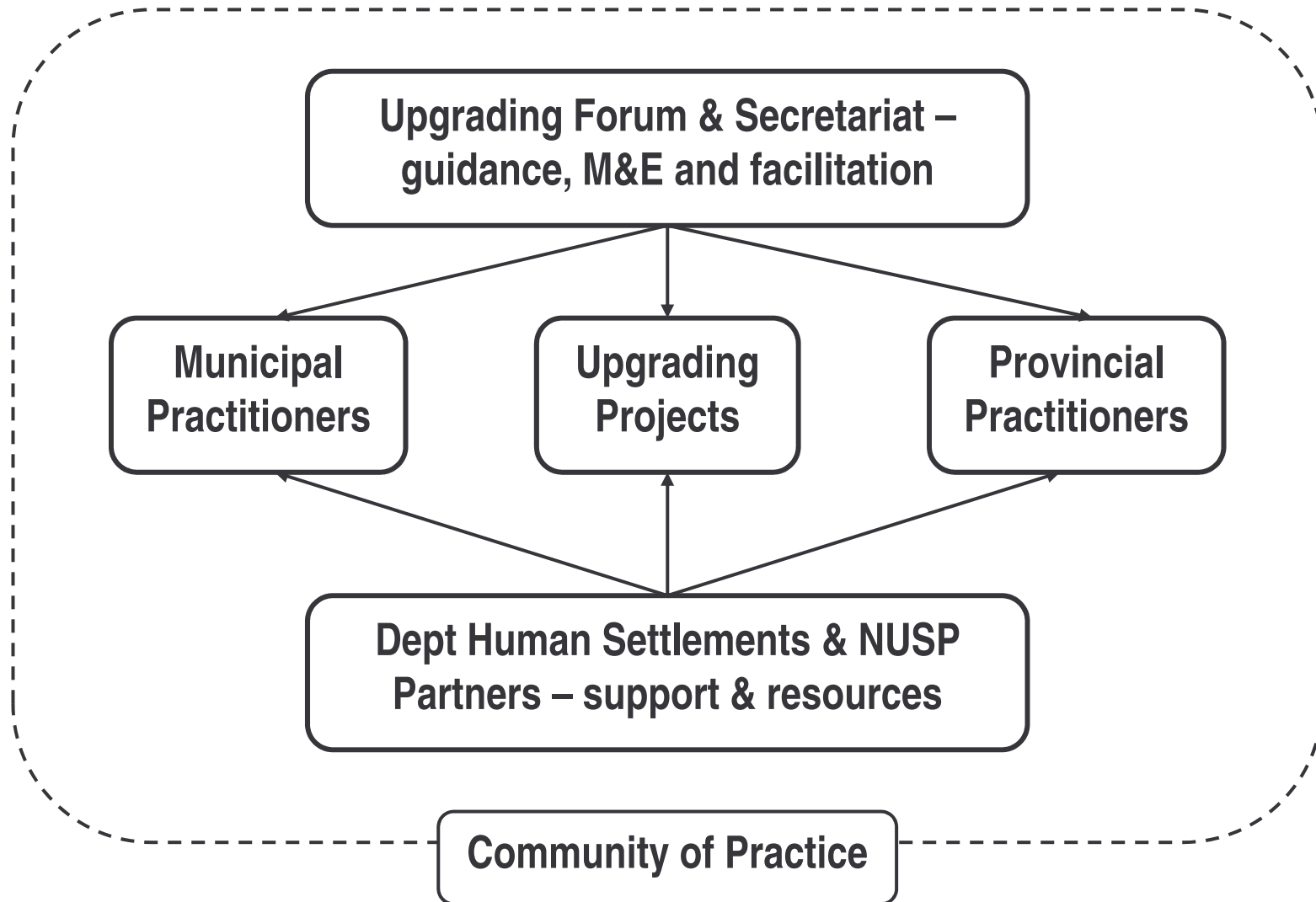
- Municipalities identified, provincial briefings taking place throughout November
- Upgrading Forum in place by end January 2009
- Produce Upgrading Manual draft and Capacity Building framework by end 2009

## **NUSP Indicative Budget: Scale Up**

- Say 45 projects (five per province)
- Project = R23.34m (Ph 1-3 of part 3 NHC approach – tenure and services)
- 12 months development time
- Project level technical assistance (survey, livelihoods, social development, health, natural resources) = R0.75m maximum
- 45 projects = 1.1bn
- 45 projects RDP approach = R3.4bn (no technical assistance)



# NUSP Community of Practice



## **NUSP Community of Practice**

- Department of Human Settlements and NUSP Partners provide support and resources to projects.
- Upgrading Forum promotes cooperation and partnerships within the Community of Practice, acts as oversight, monitors and evaluates.
- Secretariat administers the Forum, and facilitates the operations of the Community of Practice.
- All practitioners – local, provincial and national, NUSP partners – are members of the Community of Practice.
- African Urban Wiki is electronic information system