

# **A STUDY INTO THE NEEDS AND DEMAND OF AFFORDABLE HOUSING IN THE OVERSTRAND LOCAL MUNICIPALITY**

## **Final Report**

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# Executive Summary

## Rationale and background

The rationale for this report is to be sought in an expressed need from the Overstrand Local Municipality to develop a comprehensive understanding of the need and demand for affordable housing opportunities in its area of jurisdiction. This need is primarily due to a lack of exhaustive reliable housing demand and need related information. In order to plan accurately and provide cost-effective and appropriate housing solutions within acceptable timeframes for qualifying income cohorts, access to both quantitative and qualitative data regarding the present housing landscape is imperative.

This study is guided and underpinned by a philosophy that departs from mere housing provision to a much more holistic understanding of housing demand and needs. This new approach advocated in the Breaking New Ground Housing Policy is framed in the realization that successful housing programmes should be part and parcel of creating an environment conducive for the development of sustainable human settlements.

This study was guided by five research objectives:

1. To conduct a socio-economic assessment of the households within OLM's jurisdiction.
2. To understand households' perceptions on matters related to human settlements planning, policy and delivery.
3. To understand household opinions regarding human settlement development and quality of life.
4. To assess household demand for various types of housing as well as residents' ability to pay.
5. To better understand the affordable housing market within OLM.

To address the defined research objectives in both a time and cost effective manner, this study was structured within a mixed research design approach including both quantitative and qualitative research methodologies. A quantitative approach was followed in the socio-economic and human settlement assessment that included (i) a household survey conducted in specifically defined geographical areas within the Overstrand Local Municipality, (ii) postal questionnaire distributed with municipal accounts to all municipal account holders in the Overstrand municipal area and made available on the municipal web site and (iii) the analysis of secondary data pertaining to the whole of the Overstrand Local Municipality. Qualitative methodologies were applied in order to arrive at an enhanced and nuanced

understanding of perceptions and matters pertaining to human settlement planning, development, policy, delivery and quality of life and included a substantive number of focus group discussions and face to face interviews.

### **Some Salient Findings**

The household survey established the majority of heads of households in the lower income areas surveyed to be young adult males (30-39 years) with an over representation of female household heads if compared with the general characteristics associated with the household heads of the general OLM population which is predominantly male and within the age group 50 years or older.

The survey established households to be in general of modest size, with 57% comprising of 3 or less members. A relative high percentage (20%) of households comprises of one person only, a trend that can be explained within the context of the strong in-migration of single persons from especially the Eastern Cape. A considerable proportion (25%) of households consists of 5 or more members though which is significant, given the general small average size of low cost subsidized housing.

Thirty one percent of household members in the economically active cohort (16 -64 years) are in full time employment with another 23% employed part time. Nearly 17% of household members are unemployed (and looking for work) with Kleinmond registering the highest percentage (18.5%) and Gansbaai the lowest (15%). However, if those not part of the economically active population are excluded, the narrow and expanded rate of unemployment in the survey area increases to 22% and 25.7% respectively. Most workers live in the town where they work with Hawston the exception.

Generally, the income levels of those employed in the Overstrand are disconcertingly low. Nearly 70% of household heads included in the study was employed the month prior to this survey and earned R3 500.00 or less. Income levels are particularly modest in Gansbaai and Stanford where the overwhelming majority of those employed earn R3 500.00 or less monthly (81% and 79% respectively), while the corresponding percentages of those employed in Kleinmond and Hermanus earning R3 500.00 or less, are markedly lower (respectively 69% and 67%). Although the impact of additional incomes was found to have some ameliorating impact on these modest income levels, the cumulative income of households remain low with nearly half (46%) of households surveyed still not in a position to meet their financial obligations, registering a mean shortage of R1 020.54 per month. This unambiguously depicts the desperate financial situation of more than half of the surveyed households.

Educational levels in the surveyed household are depressingly low. Only 22% of household heads have achieved a Grade 12 (Matric) qualification. The strong correlation between educational status, employment and income is confirmed in this study.

Respondents are generally ill informed about settlement planning and policies of the Overstrand Municipality that guide the delivery of affordable housing a reality which seems to be aggravated by apparent regional inconsistencies in human settlement management. Respondents further described communication channels as ineffective and non-transparent with. In general respondents reported to feel marginalised and disempowered in matters relating to housing policy, planning and programmes in the OLM.

Pertaining to housing need respondents voiced a strong need for the increase of the physical size of individual plots or stands of new housing developments. This will allow (1) for extensions to houses to address severe overcrowding of existing dwellings, and, (2) space for children to play, dry laundry and safely park vehicles. The policy of serviced sites (including a wet core) drew mixed reaction. Those that supported this housing option attached conditions, i.e. the plots and slabs provided should be of decent size and strict control should be exercised over the quality of dwellings to be erected to prevent it degenerating into an informal area. Those that rejected this option did so due to a chronic lack of funds and the inability to purchase the necessary building material to construct a dwelling.

Strong dissatisfaction regarding the management and implementation of the municipal waiting list in housing allocation was expressed. Specific dissatisfaction was noted with the implications of the allocation policy favouring certain income categories and family compositions, and a perceived lack of fairness and transparency regarding the management and functioning of such lists.

The present exclusion of the agri-sector in the planning for future housing demand is an oversight that will in all probability compromise effective future housing provision. The impact of present legislation relating to tenure rights of bona fide farm workers on farms is expected to cause an accelerated trend of Overstrand and Strandveld farmers looking for opportunities to relocate some of their workforce, including management, in adjacent towns.

An encouraging finding is the access of a majority of households to municipal services. One aspect of concern is, however, the limited access experienced by back yard dwellers. This group reported consistent struggles to access toilets, water and electricity, all managed by the occupants of the main (formal) house.

Findings on household heads' experience of quality of life showed the majority of respondents as optimistic pertaining to the future. This was somewhat unexpected given the pervasive general low prevailing household income levels and overall sense of material impoverishment and omnipresent food insecurity experienced by a large percentage of respondents. Increasing social and deviant behaviour transpiring within previously stable and safe communities (consistently attributed to marine poaching subculture) was, however, repeatedly voiced as a primary factor negatively impacting on the quality of life of surveyed communities. This was described as a serious issue in all settlements, albeit in varying degree.

Exploring living arrangements of sampled households, slightly more than 40% of plots were found to have more than one dwelling used for living purposes. Households within the lower income bracket tend to share their geographical space with at least one more household (mean number of households per plot 1.63). With the average size of an individual household of 3.39, and an average of 1.63 households per plot, the average number of people that share a plot in low income settlements of the Overstrand is calculated at 5.52.

The presence of multiple dwellings per plot is illustrated as a mechanism that manages overcrowding in dwelling units. Calculations show that should these structures be removed it will add enormous pressure on the occupancy rate of dwellings (the current 2.13 average per dwelling would increase to 6.41 people) and will cause serious overcrowding of main dwellings, many that consists of one room structures or one bedroom. This illustrate the current strategically pivotal role played by so called backyard dwellings in partially meeting the demand for shelter in the sampled areas.

Of the total number of households included in the survey, 41% lived in a one-roomed dwelling. As to be expected the vast majority (85%) of these types of dwellings are in backyards and informal areas with nearly 60% accommodating two and three generation households, suggesting that a significant percentage of children are sharing a room with their parents/one parent and partner. There is definite lack in housing options catering for multi-generational households. A further shortage was also found to exist in reasonably priced bachelor type accommodation specifically tailored for single person households.

## **Recommendations**

### *Housing Need*

- This report repeatedly referred to the impact of the current modest size of plots of subsidy housing options. It is recommended that future plots are increased to allow

for the extension of dwellings to counter current overcrowding and its concomitant negative social impact. Such initiative will significantly improve the human habitability of both the plot and house and will lead to a stronger of community pride.

- In planning for housing need, OLM has to consider both the impact of migration and fertility on population growth for the target population. In this way both short term (migration) and long term (fertility) population growth indicators will be accommodated ensuring a comprehensive planning strategy.

#### *Housing programme development and implementation*

- Investing in the upgrade of backyard structures should be considered as a cost and time effective approach that will result in the provision of decent housing to a large group of beneficiaries in a shorter time frame and possibly at a lower cost than what would be the case when following the traditional brick and mortar (green fields) model.
- Urgently give attention to the development of housing programmes that provide appropriate rental stock for both low-income and GAP market beneficiaries. Such programmes should be diversified catering for both single and family units. Currently this is virtually a non-functioning market segment for which a great need exists.
- The affordability of housing programmes focussing on the GAP market for home ownership should be revisited to align with existing variable income levels in the respective towns of prospective beneficiaries. This will ensure affordability and thus financial viability.
- It is recommended that proper and detailed investigation is conducted into current processes and systems associated with beneficiary selection and housing allocation in order to inform the re-design of such processes and structures. It is further important that care is taken that all satellite offices implement and manage this process in a consistent and transparent manner.
- Regarding the upgrade of informal settlements it is important to take cognisance of the general prevailing perception amongst inhabitants of these settlements pertaining to land ownership. It is recommended that the OLM is cognizant of this reality and amicable solutions are negotiated with the effected community in this regard. If ignored and not negotiated this could jeopardise upgrade initiatives and cause social instability.

## *Housing Policy*

- The formalisation of backyard structures as a housing opportunity. Such an initiative will be culturally sympathetic in that it will incorporate practices already embedded in how households within lower income groups organize and create housing opportunities. It will further ensure the management of the quality of such housing opportunities and will enhance the living conditions and thus quality of life of these households.
- Policy must allow local municipalities to employ local resources to address housing need, i.e. Caravan parks in the case of the OLM. In this way standards can be developed and set and thus quality of housing and living conditions can be managed. Care needs, however, to be taken to not over regulate such options to ensure affordability and accessibility.
- There is definite need to reconsider a policy providing subsidy housing to the lower income cohort (BNG subsidy house). The findings presented in this report strongly suggest that the current policy is setting economic and socially vulnerable households up for failure. Its real impact is shown in this report as counter intuitive to the philosophy advocated in the BNG policy and Human Development Strategy. A possible re-engineering of this policy could entail a stronger focus on rental stock for the lowest-income households where rent is determined on a scale based on household income. It is suggested that such a model will ensure greater sustainability for both the beneficiaries and the municipality who then subsequently create a stronger tax base and thus income revenue.
- Develop a policy pertaining to affordable rental stock as an alternative housing opportunity to the BNG subsidy house that will focus on that beneficiary cohort that cannot sustain home ownership successfully. Given the importance associated with home ownership as a basic human right it is recommended that a provision is included in such a policy for the transfer of ownership to a deserving and qualifying beneficiary. It would be important for such a policy to clearly define the criteria for such transfer.
- The development of a policy that sees the incorporation of the agricultural sector in future housing delivery is opportune. Such a policy should be a collaborative initiative between the agricultural sector and the local authority. This could become a replicable model to involve other local external stakeholders in the provision of affordable housing, e.g. marine harvesting and hospitality industries.
- Given the growing pressure on available land for housing (particularly pronounced in Kleinmond) the present policy/approach of protecting the fynbos in the OLM at all

cost should be revisited. It is important to face realities and manage it rather than to see unmanaged gradual expansion and occupation of ecological sensitive flora on urban edges

### **Economic sustainability**

- A final recommendation is the incorporation of skills training centres at Thusong community centres in all towns, in collaboration with LED offices, NGOs and private sector. Given the growing numbers of young individuals and the trend of low out-migration of this group such an initiative could be a valuable socio-economic development programme for the OLM area.



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# Chapter 1

## Introduction and Background to the Study

### 1. Project history

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Two reports were submitted by the service provider to the client: (1) a Socio-economic report (20 October 2015) based on 1996, 2001 and 2011 Census data<sup>1</sup> and, (2) a Socio-economic report (January 2016) based on a household survey conducted in purposefully selected areas within the Overberg municipal area<sup>2</sup>. Upon perusal of the products the professional team was requested by the client to re-work the reports into one integrated product that addresses more clearly the research objectives. Towards this end the service provider was requested to include a housing specialist in its professional resource team.

In March 2016 Soreaso was approached by Aurecon to join the professional resource team with the specific task to rewrite the report in a format acceptable to the client. After accepting the appointment, Soreaso embarked on a protracted review process that included carefully studying the Terms of Reference for the study, the design and methodology of the research, the research instruments used, the survey data generated, as well as the two narrative reports submitted to the client.

During this exercise it became apparent that the current reports could not simply just be re-written. At an early stage of its involvement the Soreaso team started to suspect that the gaps identified by the client in the submitted reports were not solely due to how data was

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<sup>1</sup> Aurecon. Overstrand Socio-economic Study. Milestone 2. Secondary Analysis. Reference: 110420. Prepared for: Western Cape Government. Revision: 03. 20 October 2015.

<sup>2</sup> Aurecon. Overstrand Socio-economic Study. Primary Data Analysis. Reference: 110420. Prepared for: Western Cape Government. Revision: 1. 15 January 2016.

organised, interpreted and presented. Some of the issues highlighted by the client seemed to have their origin in the methodology of the household survey (research design and implementation) rather than in the final integration, interpretation and presentation of the data.

Subsequently, the Soreaso team started with an evaluation of the household survey research process as it was defined and implemented by the professional service provider team. Upon submission and discussion of the findings of Soreaso,<sup>3</sup> the client resolved that in addition to the initial request (i.e. to rework the two above-mentioned reports into one integrated product that addresses more clearly the research objectives) that a household socio-economic survey and study be conducted to produce findings that may be used in place of the second report mentioned above.

The current report submitted in the present text is the result of this request by the client. This report is produced by Soreaso.

## **1.1 The purpose and objectives of the study**

In motivation of the newly designed survey and study, Soreaso submitted a project proposal during July 2016 for approval by the Project Steering Committee. In this document the rationale for the study as well as the purpose of the study have been stated and approved. In addition, the proposed research design and complete methodology was submitted and approved.<sup>4</sup>

The study is broadly motivated within the context of poverty alleviation in South Africa. Government policies approach poverty as involving three critical dimensions; (i) income, (ii) human capital (services and opportunities), and (iii) assets. The composite analysis of indicators measuring these three categories is viewed as important in providing a broad picture of the experience of poverty in terms of deprivation (referring to basic needs), vulnerability, powerlessness and the experience of social and economic marginalization and exclusion, all accompanying lived poverty. The provision of housing is focussed towards the alleviation of asset poverty (BNG policy document, 2004).

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<sup>3</sup> Evaluation Report. Overstrand Socio-economic study with a focus on human settlements. 20 May 2016. Submitted by Soreaso. This document was submitted to the Project Steering Committee as a document not for public distribution.

<sup>4</sup> Overstrand Municipality Housing Study. Research design and Methodology. 13 July 2016. Submitted by Soreaso. Filed by the Project Steering Committee.

The South African governance system consists of three spheres; national, provincial and local (municipality). The provision of housing is the obligation of local municipalities to plan and execute housing programmes in its area of jurisdiction in collaboration with National and Provincial Government. Towards this goal the municipality is constitutionally bound to include a housing chapter in its Integrated Development Plan (IDP), with the objective to address the human settlement plan for the municipality.

The IDP is a five year strategic development plan for a municipality and reviewed annually. To inform the annual review of the Housing Settlement Plan, a municipality needs access to valid and reliable statistical and textual data and information pertaining to housing backlogs and relevant socio-economic and demographic trends affecting the quality of community life. Data generally employed by municipalities to inform its Housing Settlement Plan include census data, waiting lists (housing demand) data and information on the number of dwelling units in the different informal settlements within its jurisdiction as well as the degree of overcrowding in human settlements. These information sources are, however, in many ways insufficient and not compiled in a manner that allow for the reliable and detailed analysis of the housing landscape.

As noted above, the Overstrand Local Municipality has engaged in a process to conduct a housing study that would address these data gaps affecting its Housing Settlement Plan, and appointed a service provider to this effect. The study is overseen by the OLM and the Western Cape Provincial Department of Human Settlements, and managed in its day-to-day implementation by a Project Steering Committee.

In more specific terms, the Overstrand Local Municipality has found it increasingly difficult to develop a comprehensive understanding of its housing demand and need due to a lack of reliable housing-demand related information on trends in backyard dwellings, households living in overcrowded conditions and informal human settlements. The housing study therefore has to quantify the housing need and demand in the municipality's area by means of an accurate socio-economic assessment, with a specific focus on human settlements.

Towards understanding the extent and nature of the housing need and demand within the Overstrand Local Municipality, five research objectives are defined:

6. To conduct a socio-economic assessment of the households within OLM's jurisdiction.
7. To understand households' perceptions on matters related to human settlements planning, policy and delivery.

8. To understand household opinions regarding human settlement development and quality of life.
9. To assess household demand for various types of housing as well as residents' ability to pay.
10. To better understand the affordable housing market within OLM.

These objectives serve as the mandate for Soreaso to proceed with the study.

## **2. Brief overview of research design, research methodology and the scope of work**

To address the defined research objectives in both a time and cost effective manner, this study had been structured within a mixed research design approach including both quantitative and qualitative research methodologies.

A quantitative approach was followed in the socio-economic and human settlement assessment (objectives 1, 4 and 5). The quantitative methodologies included (i) a household survey conducted in specifically defined geographical areas within the Overstrand Local Municipality, (ii) postal questionnaire distributed with municipal accounts to all municipal account holders in the Overstrand municipal area and made available on the municipal web site and (ii) the analysis of secondary data pertaining to the whole of the Overstrand Local Municipality. Qualitative methodologies, on the other hand, were applied in order to arrive at an enhanced and nuanced understanding of perceptions and matters pertaining to human settlement planning, development, policy, delivery and quality of life (objectives 2 and 3).

The data collected by means of both research methodologies together with a comprehensive literature overview had been integrated and interpreted towards addressing the key research objectives defined above.

The research population for the study was defined as all households within the Overstrand Local Municipality with a household income of less than R18 000 per month or R216 000 annually.

Although the research population included all qualifying households (in terms of household income) within the Overstrand Local Municipality, the research population for the socio-

economic survey was defined according to both household income (as defined above) and place of residence.

The socio-economic survey focused on purposefully selected areas where housing need was known to be more pertinent. The final geographic demarcation of areas included in the socio-economic survey had been decided upon in consultation with the client.

Relevant socio-economic information for households qualifying in terms of income for affordable housing assistance within the broader Overstrand Local Municipality had been sourced from secondary data sources such as census data, other relevant data sources provided by Statistics South Africa, municipal housing demand and delivery information as contained in relevant official planning documents and affordable housing market information. These were already summarised in the secondary sources report by Aurecon and the relevant sections and contents were included (or referred to) from this report.<sup>5</sup>

Against the background of the defined research objectives above, the following respondent groups were identified to serve as sources of information;

- Household heads or their partners, of households with a monthly income of R18 000 or less resident in selected areas within the Overstrand Local Municipality (face-to-face interviews part of socio-economic survey)
- Purposefully selected community members within defined geographical areas for socio-economic survey (focus group discussions)
- Self-selected individuals that are currently in need of affordable housing
- Key informants such as
  - Housing officials employed by the Overstrand Local Municipality
  - Estate agents
  - Community leaders
  - Property developers.

More detailed information is provided in chapter 3 below.

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<sup>5</sup> Aurecon. Overstrand Socio-economic Study. Milestone 2. Secondary Analysis. Reference: 110420. Prepared for: Western Cape Government. Revision: 03. 20 October 2015.



### **3. Outline of the report.**

The report commences with an executive summary that highlights and briefly discusses the salient findings emanating from the study within the context of the key research objectives. This is followed by a chapter that sketches the background that informed the research, the main research question that guided it and reference to relevant housing policies guidelines that provided the contextual framework. Chapter two explains the research approach and associated research methodologies employed to collect the data and textual information. Chapter three deals with a demographic analysis with strong an emphasis on the impact of migration on population landscape of the OLM. In chapter four the socio economic context of the sampled areas are described, including the composition of households , the economic and educational status of household members. Chapter five describes the housing realities and dynamics of low income communities surveyed that includes the spatial organization on plots, different housing types and alternative housing options like backyard dwellings. In chapter six the viability and importance of alternative housing options are discussed, specifically GAP housing and caravan parks and resorts while in chapter seven issues pertaining to respondents' quality of life are presented. Chapter eight deals with the needs of the agricultural sector regarding the provision of low cost housing in the OLM. Chapter nine situates the main findings and their implications within relation to the defined research objectives. The final chapter offers a set of recommendations based on the findings of this research. These recommendations relate inter alia to housing policy, programmes and the implementation of programmes

### **4. Secondary data and analyses**

As this chapter is based on secondary data and analyses intended specifically to inform the socio-economic study, and already documented in the relevant Aurecon report<sup>6</sup>, relevant sections from the latter were integrated into the present consolidated report.

The themes covered in this chapter relate to the national housing policy framework particularly as from 1994, policies and guidelines concerning housing issues in the Overstrand Local Municipality, the demand for housing in the OLM, Overstrand's housing

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<sup>6</sup> Aurecon. Overstrand Socio-economic Study. Milestone 2. Secondary Analysis. Reference: 110420. Prepared for: Western Cape Government. Revision: 03. 20 October 2015.

strategy, salient features to be measured in the socio-economic study, and the conceptualisation of the housing market system.

