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**Exploring post-implementation administrative
challenges, which are experienced in social housing
developments in South Africa:
Cases of Valley View and Port-View housing
projects, Durban**

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A dissertation submitted in partial fulfilment of the requirements for admittance to the degree of Master of Housing in the School of Built Environment and Development Studies, University of KwaZulu-Natal (UKZN), Durban.

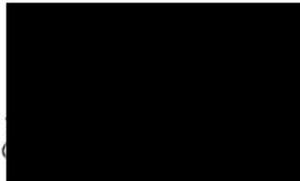
December 2017

Declaration

I, Siphosenkosi Lungelo Mhlongo, declare that:

- (i) The research reported in this dissertation, except where otherwise indicated, is my original work.
- (ii) This dissertation has not been submitted for any degree or examination at any other university;
- (iii) This dissertation does not contain other persons' data, pictures, graphs or other information, unless specifically acknowledged as being sourced from other persons;
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Dedications

All Praise and Glory belongs to God, our Father, Lord and Saviour.

This piece of work is dedicated to my parents, Mzwenkosi and Boneni Mhlongo, who encompass all that success has to be, through love, thinking and compassion. I am thankful for their moral, mental and spiritual support, which was key in reaching my goals.

Acknowledgements

Firstly, I would like to thank my supervisor, Mr V. Myeni, for the patience, assistance and guidance he offered me throughout the study. His far-reaching experience and knowledge on the many housing aspects added unique and applaudable value, not only to the research, but also to my outlook on housing in general.

Thanks to the eThekweni Municipality, SOHCO and its helpful tenants.

In addition, I would like to extend my gratitude to Rob Strong (SOHCO) and Sthembile Khumalo (eThekweni Municipality) for offering time for interviews and allowing me the opportunity to view files and municipal documents.

My most sincere thanks and appreciation to Dr PW Adebayo and Dr L Chipungu for their wisdom and assistance.

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List of Acronyms

BNG	Breaking New Ground
CBD	Central Business District
CRU	Community Residential Unit
EM	eThekwini Municipality
GDP	Gross Domestic Product
HWP	Housing White Paper
IDP	Integrated Development Plan
KZN	KwaZulu-Natal
MCG	Motheo Construction Group
MEC	Member of the Executive Council
MILE	The Municipal Institute of Learning
NGO	Non-Government Organization
NHFC	National Housing Finance Corporation
PPP	Private Public Partnership
PQS	Project Qualifying Status
QAP	Quality Assurance Plan
RCG	Restructuring Capital Grant
RDP	Reconstruction and Development Programme
RPI	Real Property Inventory
RSA	Republic of South Africa
RZ	Restructuring Zones
SANS	South African National Standards
SHI	Social Housing Institution
SOHCO	Social Housing Company and Property investments
SHRA	Social Housing Regulatory Authority
UK	United Kingdom
USA	United States of America

Abstract

The study had a primary goal of establishing the reasons behind the continued post implementation administrative challenges facing Social Housing developments in South Africa. The study used the eThekweni Municipality as the study area, specifically focusing on the Port-View and Valley-View social housing developments, which are managed by SOHCO. The problems to be identified in this dissertation are the various administrative challenges faced by Social Housing Institutions, which include the lack of affordability, financial and operational management.

Therefore, the administrative challenges which arise, tend to complicate matters further and prevent SHIs from fulfilling their role in providing adequate maintenance and management of Social Housing Developments. This results in the loss of income for the Social Housing Company and a sense of non-governability with regard to these projects.

From a conceptual and theoretical point of view, the study had a specific focus on the administrative challenges of Social Housing. Therefore, the Privatization Theory assumed the role of providing principles, which informed the study. Furthermore, the Administrative Management Theory gave the study a perception of how institutions (SHIs') should and can be structured, in order to make provision for adequate management of resources, tenants and the social housing developments at large. The theory strives to develop a balance between the structure of the administration and the mission of a particular organization, in this case, SOHCO.

The study adopted a qualitative method of data collection; this enabled the researcher to gather information through face-to-face interviews and the use of the questionnaire surveys from the purposive sampling method, using primary data collection. Upon collecting data, the study uncovered that the social housing sector stands riddled with administrative faults. Such are the challenges that result from financial constraints. From an institutional point of view, the financial struggles faced by SHIs', lead to the compromising of housing standards, maintenance and renewal of social housing developments.

Furthermore, the study demonstrated that both the tenants and the SHIs' saw the management of social housing schemes from different perspectives. From a tenant's

perspective, there are many challenges that they face, due to the management of the SHI. These include the level of safety within, as well as outside of the developments, and the lack of accessibility for young tenants. The maintenance of social housing developments and units is a vital element for the satisfaction of tenants. However, regardless of 'proper' or 'poor' maintenance, the defaulting and boycotting of payments continued.

From the findings, the study recognised the issues of social housing: on how tenants understood social housing and what was required from them in order to ensure satisfactory living in Social Housing complexes. Furthermore, it saw that the administrative challenges were a consequence of poor administrative approaches. The study concluded that administrative challenges, in the post-implementation stages, have dire and disastrous impacts on the social housing sector and recommended that suitable approaches be established and potentially considered for implementation, as ways of changing and improving the Social Housing environment. Amendments to the Social Housing Policy, institutional amendments to rental collection and enhancing maintenance options, were amongst a few recommendations listed by the researcher.

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Chapter One: Introduction to the study

1.1 Introduction

As indicated by Ogunsanya, (2009) Social Housing is another type of housing delivery in South Africa (SA) that has quickly gained acknowledgment in the housing sector, throughout the time of its existence. This is because it has turned out to be a suitable alternative in comprehending the housing deficiency in SA. It is a reasonable alternative in light of the fact that the administration gives subsidizing through appropriations and profit is not earned from the rents paid. Social housing can be a block of flats or townhouses situated in Greenfield developments, infill zones or in inner city obstructs that are bought or remodelled. Ngcuka (2010) highlights that:

“The Social Housing Policy requires the focus of any private sector driven solution to be on the provision of integrated settlements that are economically, fiscally, socially, financially and politically sustainable in the long term by balancing end user affordability, standard and quality of housing, and number of housing units required” (Ngcuka, 2010, Pg. 9).

In light of the above, social housing has been a very productive tool in the delivery of housing in order to meet adequate levels in decreasing the housing backlog that is faced by the Department of Human Settlements. The housing delivery is done in a way that enables beneficiaries to get access to housing which is of a good standard. The development of social housing has been done through the establishment of Social Housing Institutions (SHI). Onatu (n.d) states that the foundation of social housing establishments is one among many projects of the administration proposed to offer housing choices to groups and to guarantee decent housing that restores the beneficiary's dignity, pride and productivity.

According to Oxley and Smith (1996), social housing might be outlined particularly for the lower income masses and be assisted by the state. The arrangement of social housing conveys the essence of public subsidy to the supply of accommodation with such sponsorship being provided to help the less fortunate. Its provision is one way of recognizing that there will be some households in a market system who cannot afford to access the general housing market and the adequate standards of accommodation, which are available in the housing market.

At times, social housing is alluded to as 'non-profit housing'. This is on the understanding that it is outside the market area and no surpluses for business conveyance ought to be produced, using its operation (Oxley and Smith, 1996). In European countries, social housing can also be provided through housing companies, which are entitled to make limited profits. The character of social housing, in terms of its target groups, access, allocation, financing arrangements and construction, varies so widely that a general definition is hard to apply (Oxley and Smith, 1996). This type of housing is provided in Europe by a range of constituents including districts, social housing associations, other non-profit organizations as well as, business endeavours. Governments play a role in setting up different structures, which may, in turn limit, or encourage the performance of social housing institutions (Van Wyk, 2011).

The administration of social housing has a significant impact in the production and delivery of this type of housing. In these aspects of delivery, administration places a huge focus on the allocation of land and securing finance for social housing development. Thus, over the years, the rate of delivery has been 2500 units per annum of which by 2010: 42 000 units had been developed country-wide (Buffalo City, Cape Town, Durban etc.) through the institutional subsidy (Van Wyk, 2011, pg.9). These numbers are undoubtedly remarkable when evaluating the administration of social housing delivery, but after, that comes the post-implementation stage that entails the allocation of beneficiaries and tenants.

While much of the social housing developments are of a high standard after completion of construction, there are many problems in the management of social housing that manifest themselves in the form of arrears, high vacancy rates and disrepair (Priemus, 1988). These problems vary greatly in their intensity between and within countries. Problems of rent arrears, empty properties, allocation and maintenance associated with the polarization of social housing are issues facing many countries, including South Africa (Willmot and Murie, 1988).

In the post-implementation stage, the focus is also on the managing and maintenance of social housing developments. This study, therefore, seeks to explore the above administrative challenges that are faced by SHIs. These administrative challenges have been detrimental to the operation of social housing institutions and that of social housing developments.

The aim of this study is to explore the why and how the abovementioned challenges tend to limit the administration of social housing institutions through the Port-view and Valley view study areas. This will be achieved through an evaluation of the current policy and regulatory frameworks against the current state of the social housing sector, with the objective of identifying issues which are currently acting as obstacles to the achievement of government and policy goals.

1.2 Problem Statement

The provision of housing has been implemented through many programmes in South Africa in order to deliver housing which is adequate for those who need them. The various housing delivery programmes include social housing, which became a rather promising tool for housing delivery. In 2005, SHIs were established to play the role of facilitating the development of social housing projects in South Africa. According to the Social Housing Policy (2009), to date, Social Housing has emerged because of the fragmented organisational will within the factions, which provide housing, rather than because of a supportive policy environment. This fragmented will could be seen through the manner in which the delivery process of RDP housing was implemented: from the tendering process to the allocation of beneficiaries. Social Housing, in various forms, has been implemented beyond the measures of being a pilot project over the last five years, with the emergence of some 60 SHIs to date (Social Housing Policy, 2009).

According to Ramphal (2000) cited in Ogunsanya (2009) an accredited housing institution manages the buildings and such an institution is a legal entity established with the primary objective of developing and/or managing housing stock that has been funded through public or private grants. SHIs have delivered a large number of housing units that have helped to decrease the ever-rising housing backlog. Though progress has been substantial, on the premise of delivering more housing units, many Social Housing institutions are said to face significant challenges that have yielded failure in the form of boycotting of rentals, poor management, maintenance and poor performance. SHI's programmes do not do well when they have been delivered and the indicators of these challenges will be the basis of this study (Ogunsanya, 2009). However, the challenges in question are, at many times, experienced differently from

project-to-project and differently between each stage of the implementation of these projects.

The problems to be identified in this dissertation are the various administrative challenges faced by Social housing institutions and include the lack of affordability, as well as financial and operational management. This lack of affordable and well-situated rental or social housing accommodation is not unique to South Africa (SACSI, 2014). Furthermore, there is a lack of proper management from SHIs', which is accompanied by large-scale sales of social housing by municipalities, perhaps more in response to the operational challenges presented by the cost of on-going maintenance and challenges linked to the defaulting of tenants (Mohamed, 2014). Social Housing Policy (2009) states that, the creation of rental stock by both the social housing and private sectors can play a role in the economic, social and spatial restructuring of South Africa's cities.

Therefore, the administrative challenges which arise tend to complicate matters further and prevent SHIs from fulfilling their role to provide adequate maintenance and management of Social Housing Developments. Ndaba, (2010) states that, within the social housing sector, there seems to be a suggestion or understanding that a problem is starting to be associated with social housing developments in South Africa, where there is a culture of boycotting rental payments and a difficulty between the managers of such developments and the tenants. This results in loss of income for the social housing company and a sense of non-governability with regard to these projects (Ndaba, 2010).

On this premise, the study will seek to explore what is it about the administration of the social housing delivery process, with focus being placed on how the post-implementation process leads to these challenges. Furthermore, the dissertation will shed light on how the understanding of social housing policy and other various guiding principles of packaging social housing developments, yields such inconsistencies.

1.3 Main research question

How have the administrative challenges experienced by Social Housing Institutions programmes shaped the sustainability of social housing developments?

1.4 Objectives of the study

The study intends to accomplish the following objectives:

- 1.4.1 To identify the challenges experienced by SHIs in the post-implementation stage of Social Housing schemes.
- 1.4.2 To Identify and analyse the role of stakeholders involved in the administration of Social Housing.
- 1.4.3 To analyse the policies which govern Social Housing developments.
- 1.4.4 To identify the various administrative approaches used by SHIs for managing Social Housing.
- 1.4.5 To determine how beneficiaries for such housing schemes are selected and the processes of allocation as well as tenure provision.

1.5 Aim of Study

The study was aimed at exploring the administrative challenges which are experienced mostly at post-implementation stage of social housing delivery process.

1.6 Subsidiary questions

The following sub-questions assisted to unpack the main research question and objectives.

- 1.6.1 What are the administrative challenges that are experienced in social housing development?
- 1.6.2 Who are the role players involved in social housing development?
- 1.6.3 Which policies are in place to govern social housing developments in South Africa?
- 1.6.4 Which administrative approaches are used by SHIs to manage social housing developments?
- 1.6.5 Which guidelines are used for the selection of beneficiaries?
- 1.6.6 What happens at the post-implementation stage that influences operational procedures?

1.7 Hypothesis

Given the administrative challenges which are experienced by Social Housing institution developments in South Africa, a proper administration process and mitigation approaches can reduce post-implementation challenges, which are experienced in Social Housing schemes.

1.8 Study justification

This study is vital, because it would enlighten the rental-housing sector on how administration is extremely important in the institutional operations of social housing institutions with regard to the maintenance and managing of social housing developments. The study has also brought about recommendations as to how such hurdles may be resolved accordingly, as to ensure more success in the delivery and maintenance of social housing developments.

Furthermore, the study revealed that, though municipalities and SHIs have made an effort to be involved in the provision of shelter for its people, and the role played by municipalities has been seen as both direct and indirect. In certain instances, municipalities have acted as developers and in others, they have played the role of facilitators in the social housing development process. Largely, municipalities have shifted from a direct role, into an indirect role. Now most of the social housing development projects are currently undertaken by the SHIs. Thereafter, the study showed that local government is stronger in the facilitation role, as compared to the development role and that it may be able to assist in solving the administrative hurdles of social housing.

1.9 Dissertation Outline

Chapter 1: Introduction to the study

In this chapter, there was a high level of focus on the issues, which were covered by the case study. This section of the dissertation looked at social housing practices in South Africa, through introducing the different sectors and elements of discussion. The

chapter briefly expanded on the various social housing instruments and the challenges of social housing.

Chapter 2: Research Methodology used in the study

The aim of this chapter was to enable the reader to become familiarised with and have a better understanding of the methodology used in the gathering and organising of information for the proposed study. Information in this study was gathered from primary sources, which included interviews and site visits. Sources used, such as primary data and secondary data are the technical aspects of methodology through which, information is gathered.

Chapter 3: Conceptual and Theoretical framework

This chapter focused on the review of concepts and theoretical frameworks used in the dissertation. The concepts were used to determine the study's success in pointing out the issues to be highlighted and outlines the theoretical framework that forms the basis of the study. Conceptual frameworks which include 'Administrative challenges', and the 'Breaking New Ground' are used to guide the study. Existing theories such as the Privatisation theory; Rent Control and Theory of Efficient Regulation which touch on local government and housing delivery, as well as national and international literature are reviewed with the objective of sharing experiences of other local governments with social housing delivery.

Chapter 4: Literature Review

This chapter focused on the review of literature and terminology used within the dissertation. Literature on social housing was from an international context then trickled down to the South African perspective as a means of understanding how other countries dealt with the administration of social housing. This point of departure provided insight on the hurdles encountered by social housing providers in countries like the Netherland as well as Germany. Furthermore, the chapter engages with

literature which stems from the inception; the evolution and current stand point of social housing.

Chapter 5: Historical background of the Study area

This chapter presented the descriptive information gathered about the case study areas. The presented information depicts the area's history and background. The chapter further outlines the socio-economic factors and livelihood structures of the tenants/informants from the chosen study areas.

Chapter 6: Presentation of research findings, data analysis and interpretation

This chapter showed all the collected data and information being processed and analysed. The analysis of information was vital, were as it enabled the researcher to prove where the established hypothesis or theories were relevant, or whether they caused more confusion about the case study.

Chapter 7: Summary of Findings, conclusion and recommendations

This chapter presented the conclusion of the gathered information from all of the above-mentioned analysis. From the data collected, the research will draw a reasonable and proven conclusion about the research problem and objectives.

1.10 Conclusion

This chapter has brought to light the fact that municipalities, as well as SHIs differ from area to area. It also shows that social housing initiatives will not always be successful just because the administrative mechanism put in place within them, does not encourage and enable the involvement of many participants and stakeholders. More assistance from the national and provincial spheres of government was required in an effort to equip municipalities and SHIs with the essential skills in their new role of Social Housing development. From the listed objectives and justifications, the study proceeded to analyse the issues mentioned in the problem statement and answer the research questions accordingly.

Chapter Two: Research Methodology used in the study

2.1 Introduction

In this chapter, the focus was to present ways in which data was collected and analysed. Data collection is a term used to describe a process of preparing and collecting data. It is the systematic gathering of data for a particular purpose from various sources, that has been systematically observed, recorded and organized (Kadam et al, 2013). Data is the basic input of any decision-making process whether in research or other fields like business. The purpose of data collection is to obtain information to keep on record, make decisions about important issues, and relay the information on to others (Kadam et al, 2013).

The aim of this chapter was to outline the methods used in gathering information on the study. It also provides an insight into the sources of information used in order to answer the research question. In order to achieve a better understanding of the research matter and question, a case study was used to explore how the aspects of social housing administration operate and the challenges within social housing in the country, with a specific focus on Port View and Valley View in Durban. As stated by Rossouw (1996), contextual investigations give rich raw material to developing hypothetical thoughts, give knowledge at all phases of the hypothesis-building process and are likely most important in testing new speculations. The new data attained from multiple study areas can fortify new hypothetical considering, and can be utilized as an enlightening and demonstrate extremely valuable device inside the specialized part of research (Rossouw, 1996).

According to Turner (1976), any housing programme may be capable of successfully delivering; and with the use of a case study, the truth of this statement or assumption can be questioned, proven and disputed. Case studies can provide context-dependent (practical) knowledge as opposed to context-independent (theoretical) knowledge restrictive than the latter method (a degree of openness or freedom of movement in the beginning).

2.2 Research methods

The study adopted a qualitative method of data collection; this enabled the researcher to be thorough when gathering in-depth data. This data was gathered through face-to-face interviews and questionnaire surveys from the purposive sampling method, using primary data collection. Qualitative research method is defined as systems and techniques that are connected amid the execution of the research procedure (Khuzwayo, 2011). Baxter (1996) contends that qualitative research manages gathering and analysing data that can portray occasions or a person's experience without the utilization of numeric information.

Qualitative research tends to concentrate on investigating in however much detail as can reasonably be expected. Brannen (1992) likewise contends that qualitative research is more open and receptive to its subjects. It is generally a serious or smaller scale point of view, which depends on contextual investigations or proof drawn from an individual's specific circumstances. The rationale of qualitative research can be a challenge for analysts, since they have to state particular speculations and following that, gather information to experimentally test those speculations. Qualitative research has a tendency to be more exploratory in nature, and looks to provide knowledge into how people, associations and gatherings comprehend parts of their worlds (Khuzwayo, 2011).

Qualitative research looks to narrate an account of a specific group's knowledge in their own words, and it is concentrated on a story along these lines. The qualitative aspect of the study involved semi-structured, open-ended and one-on-one interviews with managers of the social housing institutions and tenants' committee, as well as housing officials. The study required that a case study be used in order to explore the reasons behind the failures of SHIs'. Semi-structured interviews allowed the interviewees to describe, clarify and elaborate on the questions in a way that allowed information to be subjective to each individual.

According to Babbie and Mouton (2001), in qualitative research, the researcher was viewed as the primary instrument in the research procedure. The analyst proposed to study human activities from the point of view of the social performing artists themselves. The goal of this review explored the extent to which administrative processes have contributed to the overall performance of social housing projects. In

addition, it also served to get information from the officials about their perceived and expected roles in terms of how they participated in social housing delivery (Khuzwayo, 2011).

2.3 Primary sources of Data:

Primary data is the data which was collected from the field under the control and supervision of a researcher. Primary data means original data that has been collected specifically for the purpose in mind. This type of data is generally fresh and is collected for the first time; it is useful for current studies, as well as for future studies (Kadam et al, 2013). Sources were used to discuss and analyse broader issues around social housing challenges in South Africa.

Primary data was obtained directly from respondents of the Port View & Valley View study areas through first-hand semi-structured interviews, as well as observations. The information gathered was able to answer the research questions listed in chapter one. Therefore, the officials from the various institutions and organizations involved in the delivery of social housing developments drew reference from their personal and professional experiences and observations. Questionnaires were used for the listed SHIs' and interviewees. These were done as face-to-face interviews (semi-structured and structured) and secondary sources of data were also used.

2.4 Sampling Method

According to Trochim (2006), sampling is the process of selecting units (e.g. people, organizations) from a population of interest, so that by studying the sample, the researcher may fairly generalize the results back to the population from which they were chosen. In literature by Trochim (2006), sampling is the process of selecting a number of individuals for a study in such a way that the individuals represent the larger group from which they were selected. For the purpose of this study, purposive sampling will be used in the selection of officials. This sampling method enabled the researcher to retrieve information which responded to the objectives and research questions. Maxwell (1997) defined purposive sampling as a type of sampling in which

particular settings, persons, or events are deliberately selected for the important information they can provide that cannot be obtained as effectively from other choices.

The sample size required for this study were the tenants of the Port View and Valley View social housing schemes. Each of the housing schemes had a different number of households, Port View has 142 units and Valley View has 157 units. To select a sample size that was beneficial for the study, according to Stats SA (2013) the average size of a household is three people. The sample size consisted of persons from the age of 18 and above, as they are legally allowed to take part in the study, without the supervision of parents or guardians.

The study also made use of random sampling method this was because the study requires one person per household of which 15 people from each study area was selected to participate; this gives a total of 30 participants. The use of random sampling ensures that participants are selected accordingly. In this case, 1 in 5 people would be selected, since the social housing developments are separated into blocks and the selected participants represent each block. In the case of Port View, which consisted of 142 units, each block had 47 units and from these units, the one of five households selected fitted the above-mentioned criteria, in order to provide knowledge and insight that responded to the study's aim and objectives.

2.5 Data collection tools

Proposed interviewees were the beneficiaries of the selected study areas; Social Housing Foundation, eThekweni Municipality, and the Social Housing Company Property investments (SOCHO). The above informants were vital in understanding the fundamentals of adequate administration in the provision of social housing developments. For the purpose of this study, the following were utilised as data collecting tools:

2.5.1 Questionnaires

Questionnaires are a particularly suitable tool for gaining quantitative data but can also be used for collection of qualitative data. Walliman (2011) argues that using a

questionnaire enables you to organize the questions and receive replies without actually having to talk to every respondent. As a method of data collection, the questionnaire is a flexible tool that has the advantages of having a structured format, is easy and convenient for respondents, and is cheap and quick to administer to a large number of cases covering large geographical areas.

