Metropolitan Housing Development in Urban Fringe Areas—A Case Study of Three Metropolitan Cities of South Africa: Johannesburg, Ekurhuleni and Tshwane

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Abstract: Purpose: The metropolitan cities of Johannesburg, Ekurhuleni and Tshwane play an important role in the economy of the Gauteng province in South Africa. The region constitutes to 22.4 percent of the total population of South Africa and has a strong presence and contributes in areas of manufacturing sector, financial and business services, retail and wholesale trade, etc. The rapid urban population, increase in the informal settlements and socio-economic opportunities has resulted in considerable urban sprawl in and around the urban fringe areas of these metropolitan cities. The urban fringe areas of these metros often come under the influence of rapid urbanization process and pressures. Coupled with the economical and potential land dynamics and lack of priority of spatial development guidelines, these areas attract rapid and haphazard development from communities and developers. Research Design/Methodology: This research is based on a qualitative approach through a comprehensive literature review that included content analysis of key documents on housing sector such as IDPs (Integrated Development Plans), Municipal Annual Reports, Growth Development Strategies, and among other sectoral documents on housing sector. Some of the key priority issues considered in the housing sector included: eradication of housing backlogs, spatial restructuring of housing, provision of choice in terms of location, tenure and housing typology. Findings: The current paper discusses the approaches of metropolitan housing development processes in three metropolitan cities of South Africa from Gauteng region, namely: Johannesburg, Ekurhuleni and Tshwane. The paper discusses the existing housing sectoral scenario along with the fringe areas in three cities with focus on: formal and informal settlements, housing segregation and the backlogs, current institutional arrangements, role of public private participation, and scope for alternate mechanisms. The paper concludes in discussion on sustainable development options for housing development in urban fringe areas.

Key words: Metropolitan housing development, urban fringe areas, housing backlog, informal settlements, urban poor, land dynamics, housing infrastructure, PPP (public private partnership).

1. Introduction

The metropolitan cities of Johannesburg, Ekurhuleni and Tshwane play an important role in the economy of the Gauteng province in South Africa. The region constitutes to 22.4 percent of the total population of South Africa and has a strong presence and contributes in areas of manufacturing, financial and business services, retail and wholesale trade, etc. In 2007, these metros, together were home to a population of 8.9 million people in 2009 (City of Johannesburg: 3.80 million; City of Tshwane: 2.50 million, Ekurhuleni: 2.60 million) [1]. The rapid urban population, increase in the informal settlements and socio-economic opportunities have resulted in considerable urban sprawl in and around the urban fringe areas of these metropolitan cities. Through spatial arrangement and integration strategies, the cities are trying to address the issues related to economic activities, accessibility and mobility, infrastructure investments, etc.

Of these several issues, housing is considered as one of the important priority areas. The key priority areas
considered by these cities mainly include the issues revolving around: eradication of housing backlogs, spatial restructuring of housing, provision of choice in terms of location, tenure and housing typology. Due to the concentration of economic activities, inter and intra level migration, access to basic infrastructure and better quality of life, the urban fringe areas are under pressure in terms of land and housing dynamics. The urban fringe areas of these metros often come under the influence of rapid urbanization process pressures. Coupled with the economical and potential land dynamics and lack priority of spatial development guidelines these areas attract rapid and haphazard development from communities and developers.

The current paper discusses the approaches of metropolitan housing development processes in three metropolitan cities of South Africa from Gauteng region, namely: Johannesburg, Ekurhuleni and Tshwane. The paper discusses the existing housing sectoral scenario along the fringe areas in three cities with focus on: formal and informal settlements, housing segregation and the backlogs (Table 1), current institutional arrangements, role of public private participation, and scope for alternate mechanisms. The paper concludes in discussion on sustainable development options for housing development in urban fringe areas. The overwhelming majority of squatter households that have settled on metropolitan fringe have occupied land without official permission. The availability of unused land, the indeterminacy of land titles, and often ambiguous and contradictory response of municipal authorities to land occupation have provided the wedge through which squatters have pried open space for themselves on the urban fringe.