## 1. The Right to Access to adequate housing

Section 26(1) of the Constitution of the Republic of South Africa 1996 contains the basic right that “everyone has the right to have **access** to adequate housing.” Next, section 26(2) contains the obligation on the state that it “**must** take reasonable legislative and other measures, **within its available resources**, to achieve the **progressive realisation** of this right.” Lastly, section 26(3) contains the guarantee that “no one may be evicted from their home, or have their home demolished, without an order of court made after considering all the relevant circumstances and that no legislation may permit arbitrary evictions.”

In *Government of the Republic of South Africa v Grootboom*<sup>7</sup> the Constitutional Court found that the obligation on the state towards the realisation of the right to housing is qualified, in that the measures to be taken by the state must be within the resources available to the state and must also be progressive in the realisation of the rights. The qualification does not mean that the state must detract from its constitutional obligation, but that it should provide a basis for a determination of whether the reasons the state may provide as the non-fulfilment of the rights are rational and justifiable. The Court in *Grootboom* held that in this case, there was indeed a violation of the right of access to adequate housing, holding that section 26 obliges the state not only to devise and implement a coherent, co-ordinated housing program, but to provide such program for those in most desperate need. The Court found that the existing housing policy and programs (at the time) did not make specific provision for those in extreme distress, such as the claimants. It therefore concluded that the government had failed in its obligation to take constitutionally required, reasonable measures to progressively realize the right to housing.

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<sup>7</sup> Government of the Republic of South Africa and Others v Grootboom and Others, 2000 (11) BCLR 1169.

## **5. The housing policy framework**

### **The Reconstruction and Development Programme period**

The Reconstruction and Development Programme (RDP) was adopted in 1994. It was the first document to endorse the principle that all South Africans have the right to housing. Initially (March 1994) the subsidy amount comprised R5 000 – R12 500 as a once off grant provided in the form of a housing unit on an ownership basis. The three different subsidy bands were

- (i) R12 500 (for households earning R0 – R1 500),
- (ii) R9 500 (for households earning R1 501 – R2 500), and
- (iii) R5 000 (for households earning R2 501 – R3 500)

(Shisaka, 2011)

The subsidy amounts and bands changed over time.

In April 1999, for the first time, a size specification of 30m<sup>2</sup> was introduced, with the exception of sandy soil and excessive slopes (27m<sup>2</sup>) and medium dolomite (24m<sup>2</sup>) (Shisaka, 2011).

Section 4 of the Housing Act 107 of 1997 (Department: Human Settlements, 2009) requires the Minister of Housing to publish a Code to be implemented by provincial governments and municipalities, to describe a housing policy and include guidelines for the implementation of the policy.

According to Section 12 of the Housing Act 107 of 1997 (Department: Human Settlements, 2009) the Minister of Housing should negotiate the apportionment of the annual budget for housing purposes and allocate funding received from treasury to the provinces. The funds may only be administered in terms of the approved National Housing Programme, as contained in the Code.

## **National Housing Code**

The National Housing Code was first published on 21 October 2000 in line with Section 4 of the Housing Act 107 of 1997. It set out the national housing policy of South Africa, together with procedural guidelines for its effective implementation through the inclusion of the National Housing Programmes. The Code's vision for housing in South Africa echoes the definition of "housing development" as outlined in the Housing Act. According to the 2000 Code, the government's housing goal is subject to fiscal affordability and is to increase housing delivery on a sustainable basis to a peak level of 350 000 units per annum until the housing backlog is overcome (SERI, 2011).

The revised National Housing Code was adopted and published in February 2009 (National Housing Code, 2009). It describes the underlying policy principles, guidelines, norms and standards which apply to government's newly introduced and updated housing assistance programmes.

The three core programmes of the Revised National Housing Code of February 2009 are the following:

- The Integrated Residential Development Programme (IRDP), which provides for phased area-wide planning and development of integrated housing projects. It provides for both subsidised as well as finance-linked housing;
- The Upgrading of Informal Settlement Programme (UISP), which mainly finances the creation of serviced stands. Beneficiaries must apply for housing assistance through other housing programmes; and
- The Social / Rental Housing Programme.

Other programmes include aspects such as individual subsidies, rural housing, emergency housing and rectification of stock built before 1994.

The following applications of the core programmes of the National Housing Code are considered by the Overstrand Municipality for future housing delivery: the Breaking New Ground (BNG) programme, the Commercial Residential Units programme (CRU), and the Finance-linked individual subsidy programme (FLISP).

### **Breaking New Ground (BNG)**

From government side, the Breaking New Ground (BNG) initiative (Department: Human Settlements, 2004) was launched in September 2004 with the intention to shift the focus of the housing policy from delivering a vast number of houses towards creating sustainable human settlements. The specific objectives (Juta, Moeti and Matsiliza, 2014) were to:

- accelerate the delivery of housing as a key strategy for poverty alleviation;
- utilise provision of housing as a major job creations strategy;
- ensuring poverty can be accessed by all as an asset for wealth creation and empowerment;
- leveraging growth in the economy;
- combating crime, promoting social cohesion and improving quality of life for the poor; and
- supporting the functioning of the entire single residential property in order to reduce duality within the sector and utilise housing as an instrument for the development of sustainable human settlements in support of spatial restructuring.

Subsidised (RDP) houses were built pre-September 1994, followed by houses built according to the BNG policy since 1994 for families on waiting lists who receive a monthly income of R0 – R3 500. Beneficiaries on the waiting list had to meet the requirements prescribed by the National Housing Code. The structure comprised at least a 40m<sup>2</sup> house with two bedrooms, a toilet with a washbasin, a kitchen with a washbasin; a wooden front door, roof tiles and fascia boards, a property size of 250m<sup>2</sup>, paved roads and an underground electrical connection (Shisaka, 2011). These projects were municipality (not developer) driven.

The BNG policy recognised that the existing housing programme did not secure the upgrading of informal settlements as specified by the National Housing Code. Initially, the policy was to eradicate informal settlements, but after introducing the BNG in 2004, the policy also introduced the upgrading of informal settlements.

### **Commercial Residential Units (CRU)**

In November 2006 the Commercial Residential Unit Policy Framework and Programme Guidelines were incorporated into the revised National Housing Code. The Community Residential Units (CRU) Programme intends to provide rental accommodation to very low income households who were underserved. The programme targets persons and households earning between R 800 and R3 500 per month who are not able to enter the formal private rental and social housing market. (SERI, 2011).

The Programme intends to redevelop or develop:

- public hostels and housing stock owned by provincial departments and municipalities;
- 'grey' hostels that have both a public and private ownership component due to historical reasons;

- existing dysfunctional, abandoned or distressed buildings in inner cities or township areas that have been taken over by a municipality; and
- new public rental housing assets.

(SERI, 2011)

In particular, the target market for the CRU programme is existing residents of public housing stock (both subsidy and nonsubsidised qualifiers), displaced persons from informal settlement upgrading or evictions, new applicants who are on the provincial or municipal waiting list, and qualifying indigent groups who are able to pay some form of rental and service/utilities. According to the CRU, rent setting needs to be done in such a manner to ensure that operating costs are covered but also ensuring affordability for the target market.

Government provides grant funding for the redevelopment of these hostels and housing stock to establish low cost rental opportunities for families and single persons. The grants are for municipalities and or Provincial governments who own the units (Department: Human Settlements, 2012).

### **Finance-linked individual subsidy programme (FLISP)**

During October 2005, the Finance-linked individual subsidy programme (FLISP) was implemented (Shisaka, 2011). The FLISP programme was developed to coincide with finance being made available by lenders in terms of the financial sector charter, and extends subsidy eligibility to first time homeowners earning R3 500 – R7 000 per month. On 1 April 2012, FLISP was amended to include beneficiaries earning up to R15 000 per month.

Under the revised programme, qualifying households may use FLISP to

- buy an existing, new or old, residential property;
- buy a vacant serviced, residential stand, linked to a National Home Builders Registration Council (NHBC) registered homebuilder contract (NHBC, 2015); or
- build a residential property on a self-owned serviced residential stand, through an NHBC registered homebuilder (FLISP Brochure, 2015).

The subsidy attaches to the beneficiary and not to the property. The subsidy will be used to decrease the mortgage bond and is only applicable to persons who have never been assisted by the state. It will be disbursed as a once-off subsidy (Department: Human Settlements, 2012).

The once-off FLISP subsidy amount ranges between R10 000 and R87 000, depending on the applicant's monthly income (FLISP Brochure, 2015).

More information of the FLISP programme is in the brochure (FLISP Brochure, 2015).

### **GAP housing**

GAP housing is a term that describes the shortfall, or “gap” in the market between residential units supplied by the State and houses delivered by the private sector (SA Government, 2015).

The GAP housing market comprises people who typically earn between R3 500 and R15 000 per month, which is too little to enable them to participate in the private property market, yet too much to qualify for state assistance. GAP housing is another element of the State’s Vision 2030 Strategy.

GAP housing is a policy that addresses the housing aspirations of people such as nurses, fire fighters, educators and members of the armed forces, who earned between R3 000 and R15 000 per month and, therefore, did not qualify for RDP houses and did not earn enough to obtain home loans. It must be noted however, that this programme also considers those households that have a monthly income of up to R25 000, over and above the R3 00-R15 000 income bracket. The reason for this the financial sectors’ willingness to provide 100% bonds for this income group.

Nationally, these houses were financially assisted through FLISP, which gives all qualifying beneficiaries the certainty of being granted loans, bonds or mortgages by banks and other financial institutions (SA Government, 2015).

Households in the middle to high income groups could apply for housing bonds.

### **Social Housing**

Social Housing is subsidised rental accommodation which is driven by Social Housing Institutions (SHIs), the Social Housing Regulatory Authority (SHRA), and Provincial Human Settlement Departments in conjunction with Local Municipalities. SHIs are entities formed to own the property, undertake the development of social housing projects, facilitate and manage the properties, collect rentals and repay any loans secured to develop the units. The beneficiaries or potential tenants are low- and middle-income households earning from R1 500 and up to R 7 500 per month (National Housing Finance Corporation, 2015). Beneficiaries are households earning from R 0 to R 7 500 per month.

### **Summative comments**

As specified in the Terms of Reference (Western Cape Government, 2014), it is important to view the housing funding intervention programmes in terms of the guidelines in line with the

National Housing programme. Table 1 is a summary of the relevant intervention programmes, as interpreted in this document.

**Table 1: Summary of housing programmes part of the Integrated Residential Development Programme<sup>8</sup>**

Sector	Housing programme	Description
Government/Private financial institution	Individual Housing Subsidy Programme	This programme targets low income households (monthly household income of R0 – R3 500) who wish to buy a residential property for the first time. The subsidy can be used to buy an existing house. Successful applicants will receive this subsidy only once. It is not a cash pay-out, but is paid directly to a financial institution or seller.
	Finance Linked Individual Subsidy Programme (FLISP)	<p>This programme provides for people who do not qualify for the BNG programme or a meaningful loan by assisting qualifying households with the contribution of a once-off down payment to those households who have secured mortgage finance to acquire a residential property for the first time. Households with a monthly income of R3 501 – R15 00 qualify for this programme.</p> <p>FLISP assists qualifying beneficiaries who wish to obtain mortgage finance from a lender to:</p> <ul style="list-style-type: none"> <li>• Acquire ownership of an existing residential property.</li> <li>• Obtain vacant serviced residential stands which are linked to house-building contracts with home builders registered with the National Home Builders Registration Council (NHBRC) or</li> <li>• Build a new house with the assistance of a homebuilder registered with the National Home Builders Registration Council (NHBRC), on a serviced residential stand, that is already owned by the beneficiary.</li> </ul>
Government sector (housing programmes provided via municipalities)	Integrated Residential Development Programme (IRDP)	Provides for the acquisition of land, servicing of stands for a variety of land uses including commercial, recreational, schools and clinics. It also provides for residential stands for low, middle and high income groups. The land use and income group mix will be based on local planning and needs assessment.
	Upgrade of Informal	Seeks to upgrade the living conditions of millions of poor people by

<sup>8</sup> <https://www.westerncape.gov.za/service/other-housing-subsidy-programmes>;  
<https://www.westerncape.gov.za/service/finance-linked-individual-subsidy-programme-flisp>;  
<https://www.westerncape.gov.za/general-publication/individual-housing-subsidy-programme>



	Settlements Programme (UISP)	providing secure tenure and access to basic services and housing
	Community Residential Units (CRU)	Facilitates the provision of secure, stable, rental, tenure for low income housing households (monthly income of between R0-R3 500). The Programme provides a coherent framework for dealing with many different forms of existing public sector residential accommodation.
	Institutional Programme	Provides capital grants to social housing institutions which construct and manage affordable rental units. The Programme also provides for the sale of units by the social housing institution after at least four years has lapsed.
	Consolidation Subsidy Programme	Seeks to assist households who have received serviced sites in terms of the state housing scheme instituted pre-1994. It provides for the completion of houses on the serviced sites.
	Breaking New Ground (BNG)	The provision of housing units for low income households that show a total monthly income between R0-R3 500. .

## 6. Policies and guidelines concerning housing issues in the Overstrand Local Municipality

Overstrand Municipality is a local municipality located within the Overberg District Municipality, in the Western Cape Province. The Municipality covers a land area of approximately 125km<sup>2</sup>, with a population of 80 432 people (Western Cape Government, 2014).

Relevant policies and guidelines for strategic development, as described in the Overstrand Municipal Wide Spatial Development Framework (Volume II: Development Strategy) (Overstrand Municipality, 2006) and the Overstrand Growth Management Strategy (in the Integrated Development Plan (IDP) Review for 2015/2016) (Overstrand Municipality, 2015), are summarised.

The Overstrand Municipal Wide Spatial Development Framework (Volume II: Development strategy) (Overstrand Municipality, 2006) identified in the section “Land use policies and guidelines” that one of the key spatial policy concerns is the lack of spatially defined urban extension areas, given the existing subsidised housing backlogs and projected population growth of the area. With regards to the housing policy, it was noted that projected population growth in the Overstrand will increase, and exert pressure on the demand for housing. The

needs of the poor, youth, singles and the elderly were mentioned specifically. Of the key spatial concerns were the (then) backlog for the provision of subsidised housing and the area's high population growth rate.

Policies were formulated (Overstrand Municipality, 2006) to address these concerns, and listed below as policy numbers P19.1 to P19.4:

- addressing the current housing backlog, particularly the subsidised housing category (P19.1);
- a balanced and co-ordinated approach should be followed across the municipality to address the housing need in the subsidised housing category (P19.2);
- residential areas should be pro-actively identified within the urban edge for all income groups (P19.3); and
- promote and attract residents with high skills levels through planning of middle and higher income residential developments (P19.4).

The following guidelines of importance for this study are listed in Table 2 (Overstrand Municipality, 2006):

**Table 2: Guidelines listed by Overstrand Local Municipality as part of the development strategy developed during 2006**

Issue	Guidelines
Housing backlog (subsidised housing)	<ul style="list-style-type: none"> <li>• Address the current housing backlog through Government subsidy schemes</li> <li>• Compile a housing plan to accommodate the current backlog in 5 years</li> <li>• Pro-actively identify land through a land audit linked to a land release programme</li> <li>• Continual monitoring of the waiting lists and yearly updates of census data</li> </ul>
Migration	<p>To manage the impact of in-migration, it is proposed that the land release / subsidy provision programme should be balanced with the growth rate to ensure that in-migration is not supply side driven</p> <p>Regular socio-economic data should be compiled of informal households to:</p> <ul style="list-style-type: none"> <li>• determine the reasons for migration</li> </ul>

	<ul style="list-style-type: none"> <li>• ensure regular monitoring</li> <li>• to support pro-active planning</li> </ul>
Middle and high income housing	<p>While the majority of the housing backlog is in the low income category, middle and high income housing areas should also be made available as part of an integrated strategy to:</p> <ul style="list-style-type: none"> <li>• attract people with higher skills levels</li> <li>• increase the rates base</li> <li>• promote local economic development</li> <li>• ensure a variety of housing types, including group housing, semi-detached, row houses, walk-up apartments, flats and mixed-used areas.</li> </ul>
Summary	<p>These guidelines can be summarised as follows:</p> <ul style="list-style-type: none"> <li>- addressing the backlog in subsidised housing;</li> <li>- investigating migration in the region; and</li> <li>- considering middle and high income housing challenges.</li> </ul>

Source: Overstrand Municipality, 2006

During a series of workshops which included officials from the municipality and the Provincial Government regarding a Human Settlement Plan for the Overstrand Municipal area, a number of issues was identified (Overstrand Municipality, 2015):

- the current housing delivery model cannot address current and future needs for housing as the growing demand continues to exceed supply;
- much of the demand consists of families living in informal structures and backyards;
- the current municipal DoRA (Division of Revenue Act 2004 (Act no. 5 of 2004) allocation does not allow the municipality to catch-up with the backlog. It should be increased if CRU-units are to be built;
- the necessary support services do not accompany housing developments;
- the National Housing Code (2009) does not make provision for higher density developments where properties are owned by beneficiaries;
- spatial planning problems arise as a result of the tight urban edge;
- a huge number of backyard dwellers who are currently renting from main beneficiaries;
- ownership is a problem, especially with transferring title deeds to beneficiaries;
- beneficiaries need education about ownership responsibilities; and
- the housing project put an operational burden on the municipality and normal tax base.

More importantly, the municipality identified in the IDP Review 2015/2016 that there are many families with a household income that exceeds the upper limit for subsidised housing,

but do not meet the minimum requirement to access mortgage finance (Overstrand Municipality, 2015: 46). These households fall in the R3 500 to R15 000 per month income category. Provision needs to be made for an income category for households earning less than R3 500 per month, as well as for categories above R3 500 per month.

More challenges to developing suitable human settlements were the availability of land, especially in the Zwelihle / Mount Pleasant areas, and the high cost of sustainable development.

Comments made by Aurecon on the above-mentioned observations are:

It is clear that the current housing delivery model needs to be addressed, with specific reference to

- (1) the backlog in the provision of housing, families living in informal settlements and
- (2) the growing number of backyard dwellers.

A requirement exists to assess the application of the subsidy scheme to assist households earning less than R3 500 and households earning a monthly income of between R3 500 and R15 000, as described by the National Housing Funding Intervention Programmes.

## **7. Housing demand according to waiting list and demand database**

The Integrated Residential Development Programme (IRDP) (Department: Human Settlements, 2009) was introduced to facilitate the development of integrated human settlements in well-located areas to provide convenient access to urban amenities. Waiting lists are used to record the need for housing among residents according to the following guidelines/criteria (Department: Human Settlements, 2009)

- the applicant should be a South African citizen;
- must be legally competent to contract, i.e. over 18 years of age or legally married or legally divorced or declared competent by a court of law and sound of mind);
- neither the applicant nor his or her spouse has previously benefited from government housing assistance;
- have not owned fixed residential property; and

- have previously owned fixed residential property but such a person may only qualify for the purchase of a vacant serviced site.

In addition, the following criteria, based on the National Housing Code (2009), are used to prioritise applicants:

- persons must be married or habitually cohabit;
- single persons must have financial dependants;
- single-aged persons, disabled persons and military veterans with and without financial dependants may be assisted. Aged persons referred to, must comply with the criteria on the aged as defined by the Department of Social Development;
- the household must earn a monthly income in the range as annually approved; and
- persons who have benefited from the Land Restitution Programme and who satisfy all other relevant criteria may also be assisted.

The Housing Demand Database of the Western Cape Department: Human Settlements (Western Cape Government, 2015b) collates the housing demand data of all the non-metro municipalities. Their figures represent the “registered demand”, and therefore list people who put their names down on the municipal housing lists. It does not reflect the total demand in the municipality, only the “registered housing demand”.

In a circular to all municipal managers in the Western Cape, Circular no: C10 of 2015 (Western Cape Government, 2015a), the prioritisation of households in desperate need is emphasised. These households are those affected by permanent disability, households with aged people and households with farm residents.

It is suggested that municipalities should prioritise subsidies in Greenfields projects (where new construction occurs on a piece of previously undeveloped land) for households with heads that are 40 years or older. This decision was reviewed in a subsequent circular on 19 August 2016 changing the qualifying age to 35.

If the housing demand database no longer contains households with at least one non-dependent adult being 35 years or older within the prescribed catchment areas, the municipality should select entries from successive younger cohorts registered on the demands database in five year increments.

According to the IDP Review (Overstrand Municipality, 2015), the housing demand is viewed as the sum of people living in informal settlements, together with the number of backyard dwellers. People living in overcrowded conditions should also be added to this list. Table 3 lists the total units per informal area (as updated December 2015), which represents the demand that originates from people living in informal settlements (Overstrand Municipality,

2016), as well as the number of households on the housing waiting list as on December 2015 according to the IDP document (Overstrand Municipality, 2016). The number of households in informal settlements and the number of informal dwellings (Census 2011) are also listed. Lastly, the total registered housing demand (Western Cape government, 2015) is also given as 6075 units.