As selected in accordance to the information that they provided, the beneficiaries were surveyed using questionnaires which provided as much information as possible. Thus, the questionnaires were handed out and completed by the beneficiaries of each study area (Valley View and Port View). The questionnaires were distributed to the selected beneficiaries of the Valley View and Port View study areas and those who were the working class (18 and older) who filled in the surveys. This information consisted of the beneficiary's experiences of living within social housing schemes, including the difficulties and issues they faced. The information also included the knowledge they have gained before and during their allocation into these developments; payment arrangements; maintenance; their willingness to pay; the understanding of their rights and responsibilities as tenants; their challenges and how they go about solving them.

2.5.2 Interviews

Face-to-Face Interviews: these type of interviews are when the researcher sits down and talks to a participant. Interviews are beneficial because the type of questioning can be adapted to the answers of the person being interviewed. Recording equipment was at times required for the interview, and it was highly recommended that two recording devices be used, in case one fails (Trochim, 2006).

According to Trochim (2006) interviews are a far more personal form of research than questionnaires, whereby the interviewer works directly with the respondent. Unlike with mail surveys, the interviewer has the opportunity to probe or ask follow-up questions. With the selected informants being the eThekweni Municipal Housing Department officials and representatives from the listed social housing institutions, the researcher will be utilising both structured and semi-structured interviews. The two methods will enable the researcher to acquire information, which addresses the administrative challenges including allocation of beneficiaries; payment arrangements; maintenance; their willingness to pay; the understanding of their rights and

responsibilities as tenants; their challenges as beneficiaries and how they go about solving them.

Social Housing Company (SOHCO) Amalinda

From the Social Housing Company and property investments (SOHCO), the official selected for the study suitable for the study, as he is part of the group of individuals who manage the social housing schemes, used as case studies. The official has extensive knowledge about the previously mentioned administrative challenges and information about how social housing developments have been administered over the years, following the completion of the developments in question.

eThekwini Municipality

At the eThekwini municipality (EM), the person selected to take part in this study was an official, who represents the social housing department and their knowledge and experience, made them ideal for the study. The selected official was in senior management and involved in the development and management of social housing. Furthermore, the official deals with the research and administration functions of the department.

2.6 Sources of Secondary Data

Secondary data is data that has been collected, interpreted and recorded (Walliman, 2011). Such data includes legislation, policies, journal articles, academic books, internet sources, state documents, media statements, memorandums and newspaper articles. Walliman (2011) suggests that a major aspect of using secondary data is assessing the quality of the information or opinions provided. This is done by reviewing the quality of evidence that has been presented in the arguments and the validity of the arguments themselves, as well as the reputation and qualifications of the writer or presenter. For the purpose of the study, academic books, journals, newspaper articles, internet articles, state policy and legislation will be used to acquire the necessary information.

The use of secondary data was for the provision of pre-existing and tested data around the study's focus and objectives. This ensured that the study stayed on track since secondary data provided accurate and broadly understood information about the need for adequate administrative approaches, which ensures that the social housing sector is on par with its institutional arrangements. It is also good practice to compare the data from different sources. Walliman (2011) further advises that this will help to identify bias, inaccuracies and pure imagination. It will also show different interpretations that have been made of the event or phenomenon.

2.7 Data Analysis

After the data has been collected, data analysis will be conducted through thematic analysis. According to Braun and Clarke (2006), thematic analysis is a qualitative analytical strategy for 'recognizing, examining and revealing examples (themes) within information. It slightly composes and describes your data set in detail. Be that as it may, as often as possible it gets more detailed than this, and translates different parts of the research topic. The analysis of information requires various firmly related operations, for example, foundation of classifications, the use of these classes to sort raw information through coding, organization and, thereafter, drawing measurable inductions. Coding operation is typically done at a phase through which the categories of information are changed into symbols that might be arranged and numbered. Editing is the system that enhances the nature of the data for coding. With coding, the stage is prepared for organization. Tabulation is a part of the specialized technique wherein the arranged information is placed in tables.

Ladikos and Kruger (2006) posit that it was essential to break down the interpreted interviews with the aim of recognizing common themes and also to dissect the experiential world and encounters of the respondents (Stakeholders). One of the best ways of analysing qualitative data, was the use of thematic analysis. Braun and Clarke (2006) also recommend that a theme catches something imperative about the information in connection to the research question and speaks to some level of patterned reaction or importance inside the data set. This study therefore utilised the thematic analysis approach, using coding, setting themes and interpreting data based on the findings of this study.

2.8 Limitation of the study

The methodology tools chosen for data collection, being the interviews and questionnaires, created a number of problems for the study. With regard to the interviews, there were some interviewees who were reluctant to answer certain questions. Most tenants assumed that if they answered truthfully, this would have negative consequences for them. This was due to the already existing tension between the SHI and the tenants. As a way of alleviating their concerns the researcher assured the tenants that no names would be requested for the questionnaires.

Furthermore, in relation to the questionnaires, in spite of the fact that the information was clearly presented, the respondents took quite a while to answer the questions asked. A few questions in the questionnaires were not replied to as instructed. Nevertheless, the rate of response were sufficient for the researcher to assemble the amount of information necessary for one to make certain judgements about the aims and objectives intended by the study.

2.9 Conclusion

Social Housing administration is a common problem among the countries of the world. Some countries have overcome their problems of administration and, therefore, can provide lessons to be learnt by South Africa. Among such lessons, is access to land, social housing finance and improving the skills of the government officials in the field of social housing. Therefore, the provision and assembly of social housing in South Africa is dependent on more than just the policies put in place by the state, but also rely on the social and ethical views of the institutions and governing officials

Chapter 3: Conceptual and Theoretical framework

3.1 Introduction

The aim of this chapter was to concentrate on conceptual and analytical frameworks for the administrative challenges surrounding social housing in SA, as well as shedding light on the experiences from other countries. These frameworks and experiences from other countries were used to guide the study; the chapter covered the institutional frameworks around which social housing is centred. It demonstrated the importance of such frameworks for the administration of social housing units, their maintenance and highlighted the conceptual approaches to be touched on by the study.

3.2 Conceptual Framework

The conceptual framework aims to highlight and define the key concepts, which guide the study. This section defines the following concepts; Social Housing Developments, Administrative Challenges, Post-Implementation and Breaking New Ground, which is a 'Comprehensive housing plan for the development of Sustainable Human Settlements'. These key points are defined and conceptualized for the study.

3.2.1 Social Housing developments

Social housing is the brainchild of the Social Housing Act and Social Housing Policy and, therefore, encompasses both the principles and objective of the two legislative documents. This form of housing came about as a result of urban regeneration and urban restructuring in terms of racial, social and economic integration. The provision of social housing will give poor households access to the city and the social and economic opportunities that it offers.

According to the Social Housing Regulatory Authority (SHRA), social housing is a rental housing option that targets medium to low income households (earning between R1500 to R7500 per month). In some literature, this income group remains known as the 'gap market' due to their ability to afford rentals, but only through the subsidization of the rental payments. Within the urban environment, preferably in the CBD, social

housing is located in Restructuring Development Zones (RDZ) and social housing developments are delivered at a scale which requires institutionalized management which is provided by accredited (SHI's). Social Housing contributes towards the national priority of restructuring South African society, in order to address structural, economic, social and spatial dysfunctionalities, thus contributing to Government's vision of Sustainable Human Settlements.

An article by Legacy, et al (2016) recognizes social housing as 'a critical form of social infrastructure that supports individuals and families that, without state and/or charitable assistance, are unable to sustain secure tenure'. Furthermore, the authors state that social and affordable housing development often takes the form of medium-density and multi-unit projects, and it is sometimes difficult to separate opposition to higher density development from opposition to social housing developments.

3.2.2 Administrative challenges

Administrative challenges are issues, which affect the everyday workings of an organization or institution. In the case of social housing institutions and social housing in particular, such challenges do more than that. The administrative challenges in question have both a short and long-term negative effect on the performance of SHIs. The notion of administrative challenges remains centred on the issues which have arisen from the maladministration of social housing developments. As noted by Whitehead (2003) there seems to be increasing evidence of administrative failures, particularly with respect to the management and maintenance of social housing stock in terms of sustaining quality. The administrative challenges, which are in question within the study, are those that have led to the poor management of Social Housing developments.

Approaches utilised by Social Housing Institutions are assumed to be lacking transparency, meaning that resources could be used ineffectively, not only with respect to new investments, but also in the management and allocation of existing social housing developments and the capacity to maintain and improve those developments (Jones et al, 2012). These administrative challenges include the monitoring of benefits, such as the dwelling unit, its facilities and the location of these social housing units (which can provide access to employment), which tenants are

entitled to when being allocated to the housing scheme. The Port View and Valley View study areas assisted in providing the environment in which the objectives of the dissertation can be asserted.

3.2.3 Post – Implementation stage

As with other housing projects, there are various stages involved in the production and delivery of social housing developments. There is an inception stage that sees the establishment of the project objectives and goals. Secondly, there is the implementation of the housing project, whereby the development is constructed and completed. Lastly, there exists the post-implementation stage and, in most projects, this stage is where housing projects are evaluated and reviews are conducted to measure the level to which the initial goals or objectives have been attained as envisioned.

The study's focus is on the post-implementation stage of social housing developments and aims to explore the challenges faced by SHIs in this stage. Most housing projects experience poor workmanship and lack of sustainability, but the experiences of social housing developments are uniquely differently. This unique nature of social housing will be explored by the study, in order to establish the level to which the post-implementation stage is affected by the challenges experienced by SHIs.

3.2.4 Breaking New Ground

Breaking New Ground is a 'Comprehensive Housing Plan for the Development of Sustainable Human Settlements' in South Africa. Breaking New Ground, or BNG housing, speaks to a more refreshed adaptation of the Reconstruction and Development Program, or RDP housing (DoHS, 2004). BNG subsidized housing expands on the current housing arrangement enunciated in the White Paper on Housing (1994). Nonetheless, BNG shifts the main focus from essentially guaranteeing the delivery of affordable housing, to ensuring that housing is delivered in settlements that are both manageable and liveable (Langeberg Municipality, 2015).

According to the Department of Human Settlements, the new human settlements plan fortifies the vision of the Department of Housing, to advance the accomplishment of a

non-racial, coordinated society through the improvement of feasible human settlements and quality housing (DoHS, 2004). The BNG policy works as a strategy aiming to change spatial settlement designs by building spatially temperate and socially coordinated human settlements. The Comprehensive Housing Plan accommodates programs that advance the improvement of the entire private property market, including the improvement of low-cost housing, medium-density accommodation and rental housing, more grounded organizations with the private sector, social infrastructure and amenities (GCIS, 2011).

The department created and launched various instruments to manage the usage of the comprehensive plan in each of the three spheres of government. These incorporate the observing, assessment and effect appraisal arrangement and execution rules, as well as the operating framework for the policy and guidelines (Langeberg Municipality, 2015).

Ngcuka (2010) develops the notion that Breaking New Ground signals a certain level of maturity in the development of housing sector policies. It is a natural progression from the Housing Policy & Strategy White Paper of 1994, which focused mainly on stabilising the housing sector, in order to transform the racially segregated financial and institutional framework adopted from the previous regime. Another aim is to establish new systems, which would result in housing delivery for the previously disadvantaged. Therefore, the introduction of Social Housing, according to the BNG policy (2004) was to provide better solutions for the eradication of informal settlements, especially where the upgrading of these informal settlements would take place on well-located land as a way of optimizing locational value. Another key point worth mentioning, is that social housing was to be seen as an alternative intervention that could make a solid commitment to urban renewal. Social housing interventions may likewise be utilized to encourage the obtaining, rehabilitation and transformation of empty office spaces into Social housing schemes (DoHS, 2003).

BNG further states that the social housing instrument highlights the value of enhancing the mobility of people in a way that promotes a non-racial and integrated society. This provision involves the establishment of institutional components to hold housing as a benefit over a specific timeframe. Therefore, the social housing instrument will

facilitate the production of efficient and effectively managed institutional housing in areas where a demand for it actually exists (mainly in urban areas) (DoH, 2004).

Social housing may take various forms (such as affordable rental units, Rent-to-Own etc.) and it is essential that social housing typologies be conceptualised broadly, so as to allow for the inclusion of many income groups. Keeping in mind the end goal which is to bolster the anticipated scaled up delivery of social housing, the quantity of social housing institutions, which can deal with the housing stock, should increase. This is a key challenge in supporting these established institutions and maintaining sustainable SHIs', which will be able to develop and manage social housing stock. From this perspective, the dissertation seeks to link the influence of the BNG principles with those of the SHIs administrative approaches from producing to maintaining Social Housing developments. Therefore, the concept of Social Housing can be understood, along with its goal to suit a range of housing product designs, keeping in mind the ultimate aim of meeting spatial and affordability requirements. In order to curb challenges, BNG envisioned that the following would be done:

“The establishment of a National Social Housing Bill (drafted in 2006) by the then Department of Housing. The function of this institution will be to accredit SHIs', and once SHIs' have been accredited, then these can qualify for the grant funding and the capital fund” (DoH, 2004, Pg. 5).

Furthermore, BNG brings light to how social housing policies and programmes have been articulated adequately for the provision of social housing to experience a smooth delivery process. In addition to the above mentioned, the dissertation will also focus on assessing this programme as a means of seeing how and why the principles contained in it, are or were not adhered to by SHIs in some cases.

3.3 Theoretical Framework

The importance of theoretical approaches goes beyond the uses of the theories in question, and also looks at how such theories may affect the responsiveness of the study. Theoretical approaches can enhance the study's ability to attain and maintain relevancy throughout. Such relevancy will be highlighted through the use of principles rooted within the theories. Thereafter, the principles will serve the purpose of guiding

the study towards achieving its aims and objectives. The study further touches on a number of theories that influence the understanding and role of social housing for the development of housing. Such theories include Administrative Management Theory, Rent Control and Theory of Efficient Control, and lastly the Privatisation Theory.

3.3.1 Administrative Management Theory

This theory was developed at the same time as scientific management. As Scott (1990) notes, administrative theory emphasized management functions and attempted to generate broad administrative principles that would serve as guidelines for the rationalization of organizational activities. Administrative theorists created general rules of how to formalize hierarchical structures and connections, as a method for making optimum working conditions. They saw the occupation as precursor to the specialist. Essentially these standards were expansive rules for basic leadership. Though logical management concentrates on jobs of individual specialists, managerial administration focuses on the administration of a whole association. The essential supporters of the field of regulatory administration were Henri Fayol (1949), Luther Gulick and Lyndall Urwick (1937), and Max Weber (1947).

It is important to examine the background of the administrative management theory in order to gain a historical perspective on how it has developed over time. According to Pindur and Rogers (1995), the most established and most generally acknowledged school of thought in the field of management, is called the classical management movement. Between 1885 and 1940, this movement evolved in order to provide a scientific and rational foundation for managing organizations. It originated when the Industrial Revolution caused individuals to come from working in small shops or homes, to working in factories. Industrialization led to the need for efficiency in planning, organizing, and controlling/impacting work tasks (Pindur & Rogers, 1995).

The classical management movement incorporated scientific management and general regulatory administration. While scientific management concentrated on representatives as people and their particular work assignments, general authoritative administration underlined administration association. General managerial administration is considered the forerunner of modern organization theory. The general administration management theory was coined in order to develop a more

extensive theory related to regulatory administration capacities (Pindur & Rogers, 1995).

The primary reason for the administrative management theory is to find a balanced harmony between the structure of the organization and the mission of the organization. It emphasizes the importance of organizational effectiveness. According to this theory, authoritative effectiveness is enhanced when characterized lines of specialists are available and those at the highest point of organization have the most obligation to the association. Administrative efficiency is correlated with departments being divided by a clear separation of labour and administrators with the most responsibilities serving as organizational authority figures (Tompkins, 2005).

Fayol (1949), an engineer and long-term French industrialist, served as overseeing chief of an enormous coal-mining firm in France. He ascribed his success as a supervisor not to any individual qualities he may have had at the time, but rather, to an arrangement of administration rules that he utilized. Fayol asserted that all supervisors perform five essential capacities: arranging, sorting out, instructing, planning, and controlling. Other than the five essential administration capacities, Fayol (1949) recognized fourteen standards that he felt ought to direct the administration of associations. He found them valuable in his experience as a supervisor.

Fayol's idea of establishing the first general theory of management was developed because of his belief that it was essential for managers to have a set of principles to guide their management. He developed his ideas when public and private institutions were growing, which in turn, led to a need for management positions. Research-based knowledge was needed to help the field of management develop. Fayol's primary piece of literature entitled, 'General and Industrial Management, was published in French in 1916 and in English in 1949. His theory incorporates four components, which include organizational activities, management functions, administrative principles, and methods for putting principles into operation (Tompkins, 2005).

Fayol (1949) distinguished 'governing' and 'managing' an organization. He established six types of activities within governing an organization. Managerial activities incorporate only one of these six aspects. Five other activities relate to industrial concerns. Technical activities involve the production of goods and services, while the commercial activities pertain to buying and selling. Financial activities are associated

with raising and expending capital, while the security activities relate to the protection of property and individuals. Accounting activities concern the tracking of profit and losses. These activities may vary in how they are addressed, according to the specific type of organization. Fayol believed that although all of these activities are essential, management serves as the foundation upon which all of the other activities are implemented in order to achieve organizational objectives (Tompkins, 2005).

According to Fayol, five functions are incorporated into management. The first is planning, which is predicting future events/trends that could influence the organization and utilizing this information to influence the organization's action plan.

Planning involves effectively using resources to meet the organizational objectives. The next function, organizing, incorporates both material and human structural components. It involves aspects such as establishing a hierarchy or authority and dividing tasks among workers. Commanding is another component that involves providing direction to the organization to emphasize organizational objectives. It includes components such as communicating goals and discharging incompetent workers. Coordinating, another function, involves unifying and harmonizing all activity and effort. This implies each worker is allotted a task that each area has a particular function, and the commitments of every person and unit cooperate to meet the targets of the association. Controlling includes guaranteeing that conformity is available in connection to established arrangements, principles, schedules, and mandates (Tompkins, 2005).

According to Fayol, cited in Tompkins (2005), any manager, regardless of their level, should strive to energize these functional duties with a specific end goal in order to make hierarchical progress. Fayol created 14 administrative principles to give a type of direction to administrators in an association. The object was not to give widespread answers for administrative issues. He stressed adaptability and adjustment in connection to each of these standards in, light of the particular circumstance.

Fayol's administrative methods emphasize managers creating an administrative apparatus to develop administrative principles. The purpose is to keep the organization focused on its mission and continual improvements. He valued a survey to determine the organization's history, resources/needs, and political/economic/cultural circumstances that could influence the future of the

organization. Surveys also predict future events that could influence the various areas of the organization. The action plan is developed to direct the organization and its objectives, including how these objectives plan to be met. According to Fayol, statistical reports, minutes and the organizational chart are all beneficial. Statistical reports allow managers to decide whether the plan is being successfully implemented and whether its defined objectives have been met. Minutes serve as the record keeping system of meetings, in order to establish coordination. The organization chart develops a hierarchy of units, defining the functions responsible for each unit, and specifying whom reports to whom (Tompkins, 2005).

With the existence of these principles, the study intends to evaluate the use of such principles in the process of managing social housing developments in the post-implementation stage. As SHIs are 'organizations', this theory can be vital for the operational administration procedures of developing and providing affordable rental housing in the pursuit of decreasing existing the backlog in South Africa. Thus, the need for this theory is essential to in enable the proposed study to assess how Social Housing developments are managed. Furthermore, this theory aims to provide a basis of analysis, so as to measure how well SHIs administer rental-housing units.

3.3.2 Rent Control and Theory of Efficient Regulation

Rental control, as well as efficient regulation, are key pointers towards how tenants and beneficiaries of social and rental housing need to be facilitated. This facilitation mostly revolves around their awareness of the rentals which they are required to pay to social housing institutions or whoever the landlord is agreed to be. This theory looks at how rentals may be regulated and occasionally adjusted, in order to maintain the rental units and ensure that living standards are adequate. Comparison with other housing programmes, such as RDP housing, have led beneficiaries to conclude that such housing schemes provide far from adequate and comprehensive housing delivery.

Rental control may be understood as a central (state) policy that restricts the level of rent charges by public or private property owners, through the setting of rent (tariffs), a rent ceiling, or a cap on rent increases. There is also a distinction between direct and indirect forms of rent control. Direct rent control sets specific tariffs or caps. An

indirect rent control regime has fewer constraining rules on rent setting and the landlords retain considerable freedom in actual pricing (Hegedus et al, 2013). However, for South African SHIs, this tends to be their realm of responsibility and the role of the state is to facilitate SH developments through legislation and policies.

In spite of the fact that housing is a very controlled area, the production of rental housing in this country has fundamentally been left to the marketplace, although, all things considered, government action has, nevertheless been obvious and substantial. Rental control, notwithstanding exceptions for new developments, could debilitate the market's capacity to deliver new rental units that are accessible to low-income inhabitants. Rental assistance goes beyond the more critical objective of housing low-income individuals, by giving them the chance to move out of less sheltered neighbourhoods. Keeping a roof over the head of single parent or low-income family in a more secure neighbourhood facilitates another critical societal value, that of soundness of family esteem (Carty, 1990).

In the 1990s, further rent reform was conditional upon the introduction of a right-to-buy policy, that is, rent deregulation was passed only if sitting tenants were also given the 'right' to 'buy' their occupied housing and thus a chance to avoid rent increases (Hegedus et al, 2013). Therefore, like giveaway public housing privatization, rent regulation served originally as a tool to maintain the quasi-home ownership status of rental housing, rather than being a housing policy tool to help low-income households pay affordable rent (Hegedus et al, 2013).

Efficient regulation, by rule of thumb, entails that all tenants of rental housing be as well off, if not better off, than when they entered the rental units. This means that the tenants must in no way be financially constrained by the rentals they are obligated to pay. As this form of housing also plays the role of enabling people to move up the property ladder, beneficiaries of such housing schemes must be aware of the rental requirements in order to avoid falling into the trap of defaulting on payments (Epstein, 1988).

Rental control and Theory of Efficiency are guided by the following topics which can be highlighted as principles, and are evident in how they regulate rentals. For meeting the study's objectives, the following will be employed:

3.3.2.1 Fair Return Standard

A standout amongst the most troublesome and contentious issues of rent control, has been characterizing 'fair return' and creating acceptable individual conformity in reasonable return standards for SHIs'. While there is a general agreement that SHIs' are entitled to a 'fair return', a consensus has barely been established as to what methods or formulas should be used to generate a 'fair return' that while reasonable for SHIs', is also fair enough for the tenants of social housing developments. Fair return standards include; return on value, return on equity, return on gross rent, percentage net operating income, cash flow, and maintenance of net operating income (Baar, 1983).

3.3.2.2 Regulation of Maintenance

While the regulation of rents is highly important, another important purpose of rent control is to ensure adequate maintenance. Rent controls can be self-defeating if landlords reduced maintenance expenditure because their profits have been regulated downward. Rent control, in general, sets out a minimum standard and violations of the standard have civil and criminal penalties. This standard ensures that tenants are protected against reductions of maintenance services (Baar, 1983).

3.3.2.3 Eviction Controls

Tenant eviction has been one of many causes of conflict between SHIs' and tenants. Eviction controls set out procedures and courses of action to be adhered to, when an eviction becomes permissible. Some permissible grounds for eviction have been the subject of widespread abuse and debate. Eviction controls exist to prevent abuse of the eviction process, while preserving the provisional rights of landlords. They promote built-in procedural requirements to be followed by landlords, as a means of protecting tenants (Baar, 1983).

