



THE URBAN SECTOR NETWORK'S EXPERIENCE OF THE PEOPLES HOUSING PROCESS (PHP)

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CHAPTER ONE : THE PEOPLE'S HOUSING PROCESS

1.1. INTRODUCTION

The Peoples Housing Process (PHP) is a generic term describing the ongoing processes of self-provision of shelter and services by the poorest members of society in the developing world (Bauman, 2003). PHP is however often seen as synonymous with “self build” or “sweat equity”. However, the Urban Sector Network, and others, argues that it is far more than this. Although beneficiaries may participate in the actual construction, it is the participation of communities in the process of deciding, organizing and managing settlement development that is more important (Bauman, 2003). For the Urban Sector Network it is about “Building people, building houses” and is about building citizenship, building effective partnerships, people being involved directly in the development of their communities, and ultimately about creating more sustainable human settlements. PHP therefore, is about far more than just housing.

1.2. POLICY OVERVIEW

The Housing White Paper, published in December 1994, set out the government's broad housing policy and strategy. “Supporting The Peoples Housing Process” was included as one of the seven strategic thrusts listed in the White Paper. This was in acknowledgement that 70% of South Africa's population was unable to afford finance, and that a further 10 – 15% of the population would only be able to afford finance through non-traditional lenders. It was felt that if people were given the chance to build or organise the building of their homes themselves, they would achieve a greater level of value for money (Housing Code). In it's original form key principles behind the PHP policy were about **partnerships**, a **people-driven process**, **skills transfer**, and **community empowerment**.

However it was not until March 1998 that the Department of Housing, together with the Peoples Housing Partnership Trust (PHPT) and the Housing Support Task Team, released a “National Policy for Supporting the Peoples Housing Process” for comment. The Housing MinMec then adopted this policy in May 1998. Implementation guidelines for the PHP were incorporated into the implementation Manual from June 1998 (Napier, 2003 : 324).

Chapter Eight of the Housing Code deals with the rules of Peoples Housing Process, outlining how households can follow the PHP route in accessing consolidation, project-linked, institutional or rural subsidies, as well as technical and other forms of assistance in the house building process. The policy, as listed in the Housing Code, is aimed at supporting households who wish to enhance their subsidies by building or organizing the building of their homes themselves. The process assists households to access:

- Housing subsidies;
- Technical, financial, logistical and administrative support regarding the building of their homes, on a basis that is sustainable and affordable.

There is no PHP subsidy, it is rather a process to be followed using the subsidy types as listed above. Eligibility criteria for the PHP are therefore essentially the same as for the housing subsidy, however an additional amount in the form of an Establishment Grant (currently R570 per beneficiary, although this can vary across Provinces) is paid. The Establishment grant pays for all the costs of the Support Organisation, Account Administrator and Certifier. The Support Organisation's main responsibility is to give technical and administrative assistance to beneficiaries and for preparing beneficiaries for PHP by going through a series of workshops with the community. It is clear from this that although the policy as articulated in the White Paper upholds all the social aspects of PHP, the Housing Code reflects only the procedures to be followed. The policy is about regulation rather than creating an enabling environment or lending support to the process. This ambiguity has led to all kinds of interpretations of the PHP policy, many of which ignore the key principles for which the PHP was supposed to stand.

1.3. CURRENT PHP PRACTICE

As noted by Rust (2003) and Bauman (2003a), in recent years there has been a shift in emphasis, with the PHP now being understood as a way to get beneficiaries to value their subsidised houses. This has come about with the April 2002 requirement of the housing subsidy scheme (HSS), that beneficiaries either make a cash contribution of R2 479 or offer "sweat equity" via the PHP route, which government introduced in response to the resale of subsidy houses. The previous Minister of Housing, Ms Sankie Mathembe Mahanyele, highlights this in a speech:

“Our noble intentions of providing basic shelter to the poor have also promoted total dependency on the state.... Savings and sweat equity contributions by prospective homeowners, which have not been encouraged enough, are now the central thrust of our subsidization programme”. (MoH, 2002).

Since the majority of beneficiaries are not able to afford the R2479 requirement, the PHP becomes the route for “avoiding” payment. This has reinforced the notion that PHP is about “sweat equity” only.

In addition, with the withdrawal of private developers from delivering housing through project linked subsidies because they have been unable to make a profit, they are now getting involved in PHP where they can claim the additional establishment grants, and use beneficiaries labour.

Added to this, in order to stamp out corruption, the government introduced a new Procurement Policy (2002), which devolves allocative decisions about housing to the local authority level. Local Authorities now have to do by packaging projects and then going out to public tender for the delivery of these projects. The public tender route effectively excludes beneficiary organizations such as CBOs and NGOs as it isn't a level playing field, and the motive driving development is delivery. The Procurement Policy also excludes all beneficiary choice related to housing matters. This policy has had a huge impact on PHP, as it is dependent on the local authority supporting PHP, and identifying a project for PHP in the tender procedure. Because of the perceived risks involved in PHP, and the strict Performance Finance Management Regulations, Local Authorities would also rather go the safe route with housing delivery where they can exercise control and outcomes are predictable, rather than encouraging innovation and capacity building through the PHP. So although the intention of the Procurement Policy is good, it has had the effect of making PHP delivery nearly impossible in the original PHP form. Added to this applying NHBRC regulations to PHP will also over regulate PHP, stifling innovation and peoples choice.

The Procurement policy has also led to the emergence of secondary support organizations and Implementation Agents whose motivation for participation in PHP is profit. This is being termed “managed PHP”. “Managed PHP” is where the process is either developer-

driven and beneficiaries are only asked to contribute in terms of labour, or local government driven and once again beneficiaries only contribute labour.

In a recent review of the PHP by the People's Housing Partnership Trust (December 2003), it was highlighted that despite the policy support for PHP, very little has been achieved in terms of houses delivered through PHP (only 3% of subsidies delivered), compared to other forms of delivery. Many bottlenecks were identified in the policy including; lack of policy guidance and targets for implementing the PHP projects, too broad/flexible policy guidelines allowing deviation from the ideal 'traditional' form of PHP, the question of managed PHP, the institutional home for PHP, lack of clarity of roles and responsibilities between government partners and external organisations, the fact that various provinces roll out PHP in their own way, and the lack of overall coordination and monitoring by the National Department of Housing.

Because of the ambiguous nature of the PHP policy, and given the housing environment that has developed, there are numerous types of PHP delivery being practiced in South Africa. The USN has therefore produced this document to raise awareness around the PHP and also to support and promote the USN model of PHP.

CHAPTER TWO: THE USN's UNDERSTANDING OF THE PHP

2.1. THE USN's EXPERIENCE OF PHP

PHP activity in South Africa did however predate the adoption of the PHP policy. Before this the USN had been involved in self-help models that were initially seen as conventional consolidation projects but which had evolved into people driven processes (USN, 1998). Through the USN experiences of Southern Pinetown (Built Environment Support Group) and Masithembane (Development Action Group) the USN provided substantial comments into the policy process.

“ we think the roles and responsibilities of the different tiers of government and the Peoples Housing Trust needs to be more clearly spelt out. Our view is that provincial governments should as far as possible, avoid consuming the role of legal entity and not be involved in delivery. It should rather concentrate on facilitating the creation of an enabling environment within which PHP projects can take place and on building the capacity of local authorities to undertake projects themselves, in those cases where the local authorities have the capacity to do so (USN, 1998: 3).

At the time, BESG noted that:

“PHP is an organic concept designed to place housing consumers, in a collective situation, in the driving seat of development. Potentially it has benefits in terms of greater levels of satisfaction with both services and sustainable incremental housing. However it operates in a highly regulated environment, where the investment costs in organizational development, skills training and supervision, frequently outweigh the benefits in terms of enhanced product and building of social capital (BESG, 1998).

The USN has continued to be involved in PHP, with many of the original suggestions made to the policy remaining, especially in light of the current developments in PHP practice. It is also clear from the USN's PHP projects that given the different Provincial contexts, each project has been influenced/affected by the way in which the government partner interpreted the PHP policy and their willingness to participate in the projects. Because of all the policy and structural shortcomings affecting implementation of the PHP, USN

affiliates came together in a workshop in 2003 to jointly define the USN's view of what PHP should be about. All these are guided by the philosophy that housing is not an end but a means through which the community/households are empowered to support their livelihoods through a housing delivery process.

2.2. USN'S DEFINITION OF THE PHP

' PHP is an ongoing developmental process where people willingly come together to decide how best to use the natural, financial and social resources available to them for the delivery of better integrated human settlements.'

2.3. USN'S KEY PRINCIPLES FOR IMPLEMENTING A PHP PROJECT

Based on the USN experience of PHP, the following key principles should be what defines a PHP project :

- Beneficiaries are the key decision makers;
- Beneficiaries appoint the support organisation;
- There is maximisation of choice for beneficiaries in all the processes;
- It is a process of building partnerships;
- It is a process of building sustainable organisations;
- It is about building the capacity of beneficiaries to meet the goal of habitable environments;
- External organisations come in with maximum support and less intervention;
- There is maximum mobilisation of local human and material resources.
- PHP builds and supports CBOs;
- PHP is conscious of the socio-economic conditions at the household level;
- PHP builds linkages and connections – this includes general attention to open spaces and other community facilities;
- Promote the use of an effective Housing Support Centre;
- Provide training and organisational development for Housing Support Centre;
- Community independence.

For the USN, PHP must be implemented with a view to improving people's livelihoods thereby opening other channels of opportunity to poor people. PHP must be a basis for

decision-making by the communities themselves. It should be a way to integrate settlements, acknowledge diversity, and develop livelihood strategies all with a focus on households and neighborhoods.

2.4. BENEFITS OF PHP

From the USN's experience, communities where the PHP has been followed, have had the following benefits:

- Houses are generally larger;
- Houses are better designed and suited to households needs;
- There is more choice, creativity and community involvement;
- PHP builds the notion of citizenship;
- PHP contributes to a feeling of pride / ownership within communities;
- Less resale of PHP built houses;
- People have added to their subsidy amount through savings and low-income loans;
- Community empowerment;
- Community investment;
- More sustainable income generating activities are started through the PHP;
- Higher levels of beneficiary satisfaction are achieved through the PHP;
- Higher levels of project sustainability are achieved through the PHP;
- PHP supports the creation of partnerships;
- PHP allows for the opportunity of building the community / CBO enabling them to take forward development issues beyond the construction of their homes;
- Participation is maximised.

2.5. THE NATURE OF PHP

For the USN, PHP should be about:

- Maximising participation;
- Choice and not consultation;
- More than just a labour contribution by beneficiaries;
- Beneficiaries acting as collective developers;
- Incremental housing;
- Focussing on a qualitative outcome;
- Beneficiaries choosing PHP take the risk of choice

2.6. PHP AND LIVELIHOODS

The USN has adopted a livelihoods approach in support of the development of new projects. This is so as to develop a better understanding of poverty within communities with which the USN works, and by doing so, better plan our interventions with communities.

According to de Sagte (2003) the important link between housing and livelihoods assessments lies in the understanding of how people are living and understanding the differentiation. This includes understanding the relations within and between households and examining what role housing and the location of housing plays in people's livelihoods. It is also important to understand how access to housing increases livelihood security and reduced vulnerability.

In undertaking a livelihoods approach to development, processes such as PHP benefit in that they are likely to achieve:

- A more holistic and coherent approach to development;
- A more targeted and sustainable approach;
- Growth in the asset base at household level;
- Focus on people and their priorities and not expert driven technical solutions;
- A better understanding of the socio-economic dimensions of poverty;
- Connections and linkages which supports local integrated development planning;
- An assessment of HIV / AIDS / TB and other household vulnerabilities;
- A greater awareness of the effects of chronic poverty;
- An understanding of the power relations at play;
- An understanding of the advocacy /lobbying opportunities that need to be taken up.

2.7. CHALLENGES IDENTIFIED BY THE USN

The USN in working with the PHP has identified issues that have hindered the implementation of PHP at the local level.

Ambiguous policy:

PHP is not clearly defined in the policy, or is defined very broadly and as such is open to all kinds of interpretations. The implication of the ambiguity is that PHP lands up as being about 'sweat equity' or the R2479 contribution. This goes against the original principles.

Institutional Structure:

Affiliates emphasise that for PHP to occur, there has to be a specific line department dealing with PHP. Under the current arrangement whereby PHP is grouped together with other delivery routes under the Housing Subsidy Scheme Directorate, the feeling is that PHP becomes an 'activity that falls between the cracks' and does not receive the attention that it deserves. In addition there is a need to review the role of the PHPT and to capacitate it accordingly.

Risk factor

Government seems to be minimizing its share of risk in relation to PHP. This means that NGOs or CBOs often have to take up the risk.

Establishment grant:

The amount allocated is not sufficient. Support organizations like the USN often land up carrying the additional costs and responsibility in performing the housing support functions that the PHP policy identifies as necessary to make the process work. The Establishment grant can also be quite difficult to access, as some Provinces reserve the right to approve the grant. The establishment grant has not been increased in line with the subsidy amount increases.

Consultation:

In the USN's experience, NGOs are rarely engaged with outside the formal consultation processes by the Department of Housing.

Bridging Finance:

USN affiliates have come across the inadequacy of both the facilitation and establishment grants in relation to the envisaged empowerment process. This takes a long time and requires committed resources from the supporting organisation.

Roles and responsibilities:

The roles and responsibilities of partners in the PHP projects must be clarified and be contained in the policy, particularly the role of the Local Authority as the level of government that is closest to the people. A recommendation is made that PHP projects should not be subject to the governments' procurement policy at the local level.

NHBRC:

The NHBRC standards are to be imposed on the PHP. However the NHBRC does not have the necessary capacity to oversee/monitor the implementation of such standards This regulation is seen as another level of bureaucracy added to the PHP. It will also stifle innovation and choice.

Managed PHP:

The managed PHP is another way of introducing developer driven delivery in housing; it greatly undermines the original PHP principles and should not be marketed as PHP.

Subsidy type:

Most PHP projects to date have used the project-linked subsidy, which means that the same subsidy needs to be used to for housing, land and services. This means that a household based subsidy funds an area-based intervention. This then creates a tension between the local municipalities interests in minimizing the long term costs of infrastructure and therefore spending more on infrastructure upfront and the beneficiaries desire to have more spent on the house. The USN would call for either that subsidies be ring-fenced for PHP development or that a completely new PHP subsidy be developed.

Bridging finance

As noted in the USN's original criticism of the policy in 1998, because of the subsidy not providing for up-front financing, beneficiaries through the PHP, have to borrow money to build, even though the PHP was designed for people who cannot borrow. As a consequence, it is often then organisations like the USN who bear the "development risk".

