CHAPTER 2

THE PUBLIC HOUSING DILEMMA IN SOUTH AFRICA WITH SPECIFIC REFERENCE TO THE CITY OF CAPE TOWN MUNICIPAL AREA

2.1   INTRODUCTION

This chapter will outline in detail the public housing dilemma in SA, but focuses specifically on the City of Cape Town municipal area of responsibility, where, as indicated, almost 400 000 people ("the housing backlog") are living in informal settlements and backyards and are waiting for public housing. Their current living conditions are far from adequate and the physical environments are mostly not suitable to sustain the community's development. The challenges faced by the City of Cape Town Municipality in providing sufficient public housing infrastructure to the poor will be investigated in detail in this chapter (Adlard, 2009: 1, Plato, 2009:2). This will be done by firstly, providing an understanding regarding the problem of informal settlements. It is also needful for this study to focus on the past practices of public housing delivery in SA as well as in this Municipality's geographical area. The apartheid spatial planning of the previous government is partly to blame for the current housing shortages in the country (Zuma & Sexwale 2010:1)

2.2   PUBLIC HOUSING DILEMMA: A SOUTH AFRICAN PERSPECTIVE

The effect of enforced separate development of communities, including the restriction of economic resources and under-development of the majority of the South African population to date, will subsequently be analysed.

2.2.1   Apartheid spatial development

According to the White Paper on Spatial Planning and Land Use Management (RSA, 2001:18) since 1652, colonialism has shaped human settlements along racial and class lines in SA. Large numbers of the population were excluded from economic, social and environmental benefits. This constituted spatial planning in its initial form which later developed into the apartheid regime in South Africa as it was known. Apartheid was formally instituted in 1948 by the then National Party

government and used as a spatial and geographic partitioning method, leaving many communities in an underdeveloped state. It controlled all the financial and other resources and enforced the unequal development of communities. One of the repressive Acts introduced by the apartheid government was the Prevention of Illegal Squatting Act 52 of 1951 (DOH, 2005/6:1; SPLU, 2001:8).

As is well known, and as Smith, Simons and Miyeni (2008:1) point out, the introduction of this system led to the separation of Whites from Blacks, Coloureds and Indians. These groups were only allowed to live in their own separate communities, some being more advantaged than others in the process. In many instances these communities were situated far away from economic opportunities and built on the periphery of the city (Breaking New Ground, 2008).

According to Majiet (2008), such communities, situated on the periphery and railway lines, national roads, water canals and pipelines, were used to effectively cordon off and fence communities in, thus preventing them from living in areas reserved for white people (BNG, 2008).

Simons (2008) states that the apartheid government used the spatial planning to allocate the "good land to the whites and the bad patches of land to the blacks". She furthermore confirms the fact that the government used the system to repress people of colour by depriving them of resources and making them angry because they had almost nothing (BNG, 2008).

These spatial settlement patterns generated enormous movement across vast land areas which was both time consuming and costly, thereby entrenching a system of unequal access to economic and social resources. The White Paper on Spatial Planning and Land Use (RSA 2001:8) mentions:

- Large dormitory areas far from places of economic, cultural, recreational and educational opportunity;
- Severely overcrowded former homelands, forced to depend on limited agricultural land, in turn leading to severe environmental degradation;
- Substantial inequality between the areas set aside under apartheid for white and black residential occupation; and
- Wide disparities in the provision of infrastructure and services.

Since 1994, the apartheid spatial and geographic partitioning of people other than whites has remained intact. According to the DOH, the national housing backlog continues to grow and was estimated at 2.4 million units in 2007. This is in spite of the fact that the Department had delivered more than two million subsidised houses since the inception of the new housing programme in 1994 (DOH, 2006/7:20; BNG, 2008).

Most of these 2.4 million people are living in approximately 2700 informal settlements around the country; the living conditions are poor and many have no access to formal infrastructure like roads, water, sanitation and electricity (Zuma, 2010:1).

The democratic Government of SA promulgated many progressive laws and repealed the old repressive legislation, but the apartheid spatial planning landscape remains unchanged. People are living far away from workplaces and this still reinforces segregation and exclusions in various cities. There is no clear link between rural and urban development in the major cities in South Africa. SAPA (2009:1) reports that 23,5% of South Africans are unemployed. Statistics South Africa (Stats SA, 2008e:1) reported that 208 000 people living in SA became unemployed in 2008/9 and owing to the declining economic situation in SA and the world, the current state of exploitation and marginalisation still remains intact (Harrison et al. 2003:26).