3.3.3 Privatisation Theory

Privatization implies moving a few, or all aspects of service delivery from government to private-sector suppliers. It is a strategy employed to bring down the costs of government, accomplish higher execution, and enhance results for tax dollars spent (Gilroy and Moore, 2011).

The theory is a major tenant of the capitalist mode of housing. A case of privatisation is where load shedding is seen as a solution to reducing the state burden concerning, for example, maintenance of units. This process is not a recent development, but rather a culmination of pressures placed on various states to reduce their commitment to housing provision. It is however, imperative that both a national and international understanding of privatisation is gained, in order to measure the exact process and role-players in the South African context (Daniel, 2000).

The theory of privatisation exists in the 'Laissez Faire' theory. Central to the Laissez Faire theory is government intervention and market failure. Advocates argue that because of government intervention, the smooth operation of the market becomes distorted (Lungu, 1998). As cited in Carvenlis (1992), free-market proponents, whose argument is, to the greater extent, behind the massive scale of public houses, believe that the interventionist state destroys the productive system that it relies on to deliver its promises, one of which is the provision of housing.

Like many things that can be privatized, the provision of housing can also be privatized and, using the following principles, the study can assess the provision of social housing and the effectiveness of using non-state entities.

3.3.3.1 Choose Contractors on Best Value Not Lowest Price

Best practices for government procurement and administration contracting ought to move toward 'best-value' systems. As opposed to choosing a supplier based on minimal effort alone, governments should pick the best mix of cost, quality and different observations. Such criteria may incorporate process re-evaluation, financing plans; add up to venture life-cycle costs, risk transfer, skill and encounter and mechanical development. The more complex the administration, the more essential it is that a best-value choice rule be utilized (Gilroy and Moore, 2011).

3.3.3.2 Effective Monitoring and Oversight

Strong reporting, assessment, and inspecting procedures must be set up to screen the suppliers' execution. Effective monitoring pays for itself by enhancing the quality, straightforwardness, and responsibility of administrations.

According to Prager (1994), “Public sector decision makers have yet to learn from the private sector the significance of managing outsourcing. ... Efficient monitoring, though costly, pays for itself by preventing overcharges and poor quality performance in the first place, by recouping inappropriate outlays, and by disallowing payment for inadequate performance” (Prager 1994, p. 182).

A well described checking arrangement, sometimes called a Quality Assurance Plan (QAP), and characterizes unequivocally what a legislature should do to ensure that the contractual workers' execution meets the execution guidelines agreed upon. The observation arrangement ought to incorporate specific statements of necessities of evaluated yields, consistent gatherings with minutes, protestation methodology, and access to contractual worker's records on demand (Gilroy and Moore, 2011).

3.3.3.3 Bundle Services for Better Value

Public administrators may discover more noteworthy economies of scale, cost investment funds and incentive for cash, by packaging a few – or even all – of the administrations conveyed by a division or subdivision, into a solitary outsourcing activity, as opposed to treating singular administrations or capacities independently. Benefit packaging crosswise over divisions and offices, can drive down expenses by disposing of excess and growing the pool of potential suppliers. (Gilroy and Moore, 2011).

3.3.3.4 Prepare a Real Property Inventory

A government that is aware of what it possesses and what it is worth, manages this to greater advantage and stops wasting resources by leaving property unused. A Real Property Inventory (RPI) is a record composed of genuine property resources, for example, office structures, stockrooms, substantial hardware, and extensions. Likewise governments can track additional property, for example, vehicles, in a comprehensive inventory. The cost of setting up a RPI is not small, but it, nevertheless, receives noteworthy rewards (Gilroy and Moore, 2011).

In the wake of building up stock, authorities can utilize Computerized Maintenance Management System (CMMS) to reallocate assets to their most ideal use. This can serve as a form of financial management. It helps planning procedures by discovering advantages on offer, expanding the income stream and, conceivably, diminishing lease and maintenance costs through space consolidation (Gilroy and Moore, 2011).

The above principles can play a valuable role in the way SHIs operate and how they can assume effective control over social housing developments, while minimising the use of state involvement in the post implementation stage of Social Housing.

The role of the state in the arrangement of rental stock has been diminished, if not eliminated altogether. The state now relies solely on social housing institutions and has stepped back from the role of producing such housing, hence, the need to incorporate the private sector into the provision of public and rental housing. According to Conservative Research Department (1976) in the UK, the task of the Public Sector Housing Group was to align privatization within a wider scale and pro-property agenda by assessing:

“how to re-orientate public sector housing policy to ensure ... substantial reduction in public expenditure whilst ensuring those unable to provide for themselves are looked after [and] impetus to the growth of owner occupation”. (Conservative Research Department, 1976: pg.1).

Daniel (2000) states that this will also decrease future expenditure and investment into such housing schemes, meaning that the responsibility of maintenance will fall into the hands of the new owners. Lungu (1998) further states that the state was determined to reduce its role in producing rental stock and to achieve this, it proposed to sell off

all its rental units to existing tenants. Nevertheless, in recent years, it can be seen that it is local government (municipalities) that sells off rental stock, partly due to its failure to maintain such housing.

3.4 Conclusion

The concepts and theories that have been described in this chapter are an essential feature in the development and understanding of the social housing sector. The study illustrates the need for these to be adhered to and presents the shortcomings that result from not adequately managing development, using principles featured in the above mentioned conceptual and theoretical frameworks. Furthermore, SHIs studies need frameworks such as these to enhance the focus on their core tasks (letting and managing rental dwellings).

Chapter 4: Literature Review

4.1 Introduction

In this chapter, social housing is viewed through two lenses, one focusing on an international context and the other looking at social housing within the South African context. This sets a platform whereby Social Housing can be seen through multiple scenarios and, therefore, the study will illustrate the relevance of South African social housing developments. The international context will enable the study to relate the administrative challenges faced in South Africa to those of other countries.

The focus of the study, as mentioned previously, will be placed on social housing, which is synonymous with affordable housing. Though the two terms are similar, each has a unique function, which differentiates the two.

The expression 'affordable housing' is regularly used interchangeably with 'social housing'; in any case, social housing is only one classification of affordable housing and, more often than not, alludes to rental housing subsidized by the government. Affordable housing is a significantly more extensive term and incorporates housing provided by the private, public and not-for-profit sectors and includes, all types of housing tenure (i.e. rental, ownership and co-operative ownership). It incorporates temporary, as well as permanent housing. At the end of the day, the expression 'affordable housing' can allude to any part of the housing continuum, from impermanent emergency housing, through transition housing, supportive housing, subsidized housing, showcase rental housing or market home-ownership (CMHC, 2016).

4.2 International context

Similar to the Hostels in South Africa, UK Social Housing originated principally as 'workers' homes and were a 'step up' from the poorer quality, private, rented homes most tenants would have formerly occupied (Lupton et al., 2009). Labelled 'social housing' by most international housing literature, this term suggests a societal responsibility, rather than the terms 'low-income housing' or 'public housing'. The latter offers a different tenure option and caters for a larger portion of the population.

However, since the 1970s, a general pattern has seen social housing coming to involve an inexorably 'occupant' part in obliging poorer and also disadvantaged family units to a great extent, to the rejection of others (Malpass, 2004). This move was related to the post-1970 development of a requirements-based social housing allocation framework, including the establishment of needed access to social lodging for statutorily destitute family units (Fitzpatrick and Stephens, 1999).

Alongside this, and seemingly much more essential, was the exit of more fortunate social tenants, by means of Right-to-Buy schemes, which resulted in a general constriction in the proportion of social housing. Social housing now represents just 17% of homes in England; however, Scotland holds a bigger social rented segment at 24% of stock (Pawson & Wilcox, 2013).

In many counties, social rented housing is viewed as a housing option for poor people. Public housing in the US might be the most notable case of this. In the UK too, the social rented sector is exclusively the space of low-income family units, especially since the Right-to-Buy scheme was initiated in 1980 (Meusen and van Kempen, 1994, 1995). The expanding offer of 'poor' and other 'compromised family' units in social rented housing has been talked about generally in literature concentrating on the residualisation of this segment. Malpass (1983) described residualisation as a procedure in which the social rented segment is:

"Largely, if not completely, confined to those amongst the low paid, the unemployed, the elderly, single parents, the disabled and others, who were so disadvantaged in the housing market that they were unable to obtain adequate accommodation privately" (Malpass, 1983, p. 44).

A few authors concentrate on the occurrence between a convergence of low-income family units and the inferior nature of the housing stock they have to live in (Forrest and Murie, 1987). This low quality can be the outcome of initial imperfections, poor maintenance, or selective nature of sales.

Globally, the phenomenon of Social Housing is recognised as a type of housing which is assisted housing, owned and operated by non-profit and cooperative housing associations and administrated by elected, common, regional and civil governments. It is housing that has been sponsored by the administration and created by a private or potentially non-benefit association (Van Dyk, 1995: 817). Generally, the national

government has assumed a lead part in subsidizing and financing social housing programs. With strong financial pledges for social housing all through the 1970s and mid-1980s, numerous countries looked to Canada as a positive case of government intercession in housing (Dejong, 2000).

Although in some cases the administrative challenges of social housing are not only in the post implementation stage in a global context, the following are challenges experienced by social housing projects: there are many issues confronting the social housing segment today, for example, aging infrastructure and insufficient capital reserve to funds to repair and supplant the present housing stock. Notwithstanding the issues confronting cost-share understandings and maintenance of the existing stock, the formation of new social housing confronts its own series of difficulties. New home development in Canada, for instance, has achieved record levels, although the development has been far from rental and co-operative development.

The Wellesley Institute uncovered that, in 2005, of the 184,411 new homes that were built throughout the country, under 10 percent were rental stock and just 663 were social housing co-operatives (Shapcott, 2008: 6). When compelled to compete with the private sector for land, non-profit housing suppliers who wish to develop social housing, do not have the resources to secure desired sites (Alternative Partnering, 2008).

It is becoming noticeably clearer that the scale of the social housing issue in Canada and the budgetary figures that are involved in this issue, surpass what most senior levels of governments are able to accept. Furthermore, in a policy climate where the central government has lessened its role in social housing and the opposition to rare open land assets being developed is getting to be noticeably more severe, it seems progressively less likely that legislatures in Canada will come together and make social housing a national priority in coming years. Accordingly, depending entirely on government projects and endowments for the arrangement of social housing is currently untenable (Moskalyk, 2008).

4.2.1 Case study: Netherlands and Social Housing

The Netherlands has the biggest social lodging segment in Europe; in 1993 41 % of its total housing stock was committed to social housing. Social housing in the Netherlands is remarkable, especially when contrasted with the UK, in that it has provided accommodation for lower paid, as well as middle income family units. Dwellings are built to an exclusive standard and a substantial level of state intercession existed in this segment, to encourage development and to hold rental levels down. Social dwellings were, therefore, a much sought after type of accommodation and numerous family units stayed in social homes even when their wages rose (Smith & Oxley, 1997).

Two groups manage social housing stock in the Netherlands: housing associations and municipalities. Housing associations are incorporated as non-profit associations or foundations and are registered with the central government as being exclusively engaged in promoting housing (Smith & Oxley, 1997).

Social housing associations emerged out of private initiatives. They emerged in the nineteenth century, when socially responsive citizens, business people and church bodies ended up seriously concerned about the plight of the workers, who were living in appalling housing conditions. These initiatives thrived after the presentation of the Housing Act of 1901. This made it possible for the State to subsidize the construction of housing. Social housing associations were 'allowed' in the event that they worked only for social housing and utilized any surplus for the benefit of social housing (Aedes, 2013).

In the Netherlands, the retreat of central government prompted increased amounts of owner occupation and more effective social housing associations with progressively proficient management. Government impact policy on organizing, generation, quality and estimating costs was complete. The social housing associations were charged with executing the government's approach (Aedes, 2013). Local housing associations enhanced their association and have a say, not just in the arrangement of housing for upper classes, but also in planning of the neighbourhood conditions, the nature of the area and the prosperity of their tenants.

The privatization of the social housing associations implied that duties were decentralized and there was room for the associations to develop their own approaches. Another significant stride in this privatization procedure was finally brought with the 'Brutering' (Grossing and Balancing Agreement) in 1995 and in one fell swoop, each of the subsidies the State would be at risk to pay to the social housing associations later on, were set off against the outstanding loans the associations owed to the government (Aedes, 2013).

This independence enabled the following developments to take place:

- Yearly rent increases used to be based by the government on the inflation level. Since 2013, increments have depended on the inflation rate in addition to a percentage based upon the household income. These pay-based lease levels ought to be supplanted by a yearly lease aggregate, which sets a cap on the yearly increment of rents per single housing association.
- This arrangement is more attractive amongst sitting and new occupants and less demanding to direct. The ceiling of the month to month rent, in light of a point framework which considers different parameters of the home (e.g. number of m² or vigour implementation) will be improved to better consider the market estimation of the abode, and in that capacity, its area (Aedes, 2013).
- Once every 4 years, an inspection must happen at each Aedes member. During this they evaluated for their social performance. Though social housing organizations have been able to provide social housing in a progressive and successful way, social housing in the Netherlands has a number of challenges which have disrupted its progressive development (Aedes, 2013).

4.2.2 Case study: Germany and Social Housing

In Germany, social housing is the main instrument for the delivery of adequate housing. The first law regarding social housing was passed in 1950. This law stated that all spheres of the state were mandated with the task of delivering social housing to the people of Germany. The social housing law ensured that the delivery of social housing

was well managed and all beneficiaries met the requirements of qualifying for housing assistance, which was one of the methods of delivering this type of housing.

Housing assistance (subsidies) in Germany comes in the form of social housing or housing allowance. The legal framework of social housing in Germany has been in existence since the start of the 20th century and prioritizes low and medium income groups. Germany currently offers two types of social housing. The first is the Förderweg, an arrangement of governmentally managed rents, wherein month to month rates are low and rise after some time as credit subsidies on landlords fall. The other variation of social housing is owner-occupied residences wherein units are acquired and beneficiaries are helped by the state to reimburse their home loans (Egner, 2011).

Through the years, the German housing policy has moved its most prominent concentration from the supply of social housing, to the distribution of housing allowances through local authorities. Accepting housing allowances is a legal right for German residents, and does not take into account their sort of housing tenure. Social housing tenants, private renters and owner-occupiers are welcome to apply for this benefit. The allowance is registered within three parameters: size of household, eligible income and qualified housing finance commitment (Egner, 2011).

Social housing in Germany is a function of a method of financing housing and not of specific types of landlords. Since 1950, finance and subsidies for the provision of social housing have been available to any registered institution, private individual, company or institutional investor who agrees to adhere to a number of conditions. Such involvement of the private with the public sector, is referred to as Public-private partnerships.

“Public-private partnerships are defined to include arrangements where development is undertaken with a combination of not-for-profit, private and public participations of programs. However, PPPs are not undertaken within the context of a single mainstream program. They represent a more dynamic involvement of public sector, and not-for-profit and private interests in which each contributes something and shares some level of risk” (Wallace et al., 1998, Pg.2).

These conditions concern rent levels and the income levels of the tenants they accept. The federal government determines the amount of subsidy to be allocated to the social housing programme each year, and determines the rent cost (Smith & Oxley, 1997).

Since municipalities and social housing authorities are poorly equipped to manage the issue at the local level, they should investigate better approaches to guarantee that restricted public resources are utilized in the most economical way. One model proposed as a conceivable answer for addressing the provision of social housing, is public-private organizations. While it is perceived that, the viability of existing public-private partnerships in addressing greater housing affordability and accessibility issues is debatable, (New South Wales Council of Social Services, 2005). There is increasing proof that numerous Australians on low incomes in both public and private rental markets, are encountering extreme budgetary constraints, which puts them in danger of ending up homeless (Burke and Ralston 2004).

Societal issues have turned out to be more perplexing. These issues crossover organizational boundaries. To address complex issues, there should be a holistic approach. There is a more prominent financial and resource pressure on the government, non-government and private sectors and these sectors have become increasingly reliant on one another. The formation of partnerships between sectors enables the sharing of risk and the pooling of assets in order to build the capacity necessarily to address the issues of a complex society.

Partnerships empower capacity building and community participation. They also empower the essential setting of objectives through a shared vision. Such partnerships increase the capacity to deliver effective services. Partnerships enable the expertise sets of each sector to be emphasised, and the shortcomings of each sector to be moderated. The pooling of resources creates the capacity to provide more comprehensive services than any one association could.

In order for each sector to willingly enter into a partnership, there needs to be motivating factors for them to do so. Partnerships are not a simple alternative, they can be exceptionally intricate and those entering into partnerships must be willing to deal with issues that emerge in a co-operative way, in order for them to be fruitful. Regardless of the unpredictable nature of partnerships, they are nevertheless advantageous to communities and citizens. Any partnership models that are set up on

a national level should be explicitly guaranteeing that they are transferable to the local and regional level.

For each actor that goes into a partnership, various courses of action have their own thoughts and motivation and, therefore, tension can emerge. The members of a partnership will hold diverse levels of power throughout the distinctive phases of the partnership. This should be reflected upon, with the actors being willing to share control throughout the relationship. As some individuals in a partnership may end up plainly oppressed, it is essential that the procedure be scrutinized. In the government sector specifically, various hierarchical models of management, and managerialist levels of thinking should be reflected on. These traditional models of government intuition do not fit with the partnership model, specifically with regards to the requirement for there to be an ability to share control, and the requirement for each contributing member qualities to be perceived as similarly valuable (Walker, and Earles, 2009).

For partnerships to be successful, there should be shared objectives or vision that offer an incentive for each of the actors to go into the partnership agreement, together with a solid feeling of leadership as well as commitment to the community from the onset of setting up the partnership. Therefore, a willingness from each member who enters the partnership is required to take the fundamental steps, including concentrating on beliefs of co-operation instead of rivalry, and guaranteeing the approach to the partnership agreement is sufficiently adaptable to guarantee that the partnership is fruitful. There should be a prerequisite that every actor in the partnership will share power, resources and skills and keep in mind that each actor has a positive contribution to the agreement. This requires a level of trust and transparency from each of the parties in question.

At the commencement period of partnerships, each of the partners needs to enter willingly and concentrate on a common vision to guarantee its success. Each of the collaborating partners should be focused on the procedures required in accomplishing an effective partnership and do so without thoughts of self-interest and rivalry, rather concentrating on co-operation and the desire to accomplish the best result. Government agencies should be willing to be adaptable with regard to strategies around partnerships in order to guarantee that they can work successfully. They

should also be willing to relinquish their need for supremacy in the process, to guarantee that private parties will bring their insight and skills to the table. All members of the partnership should be willing to arrange financial resources and different courses of action within the partnership that produces excellent results for both themselves and partnering specialists.

Both public and private agents involved should be willing to be tuned into the needs of communities to ensure they are incorporated into the process. This includes an eagerness in the intent of all role players to guarantee that the community holds a level of power throughout. Both public and private actors should be willing to concede power to each other and recognize that, at various phases of the partnership, it is likely that one partner will hold more power than the other.

The fundamental motivating force that should enable 'private' proprietors to go into social housing provision, is that they are allowed to generate profits. Private proprietors are at risk to pay nominal company taxes, yet the provision of social housing can empower them to exploit tax concessions. Profits are allowed, if proprietors acknowledge occupants whose salaries are under a specified level, and social rents are charged (Smith & Oxley, 1997).

Furthermore, the proprietors of the housing units, which were co-subsidized by the public, were obliged to compute rents as gross rental fee, which implies that the maximum month to month rent was equivalent to the cost of the running costs of the housing unit. An extra motivation to take an interest in the social housing system was set for non-profit housing corporations, which had the special status of housing welfare providers. If they could demonstrate that profits generated from social housing projects in the post-contract period would be resources re-invested into new social housing, those profits were barred from tax assessment. This benefit was withdrawn in the late 1980s (Egner, 2011).

4.2.3 Lessons for South African Social Housing

SHI's should be able to create profits as a means of sustaining the programs they implement and to maintain the operation of the institutions themselves. The role of the state has to be highly visible when it comes to funding SHI development programs. In

this way the two entities can co-manage the projects on different stages. As seen on an international platform, the regulation of SHIs is not just important when it comes to legislation, but also on the ground (Smith & Oxley, 1997). This empowers the beneficiaries to have greatly vested opportunities of ownership and enhanced tenure options, thus promoting the need for well-run projects and proving that social housing is a viable option for decreasing the housing backlog.

Furthermore, this entails that the South African Social Housing Policy makes provision for the type of tenant ownership options and make provision for the ownership of social housing developments by the SHIs' which are responsible for the development of such housing schemes. Looking at the mechanisms, which are in place for the maintenance and management of social housing in these countries, the proprietors of the social housing units seem to have more control over what happens within the developments but the order in which these developments are ran does not minimise state involvement (Public Service Commission. 2003).

4.3 South African Context: Apartheid Housing

According to the Durban Housing Survey (1952) what is generally known as the housing problem was far from being new. Indeed, the housing problem, which faced South Africa and other countries at that present time, was merely an old problem made more urgent due to past neglect and post-war problems and a clearer understanding of its implications. The Survey further states that Durban is an all-year-round holiday resort, and at the same time, a manufacturing centre which contributed to the output of materials nation-wide.

Such established secondary industries manufactured materials and textiles from rubber to plastic, from box packing to soaps and detergents to paint factories. Adding to the effects of increased industrialization has been a steady influx of native workers, of which many were semi-skilled labourers and breadwinners for many families (Durban Housing Survey, 1952). Ramphele (1993) states that migration was an exclusively male institution. Ramphele (1986) further emphasizes that women are central to urban migrant work both as workers and in their roles as wives and girlfriends, as support for male migrant workers.

4.3.1 The Evolution of Social Housing in South Africa

Mabin (1986) argues that spatial structures created at Kimberley amid the 1880s point to what is perhaps the most notable beginning of urban isolation in South Africa: 'Compounds and hostels were basically the principal inflexible type of residential segregation applied in the creation of the South African city. Ordered townships were developed in the wake of that experience. In Durban, residential segregation, which it began to develop before 1900, was chiefly aimed at the Indian population. In 1871, the Durban Town Council adopted a policy of setting aside separate areas for Indians - what Swanson calls 'the first concerted attempt at group area segregation in Durban and one of the first in a major South African town'. Before 1900, the Durban local state was more actively engaged in imposing controls and restrictions on its black working class, than in implementing residential segregation.

In South Africa, the idea that the chief responsibility for housing the poorer section of the community should rest on the local authorities, was first legally embodied in the Housing Act of 1920 (Durban Housing Survey, 1952). During the fifteen years following the Native Urban Areas Act of 1923, Durban concerned itself chiefly with housing its migrant workers in hostels and compounds. Prior to the 1932 incorporation of the so-called 'added areas', there was, in fact, little demand for family housing.

According to Maasdorp (1975), the need for a residential area for blacks in Durban was recognized as early as 1863. However, despite the recommendation in the same year that land should be set aside for this purpose, the selection of a site in 1873 and further demands for a black residential area in 1886 and 1889, it was only after the turn of the century that accommodation could be provided for the natives in question.

