THE ROLE OF
NON-GOVERNMENTAL ORGANISATIONS
IN
LOW-COST HOUSING PROVISION
FOR THE POOR

CASE STUDY OF
THE SMALL PROJECTS FOUNDATION
(EASTERN CAPE PROVINCE)

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EXECUTIVE SUMMARY

The desire of modern democratic governments is to provide basic amenities for its citizenry and the present South African Government has indicated this in several of its documents including the document on Reconstruction and Development. The question of adequate shelter has been identified as one of the burning issues that require urgent and immediate attention. However, the question still remains: "Is the state the best organ of society to be directly involved in the actual provision of housing or is this function best left to the private sphere of society, above all, private society and Non-Governmental Organisations (NGOs)?".

This dissertation considers the methods and other related ways in which to assist the poorest of the poor in meeting their housing needs through the intervention of Non-Governmental Organisations.

In attempting to do this, the study looks at a case study of an NGO that has been involved in housing provision. The aim is to find out whether this sphere of housing activity is best suited for NGOs especially where the issues of the poorest of the poor are concerned. The thesis reviews various international as well as local cases pertaining to housing provision and contribution towards finding interventionist approaches to be adopted in order to realise the desires of the new democratic government in housing for all.

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1 CHAPTER ONE - INTRODUCTION

1.1 BACKGROUND TO THE STUDY

At this stage of the developmental history of the Third World and especially Africa, there is no gain-saying the fact that governments will not or cannot provide the poor with their share in decision making concerning their own future (Fowler, 1991:78).

Nations have looked in vain for alternative government processes and alternative government structures to create space and opportunity for the poor and to assist them in making use of these opportunities. Further, African governments appear to be ill-equipped to really address the immense problem of housing experienced in their countries especially the rural areas. The result is that poverty in these countries is on the rise. The basic point of departure for this study is to find out whether or not Non-Governmental Organisations (NGOs) have contributed in resolving some of these problems. This dissertation considers, therefore, the role that NGOs can play in providing low income housing for the poor where the state has been found wanting.

In the South African context, state and bureaucracy do not as yet, seem to have the inclination to work within a framework of popular participation in the true sense of the word. This is because local government structures are not yet fully in place or well capacitated to involve the grassroots in

decision making. It would appear that NGOs are generally capable of working in that field of human resources and organisational development but lack enough supported commitment from the powers that be to deliver appropriate framework for sustainable development especially amongst the rural poor. This study is about the role of NGOs in housing especially as housing facilitators for the poor.

1.2 STATEMENT OF THE PROBLEM

Shelter is a basic need for all human beings. The conditions under which people live determine to a large extent their health, productivity, and sense of well being. Decent shelter in a wholesome environment is essential to human health and to human development. It is a sad and unacceptable fact of life that a vast number of people, especially in the developing countries, do not have adequate shelter and consequently proper health care. Boutros Boutros-Ghali (1993) former Secretary-General of the United Nations, stressed in Cape Town that millions of people continue to raise families and spend their daily lives in urban slums, on city pavements, or in make-shift rural dwellings that lack the most basic amenities. It can be inferred from the above that the maintenance of such conditions is not consistent with human dignity. Therefore, the elimination of such conditions must be every country's highest priority. The argument in this study, then, is to show that it is possible for the government to achieve its stated objectives of providing basic shelter for its citizens. This

can be done through organisations that supposedly easily overcome resource deficiencies, produce community services and thereby reduce dependence and pressure on the state.

As pointed out by the late Joe Slovo (1994), former Minister of National Housing in South Africa, "the present South African Governments' strategy is to provide "starter homes" for the 65% of South Africans, who have no access to credit". He admitted that fiscal constraints have put severe limits on the Governments' ability to deliver four-roomed "RDP" houses to the "poorest of the poor". If there is insistence on 50m² houses, then the government is abandoning 60% to 70% of the population and is catering for the few who have a regular income. Instead, he indicated that the Government was developing a "starter home" system, which uses the R15 000 subsidy to provide a top structure, running water, waste water disposal and electricity. A support system of the technical experts and reasonably priced building materials will allow people to add to their houses over time, as and when they have some spare cash. (Lunsche, 1994:6).

This assertion takes us to the next crucial issue of who can provide this kind of support system especially where the poorest of the poor are concerned. The key question is "who has the resources (material and mental) to serve as the broker between the community and their quest for a decent living?"

1.3 NON-GOVERNMENTAL ORGANISATIONS (NGOs)

NGOs appear to have arisen as a result of gross poverty and misery in societies where development has failed to occur. In order to understand the role NGOs play in areas such as housing development, it is important to explain some of the characteristics NGOs have which make them suitable for such development initiatives.

1.3.1 Meaning, roles and characteristics of NGOs

The term NGO covers a wide variety of organisational forms and activities, from small informal local activities to more formalised structures, from mutual aid societies to participatory advocacy groups, and from grassroots movements to bureaucratic interest organisations. Within this diversity, however, NGOs share some critical features. NGOs are not established or owned by the government authorities or parastatals. These however, influence the NGOs because the authorities or parastatals often contribute significant portions of the income of the NGOs. NGOs are voluntary organisations promoting development, covering a wide spectrum of development-related activities; responsible to their donors and to the communities they work for. They are relatively independent and are established with the objectives of rendering assistance and relief, and of transferring resources to promote, directly or indirectly, development at the grassroots level. They are often committed to the idea of popular participation, human (resource) development and communal (social) education.

A primary determinant of NGO positioning is its identity, that is, what its constituency or social base is. The more clearly defined the constituency, the more firmly the NGO will be located in civil society and the greater its legitimacy as a civic factor. Coupled with identity is the NGO's mission or purpose; its development theory, which means its explanations for the existence of problems that it wishes to address. The World Bank (1990) stated "...the diversity of NGOs strains any simple definition. They include many groups and institutions that are entirely or largely independent of government and that have primarily humanitarian or cooperative rather than commercial objectives. They are private agencies in industrial countries that support international development, charitable and religious associations that mobilise private funds for development and promote community organisation".

A proper definition of NGOs cannot be achieved without highlighting on some of the roles NGOs play within the context of development in any country. Some of these include:

- A shift away from belief in a central service-providing role for government became the dominant economic ethos throughout the world and established, once and for all, the value of NGOs in delivering services financed by government.
- Concrete evidence that NGOs can deliver in a way that gives greater value-for-money and quality of the project.

- A growing awareness of the importance of the participation of stakeholders in successful projects, with clear evidence of the superiority of NGOs over government agencies in achieving this objective.

With the above definitions and roles flow the dimensions of sustained improvements in the physical well being of individuals, households and communities by the NGOs. NGOs also strengthen local organisations, involve themselves in building and increasing people's representative institutions, and empowerment through psycho-social strengthening and mobilization. In the remainder of this study, the main focus will be on NGOs that are involved in housing development especially in areas where denial and neglect of both the urban and the rural poor has subsisted. An NGO will be used herein to mean a non-profit making, voluntary, service-oriented and or development-oriented organisation for the benefit of members of the public or grassroots organisations. It will refer to an organisation or group of people working independently of any external control with specific objectives and aims to fulfill tasks that are oriented to bring desirable changes in a given community or area or situation. Finally, it is an organisation not affiliated to any political party but committed to the root causes of the problems of trying to better the quality of life especially for the poor, the oppressed and the marginalised in urban and rural areas.

1.4 STATEMENT OF THE ARGUMENT

From the above exposition on NGOs, it should become apparent that NGOs in housing should normally be concerned with the plight of the poor and should always be attempting to help improve their living conditions. In an age where there is considerable awareness of the limitations of both the state and the market when it comes to delivering quality of life to all citizens, NGOs are regarded by many as a beacon of hope. They are presumed to be able to reach those areas/sectors of society marginalised by the market and are able to mobilise the involvement of communities in development. For example, in the Eastern Cape where the case study is drawn from, the following characteristics obtain:

- over 50% of the population of more than 6 million is rural but have almost no means of subsistence.
- gross geographic product per capita is only R1 500 compared with R5 581 for the whole country.
- unemployment is well over 50%.
- there is a high level of dependency on migrant workers: 76 000 Ciskeians and 480 000 Transkeians.
- manufacturing, tourism and agriculture are on the decline. ("Community Development Resource Association" (CDRA), Annual Report 1994/95 p.2)

In the face of the above objective limitations, the need to mobilise all existing resources is particularly urgent. NGOs, therefore, could have a critical role to play in conjunction with other development actors.

1.5 RESEARCH OBJECTIVES

The main objective of this dissertation is, firstly, to establish whether the Small Projects Foundation, an NGO in the Eastern Cape, has actually been able assist the poorest of the poor in their quest for shelter. Secondly, the study aims to establish what assistance if any, NGOs can be offered in their quest to provide some form of shelter for the poor.

To achieve these main objectives, the following secondary objectives are set out:

- To assess the mission and functions of the Small Projects Foundation.
- To evaluate the performance of the Small Projects Foundation.
- To evaluate the contribution of Government and other donor agencies to NGO performance and effectiveness.
- To make the necessary recommendations arising out of the findings.

1.6 THE HYPOTHESIS

Even though NGOs have been operating for some time now, one is not sure whether they have been able to make any meaningful impact on a great majority of the poor people in areas where they operate. The researcher has identified the notion that there is a gap in housing support and delivery that needs to be filled especially as regards the poorest of the poor. However, the big question is the effectiveness of NGOs at the various and different levels of intervention. Hence the study has advanced the hypothesis that in the long run, a successful NGO intervention in the housing process will contribute to assisting in providing adequate shelter for the poorest of the poor where the government is unable to.

1.7 NEED FOR THE STUDY

The state appears to have provided adequate mechanisms to meet the housing needs of the poorest of the poor through the various subsidy schemes that have been introduced. However, there still appears to be certain areas in the Eastern Cape Province where no developer is interested in moving into. These areas rely solely on the government subsidy and the community without any substantial assistance from the private sector or the developers. If this is the case, then what role, if any, can NGOs play in filling this gap of helping to meet the housing needs of the poorest of the poor? Following from this is the necessity to find answers to the following research questions:

1. Are NGOs achieving the goal of assisting in housing provision at grassroots level?
2. Are NGOs promoting the viability of communities and their capacities, and are they playing a significant role in the lives of the communities they want to serve?
3. And if so, how can their success rates be improved?

These questions are formulated against the background presumption that community level action takes a variety of forms that extend beyond the construction of shelter. Providing shelter for the poor does not stop after the poor have completed their houses. The study, therefore, aims to explore examples of actions taken by NGOs working within an enabling framework in programmes and specific projects towards achieving the objective of adequate shelter for the poorest of the poor.

The need for the study therefore, emanates from the need to examine the role of NGOs in development in general, and in housing in particular. It will also look at whether housing for the poor is moving in line with government policy and, if not, to establish what role, if any, NGOs can play as a source of housing facilitator for the poor.

1.8 STRUCTURE OF THE THESIS

The structure of the thesis shall be as follows:

Chapter one establishes the field of study, the research question and the research objectives.

Chapter two will indicate how the researcher intends collecting the relevant information and data to enable him answer the research question and prove the hypothesis. The main aim here is to test whether in the present circumstances, NGOs are well structured to adequately address the housing needs of the poorest of the poor. In doing this the study area will be clearly defined and the reasons for choosing the case studies explained. The method of interviewing the actors in this process as well as the design of the questionnaire used during the interviews is explained.

