

**RESTRUCTURING THE APARTHEID CITY OF DURBAN
THROUGH LOW-COST HOUSING DEVELOPMENT:
OPPORTUNITIES AND LIMITATIONS**

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TABLE OF CONTENTS

CHAPTER 1

1.1	INTRODUCTION	1
1.2	PROBLEM STATEMENT	3
1.3	SCOPE OF THE STUDY	5
1.4	AIMS AND OBJECTIVES OF THE STUDY	5
1.5	RESEARCH QUESTION	6
1.6	HYPOTHESIS	6
1.7	DEFINITION OF CONCEPTS	7
1.8	METHODOLOGY	7
1.8.1	Secondary Sources	8
1.8.2	Primary Sources	10
1.8.3	Data Analysis	12
1.9	TIME FRAME	13

CHAPTER 2 - CITY FORM

2.1	INTRODUCTION	14
2.2	CHARACTERISTICS OF THE SPATIAL FORM	14
2.3	SUGGESTED INTERVENTIONS	16

CHAPTER 3 - HISTORICAL PERSPECTIVE

3.1	INTRODUCTION	21
3.2	URBANISATION IN SOUTH AFRICAN CITIES	21
3.3	BRIEF HISTORY OF DURBAN	24
3.4	DURBAN'S STRUCTURAL INEFFICIENCIES	30
3.4.1	Urban Sprawl	31
3.4.2	Fragmentation	31
3.4.3	Separation	32
3.5	THE NEED TO RESTRUCTURE	34

CHAPTER 4 - LIMITATIONS TO CITY RESTRUCTURING

4.1	INTRODUCTION	36
4.2	LAND RELATED LIMITATIONS	36
4.2.1	Land Availability	37
4.2.2	Geophysical Conditions	42
4.2.3	Land Values	44
4.2.4	Competing Land Uses	46
4.2.5	Land Claims	47
4.2.6	Environmental Considerations	49
4.2.7	Bulk Services	50
4.3	SOCIO-ECONOMIC IMPEDIMENTS	51
4.3.1	Low Income Levels	51
4.3.2	Unemployment	54
4.4	SOCIO-POLITICAL IMPEDIMENTS	56
4.4.1	The Nimby Syndrome	56
4.4.2	Racism	58
4.5	THE INHIBITING FINANCIAL ENVIRONMENT	59
4.5.1	Uncertainty of Subsidy Funding	60
4.5.2	The Lending Policies of Banks	61
4.6	POLICY LIMITATIONS	62
4.6.1	Ingonyama Trust Act	62
4.6.2	Transitional Local Government Arrangements	64
4.6.3	The National Norms And Standards	64
4.7	CONCLUSION	67

CHAPTER 5 - OPPORTUNITIES FOR RESTRUCTURING THE APARTHEID CITY

5.1	INTRODUCTION	68
5.2	LAND RELATED OPPORTUNITIES	68
5.2.1	Strategic Land Availability	69
5.2.2	Informally Settled Land	71

5.2.3	Land Owned in Absentia	74
5.2.4	Land Under Sugar Cane	75
5.3	POLICY AND LEGISLATIVE OPPORTUNITIES	76
5.3.1	The White Paper on Housing 1994	76
5.3.2	The Housing Act 107 of 1997	78
5.3.3	The Local Government Transition Act (1996)	79
5.3.4	National Urban Development Strategy	80
5.3.5	The Development Facilitation Act (1995)	80
5.3.6	The Less Formal Township Establishment Act 113 of 1991	82
5.3.7	The Durban Metro Housing Allocations Policy	82
5.4	SOCIO-POLITICAL OPPORTUNITIES	83
5.4.1	From Race to Class	83
5.4.2	Democratic Local Government	83
5.5	FUNDING OPPORTUNITIES	84
5.5.1	The Housing Subsidy Scheme	84
5.5.2	Land Restitution Grants	85
5.5.3	The Dedicated Housing Funds	86

CHAPTER 6 - OVERCOMING LIMITATIONS AND MAXIMISING OPPORTUNITIES

6.1	INTRODUCTION	87
6.2	RECOMMENDATIONS	88
6.2.1	Land Identification and Banking	88
6.2.2	Increased Densities	89
6.2.3	Innovative Project Design	89
6.2.4	Land Claims Strategy	90
6.2.5	Interfacing	91
6.2.6	Focus on in-fills	91
6.2.7	Use Housing Funds Sustainably	92
6.2.8	Upgrade Informal Settlements	92
6.4	CONCLUSION	93
	REFERENCES	94

LIST OF MAPS

1.	MAP 1	RACIAL AREAS IN RELATION TO CBD AND INDUSTRIAL AREAS	33
2.	MAP 2	DEVELOPABLE VACANT LAND IN THE NORTH AND SOUTH CENTRAL LOCAL COUNCILS > 5HA	38
3.	MAP 3	VACANT LAND IN THE NORTH AND SOUTH CENTRAL LOCAL COUNCILS > 5HA	39
4.	MAP 4	APPROVED PHB HOUSING PROJECTS IN THE DURBAN METROPOLITAN AREA	40
5.	MAP 5	CORRIDORS AND NODES WITH EXISTING INFORMAL SETTLEMENTS	43
6.	MAP 6	LAND CLAIMS IN RELATION TO CBD AND INFORMAL SETTLEMENTS	48
7.	MAP 7	DURBAN METROPOLITAN AREA	65
8.	MAP 8	BUFFER ZONES BETWEEN RESIDENTIAL AREAS	70
9.	MAP 9	INFORMAL SETTLEMENTS VERSUS CBD AND INDUSTRIAL AREAS	72
10.	MAP 10	SPRINGFIELD INDUSTRIAL AREA AND INFORMAL SETTLEMENTS AROUND	73

LIST OF TABLES

1.	TABLE 4.1	MONTHLY HOUSEHOLD INCOME BREAKDOWN IN THE DURBAN METROPOLITAN AREA	52
2.	TABLE 4.2	HOUSEHOLD HEAD AND SPOUSE INCOME	53
3.	TABLE 4.3	EMPLOYMENT AND UNEMPLOYMENT FIGURES IN THE DURBAN METROPOLITAN AREA	56

LIST OF FIGURES

1.	FIG 4.1	LAND USE : DURBAN METRO AREA	41
2.	FIG 4.2	UNDEVELOPED LAND : DMA 1996	42

CHAPTER 1

1.1 INTRODUCTION

The South African Housing White Paper 1994 recognises the inefficiency of South African cities and laments this situation thus:

“Inefficient and inequitable cities: the geographic segmentation of living areas according to race and class, urban sprawl and disparate levels of service provision and access to amenities in different areas make South Africa’s cities very inequitable, inefficient and relatively expensive to manage and maintain.”

Housing White Paper 1994

The national housing vision, also enunciated in the White Paper, states that:

“Government strives for the establishment of viable, socially and economically integrated communities, situated in areas allowing convenient access to economic opportunities as well as health, educational and social amenities within which all South Africa’s people will have access on a progressive basis to a permanent residential structure with secure tenure, ensuring privacy and providing adequate protection against the elements and portable water adequate sanitary facilities including waste disposal and domestic electricity supply”

Housing White Paper 1994

The spatial configuration of South African cities is a product of a planning paradigm which was the cornerstone of the implementation of the apartheid system. These cities are identifiable by specific characteristics which are pertinent to the apartheid ideology of separation, exploitation and inequality. They can thus be isolated and identified as apartheid cities through the identification of these characteristics.

South Africa’s cities are characterised by a low density sprawl, fragmentation and separation. Low density sprawl in South African cities has been a product of the increasing settlement of people further away from the core city in a manner that is also characterised by careless use of

space which sees small numbers of people occupying disproportionate land as each strives to horizontally increase his or her living space. This situation ensures wastage of land and undermines the potential for high-rise multiple storey forms of living. Fragmentation of the South African city is evidenced by the existence of pockets of development which are unrelated to one another in any functional sense. These pockets of development are usually separated by buffers of open spaces and developments like main roads and freeways. City separation manifests itself in the separation of land uses, urban elements, races and income groups within the city. This results in the scattering of factors of production making it expensive for the economy. As labour experiences high travelling costs of reaching their destinations they demand more wages which increases production costs which in turn increases the price of goods and services.

This current socio-economic spatial context of the apartheid city is characterised by racial residential fragmentation which is costly both in direct economic terms with long commuter distances for the poor, expensive transport subsidies, expensive service provision and in social terms with segregation, inequalities in service delivery and social conflict.

In the quest to rectify this situation, low cost housing development in areas of opportunity, near workplaces, has been identified as one of a number of corrective measures. In an attempt to use low-cost housing development to correct the inefficiencies of the apartheid city, challenges are encountered which threaten to impede the restructuring of the city that is necessary to improve efficiency and equity. There are also opportunities within the same inefficient environment that present themselves and are there to be taken advantage of in achieving the same goal. These limitations and opportunities can be categorised as land related, policy environment, socio-political climate and financial arrangements.

The opportunities that present themselves include the existence of well located residual land, buffer land and informally settled land. Recent enabling legislative frameworks also present opportunities. Some of the limitations relate to the scarcity of suitable land, its values, geophysical conditions and competing uses. Additional impediments can be found from the socioeconomic environment and include such issues as the low level of income of people and unemployment. There also exist residual legislation that impedes development of housing like

the Ingonyama Trust Act of 1994. Prevalent racial attitudes are also an impediment.

1.2 PROBLEM STATEMENT

It has long been recognised that South African cities are economically inefficient and socially inequitable. These inefficiencies and inequities arise as a result of the socioeconomic spatial configuration of the cities whose planning was carried out within the execution of the grand apartheid plan.

Discussing the political economy of the city in South Africa, Richard Child Hill observes that “The city is forged upon the hearth of a given mode of production and is shaped with a given set of technological instruments. In a capitalist society, urbanisation and the structure and functioning of cities is rooted in the production, reproduction, circulation and overall organisation of the capital accumulation process. Since the process of capital accumulation unfolds in a spatially structured environment, urbanism may be viewed as the particular geographical form and spatial patterning of relationships taken by the process of capital accumulation.” (Hill 1976)

The mode of production in South African cities has been premised on the recruitment of cheap labour for industry and the subjugation of such labour in ensuring that they do not reap the benefits of their efforts. This has been implemented through deprivation of the labour force of such liberties as permanent residential settlement near areas of economic opportunity.

Whilst opportunity costs have been immense, the economic and social costs have been devastating. The poor are compelled to pay high transport fares to get to work and to opportunities. They are exposed to risks of accidents on low quality roads en route to work. The poor spend long hours in transit and therefore endure fatigue which makes them less productive. They are separated from their families for long spells with negative domestic repercussions. The set of technological instruments pertinent to the mode of production has included planning and other legislation and have resulted in a costly urban mode of production.

Costs resulting from an inefficient urban system generally are passed down to the citizen. In the South African context where the poor and black are in the majority and are the most affected,

these costs are unaffordable and feed into the cycle of poverty. If this cycle is to be broken, planning methods that attempt to rectify this situation have to be found within the ongoing development interventions which include the national housing development programme.

If the national housing development programme is to be used as a city restructuring tool then it needs to provide housing opportunities for previously disadvantaged people closer to centres of opportunity and to contribute towards the social and spatial reintegration of the apartheid city in a manner which promotes economic efficiency, reduces long commuter distances and provides for the creation of sustainable social and physical environments within a legal political and socio-economic environment.

Some of the physical, socio-political and economic conditions within South African cities generally and the Durban Metropolitan area specifically, are, however, hostile to the implementation of this correctional tool and the creation of these environments. It should be noted that some of these conditions, whilst restrictive to creative intervention, can be conducive to the implementation of the correctional tool.

The identification and isolation of both inhibiting and enabling conditions is the subject of investigation of this work. In addition an attempt will be made to provide suggestions as to how to create an enabling environment for the low cost housing development programme to be implemented as a correctional measure.

The problem that this work attempts to tackle relates to the legal, political, financial and socio-economic mechanisms to circumvent problems and enhance opportunities to use housing development as an apartheid city restructuring tool.

The objectives, therefore, of this study is to understand the problems that are mostly a function of the current apartheid city structure, and to identify limitations and opportunities that the same structure presents before making suggestions as to how the structure can be changed given such limitations and opportunities that present themselves.

1.3 SCOPE OF THE STUDY

The issues raised in this work are broadly pertinent to big cities although the case studies used to support arguments and inform observations are found within the Durban Metropolitan area. Although the study is limited to the Durban Metro, the application is unlimited and issues can be generalised to other similar urban conglomerations in South Africa and elsewhere.

1.4 AIMS AND OBJECTIVES OF THE STUDY

At this political time and age, when apartheid has been repealed, the housing backlog determined and the government has committed itself to housing the previously disadvantaged and made resources available, it is imperative to deliver housing at scale. This delivery should happen in a manner that not only provides housing opportunities to the poor and homeless but also ensures that where they are located they have equal access to opportunities.

This study aims to identify opportunities that avail themselves to housing development interventionists to enable them to restructure the city through housing development. It also warns of the limitations that these interventionists are likely to encounter in this endeavour. The study will therefore be informative to a number of people and organisations involved in housing delivery.

The objective is to identify the limitations and opportunities and then suggest some innovative interventions that have the potential to circumvent limitations and maximise opportunities to restructure the city.

Potential beneficiaries of the study include officials of the city of Durban, policy makers at both provincial and local level, students, private developers, planners and other professionals in Durban and elsewhere.

1.5 RESEARCH QUESTION

If the low cost housing development programme can be used to restructure the apartheid city, what mechanisms, policy changes, socio-economic and institutional adjustments must be made which will challenge the existing limitations and maximise opportunities that present themselves in the physical, legal, political, policy and socio-economic environment?

In order to arrive at implementable solutions, more questions beg answers. These subsidiary questions can be listed as:

- ✎ What is the prevalent institutional, political, physical, policy and socio-economic environment ?
- ✎ What are the limitations presented by this environment?
- ✎ What opportunities does this environment present?
- ✎ How can the limitations be overcome?
- ✎ How can the opportunities be maximised?
- ✎ How can the restructuring of the apartheid city be expedited given the limitations and opportunities?
- ✎ What strategies can be devised and interventions implemented to accelerate the city restructuring?

1.6 HYPOTHESIS

For a strategy to restructure the apartheid city through the development of housing to be successful it will need to be one that overcomes the limitations and maximises the opportunities through changes in the political atmosphere, the legal environment, funding policies and institutional environment.

1.7 DEFINITION OF CONCEPTS

Apartheid City	refers to a city which, through deliberate design, is settled in such a way that racial residential areas are separated by natural buffers like greenfields or man-made infrastructure like freeways and major roads, the African poor areas are located furthest away from the city and jobs and there is tension between residential areas and between races.
Restructuring	refers to measures to be taken to ensure that the city functions efficiently, labour is located near employment, races are residentially mixed and there is equal opportunity for all.
City Inefficiencies	refer to the inefficient economic functioning of the city which is characterised by leakages such a high transport costs, expensive products and long commuter distances between areas of residence and jobs.
Low-cost Housing	refers to state provided housing opportunities affordable to the low income earning residents.
City Spatial Form	refers to geographic arrangements of social and economic development which produce the character of the city.

1.8 METHODOLOGY

The methodology employed for this investigation involves a multiplicity of data collection methods including perusal of documented sources, interviews and participant observation. Durban has been chosen as a case study for many reasons. Firstly, there is documentary evidence, within easy reach, in abundance about the history of apartheid planning in Durban where the separation of races was done successfully and affected four population groups i.e. Indian, Coloured, White and African.

Secondly, Durban is one of a few South African cities where the homeland boundaries abutted the city boundary with many negative consequences. Bekker has included the cities of East London and Pretoria only in this category (Bekker 1991). Another reason for choosing Durban is the accessibility of information and informants to the author as this work is being done in Durban. Related to this is the fact that the author himself has personal experience of the city having been born and bred in Durban and currently working there.

Durban is also unique because it has the highest concentration of the Indian population than all other cities in South Africa. This presents an opportunity to make observations about how apartheid city planning produced complicated race relations issues involving four population groups residentially separated and differentiated in terms of housing provision and location.

1.8.1 Secondary Sources

As the topic involves a glimpse into planning practices through which the city configuration was cobbled together, planning related material was sourced from the architecture library which is accessible. Works by authors like David Dewar have been used to kick-start the argument.

Other authors like McCarthy and Smit were consulted although most of their material is in the form of confidential reports which were critical of the status quo but understandably ignored at the time. The material by these authors relate to the argument around the issue of decentralisation and deconcentration of industry. This material is educative on the issues around the creation of homelands with their accompanying urban dislocation of people and the creation of zones of industrial exploitation on the borders between the homelands and white South Africa.

Further work consulted has been that which throws light into political influences that were at play when the apartheid city was created. This is material focussing on the history of urbanisation in Durban. Authors like Edwards and Sutcliffe proved relevant here. These were easily obtained from both the main and the architecture libraries.

Material that has a bearing on the legal framework within which it was possible to create the socio-political geography that prevails was also consulted. Works by authors who have delved

into the conceptualisation and implementation of the Group Areas Act and other enabling legislation of the past have been brought to bear. Here, material by authors like Bridge Maharaj has enjoyed a visit. These are also obtainable from both university libraries.

In an attempt to understand the characteristics of the apartheid city and the problems emanating from it, two volumes were informative. These are *Apartheid City In Transition* (Swilling, M. Humphries, R. and Shubane, K. ed) and *The Apartheid City and Beyond*. The two volumes contain chapters by dozens of authors all of whom interrogate aspects of the status quo in the city. These volumes also contain suggestions about what can be done to rectify the situation.

Material also exists at the Durban Metro Housing Unit which has been used for discussion of case studies. This material was sourced mostly from the projects department which has documented experiences of the department in their endeavour to develop housing in such a way that such developments restructure the city. Of particular interest in this material were the problems encountered with such attempts.

This department was also asked for documents related to the costs borne by the subsidy which are directly linked to the structural organisation of the city. Costs related to land acquisition in well located areas were analysed. Other costs related to the proximity of sources of building material to peripheral projects were used for analysis. Of importance was material that relates to political climates that prevail around housing projects in order to gauge the magnitudes of the “NIMBY” (Not in my Backyard) syndrome afflicting the neighbouring established communities. The case of the relocation of the community of Canaan to a project at Quarry Heights was studied. This case study proved useful for a number of issues related to city restructuring.

The land section at the Durban Metro Housing Unit was approached for information related to land issues. Here the information sought was both on the opportunities presented by, and problems associated with, the apartheid created land ownership patterns in the city of Durban. The information from this section was used to piece together issues such as land supply and demand, competing interests for land, land values, geophysical conditions and bulk infrastructure accessibility.

The Cato Manor Development Association (CMDA) was visited for information on the history of the project. Of importance about Cato Manor is the role the project played as a laboratory initially to experiment with the removals policy in the late 1950s and early 1960s and later to test the restructuring of the city through housing from the early 1990s to date. There lies an abundance of both primary and secondary sources of information at the CMDA. The CMDA has a small internal library which is accessible to the public. As a presidential housing lead project in Durban and the nearest lowcost housing project to the city it had a lot to offer in terms of rich material.

Legal documents such as the Housing Act 107, Land Restitution Act 1994, The Development Facilitation Act 1998 were perused. These and other related pieces of legislation became useful in so far as gaining an understanding of elements within them providing a legally enabling environment which enhances opportunities to restructure the city.

The forced removal of people from certain areas of the city in the past has left a legacy of land claims by those people removed. These land claims pose serious impediments to the acquisition of land for housing development as most of the claims are for well located land which is suitable for development. The process of satisfying these claims is conducted according to the Land Restitution Act of 1994 which Act has established a commission to examine and recommend on these claims. The offices of the Land Claims Commissioner, Cherryl Walker, in Pietermaritzburg were therefore visited for perusal of secondary sources like the nature, number, location and quantity of land claims.

Secondary sources perused were not exhaustive but informative for the purposes of this work. The quantity of these sources is unlimited and useful for further related research.

1.8.2 Primary Sources

Primary sources for this work include books, journals, participant observation and unstructured interviews.

Interviews were conducted with officials of the city of Durban who are currently involved in

planning and development. This was useful in ascertaining both opportunities and limitations presented by the city status quo. This created an opportunity to examine prevailing thinking about city development generally and through housing specifically.

Further interviews were conducted with officials from Metro Housing especially the projects departments. These officials have vast experience both as officials now and previously as professionals in the field of housing. This information became useful in gaining an understanding of the challenges presented by the apartheid city structure. These officials were also asked to relate their experiences about how they are attempting to turn the spatial distribution of land and people into opportunities for development generally and city restructuring specifically. Of interest was the experiences of these officials with the “NIMBY” (Not In My Backyard) syndrome.

The CEO of the Cato Manor Development Association, Mr Clive Forster was interviewed. The CEO has vast experience in housing as an employee of the Built Environment Support Group in the 1980s and now as CEO of the Cato Manor Development Association. The CMDA and BESG are two local organisations who have been at the forefront of upgrading settlements located in controversial areas in Durban and have experience of problems associated with attempts to integrate the poor into the urban social environment. Specific information sought from the CMDA related to the court case instituted by the community of Manor Gardens against the development of Cato Crest and the nature of issues in that conflict. Other Project Managers like Heather Maxwell were also interviewed in an attempt to solicit their views on the possibilities of eventually integrating the different races through housing.