According to the Durban housing survey of 1952, the term 'Hostel' referred exclusively to municipal owned premises which were intended to accommodate native workers of all kinds, including employees of some concerns whose own barracks were already full. In some cases, the residents paid rent, in others the rent was paid by their employers. Elder (2003) explains that the 'hostel system' was a set of socio-spatial relations, mutually constituted through heterosexual relationships, that dictated how, where and to what end work could be performed and also, that only men could live in and move through such spaces.

Maasdorp (1975) further states that, in Durban, an expansion of port activities and the initiation of municipal water and housing schemes, were creating an increased demand for black labour. During the period of 1923-37, the emphasis was on the construction of hostels and compounds for migrant workers who were in the majority. The Somtseu Road development was one of the first male hostels to be constructed under the apartheid regime and, due to the continual influx of migrant workers, in 1937, extensions were made to the Somtseu Road location and further hostel accommodation was built (Morris, 1981).

According to Maasdorp (1975), the SJ Smith Hostel for single males was built in 1950 and the Umlazi Gudeland area, adjoining Lamontville, was established as an area for permanent black housing. In Durban, the limitation of suitable building land, the ever increasing population pressure and the keen demand for building sites restricted the space available for the development of native housing areas; especially since there was strong opposition to establishments close to European occupied areas. As a result, the only available sites were on hilly and degraded land, where the construction costs were high.

Native housing differed from that of other races, not only because it was largely a responsibility of the local authority, but also because it had been focused on the accommodation of male natives of working age. Although the mobility of native urban workers was high, the need for family was not necessary (Durban Housing Survey, 1952).

4.3.2 Gender issues in Hostels

Throughout the time of apartheid, hostels were unquestionably gendered spaces. Most obviously, the vast majority of migrant worker hostels were built to house only men. This was the situation until the mid-to-late 1980s when the gender struggle arose, as women also started occupying hostel units (Elder, 2003). Elder (2003) also expresses that the gendering of spaces is more complicated when men and women are both actors on the landscape. Examining the geographies of men and women maps the gendered contrasts that existed amid politically sanctioned racial segregation. The gendering of hostel space also illustrates the typical and genuine

'sexualisation' of such spaces, which shows, that it was essential to manage hostels and recreate a specific sort of heterosexuality amongst men and women.

Elder (1990) emphasized that, after influx control was finally abolished in 1985, the free flow of women to the cities created new challenges for women in urban settings, as the competition for housing and shelter became severe. Furthermore, women, just like men, discovered that their socially marginal position under apartheid frustrated their efforts to house themselves and their families. In the post-apartheid era South Africa, the effects of the past are still felt in low-income communities.

As a spatial construct, the apartheid hostel, according to Elder (2003), is also an example of how racial exploitation occurs through the regulation of spatial processes like migration and how people are shaped by the experiences. Within the apartheid structure, women confronted, refined and restructured the hostel lifestyle. Ramphela (1993) provides a clear description of how women did so and what hostel life is like when it inclusive of both men and women as residents. Such experiences are just a few of many, which influenced the household structure of the Community Residential Unit (CRU) Programme. This can be seen in how the CRU programme also shifts away from single sex accommodation and integrates a sense of family for low-income households. The CRU Programme replaced the National Hostel Redevelopment Programme and the proposed Affordable Rental Housing Programme (DoHS, 2012). Another result of this shift is that the CRU falls in the same housing typologies pipeline as Social Housing developments.

At the local municipal level, hostel upgrading schemes require a consensus of hostel opinion (of those who live in it). It is, therefore, important to understand the social environment of hostels, before attempting to set in place consensus-building initiatives (one which speaks to the people on the ground). This means understanding the needs of the hostel dwellers, in order to make provision for liveable spaces (Elder, 2003).

4.3.3 Post-1994 Housing: Hostel upgrading

In post-apartheid South Africa, the above-mentioned definition of the housing problem does not differ and can only be viewed from the current context of socio-economic challenges facing the country, which further escalate the housing backlog.

Furthermore, 20 years into the new democratic era, the problems and iniquities of apartheid, still have an impact on the housing backlog and deficit.

According to Elder (2003), in order to understand the gradual progression of the housing need and its delivery, which has been spread throughout 20 years of democracy there has to be an understanding of the context in which the new government set itself the ambitious target of building one million houses between 1994 and 1999. This was one of three priorities mentioned in the new government's White Paper entitled 'A New Housing Policy and Strategy for South Africa'.

This new housing policy was formally recognized as the Reconstruction and Development Programme (RDP) housing, which was to be mass-produced in order to meet the specified goal of one million houses. This proved to be unsatisfactory in terms of meeting the needs of the people, therefore further housing delivery programmes were proposed and initiated. From this dialogue of broadening the meaning and understanding of the housing typologies, the Breaking New Ground (BNG) policy presented a different perspective on the efficient delivery of housing for those in need. The BNG housing programme set out a clear mandate for the facilitation of each housing typology, in order to meet the long-term goal of ending the housing backlog through the eradication of informal settlements, upgrading hostels and the construction of adequate housing (DoHS, 2004).

One of many housing initiatives proposed, was the Community Residential Unit (CRU) Programme. The CRU programme focused only on the upgrading and conversion of existing [pre-1994] hostels to community residential units. This was done in order to create a conducive environment for families to reside together. One example of this programme, was its implementation around the existing hostels, in the Rocky Park Integrated Residential Development Project in KwaDukuza. Between 2015 to 2016, the Department of Human Settlements delivered 270 community residential units – 108 in Rocky Park, 96 in KwaMashu, 16 in Dalton, 20 in Jacobs, 12 in KwaMakutha, and 18 in Austerville (DoHS, 2016).

4.3.4 Introduction of Social Housing

At the apex of the post-1994 housing strategy, was the 1994 Housing White Paper (HWP). Continued within the HWP, housing is regarded as an assortment of processes by means of which liveable, stable and sustainable public and private residential environments are made for suitable households and communities. This acknowledges that the environment in which a house is situated, is as important as the house itself in fulfilling the necessities and needs of the tenants (Housing White Paper, 1994).

When academics discuss 'housing', what they tend to mean is 'housing policy' (King, 1996). Housing is viewed as something outlined and controlled by means of policy discussions. This policy is concerned with the control of aggregates and tries to enforce and maintain standards which can affect these aggregates. There are two fundamental presumptions at work here: to begin with, housing is an abstract idea, and secondly, it is typically used as a term to refer to physical substance. Housing is a term that can be used to allude to a conglomeration of material items (King, 1996).

As Turner (1972, 1976) has expressed repeatedly, housing can also be a verb or a noun. Rather than seeing the term as being about material substances, it can be viewed as an activity: housing associations house individuals and construction of houses. It stops being just about things and becomes an activity which includes procedures and relationships (Turner, 1976).

This can be seen as a way of influencing the end result and ensure that housing becomes a process. It is also a means to convey that housing delivery programmes have to meet the resident's needs. Such influences can and should be portrayed through formulation of policies when practiced on the ground. Therefore, a broader understanding of hostel upgrading (CRU) and social housing can, like Turner's (1972) view of housing, be seen as a process. One of the fundamentals of social housing, is that occupants live in these developments with the goal of growth and being better able to meet their financial and housing needs.

Social housing is a process whereby tenants acquire a means of providing shelter for their household. The purpose of social housing is that tenants are intended to be economically enhanced by staying in such developments due to their locations. Most social housing developments are situated in the CBD and closer to places of work and

job opportunities for the tenants. According to the Social Housing Policy of 2005, locating social housing developments within the urban environment, not only aims to improve the living conditions of the occupants, but further seeks to regenerate the urban structure.

Another perception is that social housing occupants are likely to experience an increase in their incomes/salaries. This envisions, therefore, that an occupant earning within the 'gap market' (R3 500 to R15 000) income bracket will not earn the same amount for a period of more than 3 to 5 years.

From this dialogue of broadening the meaning and understanding of the housing typologies, the Breaking New Ground policy (BNG) came with a different perspective on the efficient delivery of housing for those in need. The BNG housing programme set out a clear mandate for the facilitation of each housing typology so as to meet the long-term goal of ending the housing backlog through the eradication of informal settlements, upgrading of hostels and the construction of adequate housing (DoHS, 2004).

Social Rental Housing is a housing instrument developed and managed mainly by non-profit SHIs', whilst catering for households with monthly incomes between R1 500 and R7 500 (BNG, 2004). The SHI needs to be accredited by the SHRA as a means of qualifying for the Capital Restructuring Grant (CRG). The financing for this programme comes from institutional subsidies (from the DoHS), CRG and loans that the housing institutions have to obtain to cover the development cost. KZN Human Settlements have been delivering social rental housing on an ad hoc basis without a strategic plan that remains based on scientific research. Historically, social housing remained delivered by the eThekweni Metro and Msunduzi Municipality. The delivery agents of social housing were limited to the Msunduzi Housing Association, First Metro Housing Company and SOHCO Housing Company. The current delivery agents are over-stretched and cannot meet the annual targets of delivering 2 100 social housing units (Tomkins, 2008).

Wicht (1997) suggests that the key aim of Social Housing is to give another tenure choice to low-income households other than the one plot, one house ownership approach offered through the RDP housing, thus giving low-income households more housing options. It is also a vehicle for encouraging the regeneration of inner city

densities, as well as a push to address the issues of poor people who move to the urban communities. Furthermore, the author explains that there is a need to move perceptions away from believing that public rental housing is the same as social housing, which was managed in an exceptionally poor manner and brought about disintegrated social housing conditions. Wicht (1997) goes on to state that Housing Association administration expertise and abilities are basic requirements for the achievement of social housing and, if sufficient capacity is not created from the onset, slum conditions will be the result. Institutions that can give training, need to create suitable projects with additional training becoming a part of the project cycle from an early stage (Wicht, 1997).

According to Tomlinson (2001), in the era of the 1990s', one of the major hurdles in the delivering of social housing was the lack of institutional finance (banks). This was a result of their negative experience with non-performing loans in the townships, which, make these institutions unwilling to make development loans available to emerging social housing institutions. Many of these had unproven track records of how they had perform with regard to their finances. Secondly, the collection of rentals was another key risk for lenders.

South Africa's growing culture of non-payment, whether for rates and taxes, service provision and especially for government-provided rental stock, remains one of the many challenges affecting social housing (Tomlinson, 2001). In 1998 evidence gathered by the then Department of Housing from interviews with local government officials highlighted that there was a keen desire to rid themselves of the task of managing rental stock. Most of this rental stock was located in the townships and had been delivered under the previous regime (apartheid). These officials were also not keen to be directly being involved in any new housing delivery programmes.

Tomlinson (1998) maintained that the reason for this included the inability to collect rentals, as well as the difficulty of maintaining the stock and administrative challenges of determining who qualified for tenancy. The Housing Development Agency (2013) report concludes by noting that 'there remains much to be debated regarding why tenants live in social housing in a specific area, what influences this decision and why they would favour one area over another, if a choice exists'. Furthermore, the report communicates the concern that more research is required. This will monitor what

drives households to make decisions about entering social housing. When taken into context with the proposed study, the above then becomes a key informant to confirm the reason why households make such choices, only to default on the rentals or face eviction as time goes on. Are these a result of the tenants not having enough information about their rights, obligations and the importance of making payments or is it due to a lack of financial security and stability? Or, is it another outcome of the culture of non-payment.

Moreover, the issue of rental payments is a matter which also existed in the early days of European Social Housing, and the literature seems to point out there were many causes of this on-going dilemma. As a relatively rare asset, and with regards to expanding welfare spending, social housing has frequently been conceptualized as a 'position of disappointment' by the political realm. The centre for Social Justice (2008) contended that the issues of Social Housing areas (unemployment, crime etc.) identified with long term procedures of residualisation, whereby throughout the years, better-off family units had moved out of the social housing or acquired their homes under the 'right-to-buy' scheme, and poorer, needier families had moved in. For some traditionalists, social housing is a final resort, which can support aspiration, hence:

“The period in which a tenant finds themselves in social housing must be used to build aspiration, not stifle it. Wherever appropriate, social housing is a step on the property ladder, used for shorter periods, to help people in crisis or to overcome homelessness. It should be a dynamic resource, playing a part in helping people get back onto their feet, either by working their way from social tenancy, then to shared equity and finally outright ownership” (CSJ, 2008, Pg. 9).

This then looks back at the objectives and agenda of the social housing policy and features mentioned in the BNG, which constantly reinforces the need for social housing to be the initiative which revitalises the housing sector, as well as urban restructuring. Initially social housing was brought about as a means of providing better solutions for the eradication of informal settlements, especially where the upgrading of these settlements would occur on well-located land (Restructuring Zones) as a means of optimizing location value for the beneficiaries. Another component of the social housing instrument was for inner city recovery, in which social housing would

be viewed as an intervention that can make a solid contribution to urban renewal. Social housing interventions may likewise be utilized to encourage the securing, rehabilitation and transformation of empty office buildings.

The Department of Human Settlements authorized the SHRA to build up a five-year Rental Strategic Plan 2012-2017. The purpose was to distinguish the supply and demand in rental housing and projects that are 'ready to go projects', as well as potential activities in six certified districts, specifically; uMhlathuze, Newcastle, KwaDukuza, Hibiscus Coast, Ladysmith and Msunduzi. These municipalities initiated and identified Restructuring Zones (which are ring-fenced bundles of land in well-located areas for social housing development). Keeping in mind the end goal to upscale delivery, a booster team was also established (Tomkins, 2008).

This booster team will help with packaging projects, helping municipalities and monitoring projects. Two developments within the eThekweni Metro presently under development, are Lakehaven Stage 2 that will yield 272 units, at an aggregate estimation of R79 852 000 and Avoca Heights with 520 units, at an aggregate estimation of R151 688 000. First Metro Housing Company manages both projects. SOHCO was not able to deliver any new units in 2012/13, given the fact that they had to deal with rent payment boycotts at Port View, Valley View and Hillary. Consequently, SOHCO has been focusing on eviction of tenants that have defaulted. The rental strategy has created a road map for the department in terms of delivering rental accommodation (Ngcezula, 2009).

The KZN Social Rental Strategy was launched during 2013/14 by the MEC of Human Settlements. The strategy features many sections aiming to enhance the social housing delivery environment, and outlines criteria for the realization of this aim. In the section concerning the delivery of social housing, the capacity of districts (municipalities) and management agencies to deliver rental-housing projects is assessed. The management agencies include SHIs, the formal private sector and informal private sector (or small-scale rental sector) (DoHS, 2009).

The ability to deliver physical stock has been a focal point when evaluating the institutional capacity of management agencies. Nevertheless, the challenge is their ability to deliver on the long-term management of built stock and linked tenancies. The assessed SHI delivery agents were the three already existing SHIs namely: First Metro, SOHCO, and MHA (DoHS, 2009).

Strategically, the Province is the key driver for the delivery of rental housing in KwaZulu-Natal. Municipalities are the delivery agents that take initiative and direction from the Province. Provinces, then, is the main thrust and gives the mainstay of support to rental housing delivery in KwaZulu-Natal. The Provincial rental housing approach should be created, keeping in mind the end goal to understand the mandates of the Rental Housing Strategic Plan 2012-2017. Such an arrangement must address the issues of land release, municipalities, SHI, private sector participation, creative innovation concepts and institutional capacity (DoHS, 2009). With this in mind, metropolitans gearing up to make provision of social housing which caters for income bands that are over-looked by most housing programs, one being the 'gap market'.

The 'gap market', in South Africa, is a term that portrays the deficit in the market between private units provided by the State and house delivery by the private sector. The gap housing market involves individuals who commonly earn between R3 500 and R15 000 every month, which is too little to enable them to participate in the private property market, yet in excess of the criteria for state help (GCIS, 2016).

Gap housing is a strategy that addresses the housing aspiration of individuals, for example, medical practitioners, firefighters, educators and individuals from the military, who earn between R3 000 and R15 000 every month. These people do not meet the requirements for RDP houses, but don't earn enough to qualify for home loans either (GCIS, 2016).

The Income and Expenditure Survey (2005/06) confirms, that while households earning less than R3500 qualify for the government housing subsidy (64% of the population), the cheapest newly built house (at about R230 000) is affordable at current finance rates for this market, and to households earning about R9000. This means that households earning between R3500 and R9000, key public sector workers and labourers, are too well-off to qualify for a housing subsidy, but

too poor to afford a newly built house available on the market. This then, is the gap market (CAHF, 2009).

However, the Income and Expenditure Survey also shows that 15% of those earning R3500 – R8000 and about 4% of those earning R8000 – R12 000 live in informal housing, their income notwithstanding. Some households' live in overcrowded conditions, or inadequate structures, and some rent accommodation. This points to a problem with supply: there are not enough affordable houses to meet the demand in this market (CAHF, 2009).

A further category of supply relates to rental housing. While this is not specifically tracked, it is possible that some of the new construction highlighted by Stats SA will be offered on a rental basis, to those who can afford it. This may mean that some of the delivery in the flats and townhouse category (25 981 new flats and townhouse units were delivered in 2008) may have been for rental purposes, and possibly in the affordable market. However, research undertaken for the SHF in 2008 found a significant shortage of rental accommodation, if not countrywide, then certainly in large urban areas (CAHF, 2009).

While an estimated 20% of the South African population (about 2.4 million households) rents their main accommodation, over 25% of these are shacks and backyard dwellings. According to the SHF, state-subsidised rental housing as offered by the 56 social housing institutions in South Africa, accounts for only 53 000 units. Private institutional landlords, operating in some of South Africa's larger inner cities, provide unsubsidized rental accommodation to the low-moderate income market; however, the scale at which they operate, is too insignificant to meet the demand. The SHF report found that the bulk of residential rental stock in South Africa is provided by smaller private investors, including households (CAHF, 2009). As the years have gone by, the status quo has not seen much change in such challenges, but it is worth noting that current delivery agents (SHIs) work tirelessly to mitigate such problems and aim at alleviating such issues through state intervention and private institutional funding.

Some Metro 'gap market' residents from already disadvantaged background live near their work places. However, they are tenants in rental accommodation where they pay leases at commercial rates, which does not consider their income. Subsequently, some of them struggle to pay the rent and feel compelled to sacrifice certain necessities to pay the rent because of a fear of eviction (Royston, 2009). Obviously, this gap market's housing needs to be provided for under Social Housing in the Nelson Mandela Bay Municipality (NMBM).

Social Housing is intended to address structural, financial, social and spatial dysfunctionalities in this manner, adding to government's vision of a monetarily engaged, non-racial and incorporated society, living in sustainable human settlement. Social Housing in the Nelson Mandela Metro has taken off gradually when contrasted with the advance made by the Buffalo City Metropolitan Municipality (BCMM) (Ngcezula, 2009).

This is because of a number of problems:

- Lack of local authorized social housing associations to provide social housing developments. Henceforth, one of the greatest social housing developments, Park Towers, is possessed and overseen by an East London-based social housing association.
- The stakeholders of social housing in the metro work in disconnection. There is no common vision and coordinated arrangement at any given time.
- The social housing policy of the Nelson Mandela Metro does not communicate viably to all of the partners and occupants of the Metro.
- Lack of political will to site low-income households on well-located land.
- Lack of co-operation between the Eastern Cape provincial government and local NMBM government as far as social housing is concerned.

The World Charter on the Right to the City (as tabled at the World Urban Forum in Barcelona in 2004) states that urban areas must consent to their social capacity, including the even-handed right to the city's financial assets and culture, while likewise guaranteeing biological and social affectability (Royston, 2009).

Social Housing ventures provide for families earning between approximately R3, 500 and R8, 500 every month, as they should have the ability to pay rent and rates. Very few Metro families are in this income band with some earning below R3, 500 and being assisted by the RDP housing schemes. This implies that Social Housing developments in the Metro may not effectively provide housing for the extremely poor. In this way, most of the Metro's poor experiences exclusion from the city and will live far from areas that offer major financial assistance (Ngcezula, 2009).

According to Smith and Oxley (1997), investment in social housing relies on the provision of finance and on political and authoritative choices about the utilization of those funds. The procedures, by means of which social housing investments occur and the contribution of social housing investing within housing projects, changes extensively from nation to nation. (Smith & Oxley, 1997). This is not very different for South Africa's Social housing initiatives, as within SA the use of the institutional subsidy and private investments are key for its development.

The significant move in housing policy has been from public sector-driven mass housing, to developer-driven incremental housing, which plans to draw in the support of formal financial institutions. Under the new political administration, urban and housing policies have fundamentally moved from the politically sanctioned racial segregation attitude, to perceiving that the dysfunctional and unsustainable urban areas should be tended to with urgency. Social housing is a generally new idea within formal housing policies, despite the fact that it is not another new approach in South Africa.

From as early as the 1920s, social housing has been sought after formally and informally. It was utilized to address the issues of poverty that had emerged as a result of war conditions (Wicht, 1999). The Valley View & Port View areas are the case studies, which will be utilised in this dissertation, as a way of exploring-post implementation administrative approaches and challenges.

In light of this information, of those households who rent, roughly 51% when compared to more than one million households, earn between R1, 500 and R7, 500 – the existing bands used to describe households who fall into the social housing target market and for whom some type of rental subsidy is given. This incorporates the institutional subsidy, as well as a capital grant-restructuring subsidy, while a further 27% earn

under R1, 500 each month. A moderately low extent of the market (just below one quarter) earn above R7, 500 every month and would be considered, from a policy's point of view, to be the market for private formal rental accommodation (Social Housing Foundation, 2008). The above represents the level of income distribution among those who are able to afford social housing rentals.

4.3.5 Case study: Candella Road Social Housing Project

Candella Road is a Greenfield social housing project, situated in Cator Manor Bonella, roughly 6 km from eThekweni municipality's CBD. The development fell under the Presidential Job Summit Pilot Program (PJSPP), which distinguished housing as one of the key instruments that could be utilized to empower socio-economic growth through the arrangement of low cost housing, utilizing the concentrated labour technique.

The development was initially started in 1991 when then the House of Delegates proposed the provision of residential units in the Candella Road are. However, the proposal got no further than site preparation and in 2001, the KwaZulu Natal Department of Housing approached Motheo Construction Group (MCG) with a requested to present a proposition for the improvement of Candella Road. Changes in local government caused the project's postponement until late 2003, when the eThekweni Municipality's Housing segment asked that the development be sped up, under the support of the eThekweni Housing Association (eTHA) (Ladysmith Local Municipality, 2011).

Notwithstanding the above mentioned issues, the project additionally endured additional delays because of land releasing. The granting of land to the housing institutions was postponed and the land was eventually exchanged and notorially tied to eThekweni Metro (EM) in March 2004, which allowed the start of the development. The affirmed subsidy value for the development was, by then obsolete and the eThekweni Housing Association was no longer operational. The Project was subsequently moved to the EM Housing Department.

Prospective tenants were screened to help accomplish a racially integrated community whose household incomes were between R3500-R7500/month and met subsidy

criteria. The rental amounts for units are R750 and R1000 per month for a one and two-room unit respectfully. Rentals take care of organization costs, operations and maintenance, and, ideally, are a benefit to be utilized to capacitate the SHI. The development carried out, done to some degree, by MCG, but the obligation to deliver lies with the EM, which claims to have the ability to provide such services, since they service other housing schemes (Ladysmith Local Municipality, 2011).