Procurement Policy

The PHP policy is designed around the assumption that beneficiaries can act as developer, either directly or via Support Organisations (like the USN). However the Procurement Policy doesn't allow for this, with only the local authority being allowed to act as developer. Different Provinces have also interpreted the Procurement Policy differently.

Lack of PHP capacity at Local Government Level

For PHP projects to happen, they need to be understood and promoted by local government. However because PHP is perceived to be a more risky form of delivery than other delivery routes, and because PHP projects traditionally take longer to deliver end products because of the level of community participation, PHP does not serve the interests of local government.

CHAPTER THREE: THE USN AFFILIATE'S EXPERIENCES OF THE PHP

3.1. INTRODUCTION TO CASE STUDIES

The USN case studies included give a detailed account of the USN affiliate's experiences of the PHP. The Built Environment Support Group (BESG) applied PHP to an existing Consolidation project in Southern Pinetown, Kwa – Zulu Natal. The project is unique in that it started as a consolidation project and was later adapted to PHP. It demonstrates an innovative approach to housing delivery using small contractors and community housing advisors and it is driven by community organisations. The Development Action Group (DAG) in Cape Town worked with PHP projects where a private material supplier company Marnol was very active in supporting PHP. In Gauteng, Planact assisted the Vosloorus community to build houses with the PHP process. This case study demonstrates that where there is an active involvement of a municipality, projects are likely to be sustainable. The Amalinda case study demonstrates how the concept of cooperatives can be used to support PHP.

3.2. SOUTHERN PINE TOWN : KWAZULU/NATAL

3.2.1. PHP POLICY IN KWAZULU/ NATAL

PHP has been limited in KZN Province due to poor support from the Provincial Department of Housing, whose policy states that in most cases communities do not have the technical capacity to drive developments. This has been compounded by the introduction of the Public Procurement Policy, where prospective Implementation Agents (IAs) effectively have to tender and projects are awarded principally on competence and cost. The procurement process mitigates against contact with the beneficiary community prior to the awarding of the contract, consequently unless the municipality has predetermined with the community that PHP is the preferred route, prospective IAs can hardly be expected to submit a PHP proposal without buy-in from the community itself.

In KZN PHP historically seems to have been more successful in rural and peri-urban areas where building controls are more relaxed and service levels lower, and there is a resident community. Private Sector developers are also using the PHP to avoid beneficiaries having to make the saving contribution of R2479. KZN also believes that PHP should be limited to the final “top-structure” stage, and that other stages (land, provision of services etc.) should be controlled by professionals employed by the state (Bauman, 2003 p.25)

The provision of stage payments is a convenient, low-risk method of funding self-build, but adds to overhead costs for supervision and certification. Undoubtedly the greatest risk to Implementation Agents is planning the most economic use of the Establishment Grant, but having no effective control over the rate of house construction.

3.2.2. CASE STUDY CONTEXT : SOUTHERN PINETOWN

In the 1970s Pinetown was one of the fastest growing industrial towns in South Africa, with industrialisation happening along the major transportation routes. Pinetown and the surrounding areas experienced an increase in urbanisation. Forced removals were taking place to allow for development to take place whilst a growing number of residents needed to be resettled and housed. Southern Pinetown, about 11 kilometres from Pinetown Central Business District (CBD), began to be settled by informal tenants. In the late 1980s, these

communities began struggling against attempts by the landowners to forcibly remove them, and BESG became involved with supporting the communities of Luganda and Zilweleni in their struggle for land and housing.

After 1990, South Africa began undergoing political changes, and there was a shift from land struggles towards the implementation of projects. In 1992-1994, community based upgrading projects were implemented in Luganda and Zilweleni in which formal tenure and basic services were provided. 1702 sites were serviced in Luganda and 445 sites were serviced in Zilweleni.

People began to organise and started their own housing development initiatives with assistance from either private developers and/or the local authority as early as 1994/96. Many Community Based Developers were registered at this time. Through their concerted effort 11 000 serviced sites were delivered giving people secure tenure. The Independent Development Trust (IDT) provided funding to the projects through the Capital Subsidy Scheme. This funding provided site and servicing but not a top structure. The IDT allocated funds to employ people who would mobilise funds for top-structure delivery. These funds were used to explore different housing delivery options. BESG then partnered with the Southern Pinetown Joint Civic Association (SP JCA) to develop a community based housing delivery method.

Twelve civic associations in the Southern Pinetown area had joined together to form the Southern Pinetown Joint Civic Association (SPJCA), and in 1994, the SPJCA, with the assistance of BESG began formulating proposals for a housing consolidation programme. Luganda and Zilweleni were chosen as the first areas in which to implement a pilot project. An application for 2147 consolidation subsidies of R5000-R7500 for Luganda and Zilweleni was successfully submitted to the Provincial Housing Board (PHB) in November 1994. The consolidation subsidy scheme was introduced in 1994 to be used to provide top structures for beneficiaries of site and service projects.

The context within Southern Pinetown was then that people had secure tenure and basic services, opportunities for formal employment within the industrial sector, and a fairly organised / empowered civic association set up to drive development. Most of the housing in the two areas was "informal", i.e. built of materials such as wattle and daub or corrugated iron. There was therefore already a significant amount of household investment in housing before the start of the project. About 43% of houses in Luganda and 49% of houses in Zilweleni were

"formal", i.e. constructed entirely of concrete block, and there were a number of small builders and building materials suppliers active in the area.

3.2.3. BESG's PHP INTERVENTION STRATEGY

The following principles underlie the consolidation/PHP process in Zilweleni and Luganda. These principles recognise the capacity that exists within the poor and vulnerable groups. For BESG then, these are the core elements that should underlie a PHP.

- **Community Control**

Households take control of their housing delivery, directly or through representative community structures

- **Choice**

Maximum beneficiary choice is allowed in; house design, contractor/builder and construction method, material suppliers, project management and other support functions including recruitment of labourers for the project.

- **Housing and Economic Development**

The system created a foundation for housing and economic development in medium and long term. Construction technology and skills were developed during the implementation. These skills remain in the project area for future use.

- **Minimize Exploitation**

The system minimised internal and external exploitation. This allows for the greater part of the subsidy goes to construction of the house (top structure)

- **Housing Support Centre**

A Housing Support Centre is critical for smooth running of a PHP project. All project activities are coordinated at the Housing Support Centre with the Community Housing Advisors.

- **Housing Advisors**

The Housing Advisors were mostly Housing Training Program (HTP) participants from BESG. Housing Advisors advises beneficiaries about different project levels. They also provide technical certification for final subsidy draw down.

The above characteristics create an opportunity for individual households to exercise their freedom of choice. The delivery method enables beneficiaries to own both the process of building their houses and the end product.

3.2.4. PROJECT PLAN / METHODOLOGY

The housing consolidation project in Luganda and Zilweni in Southern Pinetown was launched in 1996. The project was intended to deliver over 2000 houses, with the potential for replication in other parts of Southern Pinetown where up to 12 000 houses could eventually be delivered. By that time, only about 400 sites in Luganda and 250 sites in Zilweleni had been occupied. Most subsidies were used for building new houses (77% in Luganda and 67% in Zilweleni), while beneficiaries who already had concrete blockhouses generally used the subsidies to add on extra rooms. Over 90% of beneficiaries received subsidies of R7500, which was typically used to build a two-room house of about 28m² with walls of unplastered and unpainted concrete block and a corrugated iron roof. Other subsidies on the project are estimated at about R370 per house, giving a total cost of R7870 per 28m² house, or an average cost of R280 per m².

The Housing Delivery System is centred around the buying voucher. All transactions are conducted through the voucher. All service providers enter their amount in the voucher until the running balance is zero. BESEG conducts random checks on building material prices to see whether prices are still inline with the quoted price list in the contract agreement. The strength of the system is that it sustains the low prices for sometime. The low material prices assist beneficiaries to build better houses. Another advantage is the competition among suppliers, which reduces the material price instead of increasing with escalation. The cheapest suppliers receive more business.

After the first few months of the project, formal contractors played little part in the project as over 90% of beneficiaries preferred to use small local contractors, because they were considerably cheaper and their standard of construction was often better than that of the formal contractors. Less than 5% of beneficiaries built their houses themselves. Up to 60 builders and their building teams worked on the project, providing employment for over 200 community members, and by August 1998 over R1.2 million of subsidy money had been paid out to local builders on the project. Building teams consisted of a builder and two or three employees.

Details of a typical building team

Composition: One builder (block laying, roofing) and two assistants (digging trenches, carrying materials, mixing concrete and mortar).

Output: Two 25-30m² unplastered concrete block two room houses per month.

Income: Builder is paid R1500 for building the house; each assistant earns R30 per day (R600 per month); builder's income is R1800 per month.

Four housing advisors, based at housing advice offices in Luganda and Zilweleni, were employed to provide advice to beneficiaries on how to spend their subsidies. Beneficiaries had complete freedom of choice as to building materials, which builder to hire and house design. Beneficiaries used order forms showing the amount of their subsidy to order materials from the four building materials suppliers accredited to the project and to hire accredited small builders. The local authority-housing advisor certified completion of the structures, enabling payment to be made to the suppliers and builders.

The consolidation project greatly speeded up the consolidation processes that had already started happening in the area prior to the project start, as a result of the provision of tenure and basic services in the upgrading projects in 1993-1994. Over 2200 concrete block rooms were built in Luganda and Zilweleni during the project compared with only 260 concrete block rooms built in the 1993-1996 period prior to the consolidation project. On the other hand, the availability of subsidies reduced personal household investment: only 130 households added amounts of R1000 or more to their subsidies from their savings during the project in 1996-1998, while 340 households had invested R1000 or more in their housing prior to the project.

The availability of consolidation subsidies also had the effect of speeding up the co modification process that had started after the upgrading projects. Whereas hired builders had built only 58% of concrete blockhouses built prior to the consolidation project, during the project this figure was 96%. In effect, non-monetary housing production was almost entirely eliminated by the availability of subsidy money. On the other hand, competition between suppliers and builders, close monitoring of prices by the project managers, and the fixing of builders prices ensured that the cost of a house built in the project during 1998 was 30% less than the real cost of the same house would have been to an individual household in 1995. This would seem to indicate that one of the main advantages of implementing a consolidation project is the potential to arrange for prices on a collective basis, which makes the housing delivery process far cheaper than if it is for a household trying to improve their housing on an individual basis.

Due to competition between the building materials suppliers, the nominal price of a standard bundle of building materials actually decreased by 19% over the first two years of the project (a decrease of 34% in real terms). The building materials were constantly checked to ensure that they were of adequate quality.

3.2.5. ROLES PLAYED BY OTHER STAKEHOLDERS / PARTNERSHIPS

The Southern Pine Town PHP project established a contractual relationship between SJV (a community based organisation), the Local Authority (the Inner West City Council) and an NGO (BESG). Each partner had their own roles and responsibilities necessary for satisfying the contract requirements.

The Luganda and Zilweleni Development Trusts formed the Sibambisene Joint Venture (SJV) to be in overall control of the project. BESG was appointed as the project manager and the local authority, the Inner West Council, was appointed as the financial administrator of the subsidy money (see Figure 1 below).

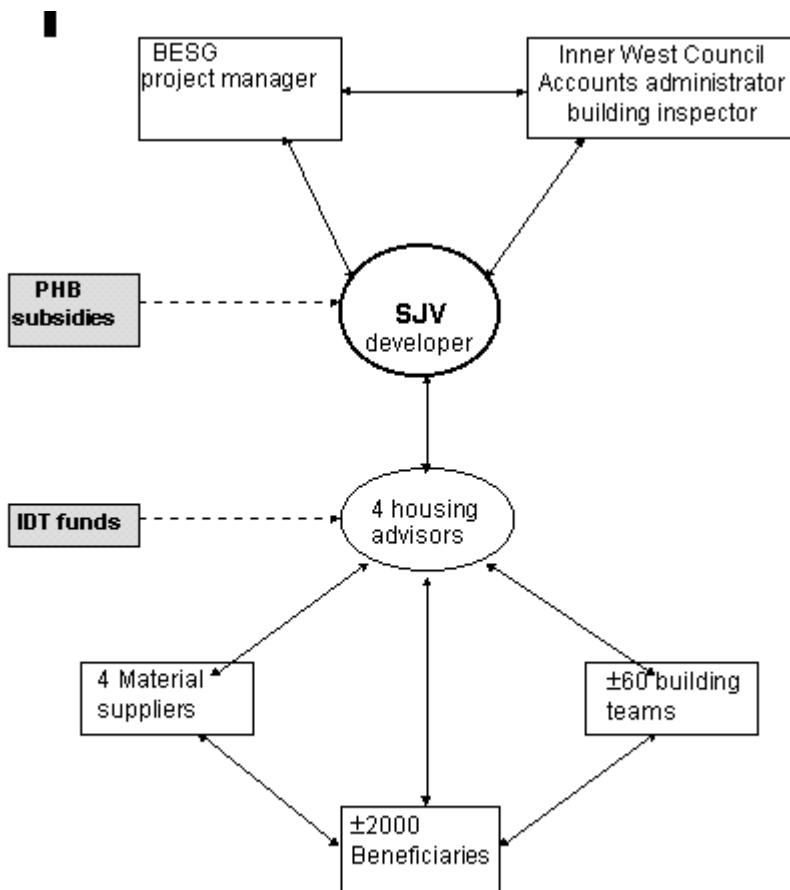


Figure 1: Key roleplayers

Support Organisation

BESG was the Support Organization appointed by the community based organisation. This role involves conceptualising, packaging, registering of legal entities, setting up delivery systems and implementation of the project. BESG as a Support organization is also involved in capacity building and training. The beneficiary training takes place during the pre-application phase and on approval of their subsidies. In the pre-application phase beneficiaries are addressed in mass meetings or big groups. The next stage is subsidy approval and approved beneficiaries are invited to a workshop where the housing delivery processes are dealt with in detail. Therefore the bulk invest in any housing project is in the pre-implementation stage which is partially funded through the facilitation grant. The Support Organisation develops different contracts with all stakeholders for the smooth implementation of the project. Individual beneficiaries enter into a contract on the basis of their choice.

The developer

The developer (Project Co-ordinator) is usually an ordinary member of the community who has little or no experience in development issues. The capacity building training assists leaders to understand potential outcomes of their decision. The Community Based Development Organisation needs to better understand the roles and responsibilities of each stakeholder and therefore training is needed to cover the knowledge gaps. The community leaders pass information and respond to the beneficiaries through mass meetings or group discussions. Being a developer creates new challenges of becoming an employer. BESG's training modules address these challenges; for instance the module on Community Based Organisation as an employer. Training is scheduled before and during project implementation (construction of houses).