It was also essential to secure interviews with officials from the other local authorities in the Durban Metro Area. These local authorities are the ones which are located furthest from the core of the city and therefore have first hand experience of problems associated with the urban sprawl and the location of people in relation to their jobs. The local authority officials targeted were the North, Outer West and South Local Councils.

Political leadership in the form of local councillors were also interviewed in an attempt to get their views on the possibility of restructuring the city through housing. These were unstructured

interviews taking the form of informal conversation about the future vision of the city. Councillors spoken to were those who constitute the Metro Housing Committee and its chairman, Mr Sbu Gumede.

Old and new maps of the city of Durban were collected in an attempt to trace the history of urbanisation in the city of Durban. These old maps were obtained from the planning department of the city of Durban. Maps are also available from the Metro Housing Unit. The old library also has maps of certain parts of the city.

Aerial photos were sought from the city engineers department. These photos helped increase an understanding of the past and current city spatial relations. Aerial photos became useful as visible data to make statements about the status quo.

Material from the 1996 and 1985 censuses was also used in attempting to understand and quantify the magnitude of the housing problem associated with the distribution of people. Statistics from the 1985 census is available from most libraries whilst the latest is available from Internet albeit incomplete.

Additional use was made of available tables, matrices and indices in situations that need quantitative explanations.

1.8.3 Data Analysis

The data collected through the methodology outlined was analysed through the bouncing of theory against reality in the form of case studies of relevant housing projects which are at different stages of conceptualisation and implementation in Durban. Challenges identified by interviewees and noted from documents were categorised. Limitations were also deciphered from interviews and findings from documentary research. Challenges still faced, and limitations already overcome, in implementation of corrective housing projects were brought to bear in analysing the information. Personal experiences of the author also came in handy as an additional tool of analysis.

1.9 TIME FRAME

The study took about six months to complete. Data collection took less than three months and depended on availability of interviewees and other material. The following two months were dedicated to reading with the last two months set aside for writing.

CHAPTER 2

CITY FORM

2.1 INTRODUCTION

Durban's city spatial form resulted from local and national state conspiracy to provide economic opportunities to the white constituency. This spatial form has persisted over time and in the process resulted in problems observed by McCarthy and Smit in their hypothesis that "efficiency problems, indeed problems of economic opportunity and equity too, lie within the form of South African urban settlements rather than between them" (McCarthy and Smit 1988). They see a city that has a problem of urban form rather than urban size. These have been identified by Dewar (1995) in an evaluation of the three "formal and structural characteristics" which are resulting from the urbanisation process and management responses to it.

2.2 CHARACTERISTICS OF THE SPATIAL FORM

The first characteristic evaluated by Dewar is that of a low density sprawl. This pattern he sees as being determined by high income people seeking to privatise amenity, developers targeting places of beauty, and the crisis driven search by the state for land for lowcost housing. Dewar observes that historically the main factors informing choice of land for low income housing have been ease of acquisition and a desire for racial separation. He holds responsible for the sprawl the "entrenched values of suburbia which promote the single storey house on a large plot as the image of good urban life." This he sees as contributing to the loose character of the urban fabric.

The low density sprawl identified by Dewar as a characteristic of the urbanisation process is observable in many South African cities and is certainly a characteristic of the city of Durban. Whilst it is true that single storey houses on large plots have become symbols of good urban life perpetuated by values of suburbia, the African cultural values consigned by migrants to cities have also added to the demand for single storey houses on big plots. African philosophy has it that aborigines of the country emanated from the soil. It is important to continually be in touch with the soil from which ancestors originated and were ultimately buried. This philosophy has contributed to the rejection of multi-storey living and continues to perpetuate the urban sprawl.

The second characteristic identified by Dewar is the pattern of fragmentation. He laments the

coarse grain of cities where developments happen in relatively discrete pockets or cells separated by freeways or buffers of open space. This is enforced by the management belief in “urban villages” or “neighbourhood unit” concept where middle class housing areas focus inwards on community facilities situated at the centres and township developments take the form of large entities on discrete, consolidated sites. As these pockets operate in relative isolation , they limit benefits in an urban structural sense.

What Dewar does not state but which is relevant to his argument is that the community facilities he refers to are situated at the centre of middle class housing estates in order to make them inaccessible to others and highly accessible to the community around them. Also unstated by Dewar is the fact that the large discrete townships were deliberately planned with relatively few community facilities. The game plan therefore was for large numbers of people in townships to share scarce facilities. This meant savings for the state and allowed minimum expenditure on facilities for township dwellers. The ratio of households to a facility is quite high in townships compared to suburbs.

Dewar identifies the third characteristic as the pattern of separation. He observes that “ land uses, urban elements, races and income groups are all separated to the greatest degree possible”. Of particular concern to him is the separation of workplace and residence. The apartheid planning practices located the poor on the periphery of the city. The separation pattern means higher costs for them to get to places of, and limits their access to, job opportunities.

Dewar then philosophises that because people come to cities not for houses but for other economic, social, commercial, cultural and recreational opportunities, it makes sense to agglomerate large numbers of people in order to generate these activities. The more the city generates these activities the better it must be adjusted to perform. Of importance to the South African situation, given the poverty and unemployment is the need to generate opportunities for small scale informal activities. He observes that “ the ability of urban systems to generate opportunities of this kind is not related to their size but affected by their form and structure.” (Dewar 1995)

To take Dewar's argument further, small scale informal activities for the poor and unemployed can only succeed if the market for them is accessible. In the current situation the market for small scale activities is constrained by the very city form in that those who supply this market have to incur transport costs to ply their trade. This results in them either not being competitive and unsuccessful or in the poor evading transport costs by informally accommodating themselves on the streets of cities. This results in a distortion of the actual demand for housing.

He philosophises further that it is of little use that such opportunities generated by the city be accessible to a limited number of people. The need for access is that as far as possible people should be able to carry out daily activities on foot. He concedes that this is not possible for many situations and therefore poor people should have affordable transportation to opportunities and this implies their location within affordable travel distances. In the application of his philosophy, Dewar suggests some specific actions which need to be taken to deal with the current form of the apartheid city. McCarthy and Smit have also made suggestions about how to restructure the apartheid city. These are examined in their third volume (McCarthy and Smit Vol III, 1988) and categorised into two approaches: the creation of compact integrated cities and cities within cities. These are elaborated further on.

2.3 SUGGESTED INTERVENTIONS

Dewar's first suggestion is that the relationship between non-urban and urban land should be established and maintained. There should be a fixed edge between urban prime and agricultural land to promote a stable relationship between a dense local urban market and agricultural land which in turn stimulates intensive small-scale agricultural activity. The edge is seen as a boundary used to arrest the urban sprawl which he has denounced as a factor contributing to city inefficiency.

Whilst the necessity for the urban edge to be fixed is a good suggestion, there are situations which inhibit this effort. In the case of Durban, the KwaZulu homeland shared a boundary with the city with the result that the poverty and degradation of rural areas has seen many people abandoning agricultural activities and engaging in shack farming which is more successful on rural land just beyond city boundaries. This has resulted in a functional confusion between the urban edge and the homeland rural edge.

There is a role that housing can play in this regard. The absence to date of a national policy on rural housing has limited the role of housing in promoting the fixing of the urban edge and the functional interaction between urban and rural. A need exists for a rural housing policy which attempts to promote agricultural infrastructure and the notion of agrivillages. These clusters of housing estates linked to communal farmland need to be investigated in order to relegate arable land to its proper use and the housing of agricultural entrepreneurs in proper context. A proper rural housing policy can play a role in the fixing of the urban edge and the forging of a functional relationship between the urban and the rural.

The second suggestion relates to compaction of the city. Dewar suggests that the form of the city should be compacted for a number of reasons. The more compact the local market, the greater the range and diversity of potential economic opportunities presenting themselves to the citizens. The more compact the system the more services that can be accessed by foot. Transport systems are easily initiated in compact situations. The unit costs of service provision is reduced by compacting, he argues.

Housing has a central role to play in this regard. The argument presented by Dewar seems to place housing at the centre of city compaction. The answer seems to be high density high rise housing developments with the ability to accommodate large numbers of people within relatively small land areas. Commercial and other economic opportunities are easily created through the use of lower floors of high rise buildings with the large concentrations of people on the upper floors providing viable markets for such activities. Jobs, albeit limited and specialised, are easily created in such environments. The maintenance, servicing and administration of high density high rise housing estates also have the effect of creating jobs and absorbing some of the occupants of such housing estates.

McCarthy and Smit have also suggested the creation of a compact integrated city as an approach to restructuring the apartheid city.

For them the compact integrated city is comprised of the following major elements:

- (a) The elimination of racial zoning of any kind
- (b) The use of activity corridors to integrate parts of the city which are currently separated and inwardly oriented.
- (c) The promotion of an efficient and comprehensive public transport system which would also be an important part of the activity corridors.
- (d) The promotion of compact urban growth through the conscious limiting of urban sprawl and by urban Infills.
- (e) High density residential development, particularly around activity corridors.
- (f) The creation of a "capital web" of major public facilities to reinforce activity corridors.
- (g) The deregulation of activity corridors with a view to: attracting a variety of enterprises; easing market entry for small firms; and reducing the congestion that "point" development creates.
- (h) The acceptance of an active promotion of mixed and multi-functional land use, particularly in activity corridors.
- (i) The mixing or juxtaposing of high, middle and low income groups wherever feasible.

The relevance for housing in the above stated elements cannot be overemphasised. Corridor development can only be successful if buttressed by housing development able to accommodate entrepreneurs and situated within walking distances of such corridors. Transport and related infrastructural developments can be used to the maximum if high density housing is appended to such corridor development.

Dewar (1995) further suggests the promotion of more integrated urban forms and more complex levels of order. "Integrated urban systems, as opposed to ones characterised by separation, are more highly generative in that they create more opportunities to which people can respond: they are more convenient and equitable in the sense that people have more exposure to a wider range of facilities and activities and they are more efficient in that they make better use of infrastructure."

Housing as a large consumer of urban services like water and electricity has a major role to play in the scenario presented by Dewar (1995). The more people reside within a given urban space the more services they consume, the less extension of bulk services is required thus making the service cheap and affordable.

McCarthy and Smit (1988) have suggested an approach which involves the creation of cities within cities. This is a concept originally proposed by Lauchlin Currie (1978) as a way of managing metropolitan growth for large city systems. Currie asserted that cities within cities will perform very well from an economic point of view. Currie argued that cities-within-cities will provide a form of city growth management which overcomes many problems associated with big cities at the same time allowing all the benefits of the city to be realised. The metropolitan growth is accommodated in a cluster of compact, walkable, planned communities of sufficient sizes. These compact cities-within-cities are clustered tightly around the core area so that the overall form of the metropolitan area is compact. New growth is accommodated in new planned communities which are appended to the existing ones. These small cities-within-cities are planned as real cities with industries, offices, shops and a cross section of the population.

If successfully implemented cities within cities will reduce commuting substantially which will place downward pressure on wages. McCarthy and Smit (1988) argue that millions of rands are being spent on transport subsidies to try and subsidise the poor to be able to commute to the workplace. They assert that the inefficient form of the South African city certainly affects the cost of labour because of the dislocation of workplace and residence leading to expensive long distance commuting which in turn leads to demands for higher wages and for transport subsidies. They make the powerful statement that the effect of apartheid spatial form on the improvement of the work force is important in that a skilled labour force which is necessary to operate increasingly sophisticated technology cannot be created without decent schooling, training, housing and health care. The segregation and dispersal of residential areas make it difficult to provide such facilities and services economically in many areas.

The provision of infrastructure in these cities within cities should be less expensive and less risky than currently is the case. The current spatial form results in a situation where it becomes expensive to provide infrastructure to peripheral areas.

It is further argued by McCarthy and Smit (1988) that cities-within-cities can contribute to the realisation of a non-racial democracy. The racial distribution in Durban is currently conducive to conflict as community groups coincide with racial groups.

This is testified to by Robinson (1990) when she observes that the current urban form of the apartheid city resulted from the efforts by the apartheid state in search of a housing solution. These efforts generated a coherent policy of segregation. Robinson predicts that the democratic government will also search for appropriate political solution through the question of urban form generally and housing specifically. She looks forward to cities made in the image of non-racial democracy.

If the restructuring tools suggested in the work discussed above are to be used in the context of the South African city generally and in Durban specifically then there is a need to examine the opportunities that present themselves in these environments. Equally important is the identification of limitations to the task of restructuring the apartheid city using the planning tools suggested above.

These opportunities and constraints, as discussed in chapters four and five, can be found in the socio-economic environment, the land supply and demand situation and the legal framework within which housing development occurs. It is also important to examine the financial arrangements around housing delivery and their impact on the restructuring efforts. This is also done in both chapter four and five.

CHAPTER 3

HISTORICAL PERSPECTIVE

3.1 INTRODUCTION

Any approach to the problems associated with the apartheid city has to take cognisance of the historical background to the policies that produced the current spatial relations in the city. The approach should thereafter be to look at the spatial configuration and its implications for socio-economic relations as they currently are before attempting to make suggestions about intervention strategies.

In this chapter an account of the history of urbanisation in South Africa generally and in Durban specifically is provided before a discussion on structural inefficiencies of the apartheid city. An argument for restructuring the city will also be made. This discussion will centre around a case study of the city of Durban.

In this chapter an attempt will be made to take a close look at how the apartheid city of Durban came about and what problems this arrangement has produced. The need to intervene through housing development will then be established.

3.2 URBANISATION IN SOUTH AFRICAN CITIES

The History of urbanisation in South Africa generally and Durban specifically has been well documented. A complex colonial past is the root of contemporary South African society. Emphasis on race-cultural differences and the assertion that such differences are incompatible have been the basis upon which society has legally been organised for many years. Harmony among race groups was thought to be achievable through the reduction of points of contact among race groups.

Davies asserts that South African cities were of the alien city type established in a territory without an indigenous urban tradition and in which the colonial white group served as an urban

host society (Davies 1976). Reflecting shifts in the intensity of race class stratification with time, two sequentially related cities are distinguishable in the South African context. The Segregation city which grew over nearly three centuries to 1950 and the Apartheid city which emerged after that. There is a broad demarcation between the period up to 1950 and after that in the South African policy of dealing with the issue of urbanisation and race.(Davies 1976)

The Segregation city from the 1920s saw the deterioration in the economies of the African reserves. This resulted in a considerable migration from the rural reserves to the urban areas culminating in a dramatic growth in the size of the African urban population. A rise in the total size of the African urban population between 1921 and 1951 saw the numbers grow from 507 000 to about 2,3 million respectively. By the early 1960s the urban African population comprised about 31% of the total African population. (Davies 1976). It was noted by Posel (1991) that such figures are not inclusive of the untold numbers of illegal city-dwellers who had obvious reasons to elude census-takers.

This growth of African urbanisation during this period galvanised the state to intervention in the urbanisation process. There was however uncertainty and debate within policy making circles as to what form of intervention was appropriate. Maylam (1987) asserts that two poles of thinking prevailed at the time. On the one extreme there was the view advocated by the Stallard Commission of 1922 that the right of Africans to be in urban areas be limited to their willingness to enter and to minister to the needs of the white man. On the other extreme existed the liberal view that the stabilisation of the African population be encouraged in preference to the continuation of the migrant labour system.

Dominant was the view, among policy-makers of the time, that fell between the two extremes. According to Maylam this compromise, as reflected in the various government commissions that sat in the 1930s and the 1940s, recognised the impracticability of Stallardism whilst also falling short of recommending wholesome stabilisation. This view was therefore a pragmatic one which recognised the reality of stabilisation together with continued migrancy. Simply put this view reflected both the realities of the urbanisation process and particular labour needs of the different capitalist sectors. There was a need for a more skilled and more stabilised labour force by secondary industry with the mining sector continuing to depend on migrant labour. The growing

state intervention in the urban sphere laid the foundation for the era of the high apartheid and rigid labour control that was to follow from the 1950s.

In the business of managing the urban African labour force, the Natives (Urban Areas) Act of 1923 was the first major intervention by the central state. This Act empowered municipalities to establish segregated locations for Africans and to implement a rudimentary system of influx control. Segregation was gradually introduced as certain sections were proclaimed "white", compelling all non-exempted Africans and those not living within their employers premises to move into a municipal location or hostel. This Act had long term implications in that it provided a foundation upon which subsequent legislation and policy in the process of African urbanisation was to be evolved.

The key elements of later, more refined, urban apartheid practice were to be found in embryonic form in this Act. These elements included the principle of segregation, the practise of relocation and influx control mechanism.

An amendment to this law was passed in 1937 with its major concern as influx control. The Native Laws Amendment Act of 1937 provided for the removal to the rural areas of all African surplus labour from any urban area. The expulsion powers of local authorities were increased concurrent to the increase of the powers of the Minister of Native Affairs to compel local authorities to implement any section of the Native urban areas act of 1923. Failure by a local authority to implement all or any of these meant central government intervention in implementing all or any of these. Conflict between local and central state was inevitable. Again Davies asserts that "the scale of urbanisation of all population groups during and since World War II, the progressive growth of inner city enclaves, increasing sub-urbanisation of whites leap frogging constricting non-white areas, the growth of zones of ethnic mixing, complex paths of movement which crisscrossed ethnic quarters, on the one hand identified the structure of the Segregation city as an unsatisfactory expression of the intensifying class-ethnic organisation of society." On the other hand, continues Davies, the rapid expansion of uncontrolled peripheral slums called for immediate solutions to what had developed into a critical housing problem. The two problems gave rise to an urban reconstruction programme embodying the social and spatial concepts upon which the apartheid city was to be built. The 1944 Housing Amendment Act set

up the National Housing Commission which was empowered to intervene in local housing policy. This further weakened municipal autonomy.

All legislation governing urban Africans were consolidated and the influx control mechanisms entrenched. By 1948 when the National Party took over power, the apparatus for controlling and regulating the movement and lives of Africans were already available to them though not efficiently functioning. All that was needed was a strategy to achieve the necessary efficiency.

From the early 1950s there were shifts in emphasis and approach in "Native Policy". One such shift was the move away from the Fagan Commission's view that the growing permanence of urban Africans had to be officially recognised. The shift was towards the notion that Africans can only be seen as temporary sojourners in urban areas outside the reserves. This saw a position closer to the 1923 Urban Areas Act being adopted and culminating in the Group Areas Act of 1950 which made compulsory the segregation of residential areas by race. The Prevention of Illegal Squatting Act of 1951 followed with the resultant demolition of many shantytowns countrywide.

The right of residence in urban areas was limited by the 1952 Native Laws Amendment Act. Those who qualified had to have been born in certain areas and stayed there continuously or had resided legally in the urban area for 15 years or worked for the same employer for 10 years.

3.3 BRIEF HISTORY OF DURBAN

Significant urbanisation in South Africa did not happen before the arrival of the British. The rural lifestyles of the semi-nomadic black population groups and that of the mainly Dutch settler farmers did and could not immediately result in urban settlement on any significant scale. The arrival of urbanised British settlers from the end of the eighteenth century however anticipated the establishment of coastal and later inland settlements, which the whites regarded as their own domain. Even after the arrival of the British urbanisation was not acute. With a relatively small white population living within a largely agrarian economy, urban development tended to be a slow process. The discovery of diamonds and gold in the latter half of the nineteenth century however stimulated the establishment and growth of new urban centres such as Johannesburg.

The necessary importation of capital goods and minerals export also led to further development of the port city of Durban.

This selective investment of capital in these distinct geographical areas was perhaps the major capitalist influence in the settlement patterns in South Africa and which created the racial and class distortions in the cities. These spatial and socio-economic inequities have come back to haunt the urban social and economic environment and especially the housing and services sector. The current housing crisis can be traced back to this capitalist event. The radical perspective on urbanisation is thus the one that can be used in an attempt to understand the current housing situation in South Africa.

Increasing poverty in the stagnant and controlled subsistence economies of the overpopulated black reserves encouraged migration to the emerging urban economy of Durban. Although neo-classical theory would argue that motivational factors played a role in this, the radical response would be that the impoverishment of reserves (a creation of the state) was through a systematic and calculated policy aimed at destroying the subsistence rural economy through the dispossession of land for capitalistic gain.

The Kimberley diamond mines introduced the “compound system” of temporary accommodation in the 1880's to ensure a “reservoir” of labour, and this approach was soon also adopted for other workers in the non-mining sectors of the economy. Cheap black labour became vital to the economic development of the gold mines, and by the end of the nineteenth century nearly 100 000 blacks were employed there alone. (Davenport 1991)

The growing migrant population soon exceeded accommodation capacities however, and uncontrolled settlements began to appear. The perceived need for controlled residential areas led to the passing of the Native Reserve Location Act by the Cape colonial government in 1902. This authorised the allocation of land for black settlement, or “locations”, outside “white” urban areas, and similar approaches were soon adopted by the other colonial administrations.

The words below rang out of the mouth of Richard Charles Alexander, the then Durban Police Superintendent at the turn of the century:

" My duty compels me to state plainly that I consider our community are not dealing wisely or even justly by our Native population.... We have now in Durbanover 10 000 able bodied Natives and 600 Native women besides 1 000 Native visitors. This large Native population ...will if steps are not shortly takenbecome a source of great danger, for an evil minded, barefooted , black man on a dark night is a dangerous character to be at large.....If it is necessary, which it is, to keep an army of our own race in a compound after 9pm, it is surely more imperative that we should keep our 10 000 uneducated savages under similar control. It is therefore desirable that Natives should be located outside of the town. And not to get Natives only, not even Natives only.....all coloured people of the working class whose services after sundown are not indispensable should live in their own locationsthe haunts of the labouring class would then be knownconfined to the place of work and the legitimate place of residence".
(Swanson 1976)

Although Alexander was already feeling threatened by the turn of the century, the migration to urban areas of the primarily male migrant labour proceeded slowly however, and by the early 1920's only about 13% of the black population was urbanised.