The distribution of units proved to be a controversial issue at Candella Road, which resulted in mass protests in January 2008, prompting the quick occupation of units. EM contends that occupants were drawn from a referral system which included anybody who showed interest. The Ward Councillor instituted a protest against the official opening of Candella Road and this prompted vandalism which lasted about ten days causing much damage to the structures and boundary fencing. The Ward Councillor felt that individuals in his/her Ward ought to have been consulted and to have been prioritised as qualifying tenants. In any case, it appeared that there had been a communication breakdown where information had been not sufficiently distributed to the individuals from the Ward (Ladysmith Local Municipality, 2011).

EThekweni Municipality said Council components and strategies are set up for this kind of communication to occur. Those recipients who have been apportioned residences to date in the development, have taken occupancy – these were only a handful by the middle of February 2008. A tenant interviewed (name withheld) communicated concern over the misallocation of unit size to her family needs (single parent with two young boys allocated to a one-bedroom unit). She appeared to be unaware of any procedures available to express her discontent.

4.4 Legislative framework

4.4.1 The Constitution of the Republic of South Africa (Act no. 108 of 1996)

The Constitution of the Republic of South Africa (Act no. 108 of 1996) mandates the following with regards to housing:

Housing 26. “(1) Everyone has the right to have access to adequate housing. (2) The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right. (3) No one may be

evicted from their home, or have their home demolished, without an order of court made after considering all the relevant circumstances. No legislation may permit arbitrary evictions” (Constitution of the Republic of South Africa, 1996, pg. 9).

The Constitution of the Republic of South Africa (Act no. 108 of 1996) obliges the state to enhance living and working conditions on an equitable and maintainable premise, so that everybody will have adequate shelter. Such shelter has to be healthy, sheltered, secure, available, affordable, and this incorporates essential administrations, offices and comforts and enjoys freedom from exclusion in housing and lawful security of tenure (Public Service Commission, 2003 cited in Ngcezula, 2009). This, therefore, entitles the recipients of social housing schemes to the right to adequate housing, which meets their needs, as well as caters for their specific income bracket. Such rights influence the rental housing tribunal in resolving instigations between SHIs and beneficiaries, placing eviction as a last resort, once other channels and methods have been exhausted.

4.4.2 The Social Housing Act 16 of 2008

The Social Housing Act 16 of 2008 standouts amongst the most vital pieces of law enactment by the democratic government of South Africa. The Act advances the target of good financial management in order to amplify service delivery through the effective and productive utilization of restricted resources.

The Social Housing Act 16 of 2008 was an instrument enacted as a means to which the operation of all social housing entities would be efficiently regulated and to inform the sector about the roles and responsibilities of such entities. The Social Housing Act intends to set up and advance a manageable social housing environment. It characterizes the elements of the national, provincial and local spheres of government in regard to social housing (DoHS, 2012). Like other forms of legislation, it facilitated the creation of the Social Housing Regulatory Authority (SHRA) to control all social housing institutions receiving or having received public funding. It also considers the undertaking of approved projects by other deliver agents who benefit from public funding. Furthermore, it gives statutory acknowledgment to social housing institutions (Social Housing Act, 2008).

The Act also makes provision for the acknowledgment and accreditation of SHIs. In providing specific information regarding the capacities and duties regarding the three spheres of government, the Act requires that the national government, in addition to other requirements, make the kind of legislative, regulatory, financial and policy frameworks that will empower the sector to experience growth. The Act's major purpose is the establishment of SHRA, according to the Public Finance Management Act (PFMA), 1999 (Act 1 of 1999), and is, in addition to other matters, in charge of certifying SHIs', directing and dispensing capital and institutional funds, as well as observing compliance with standards and models through regular reviews. It has powers to intercede in the issues of SHIs, resolve maladministration issues and take remedial action where needed (DoHS, 2012). Within the understanding of the study, the Social Housing Act states that SHIs' may be administered by the SHRA and, therefore, the study will explore how such challenges have arisen, despite the existence of such an organisation.

As indicated by the Social Housing Act 16 of 2008, the social housing program looks to give 'rental or co-operative housing' alternatives for low-income workers provided by authorized Social Housing Institutions (SHIs') and in designated restructuring zones, (RZs') of which eThekweni Municipality currently has 19. Restructuring Zones are defined as 'geographic areas identified for targeted investment based on the need for the social, spatial, economic restructuring of areas' (Social Housing Act, 2008). South African rental housing incorporates the updating and development of existing rental units and hostels, while social housing gives rental or co-operative housing alternatives for low-income individuals, generally characterized as those whose household income is between R3 500 to R7 500 a month.

4.4.3 Social Housing Policy

According to Ngcuka (2010), the Social Housing Policy framework is perhaps one of the cornerstone policies within the social housing sector and is a precursor to the Social Housing Act. Its focus is on the administrative, institutional, and finance related parameters required to build up this sector and it recognizes the requirement for satisfactory control of the social housing sector. The target of the Social Housing Policy (2005) is to encourage the creation of viably manageable institutional housing,

in areas where demand for institutional or managed housing of various types exists. Social housing may take different forms, and it is fundamental that social housing innovations be conceptualized extensively, in order to guarantee the incorporation of all income brackets (Hopkins, 2006).

Social housing intends to include a scope of typologies (e.g. multi-level apartments, hostels and room accommodation), and tenure alternatives (e.g. rental, co-operative housing and rent to buy) to meet spatial and affordability measures. The new subsidizing mechanism should be an attempt to move away from uniform individual subsidies, towards equity support for social institutions (Social Housing Policy, 2005). Building institutional capacity and the promotion of private sector inclusion in social housing, are areas of focus that require more prominent consideration in the future (Hopkins, 2006). Rental housing is one of the instruments used to provide secure tenure and the target group for rental housing is very specific, as it consists of households earning between R3, 500 to R7, 500 per month, many of whom need short to medium term housing (SALGA, 2009). For the purpose of this study, the policy will help to emphasize the standards and methods in which social housing must be measured, in order to assess the challenges. Furthermore, the study also will analyse the extent to which SHIs use the principles set out by the policy.

4.4.4 Rental Housing Act 50 of 1999

The Rental Housing Act, 1999 defines the responsibility of the government with respect to the rental housing market. It creates mechanisms to advance the provision of rental housing property and promotes access to adequate housing by working to ensure proper functioning of the rental housing market. The Rental Housing Act has two major functions which define its existence. Firstly, it defines the responsibility of the government with respect to rental housing, in order to promote the provision of such housing.

Furthermore, the Rental Housing Act promotes access to adequate housing by means of creating mechanisms to ensure the proper functioning of the rental housing market. The Act then lays down general principles governing conflict resolution in the rental housing sector so as to provide for the facilitation of sound relations between tenants and landlords (Rental Housing Act, 1999).

It can be noted that the Act also provides for situations whereby there are disagreements between the tenant and landlords, as the Act made provision for the establishment of Rental Housing Tribunals. It defines the functions, powers and duties of such tribunals and lays down general principles for conflict resolution. Within the dissertation, the Rental Housing Act will assist in assessing the way in which beneficiaries can or may be obligated to perform certain roles in social housing developments, and to set out the relations between the roles and responsibilities of both beneficiaries and social housing institutions (Rental Housing Act, 1999).

4.4.5 Rental Housing Tribunal

The Rental Housing Tribunal component regulates good relationships between tenants and landlords by implementing pre-emptive and pro-active measures. The responsibilities undertaken include:

- Administer all disputes between landlords and tenants in residential properties in KZN.
- Market and promote the Rental Housing Tribunal and its activities to the public and stakeholders.
- Provide efficient, effective and economic administrative support functions to the KZN Rental Housing Tribunal established in the terms of Section 4 of the Rental Housing Act.
- Facilitate the full participation of municipalities in the implementation of the Rental Housing Act.
- Identify and develop specific programmes aimed at enhancing the service delivery capacity of social housing institutions.
- Educate tenants and landlords with regard to their rights and obligations, with particular emphasis on the social housing environment.

There is still an increase in the amount of complaints by tenants against SHIs. A joint intervention between the Rental Housing Tribunal and the social housing sector has been built up to teach both occupants and SHIs about their rights and obligations, as far as the Rental Housing Act no. 50 of 1999 (Rental Housing Act 1999) is concerned.

4.5 Conclusion

The literature review has revealed that the administrative challenges which affect social housing are rooted in the administration of the social housing units. This, however, is not unique to South Africa, as countries such as Germany and the Netherlands also face a number of obstacles. These challenges impact negatively on the maintenance of social housing units and on how the tenants fulfil their obligations (rentals). This chapter focused on some of the critical areas that should be examined during the implementation phase, in order to avoid such issues from being experienced at a later stage (i.e. the post-implementation stage). The literature study revealed that administrative challenges/issues are critical for any social housing development to be seen as successful or as a failure. A social housing development, which is able to start things off on the right foot, may avoid running into such challenges and create successful relations between the social housing institutions and the tenants.

Chapter Five: Historical background of Study Areas

5.1 Introduction

This chapter presents a description of the selected study areas and highlights the relevancy of these study areas, in relation to the topic of the dissertation. For this study, two areas have been selected as case studies. The social housing developments of Port View and Valley View, these are examples of how social housing schemes have been developed to meet the needs of the 'gap market' and this may be seen in how such housing developments tend to cater for their beneficiaries. The above social housing schemes are two of many developments within the city of Durban.

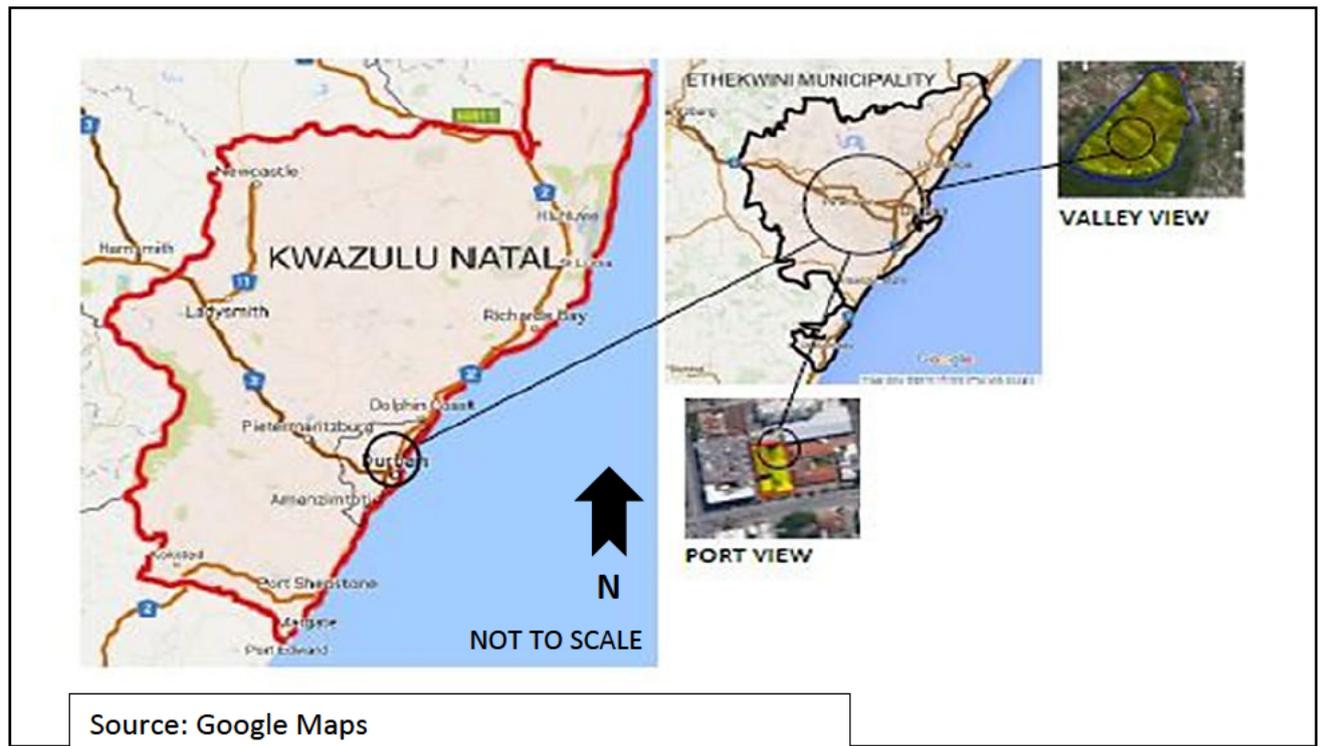
The city of Durban is one of the few cities in South African which has considerably increased its economic and infrastructural growth over the past decade. In that sense, Durban has been an attraction for many who decide to seek work opportunities. This, in turn, has had an impact on the housing backlog where social housing was introduced to regenerate the inner cities through the provision of affordable housing to those who meet the requirements (eThekweni Municipality, 2006).

5.2 Background of Durban

eThekweni Municipality is a metropolitan municipality created in the year 2000 and includes the city of Durban (see Map 5.1), as well surrounding towns and rural areas, occupying 2,292 square kilometres. It is situated on the east coast of South Africa, in the province of KwaZulu-Natal (KZN). As one of 61 municipalities in KwaZulu-Natal, eThekweni is the largest in the region and the third biggest city in South Africa. It has the busiest harbour in South Africa and is a noteworthy tourism destination because of the city's subtropical climate and extensive shorelines (eThekweni Municipality's IDP 2011/2012).

Durban has the distinctive characteristic of being the third most densely populated city in the country, following the City of Cape Town, which is the second and the City of Johannesburg, which has the largest population. The city's most important resource is its port, as it is the biggest and busiest port on the African continent. Durban, therefore, dominates in numerous different areas in South Africa, with regards to its imports and exports industry (MILE, 2011).

Map 5.1: Locality Map



5.2.1 Role of Durban

Durban is in the province of Kwa-Zulu Natal, once known as the Natal Colony, and the previous land of the Zulu King, Shaka. Appreciated for its warmer climate, Durban is situated along the broad Kwa-Zulu Natal coastline and is the busiest port in Africa. Durban is situated on the eastern side of the country, roughly 600 km south of the city of Johannesburg. It is the biggest city in KwaZulu-Natal, and one of the country's primary coastal resort communities, with fabulous shorelines and an unmistakable tropical atmosphere. Durban is one of the most rapidly developing urban zones on the planet (NDA, 2007).

The eThekweni Municipality stands as the most economically dominant metropolitan area in the province of KwaZulu-Natal. The role of the city in KwaZulu-Natal may be viewed as fundamental because of its extensive 'total national output' (Gross domestic product) commitment from tourism, manufacturing and its port bringing in goods (eThekweni IDP, 2010–2011). Pathways of territorial improvement have been developed between Durban and Richards Bay, Durban and Maputo as well as Pietermaritzburg and Johannesburg (eThekweni Municipality, 2011).

5.2.2 Infrastructure in Durban

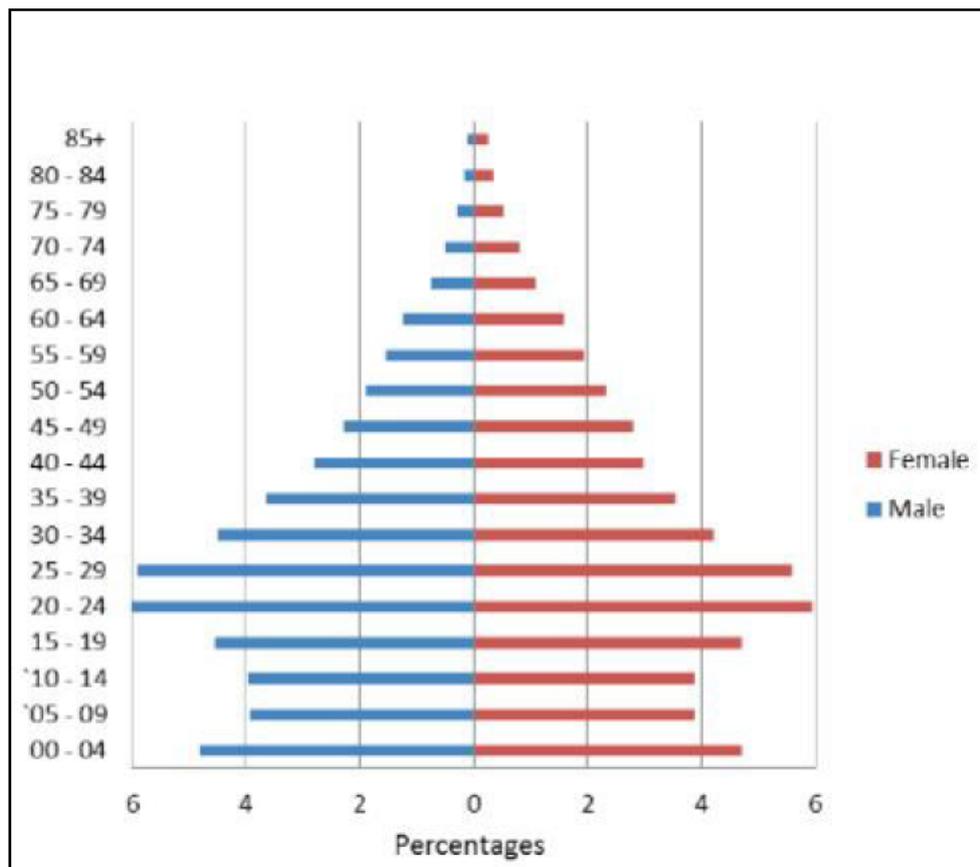
eThekwini Municipality is the biggest of 11 local regions in KwaZulu-Natal. It stands encompassed by ILembe Municipality toward the north, Ugu Locale Municipality in the south, uMgungundlovu Area Municipality toward the west and the Indian Ocean toward the East. Surrounding regions frequently look for support from eThekwini District on various specialized improvement zones, for example, water and sanitation administration, toxic waste administration and Coordinated Advancement Organization. eThekwini is perceived as the major city that gives specialized civil support to neighbouring municipalities and other developing African urban areas, at no cost (MILE, 2011).

eThekwini is well-served by railways because of its position as the biggest trans-shipment point for products from within South Africa. Transnet operates long-distance traveller rail services from eThekwini to different parts of the country, while Metro-Rail works a suburban rail service within eThekwini and its encompassing areas. The city's prime position as a port of entry into the Southern African mainland has, likewise, prompted an advancement of infrastructure, including national roads. Nevertheless, while eThekwini is an industrial centre, a noteworthy seaport, and a year-round resort, it remains surrounded by oceans of poverty and underdevelopment (MILE, 2011).

5.2.3 Durban Statistics

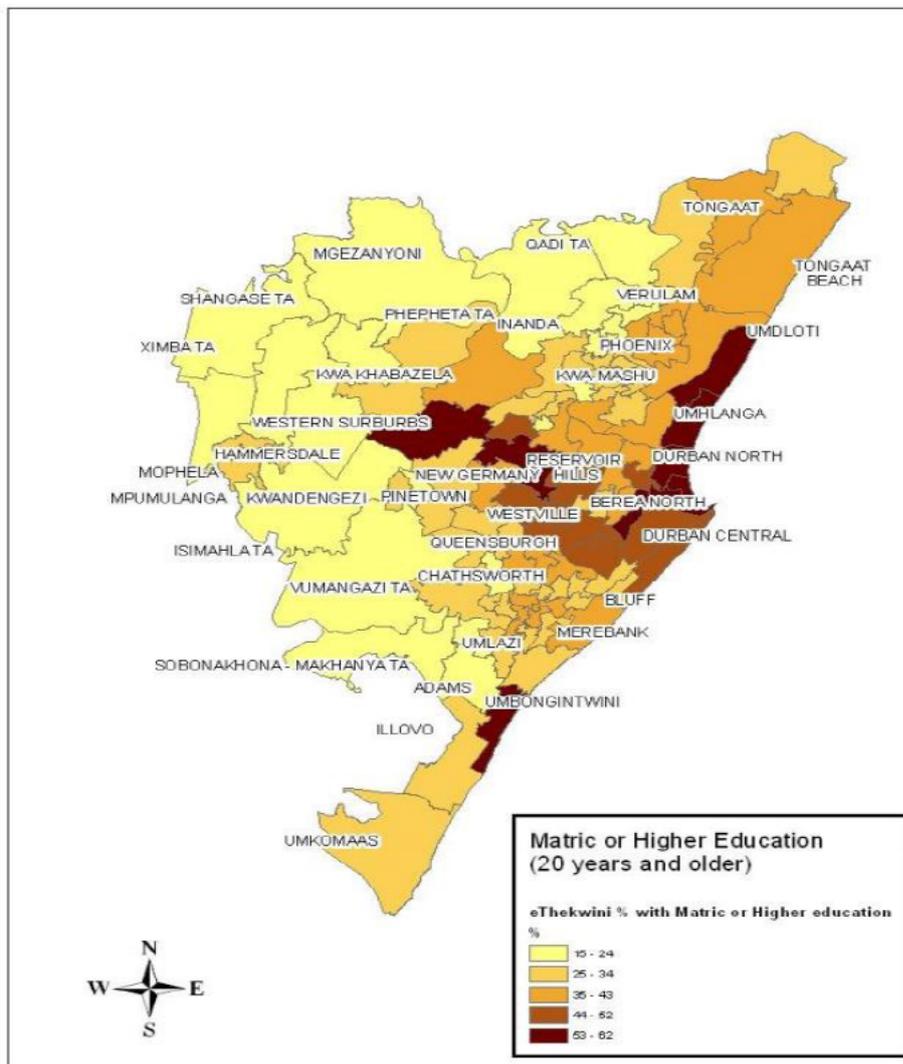
The gender distribution of the population of Durban appears to be fairly equal. In terms of gender, the municipal population comprises 49% males and 51% females (as seen in figure 5.1). In eThekwini, females have a greater life expectancy than males, as can be seen in the population pyramid which demonstrates that there are larger numbers of females than males in the age groups from 50 years and older. The gender ratio for the eThekwini population is 96 males per 100 females (eThekwini municipality IDP, 2016/17).

Figure 5.1: Population Pyramid



(Source: eThekweni Municipality, 2016)

Figure 5.2: Education levels of eThekweni municipality



(Source: eThekweni Municipality, 2016)

Figure 5.2 shows the education levels of the municipality on a holistic perspective. The percentages represented are of those who have acquired a matric and tertiary level education.

For eThekweni Municipality, migration of population to the city of Durban is an essential element contributing to population growth. Urban migration has major implications for the work force, social services, urban infrastructure, and housing and essential family service backlogs. This in turn means that the city of Durban will have to make further provisions in order to facilitate the delivery of services, which will serve the ever-increasing population within the municipality (eThekweni Municipality's IDP 2016/2017).

5.3 Housing in Durban

In the years following World War II, the historical backdrop of Durban remained characterized, to a great extent, by the use of politically-sanctioned racial segregation, and the struggle for equality for all that followed. Today, this legacy has brought about the development of extensive shack settlements throughout the region (eThekweni Municipality, 2016). As the Group Areas Act was implemented, the City Council decided to build communities that were more formal and constructed large townships to house African workers both north and south of Durban (eThekweni Municipality, 2016).

In 1994, South Africa had its first democratic elections, which changed the tone and nature of Durban. In 1996, Durban experienced rapid growth by means of becoming the Durban Metropolitan Region, or Durban Metro, and including extensive zones north, south and west of the city. Four years later, a further extension brought about the comprehensive Durban Unicity (eThekweni Municipality, 2016).

