

THIS DISSERTATION IS REGARDED AS A COMPETENT PIECE
OF WORK BY INTERNAL AND EXTERNAL EXAMINERS.

**An evaluation of housing consumer education in post
apartheid South Africa : A case study of Kwa Zulu-
Natal**

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DEDICATION

This dissertation is dedicated to my wife and two children who have given me the courage, inspiration and support necessary to complete this dissertation.

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CHAPTER ONE

INTRODUCTION

After the 1994 elections, the new government phased out the old housing schemes. The new government initiated a number of anti-poverty strategies, one of which was the Reconstruction and Development Programme (RDP). It was introduced as a means to redress inequalities through a system of bulk infrastructure and economic investment programmes and various subsidy schemes. Housing subsidies that were made available to individuals or housing institutions favoured the poor.

The South African Housing Policy and its Framework was formulated by the South African Government together with the Housing authorities, Housing specialists etc. to address the needs of the poor. The cornerstone of National Housing Policy is the National Subsidy Scheme. Subsidies are aimed at providing housing assistance for low-income people, who are unable to access housing through the private sector housing market. Subsidies are a form of redistribution from the government fiscus to individuals (Gov.za).

Subsidies offered are essentially as lump sum or one-off capital subsidies. Lump sum subsidies are preferred over interest subsidies primarily in recognition of the high levels of unemployment in South Africa and the relatively high incidence of beneficiaries with irregular income. The lumpsum amounts involved represent a compromise between popular demands for the state to deliver complete houses for all, and a concern to spread housing benefits widely ie. a compromise between width and depth (Smit 1998). The previous government's housing policy adopted a policy of provider (albeit on a small scale). Houses were contractor built and beneficiaries rented these houses.

After a period of time (sometimes 10 years) beneficiaries were allowed to purchase these homes (Van Gass 1996). This clearly illustrates the policy of the previous government whereby a serviced site together the top structure was provided. The problem with the above policy was that it was not made available to the masses.

In order to address the enormous housing backlog, the present government adopted the “enabling” approach and the “supporter” paradigm. The government embraced the enabling approach, which emphasizes the state’s role to enable communities to have access to basic housing. Under the enabling approach, the government would set up a facilitating framework that could mobilise the resources of all non-governmental actors in housing provision i.e community based organizations, the private sector, etc. It essentially reduces state intervention in housing to that of an enabler rather than provider of housing.

The supporter approach is clearly evident in the formation of structures e.g. The People's Housing Process (explained later in detail). Structures refer to the initiatives created by the Housing authorities. Other approaches are discussed in the evaluation of the current consumer education campaign. In this instant, the People's Housing Process is mentioned. This is just one approach being used in the supporter paradigm approach. This process encourages and supports individuals and communities in their efforts to fulfill their own housing needs by assisting them in accessing land, services and technical assistance in a way that leads to the transfer of skills and empowerment of the community (Housing Code 2000). Government would help people to help themselves. Core units would be provided which would allow people to build incrementally. The units in question are permanent residential structures with secure tenure, ensuring privacy and providing adequate protection and access to portable water, adequate sanitary facilities and waste disposal (Department of Housing, 1994).

Incremental housing is referred to as a process through which a physical housing structure is created over a period of time. In the South African policy context, the intended end point is a permanent dwelling, and the financial process by which the establishment of permanence is obtained, is through a once-off capital grant. This initial capital subsidy is then intended to be followed over time by continued additions to the physical structure of the dwelling, in accordance with household affordability, until permanence is achieved. This approach allows the beneficiaries to take a leading role in providing houses themselves. For the government this approach would enable it to house the multitudes of people within its limited resources. De Loor initially suggested this approach in his recommendations (The De Loor Report, 1992). His recommendations included the government's provision of capital subsidies to people in need of housing, whilst also playing the role of facilitator.

Consumer education in any area whether it is housing, health, transport or politics is only effective if the medium used reached all communities. If the end result of any consumer education campaign is to get people to participate then the various mediums should be carefully implemented and monitored during and after the campaign. The most important aspect of this study is to highlight the fact that the government's policy of disseminating housing information is not as effective as its' officials would like it to be. There is a lack of a proactive, effective, systematic and sustainable Housing Education Programme. Housing information in the context of this study refers to the types of subsidies offered, the amount per subsidy, the available centres where one could access these subsidies and so on. This study looks at the way forward with regard to housing education.

PROBLEM STATEMENT

The old government's (pre 1994) housing subsidy scheme failed to meet the challenges posed by the social revolution-taking place worldwide (Rust and Rubenstein).

1996). As regards Subsidy Schemes, many failed to satisfy the needs of the poor at the rate and scale required. Subsidies did not reach the masses. Amongst the pitfalls of the old subsidy system were the lack of data and poor record keeping. The way the scheme operated made it impossible to determine with any accuracy just what level of subsidy was expended on what, and where funding for certain projects would be approved for example, but the project may never have reached the implementation stage. It was never possible to determine the number of subsidy applicants or beneficiaries since no central database existed.

During 1994, a new era in housing policy began when the government adopted a revamped subsidy scheme. The scheme was significant firstly because it was the result of negotiations among a wide range of interests groups including the National Housing Forum (which consisted of various role-players in housing) and the Department of Local Government and Housing. The scheme was seen as a significant reorientation of government priorities, since it catered for the poorest home seekers. It sought to move away from a range of subsidy formulas that were beyond the reach of the poor, to a single scheme based on a cash grant to beneficiaries with a household income of not more than R3500 per month. The primary aim was to provide security of tenure, access to basic services, and a rudimentary starter structure for the country's poorest households.

Because developing the site left little money for the building of an actual site, one suggestion to rectify the problem was to raise the amount offered by the government subsidy scheme (Stout, H 1997). It was argued that the level of subsidy offered was too low to enable beneficiaries to acquire a formal three bed-roomed house. The National Ministry responded as had the National Housing Forum, that a higher subsidy, while it would improve the standard of dwelling offered to those who gained access to it, would reduce subsidy funds, and therefore ensure that far fewer people benefited. The maximum subsidy

(then was R 16 000 but now R20 300) was not sufficient to build decent accommodation hence policy requires beneficiaries to also gain access to credit if they want a house and not merely a serviced site.

The subsidy scheme is not being utilized to its maximum. Billy Cobbett, ex-Director General of Housing regarded one of central government's biggest problem as the failure to educate and inform the public on consumer education in housing and believes all levels of government should address this. He further commented that subsidies should be marketed and redirected to the poorest of the poor (Housing in Southern Africa October 1995). Tomlinson at a Midrand Conference stated "People that did hear of the subsidy scheme had a poor understanding of the scheme and were unsure whether or not the houses were free or belonged to the government" (Housing in Southern Africa April 1995). Mary's statement clearly illustrates the fact that people knew of its existence but did not know what it entailed. The lack of knowledge in some areas of the schemes existence is an additional problem that the authorities have to urgently address. These are people who know that subsidies exist but do not know the process of accessing these subsidies. Some people do not know of its existence at all. The Department of Housing needs to embark on an intensive awareness campaign in order to make the masses aware of what is available. The government policy on consumer education needs to be revisited in order to truly benefit those that need adequate housing most, the poor (Gov.za).

The formulation of a research problem implies necessarily that what has been selected is of value and will add to ones understanding of the field as well as influence or change others perception. The choice to revisit South Africa's Housing Subsidy Scheme and its implementation thereof in the Province of Kwa Zulu Natal with a focus on consumer education is considered as something that would do this.

RESEARCH QUESTION

How can the housing authorities improve; the effectiveness of their consumer education campaign regarding subsidies and state assistance ?

SUBSIDIARY QUESTIONS

1. Who is responsible for the allocation and administration of the Housing Subsidy Scheme in Kwa Zulu Natal?
2. Who are the consumers targeted in the government's education campaign?
3. What are the different types of subsidies available to low income earners?
4. Where can these subsidies be accessed?
5. What are the requirements for an individual to be eligible for these subsidies?
6. Are the rural areas catered for in these subsidies ?
7. What measures/methods have the Housing Authorities put in place to educate the would be consumer?
8. How effective has the government's consumer education programme been thus far ?

HYPOTHESIS

An effective consumer education campaign needs to be launched by the housing authorities in order to reach all low income earners, thereby informing them of the subsidies and assistance available from the state.

ASSUMPTIONS

The Department of Housing of Kwa Zulu Natal is responsible for people being aware of their housing options. Low income earners are dependent on the

assistance afforded by the housing authorities. Low income earners would benefit tremendously from state subsidies.

DEFINING KEY CONCEPTS

Consumer Education in housing refers to educating people (low income earners) on what housing entails, the process whereby people are housed as well as the various forms of housing assistance available to low income earners. It directs would-be beneficiaries to the specific department that processes housing subsidies.

Housing Authorities refers to Local Government in Housing (including the Department of Housing), Metro Housing as well as the various Municipalities. Housing Awareness Campaign incorporates consumer education and looks at housing awareness. Consumer awareness programmes generally takes the form of information distributed in the media (print / television / radio) and draws the consumers attention to where additional information can be obtained.

RESEARCH METHODOLOGY

The following section deals with the methodology for the study. Further to that it would provide sources of data. The following illustration shows the flow of the study and the methodology used.

PRIMARY SOURCES.

Data (on the subsidy scheme, access to finance, subsidies in rural areas and other information on housing) on this study was gathered from officials from the following departments / institutions :

- Department of Housing – National in Pretoria

- Department of Housing – Provincial Department of Housing
- Ethekeweni Municipality (Metro Housing)
- Cato Manor Development Association

The above companies/institutions have been chosen due to their being the major role players in low cost housing in Kwa Zulu Natal. Information (age analysis, education status, employment status) would also be gathered from the beneficiaries of Cato Manor, Mount Moriah, Shongweni Rural Settlement and the Bottlebrush Settlement. The above projects have been chosen by region as well as by the type of assistance being rendered. One project is chosen from close to the city centre (Cato Manor), one from the north coast (Mount Moriah), one from the inland areas (Shongweni), and one from the south coast (Bottlebrush). Cato Manor is strategically located five kilometers west of the Durban city centre. Mt Moriah and Cato Manor were chosen due to the uniqueness of the projects – Mt Moriah being a high density project and Cato Manor being a major project being close to the city.

The beneficiaries of the informal settlements of Cato Manor were targeted. There are six informal settlements in the Cato Manor area collectively (Foster C, 1999). The Umkumbaan area of Cato Manor has been targeted due to it being a relatively new development. Mount Moriah is a contractor built low income housing project. It is located approximately 17 kilometres north of the city centre. The beneficiaries of the contractor built units were targeted as they were on the top end of the subsidy bracket. This project is a green-field development.

The Shongweni Rural Settlement is inland and in the close proximity to Hillcrest / Gillitts. This is a small settlement. Core units (20 metres square) are situated in this project. This project would provide vital information of the conception of a rural community with regard to consumer education.

The Bottlebrush Settlement is a Site and Service Scheme. Here a serviced site is provided and beneficiaries are given a residual amount to build a top structure.

The information gathering techniques used were interviews and questionnaires. Questionnaires were given to the beneficiaries whilst interviews were carried out amongst housing officials. A questionnaire was the tool used here to extract information. A major advantage of a written questionnaire was that it placed less pressure for an immediate response on the subject. Written questionnaires are sometimes credited with another advantage- giving respondents a greater feeling of anonymity and therefore encouraging open responses to sensitive questions. This process was chosen because it is best suited to test beneficiary exposure to the housing subsidy process. In the cases where illiterate people were involved, the discussion was led by a trained moderator with a similar background to the members of the group, and was conducted in their own language. Discussions were recorded, translated and analyzed. The intent was to allow the differences of opinion between the participants / beneficiaries to be explored during this session. This would be the main method of extracting the required data. Interviews were carried out with influential / experienced people in the housing industry. A spread of public, private, policy and implementation expertise was targeted in order to get a balance in the overall assessment of the thinking on the housing awareness/education campaign in Kwa Zulu Natal.

INTERVIEWS

The object of using interviews was to gather detailed factual information pertaining to consumer education in Kwa Zulu Natal. Housing officials were questioned about the effectiveness of the consumer education that currently exists.

Interviews involved personal contact between the researcher and the respondent and this also provided an opportunity to clarify both question and answers at the same time. It was assumed that some level of flexibility attached to the type of interviews used, allowed the researcher to go beyond the scheduled questions and get opinions on some of the issues around the themes identified. Therefore the main reason for choosing the interview approach was the ability of the interviewer to notice and correct the respondent's misunderstandings.

Professor Dan Smit, an expert in low-income housing was interviewed. He has vast experience in the field of housing, nationally and internationally. Prof. Smit was questioned about Local Government's role in consumer education in the province of Kwa Zulu Natal.

Mr Maurice Makathini, the ex-executive director at Metro Housing was questioned about Ethekewini Municipality's vision in the future with regard to the Housing Subsidy Scheme and its implementation thereof. He was asked about the municipality's effort in reaching all its people in the Durban area i.e. the forms of communication regarding housing awareness. He was also asked to assess the efficiency of the municipality's current consumer education drive.

Mr John Clark is in the operations / strategic planning division of the Cato Manor Development Association. He has been extensively involved in low cost housing projects around the country. He was asked how effective the current subsidy scheme is and whether or not beneficiaries were accessing subsidies. He was asked to relate what measures were undertaken by CMDA in educating consumers. Mr Themba Mthetwa, the ex-president of the Institute for Housing in South Africa who has extensive experience in financing was questioned about the

current situation regarding access to finance for low income families. The Institute for Housing of South Africa are major role players in the field of low cost housing. This is a body that holds conferences and issues publications on housing for generic issues in the province. Mr Mthetwa was asked as to what measures / methodology is being used by the institute to address the question of housing awareness/consumer education in the Province of Kwa Zulu Natal.

Mrs Godliman, an ex-chief director at the Department of Housing was questioned about the effectiveness of the current subsidy process and consumer education strategy. Mrs Godliman has been involved in key decision-making around strategy. Interviewing a very senior person in the Department of Housing was expected to provide crucial information since the study is based on whether or not the current consumer education campaign employed by housing officials is effective.

In the cases where the head of the household was not present, it has been noted of the relationship between the interviewed person and the head of the household.

SAMPLING

Sampling is essential in conducting this study, instead of using the whole population within an area to be studied. The stratified random sampling method was to be used to select respondents. Stratified random sampling uses simple random sampling within each group (stratum), ensuring that appropriate numbers were selected from each group so that the overall sample reflects each group in the known proportions. Stratified sampling is a procedure widely used to obtain efficient results. In order to take a stratified random sample in this instant, the projects were to be divided into groups called strata. Whilst acquiring the appropriate numbers, the divided groups are easier to understand as well as to analyse. Sampling saves time and reduces labour, both during data collection and analysis. A sample was drawn from people within the

selected case study area (Cato Manor, Mount Moriah, Shongweni Rural Settlement and Bottlebrush Settlement areas). The first two being in urban areas and the latter two in semi-rural areas. A 10% sample from all the areas above was targeted. Here, people earn their living by either farming or arts and crafts.

SECONDARY RESOURCES

Information from secondary sources was to be collected as follows:

Data in the form of book reviews, data documentation (including statistics), journals and case studies would be obtained from various sources such as The University of Natal, Don Africana library and the various municipal libraries.

Periodically, the Department of Housing compiles documents / papers on the current housing situation. The Department of Housing also updates its website on the Internet. This site contains new legislation, housing subsidies issued, various government publications in housing as well as ideas on the way forward. The collected information would then be scrutinized and the relevant material extracted therefrom. An important aspect of this section is extracting information from research that has been completed and stored in archives.

MATERIAL IN ARCHIVES

Materials in archives were utilized. Information regarding the government's consumer education campaign and its policies would hopefully be found in publications and journals. Documentation from the department of housing library was to form part of the information gathering as any consumer education programme / initiative would have been documented. Articles published in reputable journals have a number of advantages as sources of information

(these reflect more recent work as well as new information as and when results are reported). Conference proceedings will be important information to analyse.

This represented gatherings of researchers in a particular field (in this case housing) where scientific results are presented as papers. These proceedings are highly valuable as a source of the most current information.

INTERNET

The Internet was used to provide information on international matters for the purpose of this study. The Internet allows the researcher to gain access to information that otherwise would be inaccessible due to it being in other parts of the world. As mentioned previously the Internet provides up to date information firstly by the Department of Housing; secondly by the Institute for Housing in Southern Africa and thirdly by many non-governmental organizations.

STATISTICS FROM THE URBAN FOUNDATION

The Urban Foundation (which is now defunct) conducted much research in the province of Kwa Zulu Natal as well as in other parts of South Africa. This information provided by this unit is certain to be accurate, as they were specialists in the field of conducting research. The Urban Foundation was relied upon to furnish / information regarding people's perceptions about the subsidy process, their attitudes towards it as well as their acceptance / disapproval of it. Documentation from the above organization would reflect thinking from the government's point of view as to the intended direction its policy (subsidies, consumer education etc.) was heading towards.

The study was carried out in the following areas:

Cato Manor, Mount Moriah, Shongweni Rural Settlement and the Bottlebrush Settlements. These projects were chosen due to them being low cost. Most people earn less than R 1500 (De Waal, 1999). These projects include a wide spectrum of low cost housing i.e. Self-help, site and service, contractor built houses etc.

