

SPECIAL POINTS OF
INTEREST:

- 10 out of the 13 municipalities have a housing chapter in the IDP
- 5 of the 13 completely and 3 partially out-source the development of policies/strategies for housing
- 10 municipalities manage their own housing stock, five have a municipal entity and 9 a SHI
- Proportions of vacancies in the housing department vary between 2% and 68%



“The final outcome is a tool that has been developed for use by all Municipalities.”

Manager Infrastructure Services of SA Municipality

Benchmarking in Housing Lessons Learned



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Benefits of Benchmarking in Housing

Benchmarking is a strategic management tool that is gaining popularity in local government in South Africa. Benchmarking provides an efficient and effective tool to implement national policies. It gives insight into the accomplishments of a municipality, within the confidential environment of a group of fellow municipalities.

Benchmarking shows the strengths and weaknesses of a municipality in comparison to others. Based on the experi-

ences of their fellow municipalities, the participants can then learn how to improve their accomplishments and overcome difficulties.

Municipalities throughout South Africa are no longer choosing to work in isolation. Through benchmarking municipalities can share their experiences, and identify good practices from each other that can then be implemented within their own municipality. At present SALGA-CMRA benchmarks

are being realised in Housing, Social Housing, HIV and AIDS, Public Participation and LED [see page 4].

This benchmark has provided insight into the current status of housing in the participating municipalities. With these insights and the recommendations that they receive, municipalities can improve their performance. Furthermore, other stakeholders in the sector can also learn from these lessons.

Housing Benchmarks Conducted

Two benchmark cycles have taken place in the field of Housing in 2010. One was on Social Housing (applicable in the thirteen municipalities that have restructuring zones), the other benchmark was on Housing in general.

The benchmarks were an initiative of the cooperation between SALGA and VNG international and

were implemented by CMRA.

In 2011 CMRA intends to establish a new Housing Benchmark cycle. Municipalities that have not participated in one of the previous benchmarks or that may be interested to participate in a benchmark can go to www.cmra.org.za for more information.

Gaps in Data: a Challenge of Municipalities

Municipalities are facing challenges when it comes to getting accurate demographic and statistical information. Municipalities need to have detailed knowledge of the demand for housing to facilitate its implementation. Demographic data is useful in determining the demand for housing. Unfortunately, this data is not always available.

For many of the benchmark municipalities it can be difficult to collect data and information. Often data is old or not available at all. Some of the information that is difficult to get is important to the planning process for housing programmes at the municipal level.

This can make it very difficult for municipalities to plan effectively. **If municipalities don't have access to demographic data, the demand for housing is difficult to determine.**

**For more information
go to www.cmra.org.za**

Public Participation Improves Quality



“When we were filling in the benchmark questionnaire, we already found gaps in our systems. We have developed a programme to deal with these gaps.”

Housing Manager of SA municipality

Experience in the housing sector has shown that public participation is crucial.

Housing is a highly politicised issue and often the subject of community protests. People can have objections to projects that they feel might have a negative impact on their neighbourhood. The preference of the public should be taken into account.

Informing and consulting with

the public has proven important for municipalities. It can ensure the successful implementation of projects.

Although the municipalities in this benchmark included the public in stages of the planning process, this was focused on the end-users. At large, there seems to be a lack of public participation. Providing information is most important. And for people

it is important to know what they can expect from a project.

Some municipalities consider public participation as a delaying process, whilst others have seen benefits for the municipality and a positive contribution to the process.

Overall, public participation can be a short-term investment, for a long-term gain.



Intergovernmental Cooperation Essential



A solid relationship between the provincial and local government is very important for the successful implementation of housing projects.

Frequent communication between the two spheres of government is a way of achieving this. Despite the positive discovery that six of the benchmark municipalities have regular meetings with their provincial counterparts to align planning for housing, most municipal and provincial documents on housing are not aligned.

This shows that the relationship between the two is often not developed enough. Even though meetings are taking

place the alignment and implementation of projects can remain a challenge. This could be because in practice it has often been difficult to divide tasks of the provincial and local government properly.

In most cases municipalities don't know the size of the budget that will be assigned to housing in their area of jurisdiction. This can make planning very difficult. Municipalities need to know in advance how many subsidies they can expect in a financial year, so they can plan for housing. Therefore, better communication is still required.

Municipalities are important stakeholders in the delivery of housing, especially the planning part of it. Looking at the functions that local municipalities are performing, it seems that many of the important functions in housing delivery are already at the local level.

It seems that most of the important functions related to implementing housing projects are being done by municipalities themselves or in cooperation with the provincial government. **Strengthening intergovernmental cooperation can improve the implementation of housing projects.**



Positive Response to Capacity Building

Almost all municipalities claimed that capacity building programmes have led to improved service delivery. Improvement in capacity was mainly staff being capacitated in policy formulation and implementation, and understanding the processes better.

The municipalities noticed a positive result. Unfortunately, even though a positive result is felt this cannot be directly linked to an increase in housing delivery because a lot of other factors also play a role.



