UPGRADE INFORMAL SETTLEMENTS

A strategic approach

*By **Ivan Turok***

Swelling informal settlements are among the greatest social challenges facing South Africa, and thus, upgrading these areas is imperative to social change.

*S*welling informal settlements are among the greatest social challenges facing South Africa. Shack dwellers are exposed to hardship, insecurity and physical hazards from living in squalid conditions on unauthorised and unserviced land. This is a source of growing frustration, anger and violent protest, since people believe they are being denied fundamental rights. Government is ambivalent about these places and doesn't know what to do. The result is piecemeal initiatives and periodic evictions. The clearance of 800 people from Lwandle, outside Cape Town, in June 2014 was the latest episode.

According to the 2011 Census, there are almost 2 million people living in informal dwellings, 1.1 million in the eight metropolitan areas. This is almost 1 in 5 of the total metro population, and the absolute numbers are growing.

For the last 20 years, the government has tried to give everyone in need of better accommodation a fully serviced house. This assumes that informality is purely a housing problem and that *in situ* upgrading is inferior and unpalatable. "Breaking New Ground" (the 2011 cabinet-approved

comprehensive housing plan for the development of integrated sustainable human settlements) and the National Development Plan made the case for a policy shift towards upgrading because free housing for all is unrealistic and backlogs are growing. However, this change has been very slow to come about. Upgrading is rarely mentioned in the housing minister's speeches.

With uncertain national political and financial support, most provinces and municipalities have been lukewarm or even hostile towards upgrading. They deplore land invasions and lack the required know-how for upgrading. It seems so much more complicated than building on new greenfield sites because of the need to work with communities, who can be fractious and disruptive. The process may also be technically difficult if the site is hazardous, subject to legal impediments or the landowner is uncooperative.

Some municipalities have created temporary relocation areas to decant shack dwellers while they begin to formalise layouts and service the former shack sites. This has been very

controversial because of the physical and social dislocation, the unpredictable timescale for living in these "transit camps", and the fact that many families have not been allowed to move back to their original locations.

Some shack settlements have been provided with interim services such as electricity, mast lighting and shared toilets. Otherwise, the most conspicuous distributions have been blankets, food parcels and zinc sheets – stopgaps that react to crises as they emerge, to compensate the victims of shack fires, flooding and xenophobic attacks for their immediate material losses. It is often left to NGOs and community-based organisations to undertake more sustained initiatives to improve local conditions.

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A boost in government funding for the National Upgrading Support Programme (NUSP) in 2013 suggested renewed commitment to *in situ* upgrading, matched by a somewhat implausible target to provide at least 400 000 households in 1 774 informal settlements (about one-third of the total) with tenure, basic services and access to amenities.

One of the main questions facing this and other upgrading initiatives is whether sufficient investment can be mobilised to transform shack areas into more liveable ▶▶

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and productive environments. This means recognising the intense demand from poor people to live in these relatively accessible locations and making more efficient use of the land by building upwards and improving the internal structure of each settlement. Huge pressure on land and underinvestment – in housing, infrastructure and people themselves – are fundamental problems for informal settlements. Deficient investment underlies the issues of unemployment, vulnerability and inadequate services

and shelter. Therefore one of the main objects of policy should be to help inject resources into developing local assets of all kinds that will generate income and improve people's life chances. It is vital to enhance jobs and livelihoods so as to lift families out of poverty in a way that can be sustained.

Success depends on building a compelling case and the institutional capabilities to steer investment into these areas. Greater clarity of purpose about *in situ* upgrading is necessary to galvanise a

larger and more sustained effort. In short, different public, private and civil society stakeholders need a more cogent and convincing sense of where they are going if the current commitment to informal settlements is to be stepped up.

THE ECONOMIC CASE FOR UPGRADING

The economic case for investing public funds in informal settlements has been neglected to date. One important argument is that many offer affordable

people's skills and competencies.