DATA ANALYSIS

This study uses research material as well as observations in housing education. The research methodology incorporates both primary and secondary research. Interviews and questionnaires were used for the collection of information. The above information was used to examine whether the consumer education campaign in housing was effective or not. This also enlightened the writer as to whether access to information / or the lack thereof emerged as a critical constraint to people's participation in development.

CHAPTER OUTLINE

Chapter one

This chapter consists of the introduction, problem statement, research question, hypothesis and research methodology.

Chapter two

Chapter 2 of the dissertation provides the theoretical framework which forms the basis of the study. In addition, this chapter provides the literature review, which includes Turner's viewpoint, the enabling approach and the supporter paradigm. The experiences of overseas countries are examined. Furthermore this chapter reflects on consumer education on housing.

Chapter three

A background of the case study projects are reflected. This chapter focuses on the research results. Data analysis and interpretation of data is provided in this chapter. It also examines the current consumer education campaign.

Chapter four

Conclusion and recommendations are made in this chapter. Conclusions indicate the overall analysis whilst recommendations are based on the findings of the research.

CHAPTER TWO

LITERATURE REVIEW

INTRODUCTION

This section contains information from literature about the supporter/provider paradigms. It highlights the enabling policy and the Turner Burgess debate. It explains the formation of a framework for the enabling approach. Housing officials need to understand what policy is based on. The enabling approach as well as the provider / supporter paradigms are explained in great detail in order for one to understand how housing policy is based on the above. Housing Policy was based partly on Turners ideology hence the detailed explanation of his contribution to the formulation of South African housing policy.

The main challenge for communication is to ensure coherence and consistency in both content of message and method of delivery (government communications,1999).

The previous government's housing policy catered for a small percentage of the population with contractor built homes. Consumer education was almost non existent. The majority of the population were not afforded housing opportunities. When South Africa became a democratic country, its policies changed. Housing followed the general trend. A new housing policy was formulated. Housing authorities changed the way in which housing had been previously managed. Urban Foundation as well as the Independent Development Trust managed many projects incorporating the self help concept. The concept of the supporter paradigm was incorporated. Here, government aimed to help people help themselves by providing a basic one off capital subsidy whilst also providing support (technical and administrative) to prospective

beneficiaries. The enabling approach provided people with security of tenure as well as an opportunity to upgrade their dwellings incrementally. Various case studies will be examined to identify how consumer education information was disseminated.

THEORETICAL BACKGROUND

THE TURNER / BURGESS THEORY

This chapter critically examines the arguments contained in literature about Turner as well as Burgess. It examines the formulation of housing policy with regards to the provider and supporter paradigms as well as the enabling policy. This chapter addresses the theoretical framework that informs the study and reflects on the previous studies that have been conducted on this topic.

Generally, public housing with its policy of building directly for the poor, has failed to provide adequate numbers of houses for all sorts of reasons, including high standards and high costs. Even when it did, the housing fell largely into the hands of middle-income families who could afford to pay for it and on whose votes politicians counted. There are examples of empty public housing (internationally), too expensive for the poor but undesirable for those who might afford them (Hamdi, 1991). The more houses that governments build, the less they seemed to achieve because the more they built, the larger the demand grew, which resulted in having to build more to balance their books and legitimize their purpose both socially and politically (Robinson, 1988).

The scale of housing demand resulted in the government taking a different approach. The state opted for a supportive role instead of being the sole housing provider. It adopted the incremental approach. This approach allowed the beneficiaries to take a leading role in providing houses themselves. From the governments point of view, this would enable it to house the multitudes of people with limited resources. De Loor initially suggested this approach in his recommendations (DeLoor, 1992). He recommended that the state should play

a supportive or enabling role. He further suggested that the state play a role of establishing the legislative, institutional and financial framework that would enable the private sector to supply housing.

Support is an essential aspect behind the principal of community participation and incremental housing. It is a bad sign if people are not aware of the support system as this could undermine the prospects of incremental growth of housing envisioned in policy. In fact people should be provided with the guidance and support they need from the initial point of a project so as to encourage incremental growth. Beneficiaries accessing individual subsidies are assisted by the peoples housing process. Moreover, the support should continuously be given to people because it forms the backbone of incremental housing. The government is committed to a development process driven from within the communities. Through its policies and strategies, it encourages and supports initiatives emerging from communities or broader local compacts aimed at equipping and empowering people to drive their own economic empowerment, the development of their physical environment and the satisfaction of their basic needs. Government is committed to follow a process whereby communities are turned into achievers rather than receivers. Self-help is the central part of this discussion due to it stimulating the socio-economic development of both the for households involved and the community in general. Through this process individual households develop increased decision making, management skills and confidence. In addition, the community benefits from the developmental spin-offs of increased employment opportunities, entrepreneurial activities and increased money circulating within the community. Urban poor have exhibited great skills in providing shelter for themselves. Turner believed that instead of condemning these settlements, there was a need to understand their actions. He strongly felt that these settlements form part of a transformation process.

This section describes Turner as well as Burgess's views. John Turner became a key figure in the ideological upheaval of the late sixties and seventies. Turner's work from this period comprises more than a score of articles and books in which enormous amounts of accumulated experiences propel developments in a philosophy of housing and society (Marcussen, 1990). His views by the late seventies are summarised through a controversy with his Marxist critic Rod Burgess (Turner, 1972)

Turner argues that the value of any physical object cannot be sought in terms of its physical attributes, but only in the relationship between it and the user. This relationship is a variable one and thus its value will also vary - the value of the house must be determined by how far it satisfies or frustrates the need of its users. He also introduces the concept of "market value": the utility of a house cannot be equated with the material standard of the goods and sources it embodies. Such standards are ascribed as "market values" and these market values are very distinct from use values. The most important component of Turners work deals with the relationship between popular construction and the "formal" housing sector. Turner felt strongly that the official housing product has a high cost attached to it, whilst also being economically invariable, heavily subsidised, socially undesirable and often mismatched to low income housing needs. He also felt that official housing policies aggravated the housing problem through attitudes to slum clearance and minimum standards. Turner argues about the cost of housing that is produced: given the land and secure tenure, the squatter, Turner argues can build the same house as the government agency at half the cost. Self employment can cut down on finance and credit costs. The squatter encounters few overheads, gets a higher productivity out of the labour he hires, and there is no profit for others.

Turner demonstrates that the well-intentioned housing projects that governments provided for low-income families are costly, rigid, stultifying and depressing. Turner strongly feels that they could only house a relatively

wealthy minority at the expense of the majority. He believes the principle of self government in housing suggests the replacements of centrally administered systems with a multiplicity of locally self-governing sub-systems in which the principle of local and personal freedom to build is upheld (Burgess, 1982). He believes in proscriptive rather than prescriptive planning legislation: the former sets limits to what people and local enterprises may do; the latter sets lines they must follow (Burgess, 1984). The depoliticization of the housing question is a hallmark of Turners work. Rod Burgess was a scholar and much of Burgess's work is based on the critique of Turners work. His critique of Turners conception of housing is as follows:-

- He feels that confusion exists over the relationship between the material qualities of a dwelling and its market value.
- Burgess feels that the market aspects of a house somehow became market values.
- Burgess felt that Turner's error can be isolated in two areas:- in the misunderstanding of the relationship between utility (use - value) and market value (exchange value); in the commodity status to self help (or more recently dweller controlled housing).

Burgess states that Turner's concept of housing does not consider the following:-

- The transformation of the self help house into the commodity form by the producer himself.
- The fact that one man's use value can be another man's exchange value (and vice versa).
- That a self help house can be a very different commodity to the various interest groups operating in the broader urban market.

The Burgess response to Turner's idea of the squatter building at half the cost is that the squatter avoids building monopolies by making his own materials or by buying them from petty commodity sources; he uses cheap and unprotected labour. Burgess felt that the squatter is operating on a different sphere of circulation of capital - which is covered by the petty commodity production of housing. He has not escaped capitalism - he is merely part of it. Burgess believes that the only real innovation that Turner recommends is the formula: capital state assistance for self-help.

This study highlights how this debate influenced the approach for the formulation of a new housing policy in South Africa. The very low incomes of large proportions of South Africa's population imply that many people are unable to afford adequate housing using their own financial resources alone. Towards this end, the South African housing policy is formulated around the enabling approach theme, where state assistance in the form of a capital subsidy grant is given to households in need in a way that will maximize the options available to enhance and strengthen the poor's effort and initiative to improve their housing situation as quickly as possible. Low-income households need to augment their limited resources with some form of credit if housing improvement is to take place (Adebayo, 2000). The above information has clearly indicated the views of both Turner and Burgess. It provides information, which would enlighten the general public as to the formulation of housing policy as well as the ideology behind the supporter paradigm and enabling policy. The primary objective of this section as well as the following is to include background information on the formulation of the South African housing policy. Consumers need to understand the ideology behind the government's programme of the supporter paradigm as well as the enabling approach.

THE TURNER / BURGESS INFLUENCE ON THE FORMULATION OF SOUTH AFRICAN POLICY

The White Paper's stated goals show that housing policy-makers, by adopting a developer-driven "incremental" housing policy rather than a public-sector-driven mass housing policy (which would deliver four-roomed houses), accepted that legally recognised informal settlements would play a significant role in the fight against homelessness. But they also acknowledged that the informal settlements will not provide a housing solution unless they are developed into viable communities. The options delivered are expected to improve the household's living conditions by, for example, providing clean water and sewerage; offering access to infrastructural services such as roads and electricity; being well located in relation to employment, transport and other facilities and opportunities; and providing protection from the elements.

- ✦ The Self-help housing notion was documented earlier in the 1960's on some work by Turner in Lima, Peru. These observers saw self-help housing as being positive counterfoil to the top down, non-participatory and bureaucratic and unaffordable public housing programmes.
- ✦ John Turner's argument is that secured land plays a significant role in housing improvements in that it gives households security and protects them from physical eviction or forced removals. According to Turner, the feeling that one possesses land gives him/her security, sense of identity and belongingness. In such circumstances, occupiers of land improve their houses (Turner, 1972). Legislation of tenure improves even the physical environment of the neighbourhood. Doebele argues that once services are installed, the pride in neighbourhoods usually leads to further private improvements (Doebele, 1983). Turner further argues that a well located self-help housing project with respect to the income earning opportunities, provide people with an opportunity to combine work and living space in the same building (Payne, 1984). In self-help housing programmes, even poor communities have a great potential to improve their houses because self-help provides beneficiary communities with technical

skills. Hence, households are able to use their own labour in the construction of their houses. The use of family labour makes self-help housing cheap and affordable to low income groups because improvements are spread over time and certain improvements need be made only if the household can afford it (Turner, Payne, 1984). Through Turner's self-help approach, specific housing needs can be met to the owners satisfaction because people build for themselves houses of their own choice at their own pace. It is reasonably cheaper than other more formal ways of acquiring housing such as renting or purchasing a complete conventional house.

Turner's theories are criticised severely by Marxist theorists. Turner's idea is that households should provide their own housing and use their own labour. He argues that this method is cheap and satisfies the housing needs of the poor. Marxists argue that Turner's self help theory is double exploitation, people work twice, at the workplace and after working hours at home.

They further dispute that self-help housing is cheap. Evidence from many third world countries show that participants in self -help projects did not have building skills. Providing labour in building their housing has resulted in extra expenses. Turner's self help theories are contradictory. On the one hand, Turner's proposal can be welcomed by the state as the protector of capitalist interests; for instance labour can reproduce and maintain itself cheaply thus having a lowering effect on a wage. On the other hand, the burden of housing provision is strategically removed from the government and employers and placed on the already burdened poor households (Ward, 1983). Turner, argued that people were the best judges of what their housing needs were and were capable of attaining it given the opportunity. Turner's theory on housing provision encourages housing development or incremental housing, which includes house improvement by the beneficiaries. Turner also advocates that government can enable the users to participate in housing. The enabling approach allows for people to provide themselves with shelter through the state's assistance. This approach spreads the states resources to a larger

section of the poor. The above has influenced the government to seek and create an enabling environment in housing which is people-centered and driven by the communities.

SUPPORTER VS PROVIDER PARADIGM

The supporter paradigm forms part of the consumer education campaign due to its critical link to the formulation of housing policy. This paradigm supports consumers / beneficiaries to access a housing opportunity. Beneficiaries/consumers need to understand the dynamics of this paradigm in order to participate in the governments housing programme.

In so far as what government can do to scale up the supply of affordable housing to low income people, two distinct paradigms are identified. The first to be discussed would be the provider paradigm. All previous governments (pre 1994) have used this paradigm. The supporter paradigm has been the dominant one in housing history and therefore the most practiced (Hamdi, 1991). The provider paradigm states that if the goal is to reduce housing deficits and improve the quality of houses, then public authorities and / or formal or private developers have to control the production of houses. The supporter paradigm is the one approach most advocated by multilateral agencies. It holds that controlling the production of houses even building lots of houses, in the capital intensive way in which governments do has not worked. Supporting is a paradigm that has been around for years in books and journals but has only recently come to the fore in housing practice. Providers in government (those who believe in the provider paradigm) argue that large numbers of houses can be best delivered by speeding up the construction of houses and that big industry knows best how to do this.

To supporters, minimising the consumption of scarce resources is an important ideological tenet of their policies particularly with respect to mass production of houses. Indeed in their view and rightly the ecology of production is likely to receive increasing attention in the decades to come (Hamdi, 1995). By examining the above two approaches, it is clearly evident that there is a shift in policy in the South African situation. The government's role has changed from being that of a provider to that of a supporter. Previously (pre1994) the government built townships and people took occupation thereof. Now the government supplies a capital subsidy which allows one to purchase a serviced site and top structure or part thereof (depending on the topography).

The above clearly demonstrates the paradigm shift by government. The enabling approach also explains how the government changed with regard to supporting and not providing.

The above is a differentiation between what was offered by the state pre 1994 to what's being offered by the democratic government- from 1994.

A TALE OF TWO PARADIGMS

PROVIDING		SUPPORTING
	OBJECTIVES	
BUILD HOUSES FOR PEOPLE		ALLOCATE RESOURCES FOR PEOPLE TO ORGANISE THEIR OWN BUILDING.
USE HOUSE BUILDING TO FUEL ECONOMY		USE THE ECONOMY TO FUEL HOUSE BUILDING
CENTRALIZE RESOURCES TO FACILITATE		DECENTRALIZE RESOURCES TO SUPPORT LOCAL ENTERPRISE AND HOME BUILDING
BUILD ORGANIZATIONS THAT FACILITATE		BUILD REGULATIONS TO SUPPORT AND GIVE
CENTRAL INITIATIVES		STRUCTURES TO LOCAL INITIATIVES
CONSOLIDATE AND CENTRALIZE BUILDING		FRAGMENT BUILDING PRODUCTION AND SUPPORT
PRODUCTION		SMALL BUILDERS
	METHODS	
BUILD LARGE SCALE PROJECTS		BUILD PROGRAMS AND ALLOCATE RESOURCES
MANUFACTURE HOUSING TO SPEED PRODUCTION		MANAGE RESOURCES TO INCREASE VOLUME
BUILD FAST BY BUILDING INSTANTLY		BUILD FAST INCREMENTALLY
STANDARDIZE PROJECT AND OPERATIONS		PROMOTE VARIETY AND IMPROVISE
	PRODUCTS / COMPONENTS	
PROJECTS		INTERVENTIONS
DETERMINISTIC		TECHNICAL AID
PLANNING		CENTRES
MASTERPLAN		GUIDEBOOKS, GUIDELINES AND METHODS
	KEY FACTORS	
CONSULTANTS		FAMILIES
GOVERNMENT		CBO'S, NGO'S
AGENCIES		NON PROFIT AND VOLUNTARY ORGANIZATIONS
FUNDERS		GOVERNMENT AGENCIES, SMALL CONTRACTORS,
LARGE CONTRACTORS / DEVELOPERS		FUNDERS AND COMMUNITY DEVELOPERS

FIGURE 1

SOURCE: HAMDİ 1995

ENABLING APPROACH

The South African Housing Policy, as mentioned earlier in this study, is formulated around the enabling approach theme, where state assistance in the form of a capital subsidy grant is given to households in need in a way that will maximise the options available to enhance and strengthen the poor's own efforts and initiative to improve their housing situation as quickly as possible (Adebayo,2000). An enabling housing policy that requires greater user participation also then requires greater efforts at education to make that participation more effective and meaningful.

By adopting the supporter paradigm, the government incorporated the enabling approach concept / strategy into housing policy. The enabling approach incorporates the role of the poor in their housing provision into state programmes, thereby reducing the governments share of the housing burden (Rodell and Skinner,1983) while allowing for a much larger body of the population to be catered for. This approach therefore involves reducing state ~~✗~~ intervention in housing to that of an "enabler" rather than provider of housing. The enabling or support approach allows for people to provide themselves with shelter through the state's assistance. This approach to housing delivery is supported in many developing and less developed countries and is seen to be the best solution to the existing housing problem/crisis. This approach is supported because it reduces the public responsibility for housing and makes the individual homeowner more answerable for his/her housing needs. The supporter paradigm is preferred due to it promoting community participation and empowerment (Xakaza, 1998). This approach also emphasizes the process over the product, which indicates that support for housing can be used to achieve broader developmental goals.