Thereafter a combination of deteriorating conditions in the reserves and rapid growth in the urban economies contributed to a dramatic increase in migration. The influx exacerbated the already wretched conditions in the locations, which prompted the first black housing schemes near Johannesburg in the early 1920's. Growing white concern regarding the perceived threat to white labour, the sanitation syndrome and increasing costs and inability to control the growth of the locations, culminated in the passing of the Natives (Urban Areas) Act of 1923. This arguably established the framework for future segregationist legislation in urban areas.

Urban Local Authorities were empowered to set aside land for segregated locations, provide housing for those employed in the urban areas, and make them self-financing by raising revenues from fines, rentals and beer hall profits. Proposals to allow freehold title for blacks in "white" urban areas were denied. Adoption of the Act was however optional, and most local authorities, fearing excessive financial responsibilities, delayed implementation. Growing state pressure was

later translated into legislation which compelled compliance and permitted government intervention in local housing policy. Thus started a process of erosion of local authority autonomy.

Durban, for instance, developed Lamontville in stages with the last house completed in 1939. This house was to be the last house built in Lamontville for another 50 years. The next housing development in Lamontville took the form of a private housing estate in the late 1980s by LTA construction whose name that section of the township goes by today.

During the Second World War housing provision lagged badly as resources were limited. The uncertainty of the war period led to industrial expansion as the colonial government sought to stockpile supplies in anticipation of scarcity. This further accelerated migration as the economy demanded more labour to produce reserves for the war. This coupled with rapid industrial growth after the war led to a worsening in the housing situation, and informal settlements proliferated around the urban areas. During the three decades from 1921 to 1951 black urbanisation quadrupled to nearly 2,4 million comprising some 28% of the black population. Efforts to improve housing provision were largely frustrated by the growing enormity of the problem, a continuing reluctance to increase housing subsidies, and uncertainty about the permanence of migrant settlements as the debate still raged about how to deal with the social welfare of the urban African.

After the coming to power of the Nationalist government in 1948 until the mid-1980's, the black housing issue was to play a pivotal role in the attempted implementation of apartheid policies. Distinct housing strategies were fragmented and subsumed within policies directed at the implementation of an evolving apartheid doctrine. Comprehensive legislation aimed at controlling black urbanisation was designed at national level and progressively set in place to prescribe the conditions and administration of black urban life, ownership of land and mobility, and to impose segregation. Housing supply was to be strictly controlled through state provision of public rental housing and hostel accommodation in dormitory townships.

Informal settlements were to be eliminated from urban areas by providing in every town and particularly in every industrial area, a potentially comprehensive location site, virtually a native

group area. Housing provision was to be made near urban areas for all those black urban residents who qualified in terms of certain state criteria.

Two of these criteria related to employment and marital status. They were often forcibly resettled in newly developed townships of standardised housing units, sometimes with rail access to industrial sites, and separated from white urban areas by a cordon sanitaire or what is today referred to as buffer zones. An example in Durban is that of the removal of Cato Manor and the relocation of the residents to Kwa-Mashu which was separated from Durban by a buffer zone of land under sugar cane owned by Marshall Campbell referred to in a mispronunciation by his labourers as Mashu. Kwa-Mashu means at the place of Mashu. This buffer zone remained until the decision in the 1980s to develop Newlands East for Coloured people. There are many such buffer zones yet to be developed and an argument for targeting these zones for housing development is made further down in this work.

The urban residents who did not qualify were repatriated to settlement areas in the homelands identified with their supposed tribal affiliation. The number of blacks who qualified as urban residents were also further reduced in the early 1970s by extending homeland boundaries to include existing townships. In Durban Kwa-Mashu was such a township which was forcibly incorporated into the Kwa-Zulu homeland with its residents responding with resistance that led to state-people violence in the early 1980s. It is estimated that in excess of a million people were moved without consultation between 1950 and 1990 to areas outside what was perceived by the state as white areas.

These resettlement policies went hand in hand with the Group Areas Act. The 1950 Group Areas Act was only made effective after its amendment in 1957. Its real impact therefore was felt in the 1960's and 70's. Although also aimed at coloureds and Indians, the allocation of racially zoned urban areas meant that the relocations would impact on all urban residents, with the virtual exception of the whites. No less than 99.7% of whites were already resident in what were to be designated as white group areas, mainly inner-city and suburban areas, whilst the other groups were consigned to the urban periphery. Implementation of the policy was to be carried out by the Community Development Boards in terms of housing, development of group areas, resettlement of dislocated persons, slum clearance and urban renewal.

At the beginning of the 1960's the government started introducing its policy of territorial apartheid or separate development of the homelands. Industrial decentralisation was proposed as a primary means of boosting homelands development towards being economically self-sustaining. The political, economic and social containment of urban blacks, influx control, and limits on the growth of black labour in the urban areas were supposed to be balanced by decentralised economic development and settlement within the homelands. The costs of urban concentration were advanced by government as a major reason in support of industrial decentralisation, although there was no empirical evidence to support this argument.

It is evident that the real reason was not economic but political, which created an unresolved tension between political goals and economic development needs. Inevitably the economic arguments prevailed; decentralised development was costly and generally failed to achieve its objectives. In the face of increasing rural poverty and unemployment, urbanisation was the logical solution, and influx control measures were increasingly ineffectual. In the Durban area, for example, the proximity and extent of the KwaZulu homeland boundary made control measures impossible to enforce.

By the 1970's it was becoming apparent that policies had moved towards the creation of a dual labour force, differentiating between migrant outsiders and settled insiders who were able to meet a growing need for a more skilled labour resource. Vast new townships were once again planned near urban industrial areas, well away from white residential areas. H F Verwoerd, regarded as one of the architects of apartheid, saw the total separation of blacks and whites as an ideal to aim at, and in 1956 had estimated that it would take twenty years to achieve. Ironically 1976 was the year of the Soweto uprising, which arguably marked the beginning of the end of the apartheid ideal and the beginning of the new thinking about urbanisation and housing provision from the radical left in South Africa.

McCarthy and Smit begin by accepting the assertion by Torr (1987) that the establishment of townships was part of the designs of industrialists to secure a cheap and divided labour force which would assist in reducing labour militancy. (McCarthy and Smit 1988) They however say that such factors undoubtedly contributed in the development of patterns of urban racial segregation in South Africa but the Group Areas Act was responsible for the production of an

urban form more structured and quartered than anything that had preceded it in either colonial or early industrial times. They observe that in the case of Durban the precedents for the Group Areas Act were developed prior to the ascendancy to power of the National Party in 1948. During the 1920s and 1930s a class alliance, or coalition concerned with common problems in the distribution of material and economic welfare developed, between local business groups and the white working class. This coalition of voters was represented at the local state level and through the local state implementation departments like City Engineers, City Health and City Estates Departments managed to get their concerns addressed through local state policies. These concerns related to the racial socio-economic organisation within which Indian traders and the black working class constituted a threat. White labour sought relief from competition with black labour in access to housing and job opportunities whilst white business sought protection from competition from Indian traders and other black entrepreneurs. The local city policies had therefore to be such that they politically manipulate the spatial relationships so as to override the economic forces which were responsible for the competition.

Whilst this was happening at the Durban local government level, at the national political level white civic associations lobbied successfully for the implementation of legislation such as the Trading and Occupation of Land Restriction Act of 1943 and the Indian Representation Act of 1946.

Consequently at the Durban local level the City Estates Manager produced a race zoning map for Durban that "not only identified distinct group areas but also identified areas of Indian and African shack settlement suitable for industrial expansion (McCarthy and Smit 1988). It is these proposals that, according to McCarthy and Smit, served as the basis for local state negotiation with the national state after the Group Areas Act had been passed in parliament in 1950 and the pattern of land usage and racial settlement that exists in Durban today almost exactly mirrors these 1943 proposals of the local Durban state bureaucracy (Map1).

3.4 DURBAN'S STRUCTURAL INEFFICIENCIES

Resulting from the history of urbanisation management discussed above Durban is experiencing major structural inefficiency problems. These manifest themselves in many social and economic spheres but for the purposes of this work these will be discussed as effects of the characteristics

identified by Dewar (1995) and discussed in chapter one. These are urban sprawl, fragmentation and separation.

3.4.1 Urban Sprawl

The low density urban sprawl identified by Dewar (1995) as a characteristic of the urbanisation process is observable in many South African cities and is certainly a characteristic of the city of Durban. Durban's residential expansion is characterised by single houses on single plots. This means that land is consumed rapidly and the city has grown to produce a large circumference.

The problem with this urban sprawl is that infrastructure which could be used collectively by a number of households, in a densified situation, is consumed by a few. The result is high costs of infrastructure development and maintenance. This also means a high percentage cost per housing subsidy thus leaving very little residual for top structure. The sprawl also means a high quantity of bulk services to peripheral areas.

3.4.2 Fragmentation

Fragmentation is lamented by Dewar (1995). He laments the coarse grain of cities where developments happen in relatively discrete pockets or cells separated by freeways or buffers of open space. There is ample evidence of this separation in Durban. The location of the Kings Park sports complex is an example of this separation. This facility is centralised and separated from residential and shopping areas.

Travelling from a working class area like Inanda in the north of Durban to work in the Southern Industrial Base, a commuter would pass through agricultural land under cane, a white suburb, an Indian suburb, the city centre and across freeways and major rail lines with limited exposure to small business centres.

This fragmentation results in de-emphasis on smaller business centres and public facilities. The movement hierarchy is simplified with an emphasis on the importance of a limited number of points only. Shopping in Durban, until recently, has involved commuting to the city centre. The use of smaller centres has been limited until recently when the taxi industry has penetrated

suburbs and ferries people to malls. Development of shopping complexes like the Pavilion, located along a major freeway, have been responses to Durban's structural inefficiency.

3.4.3 Separation

Referring to apartheid city form, as discussed in chapter two, Dewar (1995) identified the pattern of separation by observing that “land uses, urban elements, races and income groups are all separated to the greatest degree possible”. The separation of workplace and residence which is of particular concern to him characterises contemporary Durban.

The working class comprising mainly the African population generally resides in far flung townships and have to endure high transport costs when they commute to their workplaces or to seeking work.

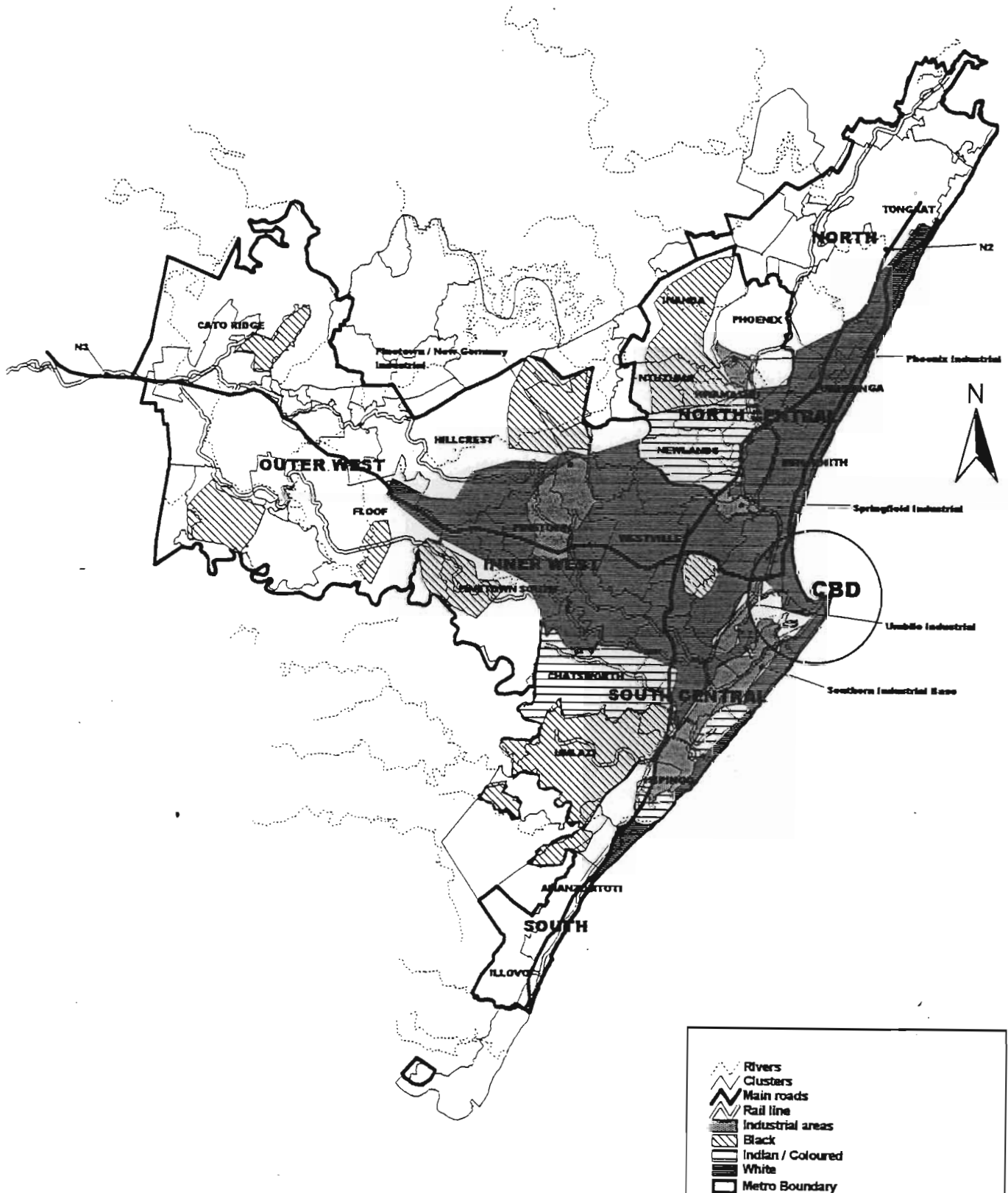
As depicted in Map1, the areas of residence of the working class are situated such that the African commuter travels through suburbs of other racial groups to get to work. Durban's most populated working class areas of the Inanda-KwaMashu-Ntuzuma complex in the North and Umlazi in the South are about an hour's travel by bus.

It costs on average about R5 per single trip to get to work for the average worker. A study conducted by Prof John Martins (Mercury 10/08/99) shows that the average income of the poorest black household is R 8 500 per annum. This translates to about R700 per month. Computed together these reveal that an average black household spends about 35% of their income on transport alone. Since households of the black working class are bigger this means very little residual income is disposed per member of the household. It is true that as transport costs escalate the workforce is likely to push for more wages thus either pushing the goods and services produced out of competition or engaging in industrial action which is in itself costly in terms of productivity.

That transport costs are high from working class areas to workplaces has contributed to the fierce competition amongst transport providers generally and the taxi operators specifically for passengers. This has in many instances in Durban resulted in serious taxi wars and resultant loss of lives. The commuter suffers transport costs, traffic delays and the effects of taxi violence. The

RACIAL AREAS IN DURBAN IN RELATION TO CBD AND INDUSTRIAL AREAS

MAP 1



SOURCE: METRO HOUSING GIS

high costs are exacerbated by the fact that there are no government subsidies for taxis as compared to other forms of transport.

As transport costs escalate and well located housing supply fails to meet demand, the poor have resorted to invading land for occupation which is in good proximity to their areas of work and other economic opportunities. Informal settlements have mushroomed on buffer zones which were reserved to separate races. These informal settlements pose a great development challenge for interventionists.

Long commuter distances also have the effect of worker fatigue. The more distance workers travel to work the less productive they become as fatigue sets in. Workers have been observed yawning and sleeping in buses and taxis to work. The results of reduced productivity are more expensive goods and services produced.

The separation of races in Durban has resulted in mistrust between race groups and the lack of understanding of the other group culture.

3.5 THE NEED TO RESTRUCTURE

The question is no longer whether to restructure the apartheid city of Durban or not but how this can be done. If decisive steps are not taken to remedy the situation, there is every danger that our cities in South Africa generally and Durban in particular will be chronically rendered dysfunctional as the ratio of access to opportunities between the poor and the rich increases. Our cities will indeed become dysfunctional if the city is allowed to sprawl towards unmanageable sizes and the jobs continue to be out of reach as transport costs escalate. Dysfunction will be ushered in as land becomes scarce and races continue to live separately. This has the potential for serious uprisings as and when the poor on the city peripheries lose hope and let their anger loose on those they perceive as limiting their access to opportunities. The current socio-economic configuration of the city of Durban poses the danger that the poor and marginalised could revolt.

It is not only for fear of revolution that restructuring should take place. It is also the imperative of economic growth, redistribution and sound local government that make the need so great.

There are many strategies proposed and implemented which are aimed at restructuring the apartheid city. These include the Integrated Development Plans process, the demarcation of municipal boundaries and de-racialisation of institutions like schools and hospitals and the extension of bulk services.

Looking at some efforts to debate the interventions needed to restructure McCarthy observed that " Whilst such efforts are embryonic, and vary in their relative scope and ambitions, but what many have in common is that they are new attempts to forge local alliances around a culture of developmentalism" (McCarthy 1991). It is within this culture of developmentalism that this work proposes a developmental intervention.

Writing in 1991 McCarthy has predicted that " Those who at local level are most convincingly able to show in practical terms how race-class-locational relationships both can and should operate in the post-apartheid era could have a significant impact upon South African history." (McCarthy 1991) Whilst it is the aim of many interventionists to contribute to this history, it is the specific aim of this work to do so by arguing that appropriate housing development is one single intervention that can contribute significantly to restructuring the city. The appropriate location of people, especially the poor, through housing, can contribute significantly to this process. Housing development needs to be about distributing the poor amongst the rich and the rich amongst the poor. There have already been low cost housing projects in Durban located in appropriate areas for economic opportunities. It is for these reasons inter alia that this work calls for the use of housing development not only as a strategy to house the previously disadvantaged but also as a city restructuring intervention. Some suggestions as to how this can be done are provided in chapter six.

Chapters four and five embark on discussion of some limitations and opportunities to the use of housing as a restructuring instrument.

CHAPTER 4

LIMITATIONS TO CITY RESTRUCTURING

4.1 INTRODUCTION

Whilst it is recognised and encouraged by the White Paper, the development of housing in a manner that changes the socio-economic configuration of apartheid cities is hampered by many restrictive factors. Some of these are related to issues of land supply and demand with others related to the socioeconomic and political climate and yet others related to a restrictive policy and financial environment. It is worth noting that the limitations discussed herein are neither exhaustive nor mutually exclusive. This chapter will attempt to highlight some of the limitations and constraints encountered in the attempts to develop low cost housing generally and low cost housing where it contributes to city restructuring specifically. Most of the impediments discussed in this chapter have been practically experienced by many housing development agencies in Durban.

The limitations discussed herein represent findings from the research exercise as mentioned by interviewees and documented in Durban Metro Housing documents and others perused. These have been categorised systematically and are discussed hereinafter.

4.2 LAND RELATED LIMITATIONS

For a housing development programme to be maintained it needs to be underpinned by a constant supply of developable land within a competitive land market. Land for the development of low cost housing has to be geotechnically developable, affordable from the available resources, take cognisance of environmental issues, be accessible to bulk services such as water and sewerage. The land needs to be free of land claims and be set aside for the purpose of low cost housing development. There are existing land conditions in Durban, however, that conspire to be hostile to land development generally and land development for low cost housing specifically. Some of these are identified and discussed below.

