

Voices of the Poor: Access to Urban Land

A Case Study

This case study draws on research that investigated the perspectives and experiences of civil society organisations with regard to access to urban land by the poor. The research was conducted by Warren Smit, commissioned by Urban LandMark (see Sheet 5 for reference details).

An introduction to the case study is given below. On the back of this sheet some learning and reflection activities are provided. You can do these activities on your own or in groups, as appropriate for your learning session. Look carefully at these activities before you begin so you know what to look for while you are reading.

The next part of the document (Sheets 2, 3 and 4) presents perspectives on access to urban land by poor people. These perspectives were drawn from interactions with civil society organisations in Cape Town, Pietermaritzburg, Port Elizabeth and Johannesburg. The final component of this document (Sheet 5) includes a summary of key issues that were covered in the case study and recommendations arising from it.

Learning outcomes:

By the end of this session participants will be able to:

- Identify key obstacles that prevent poor people from gaining access to urban land
- Articulate sector-specific recommendations towards reducing or removing some of the obstacles.

Introduction to the case study

In 2007 Urban LandMark undertook a series of consultations as part of the Voices of the Poor project. Four workshops were held in the centres listed above. The workshops were attended mostly by civil society organisations as well as NGOs. In all, 105 participants from more than 30 different civil society organisations participated.

This case study presents the perspectives and experiences of civil society organisations with regard to access to urban land by the poor as derived from the consultations.

These perspectives are fairly representative of urban community organisations as a whole. Interestingly, very similar issues came up at each of the workshops. Regional variations were presented, for example, inner city housing issues in Johannesburg, urban-rural linkages in Pietermaritzburg, but overall, the themes are common. The material that is presented, therefore, represents fairly well the voices of poor people, hence the title of the case study "Voices of the Poor."

Photo: Kevin James



Part of a series of case studies developed as a teaching and learning resource for studies in urban land markets. Urban LandMark Tel: 012 342 7636 Fax: 012 342 7639 email: info@urbanlandmark.org.za • www.urbanlandmark.org.za
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Learning Activities

Before you start

Before you read the case study, spend a couple of minutes noting what you think are the main reasons why poor people need and want to gain access to urban land, and what features they are looking for in those places.

After reading the examples

In your group jot down recommendations for local authorities in South Africa that will guide them in developing a policy for addressing and resolving in an equitable and sustainable way the issues around access to urban land by poor people.

Be prepared to report these back to the main group if called upon to do so.

Reflection

1. Talk about your experience of reading the three examples described in this case study.
2. Write down three words that best describe how you felt while you were working through the case study. Why these specific feelings and not others?
3. Reflect on what you have learned so far in this case study and through your group learning activity.



Photo: Kevin James

A new RDP housing development

Voices of the poor: Access to urban Land

Poor people generally find it difficult to access land in urban areas in ways that work well for them. The material that follows is drawn directly from the Voices of the Poor consultative workshops referred to in the introduction. It falls into six main categories:

- Urban land and livelihoods
- Obstacles to access to urban land
- Formal market processes
- Local, informal processes
- Access to finance
- Urban-Rural linkages

Obstacles to access to urban land

Numerous obstacles exist that make it difficult for poor people to gain access to urban land. Amongst these are:

Instead of presenting a list of obstacles here, as part of your learning exercise we would like you to spend a few minutes brainstorming what factors you expect to find in such a list. Do this in groups. You will receive the list that was generated for this case study later.

Numerous obstacles exist that make it difficult for poor people to gain access to urban land.

Many of these obstacles to accessing urban land are also reflected in the following sections.

Photo: Kevin James



A less than ideal solution to gaining access to urban land, but the benefits of this location make it worthwhile

Urban Land and Livelihoods

The link between urban land and livelihoods is hugely significant. Access to work is often the primary reason why people locate themselves in urban areas. Proximity to various facilities such as schools is also an important factor. People living in informal settlements are frequently involved in struggling for their right to stay close to jobs and facilities; they resist relocation by the state to peripheral locations where there are few jobs or facilities.

