

Housing

Introduction

Government's housing policy largely seeks to provide low and medium-income households with housing through a range of delivery mechanisms that incorporate essential basic services such as water, sanitation, roads, and electricity. Its aim is to attract and facilitate the development of a wide range of community services that are necessary for integrated and sustainable human settlements.

The sector has shifted away from the approach of simply providing shelter, to one of focussing on creating complete human settlements. The subsidy supporting low cost housing development should become a mechanism for attracting and facilitating other infrastructure elements required to ensure sustainable human settlements.

This chapter deals with a range of areas that are important in the public housing process, including:

- the institutional arrangements for the delivery of low cost housing
- the policy initiatives and legislative reforms in the sector
- recent expenditure trends on housing delivery
- the performance of the housing sector
- challenges the sector currently faces.

Institutional arrangements

The Constitution establishes housing as a concurrent Schedule 4A function between national and provincial governments, with no role for local government. The White Paper on Housing outlined the policy framework that led to the development of the Housing Act, the Housing Code and a number of other legislative provisions that govern the sector. The Housing Act (107 of 1997) clarifies the roles and responsibilities of national and provincial government and assigns roles to municipalities that are accredited in terms of the Act.

Housing policy has shifted towards creating complete human settlements

Housing delivery involves all three spheres of government

Housing delivery predicated on the principle of sustainable development

The national Department of Housing is responsible for establishing and maintaining a sustainable national housing development process. It does this by developing policy and strategy, establishing a national funding framework for housing development, determining delivery goals, allocating the conditional grant funds for housing to provincial governments, and monitoring and evaluating the housing sector's performance.

Provinces implement government's housing programme

Provincial governments promote, co-ordinate and implement housing programmes within the framework of the national housing policy. Provinces are also responsible for approving housing subsidies and projects and for providing support to municipalities for housing development.

Accreditation of municipalities

The Housing Act and the 2006 Division of Revenue Act allow for provincial housing departments to accredit municipalities. When officially accredited, municipalities can administer any national housing programme in their area of jurisdiction. Provincial governments are then responsible for monitoring the performance of the accredited municipalities. Accreditation empowers a municipality to undertake any housing function similar to provincial governments in that it receives, evaluates and approves or denies applications for subsidies in line with the local housing strategy and housing delivery goals. The process for accrediting municipalities for housing delivery has been slow.

Municipalities set aside, plan and manage land for community developments in line with housing priorities

Municipalities are required to ensure that people within their municipal areas have access to adequate housing, and to take steps within the framework of the national and provincial policy to realise this objective. They set aside, plan, and manage land for community developments in line with the housing priorities identified in their integrated development plans (IDPs). They initiate, plan, coordinate and facilitate appropriate housing development within their boundaries aiming at ensuring safe and healthy living areas.

In addition to managing housing development where there are no other service providers, municipalities are required to provide bulk engineering services like roads, water, sanitation and electricity.

Policy initiatives and legislative reforms

Integrated approach to housing delivery

In October 2004 government introduced *The Comprehensive Plan for Sustainable Human Settlements*. The plan was developed with the view of reversing the apartheid settlement patterns. It builds on the 1994 *White Paper on Housing*, but shifts the focus of the national housing programme from simply ensuring the delivery of affordable housing units to qualifying beneficiaries, to making sure that adequate housing is available for all within settlements that are both sustainable and pleasant.

The strategic priorities in the new comprehensive housing plan are to:

- accelerate housing delivery
- improve the quality of housing products and environments to ensure asset creation

- ensure a single, efficient formal housing market
- restructure and integrate human settlements.

The comprehensive plan sets a new target for upgrading all informal settlements by 2014. This involves formalising tenure arrangements, upgrading municipal engineering services, providing social amenities and community facilities (including health, education and recreation facilities) and upgrading housing.

Upgrading informal settlements is prioritised

In response to the need to live close to temporary jobs and because of the high level of mobility shown by poorer households, it has been recognised that informal settlement upgrading projects will need to be coupled with the provision of affordable rental accommodation as a priority over individual units for qualifying beneficiaries.

Integrated Housing and Human Settlement and Development grant

In 2005/06, the Housing Subsidy grant and the Human Settlement and Development grant were consolidated into a single Integrated Housing and Human Settlement Development grant. This allows for a more flexible approach to housing complex projects such as upgrading informal settlements and implementing the new comprehensive plan for developing sustainable human settlements.

