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PART 1: INTRODUCTION

1.1 BACKGROUND

In October 2002, the Urban Sector Network (USN), Rooftops Canada / Abri International and the Social Housing Foundation (SHF) set out the terms of reference for an evaluation of the 3 co-operative housing projects that were being undertaken by USN affiliates: Shayamoya, developed by the Built Environment Support Group (BESG); the Newtown Co-operative, developed by the Cope Housing Association; (Cope) and the Amalinda project currently being developed with the support of Afesis-Corplan.

The evaluation was aimed at sharing lessons learnt from the USN’s experience in social housing, as well as to extract recommendations for future action and policy development for social housing delivery.

The key purpose of the study is to look at the role NGO’s can play in supporting social housing institutions and development and the viability of these approaches and secondly, to evaluate the roles of the respective USN affiliates in the development of co-operative models and how they meet their objectives.

The evaluation was contracted by the USN and conducted in partnership with Rooftops Canada / Abri International and the SHF. This document is the report from this evaluation.

1.2 EVALUATION METHOD

The evaluation method used by the consultant team draws on a methodology developed for a review of Gauteng’s housing programme\(^1\). This methodology is based on the logframe methodology, and looks at the stated goals and objectives of a project in terms of the targets (outputs), activities (or processes) and the resources (inputs) needed to achieve these objectives.

Measurable indicators of success are then developed which monitor the efficiency, effectiveness, impact, relevance and sustainability of the project. These are outlined in the diagram overleaf.

The information for this report was gathered from three sources – interviews with key stakeholders from each of the projects, reports written on the projects by external parties and from management and other internal documents held by parties involved in the implementation of the projects.

This methodology then initiates a set of questions that are applied to the project in question. Where applicable to the project, these issues are addressed within the project description and analysis. Evaluative comments are highlighted throughout the text in italics. The questions are outlined in the following table².

### EVALUATIVE CRITERIA AND DESCRIPTIONS

<table>
<thead>
<tr>
<th><strong>Efficiency</strong></th>
<th><strong>Effectiveness</strong></th>
<th><strong>Impact</strong></th>
<th><strong>Sustainability / Replicability</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Was delivery cost effective?</td>
<td>Did the project create a quality built environment?</td>
<td>Did the project contribute towards the creation of sustainable communities?</td>
<td>Is the project still functioning?</td>
</tr>
<tr>
<td>What sort of gearing was achieved?</td>
<td>Was beneficiary participation &amp; choice built into the project?</td>
<td>Did the project contribute towards the stabilisation of the housing environment?</td>
<td>What levels of rent, rates &amp; service payment are there?</td>
</tr>
<tr>
<td>To what extent were the systems in place adaptable &amp; responsive to local conditions?</td>
<td>Was job creation &amp; LED part of the project?</td>
<td>To what extent did the project build the economy and add to economic empowerment?</td>
<td>Are projects well located?</td>
</tr>
<tr>
<td>What was the rate of delivery?</td>
<td>To what extent were special needs targeted as part of the project?</td>
<td>Has the project led to an improvement in the quality of life of beneficiaries?</td>
<td>Are basic services being provided on a continued and reliable level?</td>
</tr>
</tbody>
</table>

This document provides a detailed description of each project. The description and analysis are organised in the following sections:

- Background and history

² From Gauteng Housing Review Methodology: Tomlinson and Napier.
• Project development
• Physical issues
• Financial issues
• Legal/ institutional issues
• Property management issues
• End user issues
• Impact and role of NGO
• Impact of project
• Summary of key issues and problems

Finally, the document summarises the findings from the three projects in terms of:

• Roles of USN affiliates
• Institutional framework issues
• Replicability and sustainability
• Key problem summary
• Recommendations and lessons learned
PART 2: PROJECT DESCRIPTIONS

This section provides a brief description and individual evaluation of each of the projects studied.

2.1. SHAYAMOYA

2.1.1. BACKGROUND AND HISTORY

The Shayamoya housing project was the first social housing project initiated in KwaZulu Natal. The project is based on a housing association model and consists of 318 medium density housing units situated in Cato Manor, close to the Durban (eThekwini) CBD.

The project was initiated and developed by the Built Environment Support Group (BESG), a Durban and Pietermaritzburg based USN affiliate, in 1995/96. At this time, the BESG was working on a housing project in Richmond Farm, where 80 housing units were developed. For this project the Malaysian Government had allocated an amount of funding via the Malaysia-South Africa Friendship Housing Project/ Nelson Mandela Fund. However, due to conflict and community issues in the Richmond Farm project, it was not completed, resulting in an amount of R11,9 million being left over for the BESG to use on another housing project. The BESG decided to use these funds to pilot a social housing scheme.

The aims and objectives of the Shayamoya project were stated as follows:

Goal: To provide secure, good quality and affordable rental accommodation for low-income households.

Objectives:
- To demonstrate social housing as a viable housing delivery mechanism;
- To build socially acceptable, high to medium density housing in Cato Manor with a minimum gross density of 110 units per hectare;
- To use the development finance for the project afforded by the Malaysian Grant in the best possible manner and in such a way as to make future social housing projects feasible in terms of the additional subsidy amounts required for rental housing; and
- Lobbying at both local and national government levels for increased institutional subsidies for the development of well-located, high-density rental social housing specifically targeting households with monthly incomes under R2500.
2.1.2. PROJECT DEVELOPMENT PROCESS

The BESG was responsible for conceptualising, designing and implementing the project, as well as also providing organisational development and support to the Shayamoya Housing Association (SHA). The BESG began by undertaking the project design and planning for Shayamoya. Many of the features of Shayamoya were therefore set in place by the BESG at an early stage of the project, including the housing type, density and size. The Board was constituted at a later date and only started meeting in 1997, by which time many of these key project issues were already decided.

Initially, it was assumed that Yeoh Tiong Lay (YTL), a Malaysian developer, would perform the role of the project developer for Shayamoya. However, in mid 1997, they stated that they would not be willing to undertake this role. This meant that either the BESG or the Shayamoya Board would have to take on this role. The BESG felt that it was not an appropriate role for either party, and in the absence of any other party willing to take on the role of developer, the BESG set up the Hilltop Facilitation Trust. The Trust was an organisation consisting of representatives from both the BESG and the Board and acted as project developer. However, the BESG’s role as project leader continued, giving the BESG a high level of project ownership. Construction then began in October 1999. In December 2001, sufficient units were completed for occupation to take place in some units. Occupation continued until June 2001.

Rate of delivery

The project took a long time from concept to occupation (almost 7 years)

Delays were due to:

- Yeoh Tiong Lay (YTL) (Malaysian company) decided they did not want to take on the role of the developer. BESG largely took on this role through the “Hilltop Facilitation Trust”.
- Scaling up of the project from 120 units to 318 units.
- First institutional subsidy project in KZN – protracted negotiations with Province
- Conflict with the developer – budget problems, issues around local labour (no construction for 4 months). Money still being held in trust by attorneys.

The project has been characterised by a conflict between trying to “get things done” and “participation/consultation”. Unfamiliarity with the concept of social housing by all players slowed the development process down considerably.
2.1.3. PHYSICAL ISSUES

Location and Access

Shayamoya is well located within the context of Durban. It is situated within the Wiggins Precinct of Cato Manor, at the intersection of the Booth and Bellair activity corridors, an area which has been the hub of a large amount of development activity.

Shayamoya has easy access to road and transport networks connecting to the Durban central area, Westville Pavilion Mall and Mayville light industrial area.

Within a 3km radius of the site are educational, health centres, community facilities and business opportunities.

Design

All of the people interviewed for this project concur that Shayamoya is well designed, and visually pleasing. It is a dense development with 119 units per hectare, compared to the 30 – 40 units per hectare in neighbouring areas. However, the design takes care not to make this overwhelming, and instead a diverse and interesting arrangement of the blocks of flats is created using the topography to vary massing and heights.

Housing units have been designed around a single flight of stairs, which provides access to two units per floor. Blocks vary between two and four floors. There have been some complaints from tenants who live in the fourth floor units, who resent the climb up to their units. This is, however, a necessary trade off for higher density.

The project is situated on a hilltop, with the central portion being relatively flat and sloping off around the sides. The design responds well to the topography with the taller 3 and 4 story buildings being located on the lower lying portions of the site, lessening the impact of the large buildings.
The design takes cognisance of the hot Durban climate, and provides generous covered veranda spaces to enable outdoor living.

Generous open space has been provided and positioned conveniently for use by residents. Some children’s play equipment has been provided and is well-used. In addition, a public gathering place has been provided with seating and paving. However, other public space has not been landscaped, partly due to difficulty with steep slopes and financial constraints toward the end of the project. However the open public space appears to be neglected. It does present an excellent opportunity for community gardening, although neither the SHA nor the BESG have encouraged this as part of the capacity building programme. In addition certain public spaces appear to be poorly lit and unsecured, which may lead to problems with security and safety of residents. Site drainage appears to be a potential problem. A number of the existing trees on site were retained in the development, which provide much needed shade to the project.

**Evaluative comment:** In the design of social housing developments, the use and maintenance and management of open space and communal space must be clearly defined, as these spaces easily become neglected or misused.

Three key issues were neglected in the design of the site, these being space for laundry, refuse and parking. The lack of laundry facilities has meant that tenants without balconies have had to erect their own washing lines, which has been done somewhat haphazardly throughout the site. Refuse bins have been provided, but no space has been allocated. This results in them lying around the site, posing a health and safety risk for children who use the streets as a play area.
**Evaluative comment:** The lack of pre-defined space for key amenities such as laundry, parking and refuse is a common failure in public housing ventures. The need for these functions is universal and in the absence of suitable space for them, other vacant or communal space will be used, often to the detriment of landscaping or recreational uses.

Limited provision has been made for car ownership and parking, resulting in tenants making their own arrangements for parking adjacent to their units on banks, landscaping and yard space. In future this may result in unintentional damage to infrastructure.

The layout and placement of services namely water and electric meters seems to be poorly considered and prone to damage, either accidentally or intentionally.

**Environmental Sustainability**

The design of Shayamoya takes into consideration some basic ‘green’ design principles, namely:

- North orientation.
- Air ventilation through the housing units.
- Covered veranda spaces providing suitable outdoor living spaces.
- Good location, minimising tenants transport costs.

Some initial consideration was given to including solar water heaters, compact fluorescent lighting and dual flush toilets, but these were never implemented due to their high initial costs and the lack of sufficient funding or suitable loan funds. In particular solar water heaters were not considered right at the start of the design process, which would have made their implementation more costly.

**Construction Quality**

A comparison of photographs taken during the research for this project (November 2002) and soon after construction of the project ended (a period of 2 years) shows a large amount of decay in the fabric of the buildings. Examples of this include peeling plaster, broken or missing geysers, and damp in the walls of the units. Board members put the blame for this on the contractors (Ubuntu Home Builders – a division of Stocks and Stocks), who never completed the project due to a conflict with Hilltop over costs. Ubuntu claim there were numerous additions and extra’s made at the time of development which were not budgeted for.

This issue is still being pursued and a building retention fund is still being held, pending the outcome of this conflict. This has meant that the project has had to cover a larger amount of repairs and maintenance than expected. At some point, however the project will have to take responsibility for these issues, without which the building will continue to decay rapidly.
In addition, many residents have made alterations to their units, such as the installation of burglar guards, security doors. As indicated below in the Management Plan, there are some ‘house rules’ to regulate changes to the building fabric. The lease agreement states that tenants may secure their units, paint and add in built-in shelves without inconveniencing other tenants. (for which the SHA will provide the tools). The tenant may not make any ‘major’ changes to the unit without the SHA’s approval.

**The Shayamoya Management Plan states the following:**

“Residents are not allowed to change, replace or remove any equipment, appliance, or installation provided by the Housing Association, such as:

- readiboard and existing interior wiring
- plumbing fixtures
- kitchen fixtures and fittings
- door handles

With prior authorisation from the Board of Directors, residents can make the following permanent improvements to their own units at their own expense:

- add electrical fixtures or change the location of a fixture
- change a door or a window
- change kitchen and bathroom fixtures and fittings
- alter the interior lay-out by building new walls
- build an addition to the unit

For work described above, the following procedure must be followed:

- apply in writing to the liaison officer or staff, describing the work to be done, who will do the work, and how much it will cost.
- the officer in charge of maintenance will review the proposal, with assistance from staff.
- conditions for approval include the work generally enhancing the unit’s rentability, and the work being done by qualified workers.
- if the request is approved, the work will be supervised by one of the maintenance-workers to ensure adequate quality.
- details related to the work will be filed in the unit record.

If an improvement would increase the rent that can be charged for a unit (such as the addition of a room), the Board of Directors can consider a request to pay for all or part of the work.

**Evaluative Comment:** At present these rules are not being applied. It is also not clear how the design of the structure would allow a tenant to add onto their unit without inconveniencing other tenants, and how tenants could recoup this financial input if they leave the scheme.

2.1.4. FINANCIAL ISSUES

The BESG intended to obtain bridging finance for the development from the NHFC (for an amount of R8.3m), which was to have been repaid out of rentals once residents had moved in. However, internal delays within the NHFC meant
that this loan was never processed or granted. In the interim, the additional Malaysian funds were used. Once the SHA were ready to re-apply to the NHFC it was clear that rentals were too low to cover the repayment of the loan.

Initial calculations were that only R8 000 of the Malaysian subsidy would be used per unit, amounting to approximately R2.5m in total. However, due to the lack of external funding sources (the NHFC funds) the total quantum of Malaysian funds was used, equating to a subsidy of over R37 000 per unit.

It is not clear whether the Malaysians are aware of how their funds were used. They provided the funds to BESG (via the Nelson Mandela fund) to be used for housing purposes, which in effect is exactly what they have achieved. At the official opening of Shayamoya, representatives of the Malaysian government were present, along with the Minister of Housing. At this event mention was made of the millions that the Malaysians had put into the Shayamoya housing development. This may have been a critical element in tenants feeling that they should then not have to repay the money in the form of monthly rentals, if the Malaysians had given it to the BESG.

This overrun meant that the BESG’s aim of using the remainder of the Malaysian money as a fund to initiate other social housing projects could not be realised. The second option was to see the Malaysian grant as a revolving project loan, where the initial capital amount would be recouped from the monthly project income and used to repay (part of) the capital amount. This, however, highlights the second financial problem with the project, that of an inability to collect monthly rentals.

**Collections and Arrears**

The reasons given by people interviewed for the project’s inability to collect monthly rentals can be grouped into three categories: certain failures on the part of the administration staff, a lack of knowledge or awareness (either through ignorance or intentionally) on the part of tenants about their obligations, and, finally, the administrative systems themselves. Arrears have grown to the point that in October 2002, there was almost 100% non payment.

Many people interviewed felt that the applicant who was eventually appointed as project administrator, was by far the best candidate, and hoped that with sufficient training, he could undertake the requirements of the job. After a period however, it appeared that he was unsuitable for the position. Many of those interviewed felt that this was because the administrator had too much empathy and understanding for tenants and their problems, and insufficient ability to balance this with the collection of monthly payments. Others have pointed to the lack of supervision given to the administrator by the Board, and the fact that problems noted in the administrators actions was not acted on swiftly with disciplinary actions. There is a perception amongst some Board members that the BESG was responsible for hiring the staff, and that the appointment was not well-considered. This has led to a large amount of resentment on the part of Board members towards the BESG. Many misunderstandings such as this, and others, have arisen from the fact that
there has been a change-over of Board members and new Board members are not familiar with processes previously undertaken.