Programmes associated with this approach are site and service, squatter upgrading and starter houses. This approach allows for housing ownership to be accessible even to the poor by providing security of tenure, which is a safeguard against eviction. It provides basic infrastructure to people so as to

improve their quality of life. According to Wegelin (1991: 109), infrastructure delivery is very important. He goes on to argue that on vacant land alone people can build houses but the environment will remain substandard without public water supply, drainage, sewerage disposal and waste removal.

The successful implementation of the enabling policy hinges on the simultaneous implementation of other policies in respect of land, job creation and income generation, well located land and access to finance (Adebayo, 2000). It is absolutely essential that the general public have an understanding of the direction that housing policy has taken since 1994. One of the key elements of this policy is the provision of an housing opportunity (starter house) and not a three-bed roomed house. Thereafter, for households to eventually have a bigger house, they must either augment the subsidy with a loan, or embark on an incremental housing process.

- 、 Governments should be encouraged to adopt policies that enable housing markets to work. The governments have at their disposal many major enabling instruments. These are as follows; developing property rights whereby rights to own and freely exchange housing are established by law and enforced. This includes the regularisation of insecure tenure (Adebayo 2000). The second one is developing mortgage finance which includes providing greater access to housing finance by the poor. Thirdly, ensuring that subsidy programmes are appropriate (The subsidy process is explained in detail later in this study). The fourth being providing infrastructure which includes focusing on servicing existing and underdeveloped land for efficient residential development. The fifth being regulating land and housing development including removing regulations which unnecessarily hinder housing supply. These instruments are to be supported and guided by developing the institutional framework for managing the housing sector. The intention here is to bring together all the major public agencies, private sector and representatives of NGO's and CBO's thereby ensuring that policies and programmes benefit the

poor and elicit their participation. As mentioned earlier in order for the enabling approach to be successfully implemented, it is absolutely essential that the above mentioned instruments be put in place.

ACCESS TO FINANCE

An important aspect in housing policy is the lack of finance to low income families. Consumers need to understand how to access finance as well as where to access "affordable" finance. Affordable is mentioned intentionally due to the appearance of many micro-lenders who charge exorbitant interest rates to people.

Acquisition of finance remains a major obstacle amongst the poor. End user finance is the responsibility of both government as well as the private sector. The record of mortgage lending to poor households in low income housing projects has been less than satisfactory. Specific attention should be directed at designing and implementing mortgage instruments that can assist low income families. Small-scale mutual credit institutions and alternative lending instruments attuned to the needs of households undertaking incremental housing-building should be encouraged. The challenge to the government today is to make enormous resources in the finance sector available to the majority of the populace, who are largely low income and black (Smit, 1998). The importance of financing as a key element in a viable housing policy for the democratic movement cannot be underestimated. The effectiveness of housing delivery will depend heavily on a mixed package of financial options to assist low-income households currently living in conditions of abject poverty.

Much of the housing crisis has been attributed to the lack of end user finance for low income people (Smith, 1998). Almost two thirds of the subsidies allocated in the first tranches of the subsidy programme were for the full amount of R 16 000.00, meaning that beneficiaries were earning less than R 800.00

per month and therefore do not qualify for end user finance. The homeless were led to believe that they would be able to access additional finance to extend the value of their subsidy (Tomlinson, 1996).

To date financial institutions have shown substantial reluctance in lending to a market which is considered high risk and where profit margins are low. The above is a major obstacle / constraint to housing delivery. Should finance be available, many households could afford a significant contribution towards purchasing their own house thereby reducing demand on state resources. Long term credit for land purchase is in short supply, where people are ordinarily expected to own land before they can be granted a housing loan (World Bank, 1993). Loans for the purchase of land can be provided, using the plot of land as collateral.

To overcome these problems, people should be encouraged into the idea of saving. Saving clubs or participation in stokvels should be encouraged. These are a form of mutual help amongst groups of people with a common bond and reflect an attempt to discipline each other to save and plan expenditure wisely. Members contribute weekly / monthly and upon a predetermined date distribute equally or proportionately amongst members. Sometimes members take their entire savings and the group proceeds with a rotation system. The idea of savings schemes is there to compliment the capital subsidy scheme. Capital subsidies merely provide a housing opportunity. Capital subsidies are aimed at providing a starter unit to the beneficiaries with secure tenure. These subsidies may be accessed by beneficiaries either through a housing project providing homes for ownership, an institution providing rental accommodation, or by means of individual applications to the Department of Housing to buy individual housing units. The full range of subsidy assistance is mentioned later in this study. Subsidies can be considered in a broader context of socio-economic production, indirectly promoting low-income households access to housing. Subsidy schemes (albeit on a small scale) can be linked to employment

creation in the townships, which indirectly helps to improve access to housing while also infusing the area with much-needed economic activity (Woods,1996). The concept of savings should be incorporated in the consumer education programme.

AN EFFECTIVE LAND RELEASE PROGRAMME

This forms an integral part of the consumer education campaign. Many of the major constraints in urban low-cost housing delivery in South Africa relate to land (Adebayo, 2000). A key element of housing policy is to ensure that low-cost housing is well located. Consumers need to understand why low cost projects are often situated on the periphery of cities and towns resulting in making life costly and inconvenient for the poor. An explanation of land servicing costs, topstructure material costs as well as bridging finance for incremental building should be incorporated into the information dissemination campaign.

A prerequisite to effective housing delivery is the implementation of an effective programme of land release and development. Land is a scarce resource and thus it is an easy target for speculation in societies with high population growth rates. Land for housing the poor is gradually becoming an insurmountable obstacle in the housing struggle facing the growing cities of the Third World. While the housing actions of many governments continue to focus on technical, financial and administrative aspects of the housing problem, many are failing to act decisively on land issues or deliberately avoiding or evading them whenever possible (Angel,1983). The land issue is central to the resolution of the housing issue. Land is regarded as an essential resource for the creation of housing. Emphasis has shifted from housing construction to slum improvement and the production of serviced sites on which the poor can gradually build houses by themselves. The cruel fact is that the majority of people cannot afford legal access to residential land, regardless of how elementary and minimal their land needs may be. There is no question that these people fulfill an essential role in

the urban economy, hence arrangements have to be put in place to cater for these people.

The issue of providing sufficient residential land for housing the poor legitimately and in a socially acceptable manner is thus an issue that concerns the city as a whole, and cannot therefore be resolved by allowing each landowner in the city to reserve his land for the most profitable use. Some sites in the city have to be used to house the poor. Since the poor are in the city in large numbers, the quantity of land needed to house them is quite substantial, even though they usually occupy sites at considerably higher densities than middle-income or high-income groups. The poor, are no doubt efficient users of urban land. They use a small amount of urban land per person, and they can find good use for every small amount of land virtually anywhere (Angel, 1983). Yet planning authorities, municipal governments and the national leadership usually fail to see the need for providing adequate land for housing the poor.

Most prefer to regard their use of the land as temporary with the expectation that eventually they will vacate it to make way for the most profitable use of every plot in the city (Angel, 1983). There is therefore a refusal to recognize the fact that poor people need to live somewhere, and consequently their eviction does nothing but shift the problem to another part of the city.

One of the main reasons why the poor are denied the legitimate use of urban land is that the rich use it for storing wealth and speculation (Angel, 1983). In the past, government agencies failed to assist the poor and were usually found to further extend the control of the rich of urban land.

A key issue related to the land affordability problem is that of infrastructure costs. Higher standards results in higher infrastructural costs which lead to sites costing more. Further on it should be mentioned that the contemporary housing policy is largely characterised by a number of standards and

regulations which to some extent have appeared helpful, but to a greater extent have also constrained the housing delivery in one way or the other. The current debate around the issue of standards and regulations is when building standards are too high there is a likelihood that, land will be beyond the financial reach of its intended low-income beneficiaries, but also on the other hand when standards are lowered there arises the likelihood of the creation of the slums in the cities (Van Wyk, 1995). Therefore of importance to note in this regard is the fact that policy should get the balance between these considerations and seeing to it which standards and regulations need to be relaxed and which need to be enforced depending on the circumstances. In addition to this, it should be born in mind that in any event the housing sector will always be driven by politics under which that particular policy operates, and suspect that there is a need for a political will to take measures to nationalize the whole issue of land and its related facilities and services so that it would be communicable to all people of the nation.

The government needs to relax standards to the level of afford ability. The extension of these lower standards can increase the supply of land for housing the poor. A key component of the enabling approach is the provision of local infrastructure services such as water, sanitation, roads and stormwater.

In seeking to quantify the land needs of the poor, the location of settlements must be a prime consideration. The poor, in order to survive need access to a variety of economic opportunities which are only available in the central areas of cities, in commercial concentrations and in close proximity to the residential areas of higher -income groups. Their segregation and isolation in remote areas drastically reduce their ability to gain incomes from formal and informal economic activities, and create dangerous social tensions. Inadequate transport networks push the poor to less accessible locations, increasing their commuting times and forcing them to spend a significant proportion of their income on transport.

Each land parcel not only has different site characteristics, it also has unique relationships with other land parcels and with opportunities and facilities of the city "good location", in the sense that the household has easy access to economic, social, commercial, cultural and recreational opportunities. The above significantly affects people's sense of satisfaction and their costs of living. Different locations impose different sets of costs, particularly though not exclusively, transport costs (Dewar, 1993). The above needs to be put across to would be beneficiaries via the consumer education campaign.

EMPLOYMENT AND INCOME GENERATION

Income generation and employment creation are critical aspects on which the enabling approach to housing rests. Government is trying to address the past deficiencies. As mentioned in this study, the immediate response to the income generation and employment hurdle is to locate housing in proximity to areas of economic opportunities (Adebayo, 2000).

Employment and income generation is probably the most important priority in South Africa (Dewar, 1993). A climate needs to be created in the urban areas which maximises the growth of small scale enterprises. One of the main reasons for the above is that people have no option but to seek survival in self-generated enterprises, particular in the informal sector.

Having secured affordable, serviced and well planned land, the question of affordability surfaces. Here, reference is made to having a decent sized house. People need employment. The Housing White Paper states " the growth and support of the emerging (black) construction sector is not seen as a primary housing responsibility and therefore does not justify the allocation of funds". The Reconstruction and Development Programme commits the opposite: "the

development of small, medium-sized and micro enterprises owned and run by black people must be incorporated into the housing delivery programme and special funds must be made available to support small and medium-sized enterprises “ (Smit, 1998).

Smit further states that resources should be provided as loans for bridging finance and grants for training and entrepreneurial development. The democratic government needs to provide some subsidies as a catalyst for job-creation programmes controlled by community land or workers, and target appropriate job creation and development programmes in the most neglected and impoverished areas of our country.

The single most important condition for maximising employment and income generation opportunities, particularly for small-scale enterprises, is a large easily accessible local market. It is this condition which promotes maximum diversification. Significantly, such conditions also result in greater efficiencies for larger scale economic enterprises.

It makes considerable sense to use housing policy to stimulate employment generation, particularly since the construction sector is relatively labour-intensive. The role of the state should be to inject substantial and sustained amounts of capital into the housing process. The state has a major role to play in stimulating the organizational and institutional changes necessary for capital to circulate as widely as possible (for example, large-scale training programmes to develop extensive networks of small builders; the promotion of labour intensive public works programmes to provide and maintain infrastructure; the use of sub contracting to promote small business for example block-making, manufacturing uniforms, furniture and so on).

The immediate response to the income generation and employment hurdle is to locate housing in close proximity to areas of economic opportunity. As mentioned earlier, the housing authorities need to take note of this important / crucial aspect of the enabling approach. Income generation is of

vital importance to the success of the enabling approach. The success of the enabling policy depends entirely on the government. The government needs to improve the performance of the housing sector as a whole, whilst also leveraging limited public resources to the greatest extent possible. Consumers need to understand the importance of income generation and job creation. Government is trying to address this important issue and the onus is on the consumers / beneficiaries to make a concerted effort to gain employment and generate some form of income. By understanding the enabling approach, consumers would get a clearer picture of what housing policy is about and what it intends to achieve.

THE NATIONAL HOUSING SUBSIDY SCHEME AND METHODOLOGY IN ACCESSING SUBSIDIES

The Capital Subsidy Scheme of the Independent Development Trust was initiated in 1991. (R750 million was allocated to the provision of about 100 000 serviced sites Urban Foundation Paper, 1994). The scheme provided for an allocation to each eligible household of an amount of R7500. This amount is calculated to cover the costs of land (on the periphery), metered watered per site, tarred bus-routes, access per site, stormwater drainage and water borne sewerage. In some instances where topographical and geological conditions in certain areas were not suitable(i.e. steep slope, clay soil etc.) it meant that these basic needs were not always met in full.

The capital subsidy process was to have been reviewed every two years (Marcussen, 1990). Subsidies were intended to serve first time home buyers with a household income of less than R1000 per month. Payment was made to the developers upon transfer. During this period it was fiercely debated over the

size of the capital subsidy and the potential width of the programme. Some, such as the World Bank argued that the subsidy amount should be smaller to enable it to be spread more widely across the population in need. Others argued that given the poverty of most recipients, that larger subsidies were required to provide beneficiaries with the potential to acquire basic housing structures as well. It was felt that this would motivate private developers to get involved in the provision of low income housing.

The existing subsidy scheme (Post, 1994) was an extension of the IDT 's capital subsidy scheme of 1991. According to the statistics provided by the Department of Housing (Gov.za.) almost 1 million housing opportunities have been presented to beneficiaries having accessed the subsidy scheme. The housing initiative of the government to assist people in providing their own shelter was to assist people with a housing opportunity, not building free houses for people.

HOUSING SUBSIDY IN POST APARTHEID SOUTH AFRICA

National Government set up a task group on National Housing Policy and Strategy. The De Looor Task Group on National Housing Policy and Strategy was set up by government in 1992 as a response to criticisms of its I. D. T. (Independent Development Trust) subsidy policy. It proposed the phasing out of the existing scheme by terminating its unworkable components and savings its best features. The subsidy formulas did not adequately target the poor as it was based on expensive houses which many could not afford. The restructuring was to achieve a more efficient allocation of state resources. It also proposed replacing the existing schemes with a single capital subsidy policy. The Housing Subsidy Scheme was implemented in March 1994 and replaced all previous Government Subsidy programmes. The new subsidy scheme is

founded on the principle of a capital subsidy. This represents a one off capital grant, ie. free contribution provided by government (not to be repaid) to prospective beneficiaries A housing subsidy can also be defined as a one-off capital subsidy granted to households to assist the household with a housing opportunity (ie. to secure purchase of a site as well as a contribution towards the house). A whole range of housing products qualifies for subsidization. These include newly constructed bondable detached units, units in newly constructed complexes, existing houses of any type, site and service schemes, in-situ upgrading, incremental housing etc. The price of the housing package may not exceed R65000.00. (Housing Code 2000).

The subsidies may be accessed by beneficiaries either through a housing project providing homes for ownership, an institution providing rental accommodation, or by means of individual applications to the Department of Housing to buy individual housing units. Subsidies are divided into two categories namely:- Non Credit Linked and Credit linked.

NON CREDIT LINKED

This applies to poor people who cannot afford to pay back a home loan; therefore this category does not need to interact with banks for finance. There are many individuals whom financial institutions would not regard as credit-worthy. These individuals may apply directly to the Department of Housing for assistance due, to them not being able to access any form of assistance from any institution.

CREDIT LINKED

This applies to low income people who can afford to pay back a home loan.

SUBSIDY BANDS	MONTHLY HOUSEHOLD INCOME	SUBSIDY AMOUNT
S1	>R 800 PM	R 16 000
S2	BET R 801 - R 1500	R 12 500
S3	BET R 1501 – R 2 500	R 9 500
S4	BET R 2 501 – 3 500	R 5 500

Source: Department of Housing 2002

Qualifying criteria for subsidies:-

Those whose monthly income does not exceed R3500 per month; Individuals must have dependents or be married or co-habit with a partner; must be a South African citizen or a lawful South African resident; must not have previously received a State subsidy (including the I.D.T subsidy); must not have previously owned property (Department of Housing,2000).

TYPES OF SUBSIDIES

PROJECT LINKED SUBSIDY

A project-linked subsidy is a subsidy that is made available by the Department of Housing to communities who wish to satisfy their housing needs by means of undertaking a housing project. Here, the developer applies for a project to be approved. If approved by the Department of Housing then the subsidy quota for the project is reserved. The developer fills the forms for individuals. Either

credit linked (with home loan) or non-credit linked (without home loan) applications are possible. The total subsidy quota is paid in five progress draws. The amount for each draw (P1-P5) depends on the contract between the contractor and the Department of Housing, 2000.

The only change to the above occurs when one requires compensation that arises from locational, geotechnical and topographical conditions. In these cases the Department of Housing can increase the normal subsidy amount up to 15%. The variation amount is only for the purposes of difficult development conditions and the costs thereof and not for other additional costs.

