Public to private ownership: An analysis of the challenges characterizing formal housing transfer in Diepkloof (Johannesburg)

Student’s Geography Conference 2008
1 September - UCT

Fazeela Hoosen
Jonathan Mafukidze
Introduction

Based on the finding of larger land management project in Johannesburg – 2007 (Diepkloof Case Study).

Finding:
- Informal & formal practices of housing transfer exist & both enhance the quality of life of residents in Diepkloof Zones 1-6.

Aim:
- Unpack & analyze – strengths and weaknesses of both formal and informal practices of housing transfer as perceived by residents and the underlying implications of this for formal transfer of housing in Diepkloof.
Diepkloof Background

- Eastern suburb of Soweto
- Est. 1959 – product of forced removals, mainly from Alexandra.
- Characterized by strong political & social activities – late 1970’s onwards (Marks, 1995).
- Dominated by residential land use & known as a dormitory township.
- Old ‘matchbox’ houses, extended, some with backyard shacks.
- Increasing interest in commercialization in the area & in Soweto more broadly
- Attempt to bring mixed land-use through development of ‘Diepkloof Business District’.
- Current land regularization process underway – transfer of title deeds to residents
Historical synopsis: Formal housing transfers

- Black Native Laws Amendment Act, No 46 of 1937 & the Black Communities Development Act, No 4 of 1984 – stipulate that property rights were not to be extended to black people.

- Late 1950s - “advantageous forced removal” municipality retained ownership. Leasehold (100 yrs) homes allocated on the ‘site & service scheme’.

  - Residents assumed power to swap houses without municipality consultation - distorted housing records held by municipalities.

  Quote: “when one was given a small house while one had a big family, they would simply talk to someone who was allocated a bigger house while having a smaller family and they would swap houses”.

Focus on:

- Post 1994 – transfer of title deeds, inclusion into active property market.
1) Diepkloof Zones 1-6 – ‘matchbox houses’

2) Diepkloof Ext. Rich affluent enclave, owner built homes

3) Elias Motswaledi – informal settlement

Source: Draft RSDF 2008/2009
Methodology

- Data gathered in 2007 as part of larger land management study.
- Literature search on Land Regularization Process.

Data gathered qualitatively from:
- 4 city officials – Housing Dep. & JPC – unstructured questionnaires.
- 22 individuals from community identified using the snowballing technique - structured questionnaires.
- Further 12 individuals – unstructured formal discussions
- Qualitative Analysis of Data.
Land Regularization Process

- Programme that aims at formalizing property rights in the City of Johannesburg.
- Benefit include:
  - the “extension of property ownership as the basis for providing shelter and wealth to thousands of residents in the former black townships” (JPC, Annual Report).
- Seeks to empower local communities – economically & socially.
- Assists in the continued transformation of the image of the municipality in formalizing residential ownership.
- Zones 1 -6 deemed as freehold (JPC, Township Status Report).
- Housing Department assists in the transfer of residential title deeds to Diepkloof residents.
- One step towards the formalization & proclamation of townships into the City.
Current Housing Issues

- Transfer of title deeds saw the transfer of responsibility of maintenance of property from the housing department to the new owner.
- However, Housing Department officials are concerned that there is no maintenance of properties (Interview, 2007).
- Housing Department is only responsible for providing services.
- Housing ownership therefore comes with a responsibility of maintaining that property as compared to previous leasehold title.
- Diepkloof residents have to become accustomed to this ‘new’ responsibility.
Informal Practices in Diepkloof

• Despite that formal practices of land access, ownership and use, predominate, informal practices are an integral part of these processes.
  ➢ Formal: Official & prominent
  ➢ Informal: Unofficial & concealed from administration
• Both practices enhance Diepkloof residents quality of life.

**However:** Formal transfer of housing not prominent in Diepkloof
## Community Perceptions

<table>
<thead>
<tr>
<th>Formal Transfer</th>
<th>Informal Transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Positive:</strong></td>
<td><strong>Positive:</strong></td>
</tr>
<tr>
<td>• Good as it legally transfers housing.</td>
<td>• Negotiate prices and terms of payment.</td>
</tr>
<tr>
<td></td>
<td>• Makes economic sense as provides economic rewards.</td>
</tr>
<tr>
<td></td>
<td>• Accustomed to this process.</td>
</tr>
<tr>
<td><strong>Negative:</strong></td>
<td><strong>Negative:</strong></td>
</tr>
<tr>
<td>• Banks and law firms determine value &amp; favor buyer by reducing prices.</td>
<td>None have been highlighted</td>
</tr>
<tr>
<td>Quote: “the bank is a devil that perpetuates one’s suffering when brought into such transactions”.</td>
<td></td>
</tr>
<tr>
<td>• Usurp all decision making power.</td>
<td></td>
</tr>
</tbody>
</table>

Social science that makes a difference
Community perceive formal ownership transfers as:

- Alien to their way of life.
- Involves institutionalized power play - reflects a deliberate claim of monopoly of knowledge.
- Does not provide economic rewards.

- This process trivializes local knowledge and processes of buying and selling.
- Informal transfer stems from past ‘freehold township status’ as residents accustomed to informal practices.
- Lack of maintenance of housing is seen a factor that decreases the value homes by banks.
- Dislike of the formal transfer of housing fuels informal transactions that hinders the municipality’s aim of formalising land and creating a land markets in Diepkloof.
Conclusion

- Informal practices of housing transfer are as beneficial and are more popular than formal processes.
- However, not true that poor communities prefer informal processes.
- Rather such processes are friendlier and understandable as compared to formal processes.
- Shows that a person will use what practice is more beneficial and understandable to them.
- Informal practice has economic rewards, a shift towards the formal practice would only take place if it has something highly attractive to offer.
- Institutions need to transform in a manner that allow them to be sensitive to inputs from those they serve.
- Municipality and Institutions need to introduce the formal practice of housing transfer so that residents see the potential benefits.
Thank you!