Chapter three handles the literature review. It introduces the background of the formal housing industry and expatiates the major role players. The reasons why this market is out of reach of the destitute poor shall be explained as well as the factors that mitigate against any efforts they make

to enter that market. Next, low cost housing provision experiences from the developed and the developing worlds shall be discussed.

This chapter will also deal with what NGOs have done about development in South Africa, and more specifically about shelter provision for the poorest. This will be done against the presumption that social development at local level is the broadest arena within which NGOs provide their contribution. In addition the research will set out to establish reasons for NGOs that makes them more suited to delivering on low cost housing schemes especially for the poorest of the poor. Arguments will be advanced to show that if properly co-ordinated and assisted, NGOs can play a vital role in assisting the poor in their quest for a decent low-income housing.

Chapter four will handle the actual case study. It will state the aims and objectives of the case study. There will be a critical review of the operations of the Small Projects Foundation against the background of the stated objectives. An analysis will then be carried out on the projects it has executed so far and its attendant problems. This chapter will finally take a lead in making a case for or against NGOs as a body in the facilitation of housing delivery where the formal sector has been unable to cater for the majority of the poorest of the poor. This chapter will also analyse the data collected and studied and come up with the findings of the study.

Chapter five will deal with certain concluding remarks. It will then provide recommendations on the basis of the findings of the study.

2 CHAPTER TWO – RESEARCH METHODOLOGY

2.1 INTRODUCTION

The previous chapter focused on NGO activity in the shelter sector for the poor. This chapter handles the method which the dissertation adopts to gather the necessary information regarding the activities of the Small Projects Foundation, which is an NGO being used as a case study. Hence this chapter handles the data collection and sampling techniques and how the data that is collected is analysed. This chapter therefore, seeks firstly, to establish the levels of income in the study area with a view to establishing whether the people can be classified as low income earners and, secondly, whether the community is satisfied with the activities of the Small Projects Foundation.

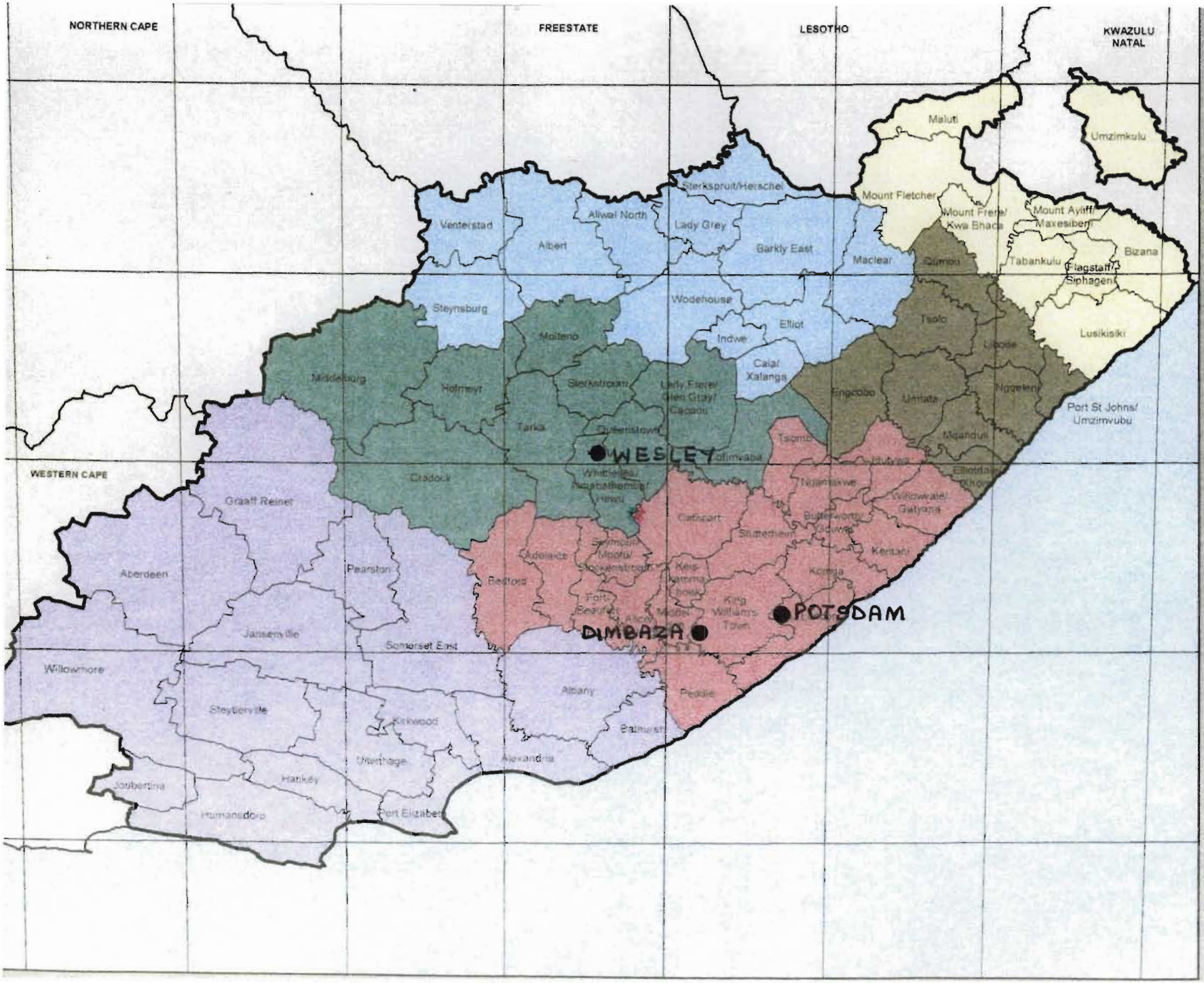
2.2 OUTLINE OF THE CASE STUDY AREAS

The Small Projects Foundation (SPF) is an NGO situated in the Eastern Cape Province of South Africa. The SPF has been selected as a case study because it claims to be dealing with areas where the people are classified in the category of 'poorest of the poor'. In choosing this NGO to be studied, an attempt was made to locate one in the Eastern Cape as this is a Province "where over 50% of the population of more than 6 million is rural but and have no means of subsistence (CDRA Annual Report, 1994/95)".

It was also thought necessary to select an organisation that is housing biased and not affiliated to any political movement so that it is not influenced politically in its dealings with the communities. The SPF claims to have been so far involved in shelter projects in three specific areas of the Eastern Cape. These are Wesley, Dimbaza, and Potsdam.

Wesley is located in the North-Eastern half of the Eastern Cape and it is mainly a rural settlement area. Dimbaza is about 20 kilometres from the capital of the Eastern Cape Province of Bisho. It is a rapidly growing industrial town with a whole range of factories, which are involved in various manufacturing activities. Potsdam is, in the main, a sprawling residential area with a total number of about 1000 units. For the purposes of this study, attention is focussed on 580 residential units, projects of the SPF. Potsdam lies between Bisho and East London; it is about 40 kms and 30 kms respectively from Bisho and East London.

These three areas have housing problems because the communities consist of poor people who are unable to access formal credit from the financial institutions. The problem for these poor communities pertains to how to get housing developers attend to their needs considering their levels of income and subsistence.



Scale 1 : 3 000 000

Projection: Gauss LO 27

● Project location

Legend:

Regional Boundaries: Regional District Councils

- Amatola Region
- Drakensberg Region
- Kei Region
- Stormberg Region
- Western Region
- Wild Coast Region

Magisterial Districts Pedd

Title

Map showing project areas of the SPF

Map produced by:
Department of Public Works

PROVINCE OF THE EASTERN CAPE

Contact: B. Rhodes
DEPARTMENT OF PUBLIC WORKS
Tel: (0401) 956 4511

2.3 SOURCES OF DATA AND INTERVIEW METHOD

The main source of information used in this dissertation, was the direct interview method. This involved questioning those who deal directly with the SPF. These include the direct beneficiaries of the projects, officials of the Small Projects Foundation and officials from the Provincial Department of Housing. Samples of these questions are attached as annexure A. The structure of the questionnaire was largely determined by the objectives of the study. The questions were designed with the aim of collecting data to assist in getting people's views regarding an NGO and its performance in housing assistance for the poor. As far as the community and its leaders were concerned, it was to be able to determine the effectiveness of the activities of "grassroots development agencies" which strive to assist such communities meet their basic human needs.

Even though most of the questions in the questionnaire were structured, some of them allowed for open-ended responses. The reason for this is to allow those interviewed to express their own personal opinions on some of the issues which are being investigated in more detail by the research.

The direct or personal interview method of information collection was adopted because of its adaptability. It enabled the researcher to follow up

ideas, probe responses and investigate motives and feelings, which the impersonal postal questionnaire format might not be able to provide. The way in which a response is made (the tone of voice, facial expression, hesitation, etc) can provide information that a written response would conceal. As said by Bell (1993:91) "questionnaire responses have to be taken at face value, but a response in an interview can be developed and clarified".

It was necessary to cross interview the community as well as officials of the Provincial Housing Department in order to corroborate what information was collected from other sources. This multi-method approach which is known as triangulation, was adopted. This involves cross-checking the existence of certain phenomena and the veracity of individual accounts by gathering data from a number of informants and a number of sources and subsequently comparing and contrasting one account with another in order to produce as full and balanced a study as possible. (OU Course E811 Study Guide 1988:54).

Moser and Kalton (1971:271) describe the survey interview as "a conversation between interviewer and respondent with the purpose of eliciting certain information from the respondent". The reason for interviewing all the people mentioned above is to enable the research

address the problem of whether NGO intervention is a way of addressing the housing needs of the poorest of the poor. It is also to establish whether this intervention will in any way address the above problem, and whether an NGO will require any form of assistance to enable it fulfil this role. Also it was necessary to ensure that reliable answers were obtained to questions. Reliability is the extent to which a test or procedure produces similar results under constant conditions on all occasions. (Bell, J 1993:64)

Although there are 930 housing units undertaken by the SPF, this study was only able to deal with 200 of the beneficiaries. A 10 per cent sample is normally considered significant at the 95 per cent confidence level (Moser & Kalton, 1975:147). Hence the sample of 20 per cent of the people was regarded as more than adequate for this study.

A systematic sample of this population gave each of the individuals concerned an equal chance of being selected. A list of the beneficiaries of the project was collected from the SPF. This list was stratified according to gender and the selection was done alternatively on an alphabetical list. It was also critical to include an appropriate proportion of men and women as 60% of the households studied were women headed households.

Interviews were held with the community to determine whether they are satisfied with the operations of the SPF. Such interviews covered all aspects of the operations of the SPF. This was because the projects were undertaken with their active participation and it was necessary to have a feel of the views of the community. In the interview area, the research was assisted by community leaders who sometimes served as interpreters as well as staff of the SPF who made prior arrangements for these interviews to take place. They explained the purpose of the interview to the community beforehand so as to get better co-operation from them. Confidentiality and/or anonymity were usually promised. The study equally involved collection of basic data from the Small Projects Foundation (SPF) as regards its objectives and operations so far. It was very necessary to peruse and analyse documentary material from the SPF as this helped in providing a clue as to whether its stated objectives were achieved. This proved to be an extremely valuable source of data. Minutes of all meetings of all the technical and steering committees were perused to support all the ideas that have evolved over the years and whether these ideas in any way have a bearing on what the dissertation seeks to achieve. Three respondents in different positions in the NGO were selected. This was done in order to represent different views within the organisation.