Van Rooyen (2008) reiterates that the current urban landscape has remained unchanged. The apartheid spatial planning towns are still in existence and insufficient financial and other resources are available to turn that situation around immediately. She is of the opinion that the one challenge that remains is for Government to invest in upgrading the current infrastructure and make the conditions much better for the inhabitants. The funding will be provided by the national Government through the ministry of finance and treasury department (Zuma & Sexwale, 2010:1)

2.3   PUBLIC HOUSING DILEMMA IN THE CITY OF CAPE TOWN

Many people are living in informal settlements in and around Cape Town. The Government on the other hand has limited resources available to build housing infrastructure to meet the demand for public housing opportunities. There are also

other challenges regarding suitable land on which to build sufficient housing. The Constitution of SA prescribes that all citizens have the right to "access adequate housing". However, according to CCT (2009:1), 44% of the 904 000 households in Cape Town are inadequately housed. There is a high rate of informalisation taking place in Cape Town (Castells, 2009:1 & IDP, 2007/8-2011/12:16).

According to Dentlinger (2007:1), 223 informal settlements have been identified by the City of Cape Town Municipality, which will benefit from their strategic housing plan as well as in-situ upgrading of the living conditions in the informal settlements (IHP 2010/11 -2014/15: 17).

The Integrated Housing Plan (IHP) of the City of Cape Town indicates that in 1993 only 23000 families lived in informal settlements, but this figure grew to 117 000 families in the year 2007. The housing backlog has more than doubled from 150 000 in 1998 to 400 000 in 2007 (IHP,2007/8:2).The Municipality views public housing delivery as a "key strategy for redressing poverty" in order to provide adequate housing opportunities for the "poor, indigent and lower income earners" (IHP, 2007/8 – 2011/12:7).

In order to understand the term Integrated Human Settlement as well as the public housing challenges within this Municipality, the next section specifically focuses on these aspects.

2.3.1 Integrated human settlements

Integrated Human Settlements encompass more than just building sufficient houses to deal with the backlog. The City of Cape Town Municipality faces a challenge in creating living environments with adequate access to economic opportunities, educational, recreational, cultural, health and police services that will serve that particular community. The strategic focus for the city is to co-ordinate budgetary activities across the different directorates, which will assist in effectively delivering on the sustainable and integrated human settlements. Building enough good quality houses for the poor in Cape Town remains a key issue for the Municipality (IDP, 2007:31).

2.3.2 Influx of people to the Western Cape Province

There are specific reasons for the numbers of people migrating from other provinces into the Western Cape Province and in particular the Cape Town municipal area. These urbanisation trends and patterns are the cause for the continuous growth in the housing backlog.

Davidson (2007:3) states that the City of Cape Town receives an annual housing allocation of R350 million from national Government. This only allows the Municipality to grant approximately 8000 subsidies to the poor. The annual influx of people from the Eastern-and Northern Cape Provinces stands at approximately 30 000 people per annum (IDP, 2008: 86–87). The amount of money received from national Government for housing is not sufficient to build adequate housing to care for the needs of the many on the official waiting list. The Municipality must discover alternative and innovative ways of funding its infrastructure investment challenges. The in-migration into the CBD by people in search of economic opportunities has placed a great strain on the current infrastructure and public housing delivery. The Municipality cannot stop the arrival of thousands of families in search of economic opportunities in Cape Town. This freedom is a right that is protected by the Constitution. It must work within its allocated budget to deliver adequate housing, basic services and related infrastructure (IDP, 2008: 27–28).