4.2.1 Land Availability

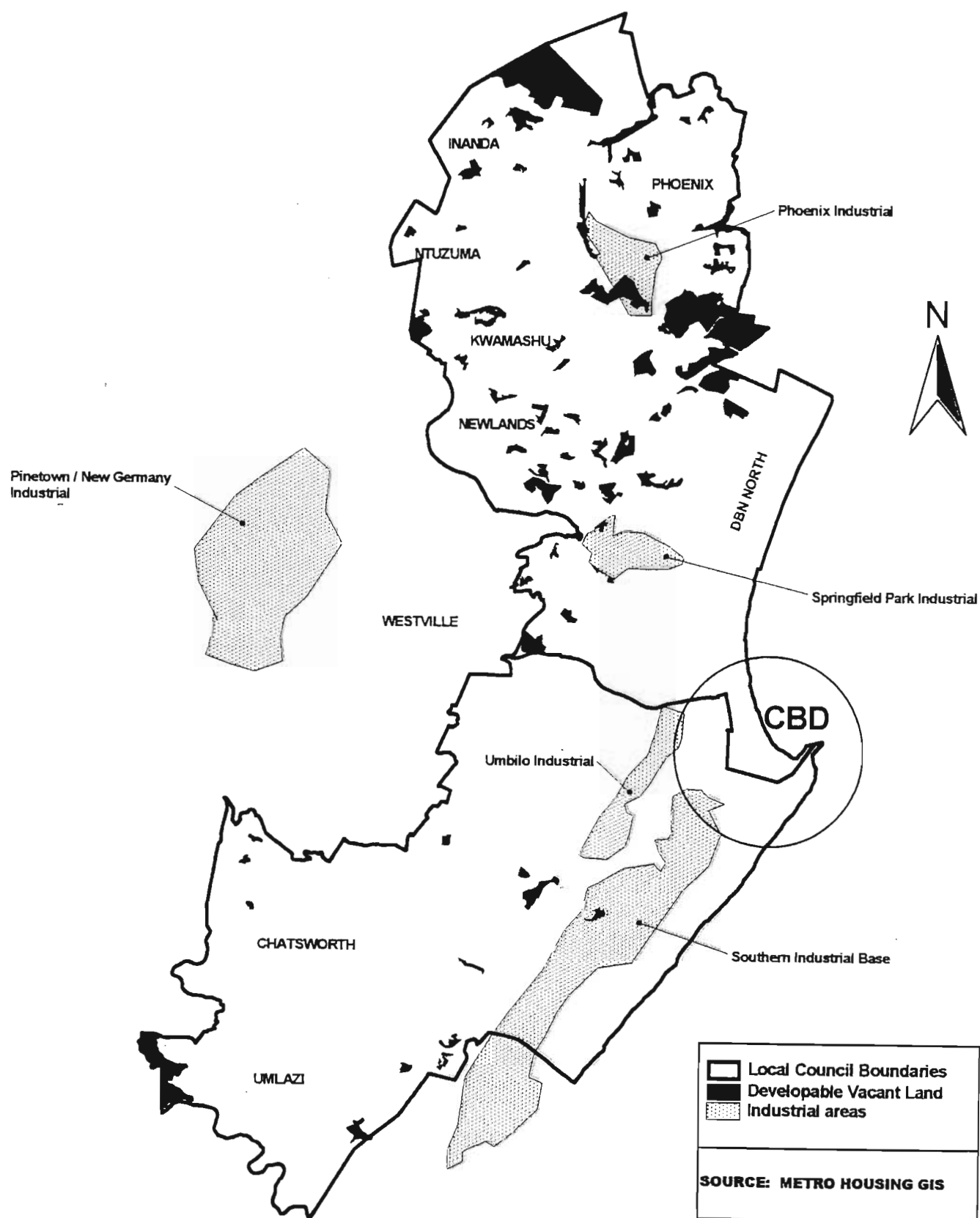
Given the extensive development that has already occurred in the Durban Metropolitan Area, especially around the City, large tracts of well located developable land is scarce as illustrated by Map 2. The map shows an almost negligible representation of developable land which is more than five hectares in extent near industrial areas and the core city. This means that developable land for low cost housing is located away from areas of economic opportunity and thus unsuitable for use in a city restructuring sense. The scarcity of suitable land in good proximity to opportunities limits the ability of interventionists to locate poor people appropriately because this limited supply curtails the extent to which well located housing development can occur. Land availability is perhaps the most hampering of factors for appropriate location of housing delivery. Opportunities to promote development of vacant and underutilised land are subject to a number of restrictions not least of which is the acquisition of such land at affordable prices.

According to a land use map produced by the Durban Metro Council based on the Land Cover Study done in 1996 by the Urban Strategy Department, about 40 % of the land use in the Durban Metro area is for residential purposes as shown in the graph below (Figure 4.1). This includes urban formally settled land (30,3%), urban informally settled land (5,9%) and Peri-urban settled land (5%). The total undeveloped and unsettled land accounts for 26.4% of all the land (Land Cover Study, Urban Strategy Department 1996). It is this 26,4% and the other settled 10.9% which can either be used for greenfields development or the upgrade in-situ of existing settlements.

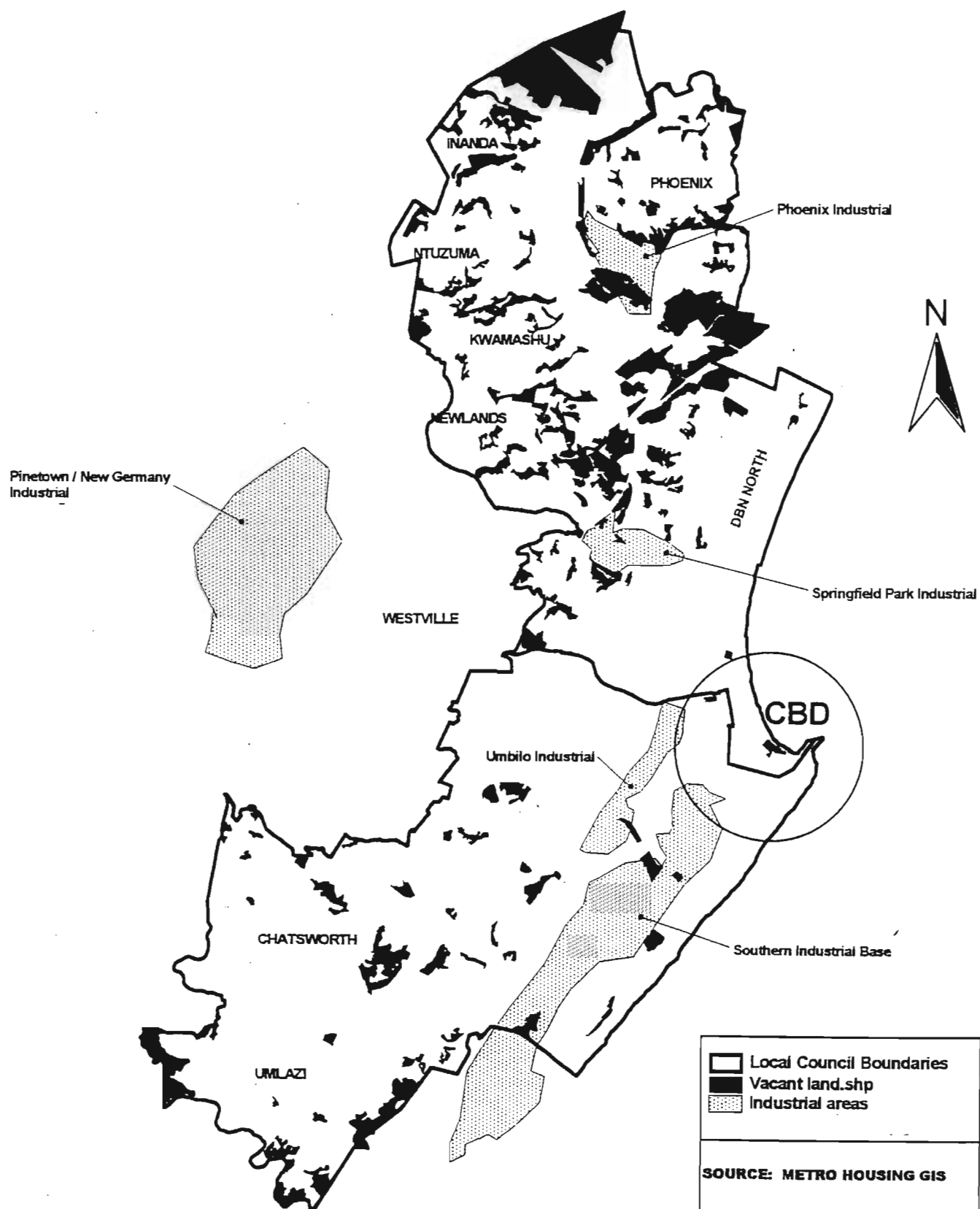
It is significant to note that, as elaborated further on, not all undeveloped land is developable. As demonstrated by the difference between Map 2 and Map 3.

The scarcity of affordable developable land has resulted in low cost housing projects approved by the Provincial Housing Board being located far from the city centre and at expensive distances to job opportunities. This is illustrated in Map 4.

DEVELOPABLE VACANT LAND IN THE NORTH AND SOUTH CENTRAL LOCAL COUNCILS>5HA

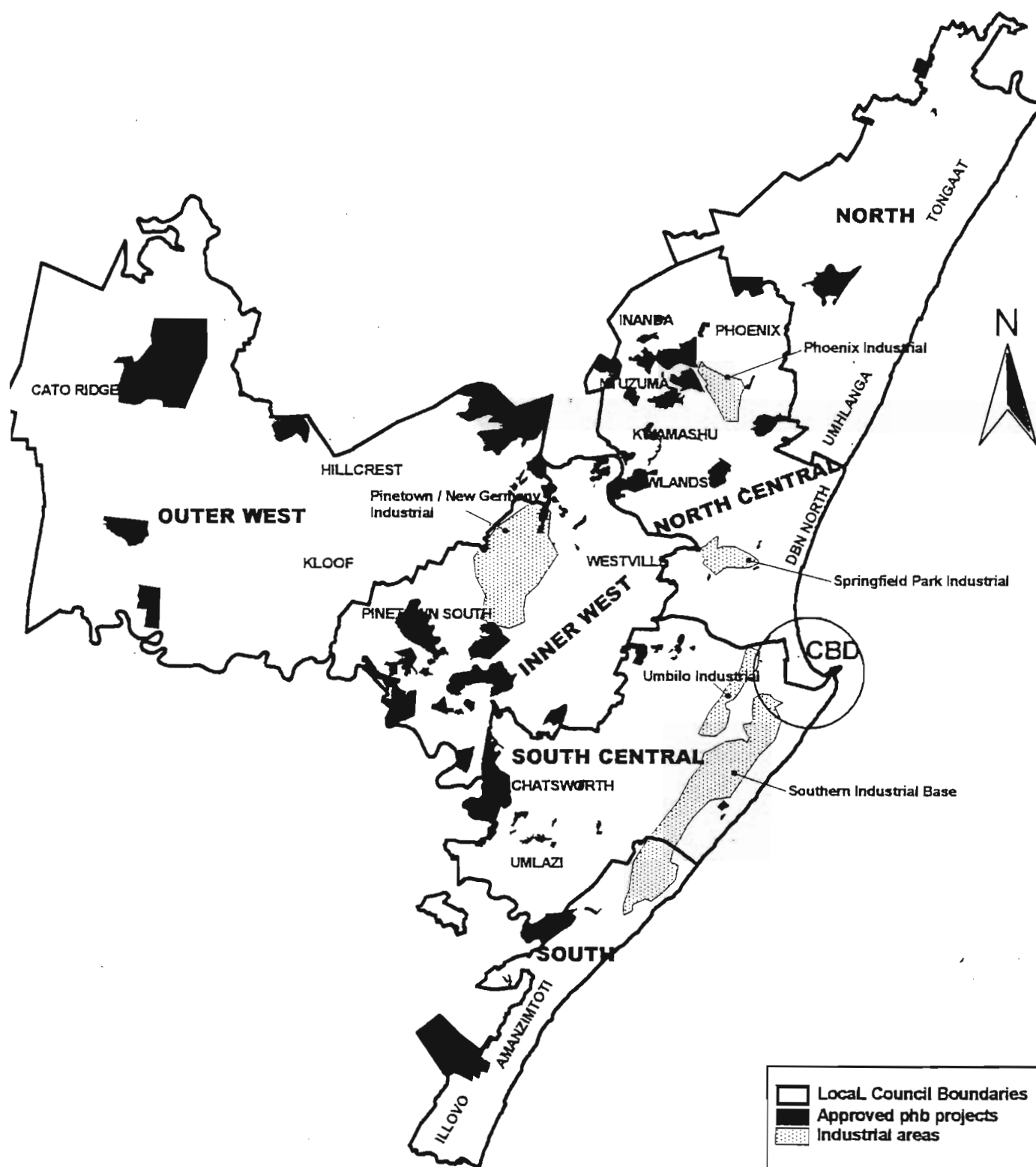


VACANT LAND IN THE NORTH AND SOUTH CENTRAL LOCAL COUNCILS>5HA



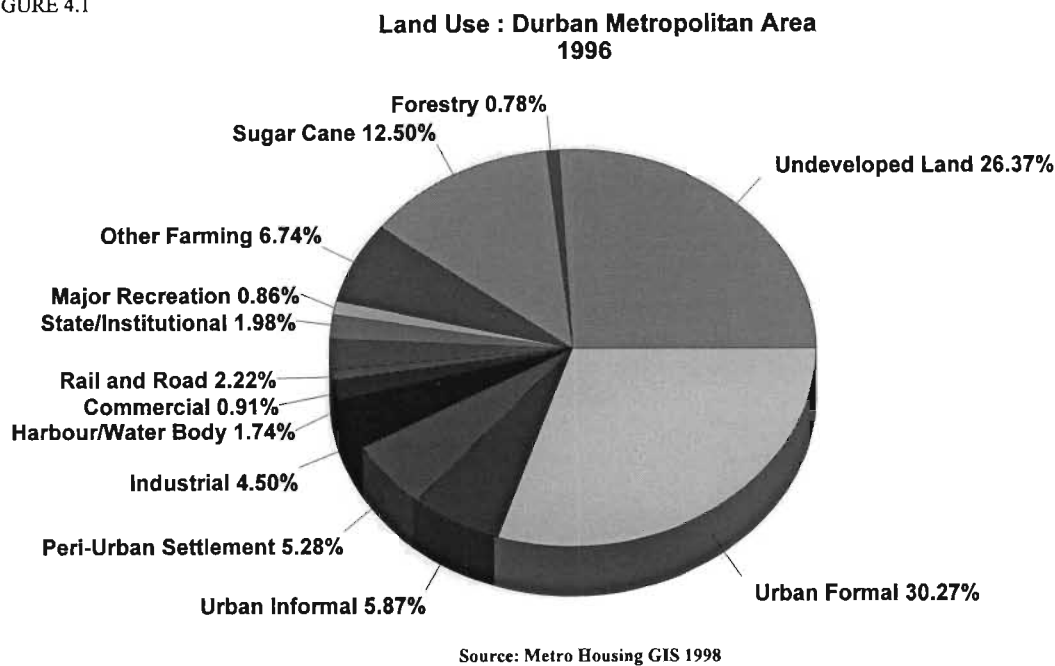
APPROVED PHB HOUSING PROJECTS IN THE DURBAN METROPOLITAN AREA

MAP 4



SOURCE: METRO HOUSING GIS

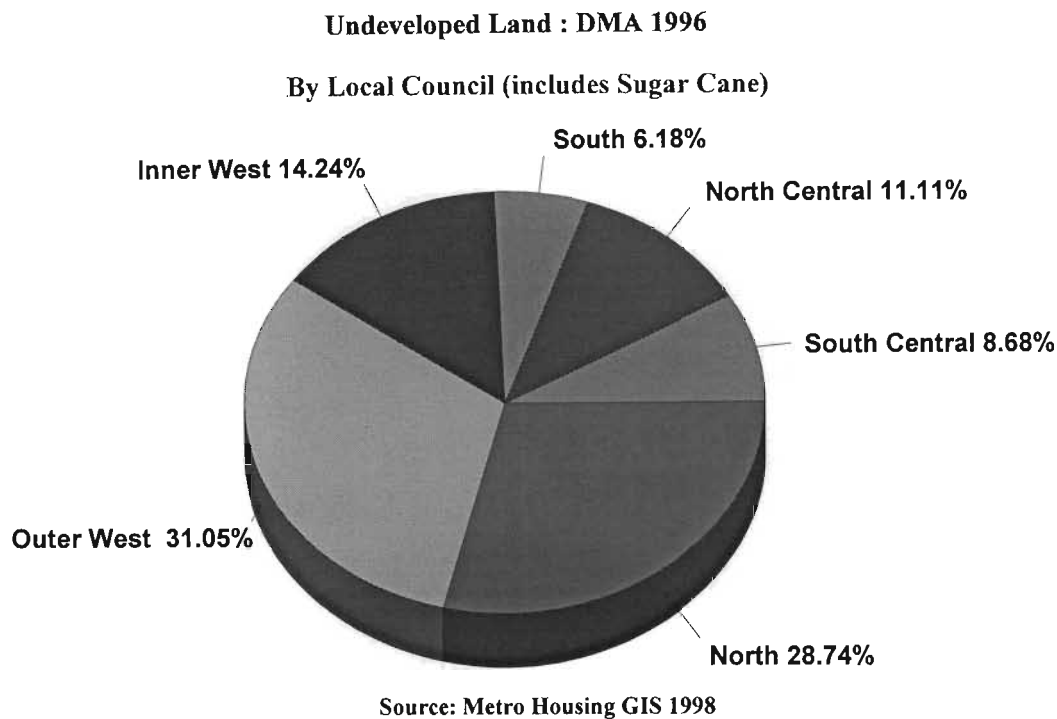
FIGURE 4.1



Vacant, developable, affordable and appropriately located land is to be found mostly in the North Local Council area under private ownership (Durban Metro Council G.I.S 1998). Further land also exists within the Inner and Outer West Local Council areas although a significant amount of the available land in the Inner West area has already been approved for housing projects as shown in the Map 6. Land in the Outer West is not considered well located due to distance from economic opportunities such as industrial and commercial developments. The chart below (Figure 4.2) indicates undeveloped land across the various council areas.

In contrast to vacant land availability, the overwhelming bulk of land which has been informally settled currently exists within the North and South Central Local council areas and the Inner and Outer West council areas whilst the numbers of informal dwellers in the North and South Local council areas is comparatively small. Approximately 50% of informal dwellings occur within the North and South Central council areas; slightly less than half in the Inner West and Outer West local council areas and only about 3% in the North and South local council areas. An overlay of geographic information on informal settlements over information about proposed corridors and nodes of economic development in the Integrated Development Plan is useful in this regard.

FIGURE 4.2



Notably from map 5 it can be observed from the resultant analysis of this overlay that about 45% of informally settled land is located outside existing corridors and nodes in under-invested areas (Map 5 is relevant).

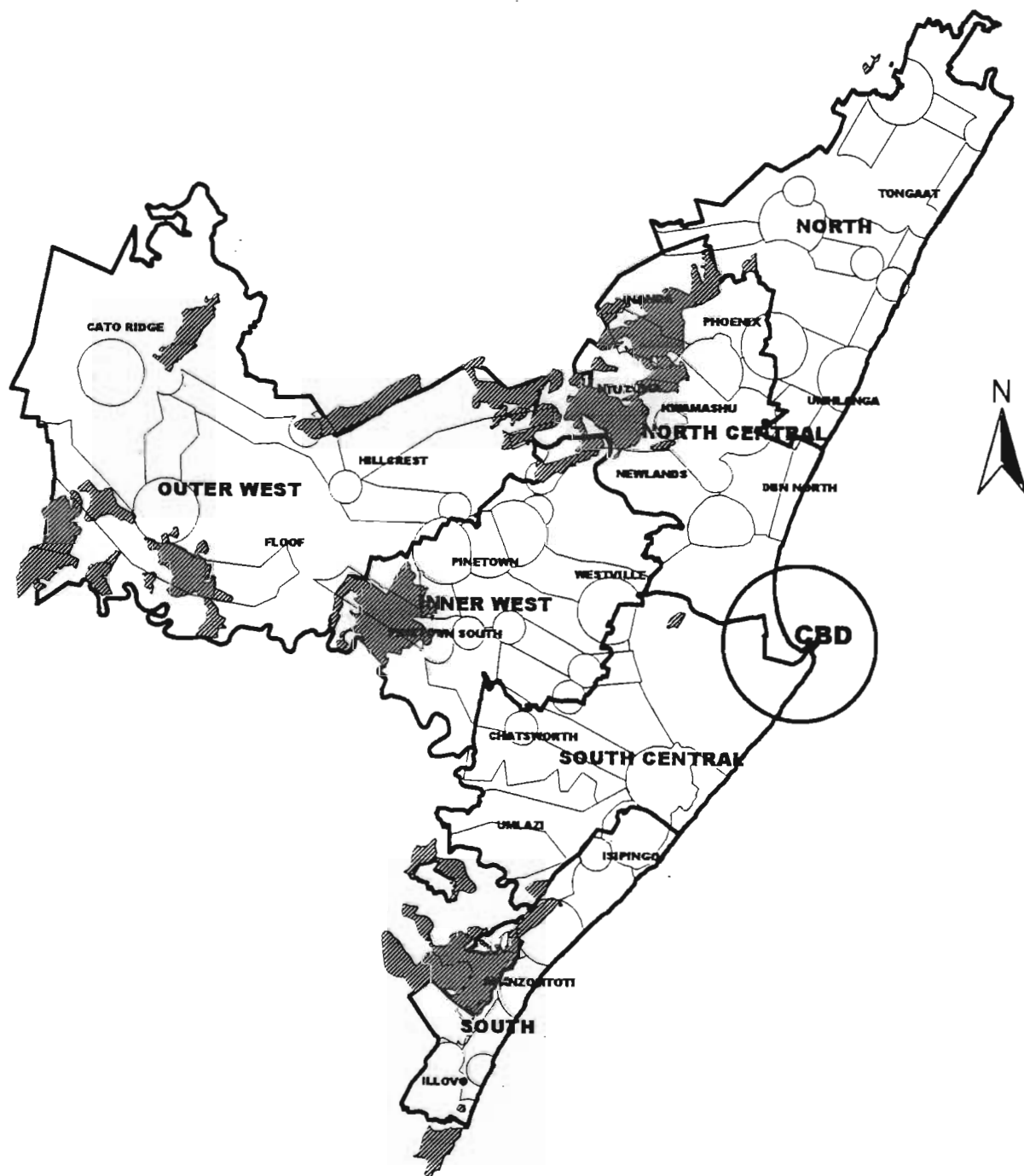
It can be concluded that the availability of developable land which is also affordable and well located poses a serious impediment to appropriate housing development. This in turn limits the ability of housing development to contribute to the restructuring of the city.