In the administration of the questionnaire, the researcher was assisted by colleagues of the Department of Housing and Local Government in the Eastern Cape Province who reside in the study areas. These people were carefully briefed by the researcher with regard to the aims and objectives of the study as well as taken through all the questions carefully. The fieldwork was conducted during the day as well as the evenings since some of the interviewees could only be found in their homes after work.

A 20% sample size examination of the actual projects carried out so far by the SPF was undertaken as a field exercise. Care was taken to ensure that the samples taken reflected the different types of houses built as well as the aspirations of the people. This exercise was necessary so as to cross-check whether structures/services provided met the aspirations of the community.

Research reports, books, journals and pamphlets on NGOs and low cost housing were consulted especially for the literature review. The roles and relationships between official bodies and NGOs in housing provision as well as those parastatals that are actively involved in NGO funding/support, especially in the study area were explored. This was done either through personal visits, telephonic media or through formal correspondence.

2.6 CONCLUSION

There were no major obstacles that hindered the collection of information for this research. However it is worth mentioning that -

- The willingness of some of the people interviewed was a problem. This made it a time-consuming exercise, as it was necessary to explain in the minutest detail, the purpose of the exercise. It was stressed to them that the research was being done with a view to improving and ensuring that the NGO that was assisting them was really working in their interest.
- It was also explained to the beneficiaries of the projects it was mainly to determine whether the operations of the SPF have actually helped in alleviating some of the shelter problems, and whether they think these NGOs are needed in other areas. It was also to determine whether they have learnt anything through their interaction with the SPF, as a way of improving their shelter needs.

3 CHAPTER THREE - LITERATURE REVIEW

3.1 INTRODUCTION

In the previous chapter, it was highlighted that the main focus of the study is to determine whether there is a good case for the existence of NGOs as instruments for projecting the government's aim of providing housing for the poorest of the poor. The present situation, especially in the Eastern Cape Province of South Africa is that the activities of certain NGOs in this field has not been seriously studied. An attempt is therefore, being made in this research to look into this issue. Hence literature will be reviewed both locally and internationally to form a basis on which the case study will be made.

NGOs are organisations/institutions that do not originate or belong to the apparatus of the state, are not commercial or profit oriented organisations, and are created through voluntary association of individuals or groups. NGOs often play a mediating, advisory or empowering role, which may result in initiating or facilitating self-improvement roles for the poor. The other distinguishing feature of modern NGOs is that they seek to reach down to the poor or disadvantaged people, and attempt to build and increase the capacity of the disadvantaged people to lift themselves out of poverty and misery. (Bratton, 1989:571)

Populations living in such abject conditions of poverty and misery are far greater than those living in conditions of successful development. In other words, "the principles of classical liberalism have failed to operate and bring about development in the largest parts of Africa, Asia, the Caribbean and Latin America" (Wellard et al, 1993:xxi). NGOs attempt to initiate programmes of development in poor countries, or among the poor. In the present context, NGOs will need to provide technical assistance and training to strengthen poor people with very low incomes and help them come to terms with changes in public policy as well as strive to mobilise their own inherent resources. The challenge of NGOs then is not simply delivery but institutional capacity building and empowerment. In this wise, NGOs are seen as relief and welfare agencies, technical innovation organisations, public service contractors, popular development agencies, grassroots development organisations and advocacy groups and networks. (DAG Annual Report, 1995)

3.2 COMMUNITY PARTICIPATION IN HOUSING PROGRAMMES

The White Paper on Housing (1994) identified key elements of a national housing policy. Government introduced a subsidy scheme for low-income earners and established an infrastructure of national and regional housing boards to distribute funds for housing projects. The subsidies can be used for privately owned housing, government-sponsored housing projects and housing projects implemented by NGOs in partnership with communities.

Hence central to the discussion is the concept of communities and their participation in housing provision for themselves. So that one of the focuses of an NGO should be to involve these communities in activities that seek to improve their well being. Participation can be initiated from some distinct sources. These are that, it can be induced from above by some authority (top down), from below by the non-expert populace (bottom up) or catalytically by some external third agent (Goulet, 1989:166).

In the top down approach, programmes are devised for communities without their involvement. These programmes are generally fixed with very little latitude for change. Dictatorships employ high degrees of coercion to impose developmental policies conceived at the summit, and distribute the fruits of those policies to only a small circle of privileged people and allies. The majority of the populace is therefore excluded. The top down approach to community participation in projects is primarily non-conflict oriented, with all its actions geared towards consensus within the community. This must be viewed as a serious constraint for housing, for as long as genuine conflict is kept suppressed, much needed houses will not be delivered. The top-down approach to participation encourages greater dependency rather than promoting community responsibility, initiative and self-reliance. South Africa's housing inheritance can largely be attributed to the top down approach. By making housing development

people-centred, the major disadvantages resulting from this past approach could be overcome. Housing will then be provided with the active involvement of the community from the onset.

This is where the bottom up approach comes into play. This type of participation starts at the bottom and reaches progressively upward into ever widening arenas of decision making. The bottom up approach to community participation in projects is internally driven and is premised on a relationship between the community and the authorities, which has been initiated by the community. Awarding resources to those who have enough initiative to organise themselves is both legitimate and a reflection of the way in which resources are distributed in democratic political systems. It matures into a social force wielding a critical mass of participating communities now enabled to enter into spheres of decision or action beyond their immediate problem solving. (Goulet 1989:168). It includes the total awakening of all, by means of pooling together all those human and material resources that individuals and groups are prepared to share of their own free will.

There are some limitations though, as far as this approach to community participation is concerned. These include the lack of technical knowledge amongst the community and very little control of the community over resources required for the construction of houses. Also as large funding

agents have large buckets and quick turnover time for their capital, communities do not have sufficient time to make contributions as large developmental agencies are geared for quick completion of their projects. This then leads to the stage where NGO participation in the housing delivery process becomes crucial. A broad example of this can be seen in the joint deliberations between the State and civil society interests through the National Housing Forum. The many constructive relationships that have emerged from these processes augur well for the future of housing in South Africa. This can be applied to a certain extent, to local communities, though it is unlikely they will have the same level of understanding and manpower as the group mentioned above. The need for effective communication, and with this accurate and reliable communication of need, implies community organisations themselves having the resources, skills and capacity to interact both with their own constituencies and the outside world in a meaningful manner.

Community participation as such, has the objective of improving the economic and social conditions of the participants. It is part of a process of empowering the poor. Participation by action is the harnessing of the creative energies of both the urban and rural majority to develop their own environments and build their own houses, as far as possible, in the places they have chosen. The emphasis is on:

- discovering what facilities the communities want, in what order of priority and where.

- allocating some funds to be spent directly by the community,
- helping to build up community-based institutions for essential self-management roles. (McAuslan, 1985, p 119)

A study conducted by Development Action Group (DAG) found that the cost of developing well located, higher density housing is not significantly different to that of developing peripheral, low-density housing. However, even with land and capital subsidies of between R12 000 to R15 000, 70% to 80% of African households in the Cape Metropolitan Area (CMA) would not be able to afford basic, formal housing on well located land. (DAG Annual Report, 1995:17). Conventional private sector delivery mechanisms are insufficient and have failed to address this crisis. In 1994, the National Housing Forum had been meeting to negotiate appropriate institutional vehicles, finances and delivery mechanisms to address the housing needs. Developing alternative models and systems of delivery becomes a community's problem.

Turner (1976) argued that instead of attempting to eradicate informal settlements, governments should embrace and actively facilitate informal housing processes. He argued that if people were left free to deal with their own housing, they generally had the ingenuity and the will to do so. Moreover they were often able to service their own needs more effectively than any central government. Turner goes on to say that housing needed to be thought of as an ongoing process rather than a product. Thus the

slum of today should be understood as being in the process of becoming tomorrows' suburb. The role of governments was theorized to involve the support of informal house builders. For Turner (1976) good housing is more common where it is locally produced through network structures and decentralising techniques and managed by people themselves. If people control the major decisions and are free to make their own contribution to the design, construction or management of their housing, the process will stimulate individual and social well being. If people, however, have neither control over nor responsibility for key decisions in the housing process, this becomes a barrier to personal fulfillment and inefficiency to an economy.

Experience has shown that large government departments seldom have the resources, flexibility, detailed knowledge or imagination needed to design programmes that can reach such diversified very poor communities. It is here that a neutral organisation can play a unique role, tackling problems that the large government departments cannot resolve, promoting innovative policies and experimenting with new ways of getting things done. The Salvadoran Foundation for Development and Low-Cost Housing is a national NGO based in El Salvador. Its activities are based on the understanding that it is not possible to solve the housing problems of the poor without fundamental social change. It recognises that social change is a lengthy and prolonged process that requires the active

participation of the poor. It is also premised on the notion that the poor and homeless will become interested and involved in the promotion of social change in the process of working and struggling to improve their living conditions. One of main reasons for supporting and expanding the NGO sector appears to be poverty of the masses. "In the 1960s and 1970s, profound disappointment characterised the evaluations of the welfare state and government service delivery. State bureaucracies often denied 'citizenship' to recipients of welfare through the demeaning nature of service provided and the inflexibility of regulations, which frequently make it impossible to respond to community and client concerns, in addition to making clients rely heavily on state professional services. The growth of government funding of non-profit agencies throughout advanced industrial countries in the last 30 years is a reaction against the problems of state services" (Smith and Lipsky, 1993, p.7).

In the late 1980's, a community-centred conception of development was maturing and most particularly in a grouping of grassroots oriented non-governmental organisations cohered under the banner of the Urban Sector Network. In terms of this conception, decentralised and community- controlled housing delivery was not seen purely as a tactical concession but as part of longer term housing vision (Walker 1993), especially for the poorest of the poor.

3.3 DEVELOPMENT OF NGO ACTIONS AND INTERVENTIONS

Literature abounds which indicates that after World War II, the clamour for resolving massive social problems including housing provision grew louder, and struggle for control of the state intensified. As a result, many nations all over the world were shaken by violent political protests. In the midst of the turmoil, people began to discard the view that national governments were the only locus of power to implement programmes. Private initiatives were said to have emerged in every corner of Latin America. There were also some interesting examples of French and German villages getting together to rebuild their communities in the aftermath of the war. Some stemmed from community groups seeking solutions to local needs, for example the building for a community centre or infrastructure for a water system, and these organisations seemingly worked within the preferential option for the poor.

Until the late 1970s, the main focus of the international development literature was the state. Success or failure in developing countries was perceived to rest solely with the central government and primarily with its economic policies. More recently, and with growing momentum, attention has shifted to three other areas, namely, the market/private sector, the state, and the "not-for-profit" non-governmental sector.

There now appears to be growing evidence of greater involvement of governments with NGOs for the improvement of the condition of shelter for the poor and this is one of the issues this study is exploring. Seemingly at the international level also, NGO activity in the shelter sector is increasing. This is reflected in the increasing level of North-South NGO co-operation, the growing momentum on the question of housing rights, the campaign against eviction, international awards to and recognition of innovative approaches, formation of international shelter coalitions and contributions by the private sector. These actions at the international level provide encouragement to NGOs at the national and local levels to increase the level of their involvement in shelter production and improvement.