To date, the Municipality has delivered roughly 180 000 homes and is presently delivering houses in the provincial zones, as well as 25 000 units planned for the Cornubia development. Furthermore, 2 385 Community Residential Units have been delivered as a component of the hostel upgrading project and nearly 22 000 rental units were allocated to occupants (eThekweni Municipality's IDP 2016/2017).

Although the municipality has endured many challenges during the process of eradicating informal settlements, it has, nevertheless, made some changes to improve conditions in informal settlements. For the time being, interim measures, such as, ablution facilities with male and female toilets and showers, refuse collection services, pedestrian paths with water channels, restricted street access for emergency and solid waste vehicles, firebreaks, and a work based maintenance program, have been rolled-out to existing informal settlements (eThekweni Municipality's IDP 2016/2017).

5.4 Need for Social housing

The issue of affordable housing has been debated for many years in order to find approaches to better prioritise this issue on countries' national plans. The legislative issues of housing affordability are complicated, as housing is a substantial cost with which numerous families generally struggle. While this issue should be a priority in national legislative issues, the opposite is commonly the case (Lang et al, 2008).

According to Turffrey (2010), housing costs have risen drastically in relation to income; the more individuals there are with better-paid jobs, the more the cost of housing increases. This suggests the individuals who could manage the cost of housing in the past, are no longer financially able to bear current costs. Moreover, the private sector shows a lack of leniency concerning this issue and a large number of tenants are unable to bear the cost of rental leases. For needy individuals in the city that cannot bear the cost of housing, informal (shacks) housing is frequently their only option.

Arrangement of direct housing by the state, has regularly brought about substandard construction of units that, for the most part, fall beneath acceptable living standards. Private landowners who attempt to redesign their units and rent housing, frequently target the more affluent and profitable customer base (Freeman, 2003). Affordable rental housing projects were started with complete government control by provision of fixed cost rental housing. The state has, from that point onward, moved from direct housing provision, to working with local associations (SHIs) to fabricate affordable housing units by means of legislation and social housing projects. Such housing programs aim to provide housing which serves those in the housing gap – who earn too much to benefit from the RDP or BNG program, but not enough to access the private sector.

5.5 Background to Study areas

The social housing developments used as a reference for the study are located within the CBD of the eThekweni municipality. First is Valley View, which is located one block up from the popular Addington Beach and a 3-minute walk from uShaka Marine World. The second is Port View, which is situated in the inner city zone, within a walking distance from work, recreational, health, shopping and some educational facilities.

Social luxuries and an inner city park frame some portion of the area. EThekweni Municipality is a 'Classification A' district found in the South African province of KwaZulu-Natal. The territory is geologically hilly, with many chasms and gorges, and no genuine beachfront plain.

5.5.1 Creation of Social Housing

In the city of Durban, the provision of social housing exists through two methods, first is the use of 'green-field' sites and second is the use of 'brown-field' sites. Both of these were used by SOHCO in order to develop the Valley View scheme and in the conversion of an existing building to establish the Port View social housing scheme. Within the CBD, the acquisition and development of existing buildings recognizes that redevelopment and reuse is good for the environment, the community, and the economy (SHI's cash flow) (Lichtstein, 2012).

5.5.2 Status of beneficiaries

The beneficiaries (tenants) of the Port View and Valley View developments were selected upon the basis that they made applications to SOHCO to for social housing units stating that they were willing to pay monthly rentals. The tenants of the developments were required to meet the criteria of being middle-income individuals – or households. These individuals were selected on a first come, first serve basis, with the exception of the tenants who were allocated units after the eviction of other tenants, who had defaulted in their payments.

Furthermore, the tenants of SOHCO's developments are acquired to undergo training workshops, as a means of making the tenants aware of their rights and responsibilities. The allocation of tenants then follows. To date, it is reported that many tenants have stayed in the social housing units for more than 5 years and for some, the number is more than 8 years of paying rentals by the tenants (beneficiaries) within these two developments. However, due to the economically stagnant climate, their living conditions have not been enhanced by living in social housing developments. This amongst others, is listed as a benefit of living in social housing, as stipulated in the

Social Housing Policy 2009. Unfortunately, this has not been realised by the tenants of SOHCO's social housing developments.

During the study, the researcher discovered that there were quite a lot of single parent households; some with one parent plus child and other households there was a combination of a parent and four children. Some of these children were those of relatives who are living in rural areas, while their children received education in the CBD. This was a move (migration) that parents (tenants) regarded as vital; A child must not be deprived of a good education, when there are people who are aware of better opportunities.

Many tenants live in social housing developments because of developments like 'Port View' being located within the CBD, near places of work and closer to job opportunities. This means that social housing does not just provide an affordable housing option, but also enhances the living conditions of the tenants. This is because the tenants pay cheap rentals and have better infrastructure and municipal services. Furthermore, this location also can be used as access to well-regulated transportation.

The current living conditions of the tenants seem clouded by many social ills and anti-social behaviour. Many tenants within the development fail to get along with one another; this could be caused by the abuse of drugs and other illegal substances. The levels of noise and crime around the developments are also an influencing factor in how tenants view one another.

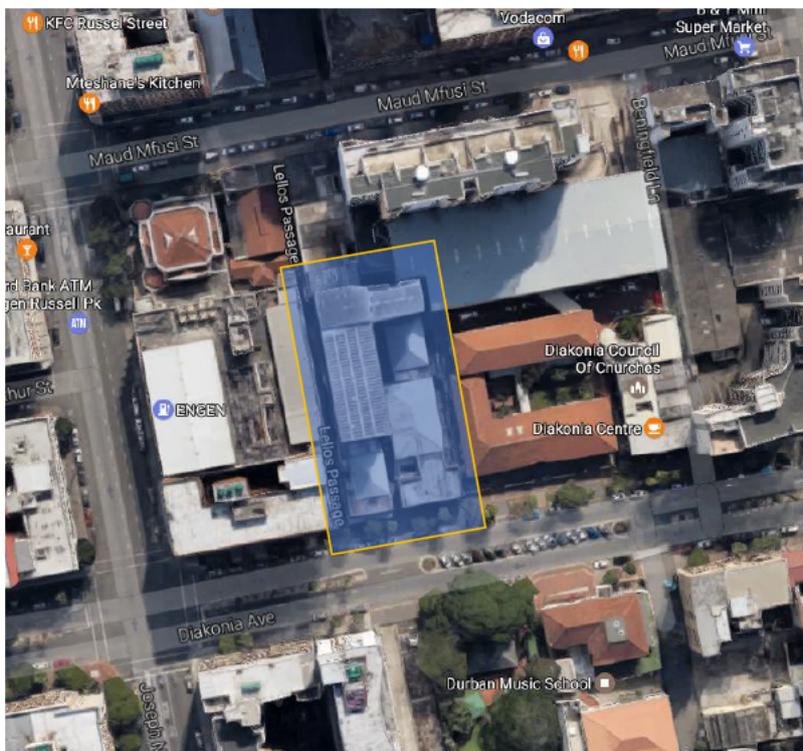
5.6 Study Area 1: Port-View

Port View is a 142-unit CBD development between St George's Street and Diakonia Avenue (see Map 5.2) that has resulted from the conversion of four buildings to affordable rental residential units and ground floor business units. Port View is situated in the CBD area, within a short walking distance from work, recreational, health, shopping and some educational facilities. Social amenities and an inward city open space, also shape some portion of the area (SOHCO, 2016).

The social housing units offer the option of living near major transport facilities and a few units have panoramic views of the bay, port and the Indian Ocean. Nearby is a

Conference Centre and NGO centre; across the street are situated the Durban Music School and Old House Museum. Port View offers a range of settlements from bachelor, to one or two bedroom units. It offers this accommodation subject to specific criteria, for example, subsidy qualification, credit worthiness, eagerness to sign and maintain the rent and house rules and compatibility with the community residing in the building (SOHCO, 2016).

Map 5.2: Port-View



(Source: Google maps, 2016)

5.7 Study Area 2: Valley-View

Valley View is a 157-unit improvement on the peak of Charles Winsor Drive, Hillary (see Map 5.3). Units were constructed as two to four story block of flats. The flats are two room units sitting above the city and suburbs of Seaview and Hillary. The units overlook a valley of bushveld shrubbery, that is part of the D'Moss conservancy and have their own open space entertainment zone on the development. Valley View is

situated in the suburb of Hillary and is near routes to work and recreational, health, shopping and educational facilities (SOHCO, 2016).

Residing in social housing developments enables tenants to be adjacent to main transportation services and to make use of the facilities and infrastructure that the CBD offers, alongside job opportunities. As with many SOHCO developments, the accommodation offered to tenants is subject to specific criteria, for example, subsidy capability, credit value, and ability to sign and comply with the rentals (SOHCO, 2016).

Map 5.3: Valley-View



(Source: Google maps, 2016)

In 2011, 77 individuals were removed from the Valley View units in Hillary. These units are under the ownership of SOHCO, which is a SHI. Social housing was set up to provide for the individuals who don't meet all requirements for RDP houses yet are still poor, making it impossible for them to access bonds. It is alluded to as a 'public-private partnership'. However, the private side of this arrangement has assumed control over the public side. Tenants are being abused by paying rentals that will, over their lives,

be worth significantly more than the value of the units and those that are falling behind in payments are being evicted (Abahlali, 2011). They remain unable to get RDP houses and are also not able to access housing through the market and, in this manner are excluded from access to housing. Social housing is, in this manner, coming up short and it will keep on failing until the partnership between the state and private financial stakeholders hoping to make private profit is removed and replaced with a union between the legislature and co-operatives of individuals requiring housing (Abahlali, 2011).

According to a statement by Abahlali (2011): Not long after the eviction, 50 of the evicted people returned to the flats to occupy them. The police succeeded in forcing them out again. As time passed, they have returned to reoccupy the flats. It was further stated that if they were evicted again they would return the following night.

5.8 Conclusion

This chapter has attempted to present the relevant background information about the chosen study areas that are located within the city of Durban and fall under the eThekweni municipality. The chapter went on to define and describe the statistical parameters that have influenced the current growth of the city and its population's needs, of which housing was the most relevant for the study.

The study areas presented above serve as examples of how administrative challenges exist and affect social housing developments. The findings from the study areas will be presented in the following chapter.

Chapter Six: Presentation of research findings, data analysis and interpretation

6.1 Introduction

This chapter presents data, which was collected through questionnaires and interviews with the sampled officials in the social housing delivery sector of the eThekweni Municipality, SOHCO and the tenants who occupy SOHCO's Port View and Valley View social housing buildings. The purpose of presenting the empirical data in this chapter is to determine the extent of its consistency with the theoretical and literature review in Chapters 3 and 4. Furthermore, it is to reach conclusions in relation the findings of the study with regards to its research question about the reasons for the continued administrative challenges facing SHIs' and how these challenges need to be dealt with. Another important focal point in this chapter are the opinions of the respondents about the effectiveness of measures that the SHIs' have set in place to deal with the continual administrative challenges facing social housing developments.

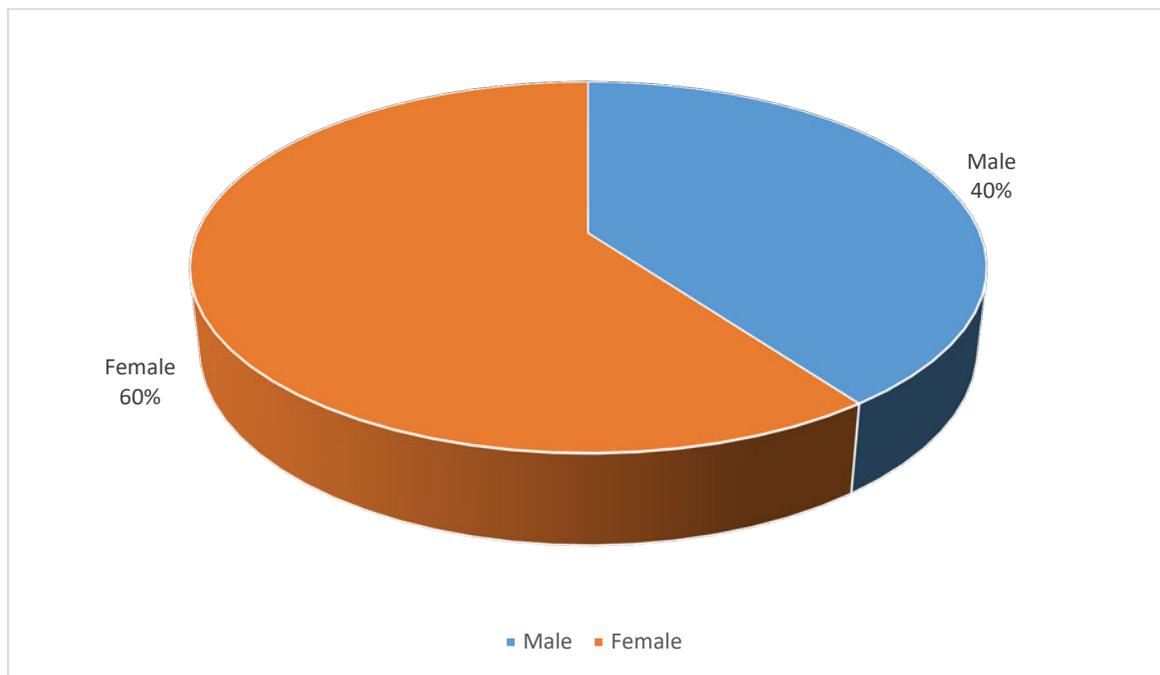
Due to the study making use of two study areas, the researcher has decided to combine the data collected from both study areas. This is due to the study areas revealing similar results, but also having particular differences. This similarity is articulated through the presented data, therefore the following sections are inclusive of both study areas.

6.2 Background of Study Areas

The researcher made use of two case study areas, the first being Port View and the second Valley View, which are both located within the eThekweni Municipality. The demographics of the two study areas have been presented Chapter 5, and for the purpose of present the data, which was again recorded during data collection, the researcher has utilised graphs to represent combined and summarized details.

Such details are inclusive of the income status, gender profiles and employment status of the households etc. and these details became relevant tools in understanding some of the reactions given by the respondents.

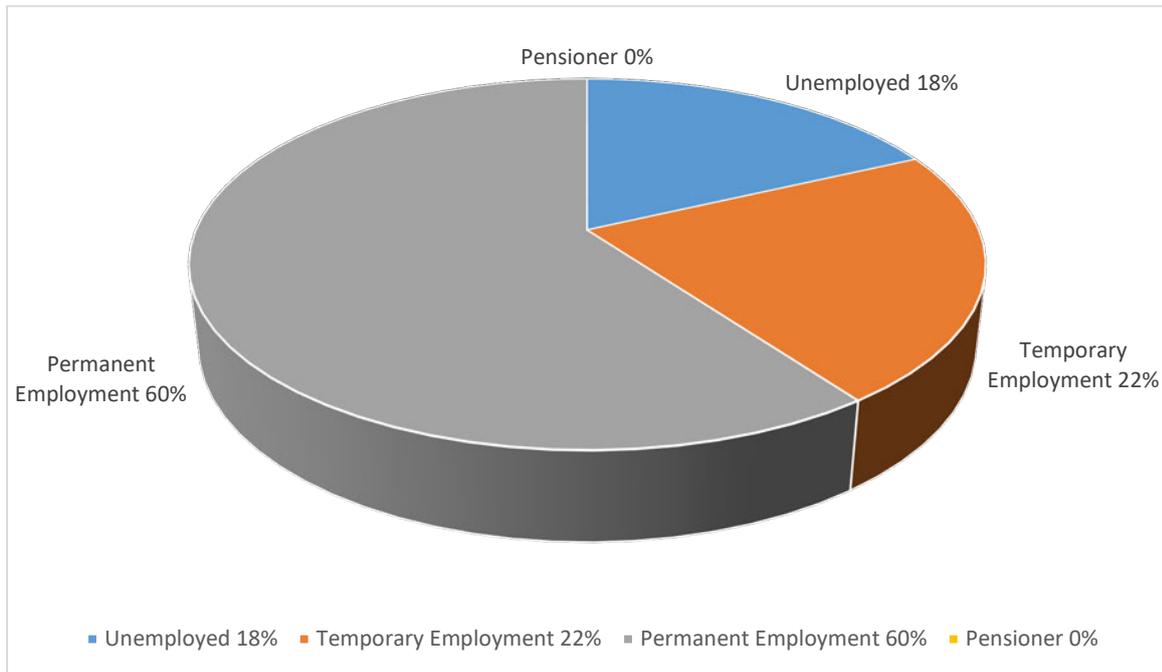
Figure 6.1: Gender Composition of respondents from study areas



(Source: Author, 2016)

Figure 6.1 shows that 60% of the respondents were reported as female and the remaining 40% were male respondents. It can be seen that these percentages are not very different from that of the eThekweni Municipality, where women are 51% and men are reportedly 49% of the population.

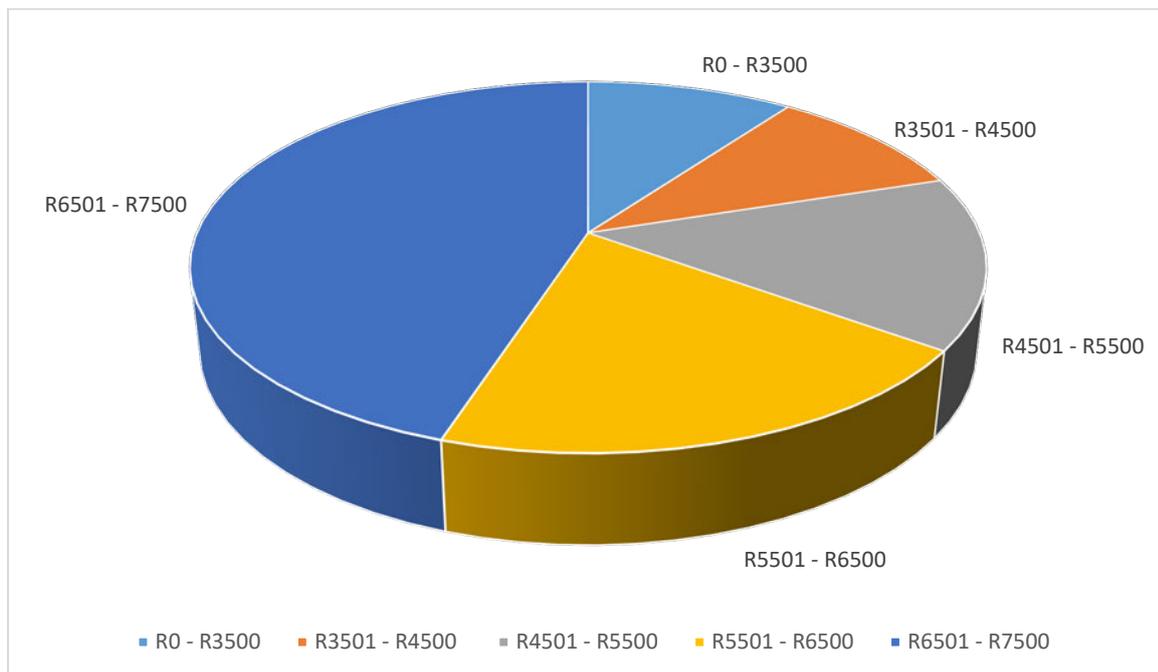
Figure 6.2: Distribution of respondent's Employment Status



(Source: Author, 2016)

Figure 6.2 shows the distribution of employment variables, which categorize the tenants from SOHCO's social housing developments, used as case study areas. The chart shows that 0% of the respondents were pensioners, while 18% were unemployed at the time, 22% had temporary employment and 60% had permanent employment.

Figure 6.3: Income Status of households from study areas



(Source: Author, 2016)

Figure 6.3 shows that 10% of the responding households earn R0 – R3500, while another 10% of the respondents have a monthly income between R3501 – R4500. A further 15% bring in an income ranging between R4501 – R5500, while 20% earn between R5501 – R6500 and lastly, 40% earn between R6501 – R7500.

6.3 Administrative Challenges

The administrative challenges established in the previous chapters are analysed below, according to the views of the respondents and tenants of SOHCO's social housing developments who took part in the study. Administrative challenges exist for not only SHIs, but also go on to affect the tenants accommodated in social housing developments. The perceptions of these challenges are clearly different for both parties in question. The findings below will establish and differentiate the two. Such findings are a combination of influence by social housing policies, their concepts as well as principles and misinformation about their implementation and day-to-day use.

6.4 The administration of Social housing developments according to eThekweni Municipality

According to the official interviewed at the EThekweni Municipality, the administration of social housing development is influenced by the Social Housing Policy (2009). This policy emphasises the need for local governments to initiate social housing developments through the RZs, which are spread throughout the City of Durban. The RZs form part of an approach which aims to enhancing the nature of the city of Durban.

6.4.1 Funding the social housing initiative

The study looks at the post-implementation stage and the data collected was intended to explore the concerns of the research question as a means of bringing perspective as to how the administrative challenges have come about. One of the many challenges experienced is poor funding or financial constraints. This challenge has led to the financially challenging environment experienced by SHIs in the post-implementation stage, therefore, the presented data will represent the allocation of funding and how it has become a drawback for the sector.

According to the official from EM, the production of a social housing development requires three methods of funding which constitutes the entire amount of erecting a single dwelling unit within a social housing development. The first part of the funding, which is 60%, comes from the institutional subsidy and the RCG covers 30%, with the remaining 10 % being provided by SA Home Loans or other private banking institutions.

Furthermore, the official stated that the cost of a unit is R350 000, and even though there are two funding mechanisms, the recipient will still need more sources of financial assistance. The above is recognised as the least of the challenges facing social housing. The Project Qualifying Status (PQS) is a form of documentation that assists Social housing institutions to acquire the RC. Although this process is meant to be helpful, the result is that there are continuous delays being faced by SHIs'. The PQS is further used to assess and verify the readiness of a project, as well as the significance of its impact on the restructuring of the city.

The PQS evaluates whether the project to be implemented is in accordance with the required South African National Standards (SANS) for sustainability. Apart from the

PQS, the SHIs are required to perform feasibility studies that further delay the planning process of social housing developments. The infrastructure of the city, as well as land availability are other challenges experienced in the administration of social housing developments. For existing stock, the SHIs must buy their own land in order to proceed.

6.4.2 Provision of Land

Since the establishment of social housing the municipality has not given land to either SOHCO, or First Metro. This is due to there being no legally binding agreement between the municipality and the two existing SHIs. Currently, the municipality is drafting a partnership agreement to be facilitated by both the municipality and the institutions. This agreement still needs to be scrutinized by the municipality's legal department.

The partnership agreement is a result of the municipality's initiative of releasing land for the development of housing – social housing, to be specific. The agreement will seek ensure that eThekweni Municipality is not left with insufficient amounts of land. Furthermore, the releasing of land has to be done in a manner that does not leave the municipality at risk. To date, the institutions bought the land on which the existing social housing stock sits on, without the assistance of the municipality.

6.4.3 Managing Social Housing

This method of operation presented itself as a challenge, because it meant that the municipality had no say in enforcing rules and regulations. This is because there was nothing legally binding the SHIs to the municipality. Certain rules and regulations are only binding and enforceable when passed down by SHRA, who is the national agent for the regulation on social housing institutions.