4.2.2 Geophysical Conditions

Durban being located in the KwaZulu Natal province has a disadvantage over other cities in that this province is characterised by hilly terrain and unstable geophysical conditions. In recognition of this factor the National Housing Board has approved an arrangement whereby housing projects developed on hostile terrain can claim an additional geotechnical allowance of 15% of the subsidy to take care of the resultant development costs (Provincial Housing Board Evaluation Manual 1996).

CORRIDORS AND NODES WITH EXISTING INFORMAL SETTLEMENTS

MAP 5



	Nodes and Corridors
	Informal Settlements
	Metro Boundary

SOURCE: METRO HOUSING GIS

Existing development has for the most part used the best land available, avoiding areas which are costly to develop. The implications of this are that a large proportion of undeveloped land has geophysical constraints (such as steep terrain, shale, clay, floodplains etc.) which prohibit and or limit development, thereby reducing housing yields and sometimes threatening overall housing project viability. Engineering solutions for these conditions increase the cost of development making it even more difficult to ensure that the development is affordable to the poor.

It is important to note that notwithstanding the geophysical conditions prevalent on land, informal settlements have developed on such land. In the period before 1990, most informal settlements were threatened by removals which necessitated the invasion of land which was relatively concealed from the view of neighbouring communities in order to avoid detection. This resulted in informal developments on steep slopes, unstable land and flood lines. Most if not all of these settlements, according to an audit report of the Metro Housing Unit, will have to be relocated to greenfields projects, thus putting pressure on already scarce developable vacant land (Metro Housing, 1999)

The geophysical conditions prevalent in Durban specifically and in other areas generally mean that there is less developable land for housing. This in turn means less opportunity to use housing for city restructuring and also means that many settlements on unstable land will have to be relocated onto already limited developable land.

4.2.3 Land Values

Well located land is generally of high value. This land is being sought not only to meet the housing need but to present opportunities to end users in terms of locational factors - accessibility to employment, transport and a wide range of services, facilities, etc. Well located land also provides opportunities towards achieving higher density, improved integration and creating a more compact and efficient City.

The key obstacle to achieving the above is the Provincial Housing Board (PHB) subsidy limit on

the land cost component of a project, which is R1000 per site/unit. (KwaZulu Natal Provincial Housing Board Evaluation Guidelines, 1996) It emerged from interviewees that this amount is well below market value making it often impossible to compete with other interests in the land market.

Cheap land is only available in peripheral areas of the city where it is not desirable to locate poor people and where bulk services are often not available. Although acquiring such land for lowcost housing development is relatively cheap, the overall project either becomes expensive because of the cost of installing bulk services and transporting materials or impossible because the connecting bulks are too far from the site for the project to be viable. Interviews with housing project managers have revealed that many projects have had to be shelved for long periods because of the non-availability of bulk services. Before the Ohlange trunk sewer was developed, the Dube Housing project could not be implemented. The Dube Housing project is one of the biggest in Inanda with 2 000 sites (Dube Project, Application to the PHB 1997).

It is also worth mentioning that the situation is not alleviated by the fact that landowners on the city periphery still demand high prices for this land as they question the local authority land evaluation system. Whilst peripheral land is cheaper, it usually ends up expensive to develop due to the protracted negotiations that have to be entered into. It also ends up expensive to develop if one considers the distances covered and expences incurred in carting building materials to these areas. Map 4 reveals that many housing projects approved by the Provincial Housing Board are distanced from industrial areas which manufacture the bulk of the servicing and building materials.

An additional factor to the cost of land does not only relate to the cost of acquisition but that of legal processes that become essential in parceling peripheral land out for development. This is so because many landowners in peripheral areas like Inanda have over the years been subdividing their land into smaller pieces for sale to others. (Makhathini 1991) It then becomes a legal requirement for such land to be consolidated into bigger pieces to make housing projects viable. These legal costs are borne out of the project budget as professional fees and inevitably reduce the residual amount available for house construction. This inevitably results in smaller dwelling

units being provided.

The overall effect of land values is that well located land is expensive for lowcost housing development given the limit of money that can be used to purchase land from the subsidy amount. These land values therefore limit the opportunity to develop low cost housing on land near opportunities and hence the opportunity to bring the poor near resources, mix socio-economic classes and achieve racial integration.

4.2.4 Competing Land Uses

Low income housing development operates in an environment of fierce competition where other land uses, such as industry, commerce, recreation, other residential uses etc, often have more resources at their disposal and can therefore compete more effectively in the land market. A case in point is the Drive-In site. Low cost housing could not compete with the current developers as the land was not affordable for low cost development. (Interview with MH officials) With National Government focusing its attention on economic development and employment creation via the GEAR policy, commercial and industrial land uses have been given preference to housing in many instances. An example is the low priority afforded to housing in developments such as the Durban Point Waterfront and the planned King Shaka Airport. (North and South Central IDP 1998)

Whilst it is imperative to use lowcost housing development as an apartheid city restructuring tool, it is equally important that housing estates are developed alongside and parallel to other developments such as industry, commerce and recreation. Also of importance for consideration are environmental issues. Whilst the debate between the green and brown environmental activists continues it deserves mentioning that Durban has one of the most aggressive green space conservation programme called the Durban Metropolitan Open Space System commonly referred to as DMoss. (North and South Central Council IDP 1998) This programme which puts pressure on land resources is discussed independently further on in this work.

Proper planning becomes crucial in determining land use patterns in such a way that total communities are created who have easy access to amenities and job opportunities nearby. Maintaining the balance between different landuses remains a challenge given the fact that many

parcels of land have uncertain futures as their use can only be determined depending on the outcomes of lengthy ongoing legal and other processes such as the land claims exercise discussed below.

Notwithstanding the fact that there is fierce competition for land for a number of uses, the imperatives of reversing the apartheid city form should be considered when land is allocated for the different uses.

4.2.5 Land Claims

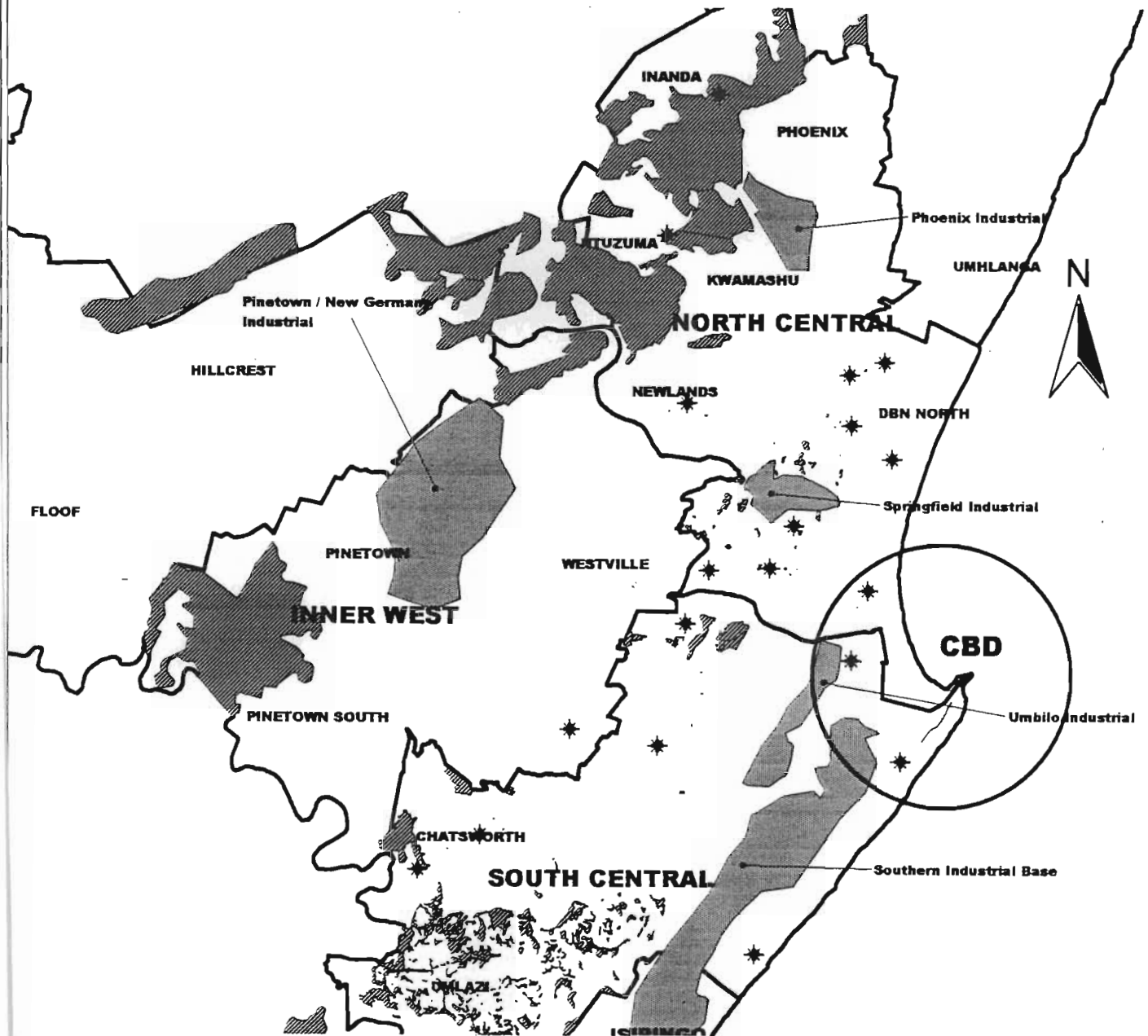
At the national level, government is committed to the provision of housing opportunities in an attempt to redress the inherited imbalance in housing provision between the different race and class groups.(Housing White Paper 1994) At the same time government is also committed to the restoration of land rights to claimants who were dispossessed of land rights by past discriminatory legislation.(Land Restitution Act 1997) The two programmes , although both aimed at redressing the wrongs of the past, are, especially in the urban context in competition for scarce land. The Land Restitution Act of 1997 forbids development of any kind on land which is subject to land claims until such claims have been legally settled by the Land Claims Court (Land Restitution Act 1997).

Many well located tracts of land in Durban have land claims attached to them. (Provincial Land Claims Commission Report 1998) This is depicted in Map 6 which shows the geographic location of land with claims The Restitution Act of 1994 allows for successful claimants to either acquire their original land back, receive alternate land or receive financial compensation.(Land Restitution Act 1997) Due to the large number of claims lodged and the limited resources available to the Land Claims Commission to speedily process claims, development has in certain areas been effectively paralysed for undeterminable periods.

A practical case of the effects of such impediments as the land claims process is that of Sherwood. Sherwood is a piece of vacant land, 14 hectares in extent, situated at the intersection of the only two national roads in the city. (Sherwood Project Application to PHB 1999)This land presents the only opportunity to locate a low cost housing project of that size within walking distance to the CBD yet has still to be developed after five years of delays in the finalisation of the claims process. (Interview with MH officials)

LAND CLAIMS IN RELATION TO CBD AND INFORMAL SETTLEMENTS

MAP 6



SOURCE: METRO HOUSING GIS

The Land Restitution Act of 1994 does however allow for development to occur via successful application of Section 34 of the Act. This section of the Act makes provision for development to proceed on land under claims if it can be argued that the development is for the public good. The onus is on the developer to prove that the speedy development of such land is in the public interest. (Land Restitution Act 1997) However this involves a costly and time consuming legal process. In the case of Cato Manor where most Durban land claims are concentrated, the section 34 application was abandoned in favour of a negotiated settlement with the claimants. (Interview with Clive Forster) This was done after a realisation that the legal process was taking too long and putting additional strain on both the eager claimants and the willing current landowners.

The national total of urban claims lodged with the commission as of December 1997 was 5 359. Of these 4 733 were located in the Durban Metro area. By March 1999 the total national claims had risen to 14 235 with 80% of them being urban claims. (Provincial Land Claims Commission Report 1998) It was estimated by the Land Claims commissioner in March 1999 that only about 132 of the claims in the Durban area had been settled. At this pace of settlements it is clear that large tracts of developable land will remain frozen for some time whilst people continue to suffer both homelessness and dispossession. Unless the processing of land claims is speeded up, the opportunity of developing houses on such land will be lost and by the time the claims get settled development costs to projects will have escalated to the detriment of the beneficiaries.

Much of the land under claims is very well located in relation to industrial developments, transport links and the city core as illustrated in Map 6. This means that the longer the claims process takes, the more costly the opportunity to restructure the city through housing development.

4.2.6 Environmental Considerations

While this land use may well have been included under “Competing Land Uses”, it deserves special attention due to its negative effect on many potential housing projects. Suitable vacant land for housing has often been included in areas earmarked for the Durban Metropolitan Open Space System (DMOSS). While the concept of DMOSS is crucial for maintaining environmentally sensitive areas and linking open space systems in the Durban Metropolitan Area, the need for housing is more often seen as a priority by communities. (Interview with MH officials)

There has so far been co-operation with environmentalists where housing has argued for environmental concerns to be factored into projects rather than competition between the housing and Durban's environmental programmes. (Interview with MH officials)

The programme to preserve as much land as possible for environmental reasons seems sensible but the total exclusion of housing development from such areas limits the ability of housing development to cater for the needs of the majority poor Africans and previously disadvantaged people and further limits the possibility of locating them within established areas occupied by other races in order to achieve the desired racial residential mix essential for racially restructuring the city.

4.2.7 Bulk Services

Due to the scarcity of well located and affordable land suitable for low income housing, land for housing development is often sought in the peripheral areas. While some of these areas may often be surrounded by well established and extensive residential development, bulk services are not necessarily provided in many of these areas. The problem therefore arises with the lack of bulk infrastructure services such as waterborne sewerage and water which are currently non-negotiable services essential for housing projects. Considering the high land holding costs, it is not viable to pursue projects in areas where projects will not have access to bulk infrastructure to connect the internal services in the medium to long term. The opportunity therefore to densify the city is limited by the unavailability of bulk services. This means that the urban sprawl is more difficult to control and city densification much more difficult to achieve.

The absence of bulk infrastructure in certain locations and subregions has had the effect that planning for housing projects has been slowed down whilst budgets are being sought to develop bulk infrastructure. It is noticeable that past apartheid planning ensured that areas set aside as buffers between racially defined communities were not provided with bulk services.

The land related constraints listed and discussed above are by no means exhaustive There are many other land related constraints but also deserving of discussion herein are socio economic impediments.

4.3 SOCIO-ECONOMIC IMPEDIMENTS

It should be no surprise in the South African situation that socio-economic factors have a role in negatively constraining housing development which in turn constrains the restructuring of the city. The apartheid system was about socioeconomic engineering which included the systematic impoverishment of Blacks through limiting their access to economic and educational opportunities. The result has been low income levels and escalating unemployment especially for Blacks.

4.3.1 Low Income Levels

Despite the fact that “...the Durban Metropolitan Area contributes about 55% of the total economic output of KwaZulu Natal, 8% of the South African economic output, about 2% of Africa’s total economic output and it has been considered by many to be South Africa’s most promising global competitor” (Extract : Draft IDP, North and South central Council 1998), many of the residents of the city are very poor. The vast inequalities in income is reflected in the huge differences in the Human Development Index (HDI)¹ between areas for different settlements in the city. For example, figures have been calculated ranging from 0.028 in the informal settlement of Bhambayi to 0.969 for Umhlanga (Extract : Draft IDP, North and South central Council 1998).

Limited incomes, insecure jobs, high dependency ratios, and high unemployment rates mean that only a small proportion of the households in the DMA are able to access formal loans to complement the subsidy and thereby increase the size and/or quality of the dwelling that can be erected. In general, financial institutions are reluctant to lend to anyone with an income of less than R2500-R3000 (Mjekula, A 1998). This mean that most people in need of housing in the DMA will be largely dependent on the housing subsidy and whatever savings or small loans they are able to muster on their own.

These levels of income and insecure jobs mean that a huge population falls within the subsidy bracket and therefore increases the low cost housing demand which in turn puts pressure on scarce land and financial resources.

A survey of household incomes was conducted by Data Research Africa commissioned by Urban Strategy Department of the Durban Metro Council in 1995. Table 4.1 extracted from this survey report gives a breakdown of household income by both race and type of residential area. From this information it is evident that 63% of households in African townships reported incomes of less than R1500 pm. About 76% of households currently living in informal areas reported incomes below R1500 pm, while 60% of those in the peri-urban settlements are in the same income bracket. Average monthly household incomes (mean) are R1481 for African township households, R1115 in informal settlements and R1431 in the peri-urban areas.

Table 4.1 Monthly Household Income Breakdown in the DMA

RACE	<R800 (%)	R801- 1500 (%)	R1501- 2500 (%)	R2501- 3500 (%)	R3500+ (%)	Median income	Mean income	Sample size
Indian Areas	8	10	17	21	44	R3250	R3878	395
Coloured Areas	19	6	25	4	46	R2500	R3549	52
White Areas	7	9	12	11	61	R4950	R6318	303
African Townships	28	35	20	12	5	R1100	R1481	349
Informal Settlements	41	35	19	4	1	R900	R1115	1363
Peri-urban	18	42	33	6	1	R1300	R1431	625

Source: Urban Strategy Department, City of Durban, 1995.

Median monthly incomes - which reflect the point at which 50% of the sample are situated - are somewhat lower with informal areas registering median incomes of R900, townships R1100, and peri-urban areas R1300. The fact that the median and mean income in peri-urban settlements is closer than in the case of townships indicates that the income disparity in peri-urban areas is less extreme than is the case in the African townships. Also, evident is the wide disparity in incomes across race groups with white households registering monthly median incomes of R4950 compared to R2500 and R3250 for Coloured and Indian households respectively.

Table 4.2 below, also extracted from the Data Research Africa survey of 1995, indicates the reported joint incomes of the household head and spouse. This information is presented here as the PHB and the banks utilize joint household head and spouse income to determine eligibility for housing subsidy amounts, and qualifying incomes for loans, respectively. Table 4.2 indicates that some 74% of township respondents reported joint incomes of less than R1500 per month, with only about a quarter earning more than this. In informal settlements some 94% of respondents stated that their joint incomes were less than R1500 per month with only 6% reporting higher incomes. Ninety-one percent of respondents in peri-urban areas reported joint monthly incomes of less than R1500, with only 10% reporting higher incomes.

Table 4.2 Household Head and Spouse Income (African Households Only)

	0 -R800	R801- R1500	R1501- R2500	R2500- R3500	R3500+	No. Total dwellings
Townships (%)	24	50	23	3	1	92688
Informal (%) areas	49	45	6	0	0	124284
Peri-urban (%) areas	33	58	10	0	0	15624
Total Households	88300	111334	30337	2781	927	232596

Source: Urban Strategy Department, City of Durban, 1995.

According to the above data then about a 4 % of townships households may qualify for access to a housing loan (without sourcing additional guarantees) with no residents in informal settlements and peri-urban households qualifying. What the difference between tables 4.1 and 4.2 does reflect is the potential capacity of households to lever in at least some additional finances from other household members or alternative sources to make a contribution - albeit financially small - to meeting their own housing needs.

Given the income levels discussed above, it means many people are solely dependent on the

subsidy from government which subsidy is barely able to provide a house. The overall effect of this is that high density living environments which enhance city performance is unaffordable to many. The low density sprawl that affects the efficiency of the city is much more difficult to deal with under circumstances where other forms of living are unaffordable.

Whilst the income levels above are a source of worry, most perturbing is the realisation that these low incomes have to support vast numbers given the high rate of unemployment as discussed below and illustrated in table 4.3.

4.3.2 Unemployment

The economy of Durban is currently not able to provide sufficient jobs for its rapidly growing workforce. Many manufacturing industries are shedding jobs in order to become more competitive in an increasingly open economy. Unequal access to job opportunities between racial groups is likely to be slow to change and will be compounded for some time to come by the very low rates of matriculation amongst Africans to date. In 1991 it was estimated that only about 9% of Africans had a matric as compared to 20% of Indians and 47% of whites.(Census 1991)

Employment status is a key indicator in terms of being able to afford home ownership - either in terms of capital outlay or in terms of maintenance and payment of rates tariffs, rents and bonds. It must be differentiated from income in considering issues around access to credit.

A range of methods has been developed in order to estimate employment and unemployment rates. Strictly defined unemployment refers to people who are unemployed and actively seeking work. Many long term unemployed people, however, have ceased seeking employment but still consider themselves unemployed. (Metro Housing 1999) In addition many reports consider informally employed people to be effectively unemployed as it is argued that if jobs were available most informally employed people would opt for formal employment over informal employment. (Metro Housing 1999)

Utilizing the data from the Census survey referred to above, and depicted in Table 4.3 below, unemployment rates - as strictly defined - in African townships were of the order of 19%, increasing to 24-25% in informal and peri-urban areas. Comparative rates reported for Indian households were 10%, for Coloured households 21%, and for whites 5%. (Census 1991)

Including those not actively seeking work approximately 24% of township respondents were unemployed, increasing to 29% of informal settlement residents, and 31% of those living in peri-urban areas. If informal sector employment is factored in, however, this increases to 36% in townships, 49% in informal areas and 49% in peri-urban areas. Amongst Indian households this increases to 14% including those not seeking work, and 21% when the informally employed are factored in. Amongst Coloured and White households very minor increases result when those not seeking work are included, but increase to 28% and 10% respectively if the informally employed are included.

In summary then the unemployed and underemployed amount to just over a third of the potentially economically active in the townships, and about half in the informal and peri-urban settlements. On one hand this situation points to the drastic need for employment, while on the other it does indicate a pool of domestic human resources that could potentially make a contribution in sweat equity type housing developments. To release this potential, however, requires resources to develop appropriate training, institutional and support measures.