INDIVIDUAL SUBSIDY

This subsidy is for the purchase of sites not located within an approved project (ie. not project linked). It could be either credit linked or non-credit linked. In credit linked case, the lender is the applicant's agent who fills in an application on behalf of an individual subsidy applicant. In the case of the non-credit linked, anyone of the following may assist the individual to fill in the subsidy application,

however, the conveyancer is the applicant's agent and must be nominated:

- Regional office
- Estate Agents
- Developers
- Local Authorities
- Conveyancers
- Employers

CONSOLIDATION (TOP-UP) SUBSIDY

This subsidy is for individuals who already received a site and service scheme and is to top-up the existing level of subsidy to the new subsidy level.

SUBSIDY BAND	MONTHLY H/H INCOME	SUBSIDY AMOUNT
C1	> R 800 PM	R 7 500
C2	BET R 801 – R 1500	R 7 500

(SOURCE: DEPARTMENT OF HOUSING, 2000)

The above is only applicable to existing state assisted site and service schemes. It is only available for projects approved by the board for consolidation subsidies and not for individuals, ie individuals must be located within an approved project. The Consolidation developer fills in the subsidy application on behalf of the individual.

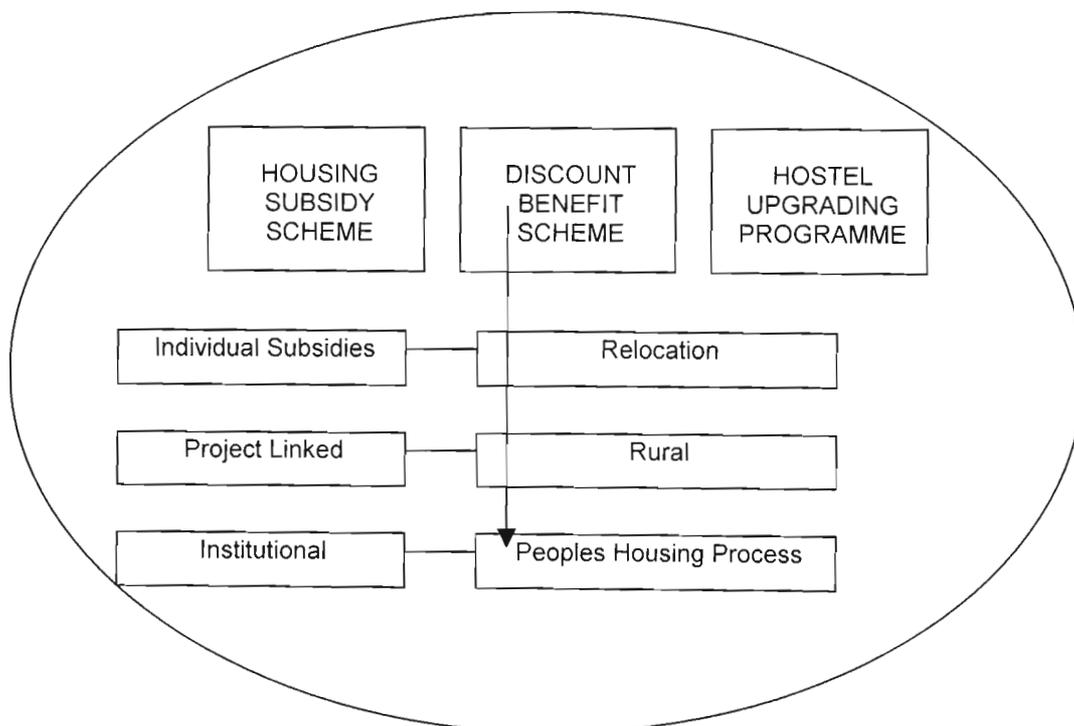
There are two types:

1. Co-operative Housing - land is purchased and developed with the intention of sub-dividing into individual ownership.
2. Social Housing - land is purchased and developed for rental, not sub-divided for individual ownership.

The qualifying criteria for the above subsidy are: piped water supply with at least one standpipe per 25 households. Properly functional sanitation and

stormwater drainage systems. Suitable access to each property. The beneficiary has to have the registered title deed to the property. Neither the beneficiary nor his spouse is in the ownership of other residential property. The site must be one that was previously serviced using public funds to an adequate level of service (as mentioned above).

This subsidy can only be used by that particular beneficiary for that particular property that it is intended for with the sole purpose of upgrading the "top-structure".



Subsidy Assistance Diagram (Source: Department of Housing, 2000)

FIGURE 2

The above is an overview of the initiatives and institutions in terms of strategy or the subsidy programme. This strategy focuses on supporting and facilitating the process of home building by individuals, families or communities. The strategy is aimed at those families who only have access to housing subsidies

and who wish to build or organize the building of their homes themselves. The strategy assists such households to access housing subsidies through the housing subsidy scheme with technical, financial, logistical and administrative support.

THE ROLE OF ORGANIZATIONS WITHIN THE HOUSING SUBSIDY SCHEME.

The Regional offices of Kwa Zulu Natal Provincial Administration (Housing Promotion Section) provide information to the public on housing subsidy schemes and who qualifies. They promote housing initiatives within the region. They assist individuals to fill in subsidy applications for individual non- credit case and refer individuals to financial institutions in the credit linked case. Local authorities provide information to the public on the housing scheme and the subsidies available and who qualifies. They assist to fill in the subsidy application in the individual non-credit linked case. They refer applicants to developers of approved projects for project linked subsidies. In the individual credit linked cases, applicants are to go to financial institutions for assistance.

THE DEPARTMENT OF HOUSING SECRETARIAT

The functions of the above is to; receive and evaluate project applications and submit these to the Department of Housing approval; to procedurally check, submit and administer for payment all Individual subsidy applications; to monitor the progress of all projects; to provide secretarial services to the Department of Housing (Department of Housing, 2000)

HOSTEL SUBSIDIES'

This grant applies to the upgrading of hostels under the jurisdiction of Municipalities and Provincial Governments but excludes hostels owned by Municipalities and used for the use of their employees. To apply for a hostel redevelopment grant a redevelopment proposal must be developed. This proposal must: be undertaken in an inclusive manner that involves all stakeholders including hostel residents and the governing body such as a Municipality or Provincial Government. A local negotiating group must be established in this regard. It must be based on a socio-economic survey to determine needs and affordability of the hostel residents. Not result in the displacement of any hostel resident unless acceptable alternative accommodation has been secured. This group must take into account the needs of women who may not be legally competent to contract in terms of the law. It must also be sustainable in terms of ensuring the payment of ongoing maintenance and service costs. Maximize the opportunities for employment of hostel residence.

A register listing all identified hostel residents must be drawn up immediately when a redevelopment scheme is identified. All hostel residents listed on the register will be entitled to benefit from this scheme. The redevelopment scheme can provide a range of 10 year options depending on the needs of the recipient community. In this regard it can provide both rental and ownership housing stock. If a decision is taken to convert the hostel into an alternative use like a school or community centre then this can occur with alternate funding (not with funds in terms of the hostel redevelopment grant). The amounts provided in terms of the redevelopment grant are as follows: if the stock to be provided is rental then the amount of a redevelopment grant is R 16 000.00 per family and R 4 000.00 per hostel resident.

If the stock to be provided is on an ownership basis the rules of the housing subsidy scheme and the subsidy bands will be applicable. In addition the

amount to be provided will take into account facts like the asset value of the hostel, the cost of conversion and the cost of finding alternate accommodation for the displaced people. An additional grant may be applied to enhance the participation and empowerment of the affected community in the planning process of the redevelopment scheme and the ongoing management of the hostel. This is in line with the government's policy of equipping and empowering people to drive their own economic empowerment, the development of their physical environment and the satisfaction of their basic needs. Housing forms part of the development process and development is about active involvement and growing empowerment of the communities involved. Supporting the housing process for people-driven development constitutes one of the strategic thrusts of the white paper on housing (Housing Code, 2000).

THE SUBSIDY IN RURAL AREAS.

In the current housing situation, the rural communities appear to be the most disadvantaged and probably received the least attention and investment of all (Housing in S.A - 1999). The economy of the rural areas is based mainly on remittances (including pensions) or single economic activities in the rural settlements. Subsistence agriculture and cattle farming form a large part of the rural economy. Due to the low levels of income generated per household, it appears that most of the population are eligible for the full housing subsidy, as they earn less than R 800.00 per month. Physical infrastructure and social services in the rural areas are generally sub-standard and in some cases, non-existent (Housing in S.A - 1999). The initial object of any investigation should be directed towards the communities' access to government housing subsidies. Since most of these communities already house themselves in structures made with traditional building materials, it is felt that they could well favour alternative, more appropriate use for the subsidy other than housing.

Up until the year 2000, the government ignored many communities whose income qualify for subsidies, but where other factors had failed to meet the criteria for full housing subsidies. It was felt that the housing needs of rural

communities required urgent attention (Housing in S.A -1999), hence adjustments to the rural section of the housing subsidy scheme are under consideration by the government. The new guidelines (2000) are designed to accommodate issues such as land title and the recognition of the house as an asset against which a beneficiary could access credit. The problems are compounded by the reluctance of developers to operate in rural areas and the excessive cost of rural development, which also needs to be addressed.

An investigation into rural housing undertaken by the housing authorities has revealed that housing is not a top priority for the rural poor but that the most pressing needs are access to basic services and jobs. The initial objectives were to investigate the needs of deep rural communities in relation to their access to, and use of, the government housing subsidy. The rural poor have a shared goal of using all available local resources to build better and bigger structures and to save as much as they can on the housing subsidy in order to use the balance towards establishment of a business enterprise which will lead to their economic emancipation.

Local materials and skills were still used in the construction of houses, thereby providing greater value for money and retaining much needed development capital in the community. Formal building approaches were expensive for rural communities, and the high cost of placing infrastructure in rural areas meant there was little left over for the construction of houses. The housing subsidies were not reaching rural communities to the extent that they were required. In this context, the issue of rural land tenure remained a question that the government needed to address as it adversely affected the progress of rural development. Through participatory approaches to any rural community, the people should be encouraged and empowered to make decisions and take greater control of their future and development needs.

Matlaba (1995), indicates that recognition of local technical knowledge and skills are important building blocks for the development of an African Renaissance model for rural housing. There is also a recommendation for

more rural housing conversations, the aim of which would be to share information with regard to implementation challenges of housing subsidies and to make relevant input to the development of appropriate implementation approaches for rural housing (Matlaba 1995) . The immediate problem with regard to applications for subsidies in rural areas is reaching an acceptable land use agreement between applicants and landowners. This is not easy as the land tenure system in rural areas is such that most land is commonly owned (Van Wyk, 1995).

The Housing Subsidy Scheme, in its current form, precludes those persons from obtaining access to the subsidy. Part of the new guidelines for rural subsidies by the Department of Housing sets out the rules to be applied in extending the benefits of the Housing Subsidy Scheme to those persons, bearing in mind the following: the need to balance their legitimate expectations to participate in the subsidy scheme against the need to ensure that they are not deprived of the benefits of the subsidy due to factors beyond their control.

Rural subsidies may-accordingly be made available to persons who occupy land as follows: by virtue of the laws and customs of a tribe, if the land is state land. As holders of registered quitrent tenure rights or registered rights/permissions to / occupy in terms of any of the included enactment's. The Interim Protection Act grants not only to persons who occupy land, but also to persons who have access to land in terms of various informal rights.

Rural subsidies may, accordingly, be used for any purposes which, in the discretion of the Department of Housing, amounts to housing purposes as follows:

The provision of sanitation facilities; the provision of roads and stormwater drains within the boundaries of any particular settlement; the provision of water; the construction or upgrading of dwellings; the purchase of building materials in

order to enable a beneficiary himself or herself to construct or upgrade a dwelling.

Rural subsidies may accordingly only be accessed on a project basis, and not on an individual basis (Housing Code, 2000). Communities, which could potentially access the subsidy, will require assistance particularly in order to plan proposed projects, to collect the evidence of their entitlement to subsidies and, in appropriate cases, to obtain access to credit.

CONSUMER EDUCATION

The other angle of consumer education literature is based on actual case studies. Although there is extensive literature on communication strategies and basic education campaigns, there are few evaluations on how consumer education was incorporated in projects, either by local government or non governmental organizations, hence making scarce available information to be used as guidelines for consumer education in housing.

However there is very little literature available on consumer education in South Africa for an adequate comparison to make with the case study of Mt Moriah, Cato Manor, Shongweni and Bottlebrush. Hence the experiences of overseas countries would be examined. However we must be mindful of the fact that South Africa has its own unique context and consumer education / awareness must be evaluated accordingly so as to ensure its appropriate incorporation into low income housing.

The current media system is highly centralised and elitist in orientation, covering mainly events taking place in urban and / or peri urban areas. (Legakane, 1997). Given that a great percentage of the population live in rural areas it can be concluded that the systems capability to be gainfully employed in development strategies and initiatives is questionable both in terms of its limited geographical reach as well as its predominantly top-down approach in

communication. The government needs to take a leading role in leveling the playing fields to bring other sections of the community into the main stream communication process. Only time will tell if government has a commitment and political will to do just that. Despite the fact that the large constituency of the populace is illiterate, most decisions on policies and strategies are reported predominantly in the media. When most of the population does not have access to mass media, the possibility of being informed about ones rights is limited, and access to information required to influence political decisions is restricted. Consequently one of the major tasks facing media policy in South Africa today is to extend the media to the disadvantaged population (Cebekhulu, 1995).

Broadcast media is better reaching a lot of people quickly with fairly simple ideas. Print media is best at providing a timely reminder of information we cannot expect someone to remember without reinforcement. Interpersonal communication include group meetings, community organisations and demonstrations. These are clearly the best way to teach and develop credibility. Perhaps a more important finding is that we need all three of these components to make an effective programme. We need to reach many people quickly; they have to have some reminder of what we have told them; and they have to believe in us if they have to take our advice. Effective communication is like a three legged stool. If you are missing one leg you have an unstable foundation.

In Australia the government spends an average of 3% from their consumer education budget on evaluating the cost effectiveness and impact of the existing and past campaign (Government Digest, 1999).

A comparison of different types of approaches of mass media as well as an international study on the role of the mass media in several communities.

The Study in India

A study was conducted in a city totaling 1.7million people in the city of Hyderabad by the Institute of Community Development. There was a level of 53% of literacy in the population. Data was obtained regarding the dissemination of information. The respondents belonged to the age group 30 to 50. Information was broadcasted by the radio and news was published in the newspapers over a period of 6 months. The survey revealed the following facts; 79% listened to news broadcast over the radio while the balance received the news in the newspapers. According to most of the respondents radio was the best medium of communication as illiterates benefited tremendously from this. The above clearly illustrates an effective communication medium. It also indicates how a community with a high illiteracy rate could be reached effectively (Calderwood, 1991).

Study in Germany

This is a report which analyzed the effects of mass media in society in Germany.

Two contracting social groups – workers on one hand (skilled and semi skilled) and the political, economical, cultural elite on the other hand. It was assumed that contrast groups of this type could be found all over the world and the commonness or differences in relation to mass media could be an important and worthwhile subject for research. Workers totalled 465 and the elite totalled 112 were interviewed from a period of January to December in one year. This investigated long term and cumulative effects of the media contents. The results were as follows; 85% of the workers indicated television to be playing a predominant role as a source of information. 63% of the elite indicated

receiving information from newspapers and television (Calderwood, 1991). Both groups regarded mass media as the most reliable source of information.

The results of the above survey led to the conclusion that in future mass communication research should incorporate the following: the investigation should extend over a long period of time and should include as many available sources of information as possible; the investigation should take into account the social character of mass communication, its being embedded in conversations about, knowledge of, and conjectures about the ideas and views of other persons; the investigation should be conducted with a combination of various methods – observations, interviews, surveys and content analysis.

Study in Gambia and Honduras

Gambia and Honduras are extremely different countries. The same communication strategy was applied to teaching oral rehydration therapy and related child survival practices in both countries. Within that strategy each country developed campaigns that had their own character, peculiarities and challenges. The main challenge being that west Africa and central America having a tremendous common problem: infant mortality. Gambia had a 3% female literacy rate along with severe difficulty among 48% of females interpreting two dimensional pictures of drawings without assistance. Honduras had a similar problem. The methods approached were as follows: village – level investigations were conducted to understand the local behavior, concepts and vocabulary to develop an audience profile. Educational objectives were ranked in what audience needed to know and do. Messages were developed and materials tested. Multiple channels – media, print and face to face interaction were coordinated to carry simple, non contradictory messages that relied on the functional strengths of each channel. The radio served as a first line of communication. This was carried out over a three year period. In Gambia the diarrhoea mortality rate fell from 32% to 3%. In Honduras the proportion of deaths involving diarrhoea among children fell from 40% in the two years prior to the campaign to 24% two years later. The total mortality rate also

dropped significantly. In the Malaria campaign, knowledge that the reason for having ones house sprayed was to kill mosquitoes nearly doubled from 49% before the campaign to 94% afterwards(Calderwood,1991).