Empathy and understanding amongst 'development'-type staff is a common dilemma: most people who are attracted to this type of work have an empathy with the communities they are serving and find it difficult to take a stand on issues such as evictions or legal action against those who cannot or do not pay. This raises the issue of whether development orientated organisations are able to undertake activities that must be guided by financial principles.

A second reason given by some tenants for not paying their rentals, is a lack of knowledge by the tenants of how the project works and what is required from them. In part, this points to a problem that dates back to the period when tenants were first taking occupation of the units. Prior to occupation a number of workshops were held with tenants facilitated by the BESG, with limited input from Rooftops Canada, on the lease agreement and general responsibilities of tenants. During occupation however, it was found that many of the beneficiaries whose names were on the list had either not saved sufficiently to pay their deposit, or could not be located. This presented a problem, as flats that were left vacant were vandalised. (An earlier decision had been taken by the BESG to not fence off the perimeter of Shayamoya so that the project would form part of a greater residential neighbourhood.). However each day that passed, more vandalism and theft took place within the unoccupied flats until, as a desperate measure, it was decided to fill the vacant flats (approximately a third of the units) with other occupants. The BESG screened new occupants to see if they would meet the subsidy requirements, and if they appeared to, allowed them in. These new beneficiaries had however not been through the necessary tenant training, where the lease agreements and terms of the tenants’ occupation were discussed. This has caused significant subsequent problems, and Board members finger the non-qualifying beneficiaries as the most problematic in terms of the non-payment of rentals. Many, however point to the “short memories” of tenants when it comes to knowing their responsibilities and liabilities in terms of month payments.

Evaluative comment: Primarily, the administration of Shayamoya must be blamed for not taking swift action against non-paying tenants. Tenants who were previously paying have witnessed their neighbours boasting of non payment, and have in turn stopped paying themselves. The monthly accounts provided to tenants often do not reflect the correct credit or debit balances. In this environment of inaction and confusion, non payment is a logical consequence.

The Board of SHA, being the organisation responsible for overseeing the administration, needs to take action on these issues. Rooftops Canada has made a suggestion that the administration of the project be subcontracted out to a professional property administration company. Rooftops Canada have provided the Board with quotes as to how much this would cost them, yet the Board seem unwilling to outsource this work, and have persisted in undertaking it in-house.
**Evaluative Comment - Sustainability:** Social Housing cannot be sustainable without the effective collection of monthly rentals. Where there is a clear lack of capacity, consideration should be given to outsourcing certain property administration to a professional service provider.

**Outstanding Funds**

Due to the presence of non-qualifying beneficiaries, the Department of Housing is now withholding over R350 000 of the subsidy money pending the receipt of a list that shows that only qualifying subsidy beneficiaries are occupying the units. How this situation came about is explained under collection and arrears in the previous section. There are two other outstanding funds:

- Pending the outcome of a dispute with the contractor, Ubuntu Home Builders, a retention amount has been withheld, and is being held by the Shayamoya attorneys in a trust account. From comments received by Shayamoya Board members, it seems likely that these funds will shortly be paid over to Ubuntu.

- In order to cover initial set up costs for the administration, and with a lack of funds coming into the project, an amount of funds R400 000 was loaned to the project from BESG as bridging finance. Subject to an agreement with BESG this amount was supposed to be repaid on a monthly basis in units of R50 000. However, the low levels of rentals received has meant that Shayamoya have been unable to make these monthly repayments. The non payment or slow payment of the bridging finance loan affects the sustainability of the NGO.

Below is a summary of the financial inputs to the project:

<table>
<thead>
<tr>
<th></th>
<th>Total amount</th>
<th>Amount per unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>BESG – time, facilitation, bridging finance</td>
<td>Difficult to quantify</td>
<td></td>
</tr>
<tr>
<td>Malaysian government — left over amount from another project</td>
<td>R11 000 000</td>
<td>R34 591</td>
</tr>
<tr>
<td>Province (DoH) – housing subsidies</td>
<td>R 5 197 805 (with a further R354 195 outstanding)</td>
<td>R16 345 (would be R 17459 if additional funds are received)</td>
</tr>
<tr>
<td>Rooftops Canada (technical assistance excluding head office and other costs)</td>
<td>Approximately R525 000</td>
<td>R1650</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>R16 722 805</td>
<td>R52 586 per unit</td>
</tr>
</tbody>
</table>
An average unit cost of R52 586 per unit is a relatively low figure for social housing. However this does not include the cost of the BESG’s involvement since 1995/96, which if quantified would greatly increase this cost.

2.1.5. LEGAL/ INSTITUTIONAL ISSUES

The BESG developed the housing model for Shayamoya, with technical assistance from Roofops Canada. Being wary of a co-operative model as proposed by Roofops Canada, the BESG opted for a housing association-type model. The Articles of Association of the Shayamoya Housing Association were registered in 1997, (company registration number: 97-00194/08, with a revision in February 1998).

Model

Shayamoya is conceived of as a housing association managed jointly by outside appointed directors and residents. The Shayamoya Housing Association owns and administers the housing stock. The lease agreement causes tenants to become members of the association, which gives them opportunities and responsibilities outside of their obligations as tenants. This includes giving tenants the ability to participate in Shayamoya’s policy-making and to shape the direction of the development (e.g. residents could vote to turn the project into a rent-to-buy scheme.) (these are outlined in more detail in section 2.1.7)

There is however a significant gap between the current practice and that outlined in the Articles of Association. At present no residents form part of the management of the project. From the outset, BESG appointed 8 non-resident directors onto the Board. This practice has continued, and without an AGM (which would be the point at which new Board members could be elected) residents are unable to increase their level of participation. However the Articles of Association prohibit residents from being elected to the Board if they are in arrears with their rentals. At the time of researching this document, there was only one such person.

The main features of the Articles of Association are as follows:

- The Housing Association consists of two types of members: occupants of Shayamoya - the signatories of leases and four (or more) members appointed by BESG. The lease signatories will only stop being members of the association if they leave Shayamoya, become insane or die. In addition, these members are not liable for more than R1 of the Shayamoya Housing Association’s debts.

- The BESG may appoint four or more people to the housing association who it believes would be suitable as directors in appointing these members. The BESG is committed to showing a CV of that person to the housing
association. The housing association may object to that person, but the Articles of Association make provision for the BESG to override this objection if they feel that the “objections are not valid”. This method of appointing people to the Housing Association is supposed to be an initial measure, revisited after 2 to 3 years of the association’s functioning. As mentioned above, this has not happened, six years into the association’s function. BESG too seems to have lost control of the Board’s composition. Current Board members are mostly very antagonistic to BESG and resent any suggestion that BESG could alter the composition of their Board.

- The Board of the housing association is written up as consisting of 4 resident representatives (who must not be in arrears to the housing association) and 4 (or more) of the BESG appointees. There is also provision made for one member of the Provincial Housing Board to sit on the Shayamoya Board.

- There is no distinction made between Board functions and management functions. The Board is responsible for employing and managing staff. The Board should hold an annual general meeting once a year to allow for new members to be elected and to share the association’s financial statements with the rest of the members. Many of the service providers currently employed by Shayamoya date back to a time when the BESG was involved in their engagement. Some Board members are not aware of the way in which these people were appointed, and there are allegations of nepotism against the BESG. There is also some unhappiness with the service given by some of the staff and the Board feel that they are forced to use non-performing staff, over whose appointment they claim they had no say. This is part of the reason given for not holding an AGM, as Board members state that they have not been given adequate information on the SHA’s financial statements.

- The Board also has the duty of establishing neighbour groups. These are a mechanism to allow residents to share their problems and participate in the day-to-day management of Shayamoya. Neighbour groups consist of people from neighbouring units (with a maximum of 40 units being represented in each group) who meet on a regular basis to identify maintenance problems and resolve disputes between residents. The neighbour groups are supposed to nominate the 4 resident Board members, and form a link between the Shayamoya Board and the residents. One member of each household is able to vote in general meetings and to decide on various aspects of management, including the adoption of broad internal policies and procedures. Other adult occupants of the household are able to participate at the neighbourhood group level. Some neighbour groups are currently functioning, but these do not form the link between the Board and the residents that was envisaged.
Implementation and adherence to the model

In reality, the structure and functioning of the Shayamoya Housing Association does not bear much resemblance to this model. For reasons mentioned above, an annual general meeting has never been held. There are no residents represented on the Board, all members have been either nominated by BESG or co-opted onto the Board.

Institutional Issues

The following table provides a summary of key players in the development of Shayamoya.

KEY PLAYERS IN THE DEVELOPMENT OF SHAYAMOYA

<table>
<thead>
<tr>
<th>BESG</th>
<th>The BESG has been the key player in the development of Shayamoya. The BESG’s roles have comprised:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Conceptualising the development;</td>
</tr>
<tr>
<td></td>
<td>• Sourcing funds for the development;</td>
</tr>
<tr>
<td></td>
<td>• Developing and registering the Articles of Association;</td>
</tr>
<tr>
<td></td>
<td>• Planning and design (using some professional support);</td>
</tr>
<tr>
<td></td>
<td>• Developer (when YTL pulled out);</td>
</tr>
<tr>
<td></td>
<td>• Appointing Board members;</td>
</tr>
<tr>
<td></td>
<td>• Developing the Beneficiary selection criteria (done together with Board) and involved in beneficiary recruitment workshops;</td>
</tr>
<tr>
<td></td>
<td>• Planning and implementing the move of beneficiaries into Shayamoya (done as Hilltop together with Board);</td>
</tr>
<tr>
<td></td>
<td>• Developing terms of reference and sourcing staff for Shayamoya administration (done as Hilltop together with Board) and providing training to these staff members;</td>
</tr>
<tr>
<td></td>
<td>• Design and execution of beneficiary training;</td>
</tr>
<tr>
<td></td>
<td>• Applied for subsidies.</td>
</tr>
<tr>
<td>Malaysian Government and YTL</td>
<td>Provided initial funds to BESG for housing purposes;</td>
</tr>
<tr>
<td></td>
<td>YTL was to have been the project developer, but backed out of this arrangement at the last minute.</td>
</tr>
<tr>
<td>Rooftops Canada</td>
<td>Initially, support and training to the BESG;</td>
</tr>
<tr>
<td></td>
<td>Subsequently, some support to SHA Board;</td>
</tr>
<tr>
<td></td>
<td>Currently technical assistance to eThekwini.</td>
</tr>
<tr>
<td>Stocks &amp; Stocks (aka Ubuntu Housing)</td>
<td>Contractors, currently in dispute with BESG/ Hilltop about the retention funds.</td>
</tr>
<tr>
<td>Provincial Department of Housing</td>
<td>Subsidies;</td>
</tr>
<tr>
<td></td>
<td>Organisational support to SHA.</td>
</tr>
</tbody>
</table>
SHA

- Theoretically consists of one representative from each housing unit. In reality the SHA only consists of the Board.

SHA Board

- Consists of members appointed by the BESG and more recently co-opted members;
- Formed Hilltop with the BESG and undertook a lesser role in the development of Shayamoya;
- Appointed staff whom the BESG recommended;
- Managed the administrative staff at Shayamoya;
- Oversee the monthly administration, including finances for Shayamoya together with the Shayamoya Staff;
- Involved in beneficiary recruitment workshops.

Residents

- The BESG formed neighbour groups as per the SHA management plan and neighbour groups were part of the capacity building process;
- Neighbour groups divided geographically;
- Each neighbour group to have less than 40 members;
- 11 neighbour groups exist, each with a Liaison Officer.

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**THE CHANGING NATURE OF THE LEAD PLAYER**

<table>
<thead>
<tr>
<th>Phase</th>
<th>Key player</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial design phase</td>
<td>BESG</td>
</tr>
<tr>
<td>Development</td>
<td>Hilltop (with strong leadership from the BESG)</td>
</tr>
<tr>
<td>Current management</td>
<td>SHA Board</td>
</tr>
</tbody>
</table>

The BESG's role in the project has been the focus of much criticism, by many Board members and Rooftops Canada. Many of these players feel that the BESG maintained a high level of control over the development process and did not share this responsibility and thereby build capacity and develop buy-in of other players.

For example, a joint structure consisting of both the BESG and Board members (the Hilltop Facilitation Trust) was so tightly controlled by the BESG that many feel that it was a BESG owned and managed structure. However the BESG staff interviewed indicated that they did try and build capacity and develop buy-in, but the SHA would cancel workshops, with Board members always making excuses as to why they could not attend. Board members would also not attend meetings, and in a situation where it was critical that a decision be made, after not being able
to get a quorum, the BESG would make decisions on behalf of the Board. This too caused problems. However, many of the same players also feel that without the BESG’s central role and push, the project would never have gotten off the ground, as the BESG was forced into making decisions when Board members continued not to avail themselves.

The lack of ownership of the project and commitment by the Board has had negative implications on their ability and willingness to manage the project. The appointment of support staff and service providers by a BESG led structure has left the Board unable to effectively manage these personnel.

This pattern of the BESG leadership and decision making in the development process is one that continued throughout the development process. This leadership, in turn led to ownership of the development process, which served to marginalise other parties. The SHA has only recently (6 years after they first began meeting), started feeling a true sense of ownership over the Shayamoya project, and this is only due to BESG withdrawing its role in Shayamoya. However since the BESG has withdrawn rent collections have been reduced threatening the sustainability of the project.

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**Evaluative Comment: The role of NGO’s**

Where the NGO takes on the role of developer, they become the driving force in the development process, where they have to push for processes to be completed on time and within budget. Where the beneficiary community do not have the skills to make critical development decisions, and time is limited, the NGO is often forced into making the decision themselves.

Ideally, development processes should build in a capacity building and time factor that would allow the NGO to provide the community with the necessary skills to allow the community to make their own decisions. However the time factor that this requires is often beyond the scope of a development project. Practically, NGO’s have to find a comfortable place on the scale between capacity building and decision making, the balance of which would be unique to each development project and community. The difficulty however is where NGO’s take on the role of developer and are drawn into a whole range of processes (including planning, budgeting, managing and controlling), which distracts them from their role of capacity builders.
Board of Directors

The Shayamoya Management Plan outlines the following as responsibilities of the Board:

- Show leadership to the rest of the association
- Set goals and plan for the future of the association
- Oversee the process of ongoing capacity building and community development
- Negotiate agreements with PHB
- Spend money within budget (this includes hiring outside contract help when required)
- Hire staff within approved staffing plan
- Supervise the administrator in day to day management activities
- Appoint committees and delegate authority to them
- Act as signing and corporate officers
- Use discretion within the policies approved by members
- Disband dysfunctional neighbour groups, and re-constitute them when possible

A common complaint by both some Board members and others interviewed is that many Board members do not contribute the necessary skills needed to run the organisation. To some extent new appointments to the Board have recently addressed this.

This highlights the problem of attracting skilled people to the non-remunerated position of Board members. There is resentment on the part of some Board members at having to undertake this stressful and time consuming task without any payment. Because Board members have outside commitments, it is often difficult to get them to attend meetings and get a quorum.

There is currently a significant amount of antagonism between the SHA Board and the BESG Board. Partly this revolves around outstanding finance, as the BESG made a bridging finance loan to the SHA when the project first began to be occupied. This covered costs such as fitting out and equipping the SHA office. An arrangement was made to repay BESG out of the monthly rental collection. However in the absence of sufficient monthly rentals, the Board have been unable to fully repay this loan. The BESG Board is considering legal action against the SHA Board to recoup these funds.