2. Literature Review

The demand for housing in South Africa is seen as one of the biggest challenges considering the critical issues like: affordability, people’s choice about tenure, and among other critical issues. Many of the government-assisted programmes are focused on outright ownership form of tenure as compared to rental. The local government being the closest sphere of governance to the people has a larger role to determine the needs at the local level. Although, as per the legal framework, the delivery of human settlements is a shared responsibility of national and provincial government, the role of municipality is limited to facilitating and planning as described in the Housing Act. In some of the case, the municipalities are delegated by provincial governments with larger responsibilities like delivery of houses [2].

2.1 Housing Backlog Challenges

The housing backlog in South Africa is dynamic in nature and depends on key factors like household structures, rapid urbanization, migration, lack of opportunities in rural areas, unemployment, subsidy income back and access to housing finance. In 2009, more than 13.4 percent of households in South Africa live in informal dwellings. More than 20 times of the current housing budget is required to eradicate the current housing backlog by 2016 [3]. One of the reasons recognized for housing backlog in South Africa is due to inadequate expenditure on housing in terms of lack of capacity to initiate new projects and availability of consistent funding. The inadequate housing delivery has resulted in issues related to job losses and high healthcare expenses. The inadequate national budget for achieving housing goals is another impediment in effective housing delivery [4]. The housing shortage varies with respect to province and is highly influenced by population growth rate, level of urbanization and rate of migration. More than two million people in South Africa are in transit between rural and urban areas in search of employment and housing which poses increasing expectations among the people. The other challenge faced is the issue of a large number of contractors who are not interested in small-scale projects. Although the slow delivery is blamed on account of budget cuts however the provinces do not manage the allocated funds fully [5]. The issues of
community dissatisfaction about the type of housing and the location aspects often delay the project delivery. The challenges in housing delivery at provincial level can be summarized as: fiscal constraints and delivery, bureaucratic bottle necks, government coordination, bulk infrastructure, land ownership issues in several areas (rural contexts), capacity constraints of small contractors, capacity issues related to contractors, private sector and government officials, monitoring and evaluation system, different interpretations of policy and legislations by provinces [6].

2.2 Informal Settlements

The issues faced by cities are multi-dimensional in nature across infrastructure, energy, water supply, telecommunications, environment, governance etc. One of such issues faced by South African major cities is about basic infrastructure around various informal settlement clusters (Table 2). Around 1.2 million poor households are in approximately 2,700 informal settlements across the country, but largely concentrated across the major metropolitan areas [7]. There are a number of estimates about the number of people residing in informal settlements, however the actual number is believed to be significantly higher. The recent policy and programme measures like Upgrading of Informal Settlement Programme and Sustainable Human Settlement Programme indicate a flexible, participative and integrated approach for informal settlement intervention. But the approaches towards funding housing elements like land acquisition, permanent municipal services, housing construction have not been adequately implemented and translated [8]. City officials in the three metros identified have also acknowledged a catalogue of problems that have plagued the supply of affordable residential dwellings. Housing delivery programmes have lacked the social and economic development components required to address historical disparities in access to decent residential accommodation [9]. Land prices in more desirable locations near the main transport nodes and employment cores are invariably higher than large tracts of land situated on the metropolitan periphery. Private investment in residential dwellings has remained stagnant in the historically marginalized townships and new low-income settlements. Even where housing delivery has occurred, the provision of social services and physical infrastructure has lagged behind community requirements [10]. The ugly flip side of squatter ingenuity, collaboration and cooperation is the emergence of opportunities, con men, and tricksters who have taken advantage of the desperate plight of homeless people in order to fleece them. In the absence of an effective housing programme that provides accommodation for those in need, an embryonic land mafia—such as that which rules squatter settlements in Brazilian cities has come into existence in the greater Johannesburg metropolitan region. These shadowy groups have access to networks that can coordinate the placement of up to five thousand people along with requisite building materials onto a piece of land in a fortnight. Usually, the self-styled organizers of these unauthorized land occupations change an average of R80 a month per site, R50 rental, R20 protection fees and R10 for a legal defence fund in the event that the municipal authorities try to forcibly remove people. These land mafia groups typically acquire legitimacy through the resources they control and by forming themselves into some sort of residents’ association. In many regions, local councillors have been to ally themselves with these land mafias in order to win the political allegiance and support of the residents [11].