The Mass Media

It is interesting to know that for the 1995 voting campaign in South Africa the following instruments of mass media was used; 1126 radio commercials in all languages were broadcast; 75 advertisements were published in 250 publications; 8 television commercials were featured on television; 30 million pamphlets were distributed countrywide and 1.3 million posters in all 11 languages were distributed nationally. The cost of the radio campaign amounted to almost R11 million while the television costs were R13.2 million and more than R16 million was spent in the printed media. The total cost of the 1995 national campaign was estimated at 82 million. The effectiveness of all this has to be measured against a 79.75% registration of voters and a 48.79% turnout on polling day. (Government Communications, 1999).

It is observed from the literature presented above that participation in whatever scenario solely depends on how information is presented using the appropriate medium of communication. Literature also reflects that the quality of participation depends on the initial point of entry.

CHAPTER THREE

RESEARCH RESULTS

INTRODUCTION

The study explores primary research undertaken regarding housing consumer education. It explores strategies employed by the Department of Housing to educate consumers. This is done for the sole purpose of determining how effective these measures are, and to find ways to extend their scope if they are found to be lacking in that regard.

The first part of the study involved researching the effectiveness of the dissemination of housing information to the beneficiaries. This information includes ways of accessing subsidies, the different types of subsidies, the eligibility of accessing subsidies and further information on housing. An assessment of residents opinion (of the projects in the case study) of the case studies regarding the provision of housing and their opinion of what information they had received from their interaction with the Provincial Housing Board / Local Authority officials form an important component in this section of the study.

The aim of this approach was to look into the medium used (if any) by housing authorities as well as its effectiveness. The projects studied were similar and the questionnaires were simple and straightforward.

Four low income housing projects were chosen as case studies. Mt Moriah, Bottlebrush, Shongweni and Cato Manor. Greater detail of these projects will be provided in the subsequent sub-sections. Moreover, findings of the research study will be provided and analyzed. The findings are informed by the surveys that were carried out on the respondents of the above mentioned projects.

CASE STUDIES

This sub-section seeks to provide a historical background of the chosen projects. It gives details about the locational area and background pertaining to the needs for housing of the residents.

Mt Moriah Project

The Mt Moriah Project was initially planned for 7000 units. Project planning started in 1993. It was a pilot project in high density housing. Mt Moriah is located approximately 20km from the city. It is bordered by the low income projects of Kwa Mashu and Phoenix on one side whilst on the other side by the more affluent residential area of Mt Edgecombe. The first phase of the project consists of 450 units. Many of these units are sectional title. 45 households were targeted as follows: 15 one bedroom, 15 two bedroom and 15 three bedroom units. This yielded 10% of total units. Mt Moriah was used for the case study because of its uniqueness of being a high density project. The project consisted of low income people who qualified for part of the government subsidy. The figures and tables provided seek to illustrate some of the findings. The synopsis is aimed at illustrating what the people at Mt Moriah are as well as what they perceive about housing consumer education.

Male / female headed households - Project Mt Moriah

MALE	FEMALE	OTHER
35	60	5

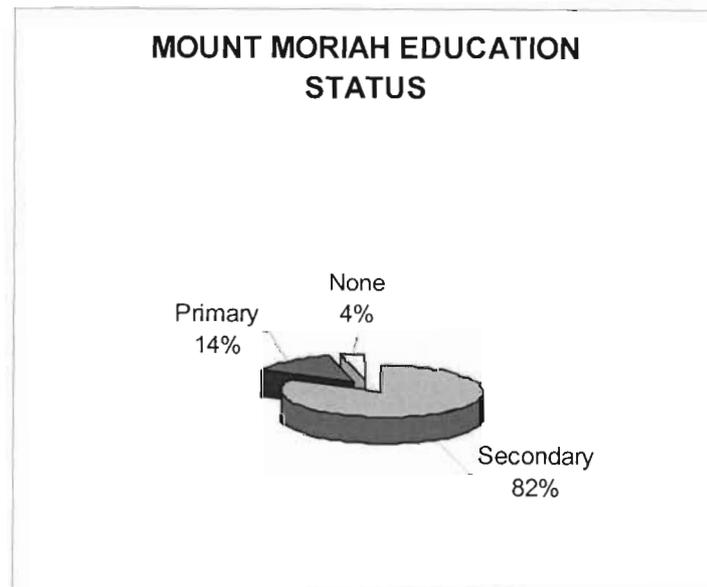
The field survey at Mt Moriah reveals that 60% of the households are female headed. The above information would be useful when compiling a strategy for consumer education. Meetings would have to be structured around the availability of these women considering their triple role. This is mentioned

in detail in the subsequent chapters. 35% of the households were headed by males and 5% indicated in the other category.

Age category table: Project Mt Moriah

AGE GROUP 21 - 30	AGE GROUP 31 - 40	AGE GROUP INFANTS / ELDERLY
38	41	21

The age of the interviewed respondents were as follows; 38% in the age bracket 21 – 30 whilst 41% of respondents were in the age bracket of 31 – 40. The balance of respondents were over 40.



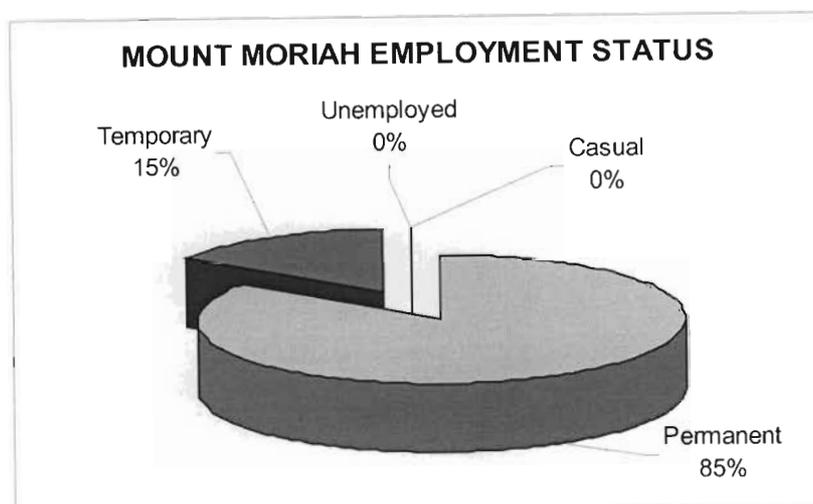
PIE CHART OF THE EDUCATION STATUS

82% of the respondents have secondary education whilst 14% of the respondents have primary education. 4% of the respondents have no form of education at all.

Income Levels Survey: Project Mt Moriah

INCOME BRACKET R 0 – R 800	INCOME BRACKET R 801 – R 1500	INCOME BRACKET R 1501 – R 2500	INCOME BRACKET R 2501 – R 3500
0	0	15	85

85% of these households have an income of R 3500.00 per month or more. 15% earned in the range of R 1500.00 to R 2500.00. Most qualified for the housing subsidy. This is a clear indication of the income level group existing in Mt Moriah. As mentioned in the comment on the pie chart / illustration below, the remuneration earned is directly linked to the type of employment. Another reason for the earning figures being tabulated is to place each respondent into categories of the subsidy range. When the Department of Housing scrutinizes this information then a clear indication of how many subsidies were utilized in this phase of the project. This would prove useful when compiling statistics on actual as per planned. This could be possible used to analyse whether consumer education techniques employed by the department are effective or not.



PIE CHART OF THE EMPLOYMENT STATUS

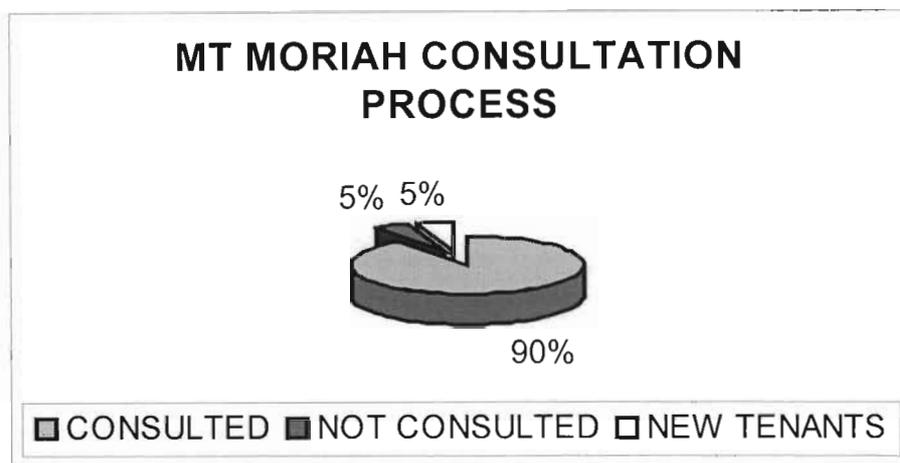
85% of respondents were permanently employed whilst 15% were temporarily employed. From the above statistics it is clearly evident that majority of the households were in the top end of the subsidy bracket.

Housing Subsidy Scheme: Project Mt Moriah

UNDERSTANDING OF THE SUBSIDY SCHEME	UNDERSTANDING THE DIFFERENT TYPES OF SUBSIDIES	HOW TO ACCESS SUBSIDIES
90	85	90

90% of the respondents that were interviewed indicated that they were consulted by the housing authorities / banks and the developers. 5% claimed they were not consulted and a further 5% were new tenants. 90% of the respondents understood the housing subsidy scheme and the different types of housing. Social compacts were constituted by Wakefields (Property Management Company). A community liaison officer on behalf of the

developer provided much needed support during the development process. A key observation from all the respondents indicates that no after sales service exists. Respondents have complaints directed to the developer to no avail. Efforts by the respondents to get the developer to address the complaints / queries have failed.



In Mt Moriah 90% of the respondents as visualised in the above illustration stated that extensive community consultation incorporating consumer education occurred. The community stated that consultation started before the formulation of project proposals. 10% of respondents claim that no consultation occurred. It is evident from the above survey that extensive consultation occurred. One of the possible reasons being that the developer of the project used funds to communicate information during the preliminary stage as well as the execution phase of the project. Another possible reason is that the Mt Moriah project being "presidential job summit" project received prioritized attention. These findings conclusively inform the study, that consumer education if disseminated correctly could achieve its goals.

Bottlebrush Project

The Bottlebrush Project is located adjacent to unit 11 in Chatsworth. Chatsworth is a township approximately 30 km south of Durban. It consists of 350 000 people. The Bottlebrush project occupies a piece of land in the extent of 15 hectares. This is an informal settlement. The establishment of Chatsworth brought together in one township people who previously had been widely separated in the Durban region, and dislocated a way of life which had existed for many decades. Almost every one of the 395 092 Indians in Durban were affected by the Group Areas Act (Subramoney, 1999) . It is estimated that about 80 000 Africans were also forceably removed during this period.

When violence flared again in KwaZulu Natal in the 1990's, the Bottlebrush project started to get inhabited. This project is a relatively small project. Of the 204 dwellings only 20 were targeted yielding a 10% sample. The beneficiaries were reluctant to state whether they were South Africans or not. It was felt that illegal immigrants would be deported to their home country. This proved to be difficult as if they were illegal immigrants then they most certainly would not have heard of government assistance.

Residents were asked their views on the new housing subsidy scheme, for which – given their affordability levels – they should all qualify in principle. But the responses showed that most residents lacked precise information on how the scheme works, indicating that the authorities have failed to communicate it adequately to the people entitled to benefit from it. Crucially many interviewees were unaware that the subsidies are grants, not loans. They were under the impression that the scheme was a loan from the government which they would have to repay. One woman said, "I do not believe the government subsidy can help to solve residential problems. There is no way that government can build houses without expecting us to pay the money back". Building further on this misunderstanding, some residents expressed

the view that the scheme should be "interest free" and that payments should be worked out with the individual household to ensure that each individuals financial capability is worked out carefully. While many residents did not have a clear understanding of the subsidy scheme, they nonetheless expressed several views on the type of assistance they would like the government to provide. This is outside the ambit of the reason for the survey and includes job creation, poverty alleviation and capacity building. The following were the results of the survey undertaken; one unit per block of 10 was targeted. This yielded 20 out of a total of 204 dwellings.

Male / female headed households - Project Bottlebrush

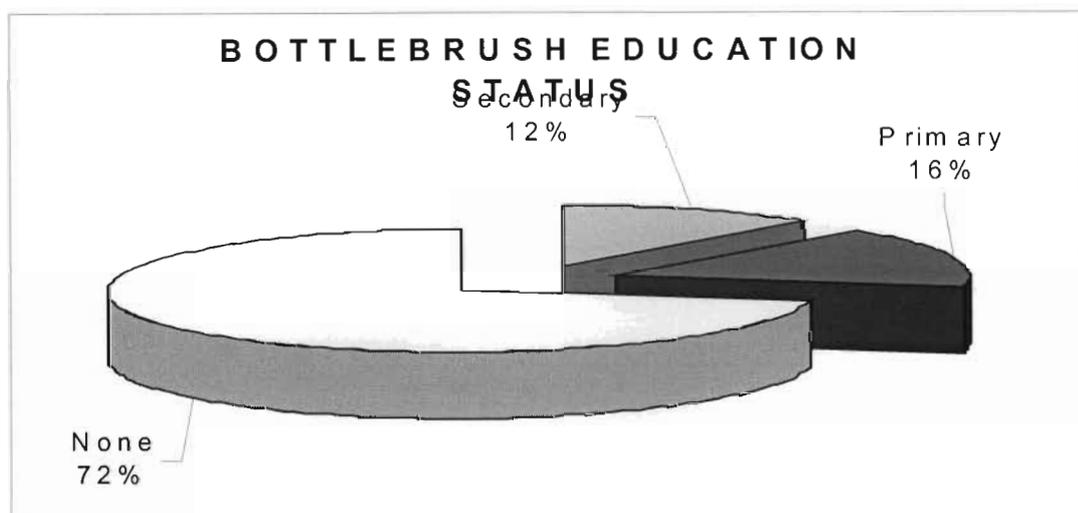
MALE	FEMALE	OTHER
60	32	8

The above table indicates that 60% of the households are headed by males. 32% of the households visited were headed by females. 8% of the households visited had children alone at home and or other family members taking charge due to the death of both parents. The above information is required when consumer education programmes are programmed taking into consideration the triple role woman play in households.

Age category table: Project Bottlebrush

AGE GROUP 21 - 30	AGE GROUP 31 - 40	AGE GROUP INFANTS / ELDERLY
35	44	21

35% were in the age bracket 21 – 30 whilst 44% were in the age bracket 21 – 40 the balance of respondents were infants or elderly folk. The above also indicates a very young population. Information that needs to be disseminated would have to be directed at the the age groups with messages that each group will identify with.



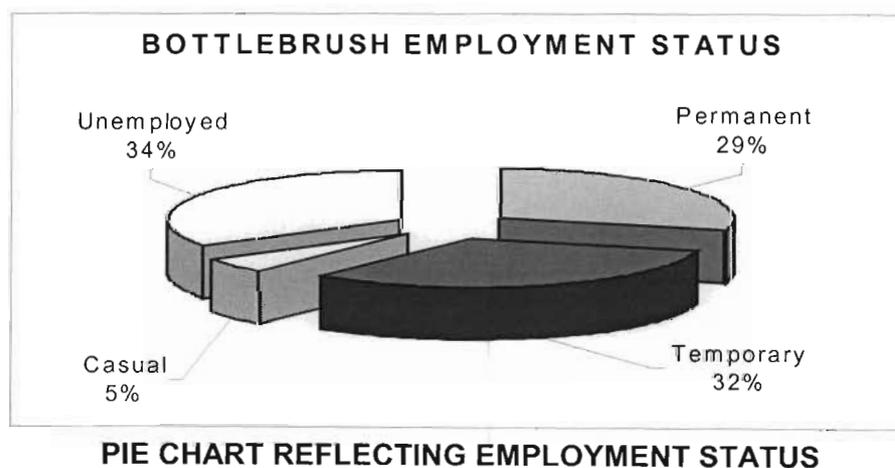
PIE CHART REFLECTING EDUCATION STATUS

72% of the respondents had no education at all. 16% of the respondents have a primary education whilst 12% have a secondary education. The above information is a clear indication of the literacy rate of this population. It is a clear indication of the direction any consumer education campaign would be channeled towards considering the high level of illiteracy.

Income Levels Survey: Project Bottlebrush

INCOME BRACKET R 0 – R 800	INCOME BRACKET R 801 – R 1500	INCOME BRACKET R 1501 – R 2500	INCOME BRACKET R 2501 – R 3500
71	22	7	0

The above table indicates the following; 71% of households earned R 800.00 or less. 22% earned between R 801.00 and R 1500.00 whilst 7% earned between R 1501.00 and R 2500.00. This relates to all qualifying for the government subsidy.