Relationships between Shayamoya tenants and the Board are also strained. In order to recoup outstanding rentals owing to them, the Board have recently (since the latter part of 2002) started taking steps towards evicting non-paying tenants from Shayamoya. This is a long winded process and at the time of researching this document, no debtors had yet been evicted.

The diagram below outlines the institutions involved in the development and management of Shayamoya.
Figure 1: Shayamoya: relationship of players

- **BESG**
  - Project concept, management, sourced funds, some capacity building. (between 1 – 3 people)

- **Rooftops Canada**
  - TA - training and advice (1 person)

- **Hilltop Facilitation Trust**
  - (part BESG, part Board) (8 people)

- **Shayamoya Board**
  - Currently responsible for overseeing the administration and running of Shayamoya (8pp)

- **Shayamoya Staff**
  - Monthly collections, maintenance, some conflict resolution (between 2 and 4 pp)

- **CMDA**
  - (land)

- **Provincial DoH**
  - (Subsidies & Training)

- **National Government**
  - (Land) through CMDA

- **Malaysian Government**
  - (Grant)

- **Durban Metro**
  - currently eThekwini
  - provide ongoing support to the Board
  - receive some administrative support from Rooftops Canada

- **Professionals**
  - Architects, Planners, Surveyors etc used during the development process

Initially, with input from BESG.

Later, direct support to SHA for approximately a year.

Currently supported by Rooftops Canada for some administrative tasks.

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Evaluation of USN Co-operative Housing Models

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2.1.6. PROPERTY MANAGEMENT ISSUES

The property management and collections at Shayamoya has been a difficult issue, with many interviewees pointing to this as a major factor in the project’s current financial status.

The Shayamoya Management Plan outlines the following staff positions and areas of responsibility:

**Administrator:**
- set up office systems and procedures
- co-ordinate day to day administration and management
- prepare management reports for the Board
- provide administrative support to the Board
- hire and supervise other staff

**Other staff:**
- Administration: bookkeeping, rent collection, administrative support
- Maintenance: monitor the identification and correction of building defects, do routine

When residents initially moved in, a project administrator was hired by the BESG. This was done through an appointment process, which did not result in a level of high calibre applications. The most promising candidate was hired and tasked with allocating beneficiaries to units, collecting rent and managing the project. Because the SHA did not have office space, the administrator worked from the BESG office. This meant that BESG staff also often became involved in administration issues. However, allegations of incompetence resulted in the administrator being fired in February 2002. This position has never been refilled. Instead, an admin assistant currently collects information on payments.

The provision of monthly bills to residents has also been flawed, with many residents receiving incorrect statements. The result is that residents have exploited this confusion, and have ceased to pay their rent.

The inability of the project to foreclose and evict on residents who are not paying their rent has shown other residents that this practice is acceptable, resulting in higher and higher levels of indebtedness. This points to a role which the Board has to now take on, which does not always sit comfortably with people in the ‘development’ field – that of evicting non-paying tenants. Even though clear guidelines are provided for this in the Shayamoya Management Plan, these are not always followed.
2.1.7. END USER ISSUES

Beneficiary Selection and Current make-up

Beneficiaries were selected from the following prioritised list:

- Existing Cato manor residents;
- People currently occupying shacks in existing Cato Manor informal settlements;
- People required to move due to the Cato Manor Development Agency (CMDA) de-densifying existing informal settlements;
- Valid Cato manor land claimants;
- People put forward by Durban Metro for emergency accommodation and;
- People from the broader Durban Metropolitan area.

Women were prioritised as a group, with the intention that at least 40 % of households should be women headed. Currently, women head 62% of households.

The current financial profile of tenants is as follows:

- 60% earn between R600 and R1500 per month.
- 40% earn between R1500 and R2500 per month.

The provision of units roughly corresponds to these figures, with 50% of units being suitable to the R600 – R1500 income category.

Opinions indicate that most of the Shayamoya residents would prefer ownership to rental.

<table>
<thead>
<tr>
<th>Monthly Income</th>
<th>MonthlyRentals</th>
<th>Unit size (m²)</th>
<th>Number of units</th>
</tr>
</thead>
<tbody>
<tr>
<td>R 600-800</td>
<td>R 150</td>
<td>25</td>
<td>5</td>
</tr>
<tr>
<td>R 800-1000</td>
<td>R 200</td>
<td>27</td>
<td>10</td>
</tr>
<tr>
<td>R 1000-1200</td>
<td>R 250</td>
<td>30</td>
<td>15</td>
</tr>
<tr>
<td>R 1200-1500</td>
<td>R 300</td>
<td>32</td>
<td>20</td>
</tr>
<tr>
<td>R 1500-2000</td>
<td>R 375</td>
<td>36</td>
<td>30</td>
</tr>
<tr>
<td>R 2000-2500</td>
<td>R 500</td>
<td>42</td>
<td>20</td>
</tr>
</tbody>
</table>

Beneficiary Participation

At the time of occupation, tenants were allowed to choose which unit they wanted, in what type of block and where in the development they wished to live - depending on affordability. Other choices hinged on proximity to friends and main roads. Ground floor units were prioritised for the elderly and disabled.

The lease agreements place no restrictions on household size, providing only a guideline of an upper limit of two people per habitable room. Leases are all perpetual, until terminated by either party.
Each unit in Shayamoya may elect one person to the Housing Association. The Shayamoya Management Plan contains the following details about tenant’s responsibility:

**Members are responsible for the following areas:**

- approve financial statements
- appoint external auditor
- approve annual budget
- approve creation of new staff positions
- elect resident directors
- approve external directors
- approve any changes to leases and occupancy agreements
- approve or amend policies about:
  - membership criteria
  - spending and borrowing
  - succession
  - maintenance
- approve changes to Articles of Association when required

**Evaluative Comment: Participation**

In theory, beneficiary participation has been included, through the neighbour groups, and tenant representation on the Board. However as this has not happened, there is very little, if any, current tenant participation.

Again in theory, one member of each household is able to vote in general meetings and to decide on various aspects of management, including the adoption of broad internal policies and procedures. Other adult occupants of the household are able to participate at the neighbourhood group level.

In reality this happens sketchily at present and it is not clear what impact this has.

Participation by beneficiaries is a difficult goal to achieve, yet is a necessary goal in social housing. This should rather be seen as a goal that could be progressively realised, rather than instituted in social housing projects from the outset.

**Alterations to units**

Tenants may make alterations to their units. The lease agreement stipulates the constraints within which this can be done, but it is not clear how this is currently controlled or monitored. Minor alterations, such as painting, can be made without consulting the administration, but major alterations such as changes to the structure must be consulted through the administration first. Residents who did make application to the SHA to make alterations became frustrated about the long time delay due to the incompetence of the administrator.

Alterations can be extremely problematic in a rental project, as differing standards are set between units and this may make the units difficult to rent out again by the Housing Association. In addition, tenants are not assured of any return on the investment they may make on their units (although the lease agreement does state
that if investment is made to a unit which allow the SHA to charge more rental for that unit, the SHA may consider funding the improvement).

**Home businesses**

Tenants are permitted to operate home-businesses from their units only if they receive permission to do so from the Board. However they are not allowed to sell products as they would then compete with the formal shop on site. Shortly after full occupancy of all flats, many small businesses began operating, including catering, hairdressing, photography and child-care functions, although no applications to do so were ever received by the Board. In the course of the interviews conducted no complaints were made about tenants operating home businesses.

**Special Needs, including HIV/AIDS**

The design of Shayamoya provides some access for elderly or disabled people, with ground floor units being made available to the elderly or disabled.

A significant factor has been the death of household heads from HIV/AIDS. There have been six such instances during the time of occupation. The lease agreement allows for the lease to be transferred into the remaining family members' names rather than have the family move out of the project, if they have a person who is older than 21 within the house. Households who do not have a representative older than 21 would theoretically be forced to move out. Because there have not been any other evictions this has not taken place. The Social Housing Foundation has commissioned some research into the impact of HIV/Aids on social housing institutions and cognisance needs to be taken of this.

**Affordability**

In interviews with various stakeholders as well as from site visits, it appears that most tenants should be able to pay the monthly rentals, given the income profiles noted in 2.2.6 above. Shayamoya provides tenants with a home that is close to the Durban inner city, so they are not burdened with high transportation costs. Rentals are comparatively low as shown in the following table of rental amounts.

<table>
<thead>
<tr>
<th>Size of unit (m²)</th>
<th>Monthly rentals</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>R 150.00</td>
</tr>
<tr>
<td>27</td>
<td>R 200.00</td>
</tr>
<tr>
<td>30</td>
<td>R 250.00</td>
</tr>
<tr>
<td>32</td>
<td>R 300.00</td>
</tr>
<tr>
<td>36</td>
<td>R 375.00</td>
</tr>
<tr>
<td>42</td>
<td>R 500.00</td>
</tr>
</tbody>
</table>

A modifying factor has been used in order to create parity between unit densities and elevation.
### Evaluation of USN Co-operative Housing Models

<table>
<thead>
<tr>
<th>Alterations made to monthly rentals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Add</td>
</tr>
<tr>
<td>Add</td>
</tr>
<tr>
<td>Subtract</td>
</tr>
<tr>
<td>Add</td>
</tr>
<tr>
<td>Add</td>
</tr>
<tr>
<td>Subtract</td>
</tr>
<tr>
<td>Subtract</td>
</tr>
</tbody>
</table>

#### 2.1.8. BENEFICIARY TRAINING AND CAPACITY BUILDING

The BESG (with limited input from Rooftops Canada as the training was in Zulu) planned and undertook a number of tenant education workshops prior to occupation in 2000. These lively workshops took tenants through the application and moving-in process and included case studies and role-playing exercises on how to deal with and resolve neighbourhood disputes, the rights afforded in lease agreements, and appropriate behaviour for high density living. A tenant handbook was published outlining the roles and responsibilities of both tenant and housing associations. However, by the time beneficiaries started moving in, approximately 120 of the registered beneficiaries could not be located. So, in order to avoid vandalisation and illegal occupation of the units, the units were filled with some non-qualifying beneficiaries, who had not been taken through the workshops and have subsequently denied knowledge of various issues. Many beneficiaries feel that they should own the units and therefore not be paying rent (including those that attended the workshops. In summary the training role undertaken by the BESG is recognised as having been very important, yet many feel that insufficient training was done for the Board and staff, and that tenant training could have been extended.

The following training was undertaken. This training was funded by the BESG and Rooftops Canada from within their own operating budgets.

- Initial training with tenants over the lease agreement. This was done by the BESG with input from Rooftops Canada.
- Capacity building was given to the Board by Rooftops Canada in 1997. However, at this phase, without any tenants in the project, it was difficult to visualise what the project problems would be. In recent times, further capacity building has been given to the Board by the SHF. This training alerted Board members to their potential role as opposed to their current role.
- BESG staff members and the project administrator received training from Rooftops Canada.
- Training was given to staff members by BESG.
Details on this training are in the Tables that follow:

### Lease Agreement Workshop, targeted at Approved Shayamoya applicants

**Objectives:**
- Building relationship amongst applicants
- Future tenants to understand lease agreement document
- Awareness of the Shayamoya stakeholders

**Content**
- **Rent:**
  - Payments, rent dates, arrears, encourage methods of payments like stop orders, electronic transfers, bank guaranteed cheque
  - use of rent:
  - for maintenance, pays back loan, pays staff
  - salaries etc.
- **Eviction process:**
  - failure to pay rent results to eviction
  - first receive a written reminder
  - given opportunity to make arrangements by signing a form
  - fail to pay as promised then evicted
- **Water and electricity:**
  - receive statements from Metro Water
  - each unit has a meter
  - prepaid card electricity
- **Unit improvements:**
  - major improvements through the office
  - minor improvements are allowed automatically
- **Maintenance:**
  - members’ responsibilities e.g. Replacing globes, painting etc.
  - SHA responsibilities e.g. plumbing problems, roofing etc.
- **Noise and Parties**
- **Parking and Washing lines:**
  - not available but tenants are allowed to use space available
- **Security:**
  - Tenants are allowed to secure their units without inconveniencing other units
- **Deceased members:** steps to be taken
  - report to the office
  - over 21 years children can apply
  - less 21 years children, guardian can apply for the unit
- **Commercial sites:**
  - Shop is available, tenants are not allowed to sell
- **Unit Ownership:**
  - SHA and Tenants are co-owners of the Project, they make decisions through the Residents Board members

400 people attended the above workshops which were held over the period November 2000 to March 2001.

### Neighbour Group Meetings targeted at Approved Shayamoya applicants

**Objectives:**
- Understand roles played by different groups
- Understand their involvement in the project
- Election of Liaison Officer
- Understand role played by Liaison Officer
- Reminding tenants importance of paying rent on time

**Content**

<table>
<thead>
<tr>
<th>Role</th>
<th>Responsibility</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board of Directors</td>
<td>Management of Association</td>
<td>Not paid</td>
</tr>
<tr>
<td>Staff</td>
<td>Undertake day to day management responsibilities</td>
<td>Paid</td>
</tr>
<tr>
<td>Liaison Officers</td>
<td>Communication – Office and tenants</td>
<td>Not paid</td>
</tr>
<tr>
<td>Members or Tenants</td>
<td>Corporate and financial responsibilities</td>
<td>Not paid</td>
</tr>
</tbody>
</table>

Information provided on:
- What to do in case of emergency
- Disputes procedure
- Complaints procedure
- Communicating with the office
The following training was planned but never carried out

### Training On The Overall Institutional Structure targeted at residents

**Objectives:** To ensure that members/residents understand and are involved in the management of the project

**Content**
- Introduction to SHA’s objectives
- SHA management structure
- Roles of groups in the SHA
- Election procedures for the Board of Directors
- The division of responsibilities among the directors
- The importance of participation

This training programme was never held due to the hostile environment.

### Training On Financial Policy And Procedures targeted at residents and Board and staff

**Objectives:**
- To ensure understanding of financial management and procedures
- To promote an understanding of the importance of paying rent on time

**Content**
- **Residents**
  - Distribution of responsibilities
  - Financial policy and procedures
  - Rental policy and procedures
  - Budgeting (input into the operational budget)
- **Board and Staff**
  - Distribution of responsibilities
  - Financial policy and procedures
    - Procedure for the preparation, approval and signing of cheques
    - Banking procedures (accounts, cash deposit, fund transfers)
    - Budget and spending policy
    - Rental policy and procedures
      - objectives of the policy
      - setting the rents
      - payment of rent
      - late rent payments and collection of arrears
      - bad debts
  - Budgeting
  - Financial controls
  - Monitoring cash flow

This training programme was never held.

### Training On Maintenance targeted at maintenance committee, liaison officer and maintenance workers

**Objectives:**
- Participants will acquire skills necessary to perform their duties
- To ensure good maintenance with the maximum of resident input and a minimum of cost.

**Content**
- **Maintenance committee, liaison officer and maintenance workers**
  - Budget monitoring
  - Long-term planning
  - Maintenance policy, programme and procedures
    - general responsibilities of parties
    - Rules applying to alterations, improvements and additions
    - Procedures for urgent repairs and emergencies
    - Rules applying to maintenance materials, tools and equipment
Generally, the resident training that was carried out, was successful and well received. Residents actively participated in the meetings, which were held in Zulu. One problem raised was that they were held in the open space on the Shayamoya grounds, so had to be cancelled in inclement weather. Attendance was not good when meetings were held away from Shayamoya.

The impetus to conduct training for tenants and staff members alike seems to have withered in the latter part of the projects implementation, partly this is attributed to the BESG staff members being overstressed with managing the development process, and not providing sufficient emphasis to the capacity building process.