2.3 South African Housing Legislation

local governments, and the basis for financing national housing programmes. The Housing Act defines housing development as the establishment and maintenance of habitable, stable and sustainable public and private residential environments to ensure viable households and communities in areas allowing convenient access to economic opportunities, and to health, educational and social amenities in which all citizens and permanent residents of the Republic will, on a progressive basis, have access to: (a) permanent residential structures with secure tenure, ensuring internal and external privacy and providing adequate protection against the elements; and (b) potable water, adequate sanitary facilities and domestic energy supply [12].

The transition of housing delivery along with infrastructure development in South Africa from its pre-apartheid to the present era is a result of introduction and implementation of key policies, legislative measures and other programmes specific to various issues of housing development. The key relevant housing and planning polices which paved a way for this transition include: The Development Facilitation Act, 1995; The Urban Development Strategy, 1995; The Urban Development Framework, 1997; The White Paper on Spatial Planning and Land Use Management, 2001; The Urban Corridor Programme; The Human Settlement Planning and Design Guidelines (Redbook); The Housing Act 107 of 1997; Housing Consumers Protection Measures Act 95 of 1998; Housing Development Agency Act 23 of 2008 [13]. In spite of the good objectives of these legislations, there exists a gap concerning the necessary interventions and bold policy statement concerning housing development within the fringe areas.

2.4 Housing Delivery

The community dissent over poor service delivery over the last few years is increasing in South Africa. Housing is one of the critical problems and much needs to be done in this sector. The issues regarding the allocation and provision of housing is one of the critical issues faced by the communities. The housing issue brings in other contentious issues like: access to services and infrastructure, security, ownership, access to credit, and affordability. With the rapid urbanization and apartheid legacy in South Africa, the concentration of confinement of certain communities is observed along the periphery of urban centres which have issues/challenges like: service delivery, infrastructure and work opportunities. The past South African housing policy has been responsible for the present breakdown in housing delivery. The depressed housing sector in South Africa is also because of lack of capacity in terms of human resources and infrastructure for construction. The issues revolving the end user finance mistrust between the lender and communities led to the straining relations towards low-income families, resulting in lack of financial services. The poor delivery in housing sector is also largely accounted due to: slow land identification and allocation processes, unsuitable standards for infrastructure, service and housing standards [14].

2.5 Policy Measures

The national programme like RDP (Rural Development Programme) was targeted for the provision of adequate housing, viable safe living, economic growth and job creation. The problem on housing is enormous, around 13.5% of all households still live in squatting housing. The townships were earlier racially segregated and located on the periphery of urban areas, and characterized by sprawling low-density, poor-quality houses, minimum social facilities and poor infrastructure. With the introduction and implementation of new policy measures, the departure from apartheid system equally faced the issues like: rapidly increasing urban population, migration, the stress on and demand for urban housing. The presence of shacks became visible almost every available open piece of land in the townships which were predominant in not having access to the basic services like potable water,
sanitation, electricity and other essential facilities. The new political dispensation radically shifted the apartheid system and recognized the need to address the dysfunctional and unsustainable urban areas, and established integrated urban development framework. The new framework intended to establish: spatially and socially integrated townships, accountable urban governance, good housing, infrastructure and effective services for households and business. The Social Housing Foundation tasked by the Minister of Housing, focused the shift from individual ownership to a range of tenure options like collective ownership, rental and leasehold. The challenges with social housing policy in addressing the key issues included: poverty and wealth disparity, lack of quality environment, consumer affordability, lack of sufficient interest from public and private sectors, slow processing of applications, downward raiding and among other issues and challenges [15].