Thus, a direct link cannot be made between capacity building and the number of delivered housing units.

The provincial governments are responsible for the capacity building of municipalities in housing. Five of the seven municipalities claimed to have received capacity building in the form of training programmes from the province. Other institutions and service providers, such as universities, also provided capacity building programmes.



Who are the Housing benchmark municipalities?

Municipalities in the housing benchmark cycle 2011 are:

- Buffalo City Metro (EC)
- Camdeboo LM (EC)
- Emfuleni LM (GP)
- Ekurhuleni Metro (GP)
- Emalahleni LM (EC)
- Govan Mbeki LM (MP)
- Langeberg LM (WC)
- Naledi LM (NW)
- Oudtshoorn LM (WC)
- City of Tshwane (GP)



Good Planning makes for Good Delivery

Municipalities are performing many of the major functions in the housing sector. But some municipalities are better equipped to take over responsibilities than others. And where capacity is lacking municipalities often have to depend on external service providers. This is a common phenomenon throughout the country, and not an ideal situation.

Providing proper housing for the population requires proper planning to ensure that the supply meets the local demand. Planning is a major task of the municipality. If capacity is not sufficient

to develop their own policies they will need to find a way to include external service providers but ensure that ownership remains with the municipality. Municipal officials know more of the local situation because they deal with it daily.

In the end officials need to be able to work with the planning documents and ensure delivery. Often municipalities have the necessary

planning documents as a result of external service providers but these do not always reflect the delivery.

Good delivery has to start with good planning. As everybody in the housing sector knows, you cannot build a quality house on a bad foundation.



Municipalities in the social housing benchmark cycle 2011 are:

- Buffalo City Metro (EC)
- City of Cape Town (WC)
- City of Johannesburg (GP)
- City of Tshwane (GP)
- Ekurhuleni Metro (GP)
- eThekweni Metro (KZN)
- Mangaung Metro (FS)
- Mbombela LM (MP)
- Msunduzi LM (KZN)
- Nelson Mandela Bay Metro (EC)
- Polokwane LM (LP)
- Rustenburg LM (NW)
- Sol Plaatje LM (NC)

Good Practices in Housing from the Benchmark Group

City of Johannesburg:

Under the city's Better Building Projects, buildings that were either abandoned, hi-jacked or heavily in debt were identified. The municipality was then able to take ownership of such buildings and allocate them to SHIs to develop social housing units. This project contributed to the upgrading of Hillbrow and the CBD. It also provided 1500 new rental housing opportunities for people with low and moderate incomes.

Western Cape Province:

Langeberg, Oudtshoorn and Cape Town all receive a budget allocation from the province. The province publishes the budgets in the Gazette. This allows the municipalities to plan their housing delivery more accurately. Good cooperation and communication between both spheres of government can improve the delivery of housing. Because the Western Cape Province informs their municipalities about budgets, more accurate housing plans can be drafted. This results in concrete and realistic plans.

City of Cape Town:

The Steenburg social housing development is located in the southern suburbs of Cape Town. Together with the Social Housing Company (SOHCO) the municipality undertook an extensive public participation process. By the end the public supported the project. The rental housing project opened in April 2010 and is a success story. Without an effective public participation process the project would not have been so successful.

Ekurhuleni:

Ekurhuleni's partnership with a municipality in the Netherlands, Breda, has resulted in an exchange of knowledge to build capacity in the field of rental housing. Through proper alignment and internal structures that allow for cooperation between departments, Ekurhuleni has managed to have the different departments work together. By putting the responsibility for coordination within one department, there is one reference point for external stakeholders and for the different departments. This allows for clear communication lines. Also, by in-

volving the councillors in the planning process, Ekurhuleni municipality's project can count on political support and is properly monitored.

Camdeboo municipality:

RDP housing alone could not cover Camdeboo's diverse housing demand. After conducting a market survey a clear demand for both low and middle-income rental units emerged. The research also showed stakeholders that it would be possible to establish a feasible project.

Based on this information the provincial government committed to the project and a SHI was contacted as a possible delivery agent. All this contributed to policy changes within the municipality. The planning of a mixed rental housing project of CRU units and units for the middle-income target group has started.

The market research has given a detailed indication of the rental housing demand. It has shown that even in a relatively small municipality, rental housing can be feasible. Importantly, it has shown that good information collection and analysis strengthens the quality of planning and results in project implementation that meets the demand.

How can your municipality participate in a new benchmark?

South African municipalities are invited to participate in new benchmarks on the following topics: **Local Economic Development, Public Participation, HIV and AIDS, and Housing.**

These are implemented by SALGA and CMRA. The benchmark projects all aim to aid municipalities to improve their municipal service delivery. Often benchmarks are funded by international donors. But in most cases co-funding from the participating municipalities is needed.

If your municipality is interested in participating in one of the benchmarks please contact Ms. Michelle Essink at 012 347 3848 messink@cmra.org.za



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