The above illustration indicates the employment status of the respondents interviewed. 29% of permanently employed. 32% have temporary

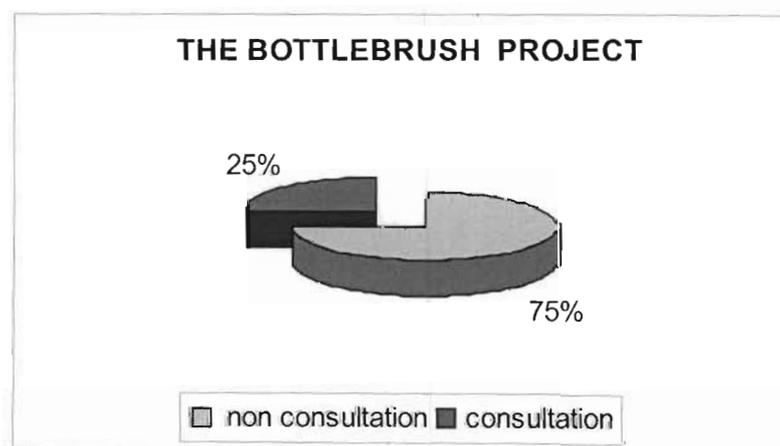
employment whilst 5% have casual employment. A staggering 34% are unemployed. This relates to one in every three being unemployed.

Housing Subsidy Scheme: Project Bottlebrush

UNDERSTANDING OF THE SUBSIDY SCHEME	UNDERSTANDING THE DIFFERENT TYPES OF SUBSIDIES	HOW TO ACCESS SUBSIDIES
24	14	28

On the above project only 24% of the respondents as visualised in the above table understood the housing subsidy scheme. 14% understood the different types of subsidies whilst 28% knew how to access the housing subsidy scheme. This portrays a very grim picture which translates to 75% of the people interviewed having no knowledge of the subsidy scheme. It once again reflects the effectiveness of the information dissemination campaign by the Department of Housing.

PIE CHART REFLECTING PROJECT CONSULTATION



In the above project 75% of the respondents stated that no consultation whatsoever occurred. 25% indicated that some form of communication occurred with their local councillors. Consultation in the above context refers to project information, subsidy information as well as participation procedures. 80% indicated that their needs were not being met indication the lack of facilities in the area , security and the lack of employment opportunities. The above survey information indicates that majority of the households are in the subsidy bracket. Most importantly it indicates that 24% (approximately ¼) of the population have an understanding of the subsidy system. 14% know (albeit vaguely) of the different types of subsidies whilst only 21% know how to access subsidies. This is a clear indication of the ineffectiveness of the governments consumer education campaign.

SHONGWENI

The Shongweni project is on the outskirts of the Outer West Municipality Region. This project is in a rural area. It consists of 135 units. The units are informal. 15 households were targeted yielding just over 10%. Households were randomly chosen. No information was available on the history of the project or project area from either the local authority or the local library. The purpose of choosing a rural project like Shongweni was to look into whether or not rural communities form part of the Department of Housing's target area for information dissemination.

Male / female headed households: Project Shongweni

MALE	FEMALE	OTHER
64	28	8

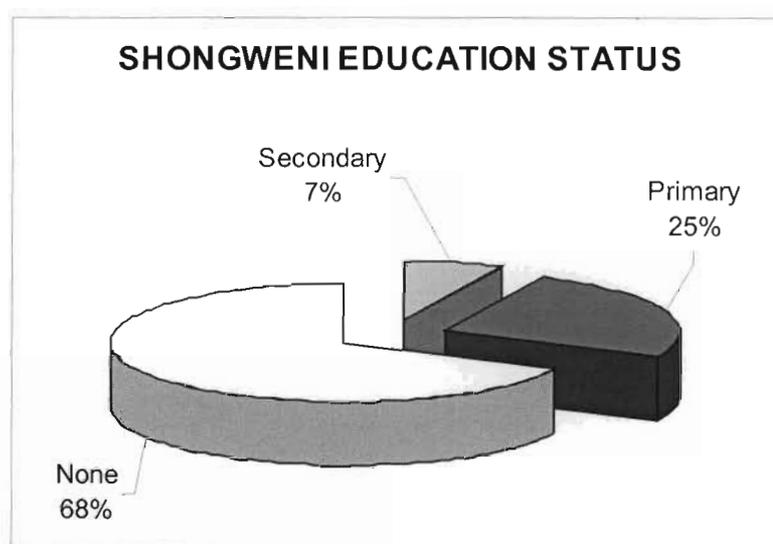
The above table reflects that 64% of households are headed by males. 28% of the households are female headed whilst 8% were children or other family members.

Age category table: Project Shongweni

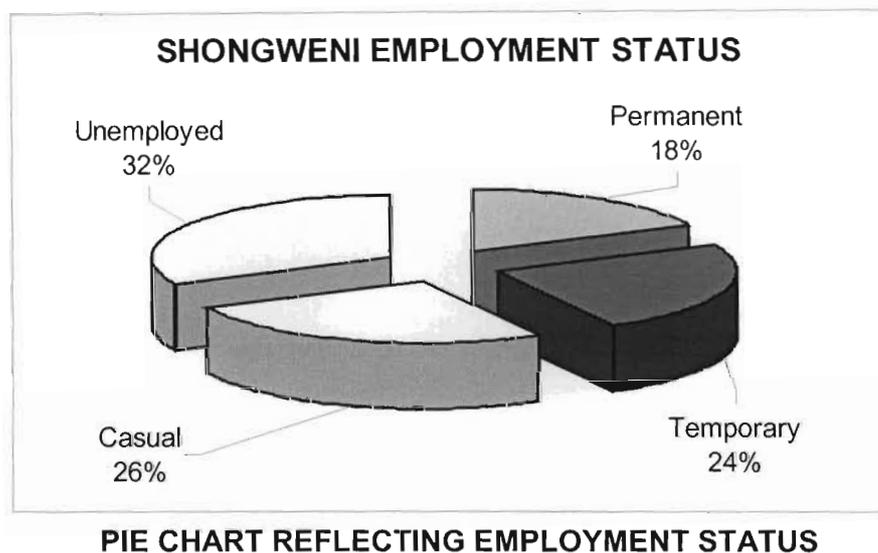
AGE GROUP 21 - 30	AGE GROUP 31 - 40	AGE GROUP INFANTS / ELDERLY
39	42	19

The above table reflects that 39% of the respondents were in the age bracket 21 – 30 whilst 42% of the respondents were in the age bracket 31 – 40. The balance were infants or the elderly. The sole purpose of identifying age is required when information dissemination needs to be strategised ie, reaching different age groups with the appropriate mechanism.

PIE CHART REFLECTING EDUCATION STATUS



The above illustration indicates the education levels of the respondents interviewed. 25% have primary education whilst 7% have secondary education. A staggering 68% have no education at all. Once again this is absolutely vital information that needs to be used when strategising information dissemination campaigns.



The above illustration indicated the employment status of the respondents interviewed. 18% are permanently employed. 24% are temporarily employed whilst 26% are casually employed. 32% of respondents were unemployed. It also reflects in what category most of the respondents are. Most of these people will in the short term not be able to afford any form of finance to improve their dwellings. This has to be clearly mentioned in any form of information dissemination.

Housing Subsidy Scheme: Project Shongweni

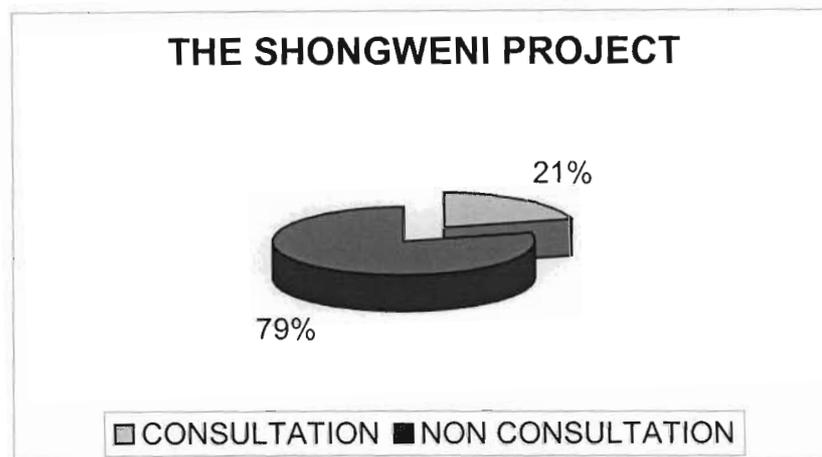
UNDERSTANDING OF THE SUBSIDY SCHEME	UNDERSTANDING THE DIFFERENT TYPES OF SUBSIDIES	HOW TO ACCESS SUBSIDIES
21	12	15

The above table illustrates the understanding of the housing subsidy scheme. The questions structured here were the most important part of the survey. This was to indicate the effectiveness of the governments consumer education campaign. 21% of the respondents interviewed understood the housing subsidy scheme. 12% barely understood the different types of subsidies whilst 15% knew how to access housing subsidies. This indicates that a staggering 79% of the above project do not understand what the subsidy scheme is about.

Income Levels Survey: Project Shongweni

INCOME BRACKET R 0 – R 800	INCOME BRACKET R 801 – R 1500	INCOME BRACKET R 1501 – R 2500	INCOME BRACKET R 2501 – R 3500
82	15	3	0

The above table indicates the following; 82% of the households earn R 800.00 or less. 15% earn between R 801.00 and R 1500.00. 3% earn between R 1501.00 to R 2500.00. All the households qualify for the subsidy.



PIE CHART REFLECTING PROJECT CONSULTATION

In the Shongweni project 79% of respondents stated that no consultation by officials of the Department of Housing occurred. 21% stated that upon enquiry at the Department of Housing had they received information on the subsidy system and the different type of subsidies being offered. Many respondents indicated that due to the project being located in a rural area it has been overlooked by the Department of Housing. Respondents indicated a clear bias on the part of the Department of Housing officials towards urban areas.

Cato Manor

The redevelopment of Cato Manor west of Durban city center is an important example of a (redistributive) urban development, and demonstrated new governments concern with redistributing land and resources amongst the people of South Africa . The greater Cato Manor area includes approximately 2000 ha of land. The area is ideally situated approximately 10 kms west of the CBD and is also very close to the industrial areas of Durban. By 1987 a small African shack settlement was growing in the Wiggins and Cato Crest areas of Cato Manor. Many squatters moved into the area as a result of increasing violence and overcrowding in shacklands on the outskirts of Durban. In addition Cato Manor was attractive to shack dwellers due to the proximity and accessibility of Cato Manor to the city (Gov.za).

In February 1993 the Cato Manor Development Association (CMDA) was formed. CMDA's sole responsibility was to develop the area in a co-ordinated manner. The Daily News (6/9/1994) describes the redevelopment of Cato Manor as a "flagship project of South Africa's RDP). The Cato Manor project was used for the case study because of its diversity. The Umkumbaan area of Cato Manor was chosen due to the writer having first hand experience with the local community as well as development issues pertaining to this area.

The project is a result of a high demand for housing due to a high number of unhoused households. Most of the households lived in backyard shacks and in informal settlements in and around Durban. About 30% of households were displaced by violence in the area they resided (Patel, 1996). Some came from the Richmond area whilst others came from Lindelani area. Many people settled in the Cato Manor area during the 1990's political violent times and were attracted to Cato Manor because of its closeness to the CBD.

Male / female headed households: Project Cato Manor

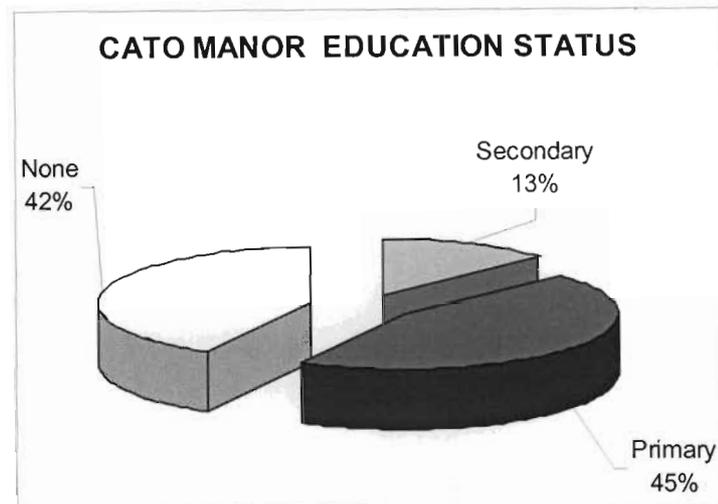
MALE	FEMALE	OTHER
65	25	10

In this project male headed households totaled 65% whilst female headed households totaled 25%. The other category includes people who are looking after children of beneficiaries who have died.

Age category table: Project Cato Manor

AGE GROUP 21 - 30	AGE GROUP 31 - 40	AGE GROUP INFANTS / ELDERLY
41	28	31

The age of interviewed respondents were as follows; 41% in the age category 21 – 30. 28% of the respondents were in the age category 31 – 40. The balance of respondents were infants or elderly folk. This project (similar to the previous one) has a relatively young population. The age group of the majority is between 21-40. This information could be used when working out communication strategy. Information from this group revealed that they watch a lot of television. This could be a medium used to reach these people when disseminating information.



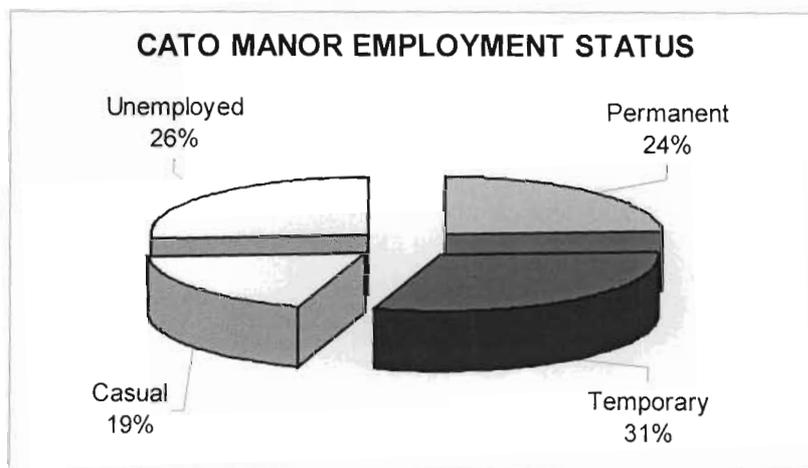
PIE CHART REFLECTING EDUCATION STATUS

45% have primary education whilst 13% had a secondary level of education. 42% have no form of education whatsoever. This is an important statistic that needs to be taken into account when planning consumer education strategy for the above respondents.

Housing Subsidy Scheme: Project Cato Manor

UNDERSTANDING OF THE SUBSIDY SCHEME	UNDERSTANDING THE DIFFERENT TYPES OF SUBSIDIES	HOW TO ACCESS SUBSIDIES
37	24	25

37 %of the beneficiaries interviewed revealed a basic understanding of the subsidy scheme. 24% of the respondents knew the subsidies whilst 25% knew how to access subsidies. Respondents in this project expect the Department of Housing to provide 3 bedroomed homes for them. A staggering 63% of respondents did not have the faintest idea of what subsidy system entails. Respondents know that the government is providing "free housing" but that is where it ends. Once again special attention needs to be given by the housing authorities where the issue of consumer education is concerned.

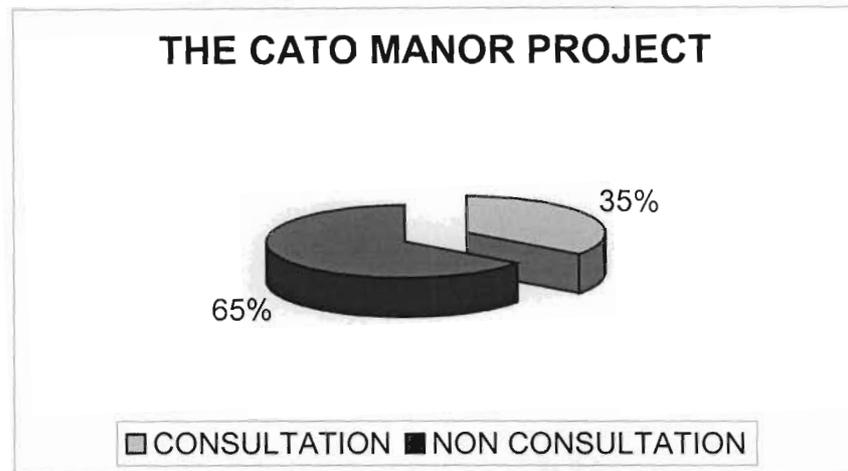


PIE CHART REFLECTING EMPLOYMENT STATUS

The above charts reflects that 26 % of the respondents interviewed were unemployed. 24 % enjoy the benefit of being in full time employment whilst 31 % have temporary employment and 19 % have some form of casual employment. The above information will prove very useful when one needs to address beneficiaries on how to access finance. Due to their fluctuating employment status , many would not be able to access finance for home improvement.

INCOME BRACKET R 0 – R 800	INCOME BRACKET R 801 – R 1500	INCOME BRACKET R 1501 – R 2500	INCOME BRACKET R 2501 – R 3500
32	35	28	5

The above table illustrates that 32% of respondents earn R 800.00 and below whilst 35% earned in the bracket R 801.00 to R 1500.00. 28% earned between R 1501.00 to R 2500.00 whilst 5% earned more than R 2501.00 and less than R 3500.00. This informs us that all respondents are eligible for the housing subsidy. This information also relates on the type of employment these beneficiaries have. The Department of Housing need to monitor these figures very closely for the subsidy purposes. This type of information would have been very useful in the case of evaluating any information dissemination campaigns related to subsidies. However, in the case of the above project most beneficiaries indicated that no form of consultation had occurred.