Therefore, the new agreement will focus on being a 'clean-up' tool for the current shortcomings of social housing developments. The approaches to be drafted will work towards closing gaps and loopholes caused by administrative shortfalls of current social housing management.

6.4.4 Rental control and monitoring

Many challenges which are faced by social housing developers and management agents, are a result of a lack of funds, which are generated by the rentals. The goal of the municipality is to counteract this insufficiency of administrative funding, as it is costly to manage social housing institutions. From an institutional perspective, the financial struggles faced by SHIs' lead to the compromising of standards and this can be evident in how social housing development are managed and maintained.

The compromising of such fundamentals leads to the challenge of rental payments not being paid, since neither the SHIs' nor the Municipality have a system to monitor or control the inflow of monthly rentals. Secondly, as a requirement of being a recipient of social housing, the targeted beneficiaries have to earn between R3 500 to R7 500 – which is the specified ceiling.

In most cases, the lack of a rental monitoring system allows the targeted market to omit certain pieces of information, which are vital for applicants. For example, there are a number of applicants who are a married by law, but will resort to applying for a unit as an individual and then live together as a couple. This means that the applicant will produce one payslip, when in reality there has to be provision for payslips from both partners, because the monthly rental is calculated according to the household's gross monthly income.

Since releasing such information is solely the responsibility of the individual, this becomes a loophole for exploiting the entry requirements, only to find that the household earns more than the qualifying criteria deem acceptable. Another challenge facing social housing, is that the Social Housing Policy of 2009 itself can be an obstacle due to the many loopholes evident in its implementation. The tenants, (boycotting, defaulting etc.) at times, use such loopholes to suit their needs due to the broad approach taken and how open it is to manipulation. This emphasises the notion that the Social Housing Policy is due for a review which, with the support of many other municipalities, EM will request.

6.4.5 Rental Boycotts by Tenants

According to the official interviewed, the municipality faces yet more challenges, which are also centred on the administration of social housing developments. A good example of such administrative issues were seen before the elections in August 2015, where the residents of Howell Estate social housing development were boycotting against the payment of rentals. Many of these residents owed in excess of +-R60 000 in rentals. This became a clear example of how both landlord (SHI) and tenants can be at fault. According to EM official, it is the responsibility of the social housing landlord to raise awareness and ensure (as noted in the lease) that once a tenant misses a month of payment it should be a priority not to miss another, whilst catching up with the arrears.

Interestingly, in this case the Howell Estate management (First Metro) somehow allowed the tenants to avoid making rental payments to the extent that the tenants resorted to boycotting their monthly rentals as a whole community. The boycotting forced the SHI to take legal action and file for a court order as means of evicting the defaulting tenants.

A decision was then taken by the municipality to ensure that the evictions were put on hold, due to the elections, as it would not present a good image, throwing people out onto the streets, during such a time. The decision at the time, was that the tenants would be allowed to stay in the social housing units until the elections were over and this resolution left the municipality with the debt. The management at First Metro could not carry such a huge debt, since the tenants would neither be forced to pay, nor be evicted. The main concern then became recovering the monies, which were outstanding as a result of the rental boycott.

According to the municipal official, First Metro had to service, a loan incurred when developing the Howell Estate social housing development. To date, the municipality is still trying to find ways of recovering the debt caused by not evicting the boycotting tenants and is still considering now evicting the tenants if need be. Social housing is only for rent, with no other options available, but it became evident that, amongst the tenants', confusion was constantly brewing, due to misconceptions and rumours. These misconceptions convinced tenants that the 'rent-to-own' option was part of their

lease agreements; which resulted in the existing challenges. Therefore, the municipality is aiming to mitigate such misconceptions and challenges.

The management of social housing developments can be seen as being in the fledgling stage, due to the realisation that SHIs and social housing, in general, are a new concept and method of delivering housing. For example, SHRA is the governing body of SHIs, who are commissioned to be both the developer and delivery agents of social housing, while at a local level, the institutions also facilitate the day-to-day operations.

When compared to traditional housing delivery initiatives like the RDP housing and newer BNG housing, the integration of people becomes the main difference. With traditional 'single stand' housing, the interaction between the delivery agent and the beneficiary ends on delivery. Whereas, with social housing, SHIs have to manage the social housing development and the tenants (beneficiaries) who occupy the units. Managing people has never been an easy task, but somehow it has been orchestrated by SHIs.

This is done in order to ensure that the challenges as mentioned above do not occur. Unfortunately, this is not easily achieved, as the administrative challenges in question are a result of mismanagement and poor communication between the SHI and the tenants in question.

6.5 Post-implementation administrative challenges of Social housing according to SOHCO

6.5.1 Allocation of Tenants

According to SOHCO, the selection and allocation of tenants is done on a first come, first serve basis. The earlier a tenant makes an application, the sooner they are able to be placed on the waiting list and acquire a social housing unit following strict guidelines. Furthermore, there are two categories of tenants who are targeted. The main target market is middle-income earners, followed by secondary target market. The main target market is charged 25% of their monthly income and the secondary market is charged 30% of their household income.

According to the SHI, the gross household income can be described as 'the total combined income of the working individuals within a household'. This is inclusive of the main tenant, their spouse and possibly children or relatives, if earning an income. This gross income is used to establish as to which rental range a particular household falls into. Once the range has been established, SOHCO is then able to allocate the tenant households into units which match the correct rental range. Another guideline used by the SHI, is that in a bachelor unit (1 Bedroom) you can only accommodate a maximum of 2 occupants, in the 1 Bedroom units, only 3 tenants are permitted and in the 2 Bedroom units, a maximum of 5 tenants are allowed. In essence, the number of tenants applying for a unit outweighs the financial standing of a household, meaning that you cannot have 5 occupants in a bachelor unit.

The number of people within a household play an integral part in the criteria used to house occupants. This means that if there are 4 people in a household, then a 2 Bedroom unit is suitable. The criteria for a 2 Bedroom might be that two people in a household of 4 people, are earning a high enough income and therefore the income is combined and calculated, then the allocation is made.

6.5.2 Training of Tenants

Once tenants are allocated to suitable units, but before tenants move in, each tenant undergoes a short training workshop. There are two types of training which are done. First is the training of a new intake of tenants, who are moving into a newly established social housing development and second are the 'Refresher' courses, which are for individuals who are entering an existing social housing development. The first type of training can accommodate up to 20 tenants, while the second is usually done on an individual basis, with the training taking place at SOHCO's premises. The training sessions do not last more than an hour. During the workshop, tenants are educated about living in social housing developments and given information about SOHCO's management, provisions and terms and conditions. This means that tenants get training before signing leases and entering these developments and, therefore, know the rules of SOHCO and what is required from them.

6.5.3 Challenges of Social Housing Developments

Firstly, SOHCO has a series of guidelines used to manage its developments. Among these guidelines are the 'Tenant Management Plan', 'Maintenance Plan', 'Tenant Recruitment Plan and Policies'. The processes are run through normal management procedures that are controlled by different policies. According to the SHI in question, the biggest challenge faced is the collection of monthly rentals. Tenants sign a lease agreement by which monthly rentals are promised to be paid as required, according to the rental price of the units. Unfortunately, many tenants experience economic difficulty and the rent does not get paid to SOHCO on time. The delay in payments causes major imbalances in cash flow within social housing institutions because the institutions rely only on rental income as a form of income, as there are no subsidies provided in the post-implementation stage.

The collected income is used for all operational expenses necessary to run the complexes (developments). The other challenges encountered by the SHI are mostly centred on the social cohesion of tenants. There have been many cases of anti-social behaviour and the use and abuse of substances, as well as tenants not being able to get along with one another.

Secondly, according to SOHCO's official, the maintenance of the schemes is done in two separate procedures. Firstly, there is the internal repair and maintenance of the individual units and secondly is the maintenance of the development as a whole. The internal maintenance of units is solely the responsibility of the tenants, which includes the repairing of plumbing and electrical works, with the second being referred to as 'turn out' maintenance. The 'turn out' maintenance takes place after a tenant has vacated the unit. Here the SHI assesses the unit and seeks to refurbish the unit to its original state, before a new tenant moves in. This requirement that the next tenant finds the unit in a good condition.

SOHCO uses both officers and external contractors to carry out maintenance procedures. The officers are separated into two groups, there is a 'Facilities Coordinator' and a 'Tenant Liaison officer'. The 'Facilities Coordinator' work for SOHCO and coordinates external contractors, who carry out maintenance work. Where the coordinators are not available, the 'Tenant Liaison officers' step in to allocate the work to external contractors. Unfortunately, the SHIs do not have any

internal maintenance companies, i.e. a handy man that repairs minor problems on request.

The two individuals have similar duties and tasks, the difference being that 'tenant liaison officer' does all the work regarding the operation of the building, whereas, the 'facilities coordinator specializes entirely in maintenance. Sub-contractors in the employment of SOHCO are required to do either of the following – immediate repairs which focus on a particular maintenance issue, and planned or long term maintenance, which is inclusive of maintenance items such as painting, landscaping, fencing, electrical works etc. At times, such planned duties can be done between 2-7 year intervals.

On a day to day basis, maintenance falls under both the 'tenant liaison officer' and 'facilities coordinator'. SOHCO takes the responsibility of planning the maintenance which needs to be done at a particular time, getting quotations and prices, and then assigning duties to the qualifying contractors. The intervals for maintenance vary depending on the type of work which needs to be done and according to the needs of each social housing scheme (painting, plumbing, electrical works etc.). Painting, for example, is a maintenance issue, but not a day-to-day issue, hence such work can be done in 5-7 year intervals as compared to leaking pipes, which need to be repaired as the need arises.

Another point to consider, would be the difference between a newly developed building and a refurbished multi-storey apartment block which has different plumbing or landscaping needs, as well as fencing and pathways which would be in different stages of repair due to age.

Thirdly, defaulting in rental payments is another enormous issue that social housing institutions are challenged with, when managing social housing developments. According to SOHCO, when tenants fail to pay monthly rentals, the effect this has on the company's cash flow is not immediate. The reason for this lies in the tenant being given the responsibility of the internal maintenance of their social housing units. Consequently, the defaulting of many tenants on the other hand would have the opposite effect. Therefore, the effects of such boycotts lead SHIs to compromise in certain areas of maintenance and this, in turn, reduces the efficiency of the SHI with regards to aspects such as security, landscaping, cleaning etc., as they have to

prioritise one over the other. In many cases, this proves to be a challenge that SHIs face on a monthly basis.

Rentals at SOHCO's social housing developments are collected via 'debit order' and 'direct deposit'. Upon the signing of leases by the tenants, part of the lease agreement is that tenants sign debit order agreements, stipulating that money may be deducted from their personal accounts as payment for monthly rentals. In some cases, it is reported that some, if not most, tenants will have no money in their accounts and therefore the debit order will bounce and no payment will be made to SOHCO. This results in the tenant having to make a direct deposit.

Essentially, the debit order is usually the most effective, yet affected method of payment with regards to rental payments and defaulting of tenants. SOHCO experiences the defaulting of tenants every month and the number of tenants on default varies according to each project (development). The SHI reiterated that all tenants are trained before occupation and, as part of the training, are aware that the signing of their lease is a legal agreement. The lease clearly states that SOHCO provides accommodation and in, return, the tenant pays monthly rentals to the SHI. This is a monthly obligation, with no exceptions.

Fourthly, according to the official, when a tenant is unable to pay, or refuses to pay the monthly rentals, a SHI is then limited to fewer options of approaching such a challenge. The only available options are usually legal processes, which are mostly unfavourable for both parties. Before the legal arm is utilised, the SHI provides arrangements to help tenants pay off the outstanding rentals gradually. Once that approach fails, or is not accepted by the defaulting tenants, the legal approach is then enforced by the SHI as the final option.

The financial stability of an SHI is affected by the extent of rental boycotting. If it is a localised boycott, with just a few tenants taking part as a group, it can be managed because the financial impact would be minimal. If the boycott grows exponentially, the scenario would have an increasingly different and detrimental impact on the SHI's cash flow, further indicating that the boycotting of rentals can have devastating consequences causing financial instability for the company and its operations.

SHIs follow guidelines in an attempt to reach a peaceful and successful resolution to the defaulting of rentals. The guidelines, thereafter, followed by SOHCO are to hand

over tenants who are two months in arrears to legal processing. This follows consultation concerning the agreement for payment of owed rental and processes that try to facilitate an arrangement, as mentioned above. The agreement includes the signing of a letter, in which the tenant agrees to make additional payments, as a means to reducing the outstanding amount.

Furthermore, even though at times it was evident that there were partnerships between the EM and SHIs, these were only for the management of the municipality's rental housing schemes. The municipality is never involved in resolving such matters as rental arrears. Generally, the municipality is not involved in the day-to-day operations of SHIs, as pointed out by the municipal official, so the partnership between the municipality and the SHIs does not extend to the management of tenants concerning rental payments. The reason for this is that social housing institutions are private entities and the leases are agreements between the tenants and the SHI not the city (EM). Therefore, in the legal context, it has to be handled between SOHCO and its tenants.

In some cases, regarding the eviction of tenants and the resolution of disputes, the 'Rental Housing Tribunal' is known to provide assistance. The role of the institution is to act as an intermediary body between a tenant and landlord, and seek to find a resolution in a manner which is both objective and non-biased. According to SOHCO, the involvement of the Rental Housing Tribunal in their eviction disputes, is minimal. Furthermore, the Rental Housing Tribunal does not get involved unless requested to do so by either party. The tenant has the right to approach the RHT if they feel their rights are being challenged and so does the SHI, if need be. As part of the rental housing tribunal's role is to try clarify the legal positions of both parties where necessary, where applicable, the Rental Housing Tribunal will make a ruling, but most cases the Rental Housing Tribunal does not get involved in disputes.

6.6 Social housing administrative challenges according to the Tenants

6.6.1 Managing Social Housing schemes

The way tenants view the management of social housing developments is completely different to the perspective of SHIs. Tenants have both an ill-advised and thought-

provoking perspective about the topic of management. This is very evident in the sense of entitlement that the tenants have. This entitlement is not to say that tenants do not have the right to adequate housing (even in the form of social housing), nevertheless, tenants should exercise this right without hindering those of the SHIs. According to a tenant at one of the developments, there are many challenges that they face due to the management approaches of SOHCO.

Such approaches are full of restrictions as to how tenants have access to when making requests to the SHI. Some tenants reported that such restrictions are regularly in use when they want to make alterations to enhance their living conditions. For example, one tenant asked to add an additional satellite dish because the main dish has a weak signal due to its use by the entire building, this request did not get approval. Unfortunately, this is not the only type of request or issue the tenants have problems in understanding the management of the SHI.

Another issue for the tenants was believing that the idea of introducing a new system of gaining entry to the building would be impractical for them. Such ideas included the introduction of access discs, which were not a success, as adding someone to the system was problematic. Occupants below the age of 16 years were unable to get the access disc with only older occupants able to get the discs. The reason cited by the tenants was that the SHI did not recognise these household members, unlike the authoritative tenants who are listed as owners of the unit. This meant that only the tenants who were registered to the unit were given authority to open for their household members. Soon after this, the system was replaced by a thumb print scanner, which raised many concerns for the tenants, especially that of personal hygiene as one tenant pointed out that many occupants in the building have a variety of illnesses (tuberculosis, AIDS and flu etc.), as well as other unhealthy habits which could be harmful for children.

Another challenge mentioned by tenants, is the number of visitors allowed in the unit, meaning that, if all the household members are present in the unit, tenants may not have more visitors, since the unit has reached its maximum number of occupants. Furthermore, people who live in the units are regulated unfairly, as tenants are unable to extend their families. When a tenant has a child while already living in the complex, the household is then deemed 'unfit' to live there anymore. This is because that

particular family has already reached the maximum number of occupants of a unit. The household's needs have now changed and the unit becomes unsuitable for the occupants.

When a bigger unit becomes available in the building, the household is 'unfit' to occupy it, as their rentals will increase and the income of the family will not support the new costs. SOHCO stated that tenants were all well aware of their obligations, but according to tenants, this is not the case, as many tenants claim that many of the rules and regulations enforced are about issues that developed once they are occupying the units. Many tenants insist that a particular scenario or issue being dealt with at a specific point in time generates new rules. However, this was not the view of 'all' the tenants as some did mention that, during the workshops attended, SOHCO made it very clear that such rules and regulations exist. This was especially so after many tenants were moved from Ridge View to Point View and attended the 'Refresher' course.

The existing level of security is very poor, and therefore safety is constantly compromised by this factor. According to a tenant, there have been multiple accounts of mugging of tenants, by known criminals, who are constantly lurking outside the Port View development. According to the tenants at SOHCO's Valley View complex, they reported that the SHI is regularly breaching the contract (lease) by enforcing rules and changes without consulting tenants or being available when tenants have concerns. Furthermore, the tenants go on to emphasise how the administration of SOHCO, according to them, undermines the 'social' component of social housing and causes a sense of discomfort and uncertainty about living in social housing developments.

6.6.2 Maintenance of Social Housing schemes

According to the tenants of Port View, if a tenant requires any repairs to be done they have to pay for these repairs and these charges are additional to the monthly rental. A tenant stated that there are two ways of doing repairs at the Port-View complex. When there is a fault, whether it be in the bathroom or kitchen, the tenant is required to inform the SHI about it in order to get repairs done. Alternatively, a 'handy-man' can be hired (plumber or electrician) at your own cost. The issue tenants have with the first

option, is that once you report an issue, it then reflects on the statement without them being made aware of the specific charges.

Because of this, many tenants are not pleased with the maintenance of the social housing developments. Many tenants believe that, because the building is property of the SHI, the responsibility of ensuring that the building remains maintained should be solely the responsibility of SOHCO, as well as, not being a burden to the tenants who are already paying rentals to the SHI. Furthermore, tenants reported that certain features of the building, including the elevators are not regularly serviced and, when serviced, such features are faulty again within a matter of weeks. This and other maintenance issues are the reasons some tenants claim influence the increase in boycotting of payments, due to poor administration/management.

6.6.3 Payments of Monthly Rentals, Defaulting and Evictions

According to a resident at Valley View, rentals are for a lifetime yet it remains social housing (meaning it should be under their ownership by now); she further insisted that rentals increase regularly every year. Furthermore, social housing does not recognise the social aspect of families. To emphasise this, the tenant added – if a child passed school and needs to come study in Durban, it's hard to allow them to become a tenant, even if they will be replacing an existing household member.

The SHI is, at times, not considerate when it comes to certain rules and restrictions. The rules tend to exist when it suits the SHI and if a months' payment is missed, the security guards are informed and receive instructions not to allow you to have visitors. Another consequence of not making payments is that SOHCO issues what tenants refer to as a 'Red' letter, which serves a warning notice to the tenants stating that the next step is eviction.

According to tenants, rentals increase drastically on an annual basis, meaning that it becomes hard to keep up with the rentals. Tenants reported that this increase can reach rates of 8-9 percent and these increases are applied mid-year during the month of July.

The payment of rentals is something that tenants give attention to and are aware of the repercussions of not doing so. Unfortunately, the loss of employment is a critical

factor causing tenants to miss rental payments. Another prominent issue experienced with the payment of rentals, was the assistance that SOHCO claimed to provide. Tenants made it clear that failing to pay rents only leads to an eviction and that their neighbours, who have been evicted, had never been assisted in any way.

Furthermore, a small group of tenants pointed out that, due to how social housing and the payment of rentals are arranged, the inability to pay could be quite serious if the bread winner were to pass away, as this could leave the remaining household homeless if employment or income is unattainable.

As SOHCO had, repeatedly stressed, the challenge of rental boycotting and its destructive effects, was further confirmed by the tenants. Rental boycotting is something the tenants know quite well, as many mentioned that previous neighbours received eviction as a result because of boycotting. Some tenants were only able to get accommodation due to the eviction of tenants who boycotted their rental payments. A recurring reasoning behind rental boycotting, is that many tenants have continuously stated that, when applying for social housing, there existed the perception that it would be on rent-to-own basis. Surprisingly, a fair number of tenants fully understand what social housing is and its requirements, but many applicants made the above incorrect assumption and fell into what they view as a trap.

6.7 Conclusion

This chapter has presented the findings of the study and discussed and analysed them in depth. From the results, it can be seen that the research aims and objectives have been fairly achieved. Theories and concept were also tested and their relevance to this study has also been presented. The data analysed has shed light on the outcomes of inadequate administration and how challenges have crippled the image and perception of social housing in the Durban area.

Chapter Seven: Summary of Findings, Conclusion and Recommendations

7.1 Introduction

This chapter presents the summarized findings, conclusions and recommendations of the study. The main and sub-research questions are revisited and answered through particular topics in the attempt to draw sound conclusions and the research questions will act as a guide in assessing whether the objectives of the study have been accomplished.

The following section shows an outline of the researcher's discoveries, while trying to establish if the research objectives of the study were accomplished. The synopsis of discoveries on each of the contextual research questions is themed out according to the research objectives. The researcher has utilized the study's research objectives as a guide for the topics discussed.

7.2 Policies that govern social housing developments

The delivery of social housing remains governed by a number of policies and legislation, the Social Housing Policy 2005 being one them. The study pursued the angle of showing how social housing developments have been influenced by legislation other than the social housing policy, such as the Rental Housing Act. In this regard, the production of social housing has become well-regulated since its initiation over the past decade, although its administration has been far from delivering pleasing results.

The study discovered that many tenants were aware of what the Social Housing Policy was, even though this was mostly in regard to the sections, which governed their occupancy in social housing developments. The implementation of the policies and similar legislation is well enacted by the SHIs in the inception and delivery of social housing developments. The introduction of the Breaking New Ground Policy of 2004 has guided housing delivery agents and initiatives by outlining principles which make for the improvement of social housing developments.

Nevertheless, the post-implementation stage poses quite a few difficulties not only for the management of these developments, but also it creates an environment that delays the implementation of maintenance programmes.

7.3 Role of stakeholders in the development of Social Housing

As a rule of thumb and, generally documented in policies and legislation, the production of social housing developments is the responsibility of Department of Human Settlements, Local Municipalities (eThekweni Municipality) and Social Housing Institutions. As documented, each entity assumes a specific area of responsibility when contributing to the production of Social Housing. The DHS is responsible for partially funding social housing through institutional subsidy and private financial institutions and the NHFC do further funding. Local municipalities – in this case EM – are responsible for the facilitation and allocation of the released funding and, where applicable, the allocation of land for the development of social housing. Finally, SHIs' are the accountable delivery agents – SOHCO is one of three fully accredited institutions directed to deliver social housing.

The delivery of Social Housing developments has generally in the hands of the local municipality (EM) and the private sector (SHIs) since the inception of the programme. The overall participation of stakeholders has been both limited and insufficient, in the sense that the above institutions are hardly in partnership. This lack of partnership is illustrated in the way in which the institutions' set out the work of managing social housing developments.

According to EM, this missing link presents continual challenges for the production of social housing, whereby the municipality is unable to release land, as there is also a need for the production of traditional types of housing and municipal developments. This competition for land poses the threat of limiting the production of social housing as SHIs' face difficulties when trying to acquire land without the cooperation of municipalities.