Given the unemployment situation and the low wages earned by many, it would seem that there are limited additional resources for housing outside the government subsidy. This has the effect of slowing down the housing delivery programme and with it the opportunity to use housing to restructure the city is lost.

Table 4.3 Employment and Unemployment Figures in the DMA

	% Not Economically Active (NEA)	% Economically Active (EA)	Formal Employment (% of EA)	Informal Employment (% of EA)	Unemployment rate (% of EA) - strictly defined
African Township	68	32	68	13	19
Informal Settlements	62	38	55	22	24
Peri-urban	69	31	58	17	25
Asian Areas	57	43	83	7	10
Coloured Area	61	39	73	6	21
White Areas	53	47	91	5	5

Source: Urban Strategy Department, City of Durban, 1995.

4.4 SOCIO-POLITICAL IMPEDIMENTS

The political history of South Africa has left a legacy of an abnormal society. The abnormalities are reflected amongst other things in the social interactions between the different race groups as impinged on by attitudes and prejudices. Although commendable great strides have been made in fostering racial reconciliation and tolerance, it is unfortunate to observe that racism still prevails with concomitant prejudices that pose serious socio political impediments to housing development and hence city restructuring. Some of these manifestations are identified and discussed below as the Nimby syndrome and racism.

4.4.1 The “NIMBY” Syndrome

The need to identify, acquire and develop land in well located areas places communities with different affordabilities in close proximity. Whilst national policy aims to encourage reconciliation between, and reintegration of, races, the lowcost housing subsidy allocation only allows for very basic levels of services and shelter. This creates various tensions, partly as a result of inter community fears but predominantly from the impact of low income housing

developments on existing property values. There is therefore strong resistance to the identification, acquisition and development of land in certain areas which often delays housing development.

The mind set of people who resist the location of poor and mainly Black housing beneficiaries in close proximity to them is referred to as the NIMBY (Not In My Backyard) syndrome. This is because Durban's lowcost housing estates elicit different responses from different people. "Some see them as opportunists from rural areas bent on accessing urban resources including jobs and in the process negatively affecting both the built and the natural environment. Others view them with sympathy but cannot accept their existence in their midst: the 'not in my backyard' syndrome persists even amongst the most liberal" (Makhathini 1994)

The resistance to the development of lowcost housing next to established communities by established and entrenched communities has posed serious threats to many a project. In certain cases the aggrieved communities have had to go to court to challenge planned development. The case of Cato Manor is a good example. In an interview with a member of the Cato Manor Board it emerged that the community of Manor Gardens, which is a mainly white and affluent, took the Cato Manor Development Association to court in a bid to stop the in-situ upgrade of the Cato Crest informal settlement in 1995. The issue has since been settled through the inclusion in the overall plan of a buffer middle class estate between Manor Gardens and Cato Crest. This process took more than two years before the project could proceed.

In other instances communities have marched to the local authority offices to demand that lowcost housing projects adjacent to them be stopped. A case in point here is the Quarry Heights housing project.

Quarry Heights is situated adjacent to Avoca Hills, Newlands East and KwaMashu. The project was developed in a partnership venture between the Durban Metro Housing Unit and Effingham Housing. It was a fast track project aimed at accommodating a poor African community of Canaan situated on unstable land. When the first batch of people were relocated to new houses in the first phase, the mainly coloured community of Newlands East organised a march to the Durban City hall to try and stop the project.

The memorandum addressed to the Metropolitan Mayor requested a meeting with the mayor to

discuss eight issues including crime, property values and lack of consultation. Although the issues raised in the memo seem to be genuine concerns about the impact of the project on adjacent houses, of interest though is the seventh point which reads "No consultation with the community. Why were existing residents not given the opportunity to apply for the houses". It leads to the conclusion that over and above the material interests of the protesters, they would have liked the houses to be allocated to members of their community who are noticeably Coloured. This would have reduced class tension as the race would have been homogenous. The class status of the Quarry Heights residents and the impact on property values would have been tolerated if race was homogenous. From the minutes of the meeting and the memorandum it would seem that proximity of the development and class differences would have been obscured by race similarities.

The discussion above seems to lead to the conclusion that certain attitudes prevalent within established communities pose a serious impediment to attempts to residentially mix races in pursuance of city restructuring.

4.4.2 Racism

It is common knowledge that one of the characteristics of the South African society is low levels of racial tolerance. Durban is no exception in this regard. Instances abound in Durban where planned projects have been claimed by racial groups who insisted on allocations to be based on race. The argument that these groups put forward relates to constitutional guarantees of freedom of association and self determination. Although no project has so far been abandoned as a result of race generated opposition to allocations, delays have been costly both in financial terms and delivery terms.

The separation of races at the local level in line with the national apartheid policy of the past, has had the effect of making people think along racial lines. Race groups do not only think of themselves as an exclusive social entity within a suburb but also regard the geographic area and amenities within as belonging to, and for the exclusive use of, their racial group. This mind set manifests itself in resistance to the development of in-fill vacant land if it was for lowcost housing which inevitably attracts people of other race groups. Notable here is that the majority of low cost housing beneficiaries are Africans as determined by their income relative to other race groups and depicted in table 4.2. The Burnwood Road project in Clare Estate is a good

example of this.

The Burnwood Road housing project was delayed for more than one year because of opposition to the in-situ upgrading of an informal settlement, populated by Africans, situated within a predominantly Indian area. The land was owned by the Durban city council and informally settled by poor Africans in 1991. Adjacent pieces of land owned by Indian families were also settled albeit sparsely as it is steep. The informal community of Burnwood Road neither realised nor recognised the ownership boundaries when they settled as it was all undemarcated vacant land. When the Durban Metro housing acquired funds to upgrade the settlement, the private landowners refused to throw in their land for the holistic development of the settlement. They initially insisted that the whole community be relocated elsewhere and when this failed they simply refused to sell their properties to the project.

Although the project manager, Ms Naidu, a year after the project was implemented in 1999 writes “They have acknowledged that the project will be improving the living conditions of the people currently living in the informal settlement and this in turn will improve the health and safety conditions in the area”, the result of this racially inspired resistance was that a section of the community had to be ultimately relocated elsewhere as the settlement was too dense to accommodate all the families on only the municipal land. This exercise proved costly in terms of delays and resources invested in solving this impediment. Ultimately about half of the residents had to be relocated to another project called Westrich. Relocation could not take place before houses in Westrich were completed and this delayed the Burnwood project further.

The discussion above serves to highlight the fact that whilst it is imperative to begin to introduce interracial residential co-existence through additional housing for other race groups in previously exclusive residential racial enclaves, racism itself poses a serious challenge and can be a huge limiting factor. The attitude of settled communities towards poor Africans as potential neighbours limits the ability of the housing sector to contribute to city racial restructuring.

4.5 THE INHIBITING FINANCIAL ENVIRONMENT

City restructuring through housing development is not possible without financial resources to plan and implement housing projects. Resources for housing are primarily available from the

government as subsidies and from the private sector as loans and subsidies. These sources of finance need to be able to leverage more finance for housing from inter alia the beneficiaries themselves. It is therefore important that housing finance from the government is constantly available and predictable and loans from the private sector are extended to a wider clientele. It is therefore of concern to observe that there is lack of certainty as to the future of the government subsidy and a reluctance by financial institutions to lend.

4.5.1 Uncertainty of Subsidy Funding

The housing development function in South Africa is a national responsibility. The national government sets aside a budget which is allocated to provinces for disbursement to developers within the provinces area of jurisdiction. Local authorities can be, and many are, developers. The provincial allocation is determined on the basis of population figures in the provinces. The National Housing Board controls the national housing fund and allocates to Provincial Housing Boards who then receive and approve applications from developers before dispensing funds to them.

The province of KwaZulu Natal receives about R570 million per annum for housing disbursement to projects. (Government Digest, March 1999) In the first two years after the election the government suffered the embarrassment of spending only a small portion of the budget allocated for housing. "These funds were, somewhat grudgingly, rolled over into subsequent years but it was clear that the grassroots, the politicians and the treasury were unhappy with the performance of the housing sector. Speed of delivery (or lack thereof) was not the only issue." (Smit 1998).

Housing experts, however, remained convinced that, in the words of Smit "...the buns were in the oven and that once the first batch emerged the others will follow", (Smit 1998). By the third year after elections the evidence had begun to suggest that the experts may well have been right. Spending rose sharply in 1997 as more projects began to hit the ground and money was being spent. Housing people learnt the lesson that housing cannot be budgeted for in a linear fashion as it takes time to package housing projects. In fact the average lead time to implementation for a housing project to start spending money is about eighteen months. (Smit 1998)

Having learned this important lesson, the KwaZulu Natal Housing Board subsequently embarked

on the habit of approving more projects than they had money for in an attempt to increase their national allocation. This has however led to problems. The housing board currently sits with approved projects totalling in value to about double the provincial annual allocation. This has meant that new projects cannot be approved for the next two years whilst already approved ones spend the money. The main problem though is that some of the approved projects are not performing and therefore the money allocated to them is frozen. Non performing projects are those that have not been implemented despite approvals having been obtained. Reasons for non-performance of projects include the post approval developer inability to obtain bridging finance, community conflict and legal blockages. Attempts have been made by the Board to reallocate the money to new projects but this has prompted legal action by some developers. Map 4 illustrates the location of approved Housing Board projects. It is worth noting from figure 9 that many of the approved projects are not necessarily well located in terms of restructuring the city. The board initially did not factor the issue of locality in their criteria to approve projects. (PHB Evaluation Criteria 1995)

The impact of the situation described above is that well planned project applications aimed at projects which have a city restructuring focus will not be considered for about two years. Whilst it is accepted that there had to be a learning curve with accompanying mistakes, when implementing a new policy, the cost to the city restructuring programme, through lowcost housing is regrettable.

Also at the national level, mainly due to National Government's re-prioritisation of funding especially in the context of the GEAR policy and its concentration on economic development and job creation, it is uncertain whether there will be sufficient funds allocated for housing subsidies for the various Provinces in future budgets.

The uncertainty discussed above affects planning generally and planning for housing specifically. For housing development to contribute to restructuring the city it needs to be planned for. If such planning is not possible due to uncertainties in the fiscal supply of funds, then opportunities to contribute cannot be properly identified and utilised.

4.5.2 The Lending Policies of Banks

Whereas in many developing countries a functioning finance sector is either absent or

undeveloped, in South Africa a vigorous and highly sophisticated finance sector exists. Moreover, a strong and long standing housing finance sector functions well in the established housing market.

Government policy clearly reflects the view that the challenge in South Africa is to make the enormous resources vested in the finance sector available to the majority of the populace who are largely low-income and Black. It is discouraging to note that to date financial institutions have been reluctant to lend to a market which is considered high risk and where profit margins are low.

Financial institutions are generally not lending to people who earn less than R3 500 per month.(Mjekula, A 1998) Given the earning capacity of most people in the Durban Metro area and the employment levels, as depicted in tables 4.1 and 4.2, the lending policies of banks and other financial institutions are a serious impediment to housing delivery and the intended restructuring of the apartheid city.

The government has intervened in the financial market through a number of initiatives which are discussed in the following chapter as opportunities to restructure the city. Without the finance to deliver housing there will be no contribution made to city restructuring through housing development.

4.6 POLICY LIMITATIONS

City restructuring of any form which uses any programme for intervention needs to happen within a policy friendly environment where the policy frameworks are enabling and not inhibiting. It is concerning therefore to note that there are residual policies that make it difficult to develop housing in appropriate areas and in the process hinder efforts at restructuring the apartheid city. There are many of these policies but for the purposes of this work three of these will be discussed.

4.6.1 Ingonyama Trust Act

A few weeks before the elections in 1994, the then state president F. W. de Klerk and the then chief minister of the KwaZulu homeland signed an enactment which put control over the

KwaZulu held land under the jurisdiction of the King of the Zulus, to be administered by a trust named Ingonyama Trust. This practically froze the acquisition of such land for development without the express permission of the King of the Zulus. The land was to be held in trust for the Zulu nation in communal ownership which did not allow alienation.

In the case of Durban this freezing of land has had serious negative impacts on development generally and on potential housing development projects specifically. This is more the case in Durban because of the geographic distribution of such land. Durban is unique to other cities because it is the only major city in South Africa where city borders were shared with a homeland. Durban shared a large percentage of its borders with the KwaZulu homeland. This has meant that on the one hand current city peripheries are held by the Ingonyama Trust and not accessible to the city for development purposes in spite of the fact that this land is under the jurisdiction of the relevant Metro local council.

It also means that on the other hand, people residing in rural tribal land cannot obtain formal tenure on the land and can therefore not use the land they live on as collateral for investment on it. Housing projects can therefore not be implemented because the current housing policy only releases subsidies in a housing project that ultimately passes tenure to the beneficiary.

Another impact of the Ingonyama Trust Act is that the Provincial Housing Board of KwaZulu Natal has approved projects as far back as 1996 but those have not been implemented due to the Ingonyama Trust Act. These approvals and subsequent land legal problems around the Trust have interfered with the cashflows of the Housing Board. It has also meant that money has been set aside for allocation to projects which do not perform instead of being allocated to those that can spend it. This is more damaging if one considers the fact that the Provincial Housing Board receives its annual allocation according to what it spent the previous year.

The land frozen through the Ingonyama Trust Act of 1994 includes vacant and informally settled land situated on what used to be buffer strips between the old city of Durban and the homeland and is as such well located for use for medium density housing projects between the core city and the distant periphery in line with restructuring the city through housing development.

Although the problem presented by this situation was identified after the election, the process of melting this land for release has been very slow. It involves amending the act which is currently

being undertaken.

4.6.2 Transitional Local Government Arrangements

The Local Government Transition Act of 1996 allowed for the creation of substructures under the umbrella of a Metropolitan structure. The Act allows for functions to be negotiated between local authority substructures and the Metro. The current local government arrangements in Durban are such that there are six local councils which collectively form the Metro (Map 7 has reference). Land ownership and management is a function of substructures within their geographic areas of jurisdiction whilst housing development is a Metro function in only two of the substructures. (North and South Central IDP, 1998) Interestingly, from the same document, housing policy is a Metro function over all the substructures.

The negative effects of these arrangements, which were made possible by the Local Government Transition Act of 1996, are that the competition between local authorities has sometimes tended to emphasise parochial interests over and above the collective Metro interests. Each local authority jealously clings to its assets at the detriment of the overall Metro wide interests. This is sharply demonstrated in the issue of land. Interviews with officials have revealed this.

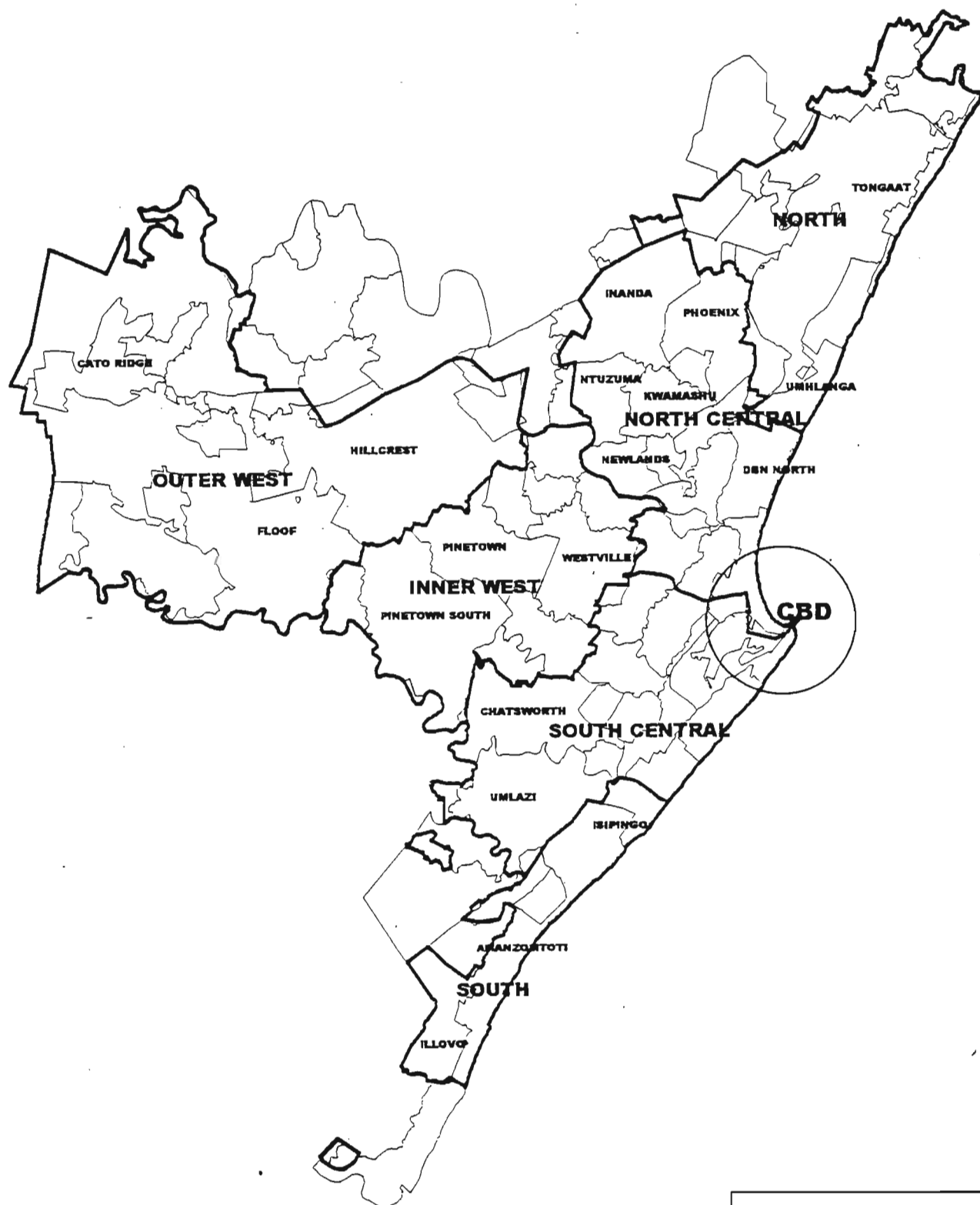
Another persisting phenomenon, also related to the current local government arrangements, is the policies of some local authorities which limit allocation of housing sites to people who do not reside within the jurisdiction of such local authority. (NLCA allocations Policy 1999) The result is the planning of housing projects in badly located areas according to availability of land. The net effect of this is that it undermines the effort to racially and economically restructure the city through housing.

4.6.3 The National Norms and Standards Policy

To promote the production of bigger houses by reducing costs of infrastructure, the National Housing Department has approved the National Norms and Standards policy. Whilst this is a noble attempt at increasing the quantity of top structure, it has the potential to slow down the housing development programme especially in well located urban areas.

DURBAN METROPOLITAN AREA

MAP 7



 Clusters
 Metro Boundary

SOURCE: METRO HOUSING

As recent as November 1998 the National Ministry of Housing promulgated a policy referred to as the National Housing Norms and Standards in accordance with its mandate contained in the Housing Act 107 of 1997. The act provides for the national minister to set norms and standards in housing projects funded through the subsidy regime. These norms and standards, to be effective from April 1999, amongst other things spell out the maximum amount of the subsidy which can be spent on infrastructure provision in a housing project. The amount is capped at R 7 500.00 but can reach a maximum of R 10 000 with the express permission of the Provincial Minister of Housing. (National Norms and Standards 1998) At today's prices the stipulated amount for funding the infrastructure can only produce gravel roads and pit latrines.

The level of infrastructure demanded by many local authorities costs far more than even the R 10 000 maximum. In the case of Durban, the set infrastructure standards cost about R 20 000 per site. The effect of the Norms and Standards policy is that local authorities will either have to fund the difference from what the subsidy can offer and what their standards cost or have no projects developed in their areas if they cannot find additional finance. (Report to Land and Housing Committee 1999) Local authorities will have to provide additional grants for housing projects to meet the service levels they want. This will be the case given the opposition by councillors and communities to pitlatrines anywhere in urban areas. (Report to Land and Housing Committee 1999) This opposition to this form of sanitation seems to stem more from a perception of the system being backward and not previously implemented in white areas than from the shortcomings of the technology itself.

The net effect of the lack of choice for local authorities is that lowcost housing projects which all need top-up grants from local authorities will be implemented as and when such local authorities can afford the grants. This will have the overall effect that although projects can have the subsidies from the Provincial Housing Board if they do not have the top-up grant they cannot be implemented. This will inevitably influence the Housing Board to only consider urban housing projects which have guaranteed grants. There will therefore be a skewed allocation of subsidies in favour of rural projects where local authorities allow lower service levels for their housing projects. This will effectively delay the whole housing programme and with it the restructuring of the apartheid city of Durban through housing development.

4.7 CONCLUSION

The limitations listed and discussed above are by no means exhaustive. The limitations related to land are difficult to overcome but not impossible. Those related to the socio-economic and political climate seem to be dependent on the wider national environment and will hopefully be overcome with time as attitudes change and racism becomes a thing of the past. The limitations which are policy related can be overcome through policy changes and amendments.

The limitations discussed above notwithstanding, there are numerous opportunities available to overcome such impediments. These are discussed in the following chapter.