The Community Housing Advisors

The Community Housing Advisors (CHA) provides advice to beneficiaries before and during the construction of houses. In most projects, CHAs are former participants of BESG Housing Training Programme (HTP). Some targeted training is organised for potential candidates who are later appointed to undertake work in the project. This training assists them to do their work more effectively.

The current PHP projects that BESG are involved with replicate the same systems with a few changes and innovations. An Accounts Administrator is presently a private company instead of a Local Authority. The Local Authority only signs the Social Compact as one of the stakeholders.

3.2.6. BENEFITS OF THE PHP IDENTIFIED BY THE BESG

For BESG, the PHP provides the following benefits for communities:

- PHP creates an environment for poor and vulnerable groups to initiate and participate in their housing programme.
- PHP creates employment opportunities.
- PHP creates an environment conducive for skills transfer and identifying local solutions in existing programmes.
- PHP promotes individual choice.
- PHP promotes Public Private Partnership for all sectors to be part of the solution.

3.2.7. DIFFICULTIES EXPERIENCED BY THE BESG IN THE PHP

For BESG, the following problems have been experienced in the implementation of the PHP.

- The Establishment Grant is too little to cover all aspects of the project (implementation agent, packaging, company registration, management cost etc).
- The Establishment Grant has not been increased with the subsidy increases.
- The NHBRC registration undermines the PHP and creates contradiction.
- Absentee site owners undermine and delay the project.
- Unregistered property sales delay the project.
- The relationship between stakeholders and the Department of Housing are not properly structured.

3.2.8. LESSONS LEARNT

BESG has learnt the following key lessons in their involvement in PHP projects:

- There is need to built capacity for the poor people to drive their own development.

- The importance of recognising the social capital of the poor.
- The importance of creating a balance between socially and technically driven projects.
- The importance of achieving a balance between process and product.
- Value attached to the freedom of choice.

3.2.9. CONCLUSION

The Southern Pine Town project started long before the adoption of the PHP support policy and therefore piloted the small contractor housing delivery model. The use of community based housing advisors and local contractors has proven to be an extremely efficient and affordable way of providing housing at scale, and one that has the potential to play a large role in solving South Africa's housing problem. The co-operation between CBOs, an NGO and the local authority on the project also demonstrated the advantages of organisations working together in partnership.

In addition the project has been extremely successful and has had an immense impact upon Luganda and Zilweleni. About 95% of beneficiaries are satisfied with the project as a whole, 98% of beneficiaries felt that the project had improved the area, and 87% of beneficiaries were satisfied with their new houses. Luganda and Zilweleni were transformed from less than 50% of rooms being formal (i.e. concrete block) before the start of the consolidation project to about 80% of rooms being formal at present. The project has also resulted in a large increase in the number of occupied sites in the two areas, from 400 to 800 in Luganda and from 250 to 300 in Zilweleni. Importantly, the project has also been a springboard for the community organisations in the area to start obtaining funding of their own and to build up their capacity to initiate further development initiatives in Southern Pinetown.

Future housing policy, for example, the "People's Housing Process" policy, needs to allow for and encourage future projects of this type. The BESG PHP model has demonstrated the potential for replication whether small or large scale. The case study shows different ways in which PHP can be adapted to existing situations, and brings into play a large number of stakeholders.

3.3. KHAYELITSHA : CAPE TOWN

3.3.1. POLICY OVERVIEW IN THE WESTERN CAPE

The Cape Town City Council, with support from Provincial Authorities has adopted a “managed PHP” model. This means that only the City of Cape Town may be a PHP developer and Support Organisation. But because the City of Cape Town does not have the capacity to be a Support Organisation, this role can then be allocated to a “Secondary Support Organisation” through a competitive tender process. In addition all choices except the application of “sweat equity” are eliminated from the PHP and reserved for Support / Secondary Support Organisation.

At provincial level the Western Cape Department of Housing has aligned itself to the PHP principles as outlined by the National Department of Housing. Within the Cape Town region, PHP occurs when individuals, families or groups take the initiative to organise the planning, design and the building of their own houses. Support for the PHP include access to suitably located serviceable/serviced land as well as housing subsidies and appropriate forms of credit. Technical support to PHP extends to include opportunities for skills acquisition, appropriate technical and financial assistance and simple innovative and people sensitive procedures and guidelines.

3.3.2. CASE STUDY CONTEXT: KHAYELITSHA

DAG’s PHP Programme consists of three housing consolidation projects in Khayelitsha, Cape Town. The projects are Masithembane, Homeless and Squatters Housing Project (HOSHOP) and Sinako Ukuzenzele. The projects were initiated in 1997 and implemented during 1999 – 2002.

Masithembane was the first project that started in site B. A group of residents came together to form the Masithembane People’s Housing Association with the intention to help themselves and others to acquire adequate housing. HOSHOP and Sinako Ukuzenzele were formed later by other residents of Khayelitsha.

The settlements where these projects are located consist of a crowded maze of narrow streets and shacks to the N2 freeway on Site B. Site B was established in the late 1980's and consists of 9000 serviced sites with over 50 000 people living in shack structures.

3.3.3. THE DAG's PHP INTERVENTION STRATEGY

The Development Action Group (DAG) has worked with the South African Homeless People's Federation (SAHPF) and together developed a unique approach to PHP that have set a high standard for implementation of self-built projects in South Africa.

The key principles for DAG and SAHPF PHP model have been:

Capacity building, skills transfer, community control, community empowerment, household choice, active housing support centers, mobilisation of savings, loans, choice of material, choice of house design, self-build, job creation, use of semi-skilled and skilled community builders, houses between 32 sq meter – 62sq meter, low levels of corruption and high quality products.

The DAG has been involved in PHP projects in the Western Cape since 1997, all of which have been consolidation subsidy projects. The key principles in working in these projects have been:

Partnerships

In the initial stages of all projects a number of partnerships are developed in order to achieve different objectives.

The **partnerships** are:

- The community housing association (CBO) – DAG undertakes to build the capacity of the CBO, educate beneficiaries on PHP and other housing related matters, and build a common understanding of the role of a support organisation (DAG) and ensures that a participatory methodology is used in every phase of the project.
- DAG –Local Authority (LA) & CBO – The LA addresses the problem of title deeds, to LA is further engaged to play the role of accounts administrator in order to save money, for house design issues and other LA requirements.
- DAG/CBO and Professionals; a number of LA's are not prepared to take the responsibility of the account administrator. In this case an auditing firm or an

accountant is required. In some cases one or more professionals such as engineer, land surveyor, town planner or architect is required. In cases where a professional needs to be engaged DAG assists the CBO to go through a rigorous process of interviews.

- Prior to decision taken for Housing Development Board (HDB) to approve funds through local authorities as reflected in the IDP Priority list. The ability to work closely with the HDB was fundamental from conception through implementation to completion.

People Centered/People Driven

DAG operates on a community request basis. In the three PHP projects within which DAG is involved, housing associations approached DAG for assistance in securing subsidy funding. These associations vary in their level of organisational development and understanding of the subsidy scheme and the housing process in general. In each case an assessment is made of the organisation, the leadership and the beneficiaries. There is time allocated to strengthen the executive committee with special attention paid to the various roles and responsibilities. An investment is made in work shopping the subsidy scheme and the PHP system. Members decide on the PHP option and also on whether or not to work with DAG as a support organisation.

Skills transfer

Capacity building of the committee, training of Housing Support Center staff, preparing the subsidy application and running workshops on technical issues such as the housing delivery cycle and house design all made a crucial contribution towards the success of the project.

The following were seen as the most important services provided by DAG:

- Training of Housing Support Center staff (identified by 5 committee members)
- Providing advice and assistance to the committee (identified by 4 committee members)
- Running workshops on technical issues such as the housing delivery cycle, government subsidies and house design (identified by 2 committee members)

At HOSHOP, the project committee requested that DAG provided intensive support for a further six month before they acted with greater independence. A block yard was started in HOSHOP with funds from the Provincial Department of Social Services to develop skills, create jobs and save money by supplying blocks at reduced prices to beneficiaries in the project.

Community Empowerment

The greatest benefit of the project has been the empowerment of the community. Initially many people were skeptical of the organisation's ability to deliver housing. Their success has encouraged a further 500 families to join HOSHOP and to participate in the second phase of the project. HOSHOP's experience set a standard for other communities. There has been perceived reduction in crime due to the greater sense of community cohesion created by the projects.

The project build women leadership, as a result two women from the project was employed by a private material supplier as facilitators of people's housing projects in other communities. As one of the most successful People's Housing Process projects in the country, and the first one to finish building its houses within the allocated time period of 12 months, Masithembane has also had an impact beyond Cape Town. (A video of the projects was commissioned by the People's Housing Partnership Trust (PHPT) to promote the PHP approach.

As part of DAG's involvement in the national Sustainable Energy, Environment and Development (SEED) programme, awareness raising on energy and environmental issues was also undertaken. A demonstration house was built to demonstrate key principles of energy efficiency and environmental sustainability in house design.

Funding and Savings

The main source of project funding was the National Housing Subsidy Scheme, administered by the Provincial Housing Department. The projects made use of the consolidation subsidy of R9200, which totaled R5 915 600. Facilitation grants were also awarded, totaling R95 712 as well as R 353 290 for establishment of the housing support centres. DAG's facilitation role was largely donor funded; actual costs for supporting the

three projects totaled approximately R910 000, of which R832 102 was funded directly by donors.

The PHPT provided some funding and support for training and information dissemination.

DAG has always encouraged PHP projects to try to build bigger houses. To do this, project members were asked to save as much as possible. Savings often occurred in groups and DAG made use of this peer savings groups to start a micro-lending scheme for housing called the Kuyasa Fund. Kuyasa was started by DAG as a micro lending scheme for housing. This fund has gone from strength to strength and has to date put out R3million worth of loans and a loan book of 2.3 million. In all cases where beneficiaries made use of savings and loans were bigger than 30 square meters.

The promotion of household's savings to supplement the subsidy amount was also an important part of the project. Households were encouraged to save in a variety of forms, which included saving cash, saving on the cost of building materials by reusing materials from their shacks, and saving on labour costs by carrying out some construction tasks themselves. A survey of HOSHOP beneficiaries found a median household savings contribution of R1450. By extrapolation the total household savings contribution across the three projects is estimated at R900 000.

Job Creation

Over 70 people were employed as builders during the life of the project, and there has also been ongoing employment as households extend their new homes. A further dozen people were employed in the housing support centres and the HOSHOP block yard. Volunteers working in the housing support center also learned new skills relating to management and administration.

3.3.4. PROJECT PLAN / METHODOLOGY

The main objective of the projects was to build adequate housing and improve living conditions, with secondary objectives to develop the capacity of the community organisations to manage development processes and to stimulate local job creation. The three communities decided to follow the PHP route, a community based form of housing

delivery in which beneficiaries initiate, plan, design and implement their own projects. The DAG suggested that housing development could be used to develop community capacity; hence the three projects were managed by the community-based organisations involved. This included managing a housing support center, employing staff of the support center and making all the decisions in the projects. Local people from the community were selected to work in the housing projects, in the housing support centers, in the community block yards and received training. In order to supplement the housing subsidy funds, savings groups were formed and savings were promoted. Access to savings-linked credit was also facilitated.

DAG follows the project cycle and ensures that people participate throughout the process. The following steps are involved.

Step 1

- Community establish a housing project;
- Community elect a committee to drive the process;
- The committee seeks the services of a Support Organization to facilitate the housing development.

Step 2

The Support Organisation works in partnership with project committee to:

- Develop a project application for submission to the Housing Development Board.
- Build the organisation by building the capacity of the committee for effective leadership

Step 3

Once the project application is approved, the project committee in partnership with the Support organisation prepare for construction by:

- Setting up a housing support center (HSC)
- Assist the committee to employ staff to do the technical and administrative work to ensure smooth housing delivery.
- The project decides on the developer and is legally constituted

Step 4

Once the project preparations have been done, the support organisation together with the project committee:

- Organise workshops for beneficiaries on house designs
- Organise training for the housing support center staff on their roles and responsibilities

Step 5

Construction

The table below describes DAG's support to HOSHOP through the implementation of the steps.

Stage	Typical time period	Description
1. Request/ initial investigation	3 weeks+	Community approaches DAG with request for assistance in obtaining housing. DAG introduces itself and its way of working to the community and collects information relating to the community and their housing need.
2. Feasibility	6 weeks+	
3. Partnership negotiation	6-10 weeks	Agreement on roles and responsibilities is reached and a contract between DAG and the community is signed; DAG also commences training on leadership and negotiation skills, and facilitates networking with other communities.
4. Packaging	3-6 months	An application for housing subsidies from the PHDB is put together by DAG and the community; DAG provides training on housing issues to ensure that the community will be able to participate in the process. The setting up of savings schemes is also encouraged.

5. Institutional preparation	3-5 months	A legally instituted development organisation is set up to be the developer of the project and DAG provides training in financial management.
6. Detail design	4-8 months	After approval of the housing subsidies, detailed planning and design takes place, training in construction and construction management skills is provided, the project goes out to tender and/or a housing support centre is set up; DAG also facilitates access to housing loans from the Kuyasa Fund.
7. Implementation	12-24 months	The construction programme is monitored and DAG provides home ownership education.
8. Post-construction	12 months	DAG facilitates the maintenance of the housing and ongoing support for the community organisation.

3.3.5. ROLES PLAYED BY OTHER STAKEHOLDERS / PARTNERSHIPS

Local Authority/municipality

- City of Tygerberg (now Tygerberg Administration, City of Cape Town)
- Type of support: responsible for issuing Title Deeds, locating plots boundaries and building inspection.
-

Province

Subsidy applications for the HOSHOP, Masithembane, Masithandaze, and Masimanyane projects were submitted to the Provincial Housing Development Board in 1998 and were approved in March 1999. The HOSHOP subsidy application was for 200 subsidies (although the membership of HOSHOP subsequently continued to grow).

CBO/Housing Association

- Homeless and Squatters Housing Project (HOSHOP)
- Type of organisation: Community – based organisation
- Type of support: Managed the implementation of the project

NGO

DAG trained the committee members, set up the housing support centres, trained community members to staff the centres, set up the systems and procedures for ordering materials and monitoring construction, and supervised the first six months of the implementation phase in the HOSHOP project. DAG through the Housing Leadership Course, Community Housing Development Management, trained HOSHOP community members for ordering materials and monitoring construction, and supervised the first six months of the implementation phase in the HOSHOP project. HOSHOP community members were trained by DAG via the Housing Leadership Course, community Housing Development Management Course, and Managing Housing Support Centres Course

Support Organisation (could be the NGO)

DAG performed the support organisation's role in the projects.