**Table 3: Total number of informal units in the Overstrand, and the number of households on the waiting list (December 2015)**

Area	A: Number of informal units (IDP 2016 <sup>1</sup> )	B: Informal settlement Number of households (Census 2011 <sup>2</sup> )	C: Informal dwelling Number of households (Census 2011 <sup>2</sup> )	D: Waiting list (IDP 2016 <sup>1</sup> )	E: WC Housing Demand Database <sup>3</sup>
Stanford (Die Kop)	110		159	478	
Gansbaai (Masakhane)	1 204			1500	
Gansbaai (Beverly Hills)	94				
Gansbaai (Eloxolweni) <sup>4</sup>	27		96		
Franskraalstrand			2		
<b>Gansbaai (Total)</b>	<b>1 435</b>	<b>1 129</b>	<b>1 267</b>	<b>1 978</b>	
Kleinmond (Overhills)	379	479	773	46	
Betty's Bay			2	404	
<b>Kleinmond (Total)</b>	<b>337</b>	<b>479</b>	<b>775</b>	<b>450</b>	
Zwelihle (Tsepe-Tsepe)	221				
Zwelihle (Serviced sites)	79				
Zwelihle (Thambo Square)	398				
Zwelihle (Asazani)	72				
Zwelihle (Mandela Square)	199				
Zwelihle (New Camp)	55				
Zwelihle (Transit Camp)	315				
<b>Zwelihle (Total)</b>	<b>1 339</b>	<b>249</b>	<b>2 234</b>	<b>2780</b>	
Hawston			147	560	
Onrus River			17		
Hermanus				19	

Sandbaai			2		
Mt Pleasant			31	615	
Overstrand NU			19		
<b>Hermaus (Total)</b>			<b>216</b>	<b>1193</b>	
<b>GREAT TOTAL</b>	<b>3 111</b>	<b>1 857</b>	<b>4 492</b>	<b>6 401</b>	<b>6 075</b>

1. Source: IDP Review (Overstrand Municipality, 2016)
2. Census 2011 data, Dwellings, Small Areas
3. Western Cape Government (2015b) (as of 2 April 2015)

Notes and comments made by Aurecon in this regard, include:

It is important to distinguish between households in informal settlements and households living in informal dwellings. For the purpose of comparison, households living in informal dwellings will be used.

A difference exists between the number of informal units (dwellings) as stated in the IDP Report (Overstrand Municipality, 2015) and the National Census 2011 database (3 148 units vs 4 746 households) respectively.

When considering the most recent data (columns A and D), the number of identified households living in informal dwellings during December 2015 is less than half of the number of households on the waiting list of 2015, as described in the IDP 2015 report.

When looking at the waiting list (Table 24), 50% of applicants indicated that they live in a “shack”, 8% indicated that they live in a “wendy house” and 0.5% in a “wood and iron” structure. It can be assumed that these are informal units. If the percentage of informal units (58.5%) is applied to the waiting list (column D), the number of informal units increase to 4 027.

The remainder of the applicants on the waiting list (Table 24) live in backyard rooms (9%), caravans (2%), converted garages, store rooms and room extensions (1%), homeless (0.4%), hostel rooms (1%) and sharing with the owner (24%). Approximately 4.5% did not supply the type of dwelling on the waiting list

There might also be a possibility that households in informal settlements are not recorded on the waiting list.

Households living in overcrowding conditions have also not been considered.

## 8. Housing Strategy of Overstrand Municipality

The main vision of the Overstrand Housing Strategy as described in the IDP Review (Overstrand Municipality, 2015) is not only to address the current housing backlog, but to develop a plan for future integrated communities to sustain the growing need for houses. In order to achieve this strategy, the three main goals are to accelerate housing opportunities, establish a sense of ownership, rights and responsibilities amongst beneficiaries and lastly, to use resources in an optimal and sustainable way.

Various actions to address the housing need in disadvantaged communities have resulted in the following outcomes:

Period	Project	Number of dwellings approved	Number of units completed/ in progress
1996-2004	Overstrand area		4560
2006-2008	Hawston		182
2009	Stanford	389	88
2010-2011	Kleinmond	611	410
2011	Betty's Bay		13
2011	Eluxolweni		211
2014	Pearly Beach		183 & 28 Wet Core
2014-2015	Gansbaai	155 (GAP housing)	In process
2015/2016	Zwelihle	164 serviced sites on which units to be used as Temporary Relocation Area has been developed	
2016	Mount Pleasant	22 serviced sites for GAP housing	172 houses
2016	Hermanus (Swartdam Road Project)	179 houses & 150 serviced sites to be developed for GAP housing	
2016/2017	Zwelihle		838

According to the IDP Report of the Overstrand Municipality there is still a current backlog of approximately 6 500, a figure of 4 900 estimated backyard dwellers (households) and an unknown number of squatters not included on the list (Overstrand Municipality, 2015).



Aurecon comments:

The number of 4 900 estimated backyard dwellers highlights the seriousness of the housing backlog and presents a formidable challenge that necessitates a need to investigate people living in informal settlements, but also to identify backyard dwellers and account for them.

Programmes to be implemented include the introduction of the Institutional Housing Subsidy to provide capital grants to social housing institutions which construct and manage affordable rental units. Since 2010, the municipality accepted the Social Housing Programme as part of the Housing Strategy (Overstrand Municipality, 2015). Target groups that are assessed in the analysis of available data cover the following (in order):

- Firstly, those people who earn between R1 500 and R3 500 and prefer a rental option;
- Secondly, those people who earn between R3 501 and R7 500 who do not qualify for a housing subsidy but also cannot afford a housing loan in order to acquire a GAP house; and
- Thirdly, the provision of GAP housing for income earners above R3 501 to R15 000, who still cannot access a normal housing loan. This group will be promoted by the Municipality by including this provision as part of the IRDP.<sup>9</sup>

Population growth caused by in-migration should be investigated, as this results in a backlog for the provision of housing, especially subsidised housing. Although it is possible to identify the number of informal units, the growing number of people living in backyards should also be investigated as stated previously.

The application of the subsidy scheme for households earning less than R3 500 and households earning a monthly income between R3500 and R7 500 needs to be investigated.

## **9. Salient features to be considered in the socio-economic study**

Based on the information provided on the policies and issues regarding the housing situation in Overstrand Local Municipality some salient features arose that offered themselves as candidates for further and closer study.

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<sup>9</sup> This comment is not supported by the municipality who supports the option that this group should rather be promoted by the Municipality by providing bridging finance where available.

### **Socio-economic profile questions**

- Demographic profile and the notable change over time
- Income and employment status
- Distribution of households by housing type (backyards, informal dwellings, etc)
- Housing needs and demand
- Geographical/spatial distribution by housing types
- Access to services
- Distribution of “Non-qualifiers” or households that do not qualify for a housing subsidy for a range of reasons – e.g. income, nationality, etc.).

### **Questions on public opinion and awareness with regards to housing**

- Existing housing options and/or policies
- Demand for rental housing
- Demand for GAP housing
- Understanding of the requirements for accessing housing options (e.g. GAP housing/FLISP)
- Acceptability of ‘new’ housing options (e.g. enhanced serviced sites)
- Housing preferences
- Willingness and ability to make a contribution towards housing in future and what kind of contribution
- The role of communities in planning of housing.

### **Question regarding housing market analysis (focus on affordable housing)**

- What is the demand and supply of housing in the Overstrand Local Municipality
- How well is the housing market functioning and what is the role of government in the housing market?

## **10. Conceptualising the Housing Market System**

Some key concepts were used loosely in the overviews above. The specific meaning of ‘housing demand’ and ‘housing need’ seems to be overlapping and a matter of semantics. When the term/phrase ‘housing needs’ is used, the meaning structure changes. A further question arises, what is the meaning of ‘housing market’ within the present discourse? What is the significance of terminology such as ‘market’ when the policy framework is clearly intervening in a free market assumption in this respect? The policy orientation is anti-poor

and interventionist in providing financial empowerment among people without monetary muscle. Terminology such as 'affordable housing', 'government assisted housing', and 'human settlements' bear a meaning of working against the 'free market' system and is for stabilising 'market trends'. Such questions and comments raise the need for clarity especially in view of a research objective, namely 'to better understand the affordable housing market within OLM', which is part of the scope of work specified for this assignment.

This chapter is concluded by an attempt to conceptualise a definition, both theoretical and operational, of 'affordable housing market'. We therefore propose a model for housing market analysis within this bracket of housing supply. It is an attempt to define and operationalise the Housing Market System and its main constituent elements. As the main source, we quote from *Western Cape Government – Human Settlements. Municipal Human Settlement Demand Profile – Overstrand Local Municipality. 2015*. The model is however a product of Soreaso.

The model is depicted as a triangle that contains more internal triangles that configures the relationships among needs, demand and supply as constituting the housing market. Various notes follow the figure to provide further description.



**Figure 1: Model for housing market system analysis (Source: Soreaso)**

## 1. Housing demand

- a) Housing demand is defined in terms of the 'registered demand', meaning those people that have put their names down on the municipal housing lists. It does not reflect the total demand in the municipality, which would comprise other households not registered on the database.
- b) The 'housing list' refers to present accommodation, such as
  - i. Caravan, Vehicle, Cart
  - ii. Main house, flat or hostel with the owner/tenant – formal
  - iii. Outside room – formal
  - iv. Wendy houses
  - v. Wood and iron structure.
- c) The 'housing list' includes choice of assistance, such as a free standing house.
- d) The 'housing list' indicates the choice of tenure, such as own house.
- e) The housing demand distinguishes between 'adequate housing' and 'inadequate institutions':
  - i. Adequate housing – all dwelling types (as listed in Census 2011) excluding informal dwellings and informal backyard shacks. Included are traditional dwellings (only rural areas) and formal backyard structures.
  - ii. Inadequate housing – informal dwellings, informal backyard shacks and overcrowding (needs to be calculated, also in formal dwellings).
  - iii. Dwelling types – cluster/townhouse/semi-detached house (in or outside a cluster), house/flat/room on other property (includes house/flat/room in backyard), and room/flatlet on a property or larger dwelling/servants quarters/granny flat, and Other including caravan/tent or other.
- f) Informal dwelling – According to Census 2011: "Informal dwelling (shack; not in backyard; e.g. in an informal/squatter settlement or on a farm)", defined in the Census metadata as "Makeshift structure not approved by a local authority and not intended as a permanent dwelling. Typically built with found materials (corrugated iron, cardboard, plastic, etc.). Contrasted with formal dwelling and traditional dwelling."

- g) Informal backyard shack - Census 2011 dwelling type: "Informal dwelling (shack; in backyard)".
- h) Informal settlement - All households (in any dwelling type) in Census 2011 settlement category: "Informal residential area".
- i) Overcrowding - A calculated figure based on an assumption of more than two people per room (as measured in the 2011 Census) resulting in overcrowding, and requiring an additional room for every two people. The number of overcrowded households is calculated using the assumption of one household and two rooms in every new dwelling.
- j) Housing demand is influenced by wider societal factors including
  - i. Economic growth
  - ii. Job creation
  - iii. Rates of unemployment / employment
  - iv. Household and individual financial security/assistance/support by Government through the social security system.
  - v. Population growth (in terms of individuals and households)
  - vi. In population growth, demand differs according to natural population growth and migration.

## **2. Housing supply**

- a) The housing supply depends on government policies, employers' policies, and personal investment.
- b) National, international and regional private sector investments as well as government allocations determine property (housing) developments and supply of dwelling facilities.
- c) Some employers have active housing supply / provision policies for employees.
- d) Personal funds through own employment, reserves, and loans, would ensure affordability of certain housing options.
- e) Policies of financial institutions on housing loans (bonds) determine the ability of certain income categories to provide for their own housing supply.

- f) Low or no income residents may use the option of informally occupying land and erect informal dwellings in informal settlements or backyards in other areas.
- g) Government policies regarding human settlements and housing provide in affordable housing supply targeting low or no income residents.
- h) Non-South African residents do not qualify for Government-assisted housing.

### **3. Housing needs**

- a) In contrast to housing demand (a structural condition in the housing market system) housing needs are defined as subjective, individualistic and personalised needs and preferences regarding the need for shelter by human beings.
- b) Human beings may have the inclination to supply their own dwelling structure for personal use, or to alter provided dwelling structures according to their own preferences, wants and needs.
- c) Housing needs link with household, family and personal predispositions and include aspects such as
  - i. Aesthetics
  - ii. Functionality
  - iii. Spatial utility
  - iv. Household and family social relationships and arrangements
  - v. Social status
  - vi. Quality of life
  - vii. And other personalised aspects.

### **4. Housing market**

- a) The housing market can be defined as the system of interrelated factors pertaining to demand, supply and needs as listed above.
- b) Data regarding these three constituent elements of the market system can be obtained through

- i. Secondary resources and data bases such as census data on population, services provided/ available, income levels, employment levels, etc.
  - ii. Secondary data, that may be re-categorised to determine overcrowding levels, supply levels of dwelling units, types of human settlements, etc.
  - iii. Primary data, obtained through social surveys, to inform about individual and household needs (including preferences, satisfaction levels, etc.), specifics on migration patterns, and additional data on income, employment, living and occupation patterns, etc.
  - iv. Qualitative primary data obtained through in-depth interviews, focus group interviews, and systematic observation to inform about and confirm/disprove perceptions regarding human settlement patterns.
- c) Theoretical research is needed to show the interactions and dynamics of the housing market within a specific district, town or area. Assumptions need to be clearly declared when analyses and constructs are conducted.
- d) Market analysis is often reduced to financial analyses. It needs to be broadened to include the myriad of factors listed above but should definitely have a reference to the financial aspects. This analysis should have regard to two levels
  - i. Personal finances of the resident population – both those currently residing in the area and those would be potential residents (e.g. in-migrants).
  - ii. Investment capital available by housing and infrastructure developers.
- e) Government policies on human settlement and capital earmarked and available for development.
- f) Private sector policies on providing personal loans to home owners.

## **5. Some housing market principles**

- a) Housing market dynamics will be vastly different for poor people (measured according to financial ability) and middle to high income people.
- b) The markets for the above-mentioned groups vary according to a free market and a collectivised market system.

- i. Free markets operate according to demand and supply of commodities (e.g. housing) and personal financial ability.
- ii. Collectivised markets are markets that are regulated, managed and controlled by government authorities according to an assumption of the needs of individuals, families and households, while they have financial inability to afford their own preferences of needs.
- iii. Free markets function according to the principle to afford one's own needs while collectivised markets are driven by human rights (e.g. the right to housing).



## **Chapter 2**

# **Methodology of the Socio-economic Study as Implemented in 2016**

### **1. Data collection methods**

The study followed a mixed method approach including both qualitative and quantitative methodologies. The collecting of quantitative data included both primary and secondary data sources. Primary quantitative data were collected by means of a household survey conducted in specifically defined geographical areas within the Overstrand Local Municipality. Secondary quantitative data included data collected by Statistics South Africa, the Western Cape Provincial Department of Housing and the Overstrand Local Municipality among other.

Qualitative data were collected by means of focus groups and in-depth, face-to-face interviews. All discussions were recorded and transcribed for analysis and interpretation. In addition to the primary qualitative data collected by means of interviews and focus groups, secondary data were collected in an extensive desk-top study collecting and perusing relevant academic literature, research reports and policy documents. Those summarised by Aurecon were applied as in their report.

### **2. Data Sources**

The sources of information largely suggest what methods of data acquisition could be pursued. These sources were:

#### ***1) Information supplied by the client***

The study required continuous interaction with the clients, i.e., both the Overstrand Local Municipality and the Western Cape Provincial Department of Housing. Available information was sourced from the clients in order to study relevant project related background documentation and information to provide the necessary situational context.

## **2) *Secondary information about the contexts***

It was important to develop a comprehensive understanding of the housing landscape on both a policy and community level. Towards this end, relevant policy documentation, research reports and academic literature had been perused to inform firstly the research questions defined for data collection and, secondly, to guide and assist in the interpretation of findings.

Secondary qualitative data had been analysed to provide an overview of the housing need in the Overstrand Local Municipality.

## **3) *Information sourced from heads of household***

In order to allow for a nuanced and in-depth understanding of the housing need and demand within the Overstrand Local Municipality it was necessary to understand (i) relevant characteristics and (ii) residential arrangements in the defined research population. Characteristics of households were assessed by means of a socio-economic survey. The techniques used to capture and reflect existing residential arrangements within a dwelling unit and on a plot were the genogram and geo-gram. These instruments were carefully designed and implemented during the fieldwork phase. The genogram enabled the researchers to visualise the household and family structures within a dwelling unit with reference to household position and role, relationships with the family, and some salient features such as age and gender. This tool facilitated accurate and effective capturing of household and family composition and some essential bio-socio characteristics of the members. The geo-gram refers to households and their interrelationships on a plot whether these were of a financial or kinship nature. It also provides a visual representation of the spatial architecture of the plot.

## **4) *Information sourced from immediate community***

Immediate community in this context referred to community members within the selected geographic areas. Here information was collected to arrive at a better understanding of prevailing perceptions and understanding on matters relating to human settlement planning, development, policy, delivery and quality of life. Focused group interviews were used for this purpose, in addition to questionnaires used in the survey.

## **5) *Information sourced from key informants***

In-depth interviews were conducted with specifically selected key informants including local municipal housing officials, estate agents, community leaders and property developers.

## 6) *Information sourced from potential home seekers*

A short questionnaire (a one-pager) was distributed together with one monthly municipal account, to residents to pass on to persons in need of housing. This questionnaire was also available on request from the Municipality or from various municipal service outlets. The information gained would be suitable to provide a brief profile of home-seeking individuals.

Field work commenced September 2016 and concluded mid-October 2016. The table below provides a summary of the different information sources that were interrogated, method (type) of data collection and the total number of interviews/focus groups completed for each source.

Source	Type	Total number
Client	In-depth interviews	6 in-depth interviews
Household heads	Survey questionnaire	N=406 plots. At an estimated three dwelling units per plot it was estimate that the survey would cover 1200 households. In fact, 2257 household questionnaires materialised.
Home-seekers	Self-administered short postal questionnaires	489
Community	Focus groups	22 focus groups
Key informants	In-depth interviews	14 in-depth interviews
Secondary data sources	Policy documents, research reports and academic literature	
Total number of interviews	Face-to-face survey interviews= 400 plots (2257 household interviews)	
	In-depth interviews = 14	
	Focus groups = 22	

### 3. Research instruments

Both qualitative and quantitative research instruments had been employed in primary data collection. Qualitative data were collected during in-depth interviews and focus group discussions. Both these methods were guided by semi-structured interview schedules. Quantitative data were collected during the household survey with the aid of paper-based questionnaires and guided by a structured interview schedule. The development of both semi-structured and structured interview schedules were guided by the key research questions listed below.

#### A. *Key research questions for structured questionnaire (Household survey)*

##### 1. *Descriptive*

- Demographic profile of households
- Household size
- Socio-economic profile of households
- Housing type and size (number of rooms)
- Access to municipal services (water, sanitation, electricity and refuse removal)

##### 2. *Residential arrangements*

- Number of households per dwelling
- Relationships and residential arrangements of different dwelling units on plot
- Relationship and residential arrangement of members within each dwelling unit on the plot

##### 3. *Public opinion and/or awareness*

- Demand for rental housing
- Demand for GAP housing
- Housing preferences

#### B. *Key research questions for semi-structured interview schedules (Focus Group discussions with community members)*

##### 1. *Public opinion and/or awareness*

- Existing housing options/policies
- Understanding of requirements for accessing housing options
- Acceptability of 'new' housing options
- Willingness and ability to make a contribution towards housing in future
- Role of communities in planning for housing
- Satisfaction with existing housing stock and most serious shortcomings

*C. Key research questions for semi-structured interview schedules (In-depth interviews with key informants)*

*1. Housing market analysis (focus on affordable housing)*

- Demand and supply of housing types in the Overstrand Local Municipality
- How well is the housing market functioning?
- What is the role of government in the housing market?

The content of all questionnaires had been thoroughly discussed with the client and finalised via the following process:

- i. Development and formulation of questions
- ii. Clearance with client
- iii. Piloting of survey questionnaire
- iv. Finalisation and signing off on questionnaires.

*D. Key research questions for posted and internet accessible structured questionnaire testing affordable housing need*

*1. Descriptive*

- Place of residence and work
- Household income
- Household size
- Household composition

*2. Housing preference*

- Preferred housing opportunity
- Preferred location of housing opportunity

**4. Research methodology for collecting qualitative data – Focus group discussions and in depth interviews**

Qualitative data in essence refer to non-quantified data. Although it is not possible to aggregate such data and summarise in typical statistical manner, qualitative data provide greater detail and are richer in meaning. Probably the most important advantage of qualitative data collection methods opposed to any quantitative method is that it allow for an insider perspective of social processes. This implies an in-depth understanding of social

behaviour and attitudes that are often difficult to measure quantitatively. Other advantages include;

- It is context specific, socially orientated and allows for the collecting of real-life data as it applies in a specific social setting
- It has flexibility
- It has high face validity
- It has speedy results, and
- It is low in cost.

The two qualitative methods that were used in this study included focus group discussions and in-depth interviews. To avoid the limitation of generating findings that are too atypical or idiosyncratic to offer any generalisable insights and trends, a fairly large number of both focus groups (19) and in-depth interviews (14) were conducted.

Two focus group discussions, consisting of not more than nine members per group, has been conducted in each sub-place (except in the cases of Pearly Beach and Betty's Bay where only one focus group each was conducted). Respondents who had knowledge about the community and who were able to comment on aspects relating to housing in their respective areas had been purposefully selected. Fourteen in-depth interviews were conducted with key-informants in each sub-place and another six with experts in the housing and property industry.