CHAPTER 5

OPPORTUNITIES FOR RESTRUCTURING THE APARTHEID CITY

5.1 INTRODUCTION

Limitations to restructuring the city as identified and discussed in chapter four may in effect be alarmist but very much an integral reality of the environment within which the challenge of city restructuring has to happen. The challenge that these limitations pose to development interventionists generally and housing interventionists specifically is enormous. The identification and discussion of limitations to city restructuring in chapter four can not be an end in itself. If they are made to be an end, then they would defeat the objectives of this work. It is intended that the preceding discussion forms part of the means to the ultimate identification of strategies to deal with them.

Significant in the preceding discussion is that the limitations could be clustered into categories of land, socio-political, policy, and financial related limitations. It is therefore relevant to search for countering opportunities within the same and overarching categories for identification and discussion.

There are many countering opportunities within the same operational environment which conspire to produce an enabling environment for the restructuring of the city through housing development. These opportunities will be identified and discussed in this chapter.

5.2 LAND RELATED OPPORTUNITIES

Having identified and discussed land related limitations, it is pertinent to look for opportunities which the current land supply and demand environment presents. There exists strategically located land in Durban which can be used for housing development within a city restructuring framework. Land already informally settled can be viewed as already identified and only needing formalisation. Vacant and informally settled tracts of land owned by absentee landlords also

present an opportunity. In addition, in the case of Durban, land under cane can be transformed into a city restructuring opportunity. The discussion below elaborates on these.

5.2.1 Strategic Land Availability









One of the principles of apartheid city planning was the deliberate creation of buffer zones between residential areas of different race groups as illustrated in Map 8. This was achieved by either developing buffer projects such as freeways or the non-development of buffer strips between residential areas of different race groups in order to enforce separation of races in accordance with the grand apartheid policy. This has left a legacy of vacant land sandwiched between residential areas.

These buffer strips of land present an opportunity to restructure the apartheid city of Durban through their development for low-cost housing. This is further enhanced by the fact that bulk infrastructure is readily available for these projects to connect to existing services in the adjoining developed areas they were supposed to separate. To develop housing on such strips of land would achieve the goal of mixing races in the fruit salad mix combination advocated by Marcuse (1998).

There also exist smaller pockets of vacant land within suburbs. These were reserved for development of further facilities for the privileged races according to the apartheid city planning scheme. It is relevant to note that most of these residential areas are already well imbued with facilities. It is not an error of comment to note that in fact many facilities like halls, playgrounds and parks in these suburbs are lying idle and have increasingly become accessible to communities who were intended to be excluded from them and who have no such facilities in the townships and informal settlements where they reside. It therefore makes little sense to contemplate the development of further social facilities on the land so reserved. These pockets of land within previously exclusive suburbs need to be targeted for high density lowcost housing. This will mean effective land use and will translate to an opportunity to bring the poor nearer the city and to mix races and income groups. The overall effect of cross-subsidisation of small infill lowcost housing estates by the wealthier surrounding suburbs will promote sustainability of the locality.

MAP 8



-  Rivers
 Main roads
 Rail line
 Buffer strips
 Black
 White
 Indian / Coloured
 Metro Boundary

SOURCE: METRO HOUSING GIS

The mere location of vacant land within suburbs and buffer strips between racial residential areas present an opportunity for low cost housing development and consequently for city restructuring. It is an opportunity worth taking advantage of. An example of a successful project located on a buffer strip is the Western Buffer project in New Germany. The land lies between the Clermont community and the suburb of New Germany. The project has succeeded in bridging community trust between the two abutting communities. It was initially challenged by the “Nimby” syndrome with the suburbans opposing it. The intervention of the Inner West council in ensuring that the quality of houses is not vastly different from the houses in New Germany was successful. This was done through negotiation and the setting up of a credit scheme for the housing beneficiaries to access loans and extend their houses.

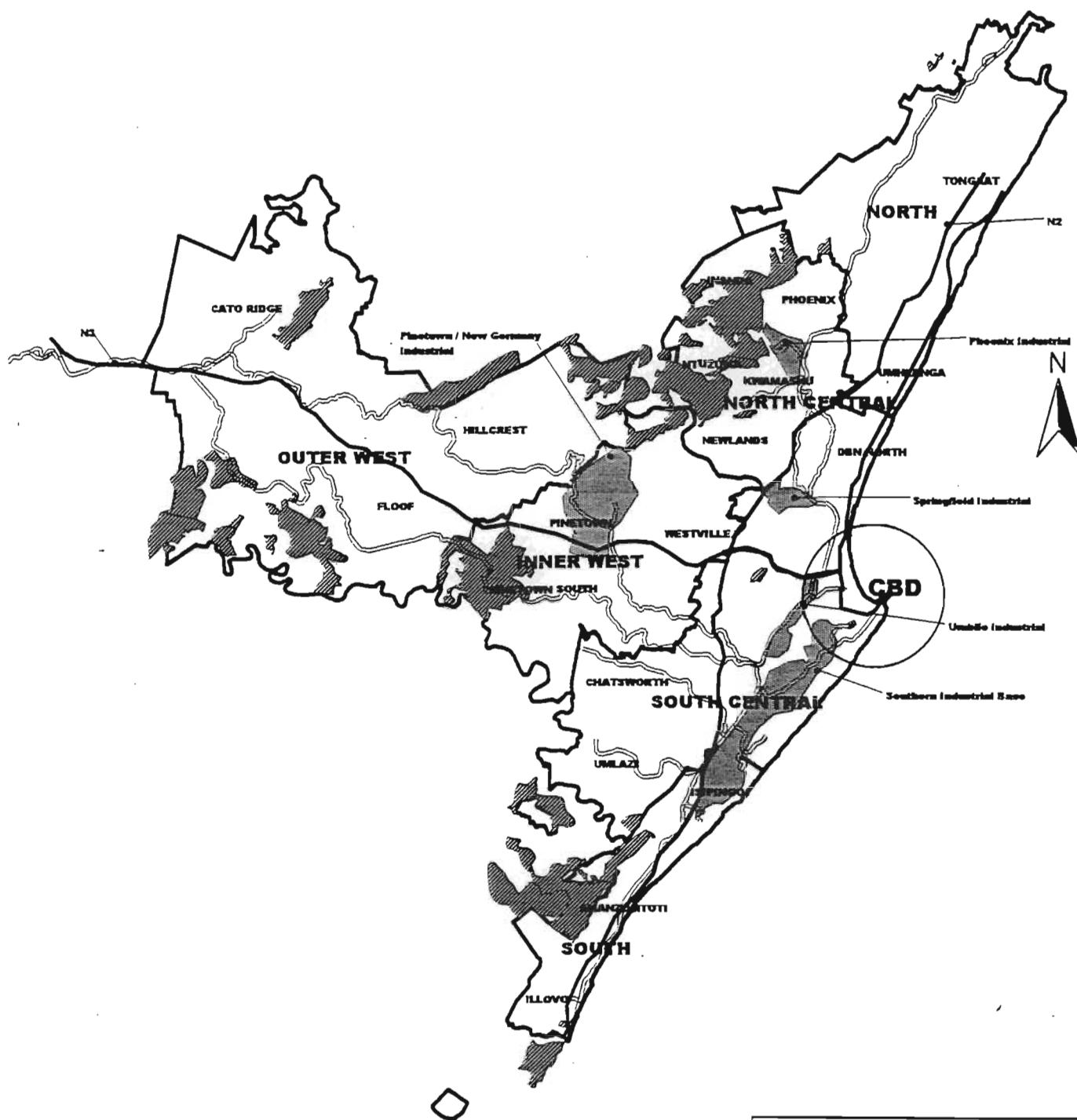
5.2.2 Informally Settled Land

A cursory look at the geographic location of informal settlements as illustrated in Map 9 reveals that, with the exception of the old peripheral settlements, most of the inner city settlements are located in easy proximity to social and economic opportunities. The poor have located themselves, largely through the process of land invasion, quite strategically in order to have easy access to economic opportunities. An observation can be made that vacant land near industrial areas has been the most targeted by land invasion in the past five years. This phenomenon is best illustrated in the case of the Springfield industrial complex. This complex, along the Umgeni river just before the Connaught bridge, has been growing at a phenomenal rate in the past five years. This growth has been accompanied by a matching growth of informal settlements on privately owned land within walking distance from the industrial complex. Settlements to mention include Cannan, Palmiet, Kennedy Road and Sim Place (Map 10).

These well located settlements present a development challenge which is accompanied by an element of restructuring. Their development in-situ as in-fill housing projects will meet the objective of permanently placing poor people in areas of opportunity where they previously could not reside. They will walk or spend less on transport to work. In addition, because these settlements are located within previously Indian areas, their development in-situ will achieve the objective of mixing races previously separated by apartheid and thus defeat the negative social

INFORMAL SETTLEMENTS VERSUS CBD AND INDUSTRIAL AREAS

MAP 9

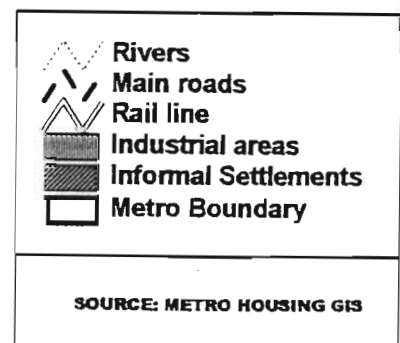
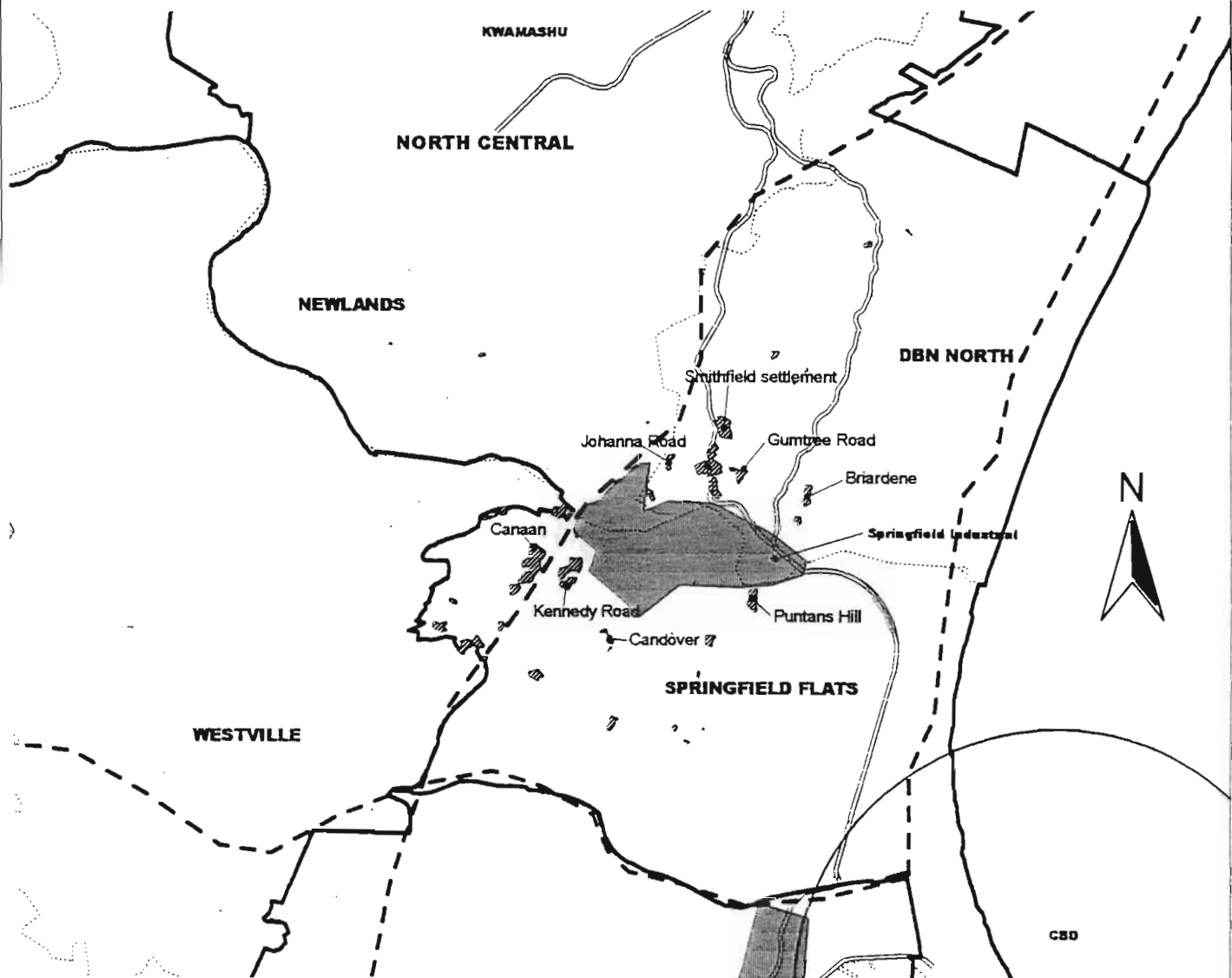


- Main roads
- Rail line
- Industrial areas
- Informal Settlements
- Metro Boundary

SOURCE: METRO HOUSING GIS

SPRINGFIELD INDUSTRIAL AREA AND INFORMAL SETTLEMENTS AROUND

MAP 10



effects of the apartheid city. This opportunity presented by the location of informal settlements in these areas is further enhanced by two additional factors.

The effect of the existence of informal settlements on land is the depreciation of the value of such land. The current value of the settled land, however well located, could be affordable within the subsidy if purchased “as is” and this has the effect of increasing the amount of subsidy money left over for the construction of the house. This was helpful in the case of the Canaan land where the settled land was acquired for next to nothing from the Department of Transport who did not have a solution for the community. The result was that it was possible to acquire the land in Canaan and the Quarry Heights land within the subsidy amount and also produce reasonable houses. (Quarry Heights PHB Application 1998) Also because these settlements are located within existing suburbs, there are savings incurred by the projects as no money is used to provide bulk services which are readily available within a developed urban suburb. Examples of projects which scored savings in infrastructure costs because of their location in already supplied locations include the Briardene Housing Project, Burnwood Housing Project and the Lusaka Project. (PHB Applications 1997)

5.2.3 Land Owned In Absentia

Yet another legacy of apartheid has been the selective empowerment of race groups through property ownership legislation. The Land Act of 1913 excluded Africans from owning land anywhere in South Africa. The effect of this has been twofold. Firstly, because Africans could not own property, even in the rural areas, to translate into wealth, they were forced to move to urban areas to seek employment after their subsistence farming was undermined. They are now included in the lowcost housing demand of the cities. Secondly, a study conducted by Durban Metro Housing shows that the other race groups managed to acquire vast tracts of land which were in many cases in excess of what they needed or could use. (Metro Housing, 1999) This resulted in a situation where individual barons and their successors own pieces of land all over the country which they hardly visit or manage. Preliminary negotiations, conducted by the author, with some of these absentee landlords revealed that many are urban land speculators who will only sell if the price is right or if they are under pressure.

Negotiation experience of the author with these absentee landlords for the release of their vacant and informally settled land have led the author to the conclusion that in the case of vacant land

they would be willing to sell if the price was right. In the case of land under informal settlement, the trend has been for these landlords to demand that the settlements be relocated by the local authority first before negotiations about acquisition.

The land that these absentee landlords own presents an opportunity for developing housing and because this land is usually developable and well located it should be vigorously sought after and developed for housing. By virtue of being absent from the land these landowners can be viewed as speculators whose land can be acquired for the public good. Legislation exists which allows for the expropriation of privately owned land if it was to be used for the public good.

The Africa Project is an example of how this opportunity has been seized. The Africa Land Release Project faced the problem of absentee landlords who could not be located. The project had to be implemented on about 25 pieces of privately owned land for it to be viable and to accommodate all the informally settled people. After delays caused by the absence of about half of the landlords, a decision was taken to expropriate the land. This has resulted in progress with the planning of the project complete and implementation expected soon. (Report to Housing Committee, 1999)

5.2.4 Land Under Sugar Cane

Figure 4.1 on page 38 shows that it has been estimated that of all land within the Durban Metropolitan area, 12,5% is under cane. (Metro Housing, 1999). The sugar cane industry in Durban has been pivotal in providing employment opportunities to the people of Durban and has been a useful source of income for the region. The growth of the city and the accompanying population growth has put pressure on land that is under cane. It can be argued that some of that land, especially that which is nearer the city, should be targeted for housing development. This point is made here with full realisation of the sensitivity of the argument especially as it relates to wider economic questions. An argument can be made for major agricultural activities such as sugar cane production to be located towards and beyond the city periphery. It is economically strange that within the city boundaries the labour force travels from their places of residence through sugar cane fields in order to reach their work destinations.

The 12,5% of land under cane within the city boundaries presents ample opportunity for housing development. Negotiations between a landowner the council, aimed at ultimate acquisition of at

least some of the land for housing development, have resulted in the release of land by Tongaat Hulletts for the development of Mount Moria. This project is planned as part of a larger housing project on land previously under cane.

In order to take advantage of the land related opportunities already discussed, there is a need for an understanding of the policy framework which enables this to happen. Relevant enabling policies and legislative frameworks are discussed below as opportunities for re-arranging the city through housing development.

5.3 POLICY AND LEGISLATIVE OPPORTUNITIES

There exists a plethora of policies and legislation in the development field. Some of these are old and outdated yet others are new and aimed at enabling the development of housing. Of significance are those with the ability to enable housing development to happen where it contributes to interventions in re-arranging urban element. The challenge for development interventionists is to use these policies and pieces of legislation in a manner that promotes city restructuring. Relevant legislation and policies are discussed below.

5.3.1 The White Paper on Housing 1994

The objective of the White Paper on Housing is to establish a framework for housing delivery. Within this framework there are elements that enable the restructuring of the city. Briefly these can be summarised as:

- ☐ undertaking and promoting institutional rationalisation and consolidation.
- ☐ establishing mechanisms to release land for housing development and the release of state land for housing.
- ☐ co-ordination of public funding and development activities between different branches and levels of government.

By promoting institutional rationalisation and consolidation, the White Paper provides a role for local authorities to manage housing development. This is essential since it gives local authorities latitude to restructure their cities and towns themselves. It further tasks local authorities with the identification and release of land for housing. This is further latitude for cities and towns

to strategically identify and release land in a manner that furthers their restructuring goals.

The White Paper as a policy instrument is an opportunity for Durban to identify, release and develop land in such a way that racial mixes are achieved in projects, the poor are brought nearer opportunities, the urban sprawl is discouraged, separation and fragmentation of urban elements is avoided and functionality is achieved.

The Durban Metro Council has established the Metro Housing service Unit, which became operational in 1997, to plan and facilitate housing delivery in line with the White Paper. To date the unit has identified land, planned about 40 housing projects and implemented some 24 projects. (Metro Housing Progress Reports 1999)

The framework for housing delivery enunciated in the White Paper provides for co-ordination of housing funds thereby ensuring that public funds for housing are appropriately provided and managed. This has the effect of leveraging other private funds into projects and thus increasing the quantity and improving the quality of the product. The more quality and quantity is enhanced in housing products, the better the impact of low cost housing projects on adjacent developments.

This has the effect of less painful social integration. The Durban Metro Housing Unit has established a dedicated Metropolitan Housing Fund which is used to augment subsidy funds in projects where some of the limitations discussed in chapter 4 have threatened to render such projects impossible. The fund was recently used as top-up funds to subsidise higher quality housing to deal with a “Nimby” syndrome situation in Quarry Heights. The result has been the acceptance of neighbouring communities of Newlands and Avoca of the standard of houses in Quarry Heights. This has lessened tensions and defused racial polarisation.

5.3.2 The Housing Act 107 of 1997

In terms of the Housing Act, all spheres of government must ensure that housing development is economically, fiscally, socially and financially affordable and sustainable; that it is

administered in a transparent, accountable and equitable manner; that it promotes the effective functioning of the housing market while levelling the playing fields and taking steps to achieve equitable access for all to that market; that it promotes the use of public money available for housing development in a manner which stimulates private investment in, and the contributions of individuals to housing development.

A substantive contribution of the Housing Act is to clarify the respective roles of the different spheres of government with regard to housing. The Housing Act follows the lead given in both the White Paper on Local Government (1998) and the Development Facilitation Act (67 of 1995) in that it specifies a set of development principles which must be observed by all spheres of government in their pursuit of housing goals. In this regard, the Housing Act stipulates that local government will:

- ▶ set housing delivery goals in respect of its area of jurisdiction.
- ▶ identify and designate land for housing development.
- ▶ initiate, plan, co-ordinate, facilitate, promote, and enable appropriate housing development in its area of jurisdiction.
- ▶ plan and manage land use development.

The Housing Act provides for a new and substantial role for local government in the facilitation of delivery. In terms of the Housing Act, every municipality is required, as part of its process of integrated planning, to take all necessary steps to ensure that the inhabitants of its area of jurisdiction have access to adequate housing on a progressive basis, that conditions not conducive to the health and safety of the inhabitants of its area of jurisdiction are prevented or removed, and that services in respect of water, sanitation, electricity, roads, stormwater drainage and transport are provided in a manner which is economically efficient. Furthermore, local government is responsible for creating and maintaining a public environment conducive to housing development, which is financially and socially viable, and to promote the resolution of conflicts arising in the housing development process.

The Act therefore grants substantive independence to local authorities to plan housing development to their own advantage. In the case of an apartheid city like Durban this is a legal opportunity to be seized in pursuance of the restructuring objective.

