

StokHealth: Towards Healthy Urban Populations through Savings Groups

Project Summary

Humans are rapidly becoming an urban species, with millions of people migrating to cities each year. Over half of the world's population live in urban areas and this is likely to reach 70% of the population by 2050 (United Nations, 2009). The questions which arise are how will urban centres across the world keep pace with predicted continuing growth and what are the visions of tomorrow's cities?

Much of global urbanisation is due to rural-urban migration. Such growth is common today in developing countries, where job opportunities and levels of pay are far higher in urban areas than they are in rural areas. Rural to urban migration started in Europe and has been happening there since the industrial revolution in the 18th and 19th centuries. During this time there was a shift away from subsistence agriculture based rural dwelling towards more urban habitation to meet the mass demand for labour that the burgeoning industry required.

In 1900, the world's largest city was London, which then had 6.5 million people, and out of the 10 largest cities that year, only one was outside of Europe or America, which was Tokyo in Japan with 1.5 million people. Today this is very different and the fastest growing cities are in Asia and Africa. Greater Tokyo is the largest urban area in the world, with a population of 37.8 million people (United Nations, 2009) whilst in the next 35 years, it is predicted that Africa will need to accommodate almost 900 million new urban dwellers, which is equivalent to what Europe, USA & Japan combined have managed over the last 265 years (Mo Ibrahim Foundation, 2015).

According to the UN-Habitat (2016) World Cities Report, nearly half of the world's population lives in urban settlements. Cities offer the lure of better employment, education, health care, and culture; and they contribute disproportionately to national economies. The migration of people to urban areas in search of better livelihoods creates an unplanned urban growth which gives rise to challenges such as poverty, environmental degradation. This is due to the fact that the population demands end up outstripping service capacity.

Our proposal looked into the notion of urbanisation from a global perspective zooming into urbanisation in Africa, Sub-Saharan Africa and the transposable context of South Africa focusing on the Johannesburg metro. We identified that though urbanisation comes with developmental strides that benefit countries and urban economies, it is however riddled with challenges stemming mostly from inadequate measures by local governments to counter effects of

urbanisation. Our research proposal identified the challenge of poor living conditions that result in socio-economic and environmental difficulties. These in turn cause adverse health effects for the urban low income population. Coupled with low incomes and a burdened public health care system, they find themselves at the short end of the rope where access to basic primary healthcare is concerned.

Urbanisation has resulted in health challenges either directly or indirectly. Overcrowding and pollution stemming from slum settlements are huge risk factors in urbanising cities. The types of diseases encountered in these cities are both communicable and non-communicable. However the higher occurrence is in non-communicable diseases, on which this project seeks to provide a solution for. The influx of people in crowded environments and irregular migration patterns that force breakdown of family structures lead to social deprivation, crime, stress-related illness, and exacerbation of the proliferation of the HIV/AIDS pandemic. These all contribute to the increase in non-communicable diseases (NCDs), namely: hypertension, heart disease, obesity, diabetes and asthma and overall poor life expectancy.

Healthcare provision in South Africa, is either privately or publicly administered. The bulk of the population use public hospitals which are generally over-crowded and under-staffed. The need for innovative financial products that cater to the needs of the people tend to fall short of what is required in addressing healthcare needs specifically. The models adopted by medical aid/healthcare insurance companies tend to result in expensive solutions that are not accessible to the masses in low income communities. The government as key stakeholder in South Africa has continued to face fiscal constraints in rolling out affordable healthcare insurance given the many competing needs for financial resources.

Our proposal involves the use of mobile technology to provide access to health and supplement efforts already being made by private healthcare facilities and the government. The main basis of the proposal will be the partnership between cellular companies and StokHealth so as to create a platform for the integration and dissemination of any information through a mobile platform.

Our proposed solution named StokHealth, aims at harnessing existing community micro-savings groups (Stokvels) as a tool to provide financing for affordable quality primary healthcare through leveraging on existing loyalty programmes and affordable primary healthcare service providers to make quality primary healthcare accessible to low income families.

By applying the Stokvel concept to an already popular concept of loyalty points is envisaged to push for a quick adoption of the concept. The communities themselves will manage their own Stokvel points, which allows the communities to follow up on those who have “borrowed” points

after they run out of their portion. Among the benefits of the management by local communities will be a sense of ownership and transparency.

In low income communities within South Africa there have been both government and private initiatives to provide healthcare to communities counteract some of the effects of urbanisation. The project's highest aim is the integration of already-existing private healthcare and doctor network with StokHealth that will alleviate the deep seated problem of health in the rapidly growing urban areas.

Biographies

Girland Chibaya is a retail professional with vast experience in retail management, supply chain management, strategic planning and general management spanning over 18 years. He has also worked for some big companies in South Africa as well as in Zimbabwe where he was educated. He is studying for his MBA with the University of Pretoria through the Gordon Institute Business Science. Girland has a special interest in the desire to experience new cultures and environments through travelling.

Hazel Chigumira is an architect by profession whose career has evolved from architectural to programme and project management with involvement in programmes to improve public infrastructure in the education and health sectors in Southern Africa where there is a huge need. At present Hazel works as a Project Manager for PROFICA based in Johannesburg, a leading construction and project management company in South Africa with a wide footprint in Africa with offices and projects in Namibia, Kenya, Zambia, Nigeria, Ghana and Mauritius. Currently completing a Master's in Business Administration with the Gordon's Institute of Business Science, Hazel is passionate about grass roots development. Her master's thesis focuses on the utilisation of savings groups as a tool to self-driven community upgrades especially where housing and services are concerned for the populations in South Africa's informal settlements. Hazel intends to continue working within the innovation space of bottom of the pyramid markets in Africa.

Tendai Chinyimba is a Financial Specialist and Finance Team Lead at the U.S. Centre for Disease Control and Prevention. She has a finance background and has worked in various finance roles in the NGO SPACE. Tendai has a keen interest in operationalization of Finance functions as well health programmes aimed at addressing the HIV/AIDS pandemic.

Jotham Makarudze is a Project Finance Specialist at the Development Bank of Southern Africa (DBSA). He previously worked as an Investment Analyst covering listed and unlisted banks and corporates across Africa and as a Credit Analyst for a credit rating agency. He is CFA Charter

holder and holds a BCom honours degree in Financial Analysis and Portfolio Management from the University of Cape Town (UCT) as well as a BCom Finance degree from the University of the Witwatersrand (Wits). He is currently in his final year of MBA studies at Gordon Institute of Business Science (GIBS). Jotham has a special interest in renewable energy and green solutions for the business and home environments.

Sandra Nyarenda is a General Management Practitioner with experience in several industries including furniture manufacturing, IT and Retail. MBA student at the GIBS business school, University of Pretoria. A seasoned entrepreneur at heart and passionate and well versed in starting up businesses and making them sustainable, particularly on the African continent. Currently Sandra is looking at provision of Healthcare facilities especially for the medically uninsured.