

# South Africa's housing challenge seen through the lens of its third largest city

By [Glen Robbins](#)

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As with all of South Africa's larger urban areas, rapid urbanisation has continued to place pressure on the [eThekweni Metro](#). Centred around the city of Durban, on the country's east coast, South Africa's third largest city by population has reported that the number of households living in informal dwellings in the city has remained stubbornly high at [317,613](#).



Typical mass housing units in South Africa. Flickr/IGN11

These informal dwellings house over one third of eThekweni's 3.5 million residents. This backlog has persisted despite the fact that the municipality had, between 1994 and 2016, delivered 171,000 subsidised houses – an [average 8,100 houses a year](#).

South Africa has one of the most ambitious public housing programmes in the world. Over [three million public housing units](#) have been delivered since 1994. But challenges remain acute. Statistics South Africa reported, in the 2016 General Household Survey, that 13.5% of households were living in informal dwellings. This figure rose to 18.6% for [metropolitan households](#).

While the country's large cities share some common settlement challenges, it's also important to appreciate that their contexts differ. Looking at the specific circumstances in individual cities, such as eThekweni, can help provide a finer analysis to enable a better understanding of South Africa's broader housing challenges.

For much of the 1990s and 2000s the eThekweni Metro led the country's cities in delivering state housing. At its peak, between 2007 and 2010, it delivered over 16,000 subsidised [housing units annually](#).

But in recent years, its delivery of subsidised housing units has looked far less impressive. The municipality noted in its most recent (2016/17) [Integrated Development Plan](#) that

“ *Delivery against the housing and services backlog must be improved.* ”

This slowdown in public housing delivery is not unique to Durban. In fact, in response to the rising pressures of slowing housing delivery in South Africa's cities, the national Minister of Human Settlements has urged a focus on housing mega-projects. These are scaled-up greenfield projects of 10,000-15,000 housing units or more at a time.

The minister has argued that they are necessary to revive the [pace of housing delivery](#). One of the elements of these plans is to secure improved partnerships with private sector funders and developers. It's hoped this will help meet a wider range of housing needs, and assist the state in overcoming some of its apparent limitations.

The shift to mega projects has not yet generated the desired major growth in total public sector housing delivery. Annual delivery is still lower than the [heights of the late 1990s](#). This suggests that major delivery obstacles remain.

Although government policy promotes a greater role in affordable housing by the private sector, this too is not without its challenges. Analysis of private sector housing development in eThekweni suggests that private delivery, in this city at least, might offer little in the way of support for enhanced delivery.

Under these circumstances, raising the scale of both public and private sector delivery of housing requires an approach that tackles issues well beyond the realm of the much vaunted focus on mega projects. Core to this would be for policy to better respond to different conditions in various cities.