The public housing backlog against actual housing delivery within the City of Cape Town Municipality is graphically displayed in Figure 2 below. The figure depicts how owing to the limited budget available for housing, the Municipality could only deliver a limited number of houses, as opposed to the high demand illustrated.
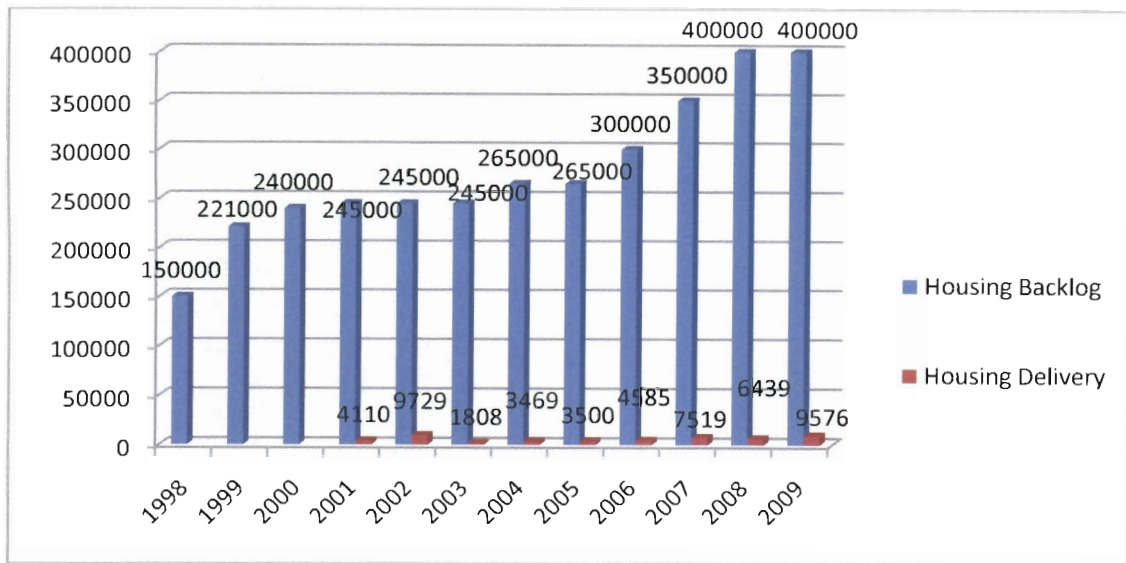
Figure 2: Public housing backlog against actual delivery

(Source: IPD, 2007/8-2011/12:16)

The next section investigates the urban in-migration patterns and how these affect public housing delivery in South Africa, with specific reference to larger economic centre's such as the one being studied.

2.3.3 Urban in-migration patterns from rural areas

Urbanisation – despite the previous apartheid regime in SA – is not a South African issue only. Most of the largest cities in the world experience similar urbanisation problems, which impact negatively on public housing and infrastructure delivery.

According to Castells (2009:1), wealth, power, knowledge and information networks have always been attached to major cities, which is important for opportunities of growth and prosperity. Castells in his lecture on urbanisation and the city regions, further outlines the view that: "nobody can stop urban-rural migration and he expects major metropolitan growth and the entire metropolitanisation of the planet". According to predictions, the world will be 60% urbanised by 2020 and 75% urbanised in 2050. Brazil is 85% urbanised already. People migrate to larger cities to give their children a better opportunity in life. In

developing countries, people are not able to survive economically in the rural areas (Castells 2009:1).

A metropolitan region incorporates many activities such as airports, financial districts, electronics, manufacturing, tourism, commercial and retail links, other economic opportunities and the like (Adlard & Hennessy, 2009:1). Because of the opportunities attached to the major cities in the metropolis, people will migrate in search of these opportunities.

Lehohla (2006) states that migrants employ a strategy whereby the maximum benefits go to the family at their households of origin (in the homeland), rather than for their own benefit in acquiring permanent formal housing in the urban setting. This creates the need for low-budget rental accommodation, such as backyard shacks or rooms in the dwellings of family members and informal housing and settlements. In Nairobi the government made attempts to move squatter residents to better and more expensive housing. This move experienced very limited success because many preferred to live in the relatively cheap housing found in informal settlements. This allowed for greater savings, which were allocated to housing in their home communities, school fees and other living expenses for their families such as food and clothing. There are definitely migrations of large populations towards the major cities in South Africa, for similar reasons. It can be deduced that there is no permanency in this migration as there are strong socio-economic and cultural ties between rural and urban populations. These migration patterns will ensure that informal housing settlements in urban areas are maintained despite the low income per capita resulting in poverty and in and out-migration (Lehohla, 2006:1-2).