Housing Support Centre

DAG trained the committee members, set up the housing support centres, trained community members to staff the centres, set up the systems and procedures for ordering materials and monitoring construction, and supervised the first six months of the implementation phase in the HOSHOP project. HOSHOP community members were trained by DAG through the Housing Leadership Course, Community Housing Development Management Course, and Managing Housing Support Centres Course.

Materials Supplier

Since DAG stopped being the project manager, HOSHOP has been managing their own project, with the assistance of Marnol, for the following tasks:

- preparing and costing house plans
- assistance in setting up procedures for materials ordering and payment,
- assistance in monitoring of construction
- assistance with local authority on plan approvals

- assistance with monthly reports to the PHDB

Marnol were very committed to the process, did a reasonable support role, and were presumably able to cover the cost of their support from their prices of materials. A third of the committee members were very happy with Marnol, another third were relatively happy, although they thought the delivery of materials was too slow (and prices were going up). The other third were unhappy with Marnol due to slow delivery of materials. 58% of the HOSHOP beneficiaries interviewed were happy with the supply of materials by Marnol, while the other 42% were unhappy due to slow delivery or delivery of the wrong materials.

Other

The PHPT provided support to build capacity around implementing the PHP approach and provided some funding and support for training and information dissemination.

3.3.5. PHP BENEFITS

The benefits of the PHP approach in the projects have been enormous. There has been the provision of formal houses that are more durable, weather resistant and fire resistant than the shacks they replaced. Because of the encouragement of individual choice and household savings, and the provision of housing loans by the Kuyasa Fund, these houses meet the specific needs of each household, most of better quality and larger size (36m² – 66m²) than houses in most conventional low cost housing projects.

Energy efficiency was emphasized with regard to house design and skills development and job creation and features of the project – over 80 residents were employed either in the housing support centres, as builders or in the block yard. The greatest achievement has been the empowerment of the community organisations, which have now initiated a further phase of housing delivery and are also tackling broader development issues. DAG has subsequently been involved in the capacity building of other communities and local authorities to implement similar projects in other parts of the country.

3.3.6. DIFFICULTIES EXPERIENCED IN IMPLEMENTING THE PHP

Skeptics raise many criticism of PHP; some are well founded while others are not. Many of the criticisms are simply rhetoric offered by those who are ignorant of what PHP actually involves and what its results are. Some legitimate criticisms are:

- The process is long and drawn out and is not suited to rapid housing delivery,
- Complex social dynamics exist in communities and inviting higher levels of participation often complicates the delivery process

Ill-founded criticisms include:

- The quality of the houses are poorer than what would be achieved in contractor driven projects
- Poor people are incapable of planning and managing their own housing development projects
- PHP projects result in greater levels of corruption

3.3.7. LESSONS LEARNT / RECOMMENDATIONS

The successes and shortcomings illustrated under the three projects make it clear that through PHP a greater level of community empowerment, job creation, access to social as well as economic opportunities and skills transfer is more possible that through any other housing delivery process. At the same time the shortcomings point the way forward to possible solutions that will greatly improve the degree of effectiveness of which the PHP is capable. The main lessons learnt are that:

- Poor communities are able to initiate and manage housing delivery projects by themselves (with advice and support from an NGO).
- The poor are able to save and are able to repay loans.
- People driven housing processes can result in a better quality of housing than housing built by large, formal contractors.
- It is important to have the space for people driven processes. One of the main reasons for the success of the projects was that the Provincial Housing Department and the Local Authority allowed the space for a people-driven project and did not attempt to impose rigid bureaucratic restrictions. Subsequently, this space seems

to be closing as there is increasing attempts to regulate the People's Housing Process.

3.3.7. CONCLUSION

The greatest benefit of the project has been the empowerment of the community. Initially many people were skeptical of the organisation's ability to deliver housing. Their success has encouraged a further 500 families to join HOSHOP and to participate in the second phase of the project. There is an overall sense of pride and achievement that the committee was able to deliver what they promised.

3.4. VOSLOORUS: GAUTENG

3.4.1. POLICY OVERVIEW: GAUTENG

The Gauteng Department of Housing has prioritised PHP housing projects as a delivery strategy to increase housing stock in Gauteng. A PHP directorate has been established with the goal to establish 60 Housing Support Centres (HSCs) and construct 60 000 houses in three years time. The following are its stated objectives towards that end:

- Develop a provincial PHP strategy
- Ensure fair distribution of financial, human and other resources
- Promote collaboration with other relevant stakeholders
- Align PHP with Zivuseni initiatives
- Put in place monitoring and evaluation systems

The following are strategies for communities:

- Develop effective and efficient HSC
- Develop capacity and skills
- Choice of product and how to contribute
- Restore human dignity

The province has also begun to prescribe PHP policy further, and seems to be advocating for a PHP model in which construction ‘brigades’ are responsible for the actual building, using labour sourced from the subsidy beneficiaries and the local community. We believe this policy has borrowed extensively from the experience in Vosloorus, though we question whether it should be an exclusive model for PHP; rather it should be one in a range of options that beneficiaries could choose from.

Another important thing about the provincial context to note is that the province had previously decided to implement PHP by almost uniformly designating the local authority as the support organisation. They have found, however, that this strategy has severely hampered the implementation of PHP projects and is now trying to source other support organisations and create a new institution that would capacitate local authorities to play this role.

Finally, the province has insisted on certain building standards for PHP projects that include a specification for the size of the house at minimum to be 36 square metres, and that the home includes dividing walls to make at least two bedrooms.

3.4.2. CASE STUDY CONTEXT: VOSLOORUS (EKURHULENI METRO/EAST RAND)

Vosloorus extension 28, is an informal settlement with 1350 services sites, approximately 25km from the CBD of Boksburg on the East Rand. A survey conducted five years ago by the local council indicated that 60% of the community members are unemployed and they survive by informal means such as spaza shops, selling fruit and vegetables, selling scrap metals, and growing backyard vegetable gardens. 40% of community members are formally employed as domestic and factory workers. 70% are women-headed households. The community is relatively poor with no educational facilities such as schools, library, shopping complex etc.

In 1987 the Vosloorus SANCO after being approached by backyard dwellers, single-sex hostel dwellers, ext.25 squatter camp dwellers and homeless people about housing needs, decided to start the process of identifying land that could accommodate those people. A site allocation committee was elected with the mandate to engage the Council and IDT about suitable land in and around Vosloorus. A community office was established for potential beneficiaries to register, with the R110 registration fee being administered by a law firm.

Land was identified where presently Ext. 28, Phase One is located. Infrastructure was installed in 1990 through the IDT Capital Subsidy scheme. Over time high mast lights and electricity were installed, proper tarred roads and clinics were built through community struggles, and taxis started operating in the area, making travelling easier.

The community has over time developed a strong social network, community spirit and a sense of belonging to the area. Throughout its history, the community has organised itself through Block and Area Committees, CDFs' and more recently the Ward Committee.

In 1997, the community elected 11 Vosloorus Steering Committee members with the aim of assisting the residents in their endeavour to improve the quality of life in the area, with

particular reference to accessing land and housing with secure tenure, developing employment opportunities, and satisfying the social, educational, cultural and recreational needs of the community. A fundamental principle of the Steering Committee is that its project activities should at all times be based upon shared decision-making, which incorporates the democratic representation of the beneficiary community itself.

3.4.3. PLANACT'S PHP INTERVENTION STRATEGY

Planact operates under the understanding that the core elements of the People's Housing Process must be continuously preserved and implemented to their full extent, based on the needs and aspirations of each community. Planact is committed to supporting the habitable environment agenda and the right to adequate housing. The PHP process provides an opportunity to pursue this agenda by demonstrating how the government sponsored PHP programme can meet the principles and objectives it seeks to achieve, and by advocating for a more integrated delivery process. We seek to adhere to the following principles and objectives on any PHP process undertaken:

A people-led process. The community must be the true owners of the PHP process. By taking possession of the process they take command of their futures, and in doing so the PHP process is given a sustainable and productive life, well beyond the construction of the housing. Planact helps the community to establish a representative community structure that has been democratically elected by the community. This structure drives the PHP process and ensures beneficiary involvement in decision-making. Planact works to ensure the committee develops skills in organising, administration and management. The committee must be committed to women's empowerment in the process. It should be driven by passion to improve the lives of the community and must be accountable to the community.

Capacity building of subsidy beneficiaries. In addition, those qualifying for subsidies must be empowered with full information about the PHP and decision-making opportunities throughout the process, as well as given skills-development opportunities. By building the capacity at the household level we empower the most vulnerable stakeholders in the community, imbuing a new sense of control and opportunity over ones livelihood in addition to providing a resource to the beneficiary for economic mobility.

Job creation and skills development. It is critical that the PHP contribute to improvement in the skills and opportunities of the community members, and that any economic benefits of the project are maximized at local level. This can be through local material suppliers, contractors and labourers, and direct involvement by those receiving subsidies through PHP to participate in building their housing.

Partnerships: Engaging the local municipality, the provincial Department of Housing and other partners, in a way that ensures their commitment to a people-led process is vital to the sustainability and further development of the community. It is hoped that by instilling this sense of importance for the project within Council and other partners, that a willingness to invest resources can be elicited beyond the involvement of the support organisation/service provider. This new-found relationship between community and Council is then one of mutual respect and empowered partnership, supplanting the previous dependant and provider paradigm, which often hinders progressive community participation, a vital component of any PHP. This renegotiation of roles allows the public and private sector partners to view the community as a well-capacitated, cohesive unit, and conversely the potential partners are seen as allies in the community's quest for economic and social growth.

Working towards integrated development of a community: This means stepping beyond the confines of simple shelter provision and working together to create a well developed community. The individual homes that we help create cannot survive as islands, they must be seen in the context of the community, which means service provision, economic opportunity, and social welfare. By taking this approach we not only create sustainable communities but we also provide for their future growth.

3.4.4. PROJECT PLAN/METHODOLOGY

Below is a list of steps developed in the Vosloorus PHP Project. While this list is generally in sequential order, there are steps that of necessity run concurrent to each other. Also, the order is not necessarily fixed and would depend upon local circumstances.

- 1. Election of a Steering/Housing Committee:** In the case of Vosloorus, a committee had been formed by the community prior to Planact's involvement, linked to area and block committees throughout the area. The main purpose of this Vosloorus Steering Committee was to work on strategies for the upgrading of the community. Planact's support to the committee was enlisted in mid- 2000 by the local authority (Ekurhuleni Metro/Boksburg Council). Planact's first task was to establish the legitimacy of this committee within the community, and to do a needs assessment to establish the community's priorities. In the case of Vosloorus, the committee was considered to be representative and accepted by the larger community as legitimate. In general, where no legitimate committee exists, Planact would assist the community to develop such a structure. While the election of this committee is left largely to the community; our role, as a support organization would be to facilitate the process and ensure wide representation among the candidates. Prior to the election there would be numerous consultations with interest groups and mass meetings with the community, and specific attention would be paid to gender and geographical representation. This provision will ideally create an inclusive and widely representative Housing/Steering Committee.

- 2. Training for Newly Elected Housing/Steering Committee:** Part of the needs assessment was to determine the viability of PHP as a strategy to meet the community's housing needs, through looking at all possible subsidy forms. In Vosloorus, the community did not want a developer to run the project, and wanted to encourage the use of local labour, thus PHP was preferred. Workshops were then held in an effort to ensure that the committee developed a sound understanding of the PHP process and were well-capacitated to facilitate the process. Training focused on leadership skills, finance, effective project management, and the roles of all actors within the process (see 'Stakeholders' section) as well as the requirements of the PHP process. It is important the committee is well versed on all existing and potential matters relating to the PHP process because they will act as the central decision making hub for the entire process. They are expected to make well-informed decisions in the best interests of the beneficiaries as well as to ensure that the process is fair and that the community's values are being upheld throughout.

- 3. Community mobilization workshops:** These workshops were organised by the Steering Committee, and used to gauge the needs of potential beneficiaries and to introduce the principals and process of a PHP to the community. Such workshops were also held when the process of soliciting subsidy applications began, and at other key decision-making points within the process. In cases where no legitimate community structure exists, such workshops might be held prior to the election of a steering committee, enabling the potential support organization to identify and engage community stakeholders and CBO's. Any subsequent decisions made will ideally involve a broad range of these actors in an effort to ensure that the full spectrum of community voices is being heard.
- 4. Engage the Local Municipality:** In Vosloorus, establishing a relationship with the municipality and securing their support for the PHP was critical to the success of the project, especially given the province's policy to appoint the local authority as the official support organisation to manage PHP. The Council took a resolution to support the project, gave input into the business plan, and provided technical support and management assistance to the project. They also donated a building to be used for the Housing Support Centre. In general, it is important to engage the council sufficiently to enable them to see the benefit of investing in the PHP process. By doing so the council is then much more likely to not only support the project through its physical implementation, but also to maintain that support after project completion in the form of community social services, community-based maintenance programs or other local economic development projects, etc.
- 5. Submission of Business Plan.** A business plan was submitted to the province in March, 2001, though it took until November 2001 for them to approve it. The plan established the general relationships envisaged for management of the PHP, establishing the role of the Steering Committee, and designating the local authority as the account administrator, and Planact as the project manager. The document spelled out plans for the establishment of the Housing Support Centre (HSC). It outlined the construction plan along with the skills training required. It proposed a budget for the HSC and the construction process. The approval of this plan secured a commitment of funds in the form of the Facilitation Grant and the Establishment Grant and paved the way for the subsidy application phase.

- 6. Subsidy Application Process/Identifying Beneficiaries:** Planact and the Vosloorus Steering Committee, along with other community volunteers, implemented the subsidy application process. While necessarily employing the general housing subsidy criteria, the Steering Committee decided on priorities within that to take into account factors that the community felt were most relevant to their community. The first group of 300 subsidy applications were submitted by June, 2002, and the province approved the first 250 by September, 2002, so that the first phase of the project could begin.
- 7. Project-team Management and Coordination Begins.** The project team, consisting of the Vosloorus Steering Committee, Planact, and key local authority and provincial Department of Housing officials was convened in July, 2002 and met weekly thereafter to plan for and implement the project. In addition, the Steering Committee met with Planact weekly to deal with important issues internally, continue capacity-building, and strategically plan for the project team meetings, where project decisions were formally taken. This arrangement meant that the Steering Committee had to assert itself within the project team, and the power sharing with the local authority in particular was not always equitable. But it did serve an important checks-and-balances role within the project and maintain commitment by the local authority and province. The project team fleshed out the terms for the management of the project and signed formal agreements. The Council, as account administrator, agreed to provide R50,000 up-front for Planact to manage payments to emerging contractors who would work on the top structures, to be replenished as needed. They also agreed to provide Planact a 5% material management fee. All parties made a commitment to track finances according to the breakdown of individual subsidies so that each beneficiary would know how his/her subsidy money was being spent.
- 8. Capacity Building for Construction Process:** In order to proceed with the construction phase of the process, the capacity of the community was assessed and plans for skills development were made. In Vosloorus, the project team chose to have the beneficiaries or other local labourers work in pooled labour teams under the supervision of emerging contractors from the community, a process that had

been employed already in Brakpan. At Planact's insistence, the team also made a commitment that at least 30% of those involved in the building would be women, including the emerging contractors. The community was introduced to the local contractors identified and they discussed and ratified their selection. These contractors, along with those with approved subsidies were then offered building skills training through the Department of the Labour in July 2002, to ensure those who wish to participate would have the skills to do so. Ninety-eight people were trained. Labour costs were set and collectively agreed upon, allowing for the construction portion of the budget to be finalized, and deadlines to be set.