## **5. Research methodology for collecting of quantitative data - Household survey**

### **Research population**

The research population was constituted as households with a household income of less than R18 000 per month or R216 000 annually, resident in purposefully selected areas within the Overstrand Local Municipality.

### **Sample**

A multi-stage sampling method was executed for the household survey to ensure the collection of data that would deliver a nuanced and in-depth understanding of housing need and demand within the defined research population. The sample size for this study was 400 plots, providing for 95% confidence levels in the generalisation of sample values. An equal number of plots was selected in each defined area to ensure a sufficient sample size for that

area. Collected data were weighted proportionate to size of selected area to allow for comparability.

This sampling procedure consisted of the following stages:

- i. Stage 1: Purposeful selection of research areas as agreed with client.
- ii. Stage 2: Random selection of plots through random starting point and thereafter at equal interval in each selected area.
- iii. Stage 3: Selection of all households on plot.
- iv. Stage 4: Selection of household respondent. Respondents were either the household head or adult partner.

### **Data collection/Fieldwork**

Five weeks were allocated for the household survey. The survey commenced 5 September 2016 and concluded 14 October 2016. A paper-based questionnaire was used for data collection. Fieldwork was conducted by 10 fieldworkers and managed by four supervisors and two senior researchers that acted as coordinators. In order to ensure language compatibility and easy access to areas local persons were trained and employed as fieldworkers. Fieldworkers able to communicate in the local vernacular were used to assist with interpretation and translation. The two coordinators were members of the appointed research team.

Specific quality assurance measures formed part of the data collection. This ensured high reliability and validity of the data collected. These measures were:

- One week of intensive training for all employed fieldworkers and supervisors. Fieldworkers and supervisors had to complete all five days as well as a practical test to ensure employment.
- Piloting of questionnaire.
- Daily data quality checks. All completed questionnaires were checked daily by supervisors and fieldwork coordinators. This ensured that all questions had been covered and questionnaires completed correctly.
- Back-checks were conducted by supervisors and fieldwork coordinators randomly during the entire fieldwork phase.

Another aspect with a direct impact on the quality of data and ultimately the successful completion of the fieldwork within the allocated time frame was the planning for imminent risks that might have influenced the fieldwork process. The first risk was the possible hostility by the community towards the survey. The first access point to a community is its leadership. Meetings were held with strategic community leaders where the objective of the study as

well as the process was communicated in an accessible format. Steps were taken to inform the community of the survey and its objective. Towards this end extensive media coverage of the research initiative included both local printed media and community radio and municipal news letter.

The second risk related to the safety of both the community and the fieldworkers. It was important to protect the community from individuals who might have the motivation to exploit the household survey for their own malice intent. Towards this end all fieldworkers had been issued with ID cards to display and a letter that established and confirmed their status as fieldworkers and participation in the survey. No fieldworker has been required to work in conditions deemed unsafe for the individual. Safety measures for fieldworkers included the following:

- All fieldworkers had cell phones on which they could be reached during the fieldwork period. Sufficient talk time had been provided.
- Supervisors at all times knew where the fieldworkers under their supervision were working.
- It was preferred that fieldworkers always worked in groups of two. Where possible this principle had been adhered to.
- The hours and days of fieldwork had been agreed with the fieldworkers to ensure that they had worked at times that were safe as well as convenient for community members.

Finally it was essential that any fieldwork programme allowed additional time for any contingencies that might have delayed the fieldwork. For this purpose an additional week had been allocated for fieldwork. Thus, although fieldwork was planned to be completed within four weeks, an additional week was added to control for any unforeseen circumstances.

### **Approach with postal questionnaires**

Structured questionnaires testing the need for affordable housing were included with monthly municipal accounts posted. In order to ensure accessibility questionnaires were also placed on the municipal website. Completed questionnaires were collected from strategic municipal points. A total number of 489 questionnaires were returned.



## **6. Data analysis and the report**

Data analyses relied on insights and guidelines derived from the literature review and key research questions and objectives were executed within this conceptual framework. The analyses drew on both quantitative and qualitative data collected during the fieldwork as well as secondary data sources.

The analysis of the survey data followed a quantitative approach and applied statistical procedures by means of the SPSS (Statistical Programme for the Social Sciences, version 23). The data collected during in-depth interviews and focus group discussions were analysed by following a qualitative approach. Thematic analysis was conducted for responses gathered to each key research question.

The final research report is a comprehensive assessment of the extent and nature of the housing need and demand within the jurisdiction of the Overstrand Local Municipality. An executive summary is included in this report.

## **7. Limitations of the research**

In general the fieldwork experience was very positive with strong co-operation from all constituents. The only difficulty that was experienced related to non co-operation from focus group participants. This relates, however, to only an isolated case.

# Chapter 3

## Demographic Analysis

### 1. Introduction

This chapter discusses salient demographic characteristics of the population of the Overstrand Municipality. For this purpose different data sources are used. Firstly, census data of two periods are employed, i.e. 2001 and 2011. This serves to give a broad contextual picture of selected current features of the local population and to illuminate trends and changes over time in said features that have direct or indirect impact on the need and demand for affordable housing. Secondly, demographic data generated by the quantitative survey executed in this study will be discussed within the context of the focus of this study.

### 2. Population growth

The population within the Overstrand Municipal area has grown consistently since 1996, increasing from a population of 37 469 (1996) to 80 432 (2011). According to calculations of the Western Cape Department of Social Development the population of the municipality was 86 711 in 2015. This constitutes a rapid escalation in population over the two census periods, especially between 1996 and 2001 when the growth rate was 9.6%. The rate of growth between 2001 and 2011 was markedly slower, i.e. 4.6%.

Comparing the population growth experienced in this municipal area with the broader growth rates as it realised in the bigger Overberg municipal district, the City of Cape Town the metro in this province, and provincial growth, the significance of this growth is illuminated. For both census periods (1996-2001 and 2001-2011) the Overstrand Municipality is shown to have experienced the highest growth rates (5,62% and 4,5% respectively), with these rates more than double that experienced on provincial and metro level (table 3.1)

**Table 3.1: Annual population growth rates, 1996-2001 & 2001-2011**

	1996-2001	2001-2011	1996-2001
<b>Western Cape</b>	2.0	2.87	3.14
<b>City of Cape Town</b>	2.4	2.93	3.06
<b>Overberg municipal district</b>	5.62	2.68	4.17
<b>Overstrand municipality</b>	9.6	4.5	7.64

Source: Census data, 2001 & 2011, SuperCross

Comparing the annual population growth rates for the different main places in the Overstrand Local Municipal area for the period 2001-2011, table 3.2 show the strongest growth to have occurred in Zwelihle (16.58%) followed by Gansbaai (6.64%) and Stanford (3.84%). As could be expected from the noted population growth, population density has also shown significant growth, illustrated to have more than doubled in 2011 compared to 1996 (table 3.3). The respective increases has had a distinct impact on the overall housing situation in the Overstrand Municipal area over the recent past with increasing numbers of households in need of housing in an area that has limited available space due to its unique topography and it being ecologically framed by protected and sensitive fynbos vegetation.

**Table 3.2: Population growth rate and household growth rate by main place**

	2001-2011	
	Population growth p/a	Household growth p/a
<b>Kleinmond</b>	0.38	1.45
<b>Hawston</b>	2.2	2.5
<b>Hermanus</b>	-0.04	-1.8
<b>Zwelihle</b>	16.58	21.19
<b>Stanford</b>	3.84	5.43
<b>Gansbaai</b>	6.64	6.63

**Table 3.3: Population size and population growth OLM**

	1996	2001	2011
<b>Population size</b>	37 469	55 452	80 432
<b>Density</b>	21.93	32.47	47.09

Consistent with the slower annual population growth noted for the period 2001-2011 compared to 1996-2001, the annual growth in the number of households in the Overstrand also slowed down. It is, however, important to note the annual growth experienced in the number of household to exceed population (individual person growth) by 0.2% per annum (table 3.4). The number of households is thus consistently growing at a faster rate than the number of individuals (population growth). This observation becomes particularly important in the context of service delivery planning, specifically considering housing where delivery is based on the number of households rather than the number of individuals.

Considering the population and household growth rates for the defined main places, it is significant to observe the consistent higher annual growth rates noted for households compared to annual (individual) population rates for all the main places for the period 2001-2011. The strongest difference is noted in Zwelihle, that have experienced an annual

population growth rate of 16.48% compared to an annual household growth rate of 21.19% (table 3.2). Gansbaai also registered a high growth rate for both individuals and households, with households illustrating a similar annual growth rate to individuals.

**Table 3.4: Population and household growth rates, 1996-2001 and 2001-2011**

		1996-2001	2001-2011
Population growth rate p/a	-	9.6%	4.5%
Household growth rate p/a	-	6.7%	4.7%

Analysing population growth in terms of the three main population groups that constitute the population of the greater Overstrand area for the period 2001-2011, table 3.5 shows the strongest growth to have occurred within the Black African population. Where this population group constituted 30.06% of the population in 2001, its contribution to the total population grew to 42.17% in 2011. This is mirrored by a decline in the proportion contributed by the Coloured population, constituting 44.36% in 2001 compared to 33.1% of the population in 2011.

The change observed in the proportional contribution of these two population groups to the total Overstrand population illustrate the dramatic change observed in the composition of the overall population of Overstrand, changing the population from a primarily Coloured to dominantly Black African population. This is important as such changes, particular when occurring in such short period, often have a strenuous impact on diversified social relationships within communities and thus social cohesion. This is even more so an aspect to consider in a context of scares resources, particularly economic resources and government assistance programmes.

Comparing the population composition in terms of population groups for, Kleinmond, Gansbaai and Stanford for the period 2001 and 2011, similar trends to the overall Overstrand trend is observed. In Hawston, Onrus and Zwelihle the population group distribution is shown to have remained mostly constant.

**Table 3.5: Distribution of population groups per town**

Population group	2001 to 2011															
	Kleinmond		Hawston		Onrus		Hermanus		Zwelihle		Stanford		Gansbaai		OLM Municipality	
	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011	2001	2011
Black African	15.26	<b>34.79</b>	1.16	1.17	0.79	6.40	32.11	7.8	<b>96.89</b>	<b>94.74</b>	19.64	29.08	2.07	<b>45.16</b>	30.06	<b>42.17</b>
Coloured	<b>61.67</b>	27.61	<b>98.62</b>	<b>95.98</b>	2.45	2.62	<b>49.33</b>	<b>47.23</b>	1.31	2.27	<b>65.07</b>	<b>60.29</b>	<b>51.29</b>	29.69	<b>44.36</b>	33.1
White	22.91	36.33	0.18	0.4	<b>96.77</b>	<b>90.40</b>	18.48	43.5	1.80	0.71	14.75	9.69	46.64	24.5	25.48	23.18
Indian/ Asian	0.16	0.36	0.04	0.18	0	0.17	0.08	0.55	0.00	0.16	0.55	0.19	0.00	0.26	0.09	0.27
Other	0	0.9	0	2.27	0	0.41	0	0.92	0	2.11	0	0.75	0	0.39	0	1.27
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Population pyramids are used to illustrate and analyze the population growth trends defined geographic space by analysing the age and gender distribution within the defined population. Population growth or decline is always a function of the fertility, mortality and migration rates within a given community/ defined geographic area. Population pyramids are useful in that it provides information that allows for predictions pertaining to the type of services that a given population will need. Although all population pyramids are unique, most can be categorised into three prototypical shapes: expansive (young and growing population), constructive (elderly and shrinking population), and stationary (little or no population growth) [Boucher, 2016].

The population pyramids for the Overstrand Local Municipality and purposefully selected main-places<sup>10</sup>/towns are presented below. In order to see how the demographic dynamics within the Municipality as a whole and the selected main places have changed or remained constant over time, the population data as it was at the 2001 and 2011 Census periods are compared. It is evident from the pyramids that (a) the respective sub-places<sup>11</sup> in the Overstrand municipality have unique demographic trends and (b) the municipal area in general has experienced a growth in its population, a trend that is reflected in nearly all of the selected main places. The growth trends for the Municipality and the selected main places are briefly discussed below and illustrated in figures 3.1 to 3.16.

Considering the population pyramids of the selected main-places as at the time of the 2011 Census, it is evident that all towns, except in the case of Hermanus, exhibit growing populations, confirming the growth rates provided in table 3.4 above. The age groups within which the growth is experienced do, however, show significant variance with some illustrating a growth in the younger population and others a growth in the older or elderly population. Young growing populations are specifically evident in the case of Hawston, Zwelihle, Stanford and Gansbaai. Gansbaai is particularly interesting in that a comparison between the 2001 and 2011 pyramids shows a complete transformation in its demographic dynamic. In 2001 the Gansbaai the population was virtually stationary and thus not growing, often an indication of a population that is aging, experiencing low birth rates and overall high quality of life (Boucher, 2016). This has dramatically changed in 2011 with the population pyramid illustrating a population that is mostly young and fast growing.

Onrus River is another main place that illustrates an interesting population growth trend. The pyramid based on 2011 Census data shows a very dynamic and growing population amongst the older and elderly population (60 years and older). This trend has also been present during the 2001

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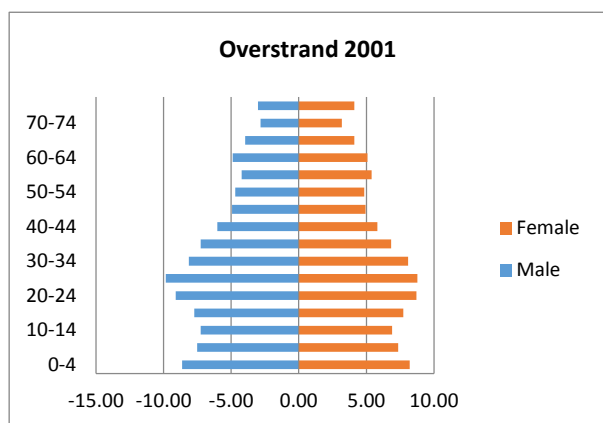
<sup>10</sup> The concept 'main place' is used by Statistics South Africa to allow for a description of a place. At the *place name* level, a main place could be a city, town, township, tribal authority or administrative area. In this study, *Main place* refers to the towns that constitute the Overstrand Local Municipality.

<sup>11</sup> At the *place name* level, a sub-place could be a suburb, section of township, smallholding, village, sub-village, ward or informal settlement. In this study sub-place refers to suburbs within the larger towns constituting the Overstrand Local Municipality

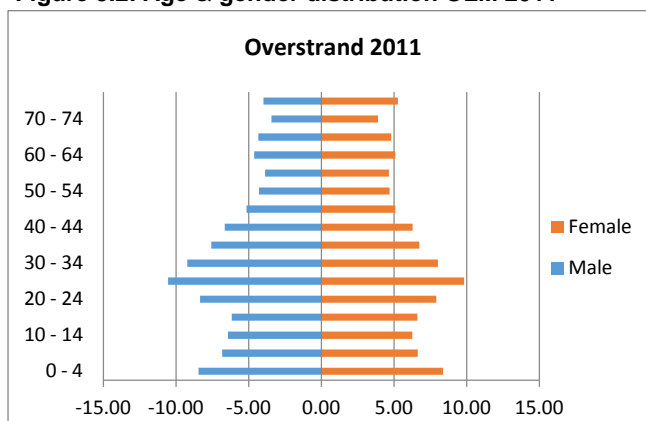
Census, however, clearly intensifying in the period 2001 to 2011. Hermanus is the only main place that experienced a decline in population numbers. The population pyramid based on the 2011 Census illustrates a stable population that consists of mostly elderly people, compared to the 2001 Census data illustrating a somewhat more dynamic population at the time.

Overall the Overstrand Municipal area is clearly home to a dynamic growing population, expanding not only in the number of its youth and younger generations but also in the number of older or elderly generations, specifically in the age range 60 years or older. Overall, the strong trend of growth in the young adult cohorts (mid twenties to mid thirties) and the accompanying growth in the youngest cohort (0-4 years) points to an expanded and growing demand for family housing in the immediate, short and medium term.

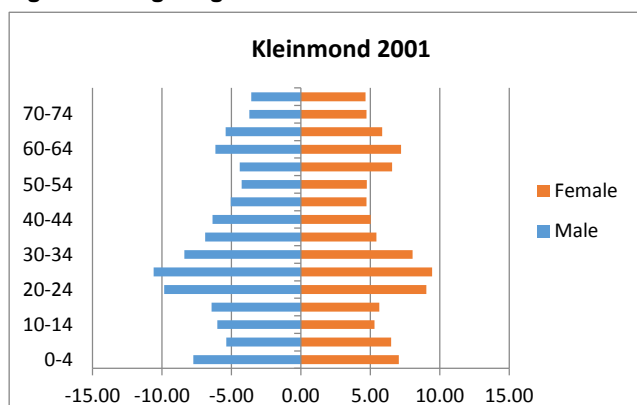
**Figure 3.1: Age & gender distribution OLM 2001**



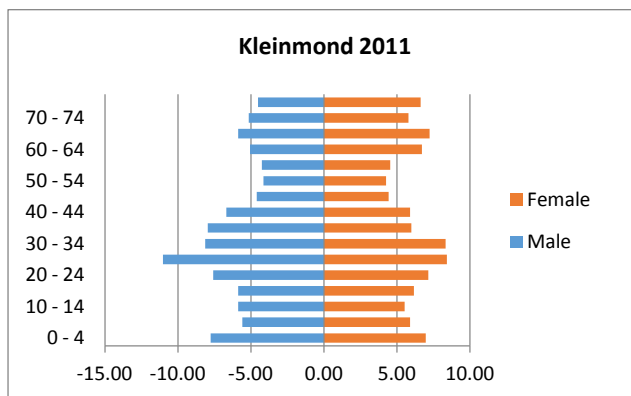
**Figure 3.2: Age & gender distribution OLM 2011**



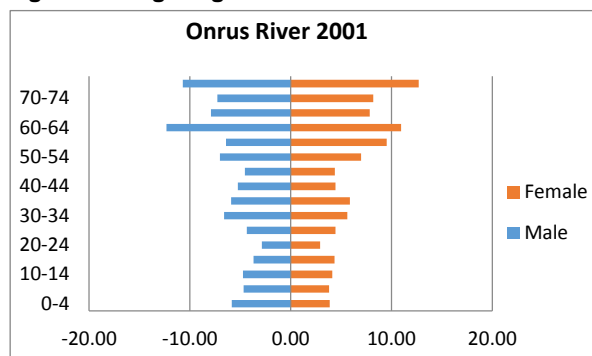
**Figure 3.3: Age & gender distribution Kleinmond 2001**



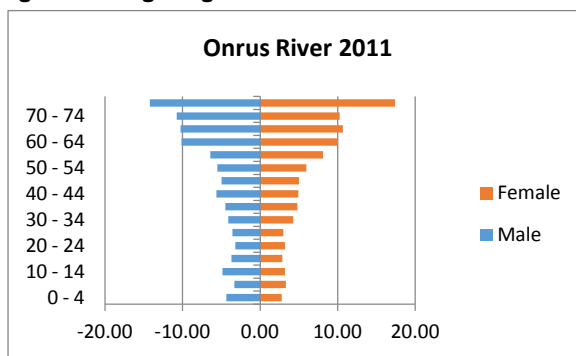
**Figure 3.4: Age & gender distribution Kleinmond 2011**



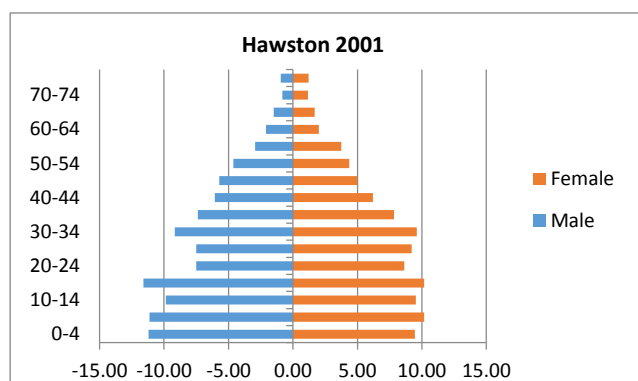
**Figure 3.5: Age & gender distribution Onrus 2001**



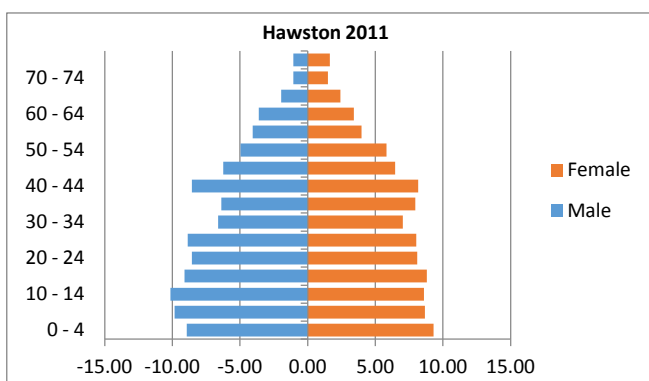
**Figure 3.6: Age & gender distribution Onrus 2011**