7.4 Administrative approaches for managing Social Housing

The administrative approaches used by SHIs' have, to a certain extent, allowed the SHIs' to manage their developments in a fair manner. This is clearly seen in the policies and plans, which have been established by the SHIs. These, vary from 'Maintenance' and 'Tenant Recruitment' to the 'Tenant Management' Plan. These plans have been enacted as a means of enabling SHIs (SOHCO to be specific) to establish a platform for efficient management.

According to the collected data, their programmes enable SHIs to put a hierarchical structure in place for social housing development management and daily operations. This is evident through the existence of 'tenant liaison' and 'facilities coordinator' officers who as stated by SOHCO, perform the function of ensuring that day-to-day operation and maintenance duties are executed effectively.

Furthermore, these administrative approaches have proven essential in the creation of satisfactory and liveable spaces for tenants. A factor, which hinders this progress, is the collection of rentals with the administration of rental collection occurring through two methods. The methods employed by the SHI are, at times, efficient but, on other occasions, cause delays as well as fluctuations in cash flow.

7.5 Beneficiary allocation along with tenure provision

The beneficiaries of social housing are people who seek affordable rental housing, as they lack the financial resources to withstand the demands of the private sectors rental market, which offers no financial assistance. This is the purpose of social housing institutions, which facilitates the provision of affordable rental units that are subsidised by the state, as a means of enabling the 'gap market' to access and exercise their right to adequate housing – 'The right to shelter'.

The allocation of beneficiaries for social housing developments is uniquely different from that of the traditional housing typologies. This was seen in the use of what SHIs refer to as the 'Tenant Recruitment plan', which aims at informing and attracting tenants to housing developments. The methods of doing so are carried out through advertising on a variety of media platforms – such as newspapers and the internet.

As stated by SOHCO, the allocation process, which follows this tenant recruitment, is the execution of a legal commitment between the SHI and the selected tenants. This comes in the form of a lease agreement, which enables the institution to place the tenants into suitable units as determined by the household's monthly gross income earnings.

7.6 Challenges in the post implementation stage of Social Housing schemes

Housing delivery initiatives in SA are negatively affected by many challenges and obstacles; from corruption to poor workmanship in dwellings, which are at times left vacant due to the failure to meeting the needs of the beneficiaries. Social housing is one initiative which rarely faces challenges during its inception and development – but does, nevertheless, face enormous problems. The challenges highlighted by the study were those of the post-implementation stage and as demonstrated by the study, the consistently seen.

The main challenge of social housing proved to be that the housing delivery initiative is faced with the problem of rental collection. The irony of these challenges is that the tenants of these social housing units – Port View & Valley View – sign a lease agreement, which is legally binding. These challenges, as with a coin, have two sides; one is that the tenants themselves are in a constant battle with financial commitments and the other is that a certain number of tenants will adamantly choose not to pay their rentals, due to a sense of 'entitlement'.

The first consideration is that tenants face financial challenges and, to expand further on this, tenants of social housing developments, like other members of society face the problem of possible job loss. Many tenants during the existence of social housing have lost their jobs whilst living in these developments. Furthermore, despite the legal commitment – 'lease agreement' – certain tenants have been motivated by the phenomenon of 'entitlement', to refuse to pay the monthly rentals. The study discovered that this sense of entitlement develops even though tenants agree to live in the units, knowing that it is definitely a commitment to a lifetime of rentals, if need be, and not 'rent-to-own'. Nevertheless, some tenants feel that living in these social

housing units for periods between 5-8 years, entitles them to the tenure option of 'complete ownership'.

Following the challenges described above, the issues of inadequate maintenance, poor management and rental boycotting then create further challenges and burdens for SHIs'. In the event of rental boycotts, SHIs' are impacted on two levels – one being if the boycott is by a small number of tenants, or if it is a well-organized large-scale boycott. The latter has created huge cash flow constraints, whereby the institutions are forced into compromising on specific responsibilities. These include the maintenance and landscaping of social housing units as well as the infrastructure of these developments.

7.7 Conclusion

Social housing has proven to be an ideal housing delivery system over the years since it was first implemented but that being said, it has also been evident that the challenges it faces severe. The challenges faced by social housing are a result of poorly implemented social housing policy, and also the lack of suitable formulated strategies from SHIs, in order to ensure that both they and the tenants are able to live and operate harmoniously in social housing developments. This in turn, creates an environment that has been detrimental to both the social housing institutions and the tenants they are placed to serve.

Social housing institutions have faced many issues, which continuously test the credibility of the social housing sector and the successes of the delivery agents the social housing institutions. Therefore, the collected data represented of the seemingly endless challenges which continue to exist, regardless of the measures that the SHIs take as a means to solve them.

SHIs remain significantly tested by these challenges and the fact that social housing tenants are constantly outraged about rentals and evictions, only escalates the situation, instead of making it more rational. Neither does it create a platform whereby both parties are able to sit down and resolve such differences. At present, SHIs are in a battle to ensure their own survival within the social housing sector and they constantly work to amend and eradicate the administrative challenges that develop.

The study can, therefore, conclude that administrative challenges, in the post-implementation stages of housing developments have a disastrous impact on the social housing sector. As identified by the researcher, these challenges are not recent but are the result of prolonged administrative maladministration which, over time, accumulate into events such as the boycotting of rentals, as well as unsatisfactory maintenance programmes. These develop into issues which lead to anti-social behaviours' and cause divisions between the tenants of social housing developments.

Furthermore, there are a number of open questions about the administrative processes used by SHIs. Port View and Valley View social housing developments face the problem of unsatisfactory maintenance and defaulting tenants, who live in fear of evictions. These difficulties create tense communication channels in these social housing developments and lead to delays in rental payments. The study discovered a puzzling relationship between tenants in the study areas, which is a result of socio-economic imbalances that cause the tenants to become anti-social towards each other and the SHI which governs them. These problems were seen as detrimental towards the evolution of the social housing sector.

7.8 Recommendations

With regard to the aspect of administrative challenges facing SHIs' in the post implementation stages, the study found that these challenges are both detrimental to SHIs but can, through various adaptations and suitable changes cause them to be moderated or avoided altogether. Therefore, the study recommends that the following approaches be established and potentially considered for implementation, as ways of bringing change and the betterment of the Social Housing environment, which has the power to influence the reduction of the housing backlog.

7.8.1 Amendments to the Social Housing Policy

The Social Housing Policy of 2005, has repeatedly shown there is a lack of consumer awareness, and other loopholes – rights of the tenants –both of which have been a difficult leap to overcome for the SHIs. Many tenants, over the years, have been able to get away with temporarily crippling the finances of SHIs', though the result has been

their eviction. The cause of this has been due to the loopholes that are revealed in how SHIs' operate.

An example of this, is the lack of consumer awareness, whereby tenants do not have the knowledge of how social housing operates. Tenants have consistently reported that the state intervention should ensure that the social housing units fall into their ownership, just as experienced in RDP and BNG housing developments. This misconception needs to be alleviated and corrected by a policy prescribing both the state and SHIs to enforce more awareness programs in order to inform consumers adequately about social housing.

Another point of weakness is that the policy was unable to stipulate a means of dealing with rental boycotting that would enable SHIs to deal with this issue on an institutional level. This would mean that the policy has to outline the applicable rules and guidelines regarding defaulting and boycotting tenants as to end up with a satisfactory outcome.

Another solution would be to create sections in the policy that will accommodate the creation of processes that make the accrediting of SHIs both more efficient and progressive. This can promote the establishment of more SHIs that can deliver social housing in sustainable and effective ways that would be stipulated by the policy itself. The Drakenstein Municipality states that, amongst others, the Constitution of SA, the Housing Act, Extension of Security of Tenure Act, Housing Consumer Protection Measures Act and Rental Housing Act are forms of legislation and policies required in order to implement housing delivery programs, in this case the Social Housing Program (Drakenstein Municipality, 2016).

The above legislation and policies should both be considered and included in measures to adequately increase information. Furthermore, the legislation could be used to formulate programs within the social housing policy that can close the existing loopholes within the policy, which were revealed by the research findings.

Furthermore, policy has to be amended over time, as conditions and legislation change. This is to ensure elements that underpin both the present day, and future society (i.e. political, social, economic and built environment), and informs policy formulation and revision. The desire to amend policies requires the coalition of multiple municipalities, or the involvement of all spheres of government. The amendment of

policy will enable the operation of the social housing environment to become more efficient and have better post-implementation experiences.

7.8.2 Encouraging more tenure options

Because SHIs face negative experiences when having to evict tenants onto the streets, the state needs to promote and equip SHIs and the policies which govern them with the authority and power to create more tenure options within social housing. For example, the Rocky Park had the integration of income group initiative. Here the importance of this example is not the variety of incomes, but the offering of multiple tenure options.

In recent events, the former social housing development called 'Ridge View' has been converted after the eviction of boycotting tenants. Now the development will house 'rent to own' tenants, which is an initiative to accommodate tenants who want to own the units in which they live. This approach, according to the study, will create a platform whereby SHIs are able to increase social housing projects knowing, that the returns will be sufficient to manage, maintain and operate the developments and the institutions (eThekweni Municipality, 2016).

7.8.3 Institutional amendments to Rental collection

In agreement with the municipal official's plans of introducing rent control mechanisms to ease the strains faced by SHIs, an approach must be put in place to mitigate this issue. A system should be instituted whereby an applicant's form is processed upon application. It would then be automatically picked up on the system as to whom they are married and how much they earn as a household. If the applicant has been untruthful or deceptive, they could then be disqualified.

Another positive approach is to regulate the tenants who qualify for the social housing units from the start, rather than them losing that right to rent out the unit. This would be a result of the tenants exceeding the minimum and ceiling monthly income. As one of social housing's objectives is to promote better living conditions for the occupants, and therefore it allows the tenants to increase incomes in their period of staying in these units. One of the social housing's objectives is to facilitate the provision of shelter

for households who fail to meet the standards of the private rental sector. As mentioned repeatedly, these households are the 'gap market' (Shawkat, 2014).

7.8.4 Mitigating anti-social behaviours through efficient communication

The SHP is a social program designed to serve those in need, by helping them attain their right to housing. As such, it should prioritize the extremely poor, followed by the poor, and then the middle-income quintiles. The SHP's current conditions fail to consider such a social orientation, and thus need to be reviewed before more units are allocated later this year. A social orientation can only be achieved by restructuring the tenure mix, providing a range of tenure options (long-term controlled rent, short-term controlled rent and affordable mortgage) for ready built units, land plots by co-operative loans for owner-build schemes. This can be done in a way that reflects the proportional distribution of these three, lower-earning income bands and their varying needs (Shawkat, 2014).

As many tenants reported, the social element of 'Social Housing' is missing in the post-implementation phase of the programme and associated legislation. The realization that communities can play a role in addressing exclusion is neither new, nor can it be construed to excuse state or private institutions from assuming some responsibility of creating an engaging environment for the community. When SHIs create legal exclusion by imposing boundaries and different sets of rights, as seen in how SOHCO was reported to be maintaining certain units free of charge, whilst setting fees for others. The people left out need alternative solutions, which they can often find within their community of tenants (Dror et al, 2002).

SOHCO has to create environments that combat such inconsistency. These environments could include a centralized social meeting point within the developments. Social meeting points include a playground area where tenants and their children can interact at any given time (Dror et al, 2002).

7.8.5 Decreasing rental defaulting and boycotting of payments

Rental payments are the main source of finance for social housing institutions. These finances are for the maintenance, amongst other things, of social housing developments. A percentage of all rental monies is placed in a maintenance fund, from which all repairs, (for which the Municipality is responsible) are financed. The defaulting of tenants regularly cripples social housing management and the overall existence of SHIs (CAHF, 2009).

Once SHIs have incurred a massive debt, this is acknowledged as causing, or having an impact on, the cash flow of SHIs. As seen in the Howell Estate development, defaulting of payments has tended to instigate rental boycotting, which easily leads to financial strain for SHIs. Therefore, to create a system which allows the SHIs to have control over such situations, lies in the partnership between SHIs and the municipality and, therefore, they need to come up with a policy which combats the escalation of such situations. One of the many results of defaulting, was the increase of rentals about which many tenants claimed they had never consulted and this caused misconceptions and tension (Harbrow, 2005).

The methodology to be applied in determining rental-rate adjustment, sourcing of outstanding rent and/or writing-off of rent are to be in accordance with Municipal Financial Policies. In order to formulate a sound policy/programme that adheres to serving both the tenants and the SHIs, The Housing Consumer Protection Measures Act 95 of 1999 has to be taken into consideration. The Housing Consumer Protection Measures Act 95 of 1999 was aimed at providing protection for all new housing consumers against defects on built structures. This piece of legislation was a step forward, as it strengthened the National Norms and Standard in respect of permanent structures. Such policies would require both the municipality and SHIs to work hand-in-hand. For the greatest efficiency and non-biased results, the overall implementation of the policies would have to be in the hands of the municipality (Drakenstein Municipality, 2016).

Notably, SOHCO has decided to renovate its downstairs space into shops, as a means of creating income for the SHI. Whether such spaces will be rented out to the public or utilized solely by the institution is debatable.

7.8.6 Enhancing maintenance options

The SHI authorities occasionally inspect the units to check that the interior of the unit is appropriately maintained. The inspections are planned by means of a notice delivered to the unit's occupants. Failure of the tenant to maintain the unit in an appropriate condition may bring his/her tenancy to an end. Though this may be a somewhat harsh option, the SHI has to formulate a memorandum that the tenants will be enabled to participate in determining restrictions and resolutions that they are legally comfortable with.

As prescribed by the Social Housing Policy, The SHI is in charge of repairs, which are the result of natural wear and tear, while the tenants are in charge of the cost of repairs that occur, usually due to their own particular actions. The tenants are also in charge of keeping their homes in a decent, liveable condition, with accentuation being on the painting of the inside walls and ceiling. The occupant is additionally responsible for the replacing of bulbs within the unit. The maintenance of the exterior walls of the building, however, will be the duty of the SHI. The institution has to formulate a Housing Quality Standards (Drakenstein Municipality, 2016).

The maintenance of units will be undertaken in a manner consistent with local Municipal codes and quality norms. Assessments will be conducted using the HQS to guarantee that the housing units comply with the basic health and safety guidelines. A committed authority should be identified to the SHI who will receive complaints/requests for maintenance from the occupants.

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Appendixes

Appendix 1: Consent form for research participants

INFORMED CONSENT FORM

June 2016

Greetings

My name is Lungelo Mhlongo (211524794) a Master of Housing student from the University of Kwa Zulu Natal doing my research in housing finance entitled: "Exploring administrative challenges which are experienced in Social Housing developments in South Africa: Case of Valley view and Port-view in Durban". The research is supervised by Mr V. Myeni in the School of Built Environment and Development Studies, Contact details Tel: 031 260 2128 Email: Myeniv@ukzn.ac.za

You are being invited to consider participating in a study that involves research by answering a questionnaire; interview or participating in a focus group discussion. The aim and purpose of this research is to explore the challenges faced by social housing projects and the shortcoming which are a result of these challenges. The study is expected to use approximately 20 households units and 3 institutions. The households are based in the social housing units in durban and the members of the institutions are also within the city centre, eThekweni municipality. The reasearch involves going into the social housing developments and requesting households to participate in a questionnaires and focus group discussion.

Furthermore, interviews with the selected officials will be conducted. The duration of your participation if you choose to enroll and remain in the study is expected to be 30 minutes if you are willing to participate in answering the questionnaire, and not more than an hour if you participate in the focus group discussion. The study will not involve any risks or discomforts and the study will not provide any direct benefits to the participants.

This study has been ethically reviewed and approved by the UKZN Humanities and Social Sciences Research Ethics Committee (approval number.....).

In the event of any problems or concerns/questions you may contact the researcher at : siphosenkosi.m@gmail.com or the UKZN Humanities and Social Sciences Research Ethics Committee, contact details as follows:

HUMANITIES AND SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus

Govan Mbeki Building

Private Bag X 54001

Durban

4000

Kwa Zulu Natal, South Africa.

Tell: 27 31 2604557-Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za

Participation in this research is voluntary and as a participant you may withdraw at any point. In the event of withdrawal of participation, you will not incur penalty or loss of treatment or other benefit to which they are normally entitled. As a participant, your name will not be used in the study. The data collected will be stored by the researcher for confidentiality and discarded when the research is complete and the participant will receive the complete study if requested.

.....

CONSENT

I have been informed about the study entitled "Exploring administrative challenges which are experienced in Social Housing developments in South Africa: Case of Valley view and Port-view in Durban" by Lungelo Mhlongo.

I understand the purpose and procedures of the study.

I have been given an opportunity to ask questions about the study and have had answers to my satisfaction.

I declare that my participation in this study is entirely voluntary and that I may withdraw at any time without affecting any of the benefits that I usually am entitled to.

If I have any further questions/ concerns or queries related to the study, I understand that I may contact the researcher at siphosenkosi.m@gmail.com / 073 300 3282.

If I have any questions or concerns about my rights as a study participant or if I am concerned about an aspect of the study or the researcher then I may contact:

HUMANITIES AND SOCIAL SCIENCES RESEARCH ETHICS ADMINISTRATION

Research Office, Westville Campus

Govan Mbeki Building

Private Bag X 54001

Durban

4000

Kwa Zulu Natal, South Africa.

Tell: 27 31 2604557-Fax: 27 31 2604609

Email: HSSREC@ukzn.ac.za

I hereby provide consent to:

Audio- record my interview/ focus group discussion	YES/NO
Video- record my interview/ focus group discussion	YES/NO
Use of my photographs for research purpose	YES/NO

.....

Signature of Participant

.....

Date

.....

Signature of witness

.....

Date

**Appendix 2: Questionnaire for Social Housing Scheme households
(beneficiaries)**

1. Which Age group are you in?

- (1.)18 – 29
- (2.)30 – 39
- (3.)40 – 49
- (4.)50 – 59
- (5.)60 and Above

2. What is your Gender?

- (1.)Male
- (2.)Female

3. What is your marital status?

- (1.)Married
- (2.)Single
- (3.)Divorced/widowed
- (4.)Separated

4. Economic/Job status?

- (1.)Unemployed
- (2.)Pensioner
- (3.)Employed
- (4.)Self employed

5. Type of employment

- (1.)Permanent
- (2.)Temporary
- (3.)Casual

5. What is your monthly income?

- (1.)R0- R500
 - (2.)R501- R1000
 - (3.)R1001-R1500
 - (4.)R1501-R2000
 - (5.)R2001- R2500
 - (6.)R4501- R5000
 - (7.)R5501- R6000
 - (8.)R6001 and Above
-

6. What type of tenure rights do you have?

- (1.) Rental
- (2.) Rent to own
- (3.) Owner
- (4.) Other

7. How many family members form part of your household?

- (1.) One or two persons
- (2.) Three to four
- (3.) Five or more persons

8. Where is your place of origin?

- (1.) This city
 - (2.) Townships
 - (3.) Rural area
 - (4.) Other
-
-

9. Reason for staying in this housing scheme?

- (1.) It is affordable
 - (2.) It is close to the city.
 - (3.) It is close to my place of work.
 - (4.) It is close to friends and family
 - (5.) Only available type of accommodation
 - (6.) Other reason
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10. What issues do you face in within these social housing scheme?

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11. Is the housing development well maintained?

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12. Are you satisfied with the level of maintenance in these rental units?

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13. If not, why?

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14. Who manages this housing scheme?

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15. Have you ever defaulted with your payments since living here (yes/no)?

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16. If Yes, how many times and why?

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17. Why did you default in your payments?

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18. What form of assistance does SOHCO provide to those who default?

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19. As a tenant, were you made aware of your roles and responsibilities in terms of monthly rental payments?

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20. Were there any workshops conducted in order to educate you as a tenant in terms of your legal obligations?

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21. How were you recruited to live in this place?

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22. Are you happy with the administration of this social housing scheme?

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23. As tenants of social housing developments, what do you understand about rental boycotting?

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24. Have tenants of this social housing development undertaken any boycotting of rentals?

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Appendix 3: Questionnaire for the SOHCO Amalinda

SOHCO Amalinda Housing is a Section 21 company (non-profit) committed to the development and management of social housing in the metropolitan areas of South Africa. The company's primary purpose is the development of quality, affordable property for low-income households, and in particular, for formerly disadvantaged members of the community who qualify for the government-housing subsidy.

(a) Questions on Funding

1. What are the sources of funding for this type of housing delivery?

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2. Are these funds enough for the development of the schemes they are asked for?

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3. How are funds (rentals) regulated for efficiency at the post implementation stage?

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4. Excluding the collected rentals, how are more operational funds acquired during the post-implementation stage?

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(b) Questions on the Recruitment of tenants

5. How does SOHCO recruit its occupants?

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6. How does Sohco control the allocation of beneficiaries for the occupation of the units?

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7. Are tenants made aware of their roles and responsibilities concerning living in social housing units?

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(c) Questions on Management

8. How are these social housing developments managed?

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9. From a managerial perspective, what are the challenges of managing social housing developments?

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10. From a managerial point of view, how does the social housing policy guide Sohco operations?

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(d) Questions on Maintenance

11. Does SOHCO do maintenance on the units?

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12. Do you have a specific person or organization that maintains the housing schemes?

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13. What does he do exactly (duties)?

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14. How often is maintenance done?

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15. What are the various aspects of maintenance that ensure that the units are in good condition for occupation by tenants?

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16. How do you make sure that maintenance continues even when people default on their rental payments?

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(e) Questions on Defaulting and Eviction

17. How are the rentals collected by Sohco?

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18. Does Sohco experience any challenges regarding defaulting tenants?

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19. If yes, how many and how often?

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20. As an institution, how do you outline the legal obligations of beneficiaries in respect of rental payment?

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21. Which guidelines or principles does Sohco use to facilitate an effective resolution to defaulting tenants?

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22. In the case of evictions, how involved is the rental housing tribunal with reaching a resolution?

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23. How has the partnership with the Department of Human Settlements brought about resolutions for the boycotting?

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24. How do you prevent financial instability when tenants boycott payments?

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Appendix 4: Questionnaire for EThekwini Municipality

EThekwini Municipality is a Category 'A' municipality found in the South African province of KwaZulu-Natal. As an institution, it focuses on the infrastructural, socio-economic and housing needs of the city. For the purpose of the study and the information to be gathered from the questions below the institution will provide information centered on the rental and social housing department.

(a) Funding questions

1. What financial services are administered by the municipality for social 'rental' housing?

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2. What financial strains are experienced by the municipality when providing social housing?

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3. How do SHIs receive funding from the municipality?

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4. What is the requirement for the funding?

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5. How are the funds distributed for each social housing project?

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6. What are the current financial challenges faced by the municipality?

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(b) Defaulting and Eviction questions

7. Does the municipality still regulate rental housing units?

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8. If yes, do the municipal owned rental units' experience defaulting?

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9. If yes, how often does it occur?

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10. Regarding evictions, does the municipality regulate the eviction tenants?

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11. What guidelines are used by the municipality to facilitate evictions?

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12. In the case of evictions, how involved is the rental housing tribunal with reaching a resolution?

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(c) Management questions

13. How are these social housing developments managed?

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14. From a managerial perspective, what are the challenges of managing social housing developments?

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15. How does the policy facilitate social housing scheme delivery?

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16. From a managerial point of view, how does the social housing policy guide municipal operations?

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17. How does the policy guide the role of the municipality in social housing developments?

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