9. Consultation with Beneficiaries Re: Housing Options and Preliminary Housing Plans Drawn:

Ideally, a consultation is held at this point in the process to inform beneficiaries of their housing options and the established costing of the options. Beneficiaries would be free at this point to make amendments to suggested housing options such as the supply of cheaper materials (doors, windows, ect.), or an upgrade in size if finance permits. These project wide, and individual "trade-offs" not only play a practical financial role, but also allow for a robust sense of participation through out the process Special attention to energy efficiency is required from the resulting designs. This not only ensures the quality of the final product, but will also be a cost effective measure for the beneficiaries who will occupy the homes. In Vosloorus, beneficiary choice at this stage was limited. The project team, recognising that the first phase was really testing out the process, wanted to simplify the construction process, and had to figure out how to meet the provincial requirements for a 36 square metre house in the most efficient way possible given the constraints of the subsidy. Thus, they decided on a basic square house. However, as part of the participatory process, beneficiaries participated in the positioning of their homes on their given sites, which allowed them to make a practical choice based on their needs.

10. Procurement: The community in conjunction with the support organization must at this point explore the options available for material suppliers, with factors such as connection to the community, capacity and experience in mind. Preference was to be given to locally based SMME's. In addition the material supplier must have the capability to meet the demands of the process; a PHP process usually requires that

supplies be delivered in small portions, to several locations on a daily basis. If the chosen supplier cannot meet the capacity demands of the project, the problem of costly delays begins to erode the construction process. Several possible material suppliers were identified, but only one was ultimately selected by the project team due to cost considerations. An emerging contractor was separately identified to construct the foundations, but had to pull out of the process since he could not finance the construction up front and the Council refused to consider providing bridging finance in this case. He was replaced with a more established contractor, who had also been chosen as the material supplier. Work on the foundations began in November 2002.

11. Housing Support Centre Created: The creation of the Housing Support Centre established the base for local management and community involvement in the PHP process. The building donated by the Council was conveniently located and in November, 2002, Planact assisted to establish the office and staffing, the selection of which was decided upon by the Steering Committee. This gave project beneficiaries a place where they could access information and consultation on an individual basis. Housing support centre staff were community members who Planact gave ongoing support to, enabling them to facilitate the needs of the beneficiaries effectively.

12. Building Brigades Established: Ten of the original 16 emerging contractors identified were directed by the HSC site foreman to assemble construction teams. Each team was made up of 10 members, 3 of whom had to be women, and preference had to be given to those beneficiaries who had received the Department of Labour training. The teams were comprised of a combination of local labourers and beneficiaries. Some of those originally trained dropped out of the process due to other commitments or because they expected higher pay for the work.

13. Construction Begins: With the planning and costing component of the process established construction on the top structures began in January 2003 with the curing of the first foundations. The HSC foreman was responsible for deciding which teams will work on which stand, and in what order the construction would take place in, and liaising with beneficiaries on construction issues. Planact worked

in conjunction with the foreman and the construction teams to ensure that quality standards were being met, though provincial and local inspectors were charged with the authority of certifying construction once the houses were completed. The project team continued to meet weekly to monitor progress and deal with problems that arose, such as the inconsistent supply of materials that slowed delivery significantly. Ultimately, 250 houses were completed by September, 2003.

14. Ongoing Consultation/Workshops with Beneficiaries: Beneficiaries were made aware of the status of the project in terms of timelines and upcoming activities on a regular basis.

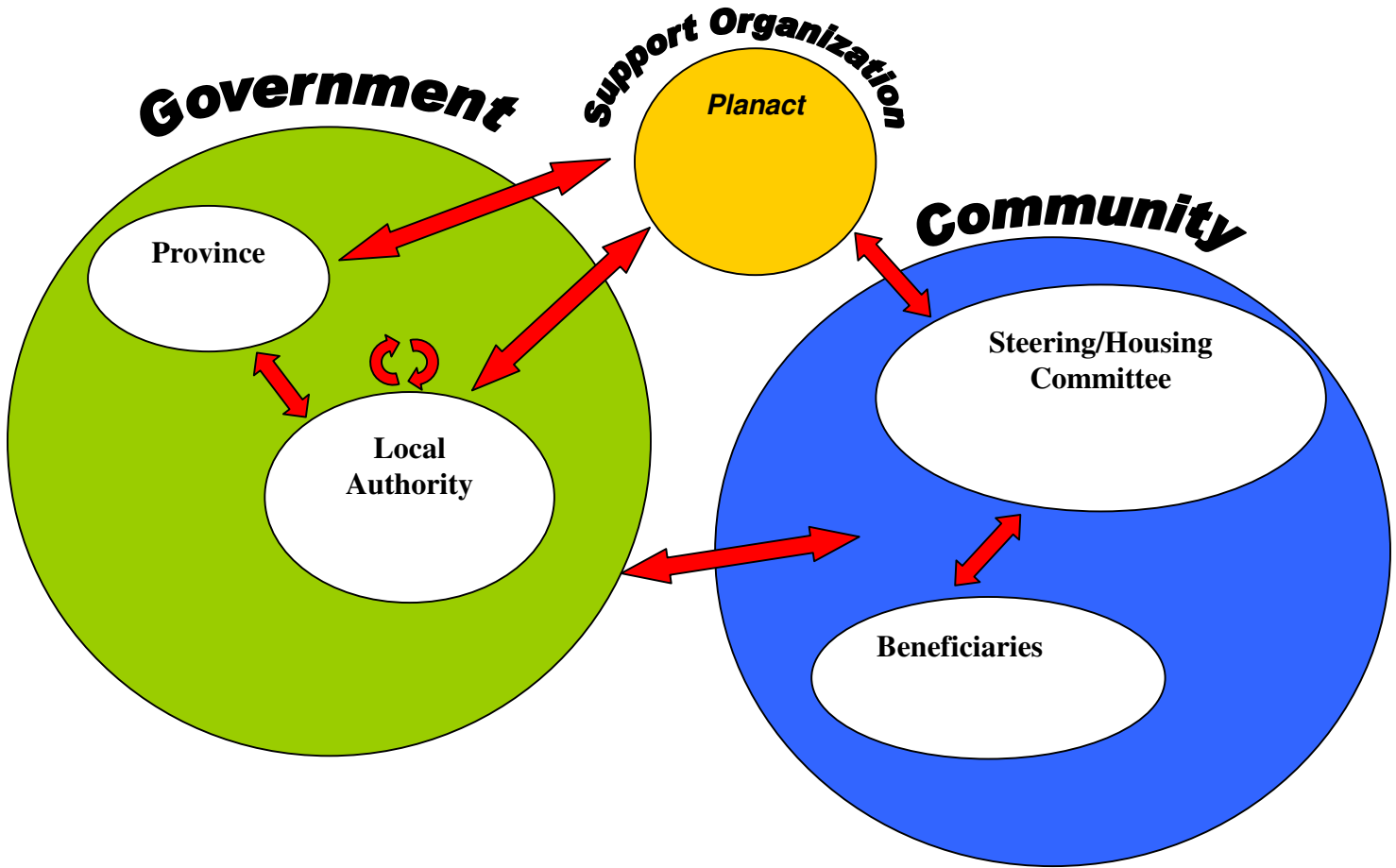
15. Ongoing Monitoring and Evaluation: A key component of any PHP process is the ongoing monitoring and evaluation of its progress. This is not only crucial to the efficiency of subsequent phases, but to establishing the PHP process as a replicable model. This healthy scrutiny ensures transparency, as well as valuable learning opportunities for both the support organization and community. Planact conducted a series of interviews with beneficiaries and other stakeholders to help document the project and develop this case study.

3.4.5. ROLES PLAYED BY OTHER STAKEHOLDERS / PARTNERSHIPS

There is a crucial synthesis that must take place in any PHP process for its principals to be achieved at full strength, that synthesis must be between the community and stakeholders. By saying synthesis there is the recognition that it is not sufficient to simply work within pre-existing modes of engagement that saw the community “requesting” services and support from stakeholders. A truly robust and sustainable PHP process requires these to groups to work in partnerships, whereby the community is not simply a demand maker but a valuable resource to stakeholders, and the greater metropolitan area. If a true partnership is established then issues of sustainability and growth become far less elusive.

Figure 1.4

Stake Holder Relationship Diagram



The following is a summary of key PHP Partnerships and the functions they serve:

Steering Committee/ Beneficiary- This relationship will serve as the engine behind the process. The Steering Committee's ability to effectively engage the beneficiaries, eliciting ongoing participation, is vital. The Steering Committee must learn how to inform the beneficiaries and to involve them in key decisions, or risk losing the support of the community. The PHP process may be reliant on other stakeholders to facilitate the ongoing development but the process is sustained through the articulated will of the community.

Steering Committee / Local Authority- There must be an effort early on to ensure that this link is not only strong but well-capacitated; these two bodies will serve in a sustaining

role for the community after the housing process is completed. The success of value-added projects such as a community-based maintenance programme, health care facilities, and resource centres will hinge on the local council's commitment to respond to the community's needs. The Steering Committee will have to successfully negotiate its relationship to the local council, and effectively engage them in an ongoing development plan that is sustained and supported.

Planact/Steering Committee- This partnership is the most critical to the project during the implementation phase. It is up to the Steering Committee to articulate the needs of the beneficiary community, but it is the support organization that is responsible for facilitating the necessary partnerships that will allow for the requests of the stakeholders and community to be addressed. It is also a key partnership because of its capacity-building function. A service provider has an obligation to ensure that the Steering Committee is sufficiently capacitated, ensuring that once the support organization is no longer involved in the community that the Steering Committee has the necessary tools and training to continue existing partnerships, and pursue new opportunities on behalf of the growing community.

Planact/Local Authority- This partnership is another key component to the process. Planact's success in establishing a good working relationship with the local authority could result in the adoption of long term initiatives such as community based maintenance programmes. This not only encourages sustainability of development, but also puts the community on a more even footing with council as they seek to provide a valuable service to the community. Planact must also ensure that the local council is informed and equipped to handle the PHP process that is to take place in the community. This includes financial capacitating to handle the administration of funds, as well as entrenching a sense of ownership of the PHP process within the local authority. The local council has the authority to approve the development, and is also the source of many resources that the community will seek to access during the progression of the project and after Planact's involvement. If no common goals are established, the coordination it takes to sustain the growth of the community may simply not materialise.

As much as the agreement entered into between Province and Council defines the Council as the Support Organisation, in practice Planact has played that role effectively. The

service agreement entered into between Planact and the Council was signed on the 25th September 2002 and defines the role of Planact as follows. Point (3) of the agreement says: Planact will act as Project Managers for Vosloorus Ext.28 PHP housing project and will:

- a) Ensure that the community establishes a system for the building of houses
- b) Ensure that structures are constructed in accordance with the approved designs and specifications as required by NHBRC and the Council
- c) Ensure that beneficiaries sign the completion certificates.
- d) Provide technical and administrative assistance to beneficiaries in terms of house design, determination of subsidy amount, preparation of cash flow forecast
- e) Completion of prescribed subsidy application forms
- f) Monitoring product quality
- g) Prepare a monthly narrative and financial report of the project
- h) Manage HSC operations
- i) Facilitate the drawing and submission of site plans to the council for approval
- j) Conflict management and resolution
- k) Facilitate technical team meetings with consultants.

Planact/Province/Local Authority- The province does not play a particularly hands-on role in the PHP process administration but this is not to say that establishing a strong partnership with them is not useful. In particular, technical advisors provided to the project have filled a vital capacity need and will provide an important future resource to the community if that relationship can be maintained. This partnership will extend to eventually encompass the local authority, thus creating a structural mechanism ensuring that subsidy administration, technical support, training and financial administration are all tightly coordinated. This relationship also allows for feedback and improvement of the PHP policy and standards for best practices.

3.4.6. PHP BENEFITS

With an ever-mounting pile of difficulties it is often easy to forget the substantive value gleaned from successes and benefits. Planact's most pressing goals at the end of the day is not the perfect implementation of *our* plan as support organizations, it is much more

fundamental than that--Planact aims to provide homes for vulnerable community members through a sustainable people-led process.

Shortly after completing the first phase of the Vosloorus project, Planact began to survey beneficiaries and other stakeholder groups to determine the results of our efforts. Thus far, there have been 103 interviews conducted comprising: 50 beneficiaries, 7 contractors, 19 labourers, 3 Steering Committee Members (in addition to a focus group involving all Steering Committee members), 3 Housing Support Centre staff, a representative of the province, and, finally, the local council responsible for the municipality. Project staff were consulted on a regular basis for internal evaluation, and simple observation from site visits and project meetings yielded a wealth of insight into the process.

Despite our concerns about limited options for beneficiaries, and probes of “what else could we have done?”, a sense of satisfaction from our beneficiaries emerged from the responses. We had managed to meet the basic principles of the PHP, facilitate the production of quality housing; and the beneficiaries were in large part satisfied with the result. This by no means indicates that the battle has been won, but it does assert our commitment to the most important stakeholder; the beneficiary.

Community Participation

Participation is one of the most fundamental tenants of the PHP process. Simply put, if participation does not come out on the “successful” side of your PHP balance sheet then you can be quite certain that you have an irrevocably flawed PHP methodology. We were conscious of the sanctity of this PHP principal and made efforts to have its presence felt throughout the process.

One of the important indicators of participation was the extent to which beneficiaries feel they are represented by the Steering Committee. Regarding the election process, while only 48% of beneficiaries reported that they voted at the Steering Committee election, 86% of that group were either “very satisfied” and the other 14% were “somewhat satisfied” that the elections were fair and transparent. It is also important to note the level of satisfaction with the education they received in regards to the PHP process and requirements of the subsidies-- 84% were either “somewhat or very satisfied.” While this is not necessarily a

direct indicator of a well-informed beneficiary community, it is important that they as beneficiaries feel a level of comfort with the process.