Also in terms of the Act municipalities may be accredited to administer national housing

programmes. In effect, this means that local authorities may take on the role of provincial housing boards in administering such programmes.

The main advantage to local authorities of accreditation relates to the greater power that it provides in prioritising projects and determining the location of such projects. This advantage provided by the Act is an opportunity to prioritise projects which ensure the mixing of racial and income groups and enhance the location of the labour force and the poor in advantageous locations. The Durban Metro Housing Unit is the only local authority that has applied for accreditation to the Provincial Housing Board. The application is being considered by the board. If successful, the accreditation will give Durban Metro Housing the power to priorities projects and dictate their location. This is hoped to result in better location of projects and hence the achievement of the city restructuring goal.

5.3.3 The Local Government Transition Act (1996)

The development of Metropolitan and Local Council Integrated Development Plans are required in terms of the Local Government Transition Act, Second Amendment (Act 97 of 1996), which also provides for the involvement of the general public in the planning process.

According to this Act, the Council budgets will be linked to IDP's in order to allocate funds for development. The objectives of the IDP must be made available for public comment and be evaluated and amended as required. The public is to be informed of the achievements of the plan on an annual basis and revisions to the IDP made on an annual basis. The IDP process is envisaged to begin in July and be completed by December of any given year. Thereafter preparation of budgets as informed by the IDP can be undertaken.

The Durban Metro IDP incorporates strategic plans for the various functions of the Metro Council including economic development, urban form and land use, infrastructural provision, community services provision, safety and security, health, housing and environment

The Local Government Transition Act therefore, through the provision for IDPs, provides local authorities with a powerful legal planning tool. This is an instrument that provides for the pre-

determination of where the urban elements will be located and how they will relate to each other. The IDPs are powerful social engineering tools which are being used by Durban.

Durban has produced IDPs for the central local council areas. (North and South Central Council IDP, 1998) This legally required document is being used as a framework for the location of housing and other developments. Decisions about the location of projects are taken within this planning framework.

5.3.4 National Urban Development Strategy

Guidelines for the fulfilment of local government's developmental role in the Housing Act incorporate the terms of the National Urban Development Strategy. This identifies the need to:

- ☐ create housing opportunities for previously excluded communities closer to work opportunities, economic activities, and public facilities.
- ☐ generate a more efficient spatial-economic structure that is conducive to holistic community development.
- ☐ identify and develop well-located land for a mix of income groups and uses to achieve these ends.

The National Urban Development Strategy is perhaps the most supportive of the need to restructure urban areas. This policy document is the most enabling policy instrument and presents restructuring opportunities in its implementation.

Again the Durban IDP is a good example of how National legislation has been used to identify and develop well-located land for a mix of income groups

5.3.5 The Development Facilitation Act (1995)

The Development Facilitation Act (DFA) puts in place a system to speed up the development process, especially the provision of serviced land for low-income housing.

In summary, the DFA facilitates appropriate and speedy land delivery by establishing:

- ◆ A mechanism for early registration of tenure in order to facilitate the flow of housing finance and reduce the costs of holding land.
- ◆ A National Development and Planning Commission to investigate and make recommendations on a land development framework.

The legislation makes provision for three institutions to oversee the process of development, i.e., a Development and Planning Commission, a Development Tribunal, and a Development Appeal Tribunal. The Development Tribunal will assess applications made in terms of the Act while the Development Appeal Tribunal adjudicates appeals which have been lodged.

The DFA, although passed in 1995, has not yet been implemented in the whole province of KwaZulu Natal because of delays caused by a court case by the province against the Act. It is hoped that now the case is over many projects will develop through this legal mechanism.

By enabling early registration of tenure, the DFA enhances early investment in housing by beneficiaries through incremental housing extension and financial institutions through the approval of loans for extensions. This generates a momentum in housing consolidation which in turn reduces the risk of property values in adjacent developments falling as a result of low cost housing projects nearby. The net effect is the reduction of resistance to low cost housing nearby by established suburbs therefore impacting positively on the NIMBY syndrome identified and discussed in chapter 4 as a limitation to city restructuring.

The tribunals established by the DFA are a legal mechanism to resolve disputes arising from proposed developments. The tribunals decide whether or not a low cost housing project can proceed in a particular location in the face of opposition by other vested interests. The DFA therefore presents an opportunity to deal with socio-political impediments like the NIMBY syndrome and other competing land uses discussed in chapter four.

5.3.6 The Less Formal Township Establishment Act 113 of 1991

The Less Formal Township Establishment Act (113 of 1991) (LFTEA) effectively allows for the overriding of any impediment that might undermine the establishment of a less formal township. According to the LFTEA, the administrator may make State land or land that he/she has acquired, or which is in the process of being acquired, available for designation. A local authority or any person who is an owner of land may also make land available for designation.

When the administrator is satisfied that there is an urgent need to obtain land for the purpose of settling people in a less formal manner, he or she may, through notice in the Official Gazette, and on the conditions mentioned in the notice, designate land for less formal settlement. Several Acts of Parliament, regulations and categories of laws do not apply to designated land unless they are specifically provided for. These include the National Building Regulations and Building Standards Act (103 of 1977), laws relating to the standards and requirements with which buildings should comply, and laws requiring an authority for the subdivision of land.

Almost all projects implemented so far in the Durban area have used this township establishment route. This has resulted in about 89 projects approved by the Provincial Housing Development Board in the Metro area.(Project Lists, 1999)

The LEFTEA is evidently an important piece of legislation which allows for the speedy settlement of the poor in strategic locations which enhances city functionality.

5.3.7 The Durban Metro Housing Allocations Policy

Adopted by the Durban Metro council in 1996 the Allocations policy provided for the abolishment of all housing waiting lists which were racially based and established a Metro-wide housing allocations process where housing opportunities are advertised through the media, as they become available, at a project level, for all qualifying Durban citizens to have equal opportunity to a house.

The Durban Metro Allocations Policy put paid to racially based allocation of housing which was till then used to residentially separate races. It opens up equal opportunity for all who qualify to

apply for a public house. This ensures the mixing of races and maximises choice for beneficiaries. The policy also presents an opportunity for housing developers and local authorities to mix income groups within a project through the provision of different house types. In this way past apartheid related racial separation, identified in chapter three of this work as a city structural inefficiency, is defeated.

The Westrich housing project and the Lusaka project have both achieved racial mixes with the allocation of houses to Indian, African and Coloured families. According to the project managers, Mr Olckers and Ms Naidoo, to date there have been no reports of racial friction in both Westrich. And Lusaka.

5.4 SOCIO-POLITICAL OPPORTUNITIES

5.4.1 From Race to Class

The post apartheid era has brought with it the process of class decompression where previously racially compressed groups can now choose where to live depending on what they can afford. The process of class regrouping in residential areas, as opposed to race grouping, sees more and more affluent Africans and Indians moving into previously exclusive white suburbs. Middle classes are also grouping irrespective of races in appropriate residential areas. Woodlands and Montclair are good examples of housing estates that have achieved racial mix through this natural economic process.

This natural socio-economic process of class residential grouping and the inherent attitudinal adjustments present an opportunity for the mixing of races in defeat of the impediment of racial separation identified in chapter 4 of this work. It is a process to be encouraged through provision of high and middle income housing to accommodate this phenomenon.

5.4.2 Democratic Local Government

The advent of democratic local government in South Africa has ensured the establishment of the Durban Metropolitan Council which is fully representative, legitimate and a powerful policy

making structure. The council can make decisions about whether or not a particular development can happen in a contested area, how the development can happen and when. The legitimacy and power of the council presents an opportunity for developers and communities to put their case to an open minded legitimate body which has long bought into the idea of restructuring the apartheid city and that of bringing poor people nearer to opportunities.

This was demonstrated in the Westrich project where the Durban council though the recommendations of a subcommittee adopted the project against opposition from Newlands. The subcommittee consisted of councillors from the two neighbouring communities who, through their legitimacy managed to convince their community to allow the project to go ahead. Had these councillors not been legitimate the danger existed that the project could not have been implemented.

5.5 FUNDING OPPORTUNITIES

Many of the limitations discussed earlier in this work relate to issues of affordability. Some of the land related ones are land availability and values, competing land uses and availability of bulk infrastructure. Low income levels, unemployment and the lending policies of banks are also affordability related impediments. It is worth noting that many of the obstacles to housing development and hence city restructuring can be overcome with availability of funding for housing. It is important therefore to identify some sources of funding which can enhance the opportunity to restructure the city. These are discussed below.

5.5.1 The Housing Subsidy Scheme

An essential component of national housing policy is the granting of a capital subsidy to qualifying beneficiaries to assist them in the meeting of their housing needs. This is done via the National Housing Subsidy Scheme, which determines allocations of housing funds to the various provinces and sets the terms of fund disbursements. Under this scheme, national housing policy has shifted from an approach based on state provided rental housing to the allocation of a once off capital subsidy as a contribution towards meeting the housing needs of qualifying beneficiaries. To this end the national government has made funds available to the respective authorities at the provincial level for allocation to qualifying beneficiaries via local authorities,

CBOs and private developers. This has resulted in 800 000 subsidies approved nationally and about 186 provincially. (Daily News Jan 1999) All projects implemented in Durban by councils have been funded wholly or partly through subsidy scheme.

There is however no certainty as to how long the government is going to afford the subsidies given the other pressing needs of the population like health, education and safety and security. The housing subsidy is an opportunity for the city of Durban to have access to a source of funding which can be used to develop infrastructure for the city, provide shelter for citizens in need and in the process restructure the inherited apartheid city.

5.5.2 Land Restitution Grants

The Land Restitution Act of 1994, identified and discussed in chapter four as unfavourably competing with housing development for land, has provisions which can be used to promote housing development and to deal with certain elements of the apartheid city.

The Act provides for financial compensation of land claimants as a choice in cases where the original land cannot be restored to the claimant and the claimant cannot be compensated with alternate land. The financial compensation is more appropriate where the claimant lost a housing opportunity as a result of apartheid laws. Financial compensation in such cases can be converted into housing.

The Durban Metro council has responded to the Land Claims process by proposing to develop housing projects for successful claimants who would be willing to pool their grants into a housing project. (Metro Council 1997) This policy presents an opportunity for the council to develop housing projects in areas from where people had been removed by apartheid laws. Such areas are mostly well located in relation to opportunities and in fact it is this locational advantage that made these areas targets for apartheid removals in the early days.

The Restitution Grants therefore are a financial tool which can and must be used to restore people to areas from where they were removed and in the process restructure the apartheid city of Durban. The funds could be used to purchase highly valued and well located land generally not

affordable from the subsidy scheme.

It is unfortunate that to date no project has been funded through restitution grants. It is hoped that as the claims process unfolds more will be confirmed and paid out.

5.5.3 The Dedicated Housing Funds

The Housing Act makes provisions in terms of which funds may be made available to local authorities for housing. By way of these provisions, any debt or other obligation of a local authority, in respect of a housing project which was financed by way of a loan, advance, or other financial arrangement from central government, is extinguished.

While local authorities may continue to collect rentals on the properties afforded through such arrangements, they do not have to retire the loans and may retain the portion of rental due to national government. These funds must be paid into a separate account and used for housing purposes. This account is generally referred to as the Dedicated Housing Fund.

Importantly, any income accruing to local authorities from the sale, letting, or leasing of properties transferred to them must be used for housing purposes in a manner consistent with national housing policy. These funds must also be paid into the Fund.

The dedicated housing funds are a financing mechanism for housing development which need to be used to finance the effort against some of the limitations discussed in chapter four. The fund could be used to finance engineering solutions for geotechnically unsuitable land to make it developable for low income housing. The funds could also be used to acquire land otherwise unaffordable from the subsidy. Many projects have been enabled by these funds in the Durban Area. Some of these are Bhambayi, Piezang, Lusaka and Quarry Heights. (Reports to Housing Committee, 1999)

The opportunities discussed in this chapter are by no means exhaustive.

CHAPTER 6

OVERCOMING LIMITATIONS AND MAXIMISING OPPORTUNITIES

6.1 INTRODUCTION

From previous chapters this work began with an attempt at identifying the problem of inefficient cities generally and inefficiencies of the city of Durban specifically. It argued that these problems were structural and resulted from apartheid city planning which was based on separation and inequality. The work then attempted to argue that the current inefficiencies, inequities and inequalities could lead to the city becoming dysfunctional. It then proposed that the city needs to be restructured such that the mixing of races and income groups is achieved and that the poor and previously marginalised need to be physically located in convenient proximities to areas of opportunities. The use of housing development as one of many instruments to restructure the city have been suggested before limitations and opportunities to do this was identified and discussed.

This final chapter attempts to give direction as to how this restructuring through housing could occur. The recommendations contained in this chapter can be seen as a product of attempting to maximise the opportunities and overcome the limitations already discussed. Simply put it is suggested that housing development interventionists need not look beyond what is there to enhance the housing development programme to the benefit of apartheid city restructuring. All they have to do is try and overcome the limitations and put the opportunities to maximum use.

The limitations discussed in chapter four are by no means exhaustive. Whilst those related to land are difficult to overcome but not impossible, those related to the socio-economic and political climate seem to be dependent on the wider national environment and will hopefully be overcome with time as the economy improves, sustainable jobs become available, attitudes change and racism becomes a thing of the past. The limitations which are policy related can be overcome through new policy formulation, policy changes and amendments. Some of the issues raised as

limitations can be turned into opportunities if carefully dealt with.

The opportunities discussed already present themselves and are there to be taken advantage of. In doing so the approach should be to use them maximally since they are not infinite. This particularly applies to issues related to land which is a finite resource. Following hereon are some suggestions as to how to maximise opportunities and overcome limitations.

6.2 RECOMMENDATIONS

Some of the interventions proposed and discussed hereinunder are processes that are already being piloted by housing and planning interventionists in Durban and elsewhere. They are proposed nevertheless to enhance their recognition and to encourage more people and organisations to pay attention to them.

6.2.1 Land Identification and Banking

The scarcity of suitable land for low-cost housing, the monetary values attached to land and the geophysical conditions of well located land coupled with historic claims on 15 000 hectares of land in Durban and the shortage of bulk services have been identified as the major land related constraints to low cost housing development in locations which enhance city efficiency.

In order to deal with land scarcity, it is proposed that a system of land banking be established for suitable land identified for housing to be banked for future use. Land which is owned by council and is suitable should be banked as initial entries to the register and that which is not owned by council be acquired through negotiations with landowners and banked. Where negotiations fail expropriation should be considered in the interest of the public good. This will ensure that there is a constant supply of land for housing development and will remove land suitable for low cost housing from competition posed by other land uses.

6.2.2 Increased Densities

It is further proposed that all low cost housing projects should be as dense as possible to ensure that as many people as possible are accommodated within reasonable land space. This will help address the problem of low density urban sprawl and maximise the use of available land. It is recommended that this be incorporated as a criterion for evaluating projects for Provincial Housing Board subsidies. Projects with high potential site yields should be given priority over those that tend to waste land. This begs consideration of medium to high rise developments. More walk-up developments need to be encouraged in middle to low cost housing design. The cost factor which will obviously arise can be dealt with through topping up the budgets with the Dedicated Fund.

6.2.3 Innovative Project Design

The negative geophysical conditions that impede housing development are physical realities that are difficult to deal with but through innovative planning could be converted to opportunities. It is not advisable to declare well located land unsuitable for geotechnical reasons without first investigating means to either incorporate the negative features in the project or resolve them technically. It is for instance possible to use these conditions for aesthetical effect or for common facilities. It is suggested that where these conditions prevail on part of the land they should not render the project unviable but should be integrated as features of the total environment created.

Engineering solutions to negative geotechnical issues should also be examined and evaluated in terms of costs. There are situations where canalisation of a river or stream could release land for development downstream which would otherwise have been declared unsuitable because of being prone to flooding. It is however recognised that engineering solutions are usually unaffordable to low cost housing projects.

Suggestions in this regard include the possible use of floodplains within a project for the development of sports fields as a feature of the project. Rather than abandon a piece of land because parts of it lie on floodplains, the flooding areas could be used for community gardens

or a park could be developed for use by the community

6.2.4 Land Claims Strategy

The Land Restitution Act as a policy instrument is a limitation in so far as it freezes land under claims for indefinite periods but is also an opportunity in so far as it releases resources which can be used for housing purposes. How to overcome the negative effects of the Act is less obvious than how to maximise the use of compensation funds. It would seem that continuous lobbying for more resources for the process from government is the only avenue available to increase the pace of resolution of claims and the consequent defreezing of land. The Act provides for the successful claimants, who lost housing opportunities through racial laws, to receive compensation in the form of new housing opportunities or in monetary terms. There is a need for a local policy that enhances the positive implications of the Restitution Act.

It is recommended that local councils with claimed land within their jurisdiction should develop policy which attempts to projectise the approach to claims. This policy should aim at ensuring that those claimants who receive compensation for lost housing opportunity invest such compensation in housing. This could be done through direct payment of the compensation for a group into a fund established for this purpose. The money could then be used to develop housing for the successful claimants if they are willing. This would ensure that there is no leakage of the money into other priorities and would also enhance the recreation of communities scattered through racially based laws such as the removals in the past. Land restored to claimants could also be used for housing development since most of it is well located. Development of such land will enhance the objective of reinstating people in areas of economic potential from which they were previously removed. This will contribute directly to city restructuring. Restored vacant land should be used for high density high rise residential development for occupation by claimants themselves or for rental accommodation for others with the potential to generate income for the claimants.

6.2.5 Interfacing

Objections raised by established communities to lowcost housing development near their residential areas is understandable where it relates to negative effects on property values. The lowering of property values in areas adjacent to low-cost housing developments is an unavoidable economic consequence and a sensitive issue.

Whilst the negative effects of low cost housing on property values in nearby established suburbia is unavoidable, the impact can be minimised through innovative planning. One these planning techniques is project interfacing. This refers to planning of projects which does not limit itself to the internal organisation within the project but also takes into cognisance project externalities or the relationship of the project to its external environment. Interfacing in a housing project simply means designing some of the houses such that they appeal to a market between what is developed and what exists in the neighbouring surrounds and then locate these in between. A simplistic description of interfacing is the location of middle income housing between affluent and poor communities. This minimises direct impact of low income housing on high income suburbs and uses the middle income interface areas as shock absorbers without compromising on the objective of mixing incomes and races.

It is proposed that all low income housing project applications to the Provincial Housing Board for government subsidy be evaluated on the basis of how they intend to deal with project externalities if they are located adjacent to affluent areas with neighbours whose properties stand to be negatively affected. Projects which attempt to deal with interfacing issues be allocated additional points in the prioritisation model. This would represent a direct policy intervention in restructuring the apartheid city through mixing income groups and more often racial groups.

6.2.6 Focus on in-fills

Many pieces of vacant and suitable land are available within existing residential and other developments. Many of these are situated within easy access to transport routes and economic opportunities. These present an opportunity to appropriately locate poor people through

developing infill housing projects for them.

It is recommended that a focus on infill developments be established. Infill developments ensure:

- ☐ maximum use of the scarce land resource;
- ☐ mixing different races;
- ☐ injecting poorer communities into affluent communities;
- ☐ cross subsidisation;
- ☐ maximum use of community facilities;
- ☐ savings on infrastructure costs since services are readily accessible from established surroundings;
- ☐ arrest of urban sprawl.

6.2.7 Use Housing Funds Sustainably

All housing funds including Housing Dedicated Accounts, Metro Housing Development Account, Government Allocations must be pooled into a single Housing Account for use to financially intervene in projects which enhance city restructuring and need funding to overcome limitations. More importantly however is the sustainable use of these funds. Only the interest portion accruing from such funds should be used as grants. The capital should be used as short to medium term loans to projects which need immediate intervention. Capital can also be invested as guarantee funds to minimise the risk to lending institutions in an attempt to encourage them to make more smaller loans to low cost housing consumers.

6.2.8 Upgrade Informal Settlements

It is estimated that there are 150 000 households living in informal settlements in the Durban Metro Area. About 40% of these are within a twenty kilometre radius from the Central Business District and are clustered around economic activity nodes. (An Audit of Informal Settlements in North and South Central Local Councils, 1999).

These existing informal settlements present an opportunity to restructure the city because many already have staked a claim on land which is situated nearer areas of opportunity. The challenge is that of formalising them and ensuring their permanence through upgrading and providing services and top-structures.

It is proposed that a programme of informal settlement upgrading be embarked upon with a portion of funds from the pooled housing account dedicated to this programme. It has been estimated that at a rate of 20 000 sites per annum upgraded in informal settlements, it would be possible to wipe out informal settlements from the face of Durban in eight years assuming constant availability of subsidies and an annual allocation of R 60 million from council funds (An Audit of Informal Settlements in North and South Central Local Councils, 1999).

6.3 CONCLUSION

The work hereinunder being concluded represents a humble attempt at highlighting structural inefficiencies of a city designed to work for some and not others. After warning of dangers of the status quo, a call for restructuring the city is made with various opportunities identified and strategies proposed to deal with land issues, socioeconomic factors, policy and financial arrangements which were identified as limitations to the proposed restructuring.

It can be concluded by making the point that it is possible to restructure the apartheid city of Durban and make it work more economically efficiently for the benefit of all who live in it. It would seem, from the work being concluded, that housing development has a major role to play as one of other tools to restructure. It is further evident that for this to happen it will depend on various factors. These factors include innovative planning and design, change of attitude, availability of financial and land resources and their proper and sustainable management, appropriate policy formulation, identification of focus areas and improvement in the national economy.

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