The grant will initially be used to fund the implementation of nine large pilot projects. Large projects such as Cosmo City in Johannesburg (a large mixed income, mixed-use green fields project with 15 000 new housing units to the north of the city) and the N2 Gateway project in Cape Town (which aims to build 22 000 new housing units to accommodate households living in informal settlements along the N2 highway) are already under way. Both projects involve a mix of rental housing and housing for ownership. The challenge will be to make sure that an optimal mix of housing types is delivered at an affordable cost, and that an environment is created that can support the emergence of a sustainable housing market.

Pilot projects introduce rental stock

Informal settlement upgrading

A policy that will guide the progressive upgrading of informal settlements is being developed. It is envisaged that this new approach will allow for phased projects to improve municipal services, regularise tenure arrangements and provide community facilities for all households living in informal settlements. The provision of formal housing with a broader range of tenure options will then follow.

Tenure options are expanded

Land for housing

A housing land policy is being developed to facilitate the release of public land and the acquisition of private land for low cost housing projects. When this policy is implemented it will be aligned with government's other land acquisition programmes. Mechanisms are

Access to strategically located land for housing delivery is key

also being developed to facilitate access to strategically located land in line with the policy framework to accelerate the delivery of housing.

Social and medium density housing

Social housing policy and legislation is being developed to support social housing institutions and to introduce a social housing regulatory unit. These policies are important because of their role in improving urban efficiency and promoting urban renewal.

Accreditation of municipalities

Accreditation of municipalities to accelerate delivery of housing at the lowest level

Towards the end of 2005, government endorsed the new plan to extend municipal powers to undertake the housing function in order to expedite housing delivery. Municipalities that are accredited will receive their transfers directly from national government and take over the administration of the housing function from provinces. They will administer and account for the grant, and be responsible for delivering on the housing mandate. So far the process for devolving the responsibility to municipalities that have capacity to carry out the function has been slow. In the period ahead the process needs to be accelerated so that provinces and national government can concentrate on supporting low capacity municipalities.

Improving the national housing subsidy schemes

Subsidy bands have been consolidated

The housing subsidy programme has seen the consolidation of the subsidy bands (based on household income) so that all qualifying beneficiaries will receive the same subsidy benefits. Households earning less than R1 500 per month qualify for a fully subsidised home valued at R36 528. A household with a total income between R1 501 and R3 500 qualifies for a subsidy of R34 049 and must make a contribution of R2 479.

New initiatives are aimed at capturing the full spectrum of housing needs

To address the objectives of accelerating housing delivery and promoting the development of a single functioning housing market, the national Department of Housing intends implementing a new credit-linked subsidy for households earning between R3 501 and R7 000 in 2006/07. The aim is to promote access to mortgage finance. The subsidy is being designed in partnership with the financial services sector and will constitute government support to the sector to achieve its lending targets for affordable housing defined in the financial services charter. It is hoped that this initiative will help develop integrated and viable communities that contribute to the tax base of local governments.

Revisiting the roles of public entities

A review of housing institutions is currently underway

The comprehensive plan proposes that the mandates of housing institutions need to be reviewed to align them with the objectives of

the new plan. It is envisaged that the number of institutions may be reduced.

Various options are being looked into to increase capacity building in social housing and the people's housing process sectors. Corporate forms of entities will be brought in line with the policy framework on administration and governance of entities.

The role of the National Housing Finance Corporation (NHFC) is being extended to catalyze financial lending to low-income households, and thereby facilitate the extension of the mortgage loan market.

Establishment of the Social Housing Regulatory Authority

A new social housing policy that will be implemented through the establishment of a Social Housing Regulatory Authority (SHRA) has been completed. Implementation of the policy will also require new grants for social housing institutions to develop, hold and manage the envisaged housing stock, and new capital subsidies for the construction of social housing stock.

Social housing policy to facilitate the development of housing institutions for social housing

Improving the capacity to deliver housing

Government has recognised that provincial and municipal capacity constraints are a barrier to accelerating housing delivery. It has therefore developed a strategy to provide provinces and municipalities with housing project planning, management and implementation support. This may be achieved through redefining the role and mandate of Thubelisha Homes.

