



## Serviced land, not houses

### Experts weigh in on urban housing solutions

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Instead of constructing 400 low-cost houses at a cost of N\$66 million with grants and non-interest loans pledged by the Chinese government recently, experts calculate that investing those funds in minimally serviced land could result in more than 4 400 impoverished families currently living in shacks being able to build formal homes of their own.

Moreover, allowing low-income families to obtain legal ownership of land and permitting them to build their homes as funds become available, would ensure they accrue the benefits of home ownership and allow local authorities to pocket millions in rates and taxes, amended to ensure affordability for impoverished families.

"Using N\$66 million to produce 400 houses is silly, unless you are an entrepreneurial housing developer. Four-hundred is a minute drop in the ocean, given that an estimated 150 000 families live in shacks in informal settlements in 2018 and that 11 000 new families move from rural areas into informal settlements each year," John Mendelsohn of Raison, who has studied the issue of housing extensively, said this week.

He, and co-researcher Beat Weber, who published a book on informal settlements last year, argued that instead, at a cost of N\$15 000 to survey and allocate a minimally surveyed erven,

4 400 families can acquire land with title as a means to facilitate their access to housing. "This is ten times more than when building houses," Weber said.

Mendelsohn stressed that while

4 400 families is "not much of a dent in the great mire of poverty, they are much more than the 400 houses for middle-income families."

Can be done

Weber, the executive director at Development Workshop Namibia (DWN), noted that cost recovery for municipalities is possible when affordable homes are made available.

"Those residents can actually pay for the 'product' and costs can be recovered."

He said at an average price of N\$15 000 per erf for an estimated 11 000 families from informal settlements, a "mere N\$165 million would be used to effectively stop informal settlement growth in Namibia".

He added that while other investments would be needed to upgrade bulk infrastructure, a "big chunk of the costs to solve unplanned informal settlement growth could be based on a cost recovery approach".



(<https://d3rp5jat0m3eyn.cloudfront.net/asset/land-not-houses2018-09-050.jpg>)

GIVE LAND: Experts say the best way to approach the housing crisis within informal settlements is to provide land, not finished houses. PHOTO: JANA-MARI SMITH

Weber highlighted the urgency of first addressing the large-scale influx to urban informal settlements, to ensure that growth is halted.

“To get informal settlement growth under control, the 11 000 low-income households moving from rural to urban areas each year must be accommodated.”

Because of the poverty experienced by most of these migrants, they are unlikely to afford houses, including “social ones that may cost N\$165 000 as suggested by the Chinese deal”.

He said “given the state of Namibia’s economy” subsidisation is not an option, which leaves the alternative of providing affordable and “planned legal land where they can invest and incrementally build their homes”.

#### Simple solution

The benefits of ownership of land, apart from cost-effectiveness and ensuring that thousands more families could move from shacks into formal housing, are multiple.

Mendelsohn explained that if Windhoek’s roughly 42 000 families living in shacks were afforded land with a title deed and each house was charged “just N\$150 per month”, as a reduced rates levy, the city could pocket N\$75 million per year in revenue.

Moreover, providing access to land for homes “provides one of the very basic conditions for households to build security investments, become an integral part of the formal town and contribute to its economic base and public funds,” Weber and John Mendelsohn wrote in their book on informal settlements last year.

Their study further noted that on a personal level, land ownership for low-income families would “provide them with confidence, services, security and long-term outlooks”.

#### Both needed

Herbert Jauch, a labour expert, warned this week that government has become slack on the issue of housing in recent years and has placed “little emphasis on finding an overall solution and instead piecemeal projects at local and regional level are being implemented”.

He said the Chinese deal is reflective of this.

“Unfortunately such a fragmented approach will not solve the housing crisis, which has reached enormous proportions”.

He said addressing the fact that shacks have become the “norm in many urban centres and a solution in terms of decent shelter for all would require a very deliberate and forceful state intervention, based on research data and strategic choices”.

He noted, however, that “an either/or option” is not advisable, and that both serviced land, especially in urban settlements and affordable housing should form part of the solution.

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