2.1.9. IMPACT AND ROLE OF NGO AND OTHER SUPPORT ORGANISATIONS

Many of the interviewees, whether happy with the BESG’s role or not, have stated that the project would never have been developed without the BESG. However,
many interviewed found the BESG Project Manager’s management style divisive and confrontational, yet noted that these qualities were useful in achieving the physical end-product.

Many interviewees have, however pointed to a lack of consultation and a heavy handedness on the part of the BESG, to the point where any other party has felt very little project ownership. This has made the role of the Board very difficult, as they have not been instrumental in setting up many of the systems or frameworks, yet now find themselves having to manage and take responsibility for the project.

The Development Services Agreement stated that BESG would provide considerable organisational development (OD) support to the SHA. This was a major shortcoming of the BESG within the development process. As mentioned in the section on capacity building above, the BESG’s undertaking the role of developer meant that they had very little spare capacity to undertake OD. The BESG has also been accused of undermining the necessity for OD support, and their primary goal in the project seems to have been one of ‘getting the buildings built’ rather than building the capacity of the SHA.

The problems with institutional and management structures appear to be the result of schisms between the development process and the technical input and the transition into providing viable institutional and systems set up, on the part of the BESG.

Rooftops Canada appears to have played a valuable role in providing advice and information on social housing into the project. However many players voiced a suspicion of Rooftops Canada’s use of “foreign” examples and would prefer to see a locally developed solution to social housing in South Africa. Rooftops Canada is no longer working with BESG on the project, and is currently providing technical advice to eThekwini housing on social housing. Through this channel, they are providing some assistance to Shayamoya as a “project in difficulty” which will be used as a case study and training programme for the social housing coordinator.

BESG is currently reconsidering its role in the Shayamoya project. They are doing capacity building with the residents and looking at the make up of the Board.

2.1.10. KEY ISSUES AND PROBLEMS

The Shayamoya project has succeeded in providing good quality well located accommodation. However given its inability to collect monthly rentals, its failing has been to provide this accommodation on a sustainable basis.

The Malaysian Grant has not been used in the “best possible manner” and has not been used in “in such a way as to make future social housing projects feasible

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3 From the projects stated goals and objectives.
in terms of the additional subsidy amounts required for rental housing” as the projects objectives outlined. This is a significant missed opportunity as the Malaysian grant could have been used as bridging finance in the development of a number of new social housing programmes. All of these problems stem from the projects inability to effectively and efficiently collect monthly rentals.

Social Housing, especially in KZN, is still in a pilot phase. It is a new type of housing with its own unique set of problems that could not have been fully anticipated. Many people interviewed have stated that they are learning and experiencing social housing for the first time.

The Shayamoya Board is still suffering from a lack of sufficient ownership of the project. They feel that the BESG took an overarching initial responsibility, without allowing the Board sufficient input. Now the Board is forced to take responsibility in trying to create a more sustainable functioning project, but lacks the capacity to do so. They are currently in the process of trying to get financial information together for an AGM and have been meeting more regularly. They are trying to tie together initial occupants with the current occupants to get an idea of which tenants are legitimate. The Board is also embarking on the long route of getting non-paying and non-legitimate residents evicted.
2.2. NEWTOWN

2.2.1. BACKGROUND AND HISTORY

Newtown Housing Co-operative was developed by Cope Housing Association (Cope), an USN affiliated NGO in Johannesburg. Cope was the first social housing institution to initiate co-operative housing in Gauteng and has evolved into a social housing institution that develops and manages social housing. In addition the Board has recently approved the move to a member based housing association. Cope has been pioneering the co-operative model through their association with the Norwegian Federation of Co-operative Housing Associations (NBBL) in terms of a bilateral accord between South Africa and Norway. Substantial support to Cope has also been provided by Rooftops Canada.

Newtown Housing Co-operative is located in Newtown, Johannesburg. It is well located in a vibrant part of the city adjacent to the Oriental Plaza. It is well placed in terms of access to transport, shops and is within walking distance for many residents of their places of employment. The project has the greatest demand from a locational perspective in relation to other projects within Cope’s portfolio. Newtown is also part of the City of Johannesburg and Gauteng Province’s urban renewal strategy and is therefore well supported at a political level.

The Newtown Housing Co-operative was the first housing project in Gauteng to be registered under the Co-operatives Act of 1981 (Act no. 91 of 1981). The project was initiated in 1997, in terms of a proposal call by Province. Grinaker Housing was awarded the development rights and developed a ‘turnkey’ project for Cope as well as for the Johannesburg Housing Company (JHC) on the neighbouring site, which formed part of the same land package. 351 units were developed comprising of one and two bedroom units. The project was fully occupied in 2000.

The project’s goals and objectives are articulated as follows 4:

- Affordable ownership to people who would not normally be able to access a housing loan on their own
- Long terms security of tenure
- Resident control over their housing environment
- A return on their investment when they leave the co-operative
- Community empowerment through the election of community leaders and democratic decision making

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4 Extracted from document entitled “Newtown housing Co-operative” supplied by Cope. Undated
- Job creation through the employment of members to take part in some of the activities undertaken by the co-operative
- Long term sustainability through efficient management

2.2.2. PROJECT DEVELOPMENT PROCESS

When the Newtown Housing Co-operative project was started, Cope had already undertaken three inner city refurbishment / upgrading projects and one new build project in Bertrams. Newtown was Cope’s fifth project and differed from the Bertrams project in terms of its scale and procurement processes.

Project Procurement

The development of the project was undertaken by Grinaker Housing, as a turnkey development. This route, where social housing institutions had little experience in development, meant that Cope had very little input in the project development process. This was the first time Cope had taken this approach and although they had some input into the designs, changes were made by the developer to layouts, unit design and the unit mix. This highlights the problem that many emerging SHI’s experience and have to manage once they are handed over the project. In subsequent developments, such as the Troyeville Housing Co-operative and Terrace Road, Cope has chosen a more traditional procurement route, representing the client co-operative, employing a professional team and tendering the project to contractors.

Project Finance

The project was financed from three sources; Provincial Housing Subsidies – 30%, a long term loan from the NHFC – 66% and equity payments from members of the co-operative – 4%. The average unit price ranged approximately between R 60 000 and R 65 000. Cope does not seek a return on the asset value, monthly payments by the co-operative cover the loan repayments plus management fees only. The input of additional funding such as for capacity building and training has not been calculated into the development costs.

Evaluative Comment: Social Housing requires additional funding for capacity building and training, especially in the co-operative model which is participatory intensive. This is a hidden cost that must be borne either by the social housing provider or by the project in terms of the total development costs. With the tight financial constraints on the viability of social housing projects, this funding typically must be procured from other sources.
2.2.3. PHYSICAL ISSUES

**Design & Environment**

The Newtown development consists of 351 units. They are broken down into 6 blocks around courtyards and are designed as three –storey walkups. The density of the development is appropriate for an inner city context. In contrast to the adjacent JHC scheme, which is a facebrick building, Newtown is a plaster and painted building. This was according to Cope an aesthetic choice rather than a financial one in terms of upfront capital expenditure (as plaster and paint is cheaper than facebrick initially) but it has long term maintenance implications.

Other than the orientation of the buildings and the grouping of buildings around grassed courtyard areas to create defined outdoor areas, no other issues relating to environmental sustainability were addressed. In fact, during the project phase roof overhangs were cut back as part of cost saving measures.

Most of the members of Newtown Co-operative appear to find the project a pleasing and safe environment to live in. Cope conducted a series of “Quality of Life Surveys” during 2002. Key issues in relation to the project that were identified in these surveys relate to the general environment and amenities such as poor lighting which contributes to problematic safety and security, suggestions in relation to unit design and size and the perception regarding the value of open space rather than parking.

One of the main issues highlighted is the lack of provision of community and social space within the project. These include play areas for children that are safe and not in conflict with cars, adequate and appropriate washing lines and laundry areas and a room that can be used for Board meetings and members of the co-operative.

The omission of these could be due to several reasons. One is purely financial, where any items that are seen to be superfluous to the main fabric of the building, are shed in cost cutting exercises. The other is that the developers and their professional team had very little idea of what co-operative housing is all about. This is an important issue in understanding what the ‘social’ component of ‘social housing’ is all about, and what the impact should be on the building design, layout and provision of amenities.

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**Evaluative Comment: The role of ‘community’ space within social housing projects**

If social housing and co-operative housing are to function successfully as communities then the provision of certain facilities that promote social interaction and the functioning of the community need to be provided within the project or be available within the project vicinity. These amenities include things such as playgrounds, child care facilities and homework rooms, areas for the co-operative board and members to meet and laundry areas. These amenities need to be funded and the structure and amount of the subsidy is not currently conducive to these allowances.
A key issue is the balance between the size of the co-operative in terms of its financial viability and its social viability. Newtown consists of 351 units and the number of units was determined as part of the overall development proposal developed by Grinaker Housing. 351 units equates to almost 1500 people. For an NGO this is a very large project with a large number of people that need to be involved in communal decision making. Cope recognises that the optimum number of units for a co-operative, in their experience, is between 55 –120.

**Evaluative Comment : Size of the project**

The smaller the project, the more impact cost increases have on individual units. Costs are easier to absorb if they are spread over a larger number of units. However, from a co-operative management point of view a smaller scheme allows greater communal decision making and participation.

Residents in Newtown appear to take great pride in the internal quality of their units and many improvements such as kitchen units and fittings have been made. This is a very positive indicator. However, residents have been very slow to take ownership of the external environment, although there are one or two residents who have planted gardens outside their units. Perhaps residents need encouragement in this area.

One of the main areas of concern relates to general building maintenance. The materials chosen for the project require short to medium term attention. In addition, there are many areas of detail design, for example, entrance thresholds, which were not addressed in the original design. High arrears levels also mean that there is little to no money available for maintenance. This will become a big problem area, particularly as time goes by and the items to address become bigger problems and more costlier to resolve.

**The Housing Precinct**

Did the project contribute to the creation of sustainable communities? There was initially a lot of opposition in the neighbourhood to the construction of the project. However, since the project was completed, many businesses in the area have benefited from increased trade and from the upliftment of the area – the area adjacent to Newtown Co-operative now the JHC’s Carr Gardens was a squatter camp. No studies have been undertaken as to the impact of the project in terms of increased pressure on social amenities such as schools, in the area. Anecdotal comment suggests that this has been a problem and that the lack of consideration for integrated service delivery, housing, school and social services, has an impact on the sustainability of the neighbourhood.

The entire ‘precinct’ development, which includes the neighbouring JHC Carr Gardens project, has only been completed in the last few months with the completion of JHC’s Carr 3 project that sits adjacent to Newtown Co-operative on its western boundary. There appears to have been some disputes in relation to
land availability agreements⁵ for this development with the Board of Newtown. This has led to little co-operation between the two parties, in relation to the impact of the development on Newtown. The Carr 3 development is not a very ‘friendly’ development in terms of the massing and placement of the building and the ‘left over’ space. However, the grouping of different social housing projects into a housing precinct or improvement district is a very good idea as it means that the impact of the projects is very visible. It also means that certain services can be shared such as using one housing supervisor for two projects or sharing certain amenities such as a crèche. Also, greater leverage can be applied to local authorities in terms of improved service provision.

The Newtown area is a good example of a housing precinct that is beginning to work positively, with the Newtown co-operative plus the two adjacent JHC projects: Carr Gardens and Carr 3, as well as Tribunal Gardens located less than a kilometre away. The co-operative itself appears to be contributing towards building a sustainable community neighbourhood.

2.2.4. FINANCIAL ISSUES

Financial Model

The financial model used by Cope in their developments appears to have resulted in extremely affordable monthly charges in comparison with other similar products developed by other SHI’s. Their monthly charges are certainly cheaper than the neighbouring rentals charged by JHC. However, as construction costs have risen it has become increasing more difficult to replicate these kinds of developments.

The monthly charges include the repayment of the NHFC loan plus contributions to a ‘levy fund’ that caters for insurances, building maintenance and repairs and services such as security and garden maintenance, plus the payment of a property management fee to Cope. The monthly charges range from R 725 for a 1 bedroom unit to R 840 for a 2 bedroom unit.

Cope provides a consolidated billing system that bills for monthly charges, water and electricity. This allows them to monitor bulk consumption and make sure that members are not in arrears with their service payments. However, it is important to note that should members not be paying their monthly charges, they would also not be paying the service charges. This would start to put Cope under financial pressure.

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⁵ No detailed research was undertaken on this issue, and the agreements were not examined.
Collections & Arrears

Although Newtown Co-operative charges are relatively low, there has been a large problem of non-payment leading to unacceptably high arrears levels. This has severe consequences in terms of sustainability of the model. The levels of arrears in the project have been as high as 24%. There are several reasons cited for non payment:

- A general attitude of entitlement generated by a misunderstanding of the subsidy allocations. An Institutional Subsidy is given to the institution although it is based on the qualification of an individual beneficiary. Individual subsidies in the RDP type model are given to the individual – hence the term ‘give away house’. Certain beneficiaries believe that because a subsidy is involved the unit is rightfully theirs, and therefore they should not pay any monthly charges. This attitude may in some cases be a deliberate misunderstanding of the model. The understanding of the de-linking of the Institutional Subsidy from a beneficiary to an institutional base is necessary in this regard and additional beneficiary training has been highlighted in this respect.

- The co-operative experienced problems when a trend of non-payment was set, particularly by certain members of the Board at the time. This led to members believing that if Board members were in arrears and no action was taken, they too could get away with it. This issue has been resolved in terms of enforcing certain aspects of the Co-operative Agreements, which prevent members in arrears from sitting on the Board.

- Many members face financial difficulties. These may be a result of genuine hardship or as a result of being burdened by additional payments once they take on the responsibilities of ‘home ownership’. In Newtown there appears to be a correlation between an inability to pay the charges and the acquisition of furniture or improvements to the units, such as kitchen fittings. There is also strong peer pressure amongst neighbours in this regard. It also appears that members may budget to settle other payments, such as Hire Purchase charges or school fees before their monthly charges. The prioritisation of other payments above the monthly charges is a clear indication that people are aware of the consequences of non payment of Hire Purchase Accounts – the repossession of items, and aware that there will be no such immediate action in terms of their accommodation.

- There appears to be a clear understanding that eviction procedures can take a very long time, and that certain members are prepared to exploit this. Cope has identified the fact that a clear eviction procedure is necessary, because if all the necessary steps have not been taken in terms of legislation (Prevention of Illegal Eviction Act), the eviction will not be able to be carried out.
The problem with regard to genuine hardship is a difficult one for any SHI to address, particularly when the reasons are due to unemployment or ill health. A 5% budget for vacancy and default has been budgeted for and hardship cover within the monthly charge structure will allow for a reprieve on payments for members in genuine difficulty. However, as HIV/AIDS results in widespread chronic illness, this will become under increasing pressure.

**Evaluative Comment: Stabilisation of the housing environment?**

Problems with non-payment of monthly charges and the levels of arrears are problematic in terms of project sustainability. However, the long-term outlook is more positive as Cope has put in place mechanisms to deal with the problems.

**Downward Raiding**

A second area of concern is the apparent level of “downward raiding” by non-qualifying beneficiaries. It is noted that many units have DSTV dishes and that there are some luxury cars parked in the scheme. Downward raiding is extremely hard to prove, as members might have initially qualified but subsequently have moved outside of the financial qualifications bracket. If this is the case, then social housing should be viewed as successfully providing a supportive environment for the betterment of people’s lives. However, in the case of the luxury car scenario, it would appear that in terms of the initial beneficiary income ceiling of R 3500, which results in a maximum housing charge affordability level of R 875, that car payments may outstrip this by 10x. It would be difficult to substantiate such an increase in one’s salary over such a short period of time. However, it is also difficult to prove that a luxury car is in fact owned by a member, as it could be the property of a spouse or friend living with the co-op member. Cope does not have any information on what the actual issues are, other than the fact that the information initially provided by the beneficiary was in line with the qualification criteria. This could be an issue for further research.