Alternative delivery options are being explored

Expenditure on housing

The Housing Subsidy grant and the Human Settlement and Development grant have been consolidated into a single Integrated Housing and Human Settlement Development grant as of 2005/06. Funds allocated through this conditional grant account for approximately 85 per cent of provincial housing budgets.

Expenditure on this grant has increased strongly in the past three years and is expected to grow even faster over the next three years as a result of additional funds allocated for the implementation of the comprehensive plan. Table 5.1 shows that expenditure of housing grant funding has increased at an average annual rate of 7,9 per cent from 2002/03 to 2005/06. The increase in spending was maintained in 2005/06 as provinces were able to spend all the allocated amounts totalling R5,1 billion. Expenditure is expected to increase from R5,1 billion in 2005/06 to R8,7 billion in 2008/09, an average annual increase of 19,8 per cent. It is envisaged that this will provide for the construction of over 200 000 new houses per year for low-income households.

Housing spending to more than double by 2008/09

Table 5.1 Integrated housing and human settlement development grant expenditure, 2002/03 – 2008/09

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
	Outcome			Preliminary outcome	Medium-term estimates		
R million							
Eastern Cape	475	810	584	607	762	953	1 047
Free State	193	327	464	370	523	653	718
Gauteng	1 185	993	1 121	1 357	1 758	2 197	2 414
KwaZulu-Natal	775	928	829	816	1 048	1 311	1 440
Limpopo	413	454	318	378	521	652	716
Mpumalanga	246	285	310	269	421	526	578
Northern Cape	50	110	94	103	105	131	144
North West	336	364	381	615	613	767	842
Western Cape	354	292	527	552	599	749	822
Total	4 028	4 563	4 629	5 067	6 350	7 938	8 721
Percentage growth (average annual) ¹	2002/03 – 2005/06		2005/06 – 2006/07		2005/06 – 2008/09		
Eastern Cape	8,5%		25,4%		19,9%		
Free State	24,2%		41,2%		24,7%		
Gauteng	4,6%		29,6%		21,2%		
KwaZulu-Natal	1,7%		28,5%		20,9%		
Limpopo	-2,9%		38,0%		23,8%		
Mpumalanga	3,0%		56,4%		29,0%		
Northern Cape	27,2%		2,2%		12,0%		
North West	22,3%		-0,3%		11,0%		
Western Cape	16,0%		8,5%		14,2%		
Total	7,9%		25,3%		19,8%		

1. Growth rates should be viewed against significant underspending and rollovers in previous years.

Source: National Treasury provincial database

Performance of the housing sector

Number of houses completed

Housing delivery slowing down

Currently the single most important service delivery indicator is the number of houses completed or under construction. Table 5.2 shows fluctuations year-on-year in the performance of the sector since 2000/01. It reflects that there has not been consistent growth on the number of houses delivered. The table also reflects that delivery dropped from 178 612 units in 2004/05 to 137 659 units in 2005/06. This excludes a further 115 175 sites that were in the process of development up to 31 March 2006.

Table 5.2 Houses completed or under construction, 1994 to 2006¹

Number	1994/95 – 1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	Total
Eastern Cape	83 738	34 021	10 816	58 662	27 119	37 524	16 874	268 754
Free State	55 611	16 088	7 005	9 155	16 746	16 447	17 635	138 687
Gauteng	230 717	38 547	46 723	24 344	49 034	28 002	23 409	440 776
KwaZulu-Natal	178 123	28 547	14 379	24 485	33 668	36 734	21 601	337 537
Limpopo	62 151	20 996	16 667	14 953	15 810	16 514	21 973	169 064
Mpumalanga	52 403	16 457	14 584	21 649	21 232	18 000	14 389	158 714
Northern Cape	16 421	4 148	2 588	6 056	3 787	3 598	5 293	41 891
North West	73 575	14 109	13 885	23 784	10 484	10 037	14 445	160 319
Western Cape	130 646	17 730	16 634	20 500	15 735	11 756	2 040	215 041
Total	883 385	190 643	143 281	203 588	193 615	178 612	137 659	1 930 783

1. Historical delivery figures have been adjusted since 2003 as a result of audits carried out in the provinces.

Source: National Department of Housing

There has been considerable progress in the delivery of houses since 1994. A total of 1,9 million houses have been built since 1994. Gauteng has built the most houses followed by KwaZulu-Natal. Delivery in 2005/06 was down in both these provinces compared to the performance of 2004/05. Mpumalanga, Eastern Cape, and Western Cape also saw significant declines in delivery. The fluctuations appear to be a symptom of poor planning and project management, unpredictable lead times due to delays in land release, rezoning and environmental impact assessment processes.