There are also sizeable benefits to be gained from proactive efforts to prevent problems emerging, and from realising the potential of stronger communities. Spending on prevention (of social problems, crime, protests, flooding etc.) is highly cost-effective in achieving better outcomes for households and reducing the pressure on public health, welfare, criminal justice and emergency services.

Upgrading shack areas could stimulate a cumulative process of improvement in peoples' lives that will create more stable and prosperous communities. This could apply to the areas themselves (through enhanced human capabilities and stronger social networks) and to the wider economy through progressive improvements in the quality of labour supply, entrepreneurial dynamism, property values, household assets and additional economic activity. Unleashing the energy latent in the aspirations of informal settlements is vital to achieve the national goal of more inclusive growth.

With more reliable incomes, people themselves could invest more in their properties and surroundings, and stimulate upgrading. They could pay more for local services, which would encourage additional services to be supplied. Because employment promotes human dignity and wellbeing, and gives daily structure to people's lives, having more people in work would reduce social marginalisation, crime and other antisocial activities. A jobs-and-livelihoods agenda that enables people to contribute to society is also more likely than welfare to enlist the support of better-off communities and help social integration.

ELEMENTS OF A STRATEGIC APPROACH

Upgrading practices need to shift from piecemeal initiatives towards a more strategic approach. There are several ingredients. First, upgrading needs a more persuasive rationale to justify long-term public investment. The case needs to go beyond poverty alleviation and crisis response, because government budgets are stressed and there is competition for well-located urban land. It needs to incorporate economic potential alongside a concern for poor living conditions. Above all, informal settlements need to be seen as integral parts of the city occupied by motivated and resourceful citizens, not isolated squatter camps full of people who are destitute and desperate.

Second, informal settlements need greater political support at all levels. Their requirements should feature in formal planning procedures, especially municipal integrated development plans (IDPs), housing plans and spatial development frameworks. High-level endorsement is necessary to unblock bureaucratic obstacles, interact with local gatekeepers and resolve disputes. Stronger grassroots organisation within each community can help to articulate local needs and hold other partners to account.

Third, upgrading needs enhanced resources to move beyond small-scale projects. Attention needs to be paid to developing the people as well as the place and property. Integrated development requires a cadre of capable onsite practitioners with diverse skills in land, engineering, design, building and project management: people who are creative and flexible, able to work across professional boundaries, experienced at engaging local communities, and negotiating mutually beneficial outcomes among stakeholders. Rather than specialised experts imposing their own solutions, co-production through multidisciplinary teams is critical.

Fourth, a phased approach requires thinking ahead and setting priorities, recognising that everything cannot be done at once. Community preferences should inform the phasing of actions. Careful sequencing should help to build confidence and credibility, and spur a cumulative process of improvement. The idea is to find successive interventions that trigger more generalised ➤➤

environments that are accessible to income-generating opportunities and operate as entry points into the urban labour market. This is why migrant groups occupy these areas in the first place, despite the risks. Surveys suggest that employment rates are much higher than in rural areas and only slightly lower than in formal urban areas. However, the jobs that shack dwellers tend to find are of poor quality and few seem to progress to better jobs over time. Policies should build upon this foundation and reinforce

A mother sits with her baby in the aftermath of the Lwandle evictions in 2014.

development, as progress in one sphere supports improvements in others and multiplies the beneficial effects.

Fifth, individual settlements should be treated differently, recognising the particular functions that each performs in the urban system and their long-term potential. Some shack areas should only have a temporary existence because of their hazardous locations. Policies need to be tailored to the circumstances of the area, the opportunities and amenities nearby, and the social composition and support needs of local residents. For example, inner-city precincts occupied by young adults seeking a toehold in the job market need small low-cost rental units rather than family accommodation.

Sixth, upgrading should be done through partnerships between stakeholders, who achieve more by working together and combining their resources. Municipalities have particular responsibilities to sort out the legal issues, acquire land, confer development rights, negotiate land swops, and so on. The knowledge and buy-in of the community is also essential, with a seat at the table where decisions are made. Municipal officials cannot just appoint contractors to get on with the job.