The researcher supports the view and contributions of both Castells (2009) and Lehohla (2006), on these in-migration patterns. The outcomes of the 2007 Community Survey (CS) clearly highlight such patterns. This supports the researcher's view that it has a direct impact on the public housing need and delivery, particularly in Cape Town. The annual growth rate is much higher than the available resources. The current number of housing opportunities being built by the City of Cape Town Municipality is between 6000 and 7500 units per annum. The Municipality however needs to deliver approximately 20 000 units per annum to address the housing backlog – provided the backlog does not grow (Dentlinger, 2009a:4). An analysis of the CS 2007 information highlights the

dwelling types – making a distinction between formal and informal housing opportunities within the City of Cape Town Municipality at present. It also highlights the provinces and numbers of people migrating into Cape Town since October 2001.

The next section will analyse the data contained in the Community Survey (CS) 2007 to further explain the reasons for the continued in-migration of people into Cape Town, and mostly from the Eastern Cape Province.

2.3.4 Migration into Cape Town from neighbouring provinces

The said Survey (2007b:12) states that a total of 190,256 people moved into Cape Town after October 2001, from all provinces. According to this study, there is also a high percentage of people who moved into Cape Town from outside of South Africa (19,5%). The above figure shows that most of the people moving into Cape Town come from the Eastern Cape Province (44,9%) followed by the Gauteng Province (17,3%) (CS 2007b:12).

The table below indicates that between 2001 and 2007 there was an increase in the number of people living in and moving into Cape Town. The increase in people places an extra burden on the City of Cape Town Municipality and contributes to the housing dilemma (Dentlinger, 2009a:4).

Table 1: Increase in Cape Town population between 2001 and 2007

	2001			2007		
Race	Male	Female	Total	Male	Female	Total
Black African	447,793	468,791	916,584	590,546	629,435	1,219,981
Coloured	662,279	730,315	1,392,594	744,437	793,878	1,538,315
Asian	20,542	20,974	41,516	31,101	31,253	62,354
White	258,725	283,830	542,555	327,175	349,272	676,447
Unspecified	0	0	0	0	0	0
Total	**1,389,339**	**1,503,910**	**2,893,249**	**1,693,259**	**1,803,838**	**3,497,079**

(Source: Community Survey 2007b:48)

According to the above table, the biggest population growth took place amongst the Black African people, because of in-migration mainly from the Eastern Cape Province (IDP, 2007/8-2011/12:63). The city's housing officials are of the view that Cape Town is growing too big in size, and is spatially confined in that it is surrounded by Table Mountain, the Atlantic Ocean and large areas of fauna and flora, which are protected by legislation. The City of Cape Town has reached its urban edge and alternative measures should be found to accommodate the 48 000 families who migrate into Cape Town per annum (Mitchell, 2009).

2.3.5 Unemployment and the housing dilemma

The next section will briefly consider how unemployment contributes to migration patterns and the growing housing backlog in Cape Town. The CS 2007 highlights an increase in informal dwellings in backyards from 21,775 (1996) to 56,305 (2007). Figure 2 below displays this more clearly. The unemployment statistics in Cape Town are briefly discussed in this section.
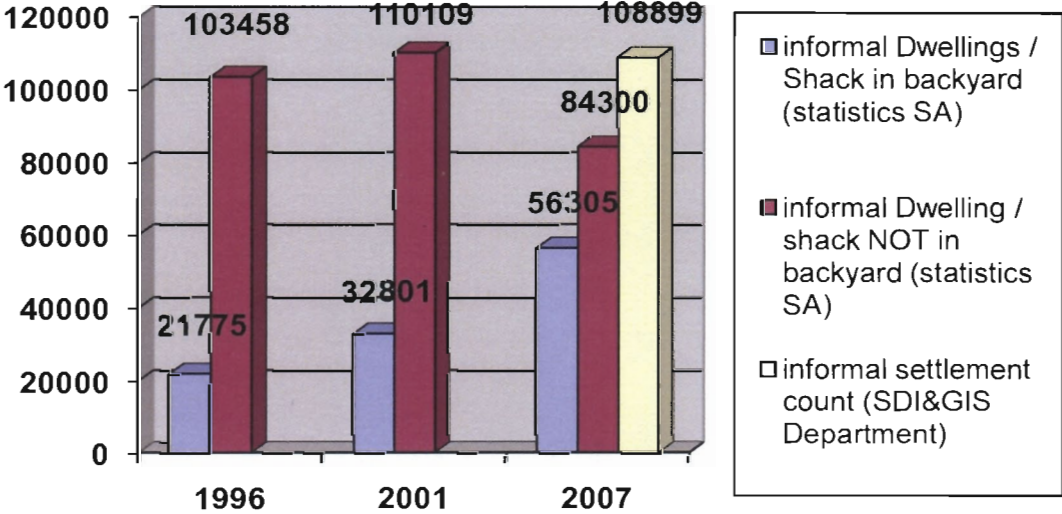