**Evaluative Comment:** As social housing products reach the upper limits of financial sustainability, the rentals charged are impacted on due to increased development costs. There is therefore an increasing problem of beneficiaries falling outside of the earnings bracket of the subsidy. This leads to pressure to not accept beneficiaries that earn much less than R 3500 / month as the financial pressure on a lower salary often results in difficulties sustaining monthly payments. This then raises the question as to whether social housing is able to cater to low to middle-income earners.

### 2.2.5. LEGAL & INSTITUTIONAL ISSUES

The co-operative tenure model as developed by Cope and supported by their Norwegian technical agreements is that of a member-based co-operative. Cope’s Norwegian technical advisor’s, Roar Wiik and Siri Sandbu played a large role in setting up the basis of Newtown’s agreements and capacity building and training around these issues.
The model adopted in Newtown was the Norwegian Co-operative model that is based on the following principles:

- Co-operative housing societies or associations are based on membership and are open to all.
- Individual are members of a local co-operative society, which in turn is a member of, or affiliated to an umbrella organisation, the NBBL. Co-operative Societies build housing units and allocate these to their members. When finished, the housing units are organised in housing co-operatives, which are owned jointly by their members.
- Housing co-operatives are managed by their members through democratic decision making processes and members contribute towards the financial upkeep of the co-operative.

However, when the model was brought to South Africa, there were several problems in implementing it. These related primarily to the nature of the existing co-operative legislation, which related to agricultural co-operatives regulated by the Registrar of Co-operatives, within the Department of Agriculture, rather than the Housing Department. There was therefore no legal infrastructure for the setting up of a housing co-operative. Cope, therefore employed an Attorney to draft a set of Statutes to be used for Newtown. These were informed by the Norwegian model.

**Institutional Structure**

The structure of the co-operative is based on the following principles:

- Cope is a member-based organisation. A person that wishes to be housed in a co-operative puts their name on a waiting list and becomes a member of Cope. They pay an annual subscription fee and receive information about Cope and its projects.
- Cope develops co-operatives and each co-operative is a member of Cope. Each co-operative has full ownership of their assets – the buildings.
- Once a project, such Newtown is developed, members of Cope that are on a waiting list are able to apply for a unit, dependent on their continued eligibility in terms of the subsidy criteria and their ability to pay a deposit and equity payment.
- Individuals are members of the co-operative, i.e. Newtown. Members sign a use agreement with the Co-operative. Their use agreement with the co-operative allows them ‘ownership’ of the unit (equity within the co-op – the co-operative is a collective owner) as long as they pay their monthly charges. Members are in fact owner-tenants.
- All members have to put down an equity payment when they join the co-operative and are allocated a unit. Should members want to leave the co-
Members elect a Board, which handles day to day issues and liaises with Cope. The co-operative has a property management agreement (which is binding until the loan is repaid) with Cope to provide property management services which include: collection of monthly accounts; paying the co-operative’s accounts; budgeting; annual auditing of accounts and financial statements; advice on maintenance, security and insurance, education and training for board members and residents; maintenance of the waiting list, marketing and allocation of waiting lists.

There are still several areas within the above model that require clarity or have been identified as areas of concern. These are:

- The equity payment: On joining the co-operative, a member is supposed to pay a deposit as well as an equity payment. On leaving the co-operative, an ‘exit payment’ – the equity is supposed to be paid to the outgoing member by the incoming member. The outgoing member is effectively selling a ‘right of occupation’. This presupposes that there is a realisable and recognised value to the equity in the property market and that the incoming member will be able to raise the money to make this payment. The risk is that the newcomer will not be able to raise the money from a financial institution and that they will therefore have to have the cash in hand or make a very low offer. A proposed solution is that a funding organisation such as the NHFC considers setting up a special co-operative lending fund for this purpose. Currently, there is no clarity on the issue of equity payments at Newtown.

- What is the advantage of the model?: The advantage of the co-operative model is that members have collective ownership over an asset, and that ultimately this could be realised by selling their right of occupation as discussed above. However, until there is a real possibility of a secondary market this value is not tangible. Thus at this point the model resembles a rental model as members pay a monthly charge, must abide by the rules of the co-operative and may be evicted if they do not pay. There are no special privileges or rights apart from the fact that members may elect their own Board and contribute towards the decision making in running the co-operative. The issues over which members may make decisions over are limited.

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6 These have been extracted from a discussion document prepared by Erica Emdon entitled The Basic Co-operative Model: Some thoughts.
The Statutes which have been adopted on projects subsequent to Newtown and which build on the experience of Newtown, structure the co-operative development process and subsequent processes and agreements as follows:

- Cope is the developer
- Cope appoints interim members of the co-op for the development phase from the establishment date (the date on which Cope acquires a Certificate of Incorporation from the Registrar of Co-operatives)
- The interim members elect an interim board
- The interim board is responsible for undertaking the development of the property and raising the initial capital on behalf of the housing co-operative.
- The interim board enters into a property management agreement with Cope from the date that the first person takes occupation of a housing unit in the housing co-operative.
- From the establishment date any qualifying person may apply to become a member of the co-operative
- The interim board shall require the applicants to pay the required equity contribution to secure their units
- When the development is complete the interim board ensures that all bridging finance is repaid to the institution that lent such funding to the housing co-op, that an audit is undertaken of the construction accounts, that more than 75% of the units are occupied and that use agreements have been signed in respect of the occupied units.
- Once the above conditions have been fulfilled, the interim board will call all occupants to a ‘foundation meeting’ where they will be invited to become members of the housing co-operative.
- At this meeting each occupant will sign a membership form, sign a declaration that they agree to abide by the terms and conditions of the statute and pay the members deposit and equity and sign a Use Agreement.
- The interim board then calls on the members of the housing co-op to elect the board of the co-op.
- The date on which these activities are concluded is called the ‘date of handover’

From the date of handover, the Property Management Agreement entered into by Cope and the interim board shall be deemed to have been entered into between Cope and the Board.
**Evaluative Comment: Adaptability and responsiveness of the model to context**

The co-operative model used in the project has been developed by Cope with extensive input from its donor partners. However, the solutions have been monitored in relation to local conditions and adhere to core principles of co-operatives and linkages with broader co-operatives. Further evaluation of the model in terms of its responsiveness to the South African context and the implications for policy would need to be ongoing.

2.2.6. PROPERTY MANAGEMENT ISSUES

The co-operative model is still a very new idea and although the structure appears simple there are many areas where difficulties have arisen and solutions to problems have resulted in modifications to the initial structure, which will be implemented in future Cope co-operatives.

The problem that Cope has experienced with the tenure model relate to the property management agreements and the issues of non-payment of monthly charges.

As the developer of the project, Cope is responsible for the accessing of the subsidies and the NHFC loans on behalf of the co-operative. The co-operative is responsible for the loan and full ownership of the co-operative will not be passed to the members until the loan has been fully paid for.

Problems with the property management agreements and structuring of the co-operative board became evident when there was a serious problem with arrears. Many members were in arrears and Cope wanted to implement eviction procedures. However, because certain Board Members were also in arrears, and evictions could not take place without a written resolution from the Board, this became a point of conflict. This was a weak point in the co-operatives Statutes, that didn’t allow Cope to manage defaults and evictions. A hard line approach had to be implemented by Cope in enforcing the relevant agreements to prevent this from occurring. Now, no members in arrears may be Board Members. Evictions may be carried out without reference to the Board.

The other area of conflict occurred around the issue of the Property Management Agreement between Cope and Newtown. The solution to unpopular procedures such as those described above, is often to try and get rid of the initiator of these procedures, in this case Cope. The property management agreement has a two month notice period of termination of the agreement. However, there is a binding clause that the agreement cannot be terminated until the loans have been paid off without written agreement from the funders of the project, namely the NHFC and Province.
**Evaluation of USN Co-operative Housing Models**

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**Evaluative Comment**: there appears to be some areas in which members find it hard to understand and differentiate between the role of Cope as managers and the responsibilities of the Board. Despite the investment in a considerable amount of training of beneficiaries and capacity building of Board Members.

Misunderstandings of the nature of the funding of the project and that the monthly payments have to cover loan re-payments have lead to conflict. Cope has acknowledged that although there was extensive beneficiary training, this was not sufficient. Cope has now put in place a capacity development programme for board members and beneficiaries.

**Evaluative Comment**: The above issues highlights the dichotomy that the NGO's reviewed in this evaluation face, namely between the 'soft' issues of provision of a social service – development based issues and the 'hard' issues of management and financial viability – business issues.

**Lessons learnt**

The lessons learnt from the experience of Newtown have been incorporated into a new set of Statutes for future Cope Co-operatives. These contain clear definitions and procedures to be followed in relation to:

- The objects and principles of the housing co-operative
- The procedures to be followed from the establishment date of the co-operative through the development phase to handover.
- Application for membership
- The Property Management Agreement
- Liability, transfer and termination of membership
- Obligations of the co-operative
- Board duties, responsibilities and liabilities.

**2.2.7. END USER ISSUES**

**Why co-operative housing?**

One of the key questions in relation to the project is why do people choose to live there and whether the co-operative tenure model plays a role at all in their choice. It seems that most people are desperate to gain access to good quality well located housing, regardless of the tenure option. Newtown offers exceptionally good amenity in this regard. The tenure model appears not to play any role in their choice, and there are still areas of misunderstanding between the concepts of renting and owning. However, there does appear to be a flow of people from the adjacent JHC Carr Gardens, a rental scheme, to Newtown Co-operative, rather
than the other way around. This may suggest that some people may be looking for a longer term tenure option. However, it is more likely at this stage that they are looking for a more affordable alternative, as the monthly payments are less in Newtown. It will be interesting to track this project and others in the longer term, to see whether once the co-operative model is more established, people actively seek out a co-operative as a lifestyle option. This is an issue therefore for further research.

**Participation and Choice**

The development process undertaken by Cope does not involve beneficiaries during the development process. Once beneficiaries become members of the Co-operative they participate in governance and decision making through the Co-operative Board structure. The emergence of stronger block structures to support this is positive development. However, the size of the co-operative is seen as a negative in terms of collective decision making and participation.

Members have limited choice in the decision making. However, members could exercise a certain level of choice in determining future requirements and through actively participating in shaping their physical environment.

**Beneficiary Training and Capacity Building**

Whilst training of beneficiaries prior to them joining the co-operative was undertaken, it has become evident that was not sufficient. New training structures and benchmarks are currently being developed by Cope to overcome problems that emerge from beneficiaries not understanding the co-operative structure.

Training with the board was also undertaken and is ongoing. It is apparent that there needs to be a lot of ongoing support in fostering understanding of responsibilities in terms of legal and financial processes that the co-operative must undertake.

Rooftops Canada has provided extensive support in this area. Clearly, the levels of training and capacity building would not be sustainable otherwise, as the financial impact of this has been calculated at about R 8000 per unit, which would add roughly 10-12% on top of the development costs per unit. However, without ongoing training, the project’s sustainability would be threatened.

**Special needs**

Gauteng’s Housing Policy states that 15% of units should be available for special needs. No units have been specifically adapted for special needs and it is unclear whether any demand exists in this regard. It is also doubtful whether the ground floor of units is universally accessible.
**Issues relating to Gender**

A large proportion of members of female headed households. In terms of the needs of this grouping Newtown does not particularly create a supportive environment. The Quality of Life Surveys (conducted by Cope with the support of a Rooftops Canada intern) point to safety and security fears in respect of lighting within the project. There was also reporting of a shebeen operating in one of the units that was problematic in terms of safety of female residents. The lack of amenities for children is also problematic. Furthermore, the Quality of Life Surveys also pointed to disparate views between male and female members on issues such as the value of outdoor space versus parking, this could be a problematic issue as most Board members are male and may therefore bias decision making.

### 2.2.8. IMPACT AND ROLE OF NGO

The role of Cope has been one of project initiator and manager. Although there have been critical points in the relationship between Cope and Newtown Co-operative, the problems have been identified and action taken to remedy them.

Cope has set its agenda on being a social housing institution and building up a co-operative membership of 3000 units in order to reach a level of sustainability – it currently manages 867. In this regard it has moved beyond the general NGO model towards being a professional housing services provider within the non profit sector. The major contributing factor towards its decision to move from an NGO to a Housing Association models appears to have been as a result of the establishment of the Cope Trust – a bridging finance mechanism that was funded with Norwegian donor funding.

### 2.2.9. IMPACT OF PROJECT

It appears that the impact of the project and of the co-operative model in this context is the long term empowerment of residents in understanding their rights and responsibilities in respect of their housing. The emphasis on training and capacity building by Cope, together with defined management practices, is building a community that is becoming more focussed around their housing needs and co-operatively responsible for decision making in this regard.

The project itself is important as a role model that people can experience an alternative view in terms of its density, scale and typology. This facilitates other alternate projects that can take these ideas further.

### 2.2.10. SUMMARY OF KEY ISSUES AND PROBLEMS

In terms of the projects goals and objectives the following has been achieved:
**Cost Effective Delivery**

The total development cost was R 21 925 443.00. 351 units were constructed at an average cost of between R 60 000 and R 65 000. This was relatively cost effective and the rentals are very reasonable within the inner city rental context. However, it is doubtful in the light of escalation of construction costs whether this is replicable. This has allowed affordable ‘ownership’ through collective leverage to people who would not otherwise have been able to access a housing loan on their own.

**Long term security of tenure**

As long as members are able to sustain their monthly charges they are able to stay in the co-operative.

**Resident Control over their housing environment**

Members are able to participate in decision making through the co-operative board. There are aspects over which they have little control such as lowering rental levels, but other aspects over which they could exercise more control, such as actively taking ownership of their immediate environment.

**A return on their investment when they leave the co-operative.**

This aspect that relates to the equity contribution and the value of the right of occupation is an issue that has not been resolved by Cope and is something that needs to be debated in the sector with support and input from other stakeholders such as the SHF and NHFC and the co-operative sector.

**Community empowerment through the election of community leaders and democratic decision making.**

Certain aspects relating to the functioning of the Board have been problematic in the project. However, at this point in the project the problems seem to have been worked through and the participatory framework of the co-operative is conducive to empowering members to take control of their environment. The knock on effect of deepening democracy through assuming certain rights and exercising responsibilities in terms of housing provision is an important aspect of the project that has a broader impact in terms of civil society.

**Job creation through the employment of members to take part in some of the activities undertaken by the co-operative**

This aspect seems to have been negated or have very little impact in the project, yet hardship from unemployment remains a problem.
**Long term sustainability through efficient management.**

This is the most problematic objective that has been the most difficult to achieve. The project has specific problems relating to non payment of monthly charges and high arrears levels that threaten its long term financial sustainability. The responsiveness of Cope to resolving problem areas that has contributed to or allowed a situation of arrears to develop has been good.

However, the project has provided a consistent level of quality and of service provision, which has meant that most residents have experienced an improvement in the quality of environment and subsequent improvement in quality of life.
2.3. EAST LONDON: AMALINDA

Amalinda is a social housing project being built in East London, supported by Afesis-Corplan. This will be the first social housing co-operative project in the Eastern Cape.