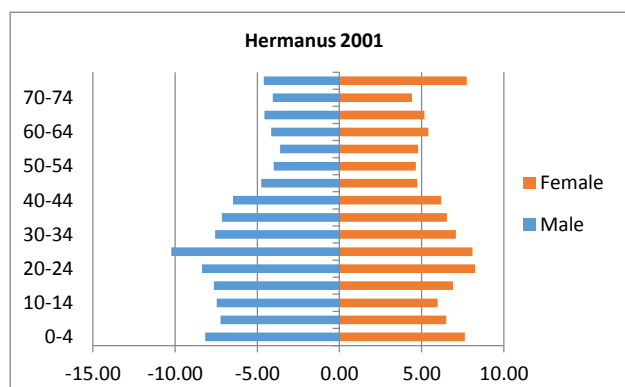
**Figure 3.7: Age & gender distribution Hawston 2001**



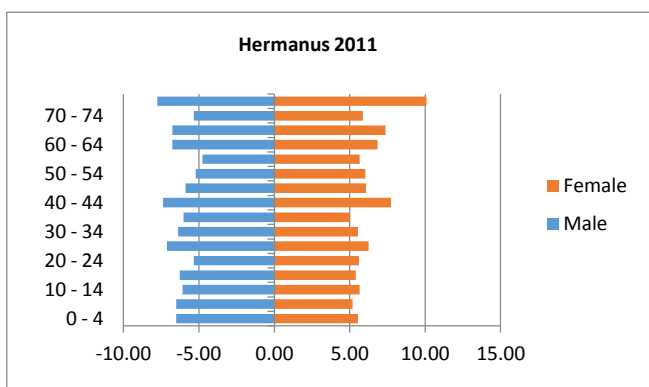
**Figure 3.8: Age & gender distribution Hawston 2011**



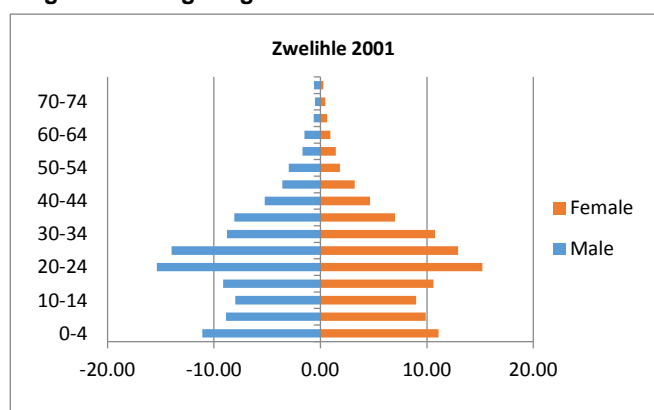
**Figure 3.9: Age & gender distribution Hermanus 2001**



**Figure 3.10: Age & gender distribution Hermanus 2011**



**Figure 3.11: Age & gender distribution Zwelihle 2001**



**Figure 3.12: Age & gender distribution Zwelihle 2011**

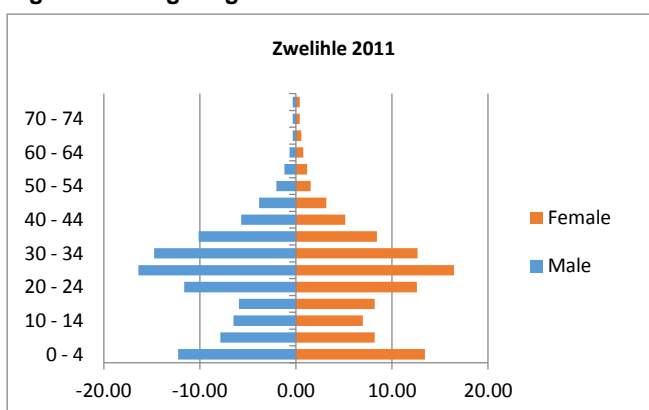




Figure 3.14: Age & gender distribution Stanford 2001

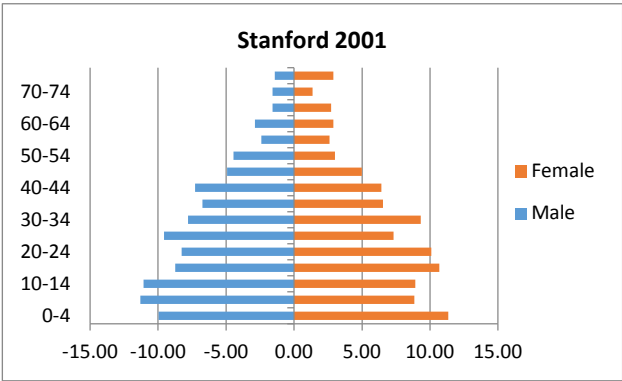


Figure 3.15: Age & gender distribution Stanford 2011

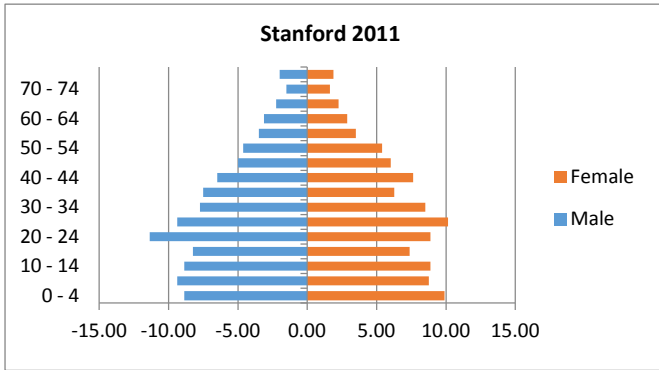


Figure 3.15: Age & gender distribution Gansbaai 2001

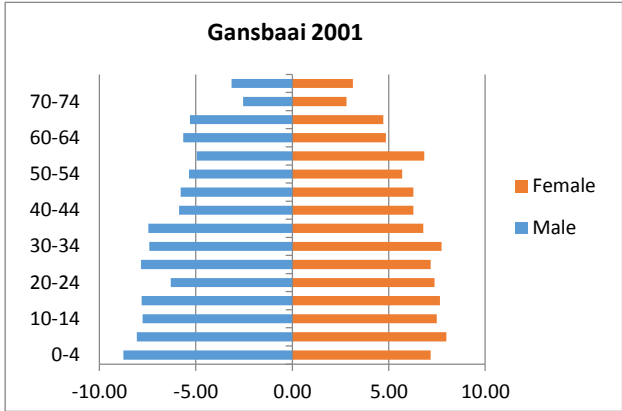
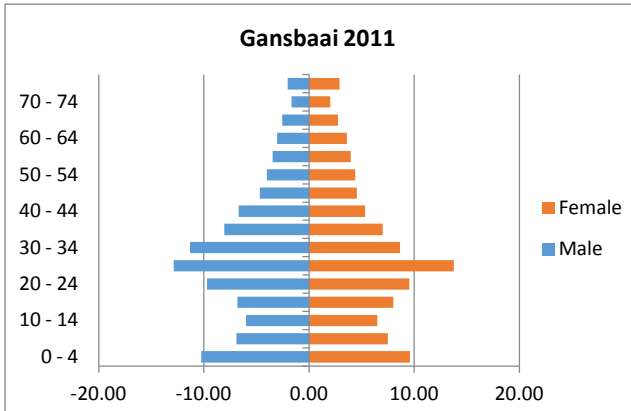


Figure 3.16: Age & gender distribution Gansbaai 2011



### **3. Migration patterns of household heads**

Since 1994 with the advent of a democratic dispensation in South Africa and concomitant relaxation of restriction on movement of people, the internal movement of people has become notably more fluid. This has brought drastic changes in the distribution of the population of the country. The Western Cape, along with Gauteng has seen consistent net gains in population numbers over the last two decades. The movement of large numbers of internal migrants to the Western Cape, along with natural population growth have had a marked influence on the population landscape and are also the two main drivers of a growing and changing population in the Overstrand Municipal area. In order to arrive at a better understanding of the impact of migration on the size and characteristics of the local population a number of questions were included in the study to measure migration trends.

The migration trends discussed in this section specifically refers to the data collected in the Household survey for this study. Consequently, the trends described here are not representative of the whole of the Overstrand community but is specific to the research population defined for this study, i.e. those individuals that populate the lower income bracket in the community and who is most likely to benefit from government housing support.

Migration refers to a permanent change in residence and involves the “detachment from the organisation of activities at one place and the movement of the total round of activities to another” (Goldscheider, 1971 in Weeks, 2012:262). Understanding the migration dynamics of a country, province, district or local authority is particularly important from a services planning perspective, since this demographic determinant has the potential, depending on the size of the migration flow over time, to dramatically change the demographic structure of community within a very short time. A change in the demographic structure of a society again causes changes in the social structure of communities which is a direct concern in service delivery planning (Weeks, 2012).

The census data applied above, clearly profiled the population of the Overstrand local municipal area as significantly growing. In order to understand the role of migration in this population growth it is, however, necessary to determine the number of people that has both entered and left this geographical area. To determine how migration contributed to this population growth and how it has had an impact on the social structure of the defined community it is important to understand some descriptive aspects associated with this demographic determinant;

- 1) The crude net-migration rate, illustrating whether a population is growing (positive net-migration) or declining (negative net-migration) due to migration
- 2) Individual characteristics of migrants

- 3) Where migrants come from (sending places) and where they are settling (receiving places) and
- 4) Reason(s) for migration.

The crude net migration rate (CNMigR) is the net number of migrants in a year per 1 000 people in a population, and is the difference between the net in- and out-migration rates. In turn, out- or in-migration rates relate to the number of these migrants to the total midyear population ( $p$ ) in the region per 1 000 people in that region.

$$\text{InMigR} = \text{IM} / p \times 1\,000$$

$$\text{OutMigR} = \text{OM} / p \times 1\,000$$

$$\text{CNMigR} = \text{IMigR} - \text{OMigR}$$

The survey measured migration by (1) asking household heads about their own migration pattern in order to get a measurement of in-migration into the Overstrand municipal area, and, (2) asking household heads about members of their household that left within the past year to get an indication of out-migration out of the municipal area. Measuring the number of in- and out-migrants for the past year, that is 2015/2016, 48 household heads indicated to have moved into the municipal area and 24 household members were indicated to have left their households in the past year. These figures were then used to determine in- and out-migration rates for the specific sampled research population ( $N=2\,257$ ).

$$\text{InMigR}(\text{household heads}) = 48 / 2257 \times 1000 = 21.27$$

$$\text{OutMigR}(\text{household members}) = 24 / 2257 \times 1000 = 10.63$$

$$\text{CNMigR} = 21.27 - 10.63 = 10.64$$

The findings from the above calculations illustrate a positive net-migration for this defined research population within the Overstrand Municipal area, with an annual in-migration rate of 2.27%. This means that approximately 21 persons for every 1 000 within this population annually enter the municipal.

### **3.1 Personal characteristics of migrants (household heads)**

Exploring some individual characteristics of migrants the survey data allows for a comparison of three aspects over four periods. These aspects refer to personal characteristics of migrants, namely (1) age, (2) gender, and (3) educational status. The four periods are; *prior to 1994*, *1994-2001*, *2002-2008*, and *2009-2015* (tables 3.4 – 3.7).

In measuring the age distribution of migrants the data is analysed and presented to illustrate the *mean*, *median* and *mode* values. The *mean* value refers the average age of all the ages reported. The *median* is the middle value or age in the range of reported ages. By comparing *median* to the *mean*, the age distribution is arrived at. When the *mean* and the *median* are the same, the dataset is more or less evenly distributed from the lowest to the highest value. The *mode* refers the age that occur the most. The mode is a particular useful measure in that it helps to identify the most common or frequent occurrence of a characteristic. It is possible to have two or more modes within a set of data.

From table 3.6, migrants to the Overstrand municipal areas are illustrated as mostly young adults between the ages of 20 -30 years. Although the mean migrant age shows migrants to have aged since 1994, the mode age, that is the age that occurs most frequently, for both the periods 1994-2001 and 2009-2015, are below 25 years. Furthermore, a comparison between the *mean* and the *mode*, clearly illustrate very little variance between the highest and lowest ages of migrants within the three migration periods. This trend applies to all the main places in the Overstrand Municipal area included in the survey. For the last defined migration periods, 2008-2015, Gansbaai, Stanford and Kleinmond seem to attract younger migrants than Hermanus and Hawston.

Table 3.7 illustrates the gender distribution of migrants. Migrants are mostly male across the different time periods. This is clearly illustrated in the sex ratios of the number of male migrants for every 100 female migrants. Comparing the ratios for the different migration periods the growing dominances of male to female migrants is evident.

**Table 3.6: Mean values of age of migrants as measured within the defined periods**

Area	1994-2001			2002-2008			2009-2015		
	Mean	Median	Mode	Mean	Median	Mode	Mean	Median	Mode
Gansbaai	23.03	20.00	20	27.29	26.00	26	29.61	26.50	23
Stanford	29.44	29.50	20	33.35	33.00	40	29.67	27.00	23
Hermanus	25.52	24.00	19	28.58	26.00	23	32.06	30.50	31
Hawston	27.33	34.00	13 <sup>a</sup>	28.00	29.00	24 <sup>a</sup>	40.5	40.50	40 <sup>a</sup>
Kleinmond	24.20	23.00	21	24.59	22.00	29	28.45	26.00	22
<b>OLM area</b>	25.01	23.00	20	27.19	26.00	29	29.98	27.00	22

<sup>a</sup> multiple modes exist, smallest value is reported here

**Table 3.7: Gender distribution of migrants as measured within the defined periods**

			Sex of household member		Total	Sex ratio (M:F)
			Female	Male		
Migration period	1994-2001	Count	41	72	113	173:100
		Row %	36.3%	63.7%	100.0%	
	2002-2008	Count	40	60	100	150:100
		Row %	40.0%	60.0%	100.0%	
	2009-2015	Count	42	89	131	212:100
		Row %	32.1%	67.9%	100.0%	
Total		Count	123	221	344	180:100
		Row %	35.8%	64.2%	100.0%	

Although the marital status of migrants at their time of arrival was not tested in the survey, some deductions can be made from their marital status at the time of the survey. In order to keep the deductions as reliable as possible, the current marital status of only those migrants who settled in the Overstrand Municipal area in the most recent migration period (2008-2015) was considered. The analysis shows the majority of these migrants as *single and never married* at the time of the survey (table 3.8). Considering this migration period covers a period of 6 years it would be reasonable to assume this figure to be even higher at the time of their actual arrival. It can thus be assumed that the largest portion of these migrants was in fact single at the time of them settling in the Overstrand Municipal area.

**Table 3.8 Current marital status of migrants who settled in the Overstrand Municipal area 2008-2015**

Current marital status	Count	Percentage	Cumulative Percentage
Single and never married	71	54.2	54.2
Married/living with partner	52	39.7	93.9
Divorced/Separated/Widowed	8	6.1	100.0
<b>Total</b>	<b>131</b>	<b>100.0</b>	

Finally, the survey measured the educational status of migrants for the respective periods (table 3.9). The data illustrate that for this specifically defined population group the distribution of educational status among migrants has remained fairly constant over the defined time periods of in-migration. About half the migrants have completed some secondary education across the defined migration periods. The percentage of migrants that have completed their secondary schooling has been increasing since 1994 with a decrease of migrants in the lower educational levels.

**Table 3.9: Educational status of migrants as measured within the defined periods**

			Migration period			Total
			1994-2001	2002-2008	2009-2015	
Highest educational status	No formal education	Count	7	2	1	10
		Column %	6.2%	2.0%	0.8%	2.9%
	Some primary school	Count	16	13	15	44
		Column %	14.2%	13.1%	11.5%	12.8%
	Completed primary school	Count	12	6	4	22
		Column %	10.6%	6.1%	3.1%	6.4%
	Some secondary school	Count	55	49	68	172
		Column %	48.7%	49.5%	51.9%	50.1%
	Completed Secondary School	Count	21	28	36	85
		Column %	18.6%	28.3%	27.5%	24.8%
	Tertiary education	Count	0	1	6	7
		Column %	0.0%	1.0%	4.6%	2.0%
Don't know	Count	2	0	1	3	
	Column %	1.8%	0.0%	0.8%	0.9%	
Total		Count	113	99	131	343
		Column %	100.0%	100.0%	100.0%	100.0%

In summary: the data presented here profiles migrants moving in to the Overstrand Municipal areas are mostly young, single males with a higher educational status in the latter migration period compared to the earlier periods. Considering the modest income bracket associated with these migrants (within the sample selection criteria), these individuals will in all likelihood depend, (as was the case at the time of their arrival), on low cost housing opportunities. Seeing that one has to live in an area and be above the age of 35 to qualify for low cost subsidy housing, the only affordable housing opportunities available for this group are either in backyard shacks or informal settlements as they are unlikely able to rent any formally build accommodation. With a growing number of migrants entering the Overstrand Municipal area, a housing strategy will have to include housing opportunities for this group.

### 3.2 Sending and Receiving areas of migrants (household heads)

The majority (83%) of in-migrants indicated the place from where they migrated from to be outside the Overstrand municipal area. Categorising these places within provincial boundaries the data showed two primary migration streams towards this municipal area of which the largest originate in the Eastern Cape (57%), with a second stream flowing from towns within the Western Cape that fall outside the municipal boundaries of the Overstrand local authority (29.5%) [table 3.10].

**Table 3.10: Provinces of sending areas**

Province	Count	Percentage	Cumulative Percentage
Western Cape	116	29.5	29.5
Eastern Cape	225	57.3	86.8
Other province in SA	31	7.9	94.7
Not in SA	21	5.3	100.0
<b>Total</b>	<b>393</b>	<b>100.0</b>	

In order to arrive at a detailed understanding of the mobility dynamics of household heads, the questionnaire probed migrants about their place of birth and their location and pattern of movement prior to living at their present location. The largest percentage of household heads (70.3%) was born outside their current place of residing of which 61.2% were born in the Eastern Cape and 24.7% in the Western Cape (table 3.11). Measuring in what province those born in the Eastern Cape resided just before moving here, 91.3% indicated to have resided in a town in the Eastern Cape and 6.6% in another town in the Western Cape outside the Overstrand Municipal area (table 3.12). This is a clear indication that the majority of migrants move directly from the Eastern Cape, a result that was widely supported in focus group discussions.

**Table 3.11: Province of birth of migrant**

	Frequency	Percentage	Cumulative Percent
Western Cape	108	24.7	24.7
Eastern Cape	268	61.2	85.8
Other SA province	30	6.8	92.7
Not in SA	32	7.3	100.0
<b>Total</b>	<b>438</b>	<b>100.0</b>	

**Table 3.12: Sending place of migrants born in the Eastern Cape**

Province	Count	Percentage	Cumulative Percent
Western Cape	16	6.7	6.7
Eastern Cape	219	91.6	98.3
Other province in SA	4	1.7	100.0
<b>Total</b>	<b>239</b>	<b>100.0</b>	

The focus group discussions further illuminated the importance of links with kin/friends in the migration of household heads from specifically migrants coming from the Eastern Cape. These links were particularly important for securing accommodation for the first few weeks or month of stay. During this time the newly arrived migrant has to secure his or her own accommodation which in most cases entails renting of a backyard dwelling or erecting a shack in the informal areas.

The migration stream flowing from within the Western Cape consists of two main streams. The one main stream is constituted of migrants who move from suburbs and smaller towns that fall within the magisterial boundaries of the City of Cape Town with the second migration stream from towns within the Larger Overberg District (table 3.13).

**Table 3.13: Sending district within the Western Cape Province**

<b>Western Cape District</b>	<b>Count</b>	<b>Percentage</b>	<b>Cumulative Percentage</b>
City of Cape Town	41	37.6	37.6
Larger Overberg District	41	37.6	75.2
Eden District	5	4.6	79.8
Other WC Districts	22	20.2	100.0
<b>Total</b>	<b>109</b>	<b>100.0</b>	

Probing the out-migration of individual household members, two aspects became evident. The first is that very few household members (12.9%) have left their households to go and live somewhere else in the past year. Secondly it became apparent that the majority (60.6%) of those that did leave their households, stayed within the Overstrand Municipal area with very few that moved out of the municipality's boundaries.

For those who did move to a place outside of the Overstrand Municipal area, the majority (43.9%) remained in the Western Cape with another 41.2% moving to the Eastern Cape (table 3.14). The largest percentage (30.4%) of those individuals that move out, were children of the household head with another 22.5% a brother/sister of the household head (table 3.15).



**Table 3.14: Provinces of receiving areas**

Province	Count	Percentage	Cumulative Percentage
Western Cape	18	43.9	43.9
Eastern Cape	17	41.5	85.4
Northern Cape	2	4.9	90.2
Free State	1	2.4	92.7
Gauteng	1	2.4	95.1
KwaZulu Natal	1	2.4	97.6
Not in SA	1	2.4	100.0
Total	41	100.0	

**Table 3.15: Relationship of out-migrant to household head**

Relationship to household head	Count	Percentage	Cumulative Percent
Head of household	2	2.0	2.0
Husband/ wife/ partner	14	13.7	15.7
Son/ daughter	31	30.4	46.1
Brother/sister	23	22.5	68.6
Father/ mother	2	2.0	70.6
Grandchild	1	1.0	71.6
Other relative	13	12.7	84.3
Non-related person	15	14.7	99.0
Don't know	1	1.0	100.0
<b>Total</b>	<b>102</b>	<b>100.0</b>	

### 3.3 Why do people move?

Demographers have developed a range of theories or explanations in an effort to provide some explanatory framework to explain and predict migration behaviour. One of these is the so-called push-pull theory that departs from the premise that migration behaviour consists of factors that either push the migrant from a given place (sending area), or pull factors that attract or pull migrants towards a preferred location. In essence this theory conjures an image of a rational decision maker making a cost-benefit analysis of a situation and acts accordingly (Weeks, 2012). This premise was also tested in this study. These responses are summarised in table 3.16 below.