2.6 Credit and Affordability

The dense and derelict inner cities, sprawling informal settlements and overcrowded township areas provide clear evidence in cities about the demand for housing is substantially growing, especially with the increase in population growth and migration to urban areas. The housing needs are equally constrained by the ineligibility for credit or affordability capacity [16]. In 2007, 85.6% of South African households earned less than R3,200 or less per month and found it difficult to access home loans. There are about 12.5 million households in South Africa, of which 71 percent have access to a freestanding house or traditional dwelling and a further 11.3 percent have access to a flat, townhouse or rental accommodation. The 2007 Community Survey demonstrates that a growing proportion of population live in large urban areas arising from both in-migration and natural population growth. The declining average size of household’s indicates growing number of household relative to the population resulting in strong growth in the demand for housing in large urban areas. The weak coordination of housing delivery across the three spheres of government is often cited as a constraint to scale up sustainable human settlement [17].

2.7 PPP (Public Private Partnership)

At the Housing Indaba in Cape Town in 2005, the government and the private sector, including banks and property developers agreed to accelerate housing delivery in order to address the housing backlog. The private sector recognizes the significance of working with the government to achieve the vision of a non-racial, non-sexist and an integrated society through the development of sustainable human settlement [18]. This new collaboration between the public and private sectors rekindled PPP which resulted in the developers agreeing in principle to set aside a percentage of the total value of the commercially driven housing developments in a certain price range, for investment in the low-cost housing sector. This type of initiative has been driven in various parts of the world and has been variously defined. It is at times referred to as “affordable housing”, “inclusionary housing”, “mixed income housing”, and “inclusionary zoning” [19].

3. Research Methodology

The study involved a qualitative approach through a comprehensive literature review that included content analysis of key documents on housing such as Breaking New Ground Policy, Housing Code of 2010, Municipal Annual Reports, and Growth Development Strategies. The study also involves a recognisance survey of the human settlements along the urban fringe areas, and key discussions with line managers/sectoral in-charge officials from these cities. Some of the key priority issues considered in the housing sector included: eradication of housing backlogs, spatial restructuring of housing, provision of choice in terms of location, tenure and housing typology. The research focus is limited to metropolitan housing development processes.
in three metropolitan cities of South Africa from Gauteng region, namely: Johannesburg, Ekurhuleni and Tshwane.

4. Findings and Discussion

Of the nine provinces, Gauteng is the smallest and most densely populated province in South Africa. The province represents three metropolitan cities namely: City of Johannesburg, Ekurhuleni Metropolitan Municipality and City of Tshwane. As per 2010 mid-year population estimates by Stats SA, the province housed around 11.19 million (22.4%) of South Africa’s population. A significant acceleration is recorded in housing delivery in Gauteng. The housing delivery is being achieved through key priority areas namely: mixed housing developments, upgrading and eradication of informal settlements, alternative tenure, urban renewal, and 20 priority township programmes. The approach and partnership with private sector is emerging and assisting people/other target groups who did not qualify for RDP housing. Besides these initiatives, the agencies are towards formalizing of informal settlements, eradicating old hostels and replacing them with community residential units, and promoting high density accommodation, and focus on improving economic opportunities of poor townships [20].

4.1 Functional Character: Urban Fringe (Johannesburg)

The municipal City of Johannesburg is the provincial capital of Gauteng, the wealthiest province in South Africa, having the largest economy of any metropolitan region in Sub-Saharan. According to a 2007 Community Survey, the city has a population of 3,888,180 [21]. The land area is 1,645 km² with a population density of 2,364/km². The population of Johannesburg has been noted to increase by 22.2% over the period between 1996 and 2001 [22]. These rates of population increase pose serious challenge to housing provision and infrastructural service delivery.