**Delivery is slowing
down in some
provinces**

Types of subsidies offered

The following table sets out the range of housing or housing related subsidies currently available in terms of the government's housing policy.

Type of subsidy	Description
Individual Subsidy	<ul style="list-style-type: none"> An individual subsidy that provides qualifying beneficiaries with access to funds to acquire ownership of serviced stands and it allows the beneficiary to enter into house building contracts, or to purchase existing improved residential properties which are not part of approved housing subsidy projects. Qualifying beneficiaries who do not wish to increase their subsidies by accessing credit will be limited to the purchase of existing houses only.
Project-linked Subsidy	<ul style="list-style-type: none"> This housing subsidy mechanism enables a qualifying household to access a complete residential unit, which is developed within an approved project linked housing subsidy project for ownership by the beneficiary.
Consolidation Subsidy	<ul style="list-style-type: none"> This housing subsidy mechanism has been designed to afford previous beneficiaries of serviced stands financed by the previous housing dispensation [including the Independent Development Trust's site and service schemes], the opportunity to acquire their houses. A top-up subsidy of R21 499 to construct a house is granted to beneficiaries with a household income not exceeding R1 500 per month, while a top-up subsidy of R19 020 is available to beneficiaries with a household income of between R1 501 to R3 500 per month.

Type of subsidy	Description
Institutional Subsidy	<ul style="list-style-type: none"> • The Institutional Subsidy is available to qualifying institutions to enable them to create affordable housing stock for persons who qualify for housing subsidies. • This housing subsidy mechanism provides R34 049 to qualifying beneficiaries whose monthly income may not exceed R3 500. The subsidy is paid to approved institutions to provide subsidised housing on deed of sale, rent to buy options, on condition that the beneficiaries may not be compelled to pay the full purchase price and take transfer within the first four years of receipt of the subsidy. • Institutions must also invest capital from their own resources in the projects.
Relocation Subsidy	<ul style="list-style-type: none"> • Relocation assistance provides an alternative option to defaulting borrowers who were three months in arrears on 31 August 1997, and where the option of rehabilitating these mortgage loans is not affordable. • This alternative provides an opportunity to obtain affordable housing with the assistance of the housing subsidy. • A person who is eligible for relocation assistance is required to enter into a relocation agreement so as to relocate to affordable housing.
Discount Benefit Scheme	<ul style="list-style-type: none"> • The Discount Benefit Scheme promotes home ownership among tenants of state-owned rental stock, including formal housing and serviced sites. In terms of this scheme, tenants receive a maximum discount of up to R7 500 on the selling price of the property. Where the discount amount equals or exceeds the purchase price or loan balance, the property is transferred free of any further capital charges.
Rural Subsidy	<ul style="list-style-type: none"> • This housing subsidy is available to beneficiaries who only enjoy functional tenure rights to the land they occupy where this land belongs to the state or is governed by traditional authorities. • The subsidies are only available on a project basis and beneficiaries are supported by implementing agents. Beneficiaries also have the right to decide on how to use their subsidies either for service provision, on building houses or a combination thereof.
People's Housing Process	<ul style="list-style-type: none"> • The People's Housing Process aims to support households who wish to enhance their housing subsidies by building or organising the building of their own homes themselves. This process is a method of accessing the Project Linked, Consolidation, Institutional, or Rural Subsidies as well as technical and other forms of assistance in the house building process.

Housing subsidies planned and approved

The majority of projects approved are funded through project linked subsidies

Another measure of service delivery relates to the planned housing delivery for each province and this is reflected by the range of subsidies they approve. Table 5.3 shows the number of subsidies approved since 1994 by each type of subsidy. In total, 2,8 million subsidies have been approved, most of which (2 million) are project-linked subsidies, meaning new developer-built, mostly greenfields housing projects. Gauteng has the most number of subsidies approved followed by KwaZulu-Natal and Western Cape.

Shift towards social housing projects

Since 2003/04, there has been an increase in the number of institutional subsidies approved, particularly in the more urban provinces. As institutional subsidies provide capital funding for social housing projects, this reflects the growing importance of social and rental housing as a result of the comprehensive plan.