Responses provided for the migration by in-migrants mostly support the push-pull theory. The majority of in-migrants explained that their move was motivated by seeking better economic circumstances, access to better housing opportunities and improved infrastructure. Economic considerations as the main reason for in-migration was confirmed in focus groups discussions illustrate by the followings quotes; *“When you wake up in Kleinmond you see most people are leaving for work – you do not see that in Kayelitsha. There is no work there”*. *“People come here from the Eastern Cape because R100 a here is better than R10 a day there”*. According to the respondents it is mostly people from rural Eastern Cape that move here. *“There [Eastern Cape] they look after cattle and sheep for R5 a day – they live from the ground”*.

Although the majority of migrants moving into the Overstrand Municipal area stated access to better economic circumstances as the primary motivation for their move, it is interesting to note the rather high percentage that indicated the reason for their move as being allocated a house in this area. This was unexpected as it is generally understood that housing opportunities are firstly provided by a municipality to its current resident population as a priority and not to households living outside of the municipal area. A possible explanation for this could relate to the manner in which some groups seem to mobilise themselves in order to ensure a housing opportunity. According to some focus group respondents there is a tendency by specifically individuals from the Black African population to apply for a housing opportunity including family and/or household members on their application forms who are not yet living with them. It was also indicated that messages are send to family or other connections in the Eastern Cape or elsewhere in the Western Cape informing these of a prospective housing project to take place. These individuals then either move to or temporary come to the area in time to put their names on the registration lists.

Other reasons indicated by in-migrants include, family/kin related considerations (10.5%) and a move towards a more secure environment (4.3%).

**Table 3.16: In-migrants, reason for migration move**

			Location of sending area		Total
			Within municipal boundaries	Outside municipal boundaries	
Reason for in-migration	I was given a house/plot here	Count	11	101	112
		Column %	31.4%	23.4%	24.0%
	Better economic circumstances	Count	8	134	142
		Column %	22.9%	31.1%	30.5%
	Better infrastructure	Count	5	56	61
		Column %	14.3%	13.0%	13.1%
	Better and more secure environment	Count	1	19	20
		Column %	2.9%	4.4%	4.3%
	Family/ kin related	Count	4	45	49
		Column %	11.4%	10.4%	10.5%
	Eviction	Count	2	32	34
		Column %	5.7%	7.4%	7.3%
	Other	Count	2	18	20
		Column %	5.7%	4.2%	4.3%
	Bought the house	Count	0	6	6
		Column %	0.0%	1.4%	1.3%
	Wanted to be on own/needed more space	Count	2	9	11
		Column %	5.7%	2.1%	2.4%
	Cheaper to live here than previous place	Count	0	6	6
		Column %	0.0%	1.4%	1.3%
	Partner/marriage/divorce/partner died	Count	0	5	5
		Column %	0.0%	1.2%	1.1%
Total		Count	35	431	466
		Column %	100.0%	100.0%	100.0%

In contrast to reasons offered by in-migrants for their move which centred on infrastructural and economic considerations, reasons offered for the out-migration of individuals are of a more personal nature (table 3.17). The largest percentage (30%) of the respondents indicated family related considerations as the aspect that caused them to move. Second to this is better economic prospects (23%) followed by better housing opportunities (22%). It is not clear exactly what these family issues refer to. One plausible explanation mentioned during focus group discussions relates to domestic conflict and unpleasant living conditions due to acute overcrowding. From a housing demand perspective, people find it necessary to move out due to insufficient living space offered to accommodate their social and family needs.

**Table 3.17: Out-migrants, reason for migration move**

	<b>Count</b>	<b>Percentage</b>	<b>Cumulative Percent</b>
Better economic prospects	23	23.0	23.0
Better housing opportunities	22	22.0	45.0
Educational purposes	5	5.0	50.0
Health considerations	2	2.0	52.0
Family/ kin related	30	30.0	82.0
Domestic issues	14	14.0	96.0
Other	4	4.0	100.0
<b>Total</b>	<b>100</b>	<b>100.0</b>	

The findings pertaining to out-migration flows together with the reasons, or push factors identified by respondents that motivated and finally resulted in a household head (and to a lesser extent with the family) migrating is important when assessing housing demand for the following reasons:

- 1) It illustrates that in most cases households retain its members and are thus more likely to grow larger than smaller,
- 2) Most of those who do leave their household move to another destination within the municipal boundary confirming and strengthening findings illustrating the expectation of a continuous population growth. This growth is clearly as a result of natural increase and a positive net-migration rate. The expectation of an increase in the fertility rate for this area is based on (1) the growing youthful nature of this population compared to its past mostly elderly nature, (2) the tendency of children in this area moving into adult hood choosing to rather stay within, rather than venture outside the municipal boundaries and (3) the mean young age of in-migrants (20-30 years of age) representing an age cohort in which individuals are most likely to have children..
- 3) The majority of children of household heads that are moving from their parents' households and that settles within the OLM, suggests an immediate and growing need in housing opportunities due to a generation of children that are maturing adults starting their own families that need their own accommodation.

## **Summative Comments**

The findings presented in this chapter confirm a continuing trend of population growth within the Overstrand municipal boundaries driven by a growth in individual population numbers as well as a growth in the number of households. The growth of individual population numbers can be attributed to an increase in young children (increased fertility rates), in-migration of elderly people as well as primarily but not exclusively young, single males. These trends are confirmed by a number of analyses presented in this chapter including population numbers compared over time, population pyramids and net-migration rates.

The growth in the number of households was also argued to be relevant and important within the context of housing delivery given that this delivery is focused on household level. This growth is particularly evident in the household growth rate and confirmed and contextualised in the out-migration trends where children of the household head constituted the largest percentage of those that left their households in the past year. These children/young adults move out of their parent's dwellings into a place of their own, remaining within the boundaries of the municipality and thus adding to the number of households. Given the income bracket of these individuals, they are most likely to be dependent on subsidised services and particularly housing. The latter was confirmed in focus group discussions where respondents confirmed the moving out of young adults from their parent's dwellings due to overcrowded conditions with the majority of these seeking housing opportunities in backyard dwellings or informal settlements due to the lack of other affordable housing opportunities.

## Chapter 4

# Socio-Economic Context of Low income Households in the Overstrand Municipal Area

### 1. Introduction

This chapter presents a description of prevailing socio-economic conditions for low income households in the Overstrand. The results reflect both data collected by means of quantitative and qualitative approaches. Where applicable Census data is employed.

### 2. Household size

Household size is an important variable within the context of a housing study. Since housing delivery is based on the household unit it is self evident that any targeted planning in the provision of housing opportunities needs to take cognisance of its dynamics in order to ensure appropriate housing delivery.

Table 4.1 offers a comparative picture of the household size of the total population of the towns in the Overstrand as at the time of the survey. Fifty seven percent of the households sampled in this study consist of three people or less, which is relatively low. Of these the largest portion (21%) consists of three household members followed by single member households (19.8%). Considering the age distribution of these single member households most (*Mode*) are young adults (30 years of age) with the mean age 36.68. Considering the age distribution of these single member households most (*Mode*) are young adults (30 years of age) with the mean age 36.68. A total of 25.3% of households consists of 5 or more members, representing a considerable proportion of the sample. Stanford has the highest percentage of single person households (28.6%) while Hawston has the lowest prevalence of this type of households (5.3%). Significant differences are evident in 3 person households with Kleinmond boasting the largest portion of 3 member households (27.7%), virtually double the percentage of Stanford while the percentages of Hermanus and Hawston are very similar.

Seventy eight percent of households sampled in Hermanus and Kleinmond consisted of 4 or less individuals, followed by Gansbaai (72.4%), Stanford and Hawston (both 69%), with the latter two towns mentioned thus having the highest number of people per household.

**Table 4.1: Household size by town**

			Household size						Total
			1	2	3	4	5	6+	
Town	Gansbaai	Count	33	27	25	28	17	26	156
		Row %	21.2%	17.3%	16.0%	17.9%	10.9%	16.7%	100.0%
	Stanford	Count	24	12	12	10	11	15	84
		Row %	28.6%	14.3%	14.3%	11.9%	13.1%	17.9%	100.0%
	Hermanus	Count	37	28	34	31	15	22	167
		Row %	22.2%	16.8%	20.4%	18.6%	9.0%	13.2%	100.0%
	Hawston	Count	3	9	14	13	10	8	57
		Row %	5.3%	15.8%	24.6%	22.8%	17.5%	14.0%	100.0%
	Kleinmond	Count	35	38	56	29	24	20	202
		Row %	17.3%	18.8%	27.7%	14.4%	11.9%	9.9%	100.0%
Total		Count	132	114	141	111	77	91	666
		Row %	19.8%	17.1%	21.2%	16.7%	11.6%	13.7%	100.0%

The study explored possible relationship between household size and population group. This was done primarily because irrespective of the repeal of racially inspired legislation that historically governed the residential patterning in South Africa, the reality is that in contemporary South Africa, the urban geography of towns are largely still organized along ethnic – racial lines. This applies undeniably still also to the Overstrand spatial landscape, where suburbs are clearly organised according to historical residential patterns. Table 4.2 provides a summary of the data exploring a possible relationship between household size and population group. The analysis for population group is limited to African Black and Coloured, since the percentage “other” and “White” are too small to be significant.

The analysis shows a statistically significant correlation between household size and population group with African Black households registering a significantly higher percentage of single - person household compared to Coloured people (28% vs. 11%). The explanation for the high prevalence of Black African, single person household in the Overstrand can be explained by the fact that many of these respondents migrated to this area as individuals leaving their (extended) family behind (see section on migration). This introduces a particular need for housing options for single person households.

However, a significantly higher percentage of coloured households consist of 4 members than Black African households (20% vs. 13%). The difference between households of five

and larger is not significant with 28% and 23% of Coloured and Black African households respectively of this size. Taken as a whole it is thus clear that the vast majority of both Black African and Coloured households surveyed (78% and 72%. respectively) consists of between one and four members.

**Table 4.2: Household size by population group of household head**

			Population group		Total
			Coloured	Black	
Household size	1	Count	33	90	123
		Column %	10.5%	28.6%	19.5%
	2	Count	51	53	104
		Column %	16.2%	16.8%	16.5%
	3	Count	72	59	131
		Column %	22.9%	18.7%	20.8%
	4	Count	64	41	105
		Column %	20.3%	13.0%	16.7%
	5	Count	49	28	77
		Column %	15.6%	8.9%	12.2%
	6+	Count	46	44	90
		Column %	14.6%	14.0%	14.3%
Total		Count	315	315	630
		Column %	100.0%	100.0%	100.0%

### 3. Composition of Households

Another aspect important in the planning and execution of housing delivery is the composition of households. This is done by considering (1) the relationship of the household head to his/her members and (2) the number of generations present in a household. This is particularly relevant in considering immediate housing need as well as short and long term demand. Households that consist of two generations comprising of parents and children firstly indicate an immediate need for a housing solution that offers separate sleeping areas for parents and children. Secondly, it provides an indication of how households will organise their immediate and future living space and thirdly, it shows future demand. Focus group discussions alluded to these realities with respondents part of households living in subsidized houses repeatedly referring to backyard dwellings or informal extensions to



dwelling units as solutions to older children' and parents' need for privacy. This becomes even more of an issue in instances where the number of generations in a household exceeds two generations.

The composition of households in the four survey areas shows strong similarity (table 4.3). Thirty percent of the inhabitants are heads of households, 15% are the partner of the household head, while 38% have biological siblings present. In seven percent of households grandchildren are present with 3% accommodating other relatives.

Slightly more than half of the households surveyed, except for Stanford, is comprised of two generations, a third has only one generation. Nine percent consist of three or more generations. The multiple of generations housed together in what is more than often small dwelling units (often only one room) is one of the most important drivers of overcrowding, a prominent issue raised in every focus group discussion (table 4.4).

**Table 4.3: Status of household members in households in OLM towns**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Status of household members	Household head	Count	155	83	172	58	202	670
		Column %	28.7%	29.1%	31.0%	26.5%	30.7%	29.7%
	Husband/wife/ partner	Count	77	36	80	39	111	343
		Column %	14.2%	12.6%	14.4%	17.8%	16.9%	15.2%
	Child	Count	227	112	205	83	245	872
		Column %	42.0%	39.3%	37.0%	37.9%	37.3%	38.7%
	Biological sibling	Count	23	7	11	2	37	80
		Column %	4.3%	2.5%	2.0%	0.9%	5.6%	3.5%
	Brother/ sister in law	Count	5	1	6	0	2	14
		Column %	0.9%	0.4%	1.1%	0.0%	0.3%	0.6%
	Biological father/ mother	Count	0	1	1	1	5	8
		Column %	0.0%	0.4%	0.2%	0.5%	0.8%	0.4%
	Father/ mother in-law	Count	1	0	1	0	0	2
		Column %	0.2%	0.0%	0.2%	0.0%	0.0%	0.1%
	Grandchild	Count	32	29	47	25	26	159
		Column %	5.9%	10.2%	8.5%	11.4%	4.0%	7.0%
	Other relative	Count	14	14	15	5	20	68
		Column %	2.6%	4.9%	2.7%	2.3%	3.0%	3.0%
	Non related person	Count	2	0	9	5	8	24
		Column %	0.4%	0.0%	1.6%	2.3%	1.2%	1.1%
	Daughter-/ son in-law	Count	5	2	7	1	1	16
		Column %	0.9%	0.7%	1.3%	0.5%	0.2%	0.7%
Total		Count	541	285	554	219	657	2256
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Table 4.4: Number of generations in households of OLM main-places**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Number of generations in HH	1	Count	52	32	60	11	65	220
		Column %	33.3%	38.1%	35.9%	19.3%	32.3%	33.1%
	2	Count	90	35	83	34	115	357
		Column %	<b>57.7%</b>	<b>41.7%</b>	<b>49.7%</b>	<b>59.6%</b>	<b>57.2%</b>	<b>53.7%</b>
	3	Count	13	14	22	10	21	80
		Column %	8.3%	16.7%	13.2%	17.5%	10.4%	12.0%
	4	Count	1	3	2	2	0	8
		Column %	0.6%	3.6%	1.2%	3.5%	0.0%	1.2%
	Total	Count	156	84	167	57	201	665
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

An analysis of the marital status of the head of households shows that in total 37.7% are married, either by traditional law or within customary/traditional law with another 35.6% single and never married. The marital status of household heads for the different towns exhibits significant differences. Hawston has the highest number of married household heads in relation to those that are single (56.9% vs. 19.3%) followed by Kleinmond and Hermanus. In contrast household heads residing in Gansbaai and Stanford are more often single than married. Seven percent of the total research population are widowed. This is unexpectedly low given the specific nature of the age distribution of the Overstrand population with an over-representation of those 60 years and older and is illustrative of long life expectancy (table 4.5).

**Table 4.5: Marital status of household head**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Marital status	Single and never married	Count	69	36	55	11	66	237
		Column %	44.2%	42.9%	32.9%	19.3%	32.7%	35.6%
	Married (SA Civil law)	Count	39	19	47	34	48	187
		Column %	25.0%	22.6%	28.1%	59.6%	23.8%	28.1%
	Married (customary/ traditional law)	Count	17	10	12	0	25	64
		Column %	10.9%	11.9%	7.2%	0.0%	12.4%	9.6%
	Living with partner	Count	17	8	29	6	41	101
		Column %	10.9%	9.5%	17.4%	10.5%	20.3%	15.2%
	Other	Count	14	11	24	6	22	77
		Column %	9.0%	13.1%	14.4%	10.5%	10.9%	11.6%
Total		Count	156	84	167	57	202	666
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

#### 4. Dependency ratio's within low income households

The research deemed it of importance to measure the dependency ratio of surveyed households as this offers insight into the (additional) financial burden households have to cope with. The dependency ratio measures the ratio of those not economically active and those typically part of the work force, i.e. those that are economically productive. This measure is used as an indicator of the socio-economic pressure on the economically productive population. A high ratio implies that those working, and by default the broader economy, have to deal with a heavier burden through assisting and supporting both those under 15 (the young dependency ratio) as well as the aging population (the elderly dependency ratio that includes those over 64). Thus, a high dependency ratio in a context of economic and financial austerity and poverty has serious implications for the economically marginalized communities forcing already cash strapped livelihoods to materially support dependent individuals, thereby worsening existing precarious subsistence domestic environments levels.

The tables that follow reflect the dependency ratios measured. While the dependency ratios generated by census 2011 has the overall ratio at 52.31% (reflecting the total Overstrand population) the corresponding ratio for surveyed households was lower at 47.12%.

According to the World Bank South Africa's dependency ratio in 2015 was 52% compared to that of Brazil of 45% and the 86 % of the entire Sub Saharan region<sup>12</sup>.

The total dependency rate of the respective population groups surveyed was exactly the same with marginal difference in the youth ratios. A significant difference, however, was observed in the old age dependency ratio with coloured households carrying a heavier burden compared to their Black African counterparts (8.03% vs. 1.0%). It thus appears that low income households in the Overstrand have a slight lower dependency ratio or burden than the overall population of this region as well as that of South Africa (tables 4.6% and 4.7%).

**Table 4.6: Dependency ratios of total OLM population by population group, 2011**

	<b>Black African</b>	<b>Coloured</b>	<b>Indian or Asian</b>	<b>White</b>	<b>Other</b>	<b>Total</b>
<b>Total Dependency ratio</b>	38.89	47.78	44.68	78.23	43.29	52.31
<b>Youth Dependency ratio</b>	35.44	41.44	23.40	18.06	36.80	32.71
<b>Old age Dependency ratio</b>	3.45	6.34	21.28	60.17	6.49	19.61

Source: Census 2011

**Table 4.7: Dependency ratios of survey population by population group, 2016**

	<b>Black African</b>	<b>Coloured</b>	<b>Total</b>
<b>Total Dependency ratio</b>	44.04	44.04	47.12
<b>Youth Dependency ratio</b>	43.02	41.66	42.30
<b>Old age Dependency ratio</b>	1.02	8.03	4.82

## 5. Employment

The work status, remuneration attached to it and place of work of households residing in low income settlements of the Overstrand are aspects that are of crucial importance within the context of developing appropriate and affordable housing programmes.

A total of 1653 members of households 16 years and older responded during the survey. Of these 31% indicated that they are in full time employment with Hermanus, Gansbaai and Kleinmond registering the highest percentages, while workers in Stanford and Hawston reporting a lower percentage in full time employment (table 4.8). This trend is consistent and

<sup>12</sup> <http://data.worldbank.org/indicator/SP.POP.DPND?locations=BR>

corresponds with the relative size and diversity of the economic activities in these settlements.

Nearly 23% of household members were in part time employment with the highest percentages in Kleinmond and Gansbaai (29% and 26% respectively). A disconcerting finding was those that were self employed to be less than 3%. This is however to be expected in communities with low formal, vocational and entrepreneurial training bases.

Nearly 17% of household members are unemployed (and looking for work) with Kleinmond registering the highest percentage (18.5%) and Gansbaai the lowest (15%). If those that are unemployed and not looking for work are added to the number unemployed this figure increases to 19.4%. However, if those not part of economically active population (pensioners, dependents, disabled, homemakers and retirees) are excluded, the narrow and expanded definition of unemployment in the survey area increases to 22% and 25.7% respectively.

**Table 4.8: Employment status of household members (16yrs+) by town, 2016**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Current employment status	Full time employed	Count	113	55	147	51	149	515
		Column %	32.0%	25.1%	34.2%	27.3%	32.1%	31.2%
	Part time employed	Count	92	42	75	31	133	373
		Column %	26.1%	19.2%	17.4%	16.6%	28.7%	22.6%
	Self employed	Count	2	2	17	5	15	41
		Column %	0.6%	0.9%	4.0%	2.7%	3.2%	2.5%
	Unemployed and looking for work	Count	53	36	71	29	86	275
		Column %	15.0%	16.4%	16.5%	15.5%	18.5%	16.6%
	Unemployed and not looking for work	Count	18	15	8	0	5	46
		Column %	5.1%	6.8%	1.9%	0.0%	1.1%	2.8%
	Pensioner/ Retired	Count	15	17	25	15	23	95
		Column %	4.2%	7.8%	5.8%	8.0%	5.0%	5.7%
	Dependent child/ full time student	Count	39	32	64	48	32	215
		Column %	11.0%	14.6%	14.9%	25.7%	6.9%	13.0%
	Home maker not looking for work	Count	11	11	10	5	10	47
		Column %	3.1%	5.0%	2.3%	2.7%	2.2%	2.8%
	Disabled person (cannot work)	Count	10	9	13	2	10	44
		Column %	2.8%	4.1%	3.0%	1.1%	2.2%	2.7%
	Don't know	Count	0	0	0	1	1	2
		Column %	0.0%	0.0%	0.0%	0.5%	0.2%	0.1%
Total		Count	353	219	430	187	464	1653
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

It was important to develop an understanding of the location of the place of work (location) of those employed compared to their place of residence. The results clearly illustrate a strong correlation between these variables, especially Hermanus, Gansbaai and Kleinmond (table 4.9). Nearly 96% and 86% of the economically active population within the sample residing in Hermanus and Gansbaai work in these towns respectively. In the case of Kleinmond this figure is 80%, slightly lower, albeit still high.