Figure 3: Informal dwellings for 1996, 2001 and 2007
(Source: Community Survey, 2007b:30)

According to the CS (2007:19), approximately 52,5% of the labour force in Cape Town was employed as at February 2007. Unemployment was measured at 17,0% while people who were not economically active in Cape Town comprised 28,4%. The CS 2007 highlighted the age group of people moving into Cape Town

in search of economic opportunity as between 20 and 34 years. This group consisted of 37.9% of the people moving to Cape Town, who arrived mainly from the Eastern Cape Province. According to the survey, there is a large percentage (14,4%) of children aged between 0 to 14 years moving to Cape Town from the Eastern Cape Province. Those who come to the city in search of work, also bring babies and school-going children along with them. These statistics are important to understand why the need for community services, infrastructure delivery, and shelter in the form of formal housing becomes greater. The Human Settlements Minister, Mr. Tokyo Sexwale, has said: "the government needs to take responsibility for South Africa's 'grotesque' urbanization. We built houses in the past but in the wrong places" (Lewis, 2009c:4). Adlard (2009b:1) confirms that while there are 223 informal settlements in Cape Town, no-one is quite sure how many households they contain. (Adlard 2009b:1).

A more in-depth study could be conducted into the unemployment rate and how it affects public housing and other service delivery in Cape Town. For the purposes of this study, it will suffice to state that it forms part of the task to provide sufficient housing opportunities. The next section explores the key challenges of delivering formal housing by the City of Cape Town Municipality as outlined in the Integrated Housing Plan (IHP).

2.3.6 The key challenges to housing delivery in Cape Town

The municipal housing officials of the City of Cape Town Municipality highlight the key challenges to public housing and infrastructure delivery and lists the following major challenges as impacting on housing delivery:

- Urban sprawl and the current urban form;
- Reinforcement of socio-economic and racial settlement patterns;
- Unemployment;
- Sustainability principles;
- Inadequate access to formal housing;
- General management and financial administration of rental units;
- Land invasions; and
- Cost of well located land within the city environment.

(IHP, 2007/8: 19).

These challenges listed by the City of Cape Town Municipality, lead to the non-fulfillment of its constitutional mandate. The proposed solutions to the housing delivery backlog will be discussed in the next section.

2.3.7 IDP proposed solutions to public housing delivery

In its IDP (2007/8 – 2011/12: 33), the City of Cape Town Municipality proposes the following list of solutions to the housing dilemma in Cape Town:

- **Housing Plan:** A medium to long term plan for housing must be deployed. The key focus will fall on land acquisition which aligns with the City's spatial development framework.

- **Access to land for housing:** The City will shift the focus away from the provision of housing to incremental, serviced sites, self-help, integrated development projects, but will focus on the facilitation of gap housing and implementation of social housing.

- **Land restitution:** The City will start with the implementation of its social and land restitution housing programme, with identified external partners, such as the implementation and facilitation of GAP housing with banking partners and the private sector.

- **Housing authority:** Level 1(one) accreditation was applied for and R1 million was already funded by the National Department of Housing (DOH) to facilitate the development of capacity to absorb the new functions. This accreditation is subject to the approval of the MEC for Housing and Local Government attached to the Provincial Government of the Western Cape.

- **Informal Settlements:** The City will investigate how best to implement in-situ informal settlement upgrades as a mechanism of increasing access to housing. A zero tolerance approach will be taken in respect of land invasions.

- **Spatial Integration:** The City will transform dormitory suburbs into areas which support a greater mix of land uses, offer a range of amenities and are socially mixed by formulating urban renewal plans supported by public investment in strategic areas and public/private partnerships.

- **Social Housing:** The City will improve rent collection, effective maintenance of units, dealing with problems related to unlawful occupations and social issues involving shebeens and gangsterism

(IDP, 2007/8: 33).

2.3.8 IDP core objectives to improve on public housing delivery

The core objectives of the IDP, which will assist in achieving the above proposals for public housing delivery, are the following:

Core Objective 4A - Improve and develop integrated human settlements

- This is to transform dormitory suburbs into areas which support a greater mix of land uses, offer a range of amenities and are socially mixed facilities.
- To put in place policy and spatial planning frameworks that will facilitate the development of integrated human settlements.
- The development and implementation of an incremental housing programme.

