



Executive Leadership Programme

on

Accelerating City Transformation for Inclusion, Growth and Sustainability



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REPUBLIC OF SOUTH AFRICA

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Context

- Housing to be considered in the context of spatial , social and functional linkages, and needs to be product of the overall metropolitan and city land use which promotes resilience, inclusion and improved services
- Housing location and transport options are important elements which define the affordability of the city to the poor and competitiveness of the city as a whole
- The location of housing in a metropolitan context can promote good urban growth or it can promote costly urban sprawl.
- Human Settlements, in the CSP context, refers to urban spaces in which all residents have good access to economic and social services, facilities and opportunities through proximity and mobility and greater social diversity at neighbourhood and city levels.
- Thus the Human Settlements component is designed to support and enable cities to transform their built environments to be more inclusive, sustainable and productive, and thus contribute to economic growth and a reduction in poverty and inequality.





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Scaling up Upgrading Informal Settlements towards Inclusive Cities

- Scaling up informal settlements upgrading in cities key for placing housing in the centre of any city development agenda;
- Urbanisation of poverty and informality the rule rather than the exception , thus cannot be ignored
- Many countries mainstreaming urban inclusion in national development policy , and prioritising scaling up upgrading;
- Cross cutting lessons of twelve country experiences including South Africa indicates supports this;
- In all 12 cases , there are common policy developments paths and policy failures , **but context** is a strong factor in success;
- Good pockets of ambitious national upgrading and affordable housing policy reforms and programs;
- However the scale leaves much to be desired;
- Countries: Bangladesh, Brazil, Colombia, Chile, Ethiopia, India, Indonesia, Morocco, Thailand, Tunisia, South Africa and Vietnam .
- Scoping of good practices that can be upscaled conducted. Looking at constraints and opportunities for scaling up upgrading in SA cities .





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Innovations and Good Practices in SA Cities – CSP Scoping Report

Many innovations, pilots and experiments. Driven by:

- Local governments
- Community groups
- NGOs
- Donors

However, , few innovations embrace full upgrades. Instead, most represent good practices w/r/t components of upgrading:

- Land, planning and tenure
- Infrastructure
- Shelter/housing
- Community involvement

Based on **international good practice: Pre-conditions for scaling up Upgrading of Informal Settlements**

- Political will: including the will of politicians and communities
- Enabling environment: including supportive policies, legislation, and targets
- Resources: funding and financing
- Capacity : inclusive of all necessary actors





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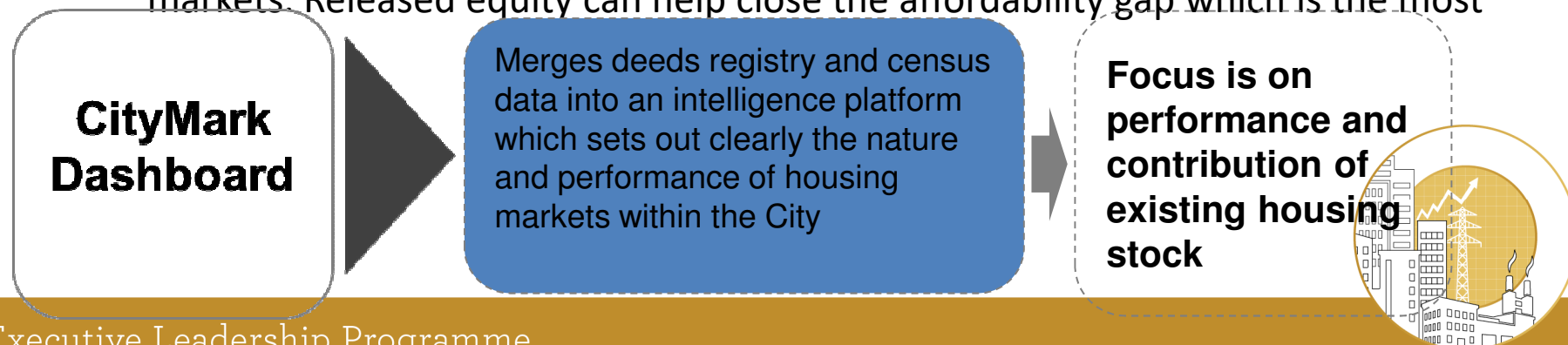
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Understanding Housing Markets