Moving on to opportunities for participation in the construction process, The Department of Labour was engaged early on to ensure that the building “brigades” would be a vehicle for beneficiary participation, not simply a logistical solution to the issues of construction. Hard skills training and knowledge transfer were not lost in this arrangement; the community (women in particular) were encouraged to participate on a brigade and were given training opportunities along with the rest of the community. An encouraging 96% of the community said they were aware of the efforts made to provide opportunities to women on the project. There was also a high degree of satisfaction with the training on the part of those who participated. Just over half of the emerging contractors participated, and 98 community members benefited from the training opportunities.

The project team negotiated a formula which saw each brigade comprised of at least three women regardless if it was a women-headed brigade or not, and in addition beneficiaries who had received the Department of Labour training were prioritised. Under this arrangement, less-skilled labourers were given a chance to not only gain valuable experience but also expand on their skills; and subsequently, contractors would work alongside fellow community members they may not have otherwise considered for their building brigades. This “brigades” method forged new understandings of allies within one’s own community that might have otherwise gone undiscovered. While the expectation was not that entire paradigms of gender quality and community capacity would be shifted, a consciousness arose which will in future be the vehicle for ongoing engagement within the community.

As a broad litmus test of community participation, the beneficiaries surveyed were asked their satisfaction with the level of participation the community had in the planning phase of the process. The reason for the specific focus on the planning phase is to test the assertion that the beneficiaries felt they had some agency in the process and were not simply measuring levels of satisfaction with an imposed system. The results were encouraging, with 74% indicating that they were very satisfied, and a further 10% that they were somewhat satisfied with community participation in the planning phase. It is understood that measuring levels of satisfaction with participation is not the same as

measuring the level of influence beneficiaries had in the process, but a confident community with overwhelming signs of satisfaction with participation at the very least is some indicator of a healthy process, if not a perfect one.

Gender Awareness and Participation

Participation was particularly important in the incorporation of our gender equity objectives. Women were encouraged to participate at all levels of decision making-- the Steering Committee, Housing Support Centre, trainings and community forums, all aimed to be inclusive and elicit the participation of women. In our preliminary evaluation of Phase I of the project, there was definitely a heightened awareness of the importance of gender consciousness and how that reality fits into the context of their community.

What was most encouraging was the response from men on the project (throughout the various groups surveyed) -- without prompting they often mentioned gender inclusion as one of the “benefits” PHP had brought to their community. It is important not to view these statements as solid indicators of achievement in gender awareness, but rather evidence that the groundwork for greater understanding has been laid by introducing the idea into the public sphere. To be clear, the idea has not been fully amalgamated into the social fabric of the community, but the first few steps in that direction-- indications of awareness-- is a profound achievement for a reasonably short period of time.

Job Creation and Skills Training

There were a substantive number— approximately 150 beneficiaries and community members, who were incorporated into job creation and skills training opportunities provided by the project. What was particularly beneficial about the job creation and skills training programmes carried out in Vosloorus was the relevance they had to the community. Participants learned skills that could be applied right in their own neighbourhood, not only adding economic value but also capacity to the area.

When questioned, those who participated in the trainings were not only satisfied with the level of training but felt that they would be able to improve their job and/or earning prospects with the certification and hard skills they received. One of our three female contractors noted in her interview, “I wanted to work on this project so I could better my skills as a contractor.... Planact gave us so much support in training and workshops, we

met so many people...I feel that I can take on so much more than I expected when I started working on this PHP.”

HIV/AIDS: A further example of the impact of training is in the area of HIV/AIDS- a fundamental consideration on any project, we managed to train 27 Home Based Care (HBC) workers, and as an off-shoot of the central HBC programme-the community has started a food garden which is designed to support the needs of those living with HIV/AIDS both in terms nutrition and revenue, while providing employment and job training skill for those who tend it.

The British High commission has agreed to review the work of the HBC volunteers in a period of three months, and consider them for regular stipends and expansion of the programme with assistance of the East Rand Hospice. The training they have received not only allowed them to obtain a certification for future employment, but also provided a vital resource and filled a tremendous service need within the community.

The de-stigmatization of the Aids epidemic is vital to the fight against the disease; by creating an open forum and a support mechanism within Vosloorus for discussion and care, the wall of silence is slowly being broken down. As a participant from the HBC training noted, “I learned to be honest to myself and to other people, and about the environment of the patient and how I must treat other people.... This training has helped me to overcome my fear in helping people who have HIV/AIDS.” On any given day one can see the HBC workers active in the community, easily recognizable not only by their vests but by the work they deliver to the community, giving proof that a community can should be reinforced from within to meet their needs in an effective and sustainable way.

Housing

It is not an easy task to satisfy the needs of 250 people in any circumstance, no less a community collective seeking to improve the condition of their lives. Planact expected a wide range of reactions and disappointments when the first evaluation was conducted, and were a bit taken aback to realize that what we saw as failures marring the final product (a 36m² home), were nothing more than side issues to beneficiaries. They had secure tenure, and adequate shelter, provided by a process that they determined and as a community implemented. Of the beneficiaries surveyed, 80% felt their new homes was “better than they had expected”, 82% expressed satisfaction with the size of the home (30% somewhat satisfied and 52% very satisfied); again, 82% expressed satisfaction with the design of the

home (16% somewhat satisfied and 66% very satisfied), providing assurances that we were not only providing shelter but making strides towards the objective of a habitable environment.

Finally, 96% of beneficiaries surveyed indicated that they planned to retain ownership of their homes for the rest of their lives. This is of particular importance in light of the fact that 90% of beneficiaries indicated that assurance of secure tenure was paramount in importance to the Vosloorus PHP for reasons such as security of subsequent generations, and the vast improvement the home has had on the conditions of their daily life. People routinely said that the very fact that they now had a physical home, which they owned, was a massive asset to them. While added-value projects are vital to the long term success of the programme, we know that the most basic building block, a home, is in place.

Level of Satisfaction with the size of new home

Level of Satisfaction	# of Responses	Percentages
Not at all satisfied	0	0.0
Somewhat Unsatisfied	9	18.0
Somewhat Satisfied	15	30.0
Very Satisfied	26	52.0
Totals	50	100%

Level of Satisfaction with the design of new home

Level of Satisfaction	# of Responses	Percentages
Not at all satisfied	1	2.0
Somewhat Unsatisfied	8	16.0
Somewhat Satisfied	8	16.0
Very Satisfied	33	66.0
Totals	50	100%

3.4.7. DIFFICULTIES IN THE VOSLOORUS PHP AND LESSONS LEARNT

Discrimination experienced by women contractors and labourers

Women did participate in terms of numbers on the project, and generally took advantage of all opportunities made available to them, but to make the assessment that an objective has

been met on these basic criteria would be to overlook a large part of the equation, that missing component being the reaction of men.

Early cursory reviews on the participation of women seem to indicate a highly empowered female cohort, based on positions held and numbers who actively participated. Women themselves say that they have enjoyed a heightened sense of inclusion and are quite satisfied with the strides they have made, but Planact's efforts to conduct an in depth assessment of Phase I yielded knowledge of specific instances of gender exclusion and/or discrimination, a truth often not discussed even among the women of extension 28.

Through conversations (not formal interviews) with contractors and other construction team members, it was discovered that there have been instances of female contractors being sabotaged by their labourers who resent working for a female. Females are seldom heard in open meetings of the Steering Committee, and many men have been open about their apprehension of a woman's abilities to perform in the roles they have been given.

On more than one occasion in the process of surveying women laborers, they have noted the poor working conditions they are made to endure, which included demeaning verbal reprimands, subservient roles within construction brigades, and consistently being short-changed in regards to days called into work and pay. When asked, "What was the hardest thing about being a woman on this project?" one female respondent said, "The way they treated us...they shouted at us like children," but, in defeat, agreed that she would participate on the coming phase if the opportunity presented itself as she need the income too badly to turn down the opportunity.

The responses of men at all levels of the project varied, some towed the party line and touted the project's ability to have incorporated women successfully, while others noted their presence but were not convinced of their importance to the project. Statements like "They ran away because the work was too heavy" or "they were too slow, we could not use them" were not uncommon.

There were also systemic oversights on the part of Planact in monitoring working conditions. In an effort to maintain the integrity of the PHP principals, Planact was cautious about being overly prescriptive. This was particularly true in the handling of emerging

contractors and their management of their brigades. There was no binding contractual agreement between the contractor and Planact, as the Support Organization, which regulated the working conditions or employee-employer obligations of the brigades. The result was exploitative situations, such as 12-hour workdays, which proved highly problematic, especially for women working on the project who were expected to maintain their commitments to “family life” regardless of the demands their employers made.

This difficulty is compounded by women’s reluctance to “complain” for fear of reprisal, or, in many cases, women do not feel they have legitimate concerns due to a lack of awareness about rights and gender equity. It is even more of a challenge to try to solve a problem that does not want to surface. The first phase of the project highlighted how truly difficult it is to entrench an idea with such strong pre-existing paradigms negating its validity.

The real crux of the matter was finding a mechanism that could safeguard this fragile objective. There was no one person charged with the responsibility of overseeing “gender” on a daily basis. Site visits were for the purpose of construction inspections, there was no one examining the human element of the construction process: were people being able to use and improve their skills, were women making a valuable contribution to their brigades, were women even working on a regular basis? It is the responsibility of the support organization to ensure the success of set objectives, yet the PHP process is not a process whereby micro-management, is desired, feasible, or cost-effective. The provision of gender equity has become a glaring casualty of this ongoing tension within the process; while it is not an acceptable fate for a rights-based objective, until a viable monitoring system can be put in place this will continue to be a salient issue.

Support for Local Material Suppliers and Emerging Contractors

Another difficulty that emerged, and which Planact was not able to rectify, was experienced in regards to procurement for foundation construction and material supply. The lack of financial and logistical support for material suppliers who must meet the unique confines of the PHP process (daily delivery, secure storage of bulk materials, and a large capital reserve), forces SMME local suppliers out of the running, thus causing a major short-fall in PHP objectives. SMMEs are similarly disadvantaged with regard to foundation construction, especially given the fact that they are required to finance the purchase of

materials and the construction of the foundations themselves, only being paid after the work is completed.

This is an obvious bias inherent in the system that is directly opposed to the objectives of the PHP process, in respect to both participation and capacitating of beneficiary communities. Planact was forced to take on a larger, established contractor to construct the foundations and serve as material supplier for the top structures. This contractor was from outside of the immediate community, and was recommended by the local council (although the Steering Committee ratified his selection) after the first foundation contractor could not manage to finance construction from his own resources and the council refused to consider providing finance. Yet this new supplier has routinely failed to deliver materials as needed and has on many occasions provided substandard materials. With no ties to the community aside from a financial interest, and a seeming disregard for the nature and integrity of the process, the project's material supplier made for a rather awkward PHP partner. Unfortunately, without funding or business loan options to capacitate a suitable replacement from the community we must continuously bear the cost of this decision--financially and logistically.

Phase II of the project has brought this tension to light once again—despite his failings, the same contractor has been able to use his influence to be appointed as foundation contractor and material supplier once again. And, one could argue that the contractor is receiving preferential treatment, as special dispensation has now been made for this contractor in the form of a “session document” which allows the contractor to buy materials for the project in bulk and be reimbursed by council immediately upon verification that the materials are in his warehouse, before they have actually been delivered on site. This can be a technique to help the community obtain a better price for materials, but can also be considered fair if all potential contractors were availed this option prior to the bid. And, it requires a great deal of follow up to ensure that all of the materials are eventually used on the project.

Due to pre-existing arrangements and logistical confines, Planact must now work with the Steering Committee to find a resolution with as little disruption to the process as possible. But we have an acute awareness at Planact that we have the luxury to fight battles on principle as long as it takes for us achieve our ideological goals, but our beneficiaries hang

in the balance. They have a right to housing, and they had a right to elect a Steering Committee which has earned a 94% satisfaction rating from those beneficiaries--while the issues around the material supplier maybe highly problematic, we cannot stall the “rights” of extension 28, while we wage a policy war with Vosloorus as the proxy battle ground.

The duty Planact bears at this point is to inform- with an overriding respect for the process. A community without information may have the right to make decisions for itself, but there is no value in that right if those decision are not informed. This has become our strategic point of entry and while not an easy task; it is fundamental to the process.

Quality Control and Technical Support

The quality control and technical support process was another costly time and finance concern in Vosloorus. There was a lack of coordination between relevant stakeholders and sufficient supervision on site; which if remedied upon initial assessments of the problem, would have averted many of the costly delays and quality issues experienced in the first phase.

Planact would often have to deal with rectification of skewed walls, or inferior slabs, and other such basic construction deficiencies upon inspection of a home by Planact’s technical advisor, or the inspectors provided by the local council or province. This proved not only costly, but time consuming and difficult to track in terms of when the problem occurred and who should bear the responsibility of rectifying it. Supervision in itself was also an issue, with ten teams working at a time in different locations within extension 28, an entire sub-management process is needed to effectively organize, monitor, and sustain support for the construction process.

With building brigades of varying skill for both the foundation and top structure, often working under emerging contractors who are eager to move to the next structure, the demands of the PHP process come into direct conflict with the reality on the ground. We found in our interviews with labourers and contractors that this issues was fed by the strained budget which did not allow for sufficiently intensive training, higher pay rates, or simply “user friendly” materials and equipment which may compensate for the relative lack of experience on the brigades.

These problems persisted past basic quality issues: outdated geo-technical reports were used to produce the specification for the foundations. The discrepancies in the outdated reports caused for the slabs to be substantially over-specified, essentially wasting a large portion of the already strained subsidy amount. It is costly errors like these that threaten the stability of the project overall, and in instances such as these there is no recourse for recovering the lost funds.

In Planact’s research for this case study some unsettling results arose from difficulties experienced in quality control, as over half of the beneficiaries complained of some failing in the quality of their homes. In light of this, there is currently an intensive effort to economically find a way to revamp the construction process as to build in benchmarks and safeguards. This urgency is fuelled by our desire as a support organization to recognize the “right to adequate shelter” that all beneficiaries hold.

A key insight has surfaced from this difficulty and desire to press the “rights” base for this issue, that being the reluctance of beneficiaries to complain, or the tempering of complaints with comments like “I have to accept what is given to me” or “it’s better than my shack.” Apparent discrepancies in the survey responses make some of the results difficult to interpret. While 30% of beneficiaries surveyed stated that they were dissatisfied with the quality of construction and 34% were dissatisfied with the quality of materials, 80% still felt that the home was better than expected. This coupled with the nature of comments made, leads us to believe that there is still work to be done in rights awareness. We as the support organization have not done enough to imbue a sense of “entitlement,” among beneficiaries and therefore have not been able to elicit a sense of ownership of the process from the community. It is this sense of ownership and entitlement that allows beneficiaries to locate themselves in the greater PHP process; without it they simply hover around the perimeters unable to articulate their rights, and be seen as the valuable process partner they are, not simply a dependent community.