Communities that have been relocated have often been negatively affected. As a result, many have to pay more to get to work, and they struggle to access facilities such as schools, shops, churches and childcare services and feel strongly their removal from social networks.

Respondents held strong views that relocating people to the periphery is not only unsustainable for the people relocated, but also for government because of the increased cost of infrastructure and the need for increased transport subsidies.

For these reasons, when people plan to occupy vacant land and establish an informal settlement, they look carefully at issues such as access to jobs and facilities. Communities do a careful cost-benefit analysis of the location of the land. Often people locate themselves in close proximity to family members or other social networks which can assist with access to water, electricity, security, and so on.

Before people occupy land they look carefully at issues such as access to jobs and facilities and locate themselves close to these as well as to family members or other social networks.

Photo: Kevin James



People choose poorer conditions in order to maximise access to opportunities

Formal market processes

Poor people are generally unable to gain access to the formal land market, and there is a perception that the formal land market is something alien with which the poor do not engage. It is only people with more resources (perceived as “white people or people from other African countries”) who are able to buy in the formal market.

However, poor people are buying and selling their homes, but mostly informally. Informal trade in land and houses is, in fact, a strong element in the lives of poor people. Mostly the commercial value of such exchanges is fairly low, yet the need to gain access to finance remains a significant barrier, even leading to people losing their homes to loan sharks because of non-payment. This applies to informal houses and RDP (Reconstruction and Development Programme) houses sold informally because of the eight-year restriction on sales of RDP houses. Often they end up back in informal settlements or in backyard dwellings.

RDP houses are low-cost, government subsidised houses made available to poor people in South Africa as part of the Reconstruction and Development Programme.

Where a higher level of social organisation is coupled with slightly better levels of income, there is an opportunity for informal ‘estate agents’ to emerge from the community, especially in an area like Hangberg (in Hout Bay, Cape Town) where there is evidence of an informal property market emerging. This extends the usual word-of-mouth functioning of the informal land market. However, even in places like Hangberg, respondents felt that the buying and selling of land should go through a community structure or mechanism such as a community land register.

Photo: Urban LandMark



An RDP housing development

Generally, the main way in which the poor engage with the formal market is through the Housing Subsidy Scheme. However, the Housing Subsidy Scheme is not strictly part of the land market, but a state allocation of resources. Nevertheless, the perspective of subsidy housing is mainly negative:

- RDP houses perpetuate informal settlements as they are too small to accommodate a family
- RDP houses are made of inferior material
- People can't afford to keep their houses and end up selling them, but they have very low monetary value and are difficult to sell, so people end up losing their house with very little return
- Often, RDP house owners do not receive their title deeds and do not pass them on to buyers. The payment made by buyers is therefore like rent – they never truly own them
- This highlights the problem of lack of information – people don't understand the need for a title deed, and government has not provided enough advice for people demonstrating why they should keep their house.

RDP housing, in the perception of respondents, therefore, is not working well for poor people, either in terms of providing better accommodation, or as an entry point into the formal market. Nevertheless, for all its perceived faults, the Housing Subsidy Scheme is important and is the only way that poor people would ever be able to get formal access to urban land and housing.

Local, informal processes

There is a wide variety of informal tenure arrangements. The main ones identified in the consultation workshops were:

- inner city tenants
- informal settlements
- backyard rental

Inner city

Inner city decay and the hijacking of buildings have led to major deterioration of buildings and disconnections of services. Respondents felt that until fairly recently government had neglected these buildings, which led to a whole set of informal arrangements which are not working for the poor as they are under constant threat of eviction. More recently, buildings are being bought up for redevelopment, many for social housing. The informal arrangements are being formalised but at the expense of the poor as they are often not able to afford the new rental payments and therefore have to find alternative accommodation.

An alternative is to occupy empty industrial buildings, but these provide inhuman living conditions. People use cardboard boxes to divide the space and have limited access to water, electricity or toilets.

Building hijacking: buildings, often high-rise buildings, that are occupied unlawfully, often by non-owners, who then collect rent from the illegal occupants.

