The Development of Social Housing in South Africa

Social Housing is not new to South Africa. From as early as the 1920s, social housing was developed to address poverty that had arisen as a result of war conditions. More recently, social housing has come into focus through a demand for purchasing inner city housing on the basis of small landlord entrepreneurship and/or collective ownership.

The role of social housing in addressing the country’s current housing crisis has gained prominence since 1993. The catalyst was the Seven Buildings Project in Johannesburg, in which the tenants of seven inner city buildings offered to buy these from their landlord. Through their efforts to address their situation, they set in motion a debate which resulted in the promulgation of the institutional subsidy guidelines. But the Seven Buildings Project was not only a housing initiative to influence the policy debate. The EU-funded Urban Sector Network (USN) has sought to highlight the role of social housing within the broader housing framework since the early 1990s. Its submissions to the National Housing Forum (NSF) contributed to the development of the institutional subsidy guidelines. Today, the USN continues to sponsor research and development in the area of social housing.

Since the early 1990s, members of the South African Homeless People’s Federation (SAHPF) have been working to improve the living conditions of people on a collective basis. Over time, this collective approach has evolved to include the “mutual self help” approach, where a group of people builds their houses together. The South African Housing Cooperative is an example of this approach.

The EU-funded Support Programme for Social Housing (SPSH) is a National Government programme administered by the National Department of Housing (NDoH). The SPSH is an institutional development and capacity building programme of the National Social Housing Programme for South Africa. The SPSH therefore exists in order to assist Government to grow the National Social Housing Programme into a sustainable vehicle for social housing production.

SHIs that benefited from the Grant

Madulamoho Housing Association

Madulamoho is a section 21 company that operates in Hillbrow, an inner-city suburb of Johannesburg. Madulamoho grew out of the Metro Evangelical Services, an organisation well-suited to an area where resources are limited. The SPSH provided technical support to Madulamoho’s flagship project the new Europa House in Hillbrow – the diluted central inner city Europa Hotel was refurbished and converted into housing units.

This development is designed to fill the gap between homelessness and social housing by providing shelter, communal and transitional housing. The target beneficiary group consists of R1 500 and R3 500 per month.

EU funding benefited this programme by making it possible to finance capacity building interventions and to secure necessary technical assistance.

Social Housing Company (SOHCO)

Sohero Adelaide Housing is a Section 21 company (non-profit) committed to the development and management of social housing in the Buffalo City, Cape Town and Durban 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. This includes families with special needs such as the disabled, young adults with a regular income and single parent families.

In 1999 SOHCO initiated the Amalinda project to address the shortage of social housing stock in the Eastern Cape. Construction commenced in 2001 and has achieved 600 units to date. SOHCO projects in Cape Town and Durban are currently under way and will consist of a mixture of rental and rent-to-purchase options.

In terms of the grant agreement between the SPSH and SOHCO, technical assistance and funds for capacity improvements within the institute were provided by the SPSH.

Communicare

Communicare has a long history of providing well located and good quality affordable housing in the Western Cape for the low income housing market. Presently the company owns, and facilitates the management of, the following:

• Units for the elderly or special needs category

National Department of Housing

In terms of section 25 of the Constitution everyone has the right to have access to adequate housing. From this section the National Department of Housing derives its mandate. The Department of Housing has designed a strategy and a policy that is geared to achieving social housing production provisions.

The SPSH is a component of this wider strategy. The Department of Housing is actively responsible for executing and managing the programme through the SPSH Programme Management Unit.

Social Housing Foundation

The Social Housing Foundation is a Section 21 Company, established in 1997 by the National Department of Housing. The organisation was established as a national institution and formally mandated by the Department of Housing to develop and build capacity for social housing institutions and to develop a policy framework for the sector through the Housing Amendment Act, 1999 (Act 20 of 1999).

The SPSH Programme Management Unit resides within the structure of the Social Housing Foundation.