Level of Satisfaction with the Quality of Materials

Level of Satisfaction	# of Responses	Percentages
Not at all satisfied	6	12.0
Somewhat Unsatisfied	11	22.00
Somewhat Satisfied	9	18.0

Very Satisfied	24	48.0
Totals	50	100%

Level of Satisfaction with the Quality of Construction

Level of Satisfaction	# of Responses	Percentages
Not at all satisfied	7	14.0
Somewhat Unsatisfied	8	16.0
Somewhat Satisfied	11	22.0
Very Satisfied	23	46.0
Totals	50	100%

Subsidy Bands

One particular problem in community upgrading projects is the differing income levels which may exist in one area, meaning that some community members will inevitably not qualify for the entire subsidy, but still cannot realistically raise the required contribution to supplement the difference. In Vosloorus, this has meant that no one who earns above the minimal amount of R1500 a month could participate in the consolidation project whatsoever. This has created quite a bit of community tension, and has left numerous families unable to upgrade their living conditions. It also means that areas are created where all people earn below a certain amount, reinforcing patterns of poverty.

Support through savings could be important in such cases, but also provisions for low-cost loan assistance must be explored as an option. Communities have vastly divergent needs--by only allowing for a narrow range of "grant" options the PHP objectives of inclusion and self-empowerment are put into question. While the recent national review of the PHP process may account for such oversights, a lack of haste in rectifying this difficulty will entrench a systemic barrier in the PHP process.

Planact found in the Vosloorus case that the subsidy criteria might need to consider the actual circumstances of the families; for example a family earning R2000, but supporting 10 people is different than a family earning R2000 and supporting two. A recognition of such factors would have greatly improved a family's ability to make choices based on their needs rather than essentially "make due" with a subsidy that was ill-fitted and unable to effectively address their shelter needs.

At a minimum, the qualifying incomes should be raised on a regular basis, in keeping with inflation, or the PHP process runs the risk of putting undue pressure on potential beneficiaries, systematically excluding them from the possibility of upgrading their housing. PHP depends on the community, and thus community-wide access must be reconciled with the current policy.

The need for more innovative solutions, such as affordable loans and revolving finance cooperatives (stockvels) becomes particularly urgent when reviewing survey results. A substantial 62% of respondents indicated that they were not interested in contributing their own savings to the established subsidy (or felt they were unable to save). Only eleven of those actually interested in contributing savings could estimate an amount they felt they could save over a year, and that figure was pretty low—a median of [REDACTED]. One becomes acutely aware of the financial limitations of the poorest to contribute to their housing in any way, and the difficulties of enforcing an ‘own contribution’ as envisaged in the subsidy policy.

While not an easy task the need still remains- for a community to continue to grow after project completion there must be some financial flexibility. To ignore this reality is to continue to the dependent paradigm existent in community / public sector relations, and deny mobility to a long-stagnant sector of the population. If a PHP process is to remain in the power of a community after project completion then there must be resources availed in order to facilitate that growth.

Finance and Administration

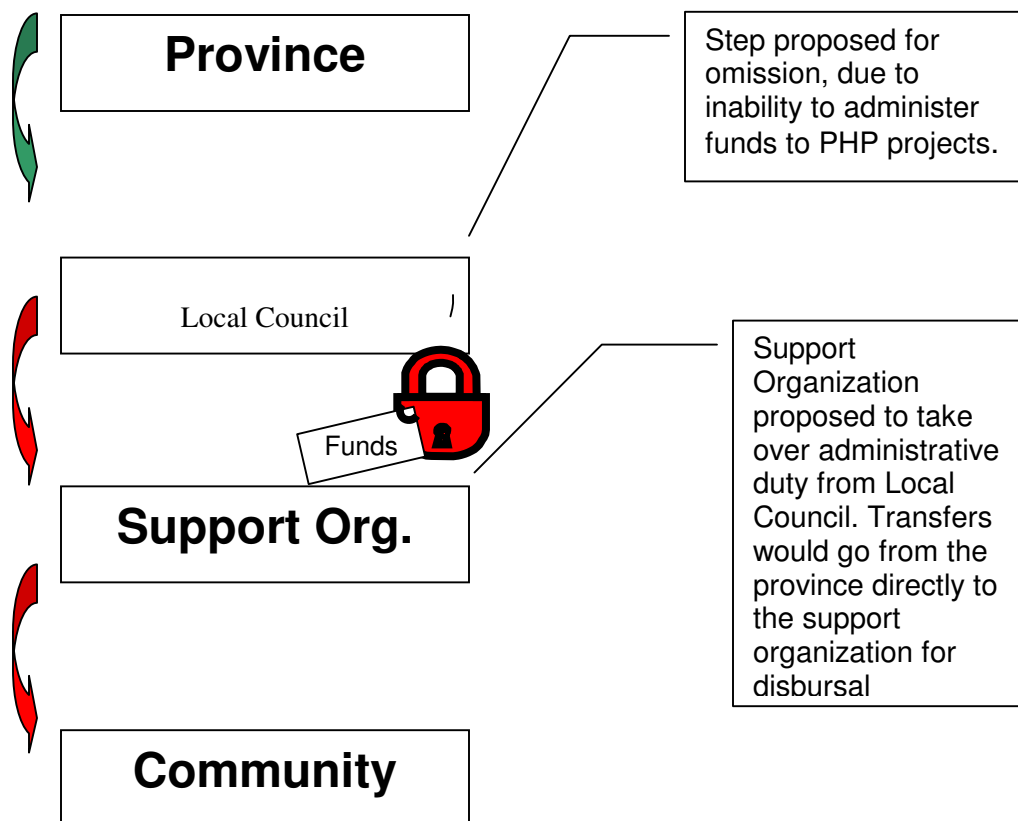
Financial arrangements have not gone smoothly. The council is charged with the financial administration for the project, and had received the subsidy funds from the province for this purpose. Yet, the council delayed considerably in releasing the first ‘float’ to Planact to pay the contractors and labourers. When Planact finally received it, it was quickly exhausted, necessitating Planact to continue to expend Planct funds pending the release of the next float. In addition the council has not proactively managed these subsidy funds, exhausting its first instalments from province without giving notice to the other project partners of the impending financial crisis. In many cases, further payments to anyone had to be put on hold, pending the release of the next instalment by province. Not only do delays in

disbursements bring our credibility into question in the community, but it jeopardises the sustainability of the project. The creation of the ATC (Accounting and Technical Centre) would appear to be a viable solution to this problem but the province's lack of ability to make this endeavour materialize aside from briefings on its functions, and assertions that the ATC is waiting in the wings ,makes little impact on the immediate issue. In light of Planact's objectives to facilitate growth and access to the PHP process, we have formulated an alternative solution that would meet two demands of the PHP process-- both capacitating of local resources and expedience of financial management.

Under the current system of finance, funds are transferred from the Province, through the Local Council to be passed to the support organization for final transfer to the community. There have been a number of concerns raised by stakeholders about the feasibility of this system. The main concern lies within transfer of payments; the funds are being held up as they pass through local councils due to lack of administrative capacity (see Figure 4.3). There have been suggestions on several levels to omit the Local Councils from the transfer process, leaving the support organization to administering the funds throughout the duration of the project.

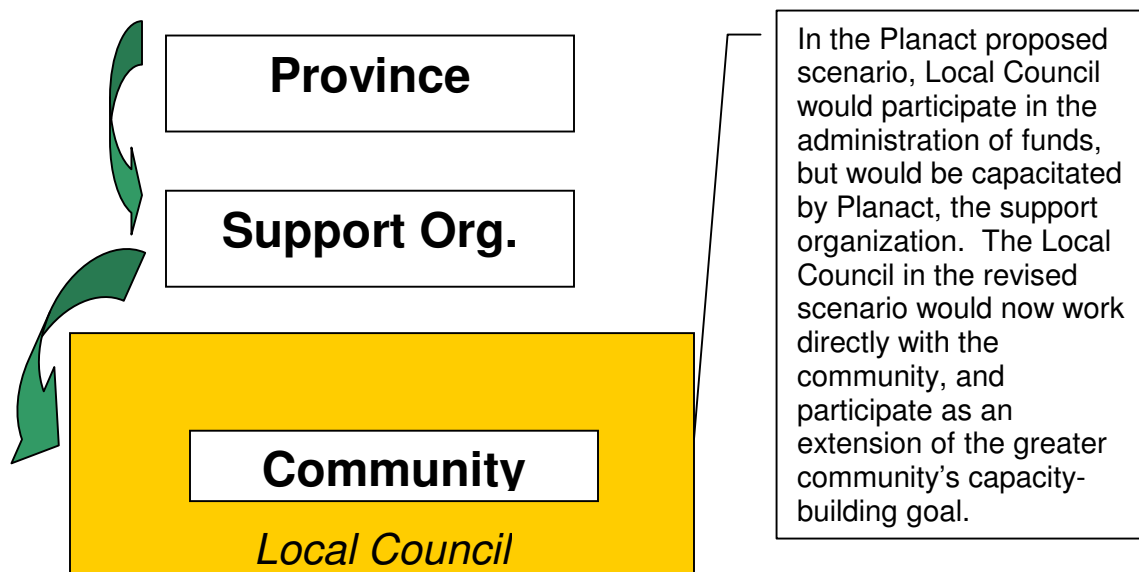
Figure 4.3

Current Finance Transfer Arrangement



While it would seem the most reasonable and immediate solution to expedite the process and remove the Local Council, it does not address the long-term problem of an under-capacitated municipality. Planact proposes a scenario where by the Local Council is shifted down in the chain but not omitted (see figure 4.4). This would allow for the funds to be administered efficiently while building the community’s capacity via the Local Council. This solution may not be the most expedient option but it once again adds value to the PHP process beyond the simple confines of shelter and ensures the success of future community based initiatives.

Figure 4.4 **Proposed Finance Transfer Arrangement**



Lack of IDP Consciousness

There is a tendency in housing to focus on product delivery, even within the PHP context. Vosloorus has been no exception, the project team as a whole has experienced this pressure and prioritised the delivery of housing over other community needs, although there are still plans to pay more attention to this void in the process it is never easy to retrofit large expenditures and community development plans mid stream.

The Department of Housing should have been engaged on these issues concurrent to the planning of the housing process for a more effective, and efficient roll out. It has proven to

be a quite a challenge to create momentum for these projects both within the Steering Committee and the province, partly because of the all-consuming nature of the housing process and partly due to a lack of early strategizing. Failure to meet the IDP objective has proven one of our most salient issues and if not set in motion soon will mean we have fallen far short of the central goal of providing a truly “habitable environment”.

There have been recent efforts to campaign the community for ideas in this area with some good results. Many women have expressed interest in a sewing cooperative, but the difficulty lies in the community’s lack of capacity to access resources, such as funding. Planact is willing to take on facilitative role in this regard but without the aid of the Steering Committee to raise awareness, and mobilize key community members to take on leadership roles, the viability of such long-term endeavours is brought into question.

The creation of community SMME’s, and community co-operatives demands tight coordination and systems parallel to the housing process, but with both financial and human resources already stretched thin, a sense of apathy in the Steering Committee due to demands of the housing process, and a lack of capacity to access formal structures such as credit, LED or other community projects can seem cumbersome to an already-burdened process. If a PHP is to stay true to form, however, then there must be an early and direct thrust from within a support organization to seek out community support and avail resources for a truly robust community improvement process. IDP objectives within the PHP should not be after-thoughts; they are vital to the growth and sustainability of the community, and therefore must be as the parallel processes they are; housing is only a function of “adequate shelter,” not a “habitable environment” we seek to provide.

Accountability and Transparency

The concepts of “good governance” and “best practices” are a familiar discourse in self-help housing, and are often referenced in relation to PHP principles, but the reality of their impact-or lack thereof, points out the serious void in policy guidance. The Vosloorus PHP process emerged out of a rather unique situation. Ekurhuleni Council was appointed the support organization by the province, but due to a lack of expertise and capacity in the area of self-help housing Planact was appointed the secondary support organization by the council. Planact essentially took on the full duties, roles and responsibilities of a support organization, which would be inclusive of maintaining good governance ideals and

adhering to best practices. While the province and council were major stakeholders and bore a large burden of responsibility themselves, it was us as the support organization who had intimate knowledge of the project, and ultimately shouldered majority of the responsibility to ensure the integrity of the process.

This ability to safeguard the process was brought into question early on as we repeatedly expressed a concern with the council's preferred material supplier and foundation contractor, who was not only the cause of substantial delays, but repeatedly produced inferior work, and would routinely discredit the PHP process by usurping the project team and its meeting as a decision-making forum, and directly approach members of the Steering Committee on a personal level to satisfy his demands.

The issue of the material supplier's credibility, conduct, and final product have routinely surfaced at Planact, in project team meetings, with and without solicitation from beneficiaries, but with no mechanism of accountability or real transparency down to the beneficiary level. We as the support organisation, given the need for the Steering Committee to make its own decisions and learn from its mistakes, are left with few options short of withdrawing from the process. The implications of this are far reaching as they jeopardise the chances of the intended future beneficiaries of the subsequent phases of the project. Without a more open process, or independent mechanism in place to handle such sensitive issues as procurement, the PHP process can be open to misuse at the expense of beneficiaries.

3.4.8. CONCLUSION

While numerous difficulties were encountered in the process of constructing the first 250 units of the Vosloorus PHP project, Planact is impressed by the commitment shown by the various stakeholders and by the quality of the final product. Planact is also committed to taking the lessons learned through this process to heart, and to ensure that subsequent phases of this project or other PHP projects benefit from this experience. Overall, while beneficiaries were satisfied with the process and with the product, and felt the Steering Committee represented their interests well, we believe that more beneficiary choice can and should be accommodated in future projects.

3.5. AMALINDA: EAST LONDON

3.5.1. POLICY OVERVIEW: EASTERN CAPE

As this was the first PHP project to be developed using the Institutional subsidy the Provincial Housing Board had to be convinced to approve the project. Initially the PHB saw a conflict between using the PHP process and the Institutional Subsidy. (PHP was used because it allowed for more flexibility and ownership over the development process, the Institutional Subsidy was used because the goal was to develop social housing.)