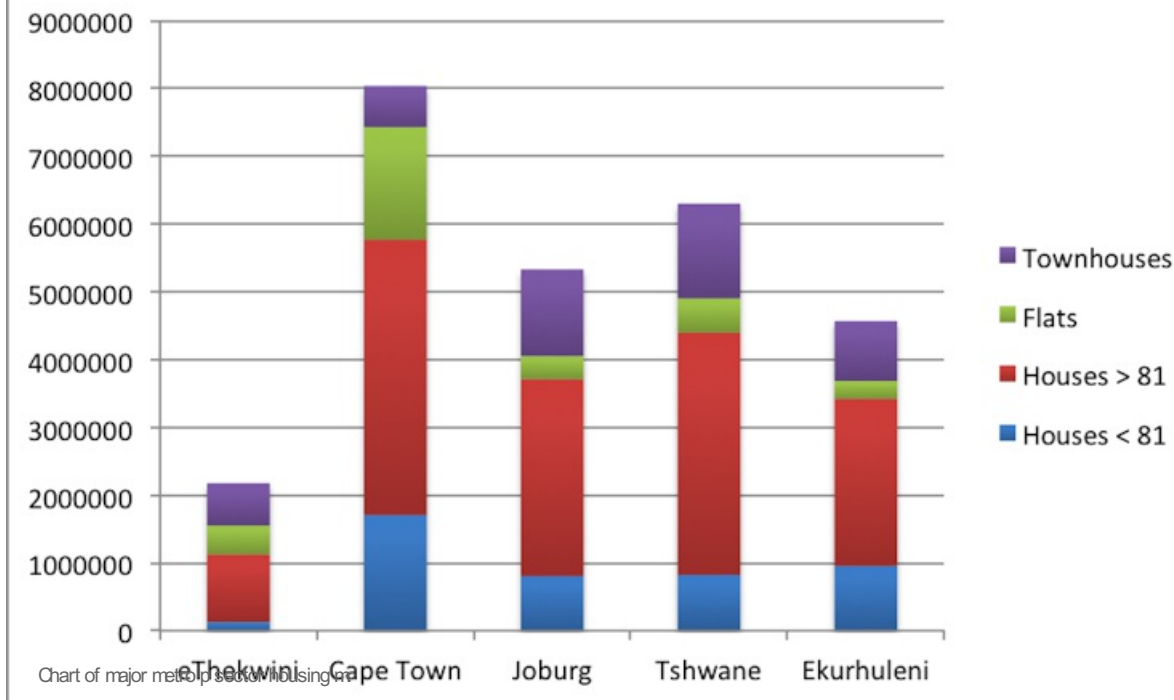
## **Absence of the private sector**

Using present public housing delivery rates in eThekweni, and assuming no growth, it would take three quarters of a century to eliminate the backlog. Explanations why these challenges have persisted have included the city's [complex topography](#). It's surrounded by undulating hills and valleys making suitable land for development scarce. Other factors that have slowed down the pace of delivery include weak inter-governmental coordination.

While these obstacles are widely cited in eThekweni municipal documents, matters of private sector delivery get scant attention. In fact, policy reflection on private sector participation in housing is largely confined to the city's one housing [mega project at Cornubia](#). But the fact that eThekweni has seen substantially less private sector investment in housing than any of the other large metros cannot be ignored.

An analysis of data on building plans completed from [Statistics South Africa](#), shed some light on elements of this issue. Notably, of the largest South African metros eThekweni only secured 8% of private sector residential development by area of completed buildings (m<sup>2</sup>), between 2008 and 2015.

## Major SA Metro private residential building plans completed - area (m2) 2008-2015 (Figure by G Robbins using Stats SA data)



Almost none of this private residential delivery was in more affordable stand-alone units under 81m<sup>2</sup>: eThekweni only secured 3% of the area (m<sup>2</sup>) of large metro investment in this category. While its share of private sector delivered flats and townhouses was slightly better, at around 13% for the two categories combined, this was substantially less than Johannesburg (20%), Tshwane (24%) and Cape Town (28%).

These figures don't cast a lot of light on the affordability of private sector delivered housing in South Africa. But they do suggest that eThekweni's housing challenges also extend into private sector housing delivery. After all, drawing again on the data on building plans completed, between 2008 and 2015, only 0.6m<sup>2</sup> of private sector residential delivery took place for every one eThekweni resident (using 2011 Census population figures). For the other four large metros the per capita average was more than double at 1.7m<sup>2</sup>.

## Longer-term solutions

Further research needs to explore some of the factors influencing these patterns of uneven private development. For instance, eThekweni's higher share of households in lower-income categories and large proportion of [people not working](#) are both likely to depress private demand.

Beyond these factors, it would also be useful to examine other possible constraints. Issues such as municipal investment and regulatory decisions as well as the basket of municipal costs also deserve attention. These can influence private sector housing delivery.

Finding longer term solutions to eThekweni's complex housing challenges will undoubtedly take a substantial re-energising of government-led delivery. This would include efforts such as the widely lauded programme to attend to service-delivery in [informal settlements](#).

The municipality, and other spheres of government, must also find ways to work with other partners who influence private sector delivery. This will be essential to finding ways to ensure a greater diversity of housing stock, especially in terms of more affordable developments in well-located areas.

Finding such solutions in eThekweni, with its [very high poverty](#) and low levels of employment, could provide pointers for more inclusive housing arrangements with the private sector in South Africa's cities.

## ABOUT THE AUTHOR

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