While developmental NGOs vary greatly in size and orientation, most share the common goal of helping people and benefiting society. International and national NGOs support larger scale activities ranging from social welfare to environmental and political advocacy. NGOs at the local level provide services that include community organisation, health, education, welfare support, small-scale financial intermediation and environmental protection. NGOs also help improve people's lives by developing their skills and other livelihood programmes such as self-help building schemes. NGOs prepare and implement development projects and work to strengthen local institutional capabilities and promote community self-reliance. NGOs make significant contributions to socio-

economic development. Often they enjoy advantages over Government and private sector institutions and can deliver services to hard-to-reach communities in a more efficient, cost-effective manner. Much of the success of NGOs comes from dynamic leadership and committed staff. NGOs usually are more flexible and innovative and are affected less by bureaucratic constraints. NGOs also have limitations. Many NGOs are small in both size and scope of operations and their impact is sometimes limited. NGOs can suffer from technical and financial constraints. Often focused on a specific concern or a specific location, NGOs may lack a broader economic and social perspective. Many smaller NGOs are loosely structured and may have limited accountability. Management and planning may be weak or too flexible.

There was a spate of new NGOs around about the time of independence in most African countries and the postcolonial period has seen a continued growth in NGOs (Bratton 1989:571). The real growth of NGOs took place at the so-called grassroots or people's organisations (Fowler 1991:55).
The failings of government on the economic and the political levels must be regarded as a major reason for the proliferation of NGOs. It was hoped that "NGO activity will help mitigate the negative effects of the prevailing macro-economic policies on the poor and vulnerable groups" and will also "contribute to the needed democratisation of African countries" (Fowler 1991:53).

The objectives of improving the social and political conditions of the poor point to a growing significance for the role of NGOs in the process of uprooting poverty and promoting sustainable growth and development. If one examines the finance provided to NGOs, available statistics describing "official development assistance" show a rapid increase in the proportion of aid granted to NGOs throughout the world. This trend is most advanced in Africa, where some writers are estimating that as much as one third of all aid from the Organisation for Economic Co-operation and Development (OECD) countries is now channeled through and to NGOs (Bonbright, 1992). NGOs are perceived differently and at different times. Some see them as democratic laboratories or as vital ingredients of a democratic (or civil) society. Others see them as efficient, decentralised mechanisms to deliver social services.

It is estimated that around 15% of all financial development assistance worldwide are channeled through NGOs. (Bonbright, 1992). This percentage is growing because other multilateral development agencies and governments increasingly acknowledge the important role of NGOs. For example, the major donor governments of OECD countries have allocated a fraction of their official development assistance (ODA) to NGOs for use in NGO-initiated activities. This fraction has increased eleven times between 1975 and 1985. It is also to be noted that even without counting the government allocations, private funds raised and

used by NGOs came to represent in 1985 a full 10% of ODA funds provided by OECD countries. (DAC/OECD 1987). One Columbian NGO, Fedevivienda has been working with a Credit Union to provide a source of capital. It works with local residents to develop housing improvement plans financed by government capital subsidies and loans from the Credit Union (HIC/ACHR, 1994).

Increasingly, the predominant mode of delivery of goods and services in most developing and the developed world is through the purchase by the government of service delivery provided by non-profit service agencies (DAC/OECD, 1987). It has recently been claimed that in New York and Massachusetts there are more people providing social services in the non profit sector than the government sector. In Latin America, municipal governments, faced by nearly overwhelming fiscal crises, are increasingly receptive to collaborative ventures in service delivery. They often seek to emulate NGO flexibility, innovation, client responsiveness and pragmatic effectiveness. They may contract for training and technical assistance from NGOs to obtain resources and fill service gaps. In Columbia for example, NGO-municipal collaboration has become routine in local planning, primary health care and housing. (Reilly, 1993)

According to Bernstein (1994), the current interest in NGOs internationally is due to a convergence of factors:

- The number of such organisations has grown in the past two decades in societies around the globe from the highly industrialised countries to those that are less so.
- In many poorer countries beset with pervasive economic crisis governments alone have been unable to handle the functions once thought to be their sole domain.
- Often where the NGOs have succeeded they have done so at relatively low cost.
- NGOs have consistently shown wherever they operated that their programmes can reach the poorer sections of the communities, a goal that has often eluded both the business sector and the public sector.
- The growth of NGOs has also paralleled the transition to democracy in a number of countries and this has resulted in increased attention to the concept of civil society with NGOs as an important component of that.
- Finally, timing has also been an important factor in NGO's newfound popularity and publicity.

Whereas the rural and urban poor have rarely received adequate assistance in the past, in recent years many governments have been forced to cut back on even the most minimal level of services that did exist thus highlighting the problems of the poor.

In the context of the picture painted above, the inadequacy of the existing public service in shelter provision for the poor is already evident. NGOs thus seem to have provided technical assistance and training to strengthen these poor people and help them leverage changes in public policy and mobilise their own resources. Today, NGOs all over the world share common elements of pragmatic insistence on results and a belief in the potential of civil society.

Over the last 10 – 15 years, Third World countries have become the central stage on which new NGOs have appeared the fastest. They join other traditional forms of local associations that will survive. Their organisational cohesiveness varies, but strong or loose, formal or informal as they may be, they represent an organisational response to the needs of their constituents and to the governmental patterns of managing or servicing development and administrative requirements. Whether or not they will be able to parcel out new territory for themselves within such decentralisation processes depends on their strengths and skills, on the way their own genesis has stamped their nature and goals, as well as on the political attitude of governments. The reasons for these include the notions that:

- NGOs appear to have the ability to experiment freely with innovative approaches and, if necessary, to take risks.

- They are flexible in adapting to local situations and responding to local needs and therefore able to develop integrated projects, as well as sectoral projects.
- They enjoy good rapport with people and can render micro-assistance to very poor people as they can identify those that are most in need and tailor assistance to their needs.
- They have the ability to communicate at all levels, from the neighbourhood to the top levels of government.
- They are able to recruit both experts and highly motivated staff with fewer restrictions than the government.

3.4 NGOS IN LOCAL DEVELOPMENT AND SHELTER PROVISION

The illustrations that have just been highlighted demonstrate the key question of NGO action and intervention in the shelter sector in South Africa. The South African situation should be examined to find out whether the NGO sector shares some of the background indicated above whilst at the same time having its own unique characteristics which will enable it deliver in its peculiar environment. Local level social development is the broadest arena within which South African NGOs can provide their contribution. The Development Action Group (DAG) for example, has participated in various programmes and initiatives to develop alternative policy. Secondly, it has conducted research into well-located affordable housing and higher density

development. Thirdly, is their community-based project work. Their strategy is to work with a limited number of low income, marginalised communities to set precedents around the provision of affordable and decent shelter. In the end, they aim to:

- mobilise and develop local capacities,
- transfer skills, knowledge and resources to poor people,
- build community cohesion and confidence,
- ensure a more efficient and equitable use of resources,
- secure and unleash additional resources for low income communities,
- lobby for changes in conventional public and private sector delivery mechanisms and methods. (DAG Annual Report, 1993:15)

In tracing the genesis of this new kind of organisation, NGO representatives point to causes that are quite different in nature:

- societal conflict and tension;
- the need to respond more effectively to crisis situations or new demands when traditional structures break down or become unresponsive;
- ideological and value differences with the powers-that-be in development planning and implementation;

- the realisation that neither government nor the private business sector has the will or capacity to deal with certain acute socio-economic problems;
- the determination to help people at the grassroots to get organised and involved in ongoing governmental development programmes (Garilao, 1987; Padron, 1987).

The state cannot embark on the project of reconstruction and development alone. It is imperative that NGOs survive and that they further develop their capacity to influence change. NGOs have direct and long experience and understanding of community needs and have shaped the philosophy of "people-centered development" on which the Reconstruction and Development Programme (RDP) is cast. As was indicated in chapter one, NGOs constitute an integral part of "civil society", made up of organisations and groups – independent of the state and political parties – that have a stake in the sustenance of democracy and the protection of the interests of and constituencies and communities that they serve. Governments (particularly in the North) and donors are increasingly recognising the positive role that NGOs can play in development, and this has contributed to a very significant increase in the flow of international funds channeled through them – to approximately US$7 billion in 1990 or the equivalent of 16 per cent of total bilateral aid flows (Wellard et al 1993:2). By placing

their development programmes within the context of citizenship and the ordinary disadvantaged person, NGOs should not be seen to be acting politically in the sense that they are mobilising for political purposes. What they should be doing is to help build the human foundations needed for people to enable them decide about their own perceptions about projects that are needed to transform them into viable communities.

3.5 A ROLE FOR NGOS IN THE SOUTH AFRICAN CONTEXT

Among the wide variety of roles that NGOs play, the following can be identified as important, and which form the basis of shelter provision by NGOs in South Africa.

3.5.1 Development of infrastructure and pilot projects

Community-based organisations and cooperatives can acquire, subdivide and develop land, construct housing, provide infrastructure and operate and maintain infrastructure such as wells, public toilets and solid waste collection services. They can also develop building material supply centres and other community-based economic enterprises. NGOs have the advantage of selecting particular places for innovative projects and specify in advance the length of time, which they will support the project – overcoming some of the shortcomings that governments face in this

respect. NGOs can also be pilots for larger government projects by virtue of their ability to act more quickly than the government bureaucracy can.

In the Western Cape Region, the Western Cape Economic Development Forum played an important role in achieving broad consensus on key development issues and in initiating policy development in areas such as urban development, job creation and economic growth (DAG Annual Report, 1994:2). The demands on this for housing has far exceeded the capacity of umbrella community organisations which has forced them to turn to NGOs and other service providers to formulate their contributions (DAG Annual Report, 1994:2). NGOs can also be effective in providing support to other communities/groups. This support includes intermediation between the community and the public authorities, providing advice and guidance for community executed shelter projects, providing financial support for projects, executing pilot projects, extending technical assistance, organising training and undertaking advocacy. Also the growing interest in NGOs is driven by perceptions of their role in democratic pluralism, by the hope that they might share some of the costs of providing development services and, significantly in the present context, their perceived ability to reach the rural poor (Wellard et al 1993:xxi).

3.5.2 Facilitating communication and advocacy for the poor

NGOs use interpersonal methods of communication, and study the right entry points whereby they gain the trust of the community they seek to benefit. They would also have a good idea of the feasibility of the projects they take up. The significance of this role to the government is that NGOs can communicate to the policy-making levels of government, information about the lives, capabilities, attitudes and cultural characteristics of people at the local level. NGOs can facilitate communication upward from people to the government and downward from the government to the people. Communication upward involves informing government about what local people are thinking, doing and feeling while communication downward involves informing local people about what government is planning and doing. NGOs are also in a unique position to share information horizontally, networking between other organisations doing similar work.

In some cases, NGOs become spokespersons or ombudsmen for the poor and attempt to influence government policies and programmes on their behalf. This may be done through a variety of means ranging from demonstration and pilot projects to participation in public forums and the formulation of government policy and plans, to publicising research results and case studies of the poor. Thus NGOs play roles from advocates for the poor to implementors of government programmes; from agitators and critics to partners and advisors; from sponsors of pilot projects to mediators.

3.5.3 Technical assistance, monitoring and evaluation

Innovative activities need to be carefully documented and shared – effective participatory monitoring would permit the sharing of results with the people themselves as well as with the project staff. Training institutions and NGOs can develop a technical assistance and training capacity and use this to assist both communities and governments.