There was also a lack of capacity on the part of the Buffalo City Municipality, which in 1999 stated that they did not have the capacity to provide significant support to the Amalinda project. However, early in 2001 Province needed to transfer money to the Buffalo City Municipality, so forced them to be the support organisation to the project. This meant that business plans had to be revised and re-submitted and a special housing support contract signed which stated that the municipality would perform the account administration functions and the East London Housing Management Co-operative (ELHMC) would perform the certifier functions.

3.5.2. CASE STUDY CONTEXT : AMALINDA

Amalinda is a social housing project being built in East London, supported by Afesis-Corplan. This is the first social housing co-operative project in the Eastern Cape

The project is not centrally located and is relatively far from the city centre. This means significant transport costs for residents. HIV /AIDS, high levels of unemployment and poverty are significant problems in the area.

3.5.3. AFESIS-CORPLANS PHP INTERVENTION STRATEGY

The East London Amalinda project was not a purely PHP process, however the principles of PHP were applied in a co-operative housing project. Co-operatives are defined by the value placed on working together to achieve a common goal. It brings together people who have a common need to address such a need jointly. It can be said of co-operatives that they apply very well to PHP projects, as they require working together to achieve a particular common goal, and in this case for housing. Cooperative housing is therefore very

similar to the government's People's Housing Process where an emphasis is placed on people working together to address their common need for land, basic services and shelter.

There are two basic types of co-operatives, service co-operatives and worker co-operatives. In both cases the users are the owners.

- A service co-operative provides a service to its members like access to cheap food, quality and affordable housing, accessible finance, etc.
- A worker co-operative creates employment for its members in brick making businesses, bakeries, sewing projects, etc.

According to the International Co-operative Alliance “ A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically- controlled enterprise. Co-operatives are based on the values of self-help, self-responsibility, democracy, equality and solidarity. In the traditions of their founders, cooperative members believe in ethical values of honesty, openness, social responsibility and caring for others”.

The co-operative principles are guidelines by which co-operatives put their values into practice.

1. Voluntary and open membership: Members of the co-operative are free to participate or leave,
2. Democratic member control: the co-operative is run on democratic principles where each member has one vote,
3. Member economic participation: members of the co-operative are required to contribute to and share fairly in the economic affairs of the co-operative.
4. Autonomy and independence: The co-operative is free from outside interference in its internal affairs.
5. Education, training and information; the co-operative builds the understanding and skills base of its members,

6. Co-operation among co-operatives: Co-operatives work together with other forms of co-operatives such as producer or consumer co-operatives promoting co-operative principles in their work,
7. Concern for community: The co-operative is concerned about the well-being and quality of life of non-members and future generations.

Co-operative housing is therefore the process whereby people voluntarily come together to address their need for housing through a jointly and democratically controlled enterprise.

This could involve coming together to:

- save money for future housing development
- plan for future housing projects
- help each other build their houses
- own the houses as a group
- maintain the houses over time

There are many entry and exit points for a person to participate in a co-operative housing process. For example one group may decide to work together to save for, plan for and build the houses but then own the houses as individuals. Another group may decide to buy an existing apartment complex and start co-operating from the stage of owning and managing the housing apartment units. When people stop working together it ceases to be a co-operative housing process.

Housing Co-operative

A housing co-operative is an institution registered with the register of co-operatives as a trading co-operative, that incorporates in its statutes a commitment to the internationally recognised principles of co-operatives, and that has as its objective:

- Facilitating and/or managing the development and/or the maintenance of residential Property for members;
- Owning residential property and making such property available to its members.

NB* Co-operatives with objective 1 are often referred to as housing (development and) management co-operatives and co-operatives with objective 2 are simply referred to as housing co-operatives.

Commitment to service

A housing co-operative is a form of share living community that seeks to strike a balance between privacy and supportive community sharing. Generally, but not necessarily, each household will have private or personal space (a house, apartment, etc) and share common facilities and other resources (child play equipment, refuse recycling bins, 'braai' area, parking, laundry facilities, telephones, notices boards etc) with the rest of the housing co-operative.

Co-operative Ownership

Co-operative ownership is a form of tenure, distinct from ownership tenure and rental tenure, where a members share in a housing co-operative entitles them to use a specific unit for as long as they pay their monthly fees and abide by the rules of the housing co-operative.

Co-operative ownership is like rental in that the member pays a monthly fee to cover the costs of the co-operative (e.g. rates and maintenance) and like ownership in that the member owns shares in the co-operative that owns the land. A member is referred to as a tenant-owner.

The title deed is in the name of the Housing Co-operative and not in the name of the individual person who owns a share in the Housing Cooperative. This gives the person the right to occupy a unit but not to own the land.

Different forms of cooperative ownership

1. No equity where when a member leaves they only transfer their share to an incoming member at a price that is linked to what they paid for the share.
2. Limited (or restricted) equity where when a member leaves they transfer their share to an incoming member up to a price that takes into account what they have vested in the unit, and
3. Full equity where when a member leaves they transfer their share to an incoming member at a market determined price.

If the housing co-operative receives a government institutional subsidy, the housing cooperative will have to own the property for at least 4 years. After 4 years the housing co-operative could either

1. continue to use co-operative ownership with limited (or restricted) equity
2. continue to use co-operative ownership but remove the restrictions on share transfer (become full equity co-operative ownership).

Transfer the personal spaces to individuals and transfer the common space to the local authority (in this instance the housing co-operative would be disbanded).

3.5.4. PROJECT PLAN / METHODOLOGY

The Amalinda project has been developed out of the joint work of Afesis-Corplan and a group of East London residents in need of housing. Afesis-Corplan obtained funding from the Swedish Co-operative Centre to develop, test and promote a co-operative housing model, in order to explore alternative housing options to those on offer through normal developer driven projects. The goals and objectives of the co-operative housing programme, including the Amalinda Co-operative Settlement project were agreed by the Swedish Co-operative Centre. In order to do this effectively, Afesis-Corplan established a three person team, consisting of a coordinator, trainer and project manager to drive the project

In 1998, Afesis-Corplan began to work with a group of East London residents who had been inspired by the Homeless People's Federation and had expressed an interest in a co-operative approach to housing. The residents, who were already organised in savings schemes, came together to form the East London Housing Cooperative (ELHC). Together with Afesis-Corplan, later in the same year, they approached the Buffalo City Municipality for land on which to develop houses. The Municipality offered a piece of land in Amalinda on the condition that the houses developed were not less than 45m².

The Peoples Housing Process was used because it allowed for more flexibility and ownership over the development process, and the Institutional Subsidy was used because the goal was to develop social housing.

The following phases were followed in the development of the project:

Phase 1: Information gathering	
	<ul style="list-style-type: none"> • Collect information and Join Housing Management Cooperative (HMC) and Savings and Credit Co-operative (SACCO) • Housing subsidy applications made
Phase 2: Saving and project planning	
	<ul style="list-style-type: none"> • During this phase beneficiaries saved monthly and continued to learn about co-operative housing. • Land was identified and planned in a participatory process. • Beneficiaries were allocated to individual housing co-operatives.
Phase 3: Planning for the Housing Cooperative	
	<ul style="list-style-type: none"> • During this phase Housing Cooperatives were organised and registered, and agreements signed with the HMC. • Block planning undertaken. • Skills training • Subsidy approval • Land subdivision and transfer • Approval to start building
Phase 4: House construction	
	<ul style="list-style-type: none"> • House construction undertaken • Beneficiaries move into house

Phase 5: On going management (< 4 years)	
	<ul style="list-style-type: none"> • Beneficiaries pay monthly fees • Upgrading and home improvement occur • Share Transfer depending on decision to continue or close
Phase 6: On going management (> 4 years)	
	<ul style="list-style-type: none"> • Nature of on going management depends on path decision about closing or continuing co-operative.

The development of houses within the project is being done on a block system. The 196 housing units have been divided into 8 groups of approximately 25 housing units each. Each of these will be managed or owned by a separate housing co-operative. Within each block, houses are grouped around a common communal space, to be managed by the residents via the housing co-operative. Bulk infrastructure will also be managed and maintained co-operatively, although each individual house will have a water meter. The housing co-operative will collect money and pay for the services for all the units in the block.

3.5.5. ROLES PLAYED BY OTHER STAKEHOLDERS / PARTNERSHIPS

The development of the project has been a joint effort between a number of parties. The beneficiary community is represented by the East London Housing Management Cooperative, which was set up to develop co-operative housing in 1998. The ELHMC has taken a leadership role in establishing the project, and once completed will be responsible for assisting housing co-operatives in maintenance.

NGO

Afesis-Corplan has provided support, information and advice to the ELHMC and has been a driving force in the project. Afesis-Corplan envisages their role in the project diminishing over time, with most of their work being undertaken in the pre-project phase. During the project development phase, Afesis-Corplan hope that they will play a lesser role, with the ELHMC playing a greater role. Finally, during the post project phase, it is hoped that the ELHMC will play the greatest role, with Afesis-

Corplan only undertaking tasks to build capacity and ensure that systems are developed. The extent to which this role pattern is played out remains to be seen, but critically the piloting nature of this project must be borne in mind, as it is aimed at testing both the concept of co-operative housing and the ability of the ELHMC to manage such projects.

The following table outlines the key players in the development of the Amalinda project and lists their functions.

ELSacco (East London Savings and Credit Cooperative)	ELSacco was established in 1999 to be the savings arm of the housing co-operative project. It is affiliated to the national Savings and Credit Co-operative League (SACCOL). Members from 8 savings clubs in East London came together, with each savings club collecting savings from their members and giving it to ELSacco. All potential members of the Amalinda project have to be members of ELSacco. ELSacco have a number of loan products on their book, of which Ilima (housing savings) is only one. This adds to the sustainability of saving. People who are not ELHMC members can also be members of ELSacco and participate in other financial products.
The East London Housing Management Cooperative (ELHMC) Secondary Co-operative	The ELHMC represents all of the ELSacco members who are saving through the Ilima scheme. ELHMC is the umbrella body of the Housing Cooperatives of the Amalinda project. ELHMC allocates individual members to the housing project, based on points and their savings contribution. (A full list of the responsibilities of the ELHMC is listed in the table in 2.3.5)
Individual housing co-operatives (HC) Primary Co-operative	The Housing Co-operatives are independent entities.
Afesis-Corplan	Have been responsible for establishing and providing input and support to the ELHMC. In the Amalinda project Afesis Corplan are responsible for the certification
Buffalo City Municipality	Account Administrator / Support Organisation

In order to develop a plan for the project, Afesis-Corplan set up a Cooperative Housing Steering Committee, consisting of an Engineer, Architect and Town Planner. This team developed a draft framework plan for Amalinda, which consisted of 196 units grouped together into 8 housing co-operatives, which would sub-manage the units under their jurisdiction.

Builder

A builder, Msobomvu, was chosen by the community to build the houses. The Steering Committee also held negotiations with materials suppliers and the Province or municipality to buy materials to avoid inflationary increases. Community members providing labour to the project have been paid between 50% to 66% of market rates.

3.5.6. BENEFITS

Co-operative housing aims to make houses and a living environment of good quality that will last for a long time while at the same time being affordable to women and men in need of housing now and in the future.

Co-operative housing is about a way of life or a style of living. It is about caring for and working with your family, neighbours and friends. It is about committing to working with others in the planning, construction and management of your living environment.

The main benefits of co-operative housing for its members are:

- Affordable housing now and value for money: By working together members are able, in the short term, to save construction costs, land purchases costs and other costs. With the same amount of money, by working together you can get a better product.
- Affordable housing in the future: By working together members are able to decrease their on-going running costs, land purchases costs and other costs. With the same amount of money, by working together you can get a better product.
- Creation of communities; the co-operative is able to address other needs of its members such as the provision of play spaces, common rooms, washing facilities, telephone services, as well as training needs, etc. Further the group can act as a form of 'extended family' providing support and opportunities for social interaction.

- Development of quality environments: The cooperative is able to place more emphasis on development of the common space – the space between units. In many projects where individuals own not only their property and not the public roads and space, this public space is not looked after very well and becomes dirty and a place for gangs etc.
- Promotion of a culture of democracy: The lessons that housing co-operative members learn about working together in a democratic manner can be used in other areas of their live such as in the work place and on school governing boards.
- Houses are at least 45m², with an internal toilet, internal walls, waterborne sewerage and water connections.
- Erf sizes are 200m², with the additional piece of communal ground for livelihoods activities / supporting communal activities.

3.5.7. DIFFICULTIES EXPERIENCED

The disadvantages of co-operative housing are that:

- It is a new, unfamiliar and uncontested concept
- It requires extra commitment from members to participate and make it a success
- Individuals are unable (at present) to use their share as collateral to get a loan
- Requires resources (money, time, skills, etc) to get and keep people working together.

There were also numerous delays experienced in implementing the project. This was because of:

- Lack of bulk infrastructure on the site;
- The use of the PHP process, together with the Institutional Subsidy has been very slow. This was because Afesis-Corplan had to put in place good support mechanisms and convince authorities to approve the process.
- A lack of capacity of the Local Authority (Buffalo City Municipality) to act as the Support Organisation.

At this stage there is not enough money available for supplying electricity, and individuals will be responsible for their own electrification at a later stage.

3.5.8. LESSONS LEARNT AND CONCLUSION

This project is still being implemented, with houses almost completed. It is therefore difficult to evaluate the project. This model does however provide a low cost solution using a standard house model but incorporating communal amenities, co-operative values and incorporates beneficiaries' equity through savings.

CHAPTER FOUR: CONCLUSIONS / RECOMMENDATIONS

4.1. CONCLUSIONS

As the low cost housing environment is changing, where government is finding it increasingly difficult to focus on quality and process issues, as well as with changes in legislation such as the owner contribution and procurement policy, so the Peoples Housing Process is seemingly coming to the fore. However this has led to all kinds of PHP models being developed, where Provinces and Local Authorities use the loopholes and ambiguities in the policy to support “managed PHP”. For the USN this means that the intent behind what a PHP should be and the associated benefits for communities are being lost.

The USN has therefore produced this publication in support of the original principles for which PHP stood, and has drawn on USN experiences to demonstrate how PHP can be implemented in different contexts while remaining true to the PHP principles of partnerships, a people-driven process, skills transfer and community empowerment. The case studies also highlight the benefits and difficulties experienced in implementing the PHP, while drawing out lessons learnt and recommendations for future practice. It is hoped that through these case studies the good results demonstrated will encourage communities to work with local authorities in support of the PHP.

The PHP must not be separated from the broader human settlement development process. It must be explicitly defined to include land acquisition and servicing, and not restricted to the delivery of ‘top-structures’. As with all housing projects, it should also be aware of household livelihoods strategies, so that once people are housed, they are in fact better off than they were before. Neither the PHP nor any other form of housing delivery will succeed unless obstacles to the identification and release of suitable residential land for low-income households are overcome.

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