The understanding of the housing markets at city level is key for developing a medium to long term housing strategy and consequently for developing tailor made affordable housing solutions within cities using three innovations:

- **Housing Performance Index:** measuring and comparing a basket of local key market indicators for the city which allows the growth of housing markets to be measured relative to local conditions over time and across all cities;
- **Affordability and the housing gap:** newly released census data at the local level makes it possible to consider housing affordability relative to local income, to quantify local housing gaps and to get a better sense of real affordability;
- **Equity Leverage:** measuring the levels of equity released in affordable housing markets. Released equity can help close the affordability gap which is the most





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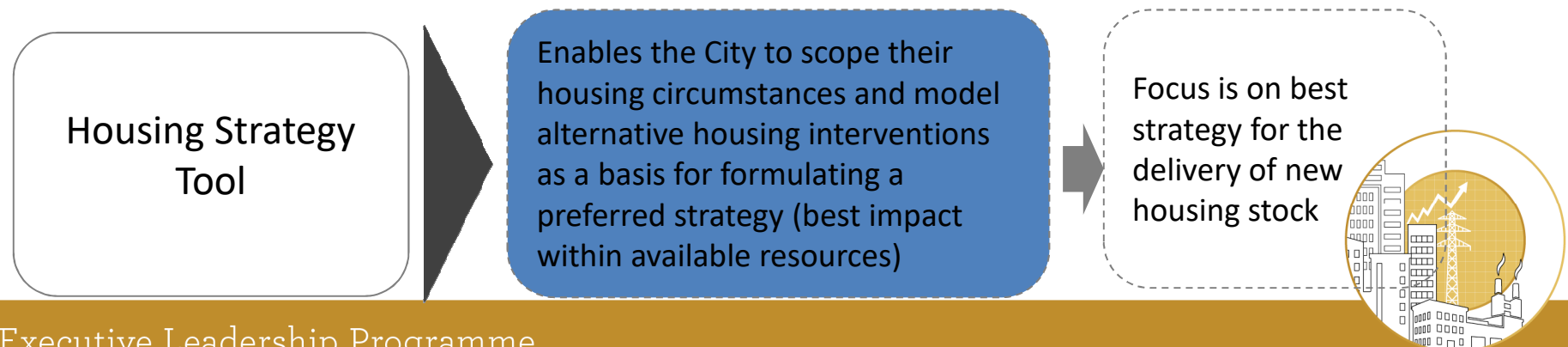
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Metropolitan Housing Strategy – Approach and Tools

- The **Housing Strategy Tool** enables the human settlements department of a municipality or province to model, cost, assess and refine various housing options as part of their human settlement planning.
- The Tool was originally developed to provide strategic support to the National Department of Human Settlements and to assess fiscal options for the housing sector for the Financial and Fiscal Commission.
- Through the Cities Support Programme this Tool has also been applied in developing a human settlement strategy for the Nelson Mandela Metropolitan municipality. The tool has also been used in reviewing the draft Integrated Human Settlement Framework for the City of Cape Town and in supporting the development of an Integrated Human Settlements Framework for the Western Cape Province.



Human Settlements Support

- **Objective:** to support cities to ensure the availability of affordable accommodation at scale for residents, within more inclusionary, integrated and efficient human settlements.
- Emphasis is on expanding housing markets, integrated in-situ upgrading, and land release

Creating an enabling environment through property markets and land

- Better understanding property markets as a driver of economic growth.

Providing cities with implementation support for upgrading informal settlements

- Addressing city level constraints to drastically scaling up upgrading and supporting self-build housing.

Improve the performance of fiscal instruments

- Rental housing options, grants and subsidies, incentivising the private sector and piloting demand-side subsidy instruments.

Land availability support

- Release of strategic public land and review the regulatory environment for land use management.



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Road Map

- January – June 2017: Programme Management Toolkits for scaling up Upgrading
- July – June 2018 – Testing of Toolkits in three metros
- March - June 2018 – Incremental Backyard Upgrading
- January – May 2017- City Mark Reports
- May 2017 – May 2018 – Rolling Out of Understanding of Housing Markets programme
- February 2017 – May 2018 – Housing Finance Support and Partnerships at city level.



THANKS