Majority of the peripheral areas of Johannesburg are dominated by broad functional area which has the characteristics of: high prevalence of “low-income households”, pockets of severe poverty and unemployment, extreme densities, lack of economic development and jobs in-spite of good locational aspects, accessibility to formal transportation networks and amenities, and significant basic service and social amenity backlogs. Post-apartheid housing policies of the Greater Johannesburg Metropolitan Council have revolved around the dual strategy of replacing existing informal settlements with regulated site-and-service schemes on the one hand, and preventing unlawful infringement or illegal occupation of land on the other hand. Fearing that the gathering momentum of land invasions might begin to resemble what happened in Zimbabwe where municipal authorities moved quickly and decisively to halt unlawful seizures. Following the “No Land, No Vote” campaign launched by the landless people’s movement that accompanied the April 2004 national elections, municipal authorities in Johannesburg reiterated their uncompromising stance to counter unauthorized squatter occupations with force if necessary. The post-apartheid legal regime that governs secure access to land in urban and peri-urban areas has laid particular stress on procedural guidelines for evictions rather than adopting strategies that seek negotiation or provide alternative options [23]. The Prevention of Illegal Evictions and Unlawful Occupation of Land Act (1998) served as the principal legal framework for regulating the eviction process. For the most part, homeless quarters who are forcibly removed from illegal encampments have not acquired improved circumstances. Municipal authorities have narrowly interpreted the constitutional right to “legally secure tenure or comparable redress” for all citizens to mean that squatters forcibly removed from a particular site can be relocated to an alternative location with similar insecure circumstances.

In the City of Johannesburg, the proliferation of informal settlements on the outskirts of the city is evident besides the greenfield development in the form of low to medium density urban sprawl along selected
fringe areas of the city: western and north-western fringe areas. The development pressure is mostly seen in form of densification through sub-division and redevelopment of existing core urban areas. Around 70% of the housing activity and investment within city is associated with established areas. The marginal areas reflect public sector led residential development. Several housing opportunities were initiated through various programmes like: rental housing, mixed income developments and conversions of hostel units.

The housing delivery can be seen in selected pockets around the urban fringe locations and spread within the city core areas. The number of settlements and households per informal settlement seems to be constantly moving targets. Based on several estimates of City of Johannesburg, the household backlog is estimated at 476,600 informal households.

4.2 Functional Character: Urban Fringe (Ekurhuleni)

In the City of Ekurhuleni the current housing project is characterized by high community expectations in terms of land size and level of service, political expectations especially from ward councillors, land scarcity, funding system, and higher land prices. The current housing projects are mostly located on cheap land on the urban periphery. The City of Ekurhuleni is witnessing the development pressure along the OR Tambo Airport on account of its proximity to the airport hub, and other selected residential clusters like: northwest residential expansion from Benoni. The concept of Aerotropolis with integrated socio-economic development and related aviation services businesses is the main priority as reflected in the LSDF (Local Spatial Development Framework) and IDP (Integrated Development Plan). The City of Ekurhuleni relatively represents the lowest level of informal settlement cluster with around 119 informal clusters in the city region.

4.3 Functional Character: Urban Fringe (Tshwane)

An estimate of 139,529 informal structures in the City of Tshwane exists in a total of 158 clusters of informal settlements [24]. The strategic location consists of mix of tenure options for restructuring zones and areas demarcated for affordable full tenure housing. The consolidation and formalization programme includes: upgrading of informal settlements, integrated residential development programme, inclusionary housing, hostel upgrading, rental stock: social housing and other funded housing programmes. The City of Tshwane is characterized by a rapidly growing population and exacerbated by immigration, resulting in an increase of informal settlements around the peripheral areas [25].

4.4 Housing Backlog

The MHDP (Municipal Housing Development Plan) sets the official housing backlog for Ekurhuleni at 209372, which includes informal units and the current waiting list. The MHDP includes the densification strategy, medium density housing programme including Social Housing and CRU (Community Residential Units). Tshwane had a housing backlog of 198,005 houses, 50% of the households were living in a very formal or formal dwelling. For the City of Johannesburg, housing backlog is estimated much higher than Ekurhuleni and Tshwane, with around 476,600. This primarily accounted due to the high influx of informal settlements and migration from neighbouring cluster urbanized areas.

<table>
<thead>
<tr>
<th>Metropolitan areas</th>
<th>Housing backlog</th>
</tr>
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<tbody>
<tr>
<td>City of Johannesburg</td>
<td>476,600 (informal settlements)</td>
</tr>
<tr>
<td>City of Tshwane</td>
<td>209,372</td>
</tr>
<tr>
<td>Ekurhuleni Metropolitan Municipality</td>
<td>198,005</td>
</tr>
</tbody>
</table>

Table 2 Informal settlement clusters.