2.3.1. BACKGROUND AND HISTORY

The Amalinda project has been developed out of the joint work of Afesis-Corplan and a group of East London residents in need of housing. Afesis-Corplan obtained funding from the Swedish Co-operative Centre to develop, test and promote a co-operative housing model, in order to explore alternative housing options to those on offer through normal developer driven projects. The goals and objectives of the co-operative housing programme, including the Amalinda Co-operative Settlement project were agreed by the Swedish Co-operative Centre. In order to do this effectively, Afesis-Corplan established a three person team, consisting of a coordinator, trainer and project manager to drive the project.

In 1998, Afesis-Corplan began to work with a group of East London residents who had been inspired by the Homeless People’s Federation and had expressed an interest in a co-operative approach to housing. The residents, who were already organised in savings schemes, came together to form the East London Housing Cooperative (ELHC). Together with Afesis-Corplan, later in the same year, they approached the Buffalo City Municipality for land on which to develop houses. The Municipality offered a piece of land in Amalinda on the condition that the houses developed were not less than 45m².

The goal of the Amalinda project is: “The development of a replicable and sustainable model for co-operative housing development in the Eastern Cape and South Africa in general.”

In order to develop a plan for the project, Afesis-Corplan set up a Cooperative Housing Steering Committee, consisting of an Engineer, Architect and Town Planner. This team developed a draft framework plan for Amalinda, which consisted of 196 units grouped together into 8 housing co-operatives, which would sub-manage the units under their jurisdiction.

Timescale and Delays

At the time that the research for this project was conducted (November 2002) the housing units had still not been constructed, although work had begun on clearing roads and levelling the site. The reasons for the delay in development have been cited as the follows:
• Lack of bulk infrastructure on the site. Municipality had to apply for this – which they only did at the time of subsidy approval (June 1999). Procurement process etc has been very time consuming.

• The use of the PHP process, in additional to the Institutional Subsidy has meant that it has been more time consuming and slow. This has been due to trying to put in place good support mechanisms. In addition, the Provincial Housing Board initially saw a conflict between using the PHP process and the Institutional Subsidy. (PHP was used because it allowed for more flexibility and ownership over the development process, the Institutional Subsidy was used because the goal was to develop social housing.) Even though PHP was used, the community opted not to build their own units, but to engage the services of a builder. All 8 co-operatives have elected to use the same builder.

• A further delay was caused by a lack of capacity on the part of the Buffalo City Municipality, which in 1999 stated that they did not have the capacity to provide significant support to the Amalinda project. However, early in 2001 Province needed to transfer money to the Buffalo City Municipality, so forced them to be the support organisation to the project. This meant that business plans had to be revised and re-submitted and a special housing support contract signed which stated that the municipality would perform the account administration functions and the East London Housing Management Co-operative (ELHMC) would perform the certifier functions.

• With the Buffalo City Municipality as the support organisation, there was discussion about whether the tender with the builder had to be re-done. However this was waived after negotiations with the municipality and the agreement with the municipality was changed to allow the ELMHC to appoint the builders.

** Evaluative Comment: Rate of delivery  
Relatively slow, but similar in comparison to other PHP/ social housing projects.  
Time delays have, however meant that many issues have been worked through and discussed. This has deepened the understanding and experience of democracy for all. Co-op members are happy with the process (if not a little frustrated at the delay).  
The ability to “stick out” the delays has meant a natural selection of more committed individuals.**

**Timeline**

The following Timeline was developed at an Afesis-Corplan workshop in 2000 and shows the past and projected future of the Amalinda project from a resident’s point of view.
Evaluation of USN Co-operative Housing Models

2.3.2. PROJECT DEVELOPMENT PROCESS

The development of the project has been a joint effort between a number of parties. The beneficiary community is represented by the East London Housing Management Cooperative, which was set up to develop co-operative housing in 1998. The ELHMC has taken a leadership role in establishing the project, and once completed will be responsible for assisting housing co-operatives in maintenance.

Afesis-Corplan has provided support, information and advice to the ELHMC and has been a driving force in the project. Afesis-Corplan envisages their role in the project diminishing over time, with most of their work being undertaken in the

<table>
<thead>
<tr>
<th>Phase 1: Information gathering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collect information and Join Housing Management Cooperative (HMC) and Savings and Credit Co-operative (SACCO)</td>
</tr>
<tr>
<td>Housing subsidy applications made</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phase 2: Saving and project planning</th>
</tr>
</thead>
<tbody>
<tr>
<td>During this phase beneficiaries saved monthly and continued to learn about co-operative housing.</td>
</tr>
<tr>
<td>Land was identified and planned in a participatory process.</td>
</tr>
<tr>
<td>Beneficiaries were allocated to individual housing cooperatives.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phase 3: Planning for the Housing Cooperative</th>
</tr>
</thead>
<tbody>
<tr>
<td>During this phase Housing Cooperatives were organised and registered, and agreements signed with the HMC.</td>
</tr>
<tr>
<td>Block planning undertaken.</td>
</tr>
<tr>
<td>Skills training</td>
</tr>
<tr>
<td>Subsidy approval</td>
</tr>
<tr>
<td>Land subdivision and transfer</td>
</tr>
<tr>
<td>Approval to start building</td>
</tr>
</tbody>
</table>

Currently the project is finalising phase 3 and will shortly begin phase 4

<table>
<thead>
<tr>
<th>Phase 4: House construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>House construction undertaken</td>
</tr>
<tr>
<td>Beneficiaries move into house</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phase 5: On going management (&lt; 4 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beneficiaries pay monthly fees</td>
</tr>
<tr>
<td>Upgrading and home improvement occur</td>
</tr>
<tr>
<td>Share Transfer depending on decision to continue or close</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phase 6: On going management (&gt; 4 years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nature of on going management depends on path decision about closing or continuing co-operative.</td>
</tr>
</tbody>
</table>
pre-project phase. During the project development phase, Afesis-Corplan hope that they will play a lesser role, with the ELHMC playing a greater role. Finally, during the post project phase, it is hoped that the ELHMC will play the greatest role, with Afesis-Corplan only undertaking tasks to build capacity and ensure that systems are developed. The extent to which this role pattern is played out remains to be seen, but critically the piloting nature of this project must be borne in mind, as it is aimed at testing both the concept of co-operative housing and the ability of the ELHMC to manage such projects.

**Key Players**

The following table outlines the key players in the development of the Amalinda project and lists their functions.

<table>
<thead>
<tr>
<th>Key Player</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ELSacco (East London Savings and Credit Cooperative)</strong></td>
<td>ELSacco was established in 1999 to be the savings arm of the housing co-operative project. It is affiliated to the national Savings and Credit Co-operative League (SACCOL). Members from 8 savings clubs in East London came together, with each savings club collecting savings from their members and giving it to ELSacco. All potential members of the Amalinda project have to be members of ELSacco. ELSacco have a number of loan products on their book, of which Ilima (housing savings) is only one. This adds to the sustainability of saving. People who are not ELHMC members can also be members of ELSacco and participate in other financial products.</td>
</tr>
<tr>
<td><strong>The East London Housing Management Cooperative (ELHMC) Secondary Co-operative</strong></td>
<td>The ELHMC represents all of the ELSacco members who are saving through the Ilima scheme. ELHMC is the umbrella body of the Housing Cooperatives of the Amalinda project. ELHMC allocates individual members to the housing project, based on points and their savings contribution. (A full list of the responsibilities of the ELHMC is listed in the table in 2.3.5)</td>
</tr>
<tr>
<td><strong>Individual housing co-operatives (HC) Primary Co-operative</strong></td>
<td>The Housing Co-operatives are independent entities.</td>
</tr>
<tr>
<td><strong>Afesis-Corplan</strong></td>
<td>Have been responsible for establishing and providing input and support to the ELHMC. In the Amalinda project Afesis Corplan are responsible for the certification</td>
</tr>
<tr>
<td><strong>Buffalo City Municipality</strong></td>
<td>Account Administrator</td>
</tr>
</tbody>
</table>
Current Status of Development

The current status of development is as follows:

- **Subsidy**: 196 subsidies have been applied for and approved by the Province. The Municipality has been tasked with managing the project by the Province, and have subsequently set up their own internal systems to administer housing subsidy funds. A use agreement has been signed by allocated members and will be submitted to Province shortly for entering into the national housing database. In the interim the subsidy amount has increased from R16 000 to R20 300. In addition, a geotechnical amount of R3 420 has been allocated per site. This gain has mostly been negated by inflation and building construction escalation, but has meant that houses can now be built with internal walls.

- **Building**: A builder, Msobomvu, was chosen by the community to build the houses, based on a quote Msobomvu had given them. However, on examination by Afesis-Corplan, it was found that the quote had not provided for the construction of roads, toilets, water, land and legal fees. At this point the Steering Committee developed tender documents and invited tenders from a number of contractors. Msobomvu did not submit a quote. However, it was found that all of the quotes exceeded the budget amount. The community re-opened negotiations with Msobomvu, however their final quote exceeded the subsidy amount by R2070, which will have to be paid for by beneficiaries. The Steering Committee has also held negotiations with materials suppliers and the Province or municipality to buy materials to avoid inflationary increases. Community members who provide labour to the project will be paid between 50% and 66% of market rates. Site clearing has been completed and roads are currently under construction on site.

- **Transfer**: Land for the 8 housing co-operatives has been transferred to the housing co-operatives.

2.3.3. PHYSICAL DEVELOPMENT

**Block System**

The development of houses within the project is being done on a block system. The 196 housing units have been divided into 8 groups of approximately 25 housing units each. Each of these will be managed or owned by separate housing co-operative. An added burden and complexity is introduced by having 8 different co-op rather than 1 co-op organised into different block groups.

Within each block, houses are grouped around a common communal space, which will be owned and managed by the residents via the housing co-operative. Bulk infrastructure will also be managed and maintained co-operatively, although each
individual house will have a water meter. The housing co-operative will collect money and pay for the services for all units in the block.

**Evaluative Comment:** it is doubtful whether there are the skills to manage the infrastructure collectively at the moment within the Amalinda project, or what will happen if residents do not pay.

The drawings of the scheme show plans for the houses to cluster around communal space. It is this feature, which makes the scheme different from ordinary one house - one plot developments. However, as seen in other schemes, the maintenance and upkeep of this area will probably be the first area to be sacrificed when it comes to cost savings or just lack of interest. The communal management of this area will also be critical to its success.

**Evaluative Comment: quality built environment**

In plan the houses will be bigger than standard RDP house. The houses will have full waterborne sewerage and water, but no electricity. In addition the provision of communal open space, if managed correctly, will add to the communal spirit initiated by the social housing scheme. Most houses in each cluster will not empty onto the main road, but instead onto the communal space which makes them safer for children, and better for community. The front three houses will open onto the main road, which will allow for home businesses to be more viable. In theory, residents will have a better living environment than if they were living in a formal RDP type houses, due to the co-operative management and communal space. However the success of these two factors is not guaranteed, as the co-operative needs to be more than just a collector of monthly charges and the communal space needs to be carefully managed.
The model of individual houses on individual plots is not particularly proactive in challenging preconceptions of housing typology, density and public/private demarcation of space, yet has been specifically chosen by residents as the typology they prefer. For example, communal space could have been defined by the unit groupings. As it has not been particularly well defined, it may end up being a leftover space that has no community ownership and is not a safe and secure space. An important issue to be considered is the impact of having no electricity and the ability to provide for electricity later.

### Individual Houses and Erven

Houses will be at least 45m², and will include an internal toilet and internal walls. The houses will have full water-borne sewerage and water connections. Bulk electrical supply is not yet available, so individuals will be responsible for their own electrification at a later stage.

Erf sizes will be 200m², with a further piece of open communal land. Each block will have a gravel access road.

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**This is not medium to high density housing as outlined in many social housing principles.**

### Location and Access

**Evaluative Comment: location**

The project is not centrally located and is relatively far from the city centre, this means significant transport costs for residents, many of whom currently live in shack settlements closer to town.

### Environmental Sustainability

Only north orientation has been used as a passive thermal design measure. No consideration has been given for other no cost or low cost measures such as using thermal mass, window placement or roof overhangs to keep homes thermally comfortable. Information should be provided to community members on how each of these mechanisms works, so that they may consider them as renovation options. Housing co-operatives are in a position to organise refuse recycling, although would need to be motivated to do so.

Afesis-Corplan has received funding from USAID to demonstrate how a 20 unit housing co-operative could be environmentally efficient and sustainable, using mechanisms such as greening, orientation and appropriate materials. This co-operative is planned to be developed adjacent to the Amalinda project, but is currently only in the planning phase. It is a pity that the USAID project could not have been undertaken before the Amalinda houses were constructed which would provide the Amalinda residents an excellent opportunity to see and experience energy efficient houses first hand.

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7 Internal walls were originally not costed into the development of the houses, but with the increase in subsidy price from R16 000 to R20 300, these have now been included.
2.3.4. FINANCIAL ISSUES

The Amalinda project was developed around an innovative savings system, which acts as a savings and credit system, and a points system for the allocation of beneficiaries. Unlike many of the other co-operative models, the Amalinda project targets a lower income group of beneficiaries, with most members earning below R1500 per month.

**Evalutative Comments:** Whilst targeting this segment of the population does increase the risk of default, the low monthly charges in this project mitigate against this. However monthly charges may increase with costs of transfer of ownership, refuse removal, adding electricity etc.

The savings model requires members to demonstrate that they have the ability and commitment to save on a regular basis. Each month a member saves, they generate one point. Initially savings could be done in 3 categories: R30, R60 or R90 per month, however with high levels of unemployment, it was found that most members could only save R30 a month. Members have to save regularly for 6 months before they are allocated a plot. The difficulty that many members have had with this regular savings is shown by the fact that a number of people have dropped out of the scheme since it began. However, many new members have joined.

**Evalutative Comments:** The inability of many members to save the required amounts per month is cause for concern. Once beneficiaries move into the houses, monthly costs will be far higher than those of the savings amounts. Most members are not currently paying towards their accommodation or services as they are living in shacks.

A consequence of the delay in project initiation has been that a number of residents has become disheartened and left the project, although many more have joined in the interim. This has probably selected a more committed level of membership.

**Study Group Circles**

Afesis-Corplan together with the ELHMC have developed study group circles to teach beneficiaries about the benefits and technicalities of co-operative housing as well as other broader issues. These are an opportunity for adults to learn about different issues.

Examples of study circle topics

- construction methods
- housing co-operatives
- managing an organisation
- starting a small business
Evaluation of USN Co-operative Housing Models

- gardening
- household budgeting

**Evaluative Comment: Cost effective delivery**

The plan shows a relatively cost effective delivery – more so than the standard housing subsidy. However, comparisons with other social housing projects are difficult as these are low density, individual units, which are significantly cheaper than high density units. However these units are still to be delivered so actual costs have yet to be seen.

**Evaluative Comment: Gearing**

The following inputs have been achieved:

- Housing subsidy (R23 720) (incl geotech allowance)
- Member contribution (R1270)
- Time and training input from Corplan (value of which not calculated)
- R200 000 grant from SHF for the development of the ELHMC

In a sense the lack of external gearing is a good contributor to the programme’s sustainability and an interesting model to pursue given the low affordability levels.