From a South African perspective, the role that NGOs could play meaningfully in assisting the poorest of the poor should also revolve around their orientation. These include service, participation and empowering orientations. Service orientation includes NGOs with activities directed toward meeting the needs of the poor – for example housing in which the programme is designed by the NGO and people are expected to participate in its implementation and in receiving the service. Participation orientation is characterised by self-help projects where local people are involved particularly in the implementation of a project by contributing cash, tools, land, materials, labour etc. In the classical community development project, participation begins with the need definition and continues into the planning and implementation stages. Cooperatives often have a participatory orientation. Empowering orientation This is where the aim is to help poor people develop a clearer understanding of the social, political and economic factors affecting their lives, and to strengthen their awareness of their own potential power to control their

lives. Sometimes, these groups develop spontaneously around a problem or an issue, at other times outside workers from NGOs plays a facilitating role in their development. In any case, there is maximum involvement of the people with NGOs acting as facilitators.

As shelter institutions, NGOs aim could be based on urban development precedents around land and shelter that improve both material conditions of the city's poor people as well as empower communities to take more control of their situations. This can be achieved by offering these communities capacity building in the form of information, technical expertise and training.

Examples of such NGO activities can be found in Canada and Chile. In 1973, residents of a decrepit neighbourhood in a poor section of Vancouver, Canada, made a decision to take their destiny in their own hands and formed the Downtown Eastside Residents' Association (DERA). DERA was particularly interested in shelter issues and opened various low cost housing projects which are run by members and provides cheap and decent shelter to residents. The results of these great efforts has been that Downtown Eastside is one of the poor neighbourhoods which can boast of not having any destitute living and sleeping on the streets.

In Chile, the Foundation Hogar de Cristo, an NGO, set up, as a non-profit Foundation, has been helping the poorest since 1958. The Foundation also organises groups of informal settlers requesting a government-housing subsidy. This programme builds more than houses: it builds communities by promoting friendship and solidarity among the beneficiaries. They usually belong to the lowest income groups and are normally excluded from the system of housing cooperatives. The unit has a construction enterprise, which builds houses 40% cheaper than other accommodation available on the market. The simple technology used and the scope for rapid construction have made it an important support to governments in national emergencies, such as earthquakes. For example, during the earthquake of March 1985, the Foundation was able to deliver 100 houses a day, starting one-day after the earthquake struck, while the response of the official agencies was delayed. Finally, the housing savings plan makes the best use of official subsidies to favour the poorest and acts as a market price regulator of the housing supply of units built by the private sector with official subsidies. As an NGO, the Foundation Hogar de Cristo has worked efficiently under very different governments for 32 years. Its large and successful programmes with the destitute has been nationally recognised. The above international examples illustrate vividly factors that an NGO in the context of a country like South Africa with its history, should be looking at.

3.6 NGOS AND GOVERNMENT RELATIONSHIP IN SOUTH AFRICA

One of the main anchors holding an NGO in its desired position is its institutional relationships. In South Africa the transition to a post-apartheid constitution dominates the realignment of these. Some leading NGOs involved in housing delivery formed the Urban Sector Network (UNS) in 1991. Participation in the former National Housing Forum (which brought together stakeholders in the provision of housing) had been a major focus for the USN, which had independent representation on the Forum. Individual USN member organisations had been contracted into provincial RDP housing provision and have contributed to policy development and discussions that resulted in the housing white paper. The advent of a democratic government in South Africa and the adoption of the Reconstruction and Development Programme (RDP) appear to serve as a key plank of the government's policy framework. The RDP emphasises people-centered development and a strategic shift of government resources to the people. These key changes have given rise to a qualitative new development landscape in South Africa. Some highlights of this are:

- Government has assumed a central role in ensuring that development takes place.
- An emphasis on people-centered development.
- Government has therefore taken on many of the delivery approaches pioneered by NGOs.

- The number of development actors claiming a role in the RDP has vastly increased, placing a demand on NGOs for more effective and competitive delivery.
- NGO-state relations are changing rapidly.
- There is pressure for majority of development funding to be channeled through state institutions and a general reduction in traditional funding of NGOs.

This means a reassessment of traditional links of NGOs with their clients and a decision to strengthen those links. At the same time there is the need to begin to establish links with government and a search for new partnerships without losing their traditional independence.

Implementation of the RDP is expected to have a far-reaching impact on South Africa's NGOs, which in the past sought to meet the social needs resulting from the neglects of apartheid and acted as development agents. The RDP, in effect, provides NGOs and other community-based organisations with new opportunities. Their models of alternative social provision might inform new government policy; they might enter into new partnerships with the state and private sector to implement development programmes; and they might access state finance for development. However, three years later, questions are being asked about the new government's ability to deliver. Of the R2.8billion approved for RDP

projects in 1994/95, R2.4 billion was carried over into the 1995/96 year and the same amount was carried over into the 1996/97 year. Net expenditure on social services has decreased since the general elections in April 1994.

At the moment many NGOs, which have most development expertise, have closed or are under threat of closing. NGO capacity is threatened by the loss of key staff to the Government of National Unity (GNU), to provincial authorities and to the private sector. At the same time sources of NGO funding are drying up as far as foreign donors commit support to the GNU or realign their priorities to those of the RDP. Many foreign donors have sought guidance from the RDP about which sectors and NGOs to support. (Development Update, 1995:18)

According to the Annual Report of Interfund 1994/95, with the singular exception of the Department of Land Affairs, the government's attitude to the role of these organisations in South Africa's development has been ambiguous. While donors wait for clarity on this issue before making financial commitments, many NGOs run out of resources. The current situation shows clearly that NGOs have a central role to play in facilitating sustainable development. Similarly Government directives to date have been general rather than specific. It has stressed that the RDP will be implemented through a partnership between government and civil society

and that future government support to NGOs will be based on their role in taking forward the RDP. It has stated that the most effective point of contact between NGOs and the state should be at the provincial level. It has noted that individual NGOs had been contracted by the RDP to assist with the implementation of Presidential Lead Projects and by line ministries to assist in implementation of development projects. It has called for the establishment of a NGO co-ordinating body with which government can negotiate about the collective interests of the sector. But the directives lack concrete detail. In particular the RDP national office has yet to spell out clearly whether NGOs will have access to state funding and in what circumstances. In the meanwhile many NGOs are experiencing a financial crisis. Procuring financial resources is something which lies largely beyond the control of NGOs. Where donors are the major source of income, and where these donors set the rules by limiting their interventions to short-term, package oriented, single-intervention project grants, the flexibility to change and improve is severely hampered.

The RDP base document said very little about the role of civil society. Prior to the publication of the RDP white paper in September 1994, the former Minister without portfolio, Mr. Jay Naidoo, convened a summit with NGOs in Johannesburg in August 1994 to discuss the role of NGOs in the RDP, which gave some clues to government thinking on NGOs. In his speech to the conference, the Minister recognised that NGOs must play a

role in implementing the RDP and that there was a need for unity and purpose between government and the NGOs to drive and translate the RDP into reality. In the discussions that followed, the following further points emerged:

- There was a need for a code of conduct to which government and the NGO community would subscribe, with guidelines on collaboration based on mutual trust, autonomy, self regulation and meaningful participation
- There should be provision for formal representation of NGOs in forums involved in policy formulation and planning of the implementation of the RDP. No clarity on whether NGOs would be able to access RDP funds directly emerged from the summit.

However, an official White Paper, presented to parliament after the summit appears to have addressed some NGO concerns. Key aspects of government policy on NGOs, which the White Paper highlights, include the following:

- In the apartheid period NGOs in redressing the deliberate neglect of social welfare under apartheid fulfilled many of the roles of planning, education, development, policy development and support which must now revert to government

- government will take the lead role in implementing the RDP. The white paper proposes that every office of government down to the smallest village council will have to be restructured to do so
- nevertheless healthy, efficient and effective community-based organisations and NGOs should exist and government cannot monopolises all resources for development
- civil society organisations will be encouraged to be active in the effective implementation of the RDP
- projects sponsored by NGOs might serve as bench marks of quality against which the efforts of government could be measured
- there should be some form of regulation of the NGOs.

While the White Paper sketches out the possibility of a more sympathetic environment that has existed before, there is potential for considerable tension between the state and civil society. NGOs will inevitably find themselves in competition with the government for foreign donor aid. Recently, several new developments have further clarified the approach of the GNU to the NGO sector. The formation of the Transitional National Development Agency (TNDA), (which is to provide a channel for support from the GNU and others to non-government capacity-building programmes, linked the RDP), promises to provide a new domestic and state funding mechanism for the "capacity-building" work of NGOs. (Development Update, 1995:21).

It is the view of this study that serious efforts should be made to support initiatives for an overhaul of the legal framework in which NGOs operate to the extent of bringing NGOs and governments into closer contact. This is so because NGOs appear to be quite effective agents of development. The author believes that the survival of the NGO sector will enhance the future of South Africa's fledging democracy. The case study will attempt to prove this assertion. NGOs and the civil society of which they form the core can have a crucial opposition and watchdog role over government. If South Africa is to avoid the situation where its fragile democracy might be subsumed by state corruption and renewed authoritarian practices, and in which the needs of the poor and marginalised are again ignored, the project of sustaining NGOs is a critical one.

Based on the above exposition on NGOs, and the role they can play in development as well as housing in particular, and based on the experiences of the developed as well as the developing world, the desire of NGOs to deliver at the micro and macro housing level becomes the focal point for some of the deliberations that are expounded in this study. NGOs can operate at two levels; micro and macro. To understand how these two levels are linked, and how they impact on housing delivery in the NGO arena, it is necessary to understand the dynamics of these processes.

At the micro level, NGOs have worked with communities and grassroots groups. NGOs developed from the stage of giving out welfare items to the level where they now attempt to facilitate people's improvement of their material well being in sustainable ways. The key element that has been identified to the success of this approach is people's participation; people themselves must "own" the processes of external intervention and it is actually them that produce their own housing, and not NGOs. However, authentic participation also requires strong organisations at community level, because people themselves must sustain the ongoing improvements in their lives and livelihoods. It has already been indicated in the previous chapters that good NGO action in housing must include the building of local organisation capacity. Poor people are not poor just because of inadequate material base and weak organisation but also because they live in structures that work against their interests. The NGO focus could not ignore the systematic nature of why the poor and marginalised are held in that position. Therefore NGOs must work increasingly to support the empowerment of communities they work with. In this way the communities will be able to adopt strategies that structurally improve their situations.

At the macro level, policy issues are the main focus. A critical effect of NGO action at macro-level is to impact on the principles of inclusiveness and accountability. Bringing more diverse interests to bear on policy

formulation makes public decisions more inclusive and transparent. The important factor to bear in mind is what interests NGOs represent and the legitimacy of the ideas they put forward. If the role of NGOs is to strengthen the foundations for the democratic functioning of society, this requires that they remain civic actors, operating outside of the regime, but interacting with it in furtherance of the civic realm and its diverse values and contending forces. The above distinction can give rise to problems during periods of national transformation, such as in the case of South Africa. The old associations between parties and the NGOs supporting them must be revised as each takes on its national role. This may mean acting as a check on those who were previously brothers and sisters in arms.

3.7 CONCLUSION

The present South African government's strategy is to provide starter homes for the 65% of South Africans who have no access to credit. Whereas housing subsidies averaged 3.7% of Government budgets in a 19-country World Bank study (World Bank, 1992), with a range of between 1% and 14%, housing subsidies in South Africa account for only 2% of government spending. Although many forums and conferences, including the massive Vancouver Habitat Conference, have stressed the need to tackle housing problems, only a few countries have come up with strong housing policies (Muller, 1978).