PIE CHART REFLECTING PROJECT CONSULTATION

In the above project 65% of the respondents indicated no consultation had occurred. 35% indicated that some form of consultation occurred. As in the other projects of the case study little community consultation has occurred. As mentioned previously, the blame lies directly with the housing ministry for not disseminating information effectively.

Consolidation of Case Studies

Socio economic data

Affordability is a major factor in determining or dictating the type of housing assistance one is able to receive. Examining the socio economic data of the residents of the four projects of the case study provided a context to interpret other aspects of the participation in the housing process.

PROJECT	PERMANENT EMPLOYMENT	TEMPORARY EMPLOYMENT	CASUAL EMPLOYMENT	UNEMPLOYED
MT MORIAH	85%	15%	0%	0%
BOTTLEBRUSH	29%	32%	5%	34%
SHONGWENI	18%	24%	26%	32%
CATO MANOR	24%	31%	19%	26%

The above table indicates the percentage of households having at least one member employed in the formal sector with a regular wage whilst a reflection of the households having no members employed in any form of employment is also reflected.

Apart from examining the income level / status of households, characteristics of household heads serve as vital information in examining and interpreting the extent of participation. Housing policy, previously assumed that the household head was male and housing benefits such as state subsidies were accessible more often to males than females. In a context as this is in female headed households (as mentioned previously), it is vital to acknowledge the triple role of woman. They have less time available to attend meetings or be involved in the construction of the houses, amidst their child bearing and child rearing responsibilities. This is important when education campaigns are set as the times have to be convenient for women.

A composition of households visited indicated a dominance of the male headed households at 62.5% whilst female headed households has 37.5%. the "other" category aggregates those respondents who were not head of the household but are related to the head of the household such as daughters, cousins and so on. Those respondents in the "other" category were interviewed in the cases where the head of the households were not present in the houses which were selected for the sample.

There is a tremendous variation on household income. The disparities are even more dramatic when household composition is taken, as nearly half of the households in this study should be considered vulnerable – having incomes that are significantly below their respective primary substance level. This is due to the fact that only 52% of those interviewed have permnant employment. 25% have temporary employment of one form or other whilst an average of about 23% are unemployed. The above indicates that the relatively low level of education of household heads presents an impediment to entry into higher skilled and better paying economic activities. One of the elements of any consumer education campaign is that of affordability. Affordability emerged as an important dimension with beneficiaries wanting to improve their housing situation. This is in terms of urgently needed intervention by national government in addressing the situation of accessing some form of finance for the poor. As long as private banks are either unwilling or unable to provide housing loans for households earning less than R 2000.00 per month, few households are likely to obtain loans under the present structure of mortgage lending. As the vast majority of households have incomes of R 1500 per month or less, the state subsidy is all most people receive. Incomes are low, unreliable, and may change dramatically when mobility into and out of households alters their size and composition, do not permit most households to upgrade their present living conditions. Under these conditions, household incomes are generally unable to service bonds

on a regular basis. Almost all the respondents want to make further improvements to their starter units. People who want to further improve their starter units are those in need of extra space. Most of them complain of overcrowding. Some explained that they wanted extra space so as to generate income by providing rental accommodation. Many beneficiaries in one-roomed structures seem to feel their situations have not improved. They felt that they were being forced to carry out all their daily living activities in one confined space, with no account taken of the need for privacy.

The size of top structure and in some cases the sites were a major source of dissatisfaction. Beneficiaries compare their new situation to their experience whilst living in shacks. The shacks seem to receive more recognition than their new dwellings (this is in relation to the land size as well as top structure). This suggests that the state assistance received by the beneficiaries is perceived to be inferior to the structures they built before they were assisted.

The country's housing goal is to create viable communities in decent housing with easy access to work, health-care, education and amenities (Tomlinson, 1996). The desired result as specified in the white paper on housing is to work towards eradication of shack settlements lacking basic services and amenities.

Recipients of the subsidy process have been closely examined. This is in respect of their feelings of policy as well as the constraints under which they operate. How people who have received a subsidy, having experienced it and their feelings about policy choices and the constraints under which they operate have been closely examined in the Mt Moriah project. Despite the success achieved in negotiating a new housing policy endorsed by a range of organized interests, considerable interest has been expressed as to whether the standard of housing delivered has satisfied beneficiaries.

Due to having extended families, beneficiaries felt strongly that the housing typology was not appropriate. When questioned about where they first heard of the subsidy scheme, 36% mentioned that they had been informed by family and friends and followed up with their local council. 73% of beneficiaries (excluding Mt Moriah) interviewed revealed no understanding of the subsidy scheme at all which might at least explain participants subsequent dissatisfaction with what many of them received. This is a very important finding of the survey. The Ministry of Housing need to take notice of this as whatever information campaign currently undertaken by their Department is not reaching the communities. It was unclear whether or not these houses were free. 35% of beneficiaries mentioned that government promised free houses and in some instances people were later told that costs were involved. Beneficiaries (29%) have indicated that officials mentioned about subsidies but were rarely told the exact amount. Beneficiaries were still in a doubt as to whether they would be billed at a later stage or not. Beneficiaries wanted to know why a subsidy of R 16 000.00 only yielded a paltry R 7000.00 to purchase materials.

Many did not understand whether or not "their" house belonged to them. They were uncertain of what would happen to their house upon their death. It appears that the officials of the local councils who are entrusted by the Department of Housing to pass on vital information to beneficiaries are not disseminating the information effectively. (The current consumer education campaign by the Department of Housing is to be discussed later in this chapter). One of the reasons as explained by beneficiaries is that officials do not adequately understand the policy themselves. This often results in inadequate explanation to potential beneficiaries on the schemes workings.

The Mt Moriah survey information reflects a different scenario. Beneficiaries explained that they were given enough information to understand the process. Beneficiaries have indicated that they understood the subsidy process and the mechanics of accessing it. It appears that since the above project is a leading project due to its high densities and close proximity to the

city, extra efforts to educate these consumers were made. Here is a clearly explained example that people in low income brackets are capable of understanding plans that affect them provided that extra effort in presenting the information is taken.

In Mt Moriah there was a fair amount of consultation, and beneficiaries felt they were participating in decisions regarding what subsidies were offered to them ie, project linked or institutional. Social compact meetings were held regularly and the opinions of beneficiaries were considered. Because they were able to discuss and vote on options, this project did not have the problems described in most other projects. Consumer education on this project has contributed tremendously to beneficiaries being content, successful and having a sense of belonging to the project. This suggests that the size or the standard of the dwelling is not nearly as important as the ability to participate in decisions. Even a modestly serviced site appeared to be acceptable if beneficiaries participated in project discussions. The above related to "after sales service".

Beneficiaries were visited after they had moved into their dwellings by housing officials. This is very important when one gathers information for future campaigns. Another important aspect to note and worth mentioning is that 82% of beneficiaries on the above project have a higher level of education than the other three projects of the case study. Another aspect to note is the high percentage of full time employment on the Mt Moriah project. It is important to note that in Mt Moriah 60% of the households are headed by females. As mentioned previously this has to be considered when meetings are set to incorporate convenient times for these women who have a triple role to play.

73% of beneficiaries do not clearly understand the subsidy scheme nor the cost of their housing options implying that explanations were inadequate or in some cases non-existent. Beneficiaries expressed concern and dissatisfaction in the way the subsidy was spent. This was due to beneficiaries not being adequately informed. There was much confusion over what to expect in circumstances where land was serviced and the top structure was still to be built. This has led to speculation about the amount of money that would be left over to build a top structure. This has resulted from the lack of information of the cost of land and services to beneficiaries.

The almost total lack of knowledge of the housing process amongst some beneficiaries was unexpected. It was expected that beneficiaries would have much to say about their experiences of the social compact but almost without exception many never heard of it. Social Compacts are important because of the knowledge of information regarding housing issues that are imparted to existing and would be beneficiaries. According to beneficiaries some projects developers simply negotiated with whomever they believed to be the leaders of the community.

The current information campaign is not effectively addressing beneficiaries (current and future) about the housing process, hence the dissatisfaction amongst beneficiaries.

Problems with infrastructure, amenities and location were also mentioned as concerns. In Shongweni, the most common problem mentioned related to a lack of stormwater drainage which allows water to accumulate on sites. It has been probably overlooked for costs reasons although there are cost effective ways to control stormwater damage. Stormwater sumps are an effective low cost approach to control stormwater drainage. This is due to people not being educated on what to do. The Department of Housing provides a basic structure (in some cases) and it is the onus of beneficiaries to shape the ground around their dwelling.

The lack of access to information has a debilitating effect on the development and empowerment of the poor and disadvantaged groups who are isolated from opportunities. There are many opportunities from government Departments (Department of Public Works and Department of Transport) that have capacity building programmes that empower previously disadvantaged individuals. Funds are supplied by the above Departments to train and construct in low income areas. This includes individuals forming a team to perform tasks like the construction of gravel paths, concrete aprons, steps and other items in local communities. People can and will improve their situation and their surroundings if some form of access to information is afforded to them. Access to information and technology immediately opens up opportunities for self-improvement and participation.

Analysis has revealed that government must address as an issue of priority to undertake a number of initiatives to improve the channels of communication and information transfer between communities and the authorities concerned. This should include going to each RDP project with officials from various Government Departments (housing, health, transport, public works, and the department of communications) to disseminate information which should include talks, demonstrations, pamphlets and videos. Government needs to institute programmes which aim to empower communities by equipping their members with skills needed to communicate effectively with professionals driving project development and implementation, particularly as regards housing.

An interview with a senior government official of communications at the Department of Housing (national head office) did not yield anything unexpected. The key issue of consumer housing was something that was neglected (an oversight) by housing officials. The official explained that up until now (May 2000) the department of housing had not aggressively pursued a consumer education campaign. He mentioned that various queries from parliament regarding this issue had prompted the housing department to

seriously rethink its strategy on how it disseminates housing information. He felt that the Department of Housing is now making in-roads in this aspect. Most of the questions addressed to him were answered with very vague responses. This clearly indicated that this senior official in the communications department at national head office was inexperienced as well as had very little knowledge of what policy was based on. This is quite disturbing due to the fact that the communications department is entrusted with the key function of information dissemination (all housing matters) to the under privileged.

These people some of whom have very little education rely on information (types of housing subsidies, eligibility, access to finance and other related information being presented to them in an effective way so as to grasp what is presented to them. Interaction with officials from the communications department at the head office of the Department of Housing in Kwa Zulu Natal (2000) has indicated their lack of understanding on consumer education. Another disturbing, disappointing and depressing fact was after 15 telephone calls made to the hierarchy in Pretoria (national head office), the senior people who answered 13 calls did not have the faintest idea of what consumer education was about and what it entails. Though it may sound contradictory to the above, an interview was conducted in 2002 (2 years later) with an official in the capacity building directorate of housing in KZN. The official indicated that consumer education was an area neglected by national, however urgent steps had been initiated to formulate a framework for consumer education strategy. She supplied information (albeit in a draught stage) which indicated that finally, the Department of Housing have come to terms with the flaw in Housing Policy implementation that has overlooked an important step, ie, educating consumers.

Professor Smit agreed that communication in housing is not being aggressively pursued as required. He felt that local authorities were communicating albeit on a small scale. He stressed the important role played by the Peoples Housing Process as well as the Homeless Peoples

Federation. He mentioned that the capital subsidy scheme which is useful in getting people out of poverty depends amongst other things the extent to which people participate in decisions. He explained the huge contribution of incremental housing to the elevation of the current housing situation. He stressed the importance of the provision of basics land, tenure, location and services after which the communities take ownership and thereafter build incrementally. He seemed satisfied with the role of the state thus far in the provision of housing opportunities to low income communities. He further explained that whilst the above were important, an equally important aspect was that of consumer education/awareness. He stated that having the right message is an essential resource and should be the one which gets the public to understand failures and appreciate success where these may occur. This should curtail supplying information on types of subsidies, eligibility, and the like.

Mr Makathini of Metro Housing (2002) felt that Metro have approached the consumer education issue as a priority issue. They have issued flyers, pamphlets and other information as well as trained moderators to empower the communities. Mrs Godliman explained that the Department of Housing was pursuing the consumer education issue as a matter of urgency as directed by National Government. The Department of Housing was in the process of setting up structures (National task team) to co-ordinate an intensive consumer education programme. She felt that the success of the subsidy process relied solely upon consumers being educated in the housing process.

The interview of Mr Mthethwa and Mr Clark revealed similar information. They felt that Department of Housing personnel were incompetent in the communications department. They believed that this incompetence had led to many delays relating to projects which ultimately led to the slow delivery of housing. They also mentioned that this has contributed to many developers exiting the low cost housing scenario.

All mentioned that the Department of Housing lacks co-ordination at national, provincial and local levels in information dissemination. They mentioned that the lack of knowledge by end users was the key issue that needs addressing urgently.

Firstly the National Department of Housing has not taken the responsibility for adequately explaining the policy to either potential beneficiaries or deliverers, resulting in the communicating of the policy being left to civics and developers, both of whom seem to get it more wrong than right. This is indicated by the opinion of 74% of the people who answered the questionnaire.

While location was to be considered by the Department of Housing in making subsidy allocations, clearly, due to affordability constraints, many projects are still located on the periphery. The result is that the need for amenities and transport remains a key issue for residents of new housing projects. It is also clear that, whatever improvements may lie ahead, beneficiaries do not yet enjoy the viable community life which policy promises.

It appears as if consumers / beneficiaries are in a state of confusion between a lack of quality stemming from shoddy workmanship and the use of cheaper but durable building materials. While the NHBRC is tasked with eliminating the first problem, the Department of Housing need to respond to the second problem through a consumer awareness campaign which demonstrates the size of a dwelling that the subsidy affords.

An important element lacking in the Department of Housing implementation programme is the "after sales advice" initiative. The survey indicates a very important aspect that is being grossly neglected. Once a project or area is completed, then officials need to visit the area to find out about the successes and or failures of the project. This is similar to a "post-mortem or close-out report" phrase in project management. Weak elements are identified and improved thereby avoiding a reoccurrence.

As mentioned previously in this study, government after the 1994 elections hastily proceeded with the intended target of 1 million houses / units. This "bean-counting" exercise as Smit refers to, measured policies progress by the number of dwellings delivered thereby ignoring whether beneficiaries were satisfied or not. In the handful of projects in which the people-centered approach really was implemented, beneficiaries have proved able to meet their needs within the parameters of the subsidy policy - and are generally the most satisfied beneficiary group. This is also evident in part of the beneficiaries that answer the questionnaire.

The above study clearly points out to government (housing authorities) towards the re-evaluation of the focus to a more effective way to educate consumers and thereby disseminate information more effectively.

AN EVALUATION OF THE CURRENT CONSUMER EDUCATION CAMPAIGN IN HOUSING SINCE 1994

The present government has accomplished some form of success in this direction, but the effort is not enough. There are many people out there who don't know that subsidies exist as well as how to access them.

Many local authorities presently involved in housing delivery do not have the requisite staff that are trained in all aspects of the delivery process. In order for housing education (consumer education) to succeed, there has to be an acceptance thereof by all role players in housing. The implementation of a consumer education campaign is a complex process and therefore might require a considerable amount of research.

There have been some private consumer education initiatives undertaken in the past. However, they have not been sustainable because of a lack of funding. It is suggested that the Department of Housing should accept that

facilitating the provision of housing consumer education is part of its mandate in terms of the constitutional right embodied in Section 26 that everyone has a right to adequate housing. This implies that state resources have to be made available for education programmes and should form part of the housing subsidy distribution process. Likewise, in order to protect the value of the subsidy being granted it is incumbent on the Department of Housing to make available resources to ensure that recipients of the government subsidy understand their rights and obligations.

The following processes were initiated by the Department of Housing:

SERVCON HOUSING SOLUTIONS: It was a joint venture between the government and the banks to address funding for low income housing. This addresses that part of consumer education strategy which reflects on access to affordable finance.

THE FUTURE FOUNDATIONS PROJECT: This project comprised of a National, holistic, multimedia housing consumer awareness campaign that included television, radio and print elements. The pilot was a 13-episode television programme followed by a further 26-episodes. The target group was all South Africans with topics such as affordability, hostels, subsidies, and the role of women in housing. It was aimed at enlightening people of what the department of housing offers .

HOME TRUTHS NEWSPAPER: the aim of this project was the communication of the Capital Subsidy Scheme through one million newspaper inserts, with the target market being first time home buyers.

MORTGAGE INDEMNITY FUND EDUCATION OUTREACH PROGRAMME: The target market was low income housing consumers accessing finance and those consumers who were defaulting on their home loans. The medium was primarily print, radio and bill boards.

HOUSING CONSUMER PROTECTION TRUST: This was established to provide education and protection to the low income housing market.

CHAPTER FOUR

CONCLUSION

One of the aims of the research was to explore beyond “bean counting” to test how the housing subsidy system is communicated via a consumer education campaign and if it is meeting beneficiary needs and expectations. The diverse and vast majority of recipients of houses since 1994 have for decades not been exposed to the concept of home ownership, resulting in unscrupulous operators taking advantage of inexperienced housing consumers at scale. (Department of Housing, 2002).