**Evaluative Comment: Hidden Costs**

The value of the input of NGO’s such as Afesis-Corplan is significant both in financial and non-financial terms. In most cases this value is not calculated into the total development costs of NGO-assisted development projects.
Capital and Development Costs

The following table outlines the costs for the development\(^8\)

<table>
<thead>
<tr>
<th>Item</th>
<th>cost per house</th>
<th>total for all 196 houses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>R 264</td>
<td>R 51,744</td>
</tr>
<tr>
<td>Surveying and Conveyance</td>
<td>R 200</td>
<td>R 39,200</td>
</tr>
<tr>
<td>Municipal plan approval</td>
<td>R 20</td>
<td>R 3,920</td>
</tr>
<tr>
<td>Engineering and Architectural design</td>
<td>R 280</td>
<td>R 54,880</td>
</tr>
<tr>
<td>Services</td>
<td>R 4,539</td>
<td>R 889,644</td>
</tr>
<tr>
<td>House construction</td>
<td>R 18,416</td>
<td>R 3,609,536</td>
</tr>
<tr>
<td></td>
<td>R 23,719</td>
<td>R 4,648,924</td>
</tr>
</tbody>
</table>

Monthly Costs

The table below outlines the monthly payments for members once they have occupied the houses.

<table>
<thead>
<tr>
<th>Item</th>
<th>Monthly costs</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Municipal Charges</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rates</td>
<td>R 17.00</td>
<td>(Municipality estimate)</td>
</tr>
<tr>
<td>Sewerage</td>
<td>R 20.00</td>
<td>(Municipality estimate)</td>
</tr>
<tr>
<td>Fire protection</td>
<td>R 5.50</td>
<td>(Municipality estimate)</td>
</tr>
<tr>
<td>Refuse</td>
<td>R 50.00</td>
<td>(Municipality estimate)</td>
</tr>
<tr>
<td></td>
<td>R 52.00</td>
<td>(this is based on usage of 20KL per month and takes into account the first 6KL being free)</td>
</tr>
<tr>
<td>Water</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less rebate for households earning less than R1500 per month</td>
<td>R -100.00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>R 44.50</td>
<td></td>
</tr>
<tr>
<td><strong>Housing Cooperative Charges</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>R 10.00</td>
<td></td>
</tr>
<tr>
<td>Maintenance of communal areas</td>
<td>R 10.00</td>
<td></td>
</tr>
<tr>
<td>Emergency fund</td>
<td>R 10.00</td>
<td></td>
</tr>
<tr>
<td>Property insurance</td>
<td>R 5.00</td>
<td></td>
</tr>
</tbody>
</table>

\(^8\) Information taken from a spreadsheet of Subsidy draw downs dated 11/11/2002. Final development information may differ.
### Evaluation of USN Co-operative Housing Models

<table>
<thead>
<tr>
<th>Item</th>
<th>Monthly costs</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bad debt</td>
<td>R 5.00</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>R 40.00</td>
<td></td>
</tr>
<tr>
<td>If electricity is installed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td>R 65.00</td>
<td>(Based on 180Kwh, depends on consumption)</td>
</tr>
<tr>
<td><strong>TOTAL MONTHLY COSTS WITHOUT ELECTRICITY INSTALLED</strong></td>
<td>R 84.50</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL MONTHLY COSTS INCLUDING ELECTRICITY</strong></td>
<td>R 149.50</td>
<td></td>
</tr>
</tbody>
</table>

**Evaluative comment:** It was clear from the interviews with Board members that many co-operative members have a very low income. Many currently live in areas where they do not have any service charges or any payments. Although a pattern of saving has been established, many members may find the transition from no or low payment levels to regular monthly payments very difficult. In addition, as seen in the Newtown Co-operative, there may be pressure to buy furniture and house improvements. The co-operative should consider continuing with the saving schemes after the completion of the project to cater for these needs. There are international examples such as certain Canadian co-operatives that leverage collective buying power of the co-operative, for a range of services. However this entails further administrative costs and it is questionable as to how sustainable the housing co-operative charges can be.

#### 2.3.5. LEGAL/ INSTITUTIONAL ISSUES

The organisational structure of the project has been developed out of a number of existing savings co-operatives operating in East London.

To be a part of the housing project, individuals must join three co-operatives:

- The **East London Savings and Credit Cooperative** (ELSACCO)
- The **East London Housing Management Cooperative** (ELHMC)
- Individual housing co-operatives
Evaluative Comments: Adaptability and responsiveness: The arrangement of joining three separate organisations should be carefully considered. Although it is a “home grown” solution developed by Corplan and the ELHMC, and has been responsive to local conditions, it is complex and likely to cause confusion amongst members.

- The scheme is appropriate to location and local conditions, where ownership is seen as important and a pure rental scheme would not make sense.
- The breakdown of the project into smaller units of 20 – 30 houses will add to its ability to adapt to local conditions.
- The key issue will be to see how adaptable the system will be once development is underway or completed.

DIAGRAM SHOWING THE RELATIONSHIPS IN THE AMALINDA PROJECT
The ELHMC has the capacity to secure housing subsidies, facilitate the acquisition of land and to provide the technical, financial, logistical and administrative support to the beneficiaries to accomplish the building of the houses and to provide ongoing property management services for the housing co-operative.

The ELHMC is appointed for a period of 4 years to manage the HC

ELHMC responsibilities are as follows:
- apply for subsidies and assists members with application forms
- enters into agreement with PHDB
- Establishes and operates a housing support centre at a convenient location
- Assists the HC with issues such as house design, houses costs, cash flow advice to assist members and the approval of house plans by the municipality;
- establishing and maintaining systems for building procedures;
- monitoring building progress, inspections and certification procedures through the appointed certifier in terms of the subsidy rules;
- accounting services including the keeping of formal records;
- the provision of a monthly financial report for HC;
- attending to the regular and emergency maintenance of services;
- maintenance of the common space
- providing general training for the members to increase their skills and the capacity of the organisation;
- manage the transfer of shares from the outgoing members to new members;
- attend to the statutory compliance duties of HC in respect of tax, VAT reporting obligations in terms of contracts with third parties;
- administer the monthly payments payable by members to the HC;
- prepare of annual budgets;
- the receipt of monthly fees and the payment of expenditure on behalf of the HC up to certain amounts
- recording all financial transactions;
- the enforcement of the HC’s house rules and policies including house rules;
- the introduction and maintenance of management information systems which will include –
  - a membership transfer system;
  - a fee collection system;
  - an income and expenditure management system;
  - a repair and improvement system;
  - creation of management procedures and forms;
  - the management of the accounts opened for the HC; and
  - management of the waiting list of applicants for membership of the HC.

The housing co-operative will enter into a management contract with the housing management co-operative regarding the financial and administrative management of the housing co-operative.
Evaluation of USN Co-operative Housing Models

The object of the housing co-operative is to acquire, develop, hold and maintain immovable property and to make the housing units available for use by its members (or to sell such housing units to its members in accordance with the co-operative principles).

Has a limited number of members who may join (each person may only have 1 share).

Membership of the HC will be based on:
- Savings,
- suitability to access government housing subsidy;
- ability to pay monthly charges,
- the individual must be a member of the HMC and affiliated savings and credit coop/

HC Responsibilities include:
- Keep members informed
- Plan services to homes, and ensure they are technically sound, supervising construction process
- Consider and approve plans of homes
- Provide advice on how to manage small contractors to its members
- Receive and administer subsidies
- Maintain common space
- Develop the house rules.
- Has 3 – 9 directors elected at an AGM (but people cannot be a director if they are in arrears)
- PHDB may appoint a director to the Board
- HMC can appoint a director to the Board

Member
- has use of the house allocated to him/her and part use of the communal space, may be required to provide own labour;
- Must pay monthly charges
- Must open their own account with the municipality for services
- Maintain own personal space
- May not sublet
- Must request approval for renovations and additions from the HC

2.3.6. PROPERTY MANAGEMENT ISSUES

Each Housing Co-operative will own and manage each of the housing blocks. The Housing Cooperatives will enter into a development and management agreement with the ELHMC for the construction of the properties. Once built, the Housing Cooperatives will work jointly with the ELHMC to manage the properties. Funds will be collected by a collector, nominated by each of the Housing Co-operatives, who will take the money to the ELHMC.

Based on the experience of the other social housing projects it seems unlikely that there will be the capacity to successfully undertake this management function, which is based on an even more participatory approach. Also by allowing a collector to collect the money exposes the co-operative to risk.
The concept of a co-operative has not been the factor that 'sold' local residents into the scheme, instead it has been the notion that they will be getting houses. Given, the question of the validity of using the co-operative model arises, as it almost appears that the co-operative process is being used to deliver houses that will be individually owned.

After 4 years of residency in the housing units, residents will have a choice about their continued ownership patterns:

- Residents may choose individual ownership if all members agree on this. This would require substantial legal and conveyancing fees to transfer the communally owned houses to individual residents. It is hoped that the municipality would take ownership of the communal land in each superblock. Given the current lack of capacity of municipalities this would not necessarily be a positive step.

- There would also be the option to retain the status quo with restricted equity co-operative ownership.

- Residents may opt for full equity co-operative ownership.

- The final option, would be one of sectional title, where the co-operative manages the common space and residents own each of their individual land and house parcels. However this would have quite high costs attached as each area would have to be surveyed and a sectional Plan produced. In addition, it is widely acknowledged that the Sectional Title model is complex and not necessarily appropriate in these contexts.

Remaining as a co-operative would be the cheapest option. There is a concern about presenting these options to beneficiaries at this stage as it overcomplicates the model and suggests that there may be problems in the long term commitment to the co-operative model. If individual ownership is the ultimate goal then consideration should be given to using the co-operative model only as a vehicle to construct the units such as in the housing delivery co-op model used in the United States.

2.3.7. END USER ISSUES

The Amalinda project has had a strong involvement of residents in the development of the project, principally through the Board of the ELHMC.

Evaluative Comment: Beneficiary participation and choice

Obviously choices have been constrained by finances, but there has been a large amount of participation, particularly that of Board members. It has however been difficult to make the co-operative ownership model understandable to all players. There has been participation in land identification and planning and the allocation of people to projects.

The Board recognises HIV/AIDS as a significant problem in the area and are considering putting in place policies to deal with deaths of family members due to
HIV /AIDS. The Board are also looking into getting training in home-based care system. A diversity policy has been developed and adopted, but never implemented. The majority of the ELHMC board members are women who are conscious and sensitive to gender issues within the beneficiary community.

2.3.8. IMPACT AND ROLE OF NGO

Afesis-Corplan has played a key role in the development of the Amalinda project, yet have been sensitive to the fact that it must be a member-led project, so have attempted to keep their role to one of advisor and on-call service provider. Afesis-Corplan sees their role in the project diminishing over time. The following diagram outlines how they see their changing role in the project.

A SHF grant was provided for purposes of training Board and members and allowing them to hire office space. This grant stands to run out at the end of the year.

Corplan have also set up housing study circles of 8 – 12 people to learn about housing and savings. There has been some lack of interest in this from beneficiaries, which may be due to the long time delay in the development process.

The contractor has provided training in construction for one person per household, and who would be used as labour in the construction process. There has been some disagreement with the contractor about rates for this labour.

**Evaluative Comment: Capacity**

This raises the issue of how much realistic capacity there is in terms of participatory community based management structures. Given that this is the first co-operative housing project in this province, it is unrealistic to expect that Afesis-Corplan will be able to pull out of the project in the short to medium term. The lessons from the other projects are clear in this regard.

**Evaluative Comment: Training**

Afesis Corplan have provided training in co-operative management and housing issues to the ELHMC, and have been careful to take the ELHMC along with them in the development process, giving the ELHMC the space to make decisions.
Evaluation of USN Co-operative Housing Models

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**Evaluative Comment: Local Economic Development (LED)**

There is an urgent need for LED activities that will provide beneficiaries with the ability to earn an income and thereby contribute to the sustainability of the project. Local employment has been an aspect of all decisions. The ELHMC have discussed this aspect, but at the time of research, no concrete plans had been put into place.

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2.3.9. IMPACT OF PROJECT

This is a difficult item to evaluate as the project has not yet been implemented. However, this project has the potential to be a pioneering project as it provides a low cost solution using a standard house model but incorporates communal amenities, co-operative values and incorporates beneficiaries’ equity through savings.
PART 3: SUMMARY AND COMPARISONS

The three projects evaluated are all social housing projects but represent slightly different approaches; Shayamoya is a rental scheme managed by a stand alone social housing institution, the Shayamoya Housing Association; both Afesis Corplan’s Amalinda project and Cope’s Newtown Co-operative are based on a co-operative housing association model.

The geographic locations of the three projects: Cato Manor, Durban; Newtown, Johannesburg and East London represent varying contextual conditions and most importantly varying economic and affordability levels.

The three projects are at varying stages of their development. Although Shayamoya is the longest running project from a process point of view, it still has an incomplete institutional and management set up. Amalinda has still not been built. Cope is seen to be the most complete process.

3.1. ROLES OF THE NGO IN SUPPORTING SOCIAL HOUSING INITIATIVES AND INSTITUTIONS

The three NGO’s have had varying roles in the development of the social housing models reviewed. The involvement of the NGO’s can be described as follows:

- The NGO as provider of technical and other resources to a project, that may or may not be initiated by the NGO and is usually community based. This approach broadly describes the role of Afesis Corplan in Amalinda.

- The NGO as project initiator and developer. Here the NGO may set up the institutional structure of the project, but is not involved in the ongoing management of the project. This approach broadly describes the role of BESG in Shayamoya.

- The NGO as housing developer and professional housing management services provider. This approach broadly describes the role of Cope Housing Association in the development of Newtown Co-operative.

These roles track the project development process from project initiation through project development to the setting up of a housing institution with the requisite institutional and management systems, and require a range of technical, social / community and management skills. It is unlikely that a NGO has all of these skills within its organisation.

The above roles can broadly be categorised into two streams of involvement for an NGO

- the NGO as a “Technical Resource Group” offering specific services and support at specific times in the project development process. These may be limited to a technical role during development or to community facilitation services or to support with structuring housing institutions. The NGO would not be involved in the ongoing management of the project once the housing association or co-operative was up and
It is apparent from the study that where there has been a blurring of roles or the role of the NGO is not clearly defined, that this is where problems occur in the project. This is illustrated by the role of BESG in Shayamoya, where many of its problems have been identified in terms of its institutional and management structure, the BESG has had little experience and reference has not been made to the relevant stakeholders in the sector that could have provided capacity support in this regard. The NGO needs to clearly define its objectives and role in a project upfront.

A further issue is that of the role of the NGO is negotiating a line between the traditional community based NGO role – the 'soft' issues and a more business orientated role – the 'hard' issues of institutional governance relating to issues of arrears and tenant evictions.

3.2. THE ROLE OF SOCIAL HOUSING

The definition and goals of social housing are important to re-iterate in relation to the definition of tenure models and the roles of the NGO’s in realising these goals. The principles behind social housing are the provision of good quality, subsidised affordable housing that is managed through a range of tenure forms such as rental or co-operative ownership, with the exception of immediate individual ownership. A further goal is that social housing should contribute to urban regeneration. To this should be added urban and social regeneration of communities, which aspects of the projects evaluated illustrate.

Development of the tenure model

In assessing the role of the NGO’s evaluated in this study, it is critical to understand their roles in the development of different tenure models, the role played by donor funding and how they as NGO’s have interpreted and implemented the social or community aspects of social housing.

BESG have developed a rental housing association model. This is similar to many other social housing institutions and reference could have been made to these in the development phases of the project. However, at this point the Shayamoya Housing Association is a stand alone institution that only manages one project of 318 units. This is not necessarily a viable solution in terms of the costs of management of these units.