A significant number of those residing in Kleinmond are also employed in surrounding towns, notably Betty's Bay and Pringle Bay. A substantially lower percentage of workers residing in Stanford work in the same town (67%) whereas slightly more than a quarter (27%) of Hawston residents that work there with the majority employed in Hermanus (63%). This is not unexpected as both Stanford and particularly Hawston have modest local economies with finite labour absorption capacity.

**Table 4.9: Place of employment**

			Town of residence					
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Place person does most of his/her work	Pearly Beach	Count	18	0	0	0	0	18
		Column %	9.1%	0.0%	0.0%	0.0%	0.0%	2.0%
	Gansbaai	Count	167	12	1	0	0	180
		Column %	84.8%	12.6%	0.4%	0.0%	0.0%	19.9%
	Stanford	Count	7	64	0	0	0	71
		Column %	3.6%	67.4%	0.0%	0.0%	0.0%	7.8%
	Hermanus	Count	2	17	227	54	9	309
		Column %	1.0%	17.9%	95.8%	62.8%	3.1%	34.1%
	Onrus	Count	0	0	1	2	0	3
		Column %	0.0%	0.0%	0.4%	2.3%	0.0%	0.3%
	Hawston	Count	0	0	1	23	0	24
		Column %	0.0%	0.0%	0.4%	26.7%	0.0%	2.6%
	Kleinmond	Count	1	0	0	3	233	237
		Column %	0.5%	0.0%	0.0%	3.5%	80.1%	26.2%
	Betty's Bay	Count	0	0	0	0	24	24
		Column %	0.0%	0.0%	0.0%	0.0%	8.2%	2.6%
	Pringle Bay	Count	0	0	0	0	13	13
		Column %	0.0%	0.0%	0.0%	0.0%	4.5%	1.4%
	Other	Count	2	2	7	4	12	27
		Column %	1.0%	2.1%	3.0%	4.7%	4.1%	3.0%
Total		Count	197	95	237	86	291	906
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

## 6. Household income and expenses dynamics

Establishing the ability of low income households residing in the Overstrand to afford different housing opportunities is one of the main objectives of this study. One of the main indicators of this affordability is to determine the available funds that households have access to to regularly dispense on housing. For this purpose the study set out to establish monthly household income and expenses patterns as realised in the past month.

Table 4.10 below reflects the income categories of all individuals employed in a household, fulltime or otherwise. Nearly 70% of the sample employment the month prior to this survey have very modest earning capacity, i.e. R3 500.00 or less. With the exception of Hawston, most household members receive disconcertingly low financial reward for their work. The overwhelming majority of those economically active residing in Gansbaai (81%) and Stanford (79%) and to a slightly lesser extent residing in Kleinmond (69%) and Hermanus (67%) earn R3 500.00 or less per month. In the case of Hawston less than 50% of household members earn less than this amount each month. Workers from this town earn substantially more than those residing in the other localities, with 27% earning monthly between R3501.00 and R7500.00, with another 13% and 10% receiving between R7 501.00 - R15 000.00 and between R15 001.00 – R25 000.00 respectively. Approximately a quarter of household members residing in Hermanus and Kleinmond earned a monthly wage between R3 501.00 and R5 000.00. For Stanford and Gansbaai this figure was notably lower at 16%.

These findings clearly show that individual workers residing in Gansbaai and Stanford are the worst off in terms of reward for work, while the income structure in Hawston is considerably more favourable.

**Table 4.10: Past month income for employed individual HH members**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Income for past month	No income	Count	0	0	0	0	9	9
		Column %	0.0%	0.0%	0.0%	0.0%	3.2%	1.1%
	R1 - R3 500	Count	137	66	149	38	194	584
		Column %	81.1%	78.6%	66.8%	48.7%	68.6%	69.8%
	R3 501 - R7 500	Count	27	13	54	21	67	182
		Column %	16.0%	15.5%	24.2%	26.9%	23.7%	21.7%
	R7 501 - R15 000	Count	5	5	15	10	13	48
		Column %	3.0%	6.0%	6.7%	12.8%	4.6%	5.7%
	R15 001 - R25 000	Count	0	0	4	8	0	12
		Column %	0.0%	0.0%	1.8%	10.3%	0.0%	1.4%
	R25 001 +	Count	0	0	1	1	0	2
		Column %	0.0%	0.0%	0.4%	1.3%	0.0%	0.2%
Total		Count	169	84	223	78	283	837
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Apart from measuring the household income levels of those that are economically active the study also calculated total household incomes that include apart from work - related income, income from other sources (e.g. grants and donations). This will offer a more comprehensive depiction of factual or real total monthly income of lower income households within the Overstrand Municipal area.

Table 4.11 clearly illustrates the positive impact of additional income sources on total monthly household income structure. While if only the income of workers is considered, nearly 70% of household's income fall in the category R0 and R3 500.00, when additional sources of income are considered this figure shows a noteworthy decline of 20%. A similar positive trend is evident in the income category between R3 501.00 and R15 000.00 where 43% of households now fall within this income category, an increase of 16% once all sources of income are included.

**Table 4.11: Total Household income (including additional sources)– past month**

Income categories	Count	Percentage	Cumulative Percent
No income	14	2.1	2.1
R1 - R3 500	335	50.2	52.3
R3 501 - R7 500	202	30.3	82.6
R7 501 - R15 000	87	13.0	95.7
R15 001 - R25 000	20	3.0	98.7
R25 001+	9	1.3	100.0
<b>Total</b>	<b>667</b>	<b>100.0</b>	



In order to arrive at a more nuanced understanding of earning and income dynamics amongst low income families, income was analysed according to population group (table 4.12). It is clear that the total income of coloured households across all income categories is significantly higher than that of Black African households. This is especially manifest in the lowest income cohort, R1 – R3 500, where only 38% Coloured households compared to 63% of Black African households fall within this income category. A similar disparity in total income levels between the two population groups is evident within the income cohort R7 501.00 and R15 000.00.

**Table 4.12: Total household income for past month – by population group of household head**

			Population group			Total
			Coloured	Black	Other	
Total household income for past month	No income	Count	5	8	1	14
		Column%	1.6%	2.5%	14.3%	2.2%
	R1 - R3 500	Count	119	198	4	321
		Column%	37.7%	62.5%	57.1%	50.2%
	R3 501 - R7 500	Count	106	85	1	192
		Column%	33.5%	26.8%	14.3%	30.0%
	R7 501 - R15 000	Count	61	22	1	84
		Column%	19.3%	6.9%	14.3%	13.1%
	R15 001 - R25 000	Count	17	3	0	20
		Column%	5.4%	0.9%	0.0%	3.1%
	R25 001+	Count	8	1	0	9
		Column%	2.5%	0.3%	0.0%	1.4%
	Total	Count	316	317	7	640
		Column%	100.0%	100.0%	100.0%	100.0%

The comparative total household income trends of the different towns were also tested (table 4.13). An interesting pattern emerged. With the exception of Hawston, income trends for the remaining four towns display a similar tendency with between 44% and 63% of households' total income falling in the lowest income cohort (R1 - R3 500.00). In the case of Hawston though only 27% of total household income falls within this category, while registering the highest figure (38%) in the following income category (R3 501.00 – R7 000.00).

**Table 4.13: Total household income for past month – by town**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Total household income for past month	No income	Count	5	1	3	0	0	9
		Column %	3.2%	1.2%	1.8%	0.0%	0.0%	1.4%
	R1 - R3 500	Count	91	53	73	15	102	334
		Column %	59.1%	63.1%	43.7%	26.8%	51.0%	50.5%
	R3 501 - R7 500	Count	45	21	58	21	57	202
		Column %	29.2%	25.0%	34.7%	37.5%	28.5%	30.6%
	R7 501 - R15 000	Count	11	8	23	7	38	87
		Column %	7.1%	9.5%	13.8%	12.5%	19.0%	13.2%
	R15 001 - R25 000	Count	2	1	6	9	2	20
		Column %	1.3%	1.2%	3.6%	16.1%	1.0%	3.0%
	R25 000+	Count	0	0	4	4	1	9
		Column %	0.0%	0.0%	2.4%	7.1%	0.5%	1.4%
Total		Count	154	84	167	56	200	661
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Heads of households were asked to give an indication of monthly expenditure on basic and typical household commodities and services. It is important to determine and compare this with the distribution of monthly household income patterns in the surveyed settlements.

According to table 4.14 below nearly 70% of households spend less than R3 500.00 per month on household expenses with another 24% spending between R3 501.00 and R7 500.00. A small percentage (7%) of households indicated to have spend between R7 501.00 and R25 000.00 in the past month prior to the survey. This modest pattern of spending is to be expected given the restricted prevailing income trends as illustrated above for households in all towns surveyed.

Although the main sources of income remains employment and social grants, just more than 10% of households indicated access to additional source of income. These sources include rent (61%), business (18%) and maintenance and remittance (both 10%).

**Table 4.14: Total expenditure – past month**

<b>Expenditure categories</b>	<b>Count</b>	<b>Percentage</b>	<b>Cumulative Percentage</b>
R1 - R3 500	458	68.7	69.2
R3 501 - R7500	157	23.5	92.9
R7 501 - R15 000	35	5.2	98.2
R15 001 - R25 000	10	1.5	99.7
R25 000+	2	.3	100.0
<b>Total</b>	<b>662</b>	<b>99.3</b>	

It was further important to ascertain what the monthly (estimated) expenditure on regular housing related items is as well as the percentage of households that do pay these costs. Included here are costs relating to bond repayments, rental cost and the paying of municipal rates and service fees.

Virtually no respondents have access to a bond (loan) from a financial institution, i.e. a bank. Those who do have, pay an average of R2 256.25. Sixty four percent pay a monthly rent at an average of R621.01 while slightly over half of respondents spend on average R500.24 on municipal rates and service fees. Those that rent and are paying for municipal services spend slightly more than R1 100.00 monthly on housing related costs in total (table 4.15). Although it might appear a modest amount it must be seen against the limited total monthly income the majority households receive.

**Table 4.15: None and Mean HH expenditure on rent, bond payments and municipal rates and taxes**

	<b>Number of households who do not spend on this item</b>	<b>Average for households who do spend on this item</b>
<b>Bond payments</b>	651 (97.6%)	R2 256.25
<b>Rent</b>	428 (64.17%)	R621.01
<b>Municipal rates &amp; services</b>	347 (52.02%)	R500.24

Table 4.16 depict the monthly expenditure (excluding bond payments, municipal rates & services) and the ability to meet basic household costs. The results clearly show the financial unsustainability of households with nearly half (46%) not in a positions to meet their financial obligations. These household registered a mean shortage of R1 020.54 per month. This unambiguously depicts the desperate financial situation that virtually 46% of the surveyed households find themselves in. It is evident that these households have no access to discretionary spending on even crucial commodities and services that enhances livelihood

security and overall quality of life. The impact of this disabling financial environment to meaningfully contribute to housing expenses is self evident.

**Table 4.16: Available balance after expenditure (excluding bond, rent and municipal rates & taxes)**

<b>Balance</b>	<b>Count</b>	<b>Percentage</b>	<b>Cumulative Percent</b>
Less and equal to 0	306	45.9	45.9
R1 -R3 500	328	49.2	95.1
R3 501 - R7 500	25	3.7	98.8
R7 501 - R15 000	6	.9	99.7
R15 001 - R25 000	2	.3	100.0
<b>Total</b>	<b>667</b>	<b>100.0</b>	

## **7. Education**

A number of questions pertaining to the educational status of the respondents were included. It is well established that education is a critical factor in determining vocational mobility and thus also income. This causal relationship between educational status and employment and income is especially strong in those instances where individuals have significantly progressed on the educational ladder.

Nearly half (48%) of the household heads indicated to have completed some secondary education, and another 22% completed Grade 12. Only 3% of the household heads completed some form of tertiary education. Nearly 14% however, received only some primary education with another 10% successfully completing it. Nearly 2.7% received no formal education (table 4.17). This means that a quarter of heads of households surveyed did not progress beyond primary school level. This is obviously of concern given the highly technical and information technology demands required by a fast changing and information - driven modern economy.

**Table 4.17: Educational status of household heads**

<b>Educational status</b>	<b>Count</b>	<b>Percentage</b>	<b>Cumulative Percentage</b>
Some primary school	92	13.8	13.8
Completed primary school	58	8.7	22.6
Some secondary school	323	48.6	71.1
Completed secondary school (Gr. 12)	144	21.7	92.8
Tertiary training	20	3.0	95.8
No formal education	18	2.7	98.5
Other	2	.3	98.8
Don't know	8	1.2	100.0
<b>Total</b>	<b>665</b>	<b>100.0</b>	

Analysing educational status for the different towns, Gansbaai household heads are illustrated as exhibiting the lowest formal education status. Of interest, but not unexpectedly given the high dropout rate during senior secondary school, is the relatively high percentage of respondents across all towns that indicated that they had enjoyed some secondary education but never successfully completed their Gr. 12 qualification (table 4.18).

**Table 4.18: Educational status household heads for respective towns**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Educational status	Some primary	Count	29	12	18	5	28	92
		Column %	18.6%	14.3%	10.8%	8.8%	13.9%	13.8%
	Completed primary	Count	15	9	7	4	23	58
		Column %	9.6%	10.7%	4.2%	7.0%	11.4%	8.7%
	Some secondary	Count	74	43	87	31	88	323
		Column %	47.4%	51.2%	52.1%	54.4%	43.8%	48.6%
	Completed secondary	Count	30	11	40	11	52	144
		Column %	19.2%	13.1%	24.0%	19.3%	25.9%	21.7%
	Tertiary training	Count	3	3	7	4	3	20
		Column %	1.9%	3.6%	4.2%	7.0%	1.5%	3.0%
	No formal education	Count	3	6	5	0	4	18
		Column %	1.9%	7.1%	3.0%	0.0%	2.0%	2.7%
	Other	Count	2	0	0	0	0	2
		Column %	1.3%	0.0%	0.0%	0.0%	0.0%	0.3%
	Don't know	Count	0	0	3	2	3	8
		Column %	0.0%	0.0%	1.8%	3.5%	1.5%	1.2%
Total		Count	156	84	167	57	201	665
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The impact of the educational status of the head of households on their earning capacity is illustrated below (table 4.19). It is clear that the higher the school qualification status the higher the monthly income becomes. A high percentage (43%) of those that have completed

some primary education struggle to secure employment and those that do succeed in this regard, largely have an income capacity not exceeding R3 500.00 monthly. In contrast with this those heads of households that have successfully completed Grade 12 shows much less vulnerability to unemployment (18%) and are significantly more successful to earn beyond R3 501.00 (23%) monthly. Fifty five percent of those with exposure to post school tertiary education reported their salary as above R3 501.00.

The impact of educational status on the employment status of heads of households again illustrated the positive influence of higher formal education in the world of work. Table 4.20 shows that as the educational status increases (with the exception of tertiary level) job security increases, with 60% of matriculants in full time employment compared to only 12% of those with no formal education and 25% that did not progress beyond primary school. Matriculants are equally less likely to be unemployed than those with only a primary school education (15% vs. 42%).

**Table 4.19: Level of income & educational status of household heads**

			Household income						Total
			No income	R1 – R3 500	R3 501 – R7 000	R7 001 - R15 000	R15 001 - R25 000	R25 001+	
Educational status	Some primary	Count	39	42	8	2	0	0	91
		Row%	42.9%	46.2%	8.8%	2.2%	0.0%	0.0%	100.0%
	Completed primary	Count	20	29	5	3	0	0	57
		Row%	35.1%	50.9%	8.8%	5.3%	0.0%	0.0%	100.0%
	Some secondary	Count	78	180	53	5	2	0	318
		Row%	24.5%	56.6%	16.7%	1.6%	0.6%	0.0%	100.0%
	Completed secondary	Count	25	61	33	22	1	0	142
		Row%	17.6%	43.0%	23.2%	15.5%	0.7%	0.0%	100.0%
	Tertiary training	Count	6	3	5	2	3	1	20
		Row%	30.0%	15.0%	25.0%	10.0%	15.0%	5.0%	100.0%
	No formal education	Count	8	6	1	0	0	0	15
		Row%	53.3%	40.0%	6.7%	0.0%	0.0%	0.0%	100.0%
	Other	Count	1	1	0	0	0	0	2
		Row%	50.0%	50.0%	0.0%	0.0%	0.0%	0.0%	100.0%
	Don't know	Count	2	5	1	0	0	0	8
		Row%	25.0%	62.5%	12.5%	0.0%	0.0%	0.0%	100.0%
Total		Count	179	327	106	34	6	1	653
		Row%	27.4%	50.1%	16.2%	5.2%	0.9%	0.2%	100.0%

**Table 4.20: Education & employment status of household heads**

			Employment status					Total
			Full time employed	Part time employed	Self employed	Unemployed looking for work	Unemployed not looking for work	
Educational status	Some primary	Count	23	29	1	9	29	91
		Row%	25.3%	31.9%	1.1%	9.9%	31.9%	100.0%
	Completed primary	Count	21	16	0	4	16	57
		Row%	36.8%	28.1%	0.0%	7.0%	28.1%	100.0%
	Some secondary	Count	129	106	11	40	36	322
		Row%	40.1%	32.9%	3.4%	12.4%	11.2%	100.0%
	Completed secondary	Count	87	27	9	14	7	144
		Row%	60.4%	18.8%	6.3%	9.7%	4.9%	100.0%
	Tertiary training	Count	11	2	2	1	4	20
		Row%	55.0%	10.0%	10.0%	5.0%	20.0%	100.0%
	No formal education	Count	2	7	0	1	7	17
		Row%	11.8%	41.2%	0.0%	5.9%	41.2%	100.0%
	Other	Count	1	1	0	0	1	3
		Row%	33.3%	33.3%	0.0%	0.0%	33.3%	100.0%
	Don't know	Count	3	1	2	0	2	8
		Row%	37.5%	12.5%	25.0%	0.0%	25.0%	100.0%
Total		Count	277	189	25	69	102	662
		Row%	41.8%	28.5%	3.8%	10.4%	15.4%	100.0%

The current educational status of surveyed heads of households residing in the low income areas is generally very low with 71% having not progressed to Grade 12. As was illustrated previously this has a distinct negative impact on the ability of this cohort to access the job market, to secure full time employment and to receive a sizeable monthly income. This clearly has a negative impact on the ability of this cohort with limited educational status to gainfully participate in the open housing market and to financially contribute meaningfully to their own housing. This implies that government housing programmes represent the only viable housing option open to them.

## 8. Access to services

A number of items were included in the questionnaire to ascertain current status regarding type of housing and access to basic services related to housing. These aspects are strong indicators of the overall quality of life enjoyed by those populating the respective settlements surveyed.

Regarding the status of the housing of respondents, 55% live in formal housing with the highest percentage evident in Hawston (81%) followed by Kleinmond (61%). The lowest percentage is Gansbaai with 41%. The remaining 45% were accommodated in a variety of

informal dwellings. For those that live in informal dwellings (41.7%), most live in backyard structures (27.6%), with Hermanus registering the highest percentage (36%) and Hawston the lowest (17%). Fourteen percent lived in informal settlements most of which in Gansbaai and Stanford (32% and 21.4% respectively) [table 4.21].

**Table 4.21: Access to housing, 2016<sup>13</sup>**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Housing type	Formal dwelling	Count	64	41	93	47	124	369
		Column%	41.0%	48.8%	55.7%	81.0%	61.4%	55.3%
	Back yard	Count	36	22	60	10	56	184
		Column%	23.1%	26.2%	35.9%	17.2%	27.7%	27.6%
	Informal settlement	Count	50	18	8	0	18	94
		Column%	32.1%	21.4%	4.8%	0.0%	8.9%	14.1%
	Other	Count	6	3	6	1	4	20
		Column%	3.8%	3.6%	3.6%	1.7%	2.0%	3.0%
Total		Count	156	84	167	58	202	667
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

A critical issue concerning quality of life relates to the access members of low income household have to toilet facilities. Numerous service delivery public actions in South Africa are related to the lack of access or inferior quality of insanitary toilet facilities. Surveyed households residing in the respective towns were asked about the status of their toilet facilities (table 4.22 and 4.23).

Exactly half of respondents stated that they have access to toilet within their households. The second most used facility was a communal toilet located on the plot they lived on (28%). This applied mostly to residents living in informal areas. Another 10% used a toilet in another house (used by backyard dwellers), while an equal percentage used a dedicated toilet outside their dwelling. Overall nearly all of those that have access to a toilet use a flush toilet. This applies to all residents of all towns.

An encouraging finding was that less than one percent had no access to a toilet and subsequently had to make use of the veld. During focus group discussions with Kleinmond residents living in back yard structures, respondents expressed deep displeasure with their living conditions, stating that at times access to basic services are limited due to the dictates of landlord, *“Sometimes if we work late, the man locked the house and then we cannot get access to the toilet or tap, then we have to make another plan”*. They also lamented the poor hygienic condition of the communal toilets and highlighted the need for more toilets. This

<sup>13</sup> Note that the differences in number of households per town (main place) is a function of the number of dwellings per plot, since the sampling unit employed in the survey was plots of which an equal number was selected for each town.



theme was also stressed during focus group discussions in Gansbaai, particularly in Masakhane. The municipal manager of Gansbaai, however, pointed out to the fact that communal toilets are regularly trashed and vandalized and subsequently require regular repair. Spokespeople for the Buffeljagsbaai community also expressed dissatisfaction with the quality of the six communal sanitation facilities pointing out to the shocking condition of these facilities caused by strong prevailing wind that blows toilet doors to shreds. Since these toilets face each other the use thereof are subsequently problematic and compromising.