Core Objective 4B - Delivery of housing opportunities

- The development of new housing opportunities.
- To increase rental stock through social housing partnerships.
- To redress land ownership inequities by providing housing based on restitution claims settlements.
- To facilitate GAP housing programmes through partnerships with banks and private sector developers.

(IDP, 2007/8: 33).

2.3.9 IHP development plan for housing delivery

The IHP also makes mention of a sixteen point plan to improve on public housing and infrastructure service delivery. This is summarised and listed below:

- Bring staff on board as a team to meet housing demand and objectives

- Ensure that specialist staff (project managers) are appointed to meet output demands
- Reduce number of housing administration offices to perform optimally. Identify constraints and investigate strategies for elimination or minimisation.
- Ensure that housing delivery targets are met as far as possible.
- Focus on spending 95% of operating budgets
- Land acquisition that aligns with the City's spatial development framework
- Ensure housing plan aligns with City's departments to ensure development
- Start implementing the City's social housing and land restitution programme
- Implement and facilitate gap housing programmes with identified partners
- Establish the City as a level one accredited housing authority
- Investigate how best to implement in-situ informal settlement upgrades as a means of increasing access to housing
- Political support for zero tolerance to land invasions
- Improve internal and external communications
- Improve inter-governmental relations at both national & provincial levels
- Resolve issues with Cape Town Community Housing Company.

(IHP, 2007/8 – 2011/12: 15)

Suitably qualified staff members such as project managers should be appointed by the City of Cape Town Municipality. This will ensure that the objectives of public housing delivery are met within set timeframes. Regular delivery of housing opportunities against specific targets may ensure that members of the public change their perception of perceived slow delivery, which leads to unhappiness and delivery protests (Lewis, 2009a: 3).

2.4 PUBLIC HOUSING PROGRAMMES OF THE CITY OF CAPE TOWN MUNICIPALITY

In order to address the housing backlog in Cape Town, the Municipality's housing department should deliver approximately 20 000 housing units per annum, over the next ten years (approximately 200 000 units). This can only happen if the

current housing situation remains the same. The public housing programmes as administered by the Municipality are listed below:

- Integrated Residential Development Programme
- Consolidated projects
- People's Housing Process
- Emergency Housing Programme
- Upgrading of Informal Settlements Programme
- Social Housing Programme
- Institutional subsidy
- Community Residential Units (CRU)
- Individual housing subsidy
- Enhanced Extended Discount Benefits Scheme
- Social and economic facilities

(IHP 2007/8: 24 -25)

The above housing programmes will not be focused on in detail as part of this study. The researcher will merely analyse the Upgrading of Informal Settlements Programme, as part of the strategy to deal with the housing dilemma in Cape Town.

2.4.1 Upgrading of informal settlements programme

The City of Cape Town Municipality planned to implement the in-situ upgrading of informal settlements on an incremental basis according to its strategic plan released in 2007 (Masterplan, 2007:1-3). The lack of adequate resources and housing infrastructure often leads communities to public service delivery protests and violence (Mbiza & Prince, 2009a: 1).

This section will further analyse the level of involvement by the City of Cape Town Municipality, in the in-situ informal upgrading of the informal settlements (Adlard, 2009c:1).

2.5   STRATEGIC PLAN TO UPGRADE THE 223 INFORMAL SETTLEMENTS

According to Smith (2007) the City of Cape Town Municipality would have spent approximately R63.4 million to upgrade the informal settlements. Many of these are situated on wetlands which are not suitable to construct formal public housing. The settlements were ranked and prioritised in terms of the age of the settlement, as well as the risk of floods, fire, water and availability of sanitation. The ranking order might also be changed by the city's housing officials, based on the priorities of the particular area, which are constantly being reassessed by the municipality (Dentlinger, 2007b:1).

Ross and Smit (2007:1) state that it is not possible for the Municipality to get to all 223 informal settlements in a matter of weeks or even months. Informal settlement dwellers are encouraged by the Municipality not to invade public ground identified for future housing opportunities. Thirty percent (30%) of people living in backyards will be rewarded by the City of Cape Town Municipality for not invading public land (Dentlinger, 2007a:1).