It is good that hijacked buildings are formalised, but social housing is too expensive for poor people and they end up without a place to stay.



Photo: Kevin James

People occupying decaying inner city buildings

Informal settlements

There are two broad types of informal settlements:

- Those resulting from land occupations, where some form of community structure is usually responsible for monitoring access to the settlement
- 'Shack farms', where people rent a 'plot' from the landowner.

It was reported that land occupations are not as spontaneous and unplanned as they are sometimes portrayed by the media and other role-players; sites are often carefully chosen and the occupation is planned in advance. Land occupations involve a constant struggle for the right to stay and to access services and housing.

Photo: Kevin Wall



People prefer land close to transport routes and work opportunities (Pavilion Shopping Centre, Durban)

All of the informal settlement communities have stories to tell about the deprivations they have to suffer, for example, having no toilets, water or electricity, and paying high prices for water.

Informal settlements are under constant threat of eviction, under a range of pretexts. And many do not believe that they will be returned to their area or be provided with suitable housing at the places they are being moved to.

Backyard informal rental

Informal backyard rental is seen as something inevitable, mainly to be found in informal settlements, both because of the desire to earn income from rent and the need for accommodating people coming to urban areas. It was noted that backyard informal rental will continue while people need to earn a living. Once people are allocated a space they can use this to make money. While this works for providing an income it means that even when an informal settlement has been upgraded it continues to seem like an informal settlement because of all the backyard shacks that are erected.

Informal backyard rental is 'inevitable' because of the desire to earn income from rent and the need for accommodating people coming to urban areas.

Perceptions of informal tenure

Informal tenure arrangements were generally seen as being quick and flexible:

- Informal tenure arrangements can work well if there are strong community organisations in place to monitor and control them.
- Informal arrangements are much quicker as people are allocated a space and then are immediately able to build a house for themselves. With formal processes people have to wait “forever”.
- Informal arrangements work for people who need to be highly mobile, particularly in relation to seeking work or being close to one’s place of work.
- However, this flexibility has a price - uncertainty regarding the future, a lack of access to services and unsafe living conditions. “Informal settlements are not fit for human occupation”.

Access to Finance

The dominant view of respondents is that poor people, by definition, are unable to access finance from banks because of low affordability levels. Also, the needs of extended families place greater demands on income earners than is the case in the typical western notion of the family, thus resulting in lower levels of affordability. People continue to be evicted as a result of a failure to keep up with mortgage loan repayments.

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There is a counter-view that finance is available from banks for lower-income people, but that the poor are not aware of it or do not know how to access it.

Views of informal finance are even worse. Informal money-lenders are able to use people’s inability to repay loans to take possession of loan defaulter’s houses and become multiple property owners.

An underlying theme in all of the consultations, in spite of the various negative perceptions of RDP housing referred to earlier, is that the Housing Subsidy Scheme is extremely important and is the only way that poor people would ever be able to get formal access to urban land and housing.

Urban-Rural Linkages

People generally move to the city from rural areas for employment and other economic opportunities. Urban-rural linkages are important for many of these people, for example, some live in urban areas during the week, and at weekends go to their rural homes. However, usually urban-rural linkages involve less frequent movement, or sometimes no movement at all, but just a sense that one’s “real” home is in the rural area. The connection with the rural area is important for cultural reasons.

The key implication of the prevalence of urban-rural linkages is the need for the provision of affordable rental housing in urban areas.

The key implication of the prevalence of urban-rural linkages is the need for the provision of rental housing in urban areas. Rural people who move into urban areas to find work don’t necessarily want to own a house there, so municipalities need to create better conditions for rental housing to be produced for those people so that they can access decent accommodation. However, it is unlikely that poor people could afford such housing, as discussed previously, so sub-rental arrangements should also be allowed and provided for.

Summary sheet

Access to urban land: voices of the poor

On Sheet 2 readers were invited to generate a list of obstacles that make it difficult for poor people to access urban land

The list that follows was generated from the Voices of the Poor consultations.