They need an everyday presence on the ground to listen, look and learn from residents. Community-based organisations also need to be strengthened for joint problem-solving

and planning. Organisations such as Shack Dwellers International have shown the value of involving communities at various stages in the upgrading process.

Experience shows that sustained cooperation on practical projects with clear timelines and accountable leadership can restore trust in government and bring stability to fragile communities. Working in partnership requires flexibility, patience, compromise and a willingness to share the credit for success. It implies some devolution of power to make decisions and spend resources to the neighbourhood level in the interests of responsiveness.

A TWO-STAGE FRAMEWORK
In order to simplify the initial choices in

devising a road map and differentiating between locations for upgrading, it may be helpful to think about a two-stage perspective. The first stage is about building the resilience of the community to cope with stresses. It may be particularly appropriate for temporary settlements occupying sites that are unsuitable for permanent habitation. The second stage involves a deeper process of transformation.

Resilience recognises the vulnerabilities and insecurities facing poor communities, but also their hopes and agency in participating in development schemes and increasing their economic prospects. Better-organised communities will have a stronger voice and more influence over decisions affecting their areas. The focus is on improving the position of the people themselves, rather than their physical circumstances. It implies strengthening their robustness and resourcefulness

- to recover from periodic shocks and crises (such as shack fires flooding, or the loss of livelihoods) by having some reserves to fall back on
- to overcome hurdles and resist threats (such as eviction, minor crime, intimidation, or risks to public health from the spread of communicable diseases)
- to adapt to ongoing pressures and hardships (such as rising food and fuel prices, or the lack of electricity, clean water or sanitation)
- to stand a better chance of improving their economic situation through information and expertise.

The process may involve enabling families, groups and civic movements to pull together and take direct action to be more self-sufficient. It may mean advocating their rights by exerting pressure on the state to prevent unlawful evictions and improve basic services.

A constructive approach may be more effective than adversarial protest activity. It means building networks among different actors to explore mutually beneficial outcomes. Community mapping, savings clubs and exchanges

of experience between settlements may strengthen their organisations and financial resources. State-sponsored community work programmes can play a valuable role in transferring skills, work experience and income to people in the course of providing socially useful local facilities. Greater security of tenure is an important demand to give residents more stability and collateral to raise credit for livelihood activities or exceptional purchases or costs, such as funerals.

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The second stage of transformation refers to the achievement of profound improvements in local economic and physical conditions. It goes beyond incremental upgrading and mechanisms to cope with pressures and problems. It implies a "step change" both in residents' capabilities to secure their future wellbeing and in the physical attributes and liveability of the place. The level of social organisation shifts to anticipate potential threats and other future events, enable farsighted decision-making and higher levels of coordination all round.

There is an increase in local productive capacity and employment through the provision of local services and workshops, greater use of new technologies, and higher levels of productive investment. With better schools and training facilities, people are likely to have more advanced competences, enabling them to obtain

better jobs. A fundamental objective is to make more efficient use of the land by building upwards rather than outwards and improving the internal structure of each settlement.

These changes are substantial and qualitative in character. Places will become more stable and secure, and function more effectively to improve people's life chances. Average incomes will be higher and the quality of local facilities and amenities will improve. People will start using more robust building materials and techniques, which will also afford better protection from the elements. Major investments will be made in public infrastructure networks to transform the built environment.

Higher levels of community organisation will enable physical restructuring to take place through the consolidation of land parcels, rearrangement of haphazard dwellings and creation of new street layouts and public spaces. This will release value from the land for local reinvestment and transform circulation patterns throughout the settlement. Coordinated redevelopment will permit four- or five-storey buildings, with the ground floor reserved for service providers, business workshops and other enterprising activities. Multi-storey apartments will raise residential densities, give households more private space and reduce the health and social problems linked with overcrowded homes.

Higher economic densities, more spending power and improved infrastructure will increase productive activity and jobs. These neighbourhoods will be better integrated into the wider urban labour market and education system through an efficient transport network. The government could recover more of the cost of providing infrastructure and services through taxes and user charges, or via rent through owning the land. NA

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