Marketing and promotion is identified as one of the critical shortcomings presently hampering progress with housing delivery. The department of housing has tried unsuccessfully in presenting information to the general public that was too complex and did not have the desired impact at community level. A nationally co-ordinated and nationally as well as provincially executed comprehensive marketing and communications programme needs to be launched. The programme should involve central, provincial, and local government together with NGO'S, the private sector and the broader media on a sustained and enduring basis.

The objectives of such a programme would be three fold. Firstly, enhancing public awareness of housing issues, secondly dissemination of a minimum critical set of information elements related to how individual households have to go about accessing subsidies and finance as well as housing opportunities under the governments housing' programme. This has to be done on the basis of marketing and advertising. Appropriate media has to be used in order to ensure that the message will reach ground level.

Thirdly informing and educating the general public with regard to what can be expected from provincial authorities, local authorities, banks and developers in terms of the various agreements reached with the sectors. Informed and motivated consumers demanding services and products in terms of agreements reached with the government, will be the most effective mechanism through which to ensure compliance by individual players in these sectors with agreements reached. A comprehensive programme is mentioned in the recommendation chapter.

As mentioned in the recommendations chapter this programme should be adequately resourced to have the desired impact, ie. having housing officials fully trained by national and provincial government and equipped with the "tools" (information brochures, audio visual materials, pamphlets, etc) to inform and advise local residents on housing and subsidy issues. Such initiatives will require significant resources up front which in turn would make a major contribution to unblocking the housing process.

This study has highlighted the formation of the current housing policy. It looks into the ideology behind the South African housing policy. The teachings of Turner advocated peoples support has contributed much to the governments change from a provider to a supporter. Government used this concept and adopted the enabling approach. This approach allows government to provide a starter housing unit with the aid of a subsidy. During this process Housing Support Centers, the Peoples Housing Process, NHBRC, etc enable beneficiaries to go forward with the aid of support whether (technical, administrative or management related) to attain and acquire a housing opportunity.

This study has highlighted that housing education must be recognised as an integral component, adding value to the outcomes achieved by all consumers and suppliers. Housing education should be included as a routine part of all

housing development initiatives to ensure a common understanding between consumers and suppliers in the housing process.

The housing experts consulted agreed that the vacuum in the housing education sector is caused by the absence of a national framework for housing education. They agreed that the current housing education initiatives operated in a disjointed and haphazard fashion.

Effective communication incorporating the mass media is crucial to the process of change in modernization and nation building in the third world. The mass media reaches out to many people.

The major challenge faced by a communications programme is the need to keep the public constantly informed on the activities of the Department of Housing in the low income housing scenario. This should lead to the formation of a call centre which provides the following: resources, information freely available to students and the public, a management system for all complaints / queries and a computer facility for information on housing.

STEPS CURRENTLY BEING IMPLEMENTED BY THE DEPARTMENT OF HOUSING

The Department of Housing has realised that housing consumer education is of vital importance if policy is to be implemented efficiently. Hence the urgency to develop a housing consumer education framework cannot be overemphasized.

Housing authorities have decided to make it their business to find out what the prospective consumer expects, and in the case of existing consumers – to find out what troubled these people and most of all to identify their needs. Their

efforts thus far has revealed a few shortcomings. This includes a bias to urban areas, the lack of a long term view, unqualified officials as well as a lack of support from top management.

A task team has been appointed by the national Department of Housing in Pretoria to develop a systematic housing consumer education framework. The Department has also advertised in the newspaper (Sunday Times) for a feedback from role players in the housing industry regarding consumer education.

As mentioned in the previous chapter The Department of Housing now seeks to develop this framework to ensure the housing consumers understand their rights and obligations and to make appropriate and informed housing choices in the future. This will strengthen the housing delivery system and ensure that housing delivery is more sustainable in the future. The general consensus was that housing was not providing fully for the needs of the community.

RECOMMENDATIONS

A strategic plan needs to be incorporated by government to address the critical issue of information dissemination, which should include marketing and promotion. After careful studying of the current housing dispensation as well as interaction with both beneficiaries and housing personnel, it is clearly evident there is a fundamental lack of public awareness in the low-income housing sector. A systematic and organised approach is required in order to address the lack of consumer education / public awareness issue. Research has clearly indicated that the Ministry of Housing has lacked in an important sphere ie. that of having highly trained moderators to engage in the enormous task of effective information dissemination.

Beneficiaries should not only be told how to access housing they should know the various aspects in the housing process ie, self help, incremental housing

and rental housing. In planning the education programme, there are several complicating factors that have to be taken into account. Some of these are as follows: South Africa is blessed with 11 official languages, we have an alarmingly high rate of illiteracy and a large rural population living in areas which cannot be reached easily via some of the normal mass media. These factors definitely complicate the education / communication campaign quite dramatically and really put the skills and ingenuity of communication practitioners to a severe test. It will require special skills to communicate information to the public in such a way that any confusion will be limited to the bare minimum. One does not know to what extent this will happen, but there may be a measure of disillusionment with the housing authorities that has in many cases been unable to deliver on election promises of 1994 / 1995.

Communication and consumer education campaigns are very costly and bearing in mind the financial crisis in which many local authorities find themselves, it is doubtful whether sufficient funds will be available for an extensive consumer education campaign in housing.

A communication / consumer education strategy task team should be established. The task team should decide whether or not a national campaign to convey broad messages while the provinces handle local information dissemination. Local authorities should be extensively used to implement certain aspects of the campaign and in many cases they should supplement the national and provincial campaigns with their own effort. People should be aware of the powers and responsibilities of the various authorities. This will also prevent them from developing unrealistic expectations that will lead to undeserved dissatisfaction with the authorities.

Deciding on a "catchy" campaign slogan is therefore of vital importance because this will ensure that the campaign will have the maximum impact right from the start. The writer is convinced that the creative minds of the public

relations and advertising industry will come up with an appropriate key slogan for the next consumer education programme in housing.

Monitoring is a crucial part of an well planned communication campaign. During the planning stages of the campaign suitable procedures for objective monitoring of campaign progress and results should therefore be established. It should be decided in advance what criteria and methods would be used to evaluate objectively the effectiveness of each major component of the campaign as well as for the campaign as a whole. It must also be decided how the relative cost – effectiveness of the different elements of the campaign would be determined.

It is interesting and also very important to establish afterwards through surveys how effective the campaign had been, but is even more important to evaluate and analyze the results during the campaign to ensure that the necessary timely adjustments are made were flaws in the campaign are revealed.

One of the big problems that has to be solved is how best to reach the thousands of would be beneficiaries who live in the remote rural areas. In their survey after the 1995 elections, the community elections evaluation group established that 54% of rural dwellers listened to radio daily while only 23% watched television daily. Only 4% read a newspaper daily. What is of great importance is that 20% of rural dwellers have no access to either radio or television (Government Communications, 1999). From this it is obvious that to reach the total population one cannot rely on the traditional mass media alone. More unconventional methods have to be found and in this respect extensive use has to be made of the civil institutions such as churches, schools and the services of NGO's. The case study on Shongweni showed that personal contact had made a stronger and more lasting impact than radio and television.

In deciding which methods to use and how much money to allocate to each method or medium, it will therefore be necessary to make a careful analysis of

the impact of each of the methods / media. Some methods / media such as print, radio and television will for instance be much more effective in urban areas while for rural areas a more direct contact approach will be more successful.

A long term ongoing consumer education plan and strategy seem to be imperative. Hopefully this should lead to a successful consumer education campaign and communications campaign in its true perspective.

The objectives of a systematic consumer education programme should include the following: educating beneficiaries on housing thereby enabling them to make a meaningful contribution to their housing whether building incrementally or simply participating in housing activities; To reach out to all communities in the Province and educate them about their participation/ involvement in the housing process; To inform the public about what the housing process is all about and ways in which they can gain access to housing; To increase the effectiveness and efficiency of existing public participation mechanisms within the housing scenario, such as road-shows, forums etc.

As a point of departure, it is imperative that the prospective participants be defined. Because of the different levels of exposure to media between the urban and the rural communities, different communication strategies need to be developed. The strategies should consider the economic background of the targeted audience.

Publicity events need to be used as they provide an ideal setting (public exposure) at which the public can be educated. Educational tools such as displays (as in the Rand Easter show, the Royal show) posters, flyers and pamphlets provide excellent

media for reaching large audiences in these circumstances. These are important due to their coverage. For this reason it is important and relevant to use these tools for public education.

The most effective avenue of developing a consumer education programme and reaching out to as many beneficiaries as possible is by forging links with other organisations and government initiatives. The Department of Water Affairs as well as the Kwa Zulu Legislature have instituted similar programmes. Often 8 different organisations and departments who are trying to promote the same values and goals will tend to have overlapping programmes. By engaging in communication with others, everybody will be able to pool their ideas together and complement each others strengths and weaknesses. The end result will be a better and more effective strategy of consumer education.

In a consumer education programme the primary objective is to ensure that housing is visible and accessible to the public. This sees the need for creating awareness about housing and its functions among the community of the province.

A successful multi-media (different types of media) programme for housing awareness requires careful planning by a communications resource unit. Firstly, the unit must gather extensive background information on the political, economic and social context of the province whilst also concentrating on previous awareness campaigns. Then, it must carry out several vital steps - defining the objectives of the programme (the target group to reach, the types of message to convey, types of media etc.), a preliminary strategy, time and budget requirements and a final strategy.

To layout a plan of action for a multi-media programme, the communication resource unit will need the above-mentioned information. Information about the area, transportation network, accessibility, amenities, population, literacy and employment levels need to be accessed. Literacy is a very important aspect of

the dissemination process as information needs to be presented in a way that all understand. The purpose of a multi-media approach to housing communication is to make the most rational and economic use of all available communications media so that each reinforces the other, and so that the multi-media programmes as a whole strengthens the overall communication system. To achieve this, it is necessary to know as much about available media as possible.

The communication resource unit needs to know as much as it can find out about previous campaigns in the province, both publicly and privately sponsored. It will especially seek information on previous use of communications media in such campaigns, as well as other related campaigns (provincially and nationally). Where such media as radio, television and the press have been used to promote housing, the communication resource unit should have all available data on the cost and efficacy of these promotional efforts. The main sources of information on previous campaigns are the government ministry or institutes that may have carried out research on consumer education in the country.

Once the target group/s have been established, communication needs to be specifically target at each group. The preliminary study of the media will reveal that certain information reach some target groups more easily than others. Certain types of communication are more suited to one medium than others. Some media may be more effective at the beginning of a campaign whilst others will prove useful in later stages.

In deciding what media to assign which communication task, the communication resource unit must undertake a study of costs and benefits. Costs / benefit considerations are crucial in planning a multi-media programme. The communication resource unit should take them into account at the earliest stages so that hopes are not disappointed by realities later on.

Taking public education forward will entail producing a publication, which will include background information and the role of the housing. The publication will then be marketed and distributed to organisations and communities that have been identified as the recipients. The publication will be supplemented by other information brochures, leaflets, flyers and posters.

Conducting workshops is another way of supplementing the consumer education programme. The identified organisations will be invited to a workshop run by the Department of Housing.

An integrated media strategy is ideal for reaching the diverse communities the consumer education programme intends to reach. The media strategy will have to accommodate a large percentage of the population in the province that are illiterate

By an integrated media strategy it means publicising through television, radio, newspapers and web-site.

Television will be a feasible medium to employ for the consumer education programme because of its accessibility nature to a larger group of society and the fact that even an illiterate person can relate quicker to television news because it also provides visuals which one would recall.

Conducting public education through radio should also be considered, as public broadcasters and community radio stations are envisaged to be an effective medium for disseminating information. Like the television, radio provides information immediately and moreover provides an immediate opportunity for feedback e.g the phone-in programmes.

Newspapers and magazines are known as the print media. Community newspapers should also be approached as their news releases would increase publicity in housing.

Communities need to understand about their vital role in the housing process and consumers should be educated on the variety of roles they could play to sustain the housing market.

If the housing authorities are committed to creating a flourishing information society, and enabling ordinary people to have access to the convenience of information technology, a web-site will have to be developed. Every piece of information on public participation will be readily available on the homepage, and publications as well. Global connectivity is convenient to people who have access to it because they can browse through and seek for information they want about housing. The balance of the population who will not be served by the above, the researcher suspects will hear it from people in the area.

Development projects should perhaps emphasize on awareness raising, training and capacity building in the very early stages of project implementation, to go in parallel with issue identification and clarification. This awareness is needed, not only during implementation but also, thereafter to attain sustainability. To raise awareness requires the use of professionally organised and systematic public information tools and methods. In particular, reaching different target audiences requires different approaches and requires specialist experts / budgets to properly finance public information activities.

If the Department of Housing does not have the capacity within its ranks, it should appoint consultants to assist it design and implement the Housing Education Framework.

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APPENDIX**QUESTIONNAIRE TO BENEFICIARIES**

BACKGROUND

1. How many members are there in this household ?

1 – 3 MEMBERS	
4 – 6 MEMBERS	
OTHER (SPECIFY)	

2. Are you the head of this household ?

YES	
NO	

If not, state your relationship to the head of the household ?

FATHER	
MOTHER	
SIBLING	
OTHER... (SPECIFY)	

3. What are the age categories of the members of this household?

20 AND BELOW	
21 - 30	
31 - 40	
41 - 50	
OTHER	

4. How many dependants is this household made up of ?

1 - 3	
4 - 6	
OTHER	

5. Specify the level of education per person in the household.

PRIMARY	
SECONDARY	
TERTIARY	
OTHER ...	

6. What is your employment status ?

PERMANENT	
TEMPORARY	
SELF EMPLOYED	
UNEMPLOYED	

7. How many people are employed in this household ?

1 - 3	
4 - 6	

8. What are the income levels ?

R 0 - R 800	
R 800 - R 1 500	
R 1 500 - R 2 500	
GREATER THAN R 3500	

9. What can I afford ?

10. How much savings do I have ?

11. Should I buy a house ?

12. What kind of house would suit the needs and lifestyle of my family ?

13. Should I rent a house ?

RESIDENTIAL BACKGROUND

1. For how long have you been residing here ?

2. Did you access this house with the aid of a subsidy ?

3. Who were the major role-players involved in your accessing the subsidy scheme?

4. Did someone inform you about the subsidy process / scheme ?

5. Was the information about the subsidy scheme easy to understand ?

6. A. If it was not easy to understand, what aspect in your opinion was difficult to understand ?

- B. How do you feel that the above (6 A) should be done ?

CONSUMER EDUCATION

1. Have you received a housing subsidy ?

If yes, then:-

How did you find out about the subsidy scheme ?

RADIO	
TELEVISION	
NEWSPAPER	
OTHER ... (SPECIFY)	

2. Are you aware of the different types of subsidies ?

3. Are you satisfied with the service afforded to you by your local authority with regards to the subsidy ?

4. Are you aware that government is only helping people to help themselves and not providing complete homes as perceived by many people ?

5. You have accessed the subsidy scheme, which provides for a starter house. Do you require additional funding in order to extend your current home ?

6. Has any housing official visited the area and informed you about additional finance and if so the mechanisms of accessing them ?

If no, then:

- a. Do you know what a housing subsidy is ?

YES	
NO	

- b. Would you like to participate in a housing project using the available subsidy ?

YES	
NO	

c. Are you aware of the different types of subsidies ?

YES	
NO	

d. Do you know if you are eligible to access a subsidy or not ?

YES	
NO	

If no, have you tried to find out what form of housing help is available to you from the government ?

YES	
NO	

e. Are you aware of the fact that government is just helping people to help themselves ?

YES	
NO	

f. Are you aware that the subsidy scheme provides just a starter unit ?

YES	
NO	

g. Do you know who is responsible for the allocation of subsidies in Kwa Zulu Natal ?

YES	
NO	

h. Do you know how to access a subsidy ?

YES	
NO	

i. Has any officials come to the area to explain/educate people on housing ?

YES	
NO	

j. What method/s do you feel should be employed by the housing officials to make people like yourselves better understand the process of consumer education ?

QUESTIONS FOR INDIVIDUAL INTERVIEWS

1. Does your organization focus on consumer education in housing?
2.
 - a. Do you think that consumer education is a critical element in housing?
 - b. What in your opinion is the content of an efficient consumer education campaign?
 - c. Do you think that the current consumer education drive nationally needs to be re-visited ?
 - d. If yes(above), then how ?
3. What is your perception of the consumer education process in housing?
4.
 - a. Do you think that consumer education is being adequately addressed in Kwa Zulu Natal?
 - b. If no, then how do you propose that it be done.
5. Who do you feel should be responsible for consumer education in housing?
6. Since the subsidy scheme is intended to ensure that households have as much say as possible about their development project, why is it that the issue of consumer education is limited?
7. Do you think that the lack of consumer education has contributed to the housing backlog ?
If yes, in what way?
8. The housing policy is based on the enabling approach. How has this been explained to would- be beneficiaries?
9. Do you think that the government's approach in incorporating the supporter paradigm has been successful this far?
10. What do you perceive to be the most effective way to disseminate information?