Table 5.3 Approved subsidies per subsidy instrument, 1994 – 2006

Number	Project linked	Individual	Consolidation	Institutional	Rural	Hostel redevelopment	Emergency housing	Total
Eastern Cape	236 427	27 653	9 357	5 710	1 050	–	–	280 197
Free State	113 340	14 120	8 127	1 300	2 500	516	–	139 903
Gauteng	789 608	52 639	111 460	21 968	563	162 282	–	1 138 520
KwaZulu-Natal	257 283	17 468	31 677	25 320	33 643	–	–	365 391
Limpopo	134 957	4 348	3 252	–	61 606	1 780	–	205 943
Mpumalanga	86 798	16 562	46 156	5 450	1 476	885	–	157 327
Northern Cape	39 089	8 805	384	1 000	–	–	–	49 278
North West	153 417	8 619	7 326	1 154	20 796	1 273	24	192 609
Western Cape	239 756	13 577	53 468	6 998	44	4 866	283	318 992
Total	2 050 675	163 791	271 207	68 900	121 678	171 602	307	2 848 160

Source: National Department of Housing

Properties transferred

It is estimated that property assets worth over R37 billion have been transferred to South African households since 1994. Table 5.4 shows that in total, over 1,6 million properties have been transferred to owners since 1994/95. There has been a decline in the number of properties transferred between 2004/05 and 2005/06, with only KwaZulu-Natal and North West reflecting increases in properties transferred over this period.

A total of 1,6 million properties transferred since 1994/95

Table 5.4 Properties transferred

Number	1994/95 - 2003/04	2004/05	2005/06	Total
Eastern Cape	201 219	21 718	10 541	233 478
Free State	108 770	16 756	3 052	128 578
Gauteng	302 764	39 821	21 104	363 689
KwaZulu-Natal	214 409	23 801	23 920	262 130
Limpopo	126 038	14 587	12 818	153 443
Mpumalanga	113 647	9 888	1 182	124 717
Northern Cape	29 316	4 746	792	34 854
North West	112 620	8 604	15 015	136 239
Western Cape	173 979	18 973	7 069	200 021
Total	1 382 762	158 894	95 493	1 637 149

Source: National Department of Housing

People's Housing Process (PHP)

The Department of Housing also took a policy decision to engage in the People's Housing Process (PHP). This is an approach to housing provision that involves people building their own houses. This approach increases the sense of ownership and opens up opportunities for skills acquisition and employment creation. Government has contributed R7,5 billion to PHP-type construction projects. This has been channelled through various subsidy instruments. Table 5.5 shows that the Eastern Cape has been most active in promoting this approach to the provision of housing. The province has allocated nearly R2,9 billion to PHP projects since 1994.

Improved involvement of people in the housing process will improve efficiency and ownership of housing stock provided

Table 5.5 PHP projects: total subsidy amount per financial year

R million	1994/95 – 2001/02	2002/03	2003/04	2004/05	2005/06	Total
Eastern Cape	2 010	84	424	321	16	2 854
Free State	58	51	98	14	–	220
Gauteng	207	160	996	–	133	1 496
KwaZulu-Natal	380	181	467	77	0	1 106
Limpopo	2	14	11	18	52	96
Mpumalanga	–	45	74	6	16	141
Northern Cape	5	9	83	83	48	229
North West	41	–	136	58	–	235
Western Cape	92	142	203	473	218	1 127
Total	2 795	686	2 491	1 050	483	7 505

Source: National Department of Housing

Current and future challenges

The quality of housing

NHBRC improves accountability of housing service providers and ensures quality of products provided

While great progress has been made in the delivery of low-cost housing, questions around quality remain. Other than the size of the properties that the subsidy could afford, there is emerging evidence that some of the houses did not comply with the required standards. The National Home Builders Registration Council (NHBRC) is the regulatory body responsible for the housing industry. Since April 2002, the warranty scheme administered by the NHBRC has been extended to all housing subsidy financed houses constructed as part of approved projects. The warranty scheme ensures that all new homes built from this date under the government subsidy scheme are fit for habitation, built in a workmanlike manner and comply with the NHBRC technical requirements. The NHBRC also ensures that the builder provides a one-year roof leak warranty and a five-year major structural defect warranty, which is supported by the NHBRC fund in cases where the builder defaults. The enrolment fee charged by the NHBRC is based on the selling price of the house. For homes under R500 000, the enrolment fee charged by the NHBRC is 1,3 per cent of the selling price.