Afesis Corplan and Cope have developed the co-operative housing model. They both incorporate the principles of co-operative housing but are developed along slightly different lines. The Amalinda project has incorporated a more
‘development’ orientated approach, which has incorporated elements of the People’s Housing Process (PHP) into its process. The co-operative will develop and manage the Amalinda project consisting of 196 units structured into 8 co-operative blocks. Once development is completed, the ELMHC is considering undertaking further cooperative housing projects. Currently land is being identified for such projects. Because the Amalinda process has been so protracted and has linked to other existing initiatives such as the savings scheme, the model has grown incrementally and is therefore overly complex in some respects, such as beneficiaries needing to be members of several different types of co-operatives and the break down of the project into individual co-operatives rather than sub groups of one co-operative. Furthermore, in some respects the model resembles a cooperative delivery vehicle rather than a housing management co-operative.

Cope has developed a co-operative housing association model where the co-operatives that it develops and manages are all members of Cope. They remain members of Cope and under the management of Cope until their loans are paid off. They could at this point choose alternate housing management service providers or become independent stand alone co-operatives. Newtown’s 351 units are part of the 867 units that Cope currently manages.

Both models have their strengths and weaknesses.

The Amalinda project is showing that social housing could be provided in an extremely cost effective affordable way, that caters for lower end income levels. It is showing that a fairly ordinary development that is not much different from a typical RDP type of development could be manipulated into a more viable entity through the application of savings equity and of co-operative development principles. The critical question is how well the co-operative will function once people have effectively taken ownership of their houses and what value the co-operative will have as an ongoing entity.

The Cope model is a larger housing management model based on the concept of providing a professional development and management service to a number of co-operatives.

**Viability of approaches**

Both co-operative models are viable and there should not be only one stream of thought, as we are only at the beginning of developing social housing models in South Africa.

However, one of the challenges for co-operative housing is how to integrate this model into the broader housing market. This is an important challenge as currently
co-operative housing is only be pursued within the realm of social housing development and can therefore be categorised as a model for 'poor people'.

The role of donor input in developing tenure models

Each of the NGO's and the projects reviewed have had input in various aspects of the project development process from donor agencies or technical exchange partners. The question is how much these inputs have influenced the development of the housing models.

Each of the models takes some aspect of a model developed elsewhere, whether these are principles, such as the universal co-operative principles, or a basic housing association model that has been developed in South Africa over the last five years using Dutch and British models.

Of all three projects reviewed, the Cope model has had the most technical assistance in terms of developing a specific co-operative housing approach. This has primarily been through its association with the NBBL and also through the assistance of Rooftops Canada. As described earlier, this has had a great influence on the direction that Cope has taken both as an organisation and in terms of its housing model. However, working from an imported base, it was realised very early on in the process that these models could not be directly transferred from one context to another as the supportive legal and cultural frameworks do not exist in the same way. Therefore, the lessons learnt have been that modifications must be made to institutional and specifically management frameworks, otherwise problems will arise.

This is clearly an evolutionary process based on testing models and implementing lessons learnt in order to arrive at a replicable model.

The ‘hidden costs of social housing’ and role of donor funding

All three projects have benefited from the input of donor funding and capacity building in various respects. The following table summarises the input of various funders in terms of the various phases of the projects.

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9 A recent article in the Financial Mail Property Development section entitled ‘The Grand New Flats’ mentioned a so called co-operative development of upmarket units in Morningside, Johannesburg. It seems the approach is along the lines of what would be termed a ‘housing delivery co-operative’ in countries like the USA or Canada, where a co-operative is set up for the purpose of collectively using assets to develop a scheme which may then be privately owned or remain within a co-operative structure. The developers of this scheme are probably unaware of the current Co-operative Housing legislation in this country.
Evaluation of USN Co-operative Housing Models

| BESG Shayamoya | Capital cost of project | • Malaysian Government Grant - R 11 Million  
|                |                        | • BESG Bridging Finance – R400000  
|                | Input to NGO           | • Rooftops  
|                | Input to Project       | • Rooftops  

| Cope Newtown Co-operative | Capital Cost of project | • Capacity Building and Assistance –NBBL  
|                           |                        | • Rooftops Canada  
|                           | Input to NGO           | • Beneficiary Training and Training of Board Members  
|                           | Input to Project       | • Cope  
|                           |                        | • NBBL  
|                           |                        | • Rooftops Canada  

| Afesis Corplan Amalinda | Capital Cost of project | • None to Amalinda  
|                         |                        | • Green Demonstration Model USAID  
|                         | Input to NGO           | • Swedish Co-operative Centre  
|                         | Input to Project       | • Training of Board : SHF R 200 000  
|                         |                        | • Beneficiary Training : Afesis Corplan  

There are several key lessons to be extracted from the above:

- The input of donor funding into the capital costs of a development has dramatically improved its viability and affordability levels.
- Donor input into NGO’s in terms of building capacity has been key to their viability and their ability to engage in social housing projects
- Support by NGO’s to social housing projects and institutions has been key to their viability and development

Whilst the impact of donor funding into the capital costs of a development has a quantifiable impact, the impact of donor funding into capacity building at both an organisational and a project level is often unquantifiable in monetary terms on the overall development costs, because it has been channelled firstly into the ‘mother’ organisation and then into the project itself. However, its impact is vital to the sustainability of social housing approaches at this point. This is part of the hidden costs of social housing.

What is social housing?

A further aspect is how does social housing differ from other housing such as RDP housing or high density gated communities – as physically in some respects they ‘look’ the same? Should the form of social housing or co-operative housing reflect the nature of its community objectives? This aspect is being overlooked in social housing developments. Obviously the lack of funding plays a critical role in this. However, if co-operatives and social housing projects are to develop
sustainable communities and participatory structures, elements such as play areas, meeting areas and communal facilities need to be factored into the project planning. NGO’s also have a key role to play in defining this aspect of social housing delivery.

3.3. THE DEVELOPMENT PROCESS

The development process is a complex one involving many specialised skills. NGO’s involved in social housing provision need to have a clear understanding of these processes and how they impact on the final ‘product’. In Newtown, the turnkey development process did not result in the exact requirements from Cope’s point of view, and they had little input into the process. However, they must now manage the project and deal with these issues, some of which will have to be rectified over time and at an additional expense to the co-operative. Afesis Corplan have struggled with the ‘development conundrum’ – how to involve the beneficiary community in the building of the project and how to involve emerging contractors in the construction process. There experience has shown that this is not an easy process and that it is difficult without using established procedures, to set common benchmarks to ensure that all costs have been catered for and an acceptable project standard will be achieved.

There needs to be a balance between the objectives of community empowerment and established procurement procedures, that balances the requirements of the beneficiary community, costs and the requirements in terms of quality standards of the housing institution. Often, traditional procurement and contractual procedures are abandoned or modified to try and effect cost savings. Often, the inclusion of development professionals such as architects, quantity surveyors etc are seen as expensive. In most cases, this may result in short term cost savings, but a longer term risk profile and expenditure for the housing institution and the beneficiaries.

3.4. INSTITUTIONAL & MANAGEMENT FRAMEWORK ISSUES

There are clear lessons to be learnt between the three projects and the three NGO’s in terms of institutional, management procedures and systems. There are also other examples and models, which can be referred to. There should be more sharing of knowledge in this regard between USN affiliates and more co-ordination between established entities, such as the SHF, who should provide capacity support and advice on systems and procedures. Although there are many approaches and as discussed there is no ‘one solution’, there is also no need to re-invent the wheel. Building on benchmarks and building best practice must be the objective in the sector at this time.

3.5. CLARITY OF ROLES

The key problems identified in the evaluation in terms of institutional structures are problems of clarity in management structures between the roles of the NGO or housing managers and the roles of the Boards. This leads to governance problems where areas of responsibility are not set out clearly or are set up in a manner that can be exploited by beneficiaries or even outside community structures.
Evaluation of USN Co-operative Housing Models

There also needs to be alignment between the objectives of the tenure model, of quality benchmarks and systems and procedures. The example of Shayamoya is a good one here; where they have allowed tenants, who like to think they are actually owners, and therefore do not have to pay for rent, to make changes and improvements to the units. The initial development set quite basic standards with regard to finishes because of cost restrictions, and therefore some tenants feel that they have to make improvements to the units in terms of liveability. However, there are no rules regarding this and it perpetuates a problem of misunderstanding and creates additional problems for the housing association in the future.

3.6. REPLICABILITY AND SUSTAINABILITY

There are two issues in relation to replicability; firstly the replicability of the tenure model and secondly the replicability of projects within the model. Issues such as institutional structure and financial viability impact on replicability. Sustainability is similarly evaluated.

The current Shayamoya model is not sustainable with the current levels of arrears and the governance model.

The Afesis Corplan project is difficult to evaluate but indicators of extremely low income levels, low savings levels and a pattern of low fixed expenditure amongst potential beneficiaries, may result in beneficiaries not being able to sustain monthly payments. The added factor of services payments and of budgeting for maintenance and other items is also going to be a critical factor in the project’s sustainability. The aspect of the capacity of the community to manage and sustain the co-operative structures is also going to provide many challenges for Amalinda. Both Shayamoya and Newtown have provided a glimpse into the future for Amalinda, where they have shown that it is extremely difficult for community based structures and Boards to implement tough decisions when it comes to non payment and evictions. This is where the value of the professional social housing services provider becomes clear. However, there is a cost attached to this service, which in the case of Amalinda, may be unaffordable.

Although Cope has had problems with aspects of the structure of Newtown Co-operative, it appears that the lessons have been learnt and assimilated. Cope have been involved in subsequent co-operative development projects such as the Troyeville and Terrace Road Housing Co-operatives, since the completion of Newtown, and thus the model is proving to be replicable. The sustainability of Cope as an organisation rests on its ability to provide affordable housing management to a larger number of units than it currently has, in order to spread its costs over a larger base.

All three projects have difficulty with ongoing viability that threatens the replicability of the models. It must be said that the primary issues that the NGO’s are dealing with, namely non payment and arrears, are issues which are symptomatic of the entire low income target market, not only these three projects.
The pressure on these projects to resolve these broad based issues affects the NGO’s effectiveness and programme’s replicability.

3.7. CAPACITY BUILDING & TRAINING

All three projects highlight the value of capacity building and training of beneficiaries and of Board Members. Due to the protracted planning period in the Amalinda project, it is hoped that the benefit of the training both beneficiaries and Board Members have received with regard to the co-operative model will result in a positive outcome once the project is complete. However, the Cope experience has shown that capacity building and training needs to be ongoing and that this needs to be factored into the costs of the project.

Again, this highlights the issue of the hidden costs of social housing as the NGO or housing institution not only spends a substantial amount of time in the project initiation phases but may have an ongoing role in the project. These costs in most cases are unquantifiable values.

3.8. KEY PROBLEM SUMMARY

- Unclear management and institutional structures lead to confusion of rights and responsibilities on their part of housing institutions, beneficiaries and Boards.

- Beneficiary perceptions of the model do not always correlate with the model itself. This can be due to problems with clarity on the part of the NGO, several options being presented at the same time or deliberate misunderstanding in order to pursue a specific agenda.

- Non payment and arrears – the ability of the housing institution or community to deal with this will effect both the sustainability of the organisation and the project itself.

- Issues of entitlement in relation to understanding how the housing subsidy relates to the tenure model as well as in relation to payment for services rendered.

- Affordability is a problem area. This relates to several areas; affordability of the product and its alignment with the target market and therefore whether people can realistically afford to live in the unit, and the ability of institutions to provide affordable services to their target market. NGO’s are struggling to balance their goals of providing services to the poor with the realities of the costs of service provision.

- Capacity building and training needs to be an ongoing process and budgeted for.
3.9. CONCLUSIONS : RECOMMENDATIONS AND LESSONS

- **Clear definition of role of NGO**
  
  Is the NGO acting in the role of a ‘Technical Resource Group’ or as a professional housing services provider / housing association? The answer to this question should result in a clear set of operating principles in relation to the projects the NGO is involved in and may result in a transformation agenda for an NGO.

- **Clear Institutional Structure of social housing institution / project**
  
  Each project should have a clear goal and its institutional structure must be clear and transparent from the beginning. The institutional structure whether it is a co-operative or a rental project must be clear. The lack of clarity in relation to ownership models leads to beneficiary confusion and exploitation.

- **Clear management structures with clear roles and responsibilities**
  
  Clear governance structures with the roles and responsibilities of the NGO and board structures as well as clear handover procedures must be defined at the beginning of the project. Governance issues encompass management as well as institutional structures.

- **Clear strategy on development in terms of quality benchmarks**
  
  The quality of the project in terms of the building fabric and its environment and amenities has a very big impact on the project viability both in the short and long term. Short term savings can lead to long term liabilities.

- **Understand the parameters of the development process**
  
  Where does the expertise of the NGO lie and what are the project goals? The development process must be focussed to achieve these goals, noting that participation must be balanced with appropriate procurement procedures. The relevant technical expertise and the cost thereof must be balanced against longer term risk profiles.

- **Increased training and capacity building**
  
  Capacity building of the NGO and the governance structures of projects are seen as vital to their success. Training of beneficiaries of understanding the tenure models and their rights and responsibilities is an intrinsic part of the project process.

- **The value of participation in deepening democracy**
  
  Whilst each of the projects reviewed have revealed flaws in the model and therefore the replicability of the model, they have all been struggling within a broader economic and social transformation context that present
difficulties common to all development projects. However, each of the projects reviewed reveals the positive aspect of not only providing a roof over a person’s head, but of involving people in the decision making regarding their housing environment. This is an extremely positive aspect as the value of deepening democracy through participation in housing has a wider impact in terms of governance broadly.

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4.2. SHAYAMOYA

4.2.1. REVIEWS

Project Review Series Shift / SHF

4.2.2. PEOPLE INTERVIEWED

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<thead>
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<th>POSITION</th>
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<tr>
<td>Rooftops</td>
<td>Eliza Moore</td>
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<td>Provincial Housing</td>
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<td>BESG</td>
<td>Happy (Nompumelelo Molefe)</td>
<td>28/11/2002</td>
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</tbody>
</table>
4.2.3. OTHER DOCUMENTATION

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- Shayamoya Capital Budget Spreadsheet
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4.3. NEWTOWN

4.3.1. PEOPLE INTERVIEWED

<table>
<thead>
<tr>
<th>Cope Management</th>
<th>Jill Turnbull</th>
<th>12/11/2002</th>
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<tr>
<td>Cope</td>
<td>Lusanda Mbege</td>
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<td>Cope Technical Advisor</td>
<td>Andrew Moore</td>
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<td>Newtown Board</td>
<td>Zacharia Matsela</td>
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<td>Cope Board / Nurcha</td>
<td>Erika Emden</td>
<td>4/3/2003</td>
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</table>

4.3.2. OTHER DOCUMENTATION

- Cope : Newtown Housing Co-operative. Undated and undescribed article
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4.4.2. PEOPLE INTERVIEWED

<table>
<thead>
<tr>
<th>Afesis-Corplan (Programme Co-ordinator)</th>
<th>Ronald Eglin</th>
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<td>Afesis-Corplan (Trainer)</td>
<td>Mteteleli Pobana</td>
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<td>ELHMC Chairperson</td>
<td>Mrs. N. Manziya</td>
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<td>Mrs. C. Ntambovu</td>
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<td>Mrs. M. Mystro</td>
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<tr>
<td>Eastern Cape Provincial Housing PHP Manager</td>
<td>Sonwabo Gqegqe</td>
<td>20/11/2002</td>
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<td>Buffalo City Housing</td>
<td>Lindelwe Maneli</td>
<td>20/11/2002</td>
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</tbody>
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