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Executive Summary

**‘Jumping the Queue’,
Waiting Lists and other Myths:**

**Perceptions and Practice around Housing
Demand and Allocation in South Africa**



the doj & cd

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Executive summary

Since 1994 the South African government, through its National Housing Subsidy Scheme (NHSS), has embarked on the large-scale provision of state-subsidised housing to low-income households across the country. Over 2 million state-subsidised houses have been built since 1994, predominantly in typical RDP or BNG housing projects.¹ The delivery of these houses has been, and continues to be, an important political drawcard in South Africa, forming part of the post-apartheid project to redress the socio-economic injustices of apartheid. Indeed, the ‘eradication of the housing backlog’ is as much a political target, as a broader developmental goal.

However despite gains since 1994, there is still a substantial ‘housing backlog,’ which has become one of the reasons for the mushrooming of local so-called ‘service delivery’ protests across the country in recent years. Housing delivery has become highly politicised and subject to politicking and protest, particularly in the context of medium-to-large state-subsidised housing projects undertaken by national, provincial and local government. The dominant discourse around housing delivery is that there is a ‘waiting list system’ which constitutes a housing ‘queue’, and that people must patiently wait until their name comes up in terms of a ‘first come first served’ process. Any perversion of this system is referred to as ‘queue-jumping’, and this term is consistently evoked by politicians and government officials. Anti-Land Invasion Units have been set up in various municipalities, which operate on this premise and use the language of ‘the queue’ to justify evicting people from land, houses or buildings they occupy. There is an assumption, often unarticulated, amongst the public that the system in place operates in a rational way.

One reason for this continued myth is that the rhetoric of the NHSS and the modality of the project-linked subsidy programme and RDP housing projects are extremely pervasive. The language used to describe processes put in place to deal with a specific type of housing programme has ‘colonised’ all other housing programmes, even though there are numerous entry points for allocation into the state’s systems of housing delivery besides typical RDP housing projects, including informal settlement upgrading through the Upgrading of Informal Settlements Programme (UISP), emergency housing, social housing and Community Residential Units (CRU). It also appears that a very high percentage of people who receive state-subsidised houses engage in informal transfers, either renting or selling their houses for cash, and move back to shacks in backyards or informal settlements to be close to economic and social opportunities.

Housing allocation in South Africa appears to be fundamentally about access to resources and power, and has little to do with individual housing needs. The failures of and

¹ RDP is a reference to the Reconstruction and Development Programme of 1994, while BNG refers to the Breaking New Ground plan launched in 2004.

politicking around housing provision are exacerbated by the fact that the South African housing delivery programme is widely perceived as corrupt. Research shows that these perceptions relate not only to the amount of real corruption that has been exposed over the years, but also to the "clumsiness, opacity, confusion and capriciousness that exists within the housing programme".² Although maladministration, fraud and corruption exist and appear to be widespread, it also appears that much of the anger and confusion – which often culminates in protest - arises from a lack of information and explanation of some very technical and banal processes and systems. There is further tension around the fact that, while a particular mode of delivering and allocating houses is entrenched in government and public discourse, over the past years there have been statements made by the Minister of Human Settlements, Tokyo Sexwale, about the government's shift away from delivering subsidised houses (indeed, the delivery of state-subsidised houses has decreased substantially over recent years).

While there are numerous national, provincial and local government policies, systems, tools, databases and processes in place to determine 'housing demand' and ostensibly assist with the allocation of state-subsidised houses to qualifying beneficiaries, this terrain is very opaque and is dominated by myths, misinformation and confusion, which has led to protests, 'illegal' occupation of newly built or unfinished RDP houses, and court cases.

Politicians and officials responsible for housing policy in South Africa, at all levels of the state, have sought to create the impression that housing allocation is a rational process, which prioritises those in the greatest need, and those who have been waiting for a subsidised house the longest. The ideologically (and emotionally) charged concept of 'the waiting list' is emblematic of this.

The reality is that there is no waiting list, whether one conceives of 'the waiting list' as a mechanism which simply allocates housing to those who have waited the longest, or as a slightly more complicated device meant to take special needs and/or geographical location into account. Instead there are a range of highly differentiated, and sometimes contradictory, policies and systems in place to respond to housing need. These range from housing demand databases and the National Housing Needs Register (NHNR) which attempt to respond flexibly to the rapidly changing nature of housing need; lottery systems, which allocate housing to qualifying beneficiaries by chance, in a manner that has nothing to do with need or the length of time spent on the list; and other, highly localised, idiosyncratic and often community-based methods of allocating housing developed to adapt to local situations.

² M Rubin 'Perceived Corruption in the South African Housing Allocation and Delivery Programme: What It May Mean for Accessing the State' *Journal of Asian and African Studies* 46, 5 (2011) p. 488.

