



SECOND HOUSING FINANCE PUBLIC HEARINGS
“SUSTAINABLE FINANCING OF HOUSING:
EXPLORING THE OPTIONS”
GROUP 2

7-8 November 2012

For an Equitable Sharing of National Revenue

CITIZENS DEMAND AND THE STATE OBLIGATIONS ON HOUSING

What does adequate housing really mean and interpreted by different interest groups?

- Dialog with the community will determine their needs
- Protection in terms of tenure
- Location of the house and access to basic services
- Separate services from shelter
- streamlining and review of norms and standards, consolidation of conditional grants related to housing into one Dept, simplifying the conditions
- Access to social and economic infrastructure (schools, clinics, public transport and roads)

CITIZENS DEMAND AND THE STATE OBLIGATIONS ON HOUSING

What does progressive realisation mean and interpreted by different interest groups?

- Insitu upgrade: Differentiated policy based on different needs

Options: Backyard/Cheap rental for those who do not qualify for assistance and don't have families

What role should be played by the state and households themselves towards fulfilling of housing needs?

- State should provide technical support and incentives (cheap material for building)
- Capacitate civil society

CITIZENS DEMAND AND THE STATE OBLIGATIONS ON HOUSING

- Provision of technical skills to households
- There is a need to review the housing subsidy. The FFC should be part of the review process

HOUSING CIRCUMSTANCE: INFORMAL SETTLEMENTS

What are current supply side, demand side and investment interventions for these Housing circumstances? And what improvements are needed on these current interventions?

- **Supply side:** Consolidation of different subsidies, fast track the implementation of the Inclusionary Housing Policy, Promoting backyard rentals (incentivise), plans supporting Vision 2030
- **Demand side:** Fast track the implementation of the Inclusionary Housing Policy, proper rural development plan
- **Investment side:** Mechanisms to address: capacity of provinces, flow of funding, slow progress with the implementation of accreditation, supply of land, programme management capacity, fast track the processes in terms of township establishment

HOUSING CIRCUMSTANCE: INFORMAL SETTLEMENTS

How do we mobilise citizen resources in housing provision, ensure that private markets work better in these housing circumstances?

- What are the technical and political risks that would need to be managed and the opportunities to be capitalised on?

- Devolve the level of responsibility to the community (ownership), Material supply centres selling at discounts, Promotion of 'Masakhane' type of a programme, Mandatory savings for housing

Political risks: Managing expectations

Technical risks: Capacity and Skills

HOUSING CIRCUMSTANCE: INFORMAL SETTLEMENTS

Who should fund these proposed new interventions?

- State , Private Sector (loans), and Communities

Who bears the highest costs?

- Reduced the role of the state, increase involvement of the private sector and communities

Which income group is likely to benefit from these proposed interventions?

- Statistical review of beneficiaries



FINANCIAL
AND FISCAL
COMMISSION

THANK YOU.

*Financial and Fiscal Commission
Montrose Place (2nd Floor), Bekker Street,
Waterfall Park, Vorna Valley, Midrand,
Private Bag X69, Halfway House 1685*

www.ffc.co.za

Tel: +27 11 207 2300

Fax: +27 86 589 1038