While the Municipality cannot build sufficient housing opportunities in a short space of time, it will upgrade the essential services to these identified informal sites. Twenty five percent of the informal settlements identified by the City of Cape Town Municipality are not upgradable and people will be asked to relocate to other more suitable sites. In figures this relates to approximately 48 000 of the 135 000 structures in all informal settlements in Cape Town (City News, 2007:4).

The four phases of the municipal upgrading plan will now be analysed below:

2.5.1 A four–phased approach to upgrade informal settlements

The first phase of this informal settlements upgrading plan will immediately improve the well-being and living conditions of informal settlement residents. The next phase will deliver full level services and top structures – building the actual brick structure plus roof, brick houses and not just a serviced site (ISUP, 2006 & Anon, 2006:1).

- The first phase entails the provision of essential services such as shared sanitation facilities, one water standpipe within 100 meters for every 25 dwellings, community based removal of refuse, and flood lighting to light

up the area. These essential services will immediately improve the well-being of the residents by minimising health and safety risks, irrespective of location and density.

- The second phase entails the provision of basic services in areas where density and land suitability make these feasible. This includes shared flush toilets, one standpipe for every 25 dwellings, flood or street lighting and prepaid electrical connections.

- The third phase provides for full level services in line with township development standards. These include a toilet per household, a metered water connection per dwelling, door-to door refuse collection, street lighting and prepaid electricity connections.

- During the fourth and final phase, the City of Cape Town Municipality provides for the construction of top structures – building the actual brick structure plus roof – for the purposes of ownership of the particular property.

(Anon, 2007b:4).

According to the City of Cape Town's housing officials their informal settlement upgrade programme is well on track (Powell, 2009b:4; Mitchell, 2009:1).

2.5.2 MANCOM strategy to improve the informal settlements in Cape Town

The Housing Management Committee (MANCOM) of the City of Cape Town Municipality has drafted a strategy for the specific improvement of Cape Town's informal settlements (Anon 2007b: 4). It is supportive of the four phased approach to upgrade many settlements. The municipality seeks involvement and co-operation from resident communities and civil society support organisations in order to make this a success. The municipality is aware that it cannot address this public housing challenge all on its own (Mancom, 2009:2).

The key deliverable elements of this plan are summarised below:

- Establish permanent (housing) offices in informal settlements
- Improve security of tenure

- Improve service delivery
- Optimise land availability
- Improve the quality of dwellings
- Establish development partnerships
- Co-ordinate implementation
- Monitor and evaluate

(Mancom, 2009:2).

The City of Cape Town Municipality will implement a comprehensive, in-situ, informal settlement improvement strategy, which will improve the living conditions of most of the residents. This prevents the relocation of whole communities and will also prevent land invasion by settlement dwellers.

2.5.3 Joe Slovo-N2 Gateway pilot housing project

The N2 Gateway housing project is a national pilot project in terms of the Government's "Breaking New Ground" human settlements policy. The N2 Gateway project was introduced to Parliament in 1994 as a pilot housing project, specifically to deal with the public housing backlog in Cape Town. At the end of 2005 the Minister of Housing removed the City of Cape Town Municipality from the N2 Gateway Housing Project. The delivery responsibility was conferred onto the Provincial Government of the Western Cape Province and state owned Thubelisha Homes (Cape Gateway, 2005:1). The N2 Gateway project will however not be discussed within the scope of this study.

2.6 CONCLUSION

This chapter has analysed the public housing challenge in South Africa and in particular that of the City of Cape Town Municipality's area of responsibility. The chapter further highlighted the challenges faced by this Municipality in delivering sufficient public housing opportunities. The issues of the continuous influx of people from neighbouring provinces, the limited budgetary constraints and insufficient public land available for public housing, were highlighted as some of the major challenges faced by the City. The national Government's pilot housing project, namely N2 Gateway, is running behind schedule and the City is no longer

managing this project, because of a political decision taken by national government. Unemployment, poverty and past apartheid spatial planning are additional challenges which contribute to the housing backlog of approximately 400 000 people in Cape Town. The chapter also highlighted the four phased approach adopted by the City of Cape Town Municipality to upgrade many of the 223 informal settlements.

Chapter 3 of this mini-dissertation will focus on the statutory and regulatory framework within which the Government and the City of Cape Town Municipality must operate in order to deliver public housing infrastructure to people living in informal settlements.