Beyond this there are new housing policies which appear to contradict the logic of a waiting list altogether. There is the emergency housing programme which concentrates on addressing exigent housing crises emerging from eviction or natural disaster. There is also the UISP which takes as its major qualification criterion residence in a set geographical area. Neither of these policies depend on the length of time someone has been on a waiting list. They do not even require beneficiaries to have registered themselves for housing before the beginning of a project. While the informal settlement and emergency housing programmes cater for people irrespective of how long they have been registered for a housing subsidy (or whether they are in fact registered at all), they can at least be said to be targeted towards those in the most acute housing need. But there is also partially state-subsidised rental housing delivered in terms of the social housing, and public rental housing in terms of the CRU programme (although rollout of this programme has been extremely slow, with very few units developed country-wide). Social housing projects do not even claim to prioritise the poorest of the poor, and depend on beneficiaries demonstrating stable employment and income.

Ultimately, even on the official version, there simply is no housing waiting list in the sense that it is widely understood by the public, as well as by many politicians and government officials. There is a range of projects and programmes aimed at responding to the complex nature of housing demand. The way in which people are 'chosen' for these projects is clouded. The process is often shrouded in secrecy, bureaucratic complexity, and some corruption. This lack of transparency frustrates intended beneficiaries (whether they are currently registered or not). It creates the impression that there is more corruption than there likely is, and leads to public protest, often in the form of unlawful occupation of publicly funded and constructed houses.

On top of all of this, there are various unofficial, and often illegal, mechanisms at play. In the first place, there is a great deal of corruption in the allocation of housing, with thousands of public servants managing to get themselves allocated state-subsidised houses which are presumably intended for people in greater need. Secondly, people who would otherwise qualify for state-subsidised housing often take occupation of houses without them being 'officially' allocated. This category includes overtly political 'invasions' of housing, as well as less formal processes which might involve payment of a bribe, or might just reflect administrative error. Thirdly because of the way the Housing Subsidy System (HSS) functions, it may be that there are people recorded as having qualified for and been allocated a house, who have not been given one. Fourth, even after a house has been allocated, it may be sold or informally transferred by poor beneficiaries in need of ready cash and/or wanting to live closer to economic opportunities elsewhere in the country, or within an urban area.

What is needed in response to all of this is an acceptance that housing allocation is not a simple queue-bound process, and that the housing waiting list and 'the queue' are myths. For too long, this kind of language - invoked by government officials, politicians

and courts - has been used as a means to shut down any other avenues being pursued by people to gain access to land and housing.

There are in fact multiple entry points into the state system, ranging from being evicted or displaced from one's home by a natural disaster, through applying for and being given a house in a greenfield housing project, through to having one's informal settlement upgraded and, finally, being accepted into a social housing scheme. Public officials, in their words and deeds, need to abandon the language of 'the list' and 'the queue.' These terms should be eradicated from public discourse on housing in favour of a more nuanced way of characterising the rational, appropriate and humane responses to the broad range of housing needs in South Africa, which are not currently catered for by the market.

Recommendations

In addition to the above broad recommendation to shift the public housing discourse away from the current misplaced fixation with the 'housing waiting list' and 'the queue', a number of more specific recommendations are offered to address some of the key gaps and fault lines identified in the course of our research. Some are quite specific and technical, while others require more high level analysis and intervention on the part of government departments. While these recommendations are directed at the national Department of Human Settlements (DHS), provincial housing departments, Gauteng Department of Local Government and Housing (GDLGH), Western Cape Department of Human Settlements (WCDHS) and municipalities respectively – they naturally depend on collaboration and cooperation between government departments.

The Department of Human Settlements (DHS) should:

1. Investigate the usefulness, efficacy and cost of the NHNR. The DHS needs to further undertake a comprehensive review of the system, taking into consideration the issues raised by municipalities around the cost of the system (which contradicts the department's assertion that the NHNR is cheaper to run than provincial demand databases).
2. Provide an indication of the extent to which the NHNR is actually being used by project planners to link 'demand' with housing supply. Also, the DHS should address the issue of capacity and training on the NHNR to provinces and accredited municipalities. For an effective system, resources and capacity need to be provided to municipalities, and more focus needs to be placed at this level. Communication between DHS and municipalities needs to be improved, as it is currently quite poor.

3. Reconsider the restrictive clause in the Housing Act around sale and transfer of state-subsidised houses. There is research around this issue and it should be seriously engaged with by national government, particularly in light of worrying calls for an extension of this period and greater penalisation of those who informally transfer their state-subsidised houses.
4. Report on what steps have been taken to address the myriad challenges with the HSS, as highlighted by the Special Investigating Unit (SIU). The DHS should also report on what is being done around the archiving of applicants on the HSS so that those who are flagged as having benefited from receiving a house but have not, are not disqualified in future.
5. Clarify the roles and responsibilities of accredited municipalities and provincial departments around housing allocation and delivery, and investigate ways in which development planning processes, such as municipal integrated development plans (IDPs), can be linked more substantively to housing needs/demand capture processes and systems. DHS should be in better communication with municipalities, as they are (or are in the process of becoming) the implementing agents for housing projects.
6. Investigate the current de facto allocation processes at municipal level across the country. There is a critical lack of transparency in housing allocation processes and thus the need to look at which points in this complex process greater transparency is most urgently required.