- Poverty and unaffordability, which results in the poor not being able to buy land and housing, and also makes it difficult to hold onto land and housing
- South Africa's colonial and apartheid history which has led to the current inequity in land-holdings and access to land
- Existence of a formal property market, which results in market forces setting land prices at high levels
- Government policies or implementation of policies are not seen as pro-poor, for example, the willing buyer – willing seller policy, and poor service delivery or implementation of policy at local level
- Corruption, for example, where corrupt officials sell land to the highest bidder instead of ensuring it is reserved for poorer people
- Party politics and the self-interest of councillors
- Lack of participation by communities
- Lack of information or poor knowledge about policies, rights, land opportunities, access mechanisms
- Weak state of civil society - many community organisations are too weak to engage effectively with the state or to mobilise local communities effectively.

Some of the findings of the Voices of the Poor consultation process were more-or-less what was expected beforehand, for example, the importance of urban land for livelihoods. Other findings were more surprising, for example, the number of informal settlement communities still struggling for basic services and the right to stay close to their jobs and social networks, and the deep feelings of mistrust regarding local government. Another unexpected finding is the great degree of uniformity of people's experiences and perspectives in different parts of the country (but with specific regional variations). There was remarkable consistency between the experiences and views of community organisations in all the workshops.

One of the key themes that emerged was that there is deep antipathy to formal land market processes amongst community organisations – some representatives of community organisations see the very existence of the formal land market as an obstacle to access to urban land by the poor.

Increasing access to urban land for the poor was seen by respondents in non-market terms, often as increased state or CBO delivery of subsidised housing. Some representatives of community organisations see increased access to credit from financial institutions as potentially playing a role, and recognise the opportunities for emerging estate agents.

Accordingly, an important finding is that there is not a neat fit between the experiences and perspectives of civil society (who call for non-market subsidised housing) and the "making markets work for the poor" approach that is sometimes understood to mean that there is little role for government provision.

Photo: Kevin James



Selected recommendations

Recommendations based on this consultation can be grouped in three main categories:

- Key policy issues that need to be taken into account in the housing and planning sectors
- Strengthening civil society
- Further documentation and dissemination of community struggles for urban land.

Key policy issues

Enhancing and expanding the Housing Subsidy Scheme

In spite of many negative perceptions of the Housing Subsidy Scheme, for many people, it is their only hope of ever getting formal access to land and housing within the current system. It is, therefore, essential that housing delivery is increased from current levels and that government opens up many different ways of accessing the right kinds of accommodation to match people's needs. All actors need to improve the quality of the housing and residential environments that are being created.

The development and implementation of pro-poor municipal land strategies

All municipalities need to have proactive strategies to ensure that sufficient vacant land for low-income households is identified, acquired (if necessary) and released, and that informal settlements are upgraded with minimal disruption to people's livelihoods wherever possible. A proportion of state-owned land and buildings also needs to be set aside for low-income groups. Urban densification policies that allow poor people greater access to well-located urban land, including inner-city areas, are an important element of a pro-poor land strategy.

Increased community participation with regard to urban land issues

One of the biggest obstacles to the poor being able to access well-located urban land is the divide between communities and decision-makers. It is essential that communities are able to participate in processes so as to be able to make their needs known, for example, in the proposed relocation of informal settlements. Greater space for involvement by proactive community groups should also be opened up.

Strengthening civil society

Ultimately, community organisations need to speak on their own behalf, and need to be able to engage with government directly around increased access to urban land. They also need to be able to mobilise around urban land issues more effectively. Strengthening civil society is therefore essential, and all role-players involved in this sector need to examine ways in which they can help develop the capacity of community organisations to engage on urban land issues, to disseminate information about these issues and to promote networking.

Further documentation and dissemination of community struggles for urban land

Community organisations overwhelmingly believe that politicians and officials do not understand their problems with regard to access to urban land. Any role-players involved in this sector should, therefore, document key struggles of communities in accessing urban land for further dissemination and use for advocacy.

Reading list

The primary source document for this case study is:

Smit W (2007), *Voices of the Poor: Synthesis and Recommendations*. Urban LandMark, Pretoria, June 2007.