The previous section dealt with the roles and activities of NGOs in a broader context as well as the South African situation. It is evident that NGOs have a definite role to play as far as shelter provision for the poor is concerned. It is also clear that the government alone cannot undertake the mammoth task of providing especially for the poorest of the poor in the true sense of the definition.

4 CHAPTER FOUR - THE CASE STUDY, FINDINGS AND ANALYSIS

4.1 INTRODUCTION

It has been estimated by the Department of Housing and Local Government in the Eastern Cape (1995) that approximately 83% of the people in the former Ciskei can only afford a house of less than R 15 000 and approximately 40% can only afford a house of R 5 000 or less. The indication of such figures proves that by far, the most important sector in housing development will be that of the low cost dwelling. It would also appear that the South African economy might not be able to mobilise all the financial resources needed to house its people from the fiscus alone.

This chapter describes the efforts made by the SPF, an NGO in housing that seeks to assist the poorest of the poor through projects that were undertaken. The study then analyses these projects and assesses the relevance and usefulness of an NGO as an instrument of housing policy that can effectively respond to the challenges of providing housing for that sector of the economy which cannot afford to enter the formal housing market easily.

4.2 OVERVIEW OF THE SMALL PROJECTS FOUNDATION (SPF)

The Small Projects Foundation (SPF) is one of the NGOs that has laid claims to assisting in the provision of low cost shelter for the poor in the

Eastern Cape Province for some time now. It was established in 1985 through the initiatives of a small community group in the Eastern Cape Province that wanted to provide a form of shelter for its members through a self-help programme. However, over the years it has developed into a formal institution and has transformed itself into what is now known as the Small Projects Foundation. It has developed into what can be termed an NGO with a service, participatory and empowering orientation. As it stands now, the SPF has a mission statement that reads:

"The facilitation of community development through the mobilisation and participation of the people in the Eastern Cape Province in projects and processes that serve to improve their quality of life through the upgrading of their physical, economic and social conditions" (SPF document :1990).

Within these parameters the foundation identified asset creation as a major development tool. The foundation began its activities on a broad front, dealing with communities, groups and individuals in the fields of major developmental areas of educare, provision of community facilities, provision of infrastructure and housing development. The reason for this is that the SPF believes that there are inherent resources for wealth creation and the improvement of self-reliance in these communities. However the development of such resources is often jeopardised by either a lack of opportunity or perceived insurmountable constraints. Initially, the SPF

concentrated efforts on the support of group activities in skills training and employment creation. The SPF soon realised that a group in this context, was not a development model that could achieve sustained development since the group structure dissipated responsibility and decision making rather than reinforcing it. Consequently the SPF revised its strategy to centre upon the development of individuals within a structured programme based on established community needs. Hence primarily, the SPF saw itself as being able to play a major role in facilitating and meeting the expressed housing needs of the people, especially the poorest the poor of South Africa.

4.3 THE AIMS AND OBJECTIVES OF THE SPF

From the beginning of 1990 the SPF concentrated on directing its efforts to asset creation projects with a strong emphasis on the identification and support of poor people within this programme. The main objective of the housing unit of the SPF is to assist in low income housing provision for the poor with cheap and appropriate technology. Inherent in this are the:

- Facilitation of development,
- Improvement of the quality of life of the people,
- Improvement of tenure options of the people, and
- job creation.

In order to address these issues effectively, the SPF established the following additional goals:

- Land to be made available on freehold title.
- Financial institutions to be facilitated.
- Loan finance to be based on household income.

Within the above objectives, the SPF set itself the target of assisting the poorest of the poor with their housing needs. This gave rise to:

- Land acquisition,
- Loan facilitation,
- Demonstration units,
- Management systems.

4.4 PROJECT ACTIVITIES

4.4.1 Land acquisition

When a representation is made to the SPF by a community, the first step in the process is to identify suitable land and to facilitate its acquisition. In the areas that the SPF has operated so far, the land belonged to the government or a government body, and hence the government donated the land. In terms of SPF policy, in the event of the body not willing to donate the land, the government is approached to either purchase the land or provide alternative land which belongs to it. The SPF pays only transfer fees and these are recouped through the sale of the serviced plots to the prospective owners. It must be noted that the prospective owner does not pay for the value of the land but only for the cost of the

services that have been provided on the land. The research revealed that these plots were sold between R 2 500 and R 4 000 each in 1996. The size of a site measures between 300 square metres and 400 square metres. Where the SPF has determined that services should be provided on that land and this service can be provided by the government, the SPF approaches the government for that. After the land is acquired a steering committee is formed in the area to administer the acquired land. The SPF then determines the building capacity of the community. This is done through regular meetings of the steering committee that has been formed.

Land in these three project areas was entirely owned by the state. It was donated to the SPF and because of the levels of poverty, the SPF in turn donated the land to the community. In total the SPF provided 900 serviced sites. One of the criteria used by the SPF in allocating land is that the owners must be first-time homeowners. This is to ensure that the needy are catered for and to prevent other people from acquiring these lands and in turn reselling them to unsuspecting people. The non-market related prices of the lands highlighted the welfare approach of housing adopted by the SPF. The rationale behind this is to provide and facilitate the provision of housing for the poor. The research found out that obtaining land is critical to low-income households seeking secure shelter. At the same time it is rare for the low-income households to be able to find land on which they can build free of charge. Hence in matters relating to land for housing, the SPF plays an active role in acquiring and developing it.

4.4.2 Loan Facilitation

Within a social development perspective, housing loans for low-income households are seen as an integral component of a poverty reduction programme. They are undertaken with the understanding that governments "... must change from supplying ready-made housing from a central source to supporting the efforts of self-managed, community based organisations and their helpers in producing their own homes and neighbourhoods". (Turner, 1989:169).

The study established through the questionnaire that housing loans are rarely offered to low-income groups. Formal sector financial loans are rare. This situation appears to be the trend in other parts of the world as well. One study in India found that only about one-third of all housing finance was provided by formal financial institutions (Third World Planning Review, 1997:22). Hence for any shelter initiative to reach the poorest of the poor, the level of "poverty" has to be set. The SPF, through consultation with established financial institutions, the government and the affected communities, established the benchmark as being R 1 000.00 per month. Therefore, for any projects undertaken by the SPF participants would have to earn less than this figure in order to qualify.

As far as finance was concerned, the SPF acted as an ombudsman in loan facilitation and in this wise, any financial institution that was ready to provide the loan was approached. The SPF itself sought financing through various means including the government, the Development Bank of South Africa, the European Economic Community and other donor agencies. Having accessed some form of financing, workshopping was arranged first with the leadership of the community, then with the recipients in the community. The workshop was done at various levels from the servicing of the plots to the final acquisition/purchasing of the plots. Basic town planning was also carried out within the framework of existing laws and regulations that are applicable in the particular area. For the three areas under study, the Land Use Regulation Act No. 15 of 1987 and the Land Survey Act No. 9 of 1927 were applicable.

The research found out that inefficiencies occur when housing development takes place without credit. In the Dimbaza South area, some households indicated that they could afford to pay for much better housing if they could get affordable credit. Without it they simply waste the little resources they have because they are only able to buy small quantities of cheap building materials which is not sufficient to complete the houses. These cheap building materials are often non-permanent materials. Such people therefore, require additional funds over time for maintenance, repair or replacement. The result is that when a house is extended, rooms may need to be demolished and rebuilt if the previous development were substandard.

4.4.3 Demonstration Units

In order to make land and shelter affordable to the poor it was necessary to establish the principle of "incremental" servicing and construction. In this, whilst each development was planned in its entirety, the community themselves decided on the levels of servicing to be implemented at the various stages of delivery. There were 10 different types of designs of houses. Four samples of these are Fig. 4.4.3a, Fig. 4.4.3b, Fig. 4.4.3c and Fig. 4.4.3d. Having acquired a site, a person chose the type of structure he wanted. The SPF advises on this after examining the individual's disposable income in relation to the type of design the person was opting for. Depending on the level of services, the community appointed an engineer. When the design was approved, tenders were then invited through a management contractor who supervised and provided guarantees to the builders who were normally people from the local community.

The range of services provided by the SPF were stormwater and sewer reticulation systems, new electrical and pipeborne/freshwater reticulation systems and street lightening. The SPF negotiated with the government to accept responsibility for the installation costs of water and electricity reticulation systems and roads. Thereafter every unit was provided with its own metreage points to allow for people to take charge of their personal

Fig. 4.4.3a Demonstration unit

Fig. 4.4.3b Demonstration unit

Fig. 4.4.3c Demonstration unit

Fig. 4.4.3d Demonstration unit

accounts (Dimbaza and Potsdam) instead of bulk meters, as was the case in the Wesley Project. The private sector system and self help schemes were encouraged and people were assisted to put up their own units. As was mentioned earlier on, the SPF has a variety of models of houses and these were demonstrated to the people who were interested in acquiring a roof over their heads. These demonstrations were done through the Technical Aid Centres on the site.

As regards construction and construction materials, local committees were implored to supply building materials as well as other inputs that could be locally acquired. Along these lines, small scale block makers, brick makers and other locally manufactured building material producers were trained and upgraded through the Technical Aid Centres. (Figs. 4.4.3e & 4.4.3f). The main aim of this exercise, as the research found out, is to facilitate economic development, one of the objectives of the SPF. This is because offering housing subsidies directly to low income households in conjunction with measures that have increased the capacity of local producers of building materials has assisted local economic development in these areas. The subsidy funds allocated by the government to these households were spent within these low-income areas because the SPF through the Technical Aid Centres made the required skills and materials obtainable.

Fig. 4.4.3e Sand and stone for blockmaking

Fig. 4.4.3f Community engaged in blockmaking

4.4.4 Management Systems

A Project Steering Committee, chaired by a representative from the community, consisted of members drawn from the Eastern Cape Departments of Housing and Local Government, Public Works, Consulting Engineers, SPF and Representatives of the people of the various towns.

There was a special training that was provided by the SPF for the community leadership and the office bearers through a management information system. There were technical aid centres, which were part of the information transfer system. It facilitated interaction between the community and all outside role players. These fora became permanent ones. A site was chosen by the community and was used as a project management centre, where all decisions that have been taken are implemented and properly monitored. Under this umbrella, various fora were created for the community itself, the subcontractors, as well as the individual homeowners. A technical aid centre complex including offices, community facilities, business sites and demonstration houses were developed on each site. A private firm on behalf of the SPF conducted the Project Management and Housing Delivery processes. The role of the firm is to advise on engineering and other architectural matters and to give administrative assistance to ensure that the project is carried out properly.

Subsequent workshops were held to explain such terms like ownership, rates, and bonds to the incumbent property owners and to demonstrate to them the importance of all these terms that have to do with property and its ownership. Importantly they were made to understand their rights and responsibilities as property owners. Emphasis was placed on the importance of why it is necessary for them to pay for services that are provided on their properties by various bodies. Such courses and workshops are run on a regular basis, and before a prospective owner takes occupation of his house. The SPF facilitated the ability of the communities to conduct their activities freely on their own territories and to commit themselves in concrete terms to strengthen the modalities for contacts and exchanges between themselves and provincial as well as national authorities. As a practical measure, the SPF normally requested a community to designate a member to be responsible and be in constant contact with the relevant government ministries until such time that their needs had been completely met.