Provincial housing departments should:

1. Produce posters or other materials clearly detailing existing housing allocation processes in terms of prevailing systems and policies. These materials should explain the technical language of the HDD and HSS in layman's terms, ensuring that all common misunderstandings are addressed.
2. In line with recommendations made by a provincial Standing Committee on Public Accounts (SCOPA), conduct forensic investigations into the HSS and report the outcomes. This process should be conducted at a high level, and the findings should be made public.
3. Investigate the influence of ward councillors and community liaison officers (CLOs) in the housing allocation processes of current projects.
4. Ensure that municipalities are linked up to internet so that people do not have to go to regional offices to capture their housing needs data.
5. Analyse to what extent the NHNR or demand databases really capture the complexity of housing needs in South African towns and cities.

The Gauteng Department of Local Government and Housing (GDLGH) specifically should:

1. Account for the use to date of the housing demand database (HDD) as a planning tool for future housing projects, and how it has been used to allocate houses on the basis of its HDD and Allocation Policy. It should also conduct a review of the HDD (it has been 5 years since it was implemented), account for the stagnancy of the HDD and explain why Phase 2 never commenced, as well as the rationale behind the move to the NHNR, if this is indeed in the pipeline.
2. Provide an indication of how much the HDD costs to run, and whether the time and resources being ploughed into a seemingly obsolete system are appropriate.
3. Report on the undertakings made in 2008 to publish the names of all those who have applied, per region and local area.
4. Make the following public in the interests of transparency:
 - How many people have registered on the HDD?
 - How many people have registered in each area (as captured on the HDD)?
 - How many people have registered on the HDD who first registered on waiting lists in 1996 and 1997?
 - The number of people who were identified from the HDD in the first instance to be allocated a house in a project i.e. not identified because they were residing in a specific informal settlement?
 - How many people, if any, have been drawn from the HDD to be accommodated in rental housing?
5. Ensure that all municipalities accredited to undertake the housing function have the technical expertise and human resources required to undertake the necessary functions in an efficient and sustainable manner. The possibility of secondments or moving personnel from the provincial department to municipalities needs to be investigated.

The Western Cape Department of Human Settlements (WCDHS) specifically should:

1. Report on what steps it has taken to "develop a consumer education for municipalities to engage with communities about the selection of beneficiaries for a project."
2. Make the following public in the interests of transparency:
 - How many people are registered on the Western Cape Housing Demand Database (WCHDD)?

- How many people are registered in each area (as captured on the WCHDD)?
 - How many people are registered on the WCHDD who first registered on waiting lists in 1996 and 1997?
 - The number of people who were identified from the WCHDD in the first instance to be allocated a house i.e. not identified because they were residing in a specific informal settlement?
 - How many people, if any, have been drawn from the WCHDD to be accommodated in rental housing?
3. Report on what steps are being taken with regard to its WCHDD and the migration to the NHNR.
 4. Ensure that all municipalities that are accredited to undertake the housing function have access to the internet as well as the technical expertise required to undertake the necessary function in an efficient and sustainable manner.

Municipalities (particularly accredited ones) should:

1. Produce posters or other materials clearly detailing existing housing allocation processes in terms of prevailing systems and policies. This could be undertaken jointly with the relevant provincial department.
2. Publish the selection criteria for specific housing projects within in their jurisdiction, which should be prominently displayed at municipal offices and in locations within the vicinity of the project.
3. Ensure that they facilitate meaningful community engagement in the shaping of housing policies and, more importantly, in the planning of new housing developments which affect communities directly. This relates to bottom-up planning in terms of the IDP.
4. Investigate the establishment of oversight bodies (consisting of those not involved in setting selection parameters or managing data, and officials from appropriate government bodies other than the municipality.) These bodies would be responsible for checking whether municipal selection policy is being applied correctly. There should be civil society representation on these bodies.
5. Establish systems to deal with objections to allocation lists, after the lists have been pre-screened by municipalities and provincial departments.
6. Acknowledge that the use of consultants to run systems is not sustainable and systems that can be managed internally, and are linked in meaningful and rational ways to other processes and systems within municipalities, should be developed. The current reliance on consultants and the lack of institutional memory around housing

policy and implementation is of concern, and accredited municipalities should take the opportunity to institutionally realign themselves in a strategic manner.

7. Ensure that they engage and communicate effectively with communities at settlement, community and neighbourhood level, and not just through the politicised structures of ward committees and ward councillors. Municipalities implement projects and liaise with communities at the coalface, often with the help of CLOs, and it is often at this level that local political struggles are fought. Municipalities must be aware of these dynamics and respond timeously to reports of fraud in the housing allocation process.

Civil society should:

1. Document the allocation processes in housing projects, highlighting any challenges faced, opportunities for more transparency, better ways of selecting beneficiaries etc. There is a need to pull together in-depth case studies on what is happening at the local level around housing allocation and delivery.
2. Push to be consulted on the determination of project-specific selection parameters and to be included on oversight bodies set up to monitor allocations in line with selection policies.
3. Provide information to communities on housing policy and implementation and assist to escalate problems to the relevant authorities/institutions when they arise. There is a need for more coordination and government lobbying around housing-related issues that affect communities.

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