

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

**Student's Geography Conference 2008  
1 September - UCT**

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# 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.

# Diepkloof



- 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

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

# Analysis & Discussion

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!*

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