<table>
<thead>
<tr>
<th>Metropolitan areas</th>
<th>Informal settlements/clusters (approx.)</th>
<th>% age (Gauteng)</th>
<th>% age (national)</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Johannesburg</td>
<td>184</td>
<td>40%</td>
<td>17%</td>
</tr>
<tr>
<td>City of Tshwane</td>
<td>158</td>
<td>34%</td>
<td></td>
</tr>
<tr>
<td>Ekurhuleni Metropolitan Municipality</td>
<td>119</td>
<td>26%</td>
<td></td>
</tr>
</tbody>
</table>


4.5 Growth Management Strategy

The peri-urban areas/urban areas outside the City’s urban development boundary represent low priority areas to be services in the long term. The GMS (Growth Management Strategy) divides Johannesburg into growth management areas which are differentiated as being high, medium or low priority areas for funding and interventions like: incentives, inclusionary housing and infrastructure upgrades. The high priority areas include some of the marginalized areas located in public transportation management areas of Gautrain stations, BRT (bus rapid transit) stations, and PRASA (Passenger Rail Agency of South Africa) railway stations. The peri-urban areas form the medium priority areas which are not located in the marginalized areas around the priority public transport network. The City of Ekurhuleni’s growth management strategy focuses on integration of comprehensive plans, public service standards, land use and infrastructure coordination, focused economic development in growth areas, and transit oriented development. The City of Tshwane’s growth management focuses on transport facilities, economic nodes for employment opportunities, areas of densification, and connections along Gauteng city region.

4.6 Capital Investments

The capital investment for housing projects is aligned with the growth priority areas and ensures that investment takes place in strategic locations and programmes. An unprecedented growth on the periphery of city has placed significant burdens to effectively service and manage new development and housing initiatives on the periphery. The urban growth and management issues along the peripheral areas has necessitated providing housing opportunities in three mainstream delivery processes: formalization and regularization of informal settlements; subsidized housing programme (RDP programme), and medium to high density housing (social and rental housing).

4.7 Private Investments

The MDI (multiple deprivation index) of Johannesburg shows that marginalized communities especially in the urban fringe areas are excluded from urban benefits as the private investment patterns remain largely rooted in the established nodes of the city. However, the housing trend as seen from large scale government housing programmes is still predominantly seen around the urban edges in form of RDP style subsidized housing developments. Similar, case is observed in case of City of Tshwane and Ekurhuleni Metropolitan Municipality. The investments are happening along selected nodes of business areas, selected pockets of residential zones, or along the high transport/service sector areas. This has resulted in housing delivery challenges along the peripheral areas of city limits/urban boundary zones [26].

5. Conclusion and Further Research

A multidimensional approach should be employed by all stakeholders to address the plethora of urban poverty, social exclusion and marginalization that characterize living condition in a typical informal settlement in South Africa and developing countries as a whole. There is urgent need for government to develop peri-urban policies together with the current increase and interventions in urban planning policies and framework. The IDPs together with associated SDF and LSDF should talk to one another with respect
to human settlement strategies in identifying suitable land within the urban fringe areas for human habitation. The metropolitan Cities of Johannesburg, Ekurhuleni and Tshwane provide potential economic opportunities more than any other metros in South Africa and this impacts greatly increased rural-urban migration. The housing need remains one of the major service delivery challenges faced by the government at national level as well as at provincial and local level. Although there are number of programmes being initiated at various levels, however the role of designated housing sector institutions needs to be strengthened in light of possibilities with various stakeholders. The qualitative analysis reveals that there is a need for alternative mechanisms which should be done tailed with existing initiatives to increase the access to various facilities like: credit finance, incremental housing, access to subsidies and other service management options. Although there are a number of options available for housing development, there is a strong need to encourage people to attempt to address their own housing issues by several options like: cooperative arrangements and social housing schemes/self-driven housing initiatives.

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