Changing and increasing demand for housing

The growing pace of urbanisation is exerting pressure on the demand for housing

Despite the delivery of 1,97 million new subsidised houses since 1994, the housing backlog has grown. This is because of the increased demand and the pace of urbanisation, with urban populations growing at 2,7 per cent per year. The 2001 census indicated that there are over 1,8 million dwellings that can be classified as inadequate, meaning mostly shacks in informal settlements and back yards. This is up from 1,5 million in 1996, representing an increase of 20 per cent. Urban populations have increased because of urbanisation and natural population growth. Population growth trends also show significant regional differences and increasing concentrations of people in metropolitan regions. Over one-quarter of the households in the country's nine largest cities lived in informal dwellings in 2001.

The biggest challenge facing government is quantifying the backlog. Specifically, it is difficult to decide what should be included or excluded when calculating the backlog. There is a lack of general agreement on household size trends and how these impact on demand. One viewpoint is that household sizes are becoming smaller thus creating a greater demand for housing.

The industry is facing shrinking household sizes which increases housing demand

Lack of integrated neighbourhoods

Despite increasing levels of construction in all housing markets, a spatially integrated residential property market has not emerged. The repeal of the Group Areas Act in 1991 led to increasing demand for houses in well-serviced and well-located neighbourhoods. This has led to an increase in prices, sales and investment in this sector, while investment in large parts of the middle to lower end of the property market has declined. While property values in the upper 30 per cent of the market have soared, the stagnation in township and inner city areas has been made worse by “red lining” by financial institutions. This means the institutions are unwilling to lend money for housing in areas where the property market is perceived to be unviable. It is believed that NHFC’s new role will play a significant part in improving the situation. The neighbourhood development partnership grant seeks to address part of this problem by contributing to the development of sustainable neighbourhoods.

NHFC’s role to improve access of lower income beneficiaries to participate in the property market

Challenges with monitoring

As housing delivery involves multi-year projects, there is very little correlation between service delivery numbers – measured as houses completed or under construction – and expenditure. One of the challenges facing the national housing sector is to improve the monitoring system for the housing subsidy programme. Limitations of the existing system mean that there are no performance related indicators dealing with the average construction time for subsidised housing projects, or the project management costs compared to the value of subsidies in housing projects. In the context of the new approach to housing delivery, which focuses on upgrading neighbourhoods rather than just new housing construction, there is an urgent need to revisit the monitoring system and performance indicators. It would not be appropriate to continue measuring performance only on the basis of houses constructed.

Outcomes of the housing programme difficult to measure due to poor monitoring system.

Future challenges

As the new comprehensive plan gets implemented key challenges facing the sector in this new era of delivery include:

- The need to build municipal capacity to administer national housing programmes and make sure that municipalities are accredited to take on their new responsibilities; and

New challenges exist with the new housing plan

***Conflicting intentions
between spheres need
to be addressed***

- The need to resolve some of the contradictions in the comprehensive plan at the intergovernmental interface. This includes the need to clarify funding responsibilities between the different spheres. It will also be necessary to synthesise conflicting objectives, such as the municipal intention to formalise existing informal settlements on the one hand, and the national policy objective of developing functional housing markets on the other.

Conclusion

The new approach to delivering housing focuses on large-scale projects that upgrade and restructure existing settlements. Within this context, co-operation between the three spheres of government is necessary. Municipalities need to be adequately capacitated, equipped and funded to take over the administration of national housing programmes; they need to comply with national housing and financial management legislation; and they need to drive delivery from integrated development planning through to the management of rental housing stock.

The 1,97 million subsidised houses that have been built since 1994 have not become economic assets in the hands of the poor; nor have they contributed positively to the rates base of municipalities. Learning from this experience, there is a need for the housing delivery sector to develop projects that conform to the vision of sustainable human settlements, projects with a mixture of land uses, adequate community facilities, adequate municipal infrastructure and a range of housing options so that residents are able to make real choices about the type of housing they can afford.

Without a shared perspective on how best to upgrade informal settlements for the benefit of existing residents while reshaping settlements and making housing markets work, the ideal of sustainable human settlements will remain elusive.