So far all the housing projects undertaken by the SPF were community driven and to have originated from the community. Most often because these are poor communities, they do not easily have access to all ingredients in any housing delivery process. The study examines three projects which were undertaken in the Eastern Cape Province, namely the Wesley Project, the Dimbaza South Project and the Potsdam Project.

4.5 PROJECTS UNDERTAKEN BY THE SPF

4.5.1 The Wesley Project

Wesley is a small town which originated from informal settlers and is located in the Northern Region of the Eastern Cape Province. The main forms of activity in this area are peasant farming and sawmilling on a very small scale. Most of the inhabitants are involved in informal jobs and therefore, will hardly qualify for a formal housing loan from any financial institution. The only form of financial assistance is the government subsidy scheme.

The Wesley Project was started by the community as a self-help scheme. The Wesley units were mainly wooden (informal) structures which were frequently destroyed by fire during the dry and winter seasons. (Fig. 4.5.1a and 4.5.1b). Because this area was not well planned, the units were constructed without proper layouts and therefore no proper roads were provided to give access to these housing units. Services were generally non-existent and no satisfactory drainage existed in the area. Community cohesion was lacking and as such open spaces were unkempt and litter was all over the place. Most of the inhabitants, consisting of about 100 households, were landless and unemployed, some were destitute while others tried to make a living by seeking part-time jobs in the absence of formal employment. This was the situation before SPF intervention.

Fig. 4.5.1a Wooden informal structures sometimes destroyed by fire (Wesley)

Fig. 4.5.1b Wooden informal structures sometimes destroyed by fire (Wesley)

The SPF took over the Wesley Self Help Scheme when it started in 1988 and according to the SPF, it was through this project that SPF came to grips with real low-income housing development. Through interviews with officials of the SPF, it came out that this was a scheme that was started by the inhabitants of this area where the intention was to develop the community and provide some form of employment for the local people. The community intended to develop 350 to 400 units of accommodation through the use of local labour and local building materials. Eventually, only 280 units were constructed. However, the SPF found out that the community needed more guidance to understand what it really means to own a house.

4.5.2 The Dimbaza South Project

Dimbaza is a larger town about 20 kilmetres from Bisho, the capital of the Eastern Cape Province. It is predominantly a well-laid out town, but does include some informal settlements, such as Dimbaza South, the subject of this research. Dimbaza South was an area that was totally underdeveloped and where essential services such as water and electricity were lacking. This area is home to mostly factory and industrial hands. As a result, and because the migrant labour force is large, they resort to staying in shacks and other informal dwellings. That was why it was one of the targets for SPF.

It has a very high proportion of low-income earners who earn between R 500 and R 1 000 per month. About 50% of the labour force are casual. Most of them are unable to find employment in the formal sector and make a living through engaging in casual work in the factories around Dimbaza. Initially this place originated as an informal settlement. At the time, the only means of movement were a series of informal and bushy footpaths that went through and very close to peoples' houses. (Fig. 4.5.2a). Before the intervention of the SPF, these people did not have formal titles to these properties and hence could not access any form of bond/credit facility from any financial institution. For these reasons, it was selected as one of the projects of the SPF as it appears to have all the elements that needed outside intervention. Since the intervention of the SPF, the area has grown into a relatively healthy formal settlement with well-planned serviced sites. This development consists of 350 erven, serviced with waterborne sewerage and metered water on every site. The erven were sold on freehold title based on a direct cost recovery basis. High repayment rates have, in general, been secured by the SPF with an average repayment rate of 85% in the first three months of sale. Within this programme the repayment rate of those projects supported by the SPF were 50% better than those projects supported by other government agencies. The reason for this can be attributed to participation in community-operated savings programme encouraged by the SPF.

Fig. 4.5.2a Road in Dimbaza South prior to SPF intervention

Fig. 4.5.2b Improved road in Dimbaza South after SPF intervention

After the SPF intervention in this area, access roads improved considerably. (Fig. 4.5.2b). There is now minimal bulk infrastructure, stormwater drainage, water reticulation, pipeborne water and electric power supply. Every unit has its own metreage point which made it easier for the Transitional Local Authority to send out and easily collect accounts. High mast lightening has also been provided in this area. This has led to a reduction in theft and burglary in the area as the whole area is well lit at night.

4.5.3 The Potsdam Project

The inhabitants of Potsdam comprise farm labourers, factory hands and small traders who are unable to acquire plots of land or do not earn enough income to enter the formal housing market. The community leaders approached the SPF to assist them access the government subsidy scheme and to assist with technical advice to enable them provide some form of housing for their members.

This development is similar to the Dimbaza South one. Initially in this area, there were no satisfactory access or drainage systems existing and narrow unkempt walkways existed between houses. There were no services in the form of bulk infrastructure and as result the area became an issue of great concern to the community.

It was identified by the Eastern Cape Provincial Government as a potential low-income area after a social compact study was carried out by the Development Bank of South Africa in 1983/84. Development of this area came to a standstill until the land was donated to the SPF in 1992. Subsequently 580 erven were serviced with waterborne sewerage and metered water on every site. This project was based on the same principles as the Dimbaza South one. The erven were available on freehold title based on a cost recovery basis. The cost of providing the above services on each erf came to R 2 710 (1996).

4.6 FINDINGS AND ANALYSIS

The operations of the Small Projects Foundation (SPF) in the projects detailed in the previous pages had been over a period of 4 years. In this period a total number of 900 housing units were undertaken. From this it can be seen that there has been some form of shelter provision for the target group which the SPF focussed on. Efforts were made by this NGO to develop and impart some skills in the communities where it worked.

The research found out that these were the first of the SPF's major projects and constituted a test for the policies and development strategy promoted by the SPF. In the opinion of the study, the projects' successes were due, in the main to the level community involvement that was

achieved in the run-up to each project commencement. Although all the processes were supposed to be community driven ones, it was difficult to get majority of the community members to understand and play their roles in the whole process.

The study found that in the Wesley area, the people got involved in the activities of the SPF when it took over the self-help scheme that was already in place in the area. With the Dimbaza project, the people got to know about this project through community work. 80% of the respondents learnt of this initiative when they went for a street cleaning and environmental awareness programme. The Potsdam project was already identified by the Provincial Housing Department and was handed over to the SPF when the latter approached the government for land to house the poor. This clearly showed that not much publicity was given to the activities of the SPF.

96% of the respondents said they wanted a decent roof over their heads and that was why they immediately associated themselves with the SPF. 4% of the people saw it as a means of earning a living because they have other accommodation elsewhere which they have rented out and which information they did not disclose to their community leaders. This was considered a serious issue by the study, as the project did not appear to be benefiting the real target group entirely.

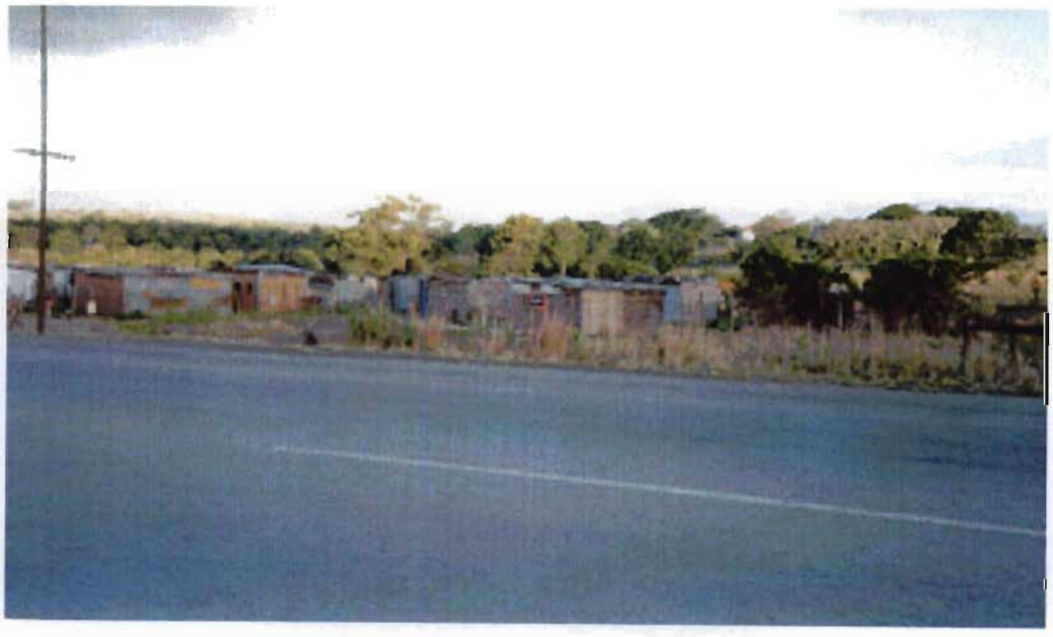
90% of the respondents did not know how to go about accessing finance as well as the necessary documentation needed to qualify for the government subsidy. The SPF was most useful to them in this arena of the housing process. However, in certain cases, the applications were returned because the clerks from the community who assisted in filling these forms made mistakes. Hence these forms were refilled in again and that delayed the process in these cases.

For the upgrading of the Wesley as well as some portions of the Potsdam development, the planning included provision for roads, stormwater drainage and electricity. (Fig. 4.6a and 4.6b). The community actively supported the upgrading programme and contributed towards a development fund managed by the community. Given the fact that services had been upgraded, 98% of the respondents in these areas were of the opinion that this has contributed to an improved lifestyle because toilets and water are now available inside the houses which is more hygienic than the communal ablution facilities they used to have.

The SPF attempted to create a form of employment by providing technical advice for blockmaking and bricklaying. The communities at large (90%) agreed that these projects be labour intensive. However, 60% of the people interviewed expressed dissatisfaction with the quality and standard of workmanship provided by the local labour force.

Fig. 4.6a Electricity substation at Potsdam

Fig. 4.6b Improved road at Wesley



This was to be expected because most of these people are performing these tasks for the first time. Hence it is important that the standard of supervision be improved in subsequent projects and that the education and training needs of the community are properly assessed prior to project commencement to ensure an acceptable standard of workmanship.

In general, it has been observed that there were very few differences in responses (only 5% of those interviewed) to the same questions from the beneficiaries of the projects as regards their perceptions of the activities of the SPF. This is an indication that the beneficiaries in the same fields of assistance have generally the same opinions on NGO intervention in housing provision for the poor. At the same time there was a strong general feeling amongst all the beneficiaries interviewed that there is the need for some form of assistance as far as seeing to the housing needs of the poor are concerned. To this end, the feeling was that there must be some kind of collaborative relationship between the NGO and the community. The research found that although the projects were supposed to have been direct community initiatives, active participation mainly rested in the community leaders. They decided on issues for the community at large and purported to have been given the mandate by the communities to do so. This is also appeared to be a serious drawback on the activities of the SPF.

90% of the officials interviewed from the Provincial Housing Department said that the poor really need some kind of assistance and this could be initiated through community structures. This is because these officials, in their personal opinions, felt that Government has failed to actually address the critical issues that would ensure direct delivery on the ground especially for the poorest of the poor. The provision of a certain amount of money (the subsidy) is not sufficient to ensure that the housing needs of the poor have been adequately addressed. This is because they are unable to meaningfully handle this money for the type of facility that government wishes to provide. It came out during the research that in the past government policy did not address housing issues for the poor as they affect them on the ground. The study found out that as a result, government does not seem to have the experience in dealing with the real housing problems of the poorest of the poor. Hence these government officials felt that there is the need for NGOs to intervene in housing provision for the poor if such an NGO has clearly defined objectives in that regard. The officials of government do not see anything wrong with the government providing some form of funding for the NGOs in housing provision for the poor. However, they reiterated that the government should know exactly what the NGO is involved in. This was also seen by the study as undue interference from the government in the activities of the SPF as this will directly affected delivery on the ground.

The SPF officials, in answers to the questions which were put to them by the researcher, said that their performances were influenced a lot by what the government had to offer in terms of support and finance. At the same time the SPF officials also wanted the government to respect their independence even if it is providing any assistance, be it financial or otherwise. The SPF also felt that because it is contributing to the social upliftment of the citizens of the country, it is entitled to receive funds from the government without the latter interfering with its work. From the questions that were put to officials from the SPF, it emerged that a very important challenge to NGOs is to remain legitimate to their beneficiaries because this is what gives them support. It is important that the activities of these voluntary organisations should be to capacitate the people at the grassroots to be able to carry on even if they pull out before the end of a particular project period.

Other important issues which came out clearly from interviews with the beneficiaries, the government officials and officials of the SPF were:

- The importance of freehold title in the housing delivery process, where individuals as stakeholders in the development are assured of the maximum level of security of tenure. This security of title was evidenced in the increased investment by the new owners in the form of increased maintenance as well as additions and alterations to their homes. (Figs. 4.6c and 4.6d)

Fig. 4.6c Owner improved house

Fig. 4.6d Owner improved house

- The non-availability of formal sector funding which was partly linked to the lack of adequate security of tenure. It is the view of the study that there is the need for the non-formal sector to become involved in the provision of housing finance especially for the poorest of the poor.
- The need for an effective support service and facility to help guide participants through the whole housing delivery process. This became even more essential with the necessity for participants to understand the advantages and disadvantages of tenure systems, financing and associated factors as well as the technical information involved in building.

4.7 TESTING THE HYPOTHESIS

From the above, it is clear that SPF has played a definite role in assisting the poorest of poor realise their dreams of having a roof over their heads. However, if the activities of such organisations are to be encouraged, then there must be very clear guidelines as part of a broader government policy to guide these organisations who wish to contribute to the resolution of the South African housing crisis.

5 CHAPTER FIVE - CONCLUSIONS AND RECOMMENDATIONS

5.1 CONCLUSIONS

It would appear that the housing policy which the SPF developed and established in 1990 achieved some successes. Against a backlog of housing demand, that for the poorest of the poor in Eastern Cape Province had not been addressed for a protracted period, and the SPF became the only institution prepared to enter this volatile field. In the light of this it is worth mentioning that NGOs still have a tremendous amount of housing work to do in South Africa, as we attempt to create a new society. The study is of the view that an impending severe crisis in the immediate post apartheid period is that the state will not be in a position to bring about those radical social, economic, and political transformation needed for real development to occur.

It remains the belief of the study that NGOs will continue to be strategic vehicles for community empowerment and important role-players in the future development of this country. This requires both the building and strengthening of their internal capacities to deliver services as well as sustaining an enabling environment for effective intervention in housing delivery. The current backlog in the delivery of serviced land and housing, especially to the poorer communities in the Eastern Cape demands that organisations such as the SPF mobilize all possible resources in order to alleviate the conditions prevalent in these areas.

5.2 RECOMMENDATIONS

As was said in the beginning of the study, housing is one of the main pillars of the new democratic government. As such every effort must be made where possible to render any form of assistance to make this goal a reality. The main theme of the study has therefore, been to argue that, if NGOs have a role to play in housing provision for the poor, then every effort should be made to provide them with the necessary assistance they might need to fulfill this goal. The recommendations which follow are just some of the issues that this study feels the community, the government and NGOs could focus on to enable a more efficient and effective housing assistance from NGOs to the very poor communities.

The situation where local communities were excluded in the past from decision making on aspects which affect them intimately, should be avoided in the future. It must make ordinary people respond to their own needs. To ensure that housing projects are properly carried out, it must be driven by the community. The poor must be in a position to understand why, for example, an NGO has come up with proposals to provide houses for them. However, the lack of capacity of local communities to effectively participate without causing undue delays, is a serious constraint at present. The poor, because of the situation in which they find themselves, normally lack experience and vision in matters relating to housing. As the study found out, they perceive housing to mean just a place to stay. In this regard, they need the

assistance of technocrats and this is where the NGO becomes a very useful tool.

A further concern with people's participation in projects that concern them is that a vast majority of people play a very little part in making or influencing decisions although they comprise the bulk of those who are affected by such decisions. The goal of participation ideally is to increase the individual's control over the course of his life, enable collective decisions to be more easily acceptable, provide an integrative function which improves the individual's relationship with the community and improve the effectiveness of decision making and make it more appropriate. It is the view of this study that, participation should build trust and credibility, keep emotions down and that honest disagreements become points for discussion and negotiation.

The NGO must work towards the increased involvement of the community in all issues that has to do with the process of developments that are of direct benefit to them. At review meetings and other meetings that have to do with implementation of projects, the sessions must be open to all members of the community. These meetings must be free to decide about opening additional sessions as well as adding/subtracting to the agenda. These meetings will afford greater opportunities for community participation and contribution. Concerning the treatment communities are to be accorded at meetings,

relevant standards must be maintained where the communities can contribute effectively.

Another important recommendation of this study is government assistance. The integration of NGO activities and government action essentially involves the scaling up of innovative approaches where a pilot project which has been successful is replicated elsewhere. However, according to the World Bank (1990), this is without its problems. It argues that the input of financial and human resources in pilot projects is often too high to be widely replicable within existing resources. Any single standard package may not have enough flexibility to be adapted to a wide variety of specific local institutions and cultural contexts. Often voluntary organisations have initiated projects with no involvement of government. Thus they have not had to deal with the real-life constraints of government bureaucracy, and therefore, have less credibility. Sometimes there is not enough community involvement in all the stages to assure appropriateness, cost-effectiveness, coverage and continuity. Government officials are often also skeptical or suspicious of such voluntary agencies as was noted elsewhere in the study.

Therefore, the key issues in scaling up should be:

- Getting the attention of policymakers and convincing them of the usefulness, practicability, affordability and replicability of the work of NGOs in assisting housing provision for the poor,

- Maintenance of an emphasis on participatory processes with the communities that are benefiting,
- Maintenance of accountability to the people at the grassroots by the NGO that is assisting them.

Eventually, the idea is to ensure that an NGO project is absorbed by the government and becomes an integral part of and helps transform government programmes and projects into reality where the government is unable to. Also, there must become a cellular multiplication process, where, based on a service model, the government agrees with selected NGOs on the functional roles they play. Closely linked to this is the identification of an appropriate NGO for housing facilitation. Selecting an appropriate NGO partner should involve gathering information about the NGO sector, establishing relevant selection criteria and choosing a suitable selection process. So also, clear selection criteria should be established based on specific project needs. Organisational capacity should be assessed according to an NGO's proven track record, not its stated goals. One must also ensure that NGOs have an adequate understanding of project time frames and deadlines.

Based on the assessment of the projects that the SPF has undertaken so far, the study has concluded that should the constraints of tenure, financing and support services be addressed, then the role of the housing developer changed significantly, more especially when applied to the low cost housing market. The NGO, as a housing developer,

therefore should concentrated on removing these constraints and facilitate housing provision rather than become involved in the physical provision of it. In addition to this the study feels that should an NGO become involved in the physical provision of housing, it would be competing with established private sector construction companies. Rather than do this the NGO should direct efforts at stimulating the private sector by encouraging and supporting emerging contractors to take up the opportunities offered through each development project.

In summary, the study recommends that in all its subsequent projects targeted at the poor, an NGO should address the following:

- Erven to be developed on freehold title.
- Financing to be available through initiatives established by the NGO.
- Technical aid and information resources on housing to be available to participants.

The study also showed that NGOs still lack a sufficiently visible public profile. The level of public awareness of NGO work is low, and effective mechanisms for public information on their activities are poor. This is a major drawback in terms of what services they can provide and the target groups. This deficiency compromises the medium and long-term impact of the NGOs on development issues. This deficiency must be addressed forcefully.

ANNEXURE A1

QUESTIONS WHICH WERE PUT TO THE BENEFICIARIES OF THE PROJECTS

What is your occupation? .....

What is your monthly income? .....

How many people depend on you? .....

What and where was your previous accommodation? .....

.....

How did you get to know about the Small Projects Foundation?

.....

.....

How did you get involved with the activities of the Foundation?

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.....

What specifically prompted you to get involved in the activities of the Foundation?

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Was there any form of teamwork and partnership between you and the Small Projects Foundation?

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If so, what were the specific tasks in which you were involved?

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Were these tasks difficult for you to handle?

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If so, were you assisted to overcome these difficulties?

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How were you assisted to overcome these difficulties?

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Did you encounter any other difficulties in your dealings with the Small Projects Foundation as far as overcoming these difficulties were concerned?

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Have you learnt anything from your involvement in this project?

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Do you find the quality of workmanship acceptable?

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In your opinion, do you think the activities of the SPF have helped in the provision of a more decent form of shelter?

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In your opinion, how do you think the Small Projects Foundation can better deliver based on your experience with them?

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ANNEXURE A2

QUESTIONS WHICH WERE PUT TO OFFICIALS OF THE SMALL PROJECTS FOUNDATION

When was this idea conceived?

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What prompted the setting up of this organisation?

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What were the basic motives for setting up the organisation?

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Why was it formed as an NGO and not as a pure parastatal?

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How was the organisation formed and started?

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What are the critical changes that took place over time in terms of what the aims and objectives of the organisation were?

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What were the causes for those changes?

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How was the organisation initially funded?

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Did you receive any funding or any form of support from the government?

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Did you receive any funding or any form of support from any other body or organisation?

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Do you work together with the government body responsible for housing?

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Do you intermediate between the government and the community?

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How many projects have you undertaken so far?

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What problems have you encountered with the participation of the community?

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What problems have you encountered with funding from other organisations or the government?

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How did you overcome these problems?

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What are the community perceptions of your activities?

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What is the Provincial Government's perception of your activities?

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From an analysis of your operations so far, do you think that the Small Projects Foundation has a future role in the provision of low income housing for the poorest of the poor?

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If so, give reasons.

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ANNEXURE A3

QUESTIONS WHICH WERE PUT TO OFFICIALS OF THE PROVINCIAL HOUSING DEPARTMENT

Have you known about the activities of the Small Projects Foundation?

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How did you get to know about its activities?

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What were initial perceptions of the activities of the SPF?

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What is your own assessment of the performance of the Foundation so far?

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Has the SPF approached the Department for any kind of assistance? If so what are these?

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What specific areas have you been in collaboration with the SPF?

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How has this collaboration impacted on housing delivery for the poor?

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In your opinion, has the SPF contributed in assisting with housing provision for the poor? Give reasons.

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Do you think they should be encouraged and supported to continue with their activities?

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Are the operations of the SPF in line with Government policy?

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Are there any complaints from the community on the activities of the SPF? If yes, what are these?

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What kind of support do you provide for such NGOs?

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What would be your suggestions towards improving NGO involvement in housing delivery vis-à-vis co-operation with the Department of Housing?

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