**Table 4.22: Access to toilet facilities**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Access to toilet facilities	Yes, inside the house	Count	59	42	80	38	113	332
		Column %	38.1%	50.6%	48.5%	66.7%	56.5%	50.3%
	Yes, our own toilet outside	Count	7	0	38	13	8	66
		Column %	4.5%	0.0%	23.0%	22.8%	4.0%	10.0%
	Yes, a communal toilet outside the house	Count	79	26	25	3	52	185
		Column %	51.0%	31.3%	15.2%	5.3%	26.0%	28.0%
	Yes, a toilet in another house	Count	9	14	21	3	20	67
		Column %	5.8%	16.9%	12.7%	5.3%	10.0%	10.2%
	No, no toilet facilities	Count	1	0	0	0	2	3
		Column %	0.6%	0.0%	0.0%	0.0%	1.0%	0.5%
Other	Count	0	1	1	0	5	7	
	Column %	0.0%	1.2%	0.6%	0.0%	2.5%	1.1%	
Total		Count	155	83	165	57	200	660
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Table 4.23: Type of toilet facilities**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Main type of toilet facility used	Flush toilet (sewerage system)	Count	153	83	165	56	193	650
		Column%	100.0%	100.0%	100.0%	98.2%	97.5%	99.1%
	Flush toilet (septic tank)	Count	0	0	0	0	2	2
		Column%	0.0%	0.0%	0.0%	0.0%	1.0%	0.3%
	Other	Count	0	0	0	1	3	4
		Column%	0.0%	0.0%	0.0%	1.8%	1.5%	0.6%
	Total	Count	153	83	165	57	198	656
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

An equally important and indispensable basic service is access to clean potable water (table 4.24). Slightly less than half of respondents (48%) have access to potable water inside their dwelling. Sharp differences between the different localities prevail with 79% of households from Hawston enjoying piped water in the dwelling compared 27% of Gansbaai residents. Twenty four percent of households have to use a tap in their yard while another 24% have access to a communal tap situated within the community. Nearly sixty percent of Gansbaai residents surveyed had access to this facility.

**Table 4.24: Access to piped water**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Access to piped water	Piped water on community stand	Count	91	30	8	1	27	157
		Column%	58.7%	36.1%	4.8%	1.8%	13.5%	23.8%
	Piped water inside the yard	Count	18	19	71	9	42	159
		Column%	11.6%	22.9%	43.0%	15.8%	21.0%	24.1%
	Piped water inside dwelling	Count	42	32	80	45	120	319
		Column%	27.1%	38.6%	48.5%	78.9%	60.0%	48.3%
	Use public tank for free	Count	0	2	0	0	0	2
		Column%	0.0%	2.4%	0.0%	0.0%	0.0%	0.3%
	Other	Count	4	0	6	2	11	23
		Column%	2.6%	0.0%	3.6%	3.5%	5.5%	3.5%
Total		Count	155	83	165	57	200	660
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Nearly all households (97%) have access to electricity in their dwelling. Of these 79% have a legitimate or official connection, while 20% use an unofficial or informal connection. Hermanus (61%) has the lowest percentage of dwellings with an official supply of electricity with Gansbaai the highest at 92%. Not unexpected is that Hermanus (35%) and Kleinmond (25%) boast with the highest prevalence of informal connections to the electricity grid (table 4.25).

Exploring the nature of these informal connections, table 4.26 shows this to be primarily a strategy used back yard dwellers to obtain access to electricity. This would explain the high percentage of households that use such connections to access electricity in Hermanus and Kleinmond with these two towns home to large numbers of back yard dwellers.

**Table 4.25: Access to electricity**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Access to electricity	Official connection and it is used	Count	143	70	101	48	145	507
		Column%	92.3%	84.3%	61.2%	84.2%	72.5%	76.8%
	Official connection but is not used	Count	1	1	0	0	2	4
		Column%	0.6%	1.2%	0.0%	0.0%	1.0%	0.6%
	Informal connection	Count	9	9	57	8	50	133
		Column%	5.8%	10.8%	34.5%	14.0%	25.0%	20.2%
	No access to electricity	Count	2	3	7	1	3	16
		Column%	1.3%	3.6%	4.2%	1.8%	1.5%	2.4%
Total		Count	155	83	165	57	200	660
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

**Table 5.26: Access to electricity by dwelling type**

			Access to electricity			Total
			Official connection and it is used	Informal connection	No access to electricity	
Type of dwelling	Formal dwelling	Count	10	0	1	11
		Column %	34.5%	0.0%	25.0%	18.6%
	Back yard	Count	5	24	1	30
		Column %	17.2%	92.3%	25.0%	50.8%
	Informal settlement	Count	13	0	2	15
		Column %	44.8%	0.0%	50.0%	25.4%
	Other	Count	1	2	0	3
		Column %	3.4%	7.7%	0.0%	5.1%
	Total	Count	29	26	4	59
		Column %	100.0%	100.0%	100.0%	100.0%

The intra - town and housing type status regarding access to electricity was also explored (table 4.27). In Hermanus a stark difference was evident between residents of Mount Pleasant with 83% of the aforementioned stating that their dwellings are formally connected to the grid compared to only 43% of the respondents from Zwelihle. Nearly half of the latter mentioned that they receive electricity through an informal connection compared to the 17% of Mount Pleasant. Seven percent of respondents of Zwelihle had no access to the electrical grid at all. The high incidence of informal connections is explained in table 4.28, where it is

shown that 80% and 63% respectively of dwellings in backyard and informal settlements are informally fed from the grid (table 4.28).

**Table 4.27: Access to electricity: Hermanus**

			Settlement		Total
			Mount Pleasant	Zwelihle	
Access to electricity	Official connection and it is used	Count	62	39	101
		Column%	82.7%	43.3%	61.2%
	Informal connection	Count	13	44	57
		Column%	17.3%	48.9%	34.5%
	No access to electricity	Count	0	7	7
		Column%	0.0%	7.8%	4.2%
Total		Count	75	90	165
		Column%	100.0%	100.0%	100.0%

**Table 4.28: Access to electricity in Hermanus for dwelling type**

			Dwelling type				Total
			Formal dwelling	Backyard	Informal settlement	Other	
Access to electricity	Official connection	Count	88	7	3	3	101
		Column%	94.6%	11.7%	37.5%	75.0%	61.2%
	Informal connection	Count	3	48	5	1	57
		Column%	3.2%	80.0%	62.5%	25.0%	34.5%
	No access to electricity	Count	2	5	0	0	7
		Column%	2.2%	8.3%	0.0%	0.0%	4.2%
Total		Count	93	60	8	4	165
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%

In Kleinmond 73% of dwellings of respondents are officially connected to the electricity grid with Poppedorp the lowest at 51%. Poppedorp also has the highest percentage of informal connection to the grid (44%) [table 4.29].

It is fascinating to note that respondents living in the informal areas are significantly better off regarding official electricity connections compared to backyard dwellers (94% compared to 16%), who are much more dependent upon having their dwellings unofficially connected (77%) [table 4.30].

**Table 4.29: Access to electricity: Kleinmond**

			Settlement				Total
			Overhills	Poppedorp	Proteadorp	Riemvasmaak	
Access to electricity	Official connection and it is used	Count	21	41	48	35	145
		Column%	87.5%	51.3%	78.7%	100.0%	72.5%
	Official connection but is not used	Count	0	1	1	0	2
		Column%	0.0%	1.3%	1.6%	0.0%	1.0%
	Informal connection	Count	3	35	12	0	50
		Column%	12.5%	43.8%	19.7%	0.0%	25.0%
	No access to electricity	Count	0	3	0	0	3
		Column%	0.0%	3.8%	0.0%	0.0%	1.5%
Total		Count	24	80	61	35	200
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%

**Table 4.30: Access to electricity in Kleinmond for dwelling type**

			Dwelling type				Total
			Formal dwelling	Backyard	Informal settlement	Other	
Access to electricity	Official connection and it is used	Count	118	9	17	1	145
		Column%	95.2%	16.1%	94.4%	50.0%	72.5%
	Official connection but is not used	Count	1	1	0	0	2
		Column%	0.8%	1.8%	0.0%	0.0%	1.0%
	Informal connection	Count	5	43	1	1	50
		Column%	4.0%	76.8%	5.6%	50.0%	25.0%
	No access to electricity	Count	0	3	0	0	3
		Column%	0.0%	5.4%	0.0%	0.0%	1.5%
Total		Count	124	56	18	2	200
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%

The research set out to arrive at an understanding of the connectivity to internet via WiFi (table 4.31). It can be argued that quality low cost and sustained access to the cyber highway is nearly as indispensable as electricity, especially within the context of socially marginalized communities, in order to stay in contact with modern industrialized and information driven society. Bridging the digital divide, i.e. reliable and affordable cyber connectivity can in a no small way assists in addressing systemic poverty and marginalization. The results show an extremely low percentage (2%) of respondents having this commodity.

**Table 4.31: Access to Wi-fi**

			Town					
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Access to wi-fi	Yes	Count	2	2	4	4	2	14
		Column%	1.3%	2.4%	2.4%	7.0%	1.0%	2.1%
	No	Count	153	81	160	53	198	645
		Column%	98.7%	97.6%	97.6%	93.0%	99.0%	97.9%
Total		Count	155	83	164	57	200	659
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

## 9. Summative comments

Household size in the sampled communities is relatively low, with 57% seven percent of the sampled households consisting of three people or less. Of these the largest portion (21%) consists of three household members followed by single member households (19.8%). The analysis shows a statistically significant correlation between household size and population group with African Black households registering a significantly higher percentage of single - person household compared to previously Coloured population.

The composition of households in the four survey areas shows strong similarity with the typical composition of a household head, partner and children. Slightly more than half of the households surveyed, except for Stanford, consist of two generations, a third of only one. A small percentage consists of three or more generations.

The total dependency rate of the respective population groups surveyed was exactly the same with marginal difference in the youth ratios. A significant difference, however, was observed in the old age dependency ratio with coloured households carrying a heavier burden compared to their Black African counterparts. Low income households in the Overstrand are illustrated as having a slightly lower dependency ratio or burden than the overall population of this region as well as that of South Africa.

The analysis showed an encouraging low unemployment rate with only 16.6% of the sampled population indicating to be unemployed and looking for work. This is significantly lower than the recently published national unemployment rates of around 27%.

This, however, must be viewed against the average low wage structure prevailing in these communities. The analysis depicting the income expenditure trends confirms this. Nearly 56% of the surveyed households do not have access to discretionary spending on even crucial commodities and services that enhances livelihood security and overall quality of life.

Finally the chapter consider the access of households to basic municipal services. Although delivery and access to these services is generally good, access to electricity was identified as a specific challenge for back dwellers.

## **CHAPTER 5**

# **Housing Dynamics within the Low Income Communities of the Overstrand Local Municipality**

### **1. Introduction**

This chapter explores the housing dynamics within the low income communities of the Overstrand Local Municipality. A number of variables are considered pertaining to the characteristics of household head, household members and living arrangements.

### **2. Characteristics of Household Heads**

A comparison between the Census data and survey data provides a useful comparison between the gender distribution of the Overstrand population in its entirety and the research population representing the lower income bracket of this population most likely to qualify and in need of assistance of government subsidies, particularly access to housing opportunities (figures 5.1 and 5.2).

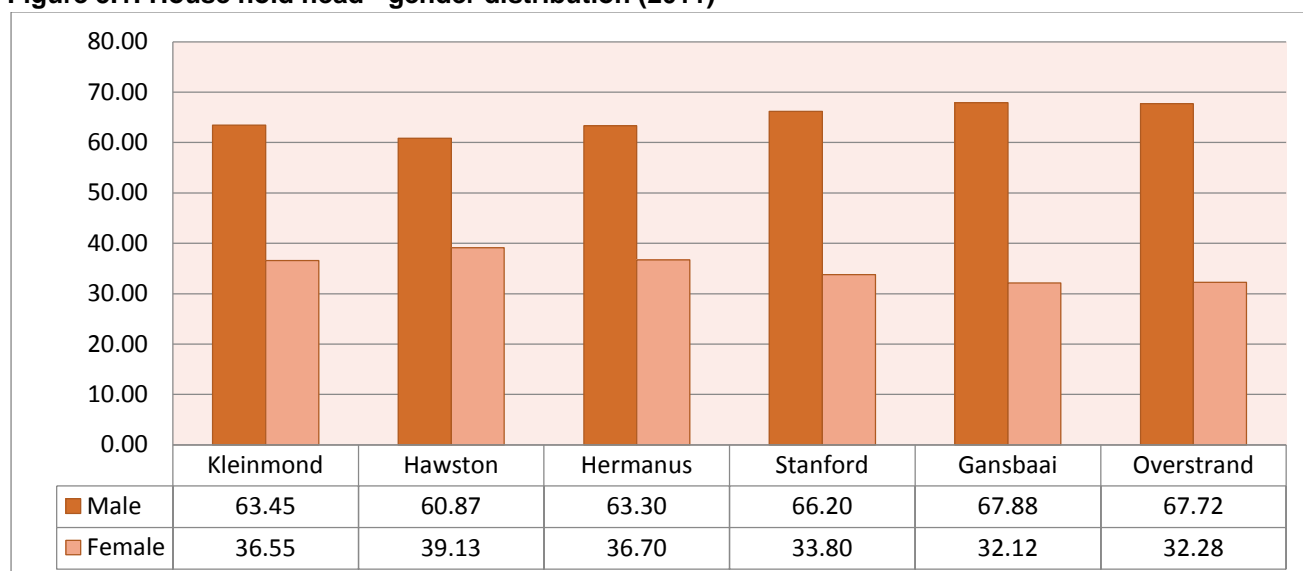
The 2011 Census data show a very similar gender distribution among household heads for the different towns with males dominating as heads of households. The 2015 survey data mostly confirms this trend although it does demonstrate some differences. It is evident that the observed changes are towns where the survey research population is most likely to differ in socio-economic characteristics compared to the census population. The towns where this observation is true are the three towns of Gansbaai, Hawston and Kleinmond.

According to the survey data females constitute a higher percentage of heads of households compared to males in the research population in Gansbaai (60.3% vs.39.7%). The gender distribution among the research population included in the survey show an equal distribution of male and female headed households compared to 60.87% male and 39.13% female heads if the total population in this town is considered. Kleinmond also exhibits a higher percentage of female headed households in the surveyed research population compared to census data (42.6% vs. 36.55%). This observation is relevant in that it shows a higher prevalence of female headed households in the lower income category of the Overstrand



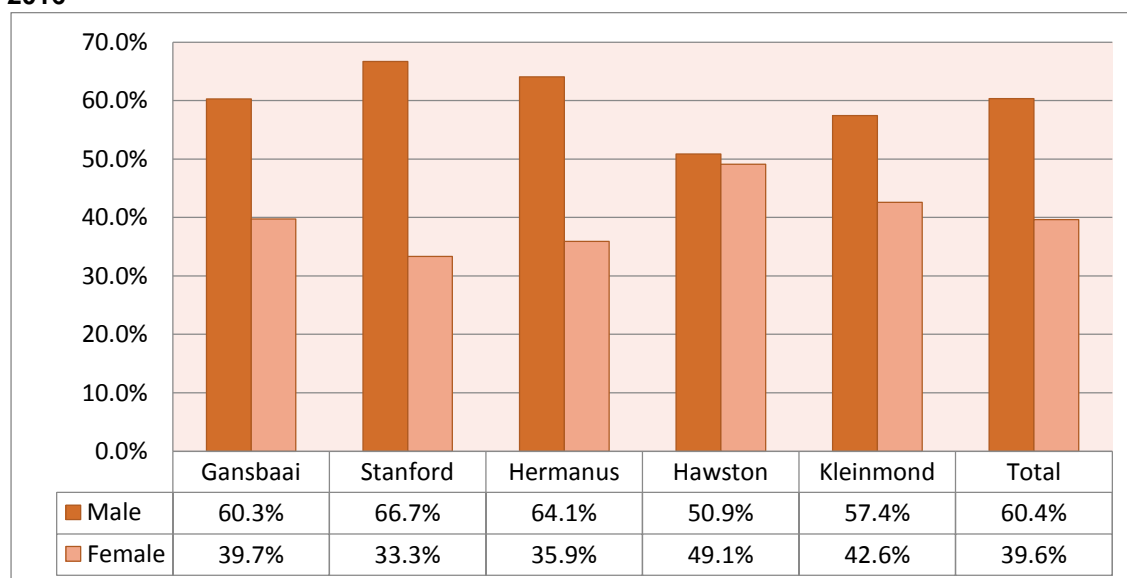
population, compared to higher income categories. This finding suggests that the planning and prioritisation of areas for future housing projects should take into account the prevalence of female headed households since gender as an indicator of vulnerability and thus preferential delivery is a specific criteria stated in housing policy.

**Figure 5.1: House hold head - gender distribution (2011)**



Source: 2011 Census

**Figure 5.2: Gender distribution of heads of households represented in the survey population, 2016**



Source: Household Survey, 2016

As far as the age of heads of households is concerned a comparison between 2011 Census and the household survey data again present opposing trends (tables 5.1 and 5.2). With the exception of Hawston, in all the towns included in the survey, the largest portion of household heads within the survey population is young adults (30-39 years) in contrast to

the census population where the largest portion consist of those in the elderly age group (50 years or older).

With 37.3% of the survey research population within their younger and thus productive years as far as fertility is concerned (20-39 years), it can be expected that this group will have a decisive impact on the future population growth of the Overstrand.

**Table 5.1: Age distribution among household heads (2011)**

		Gansbaai	Stanford	Hermanus	Hawston	Kleinmond
Age of household head	0-19 yrs	0.87	0.80	0.10	0	0.77
	20-29yrs	20.00	18.88	4.29	6.37	16.90
	30-39yrs	27.91	24.50	10.67	21.12	<b>20.42</b>
	40-49yrs	18.26	21.69	16.86	30.12	14.38
	50yrs +	<b>32.96</b>	<b>34.14</b>	<b>68.10</b>	<b>42.39</b>	<b>47.53</b>
Total		100	100	100	100	100

Source: 2011 Census

**Table 5.2: Age distribution among household heads (2011)**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Age of household head	0-19yrs	Count	0	0	1	0	2	3
		Column %	0.0%	0.0%	0.6%	0.0%	1.0%	0.5%
	20-29yrs	Count	36	9	24	2	51	122
		Column %	23.2%	10.7%	14.4%	3.5%	25.2%	18.3%
	30-39yrs	Count	53	26	52	9	62	202
		Column %	<b>34.2%</b>	<b>31.0%</b>	<b>31.1%</b>	15.8%	<b>30.7%</b>	30.4%
	40-49yrs	Count	31	14	43	22	47	157
		Column %	20.0%	16.7%	25.7%	38.6%	23.3%	23.6%
	50yrs +	Count	35	35	47	24	40	181
		Column %	22.6%	41.7%	28.1%	<b>42.1%</b>	19.8%	27.2%
Total		Count	155	84	167	57	202	665
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Household Survey, 2016

### 3. Living arrangements

The analysis and discussion pertaining to household size of the survey research population in Chapter 3, found the majority of sampled households to consist of three people or less with the largest portion consisting of three household members. In order to make an

informed assessment of the potential influence or impact of prevailing household sizes in the Overstrand on the quality of life on inhabitants it is, however, necessary to develop an idea of the available space within existing dwellings.

The first phase of the Reconstruction and Development Programme (RDP) comprised of the building of inter alia small one room dwellings of very modest size. Due to the pervasive shortage of housing opportunities in the Overstrand thousands of people have to live in modest size informal housing, be it backyard dwellings (Wendy houses, caravans and shacks) or informal dwellings/shacks constructed typically from corrugated iron and wood in informal areas.

In an effort to develop a better understanding of the available space that has to be shared by household members, a number of factors were considered in the household survey and are presented below. The analysis first considers those households that live in one room dwellings where after the spatial realities of those living in a dwelling unit with more than one room is explored.

### 3.1 One room dwellings

The study explored the phenomenon of one room dwellings in terms of its geographical and racial distribution as well as the sizes of households that populate them. Twenty five percent of the households included in the household survey were living in one room dwellings at the time of the survey. Of these 63.5% live in backyard structures, with another 21% in an informal dwelling in an informal settlement (table 5.3). Most of these dwelling are concentrated in Hermanus, Gansbaai and Kleinmond. Except for Gansbaai where a sizeable percentage (41%) are occupied by coloureds and Hawston (100%) one room dwellings are predominantly occupied by Black African families (table 5.4).

**Table 5.3 Housing type of one room dwellings**

Dwelling type	Count	Percentage	Cumulative Percentage
Formal dwelling	19	11.4	11.4
Back yard	106	63.5	74.9
Informal settlement	35	21.0	95.8
Other	7	4.2	100.0
<b>Total</b>	<b>167</b>	<b>100.0</b>	

**Table 5.4: One room house & population group by town**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Population group	Coloured	Count	17	5	3	8	10	43
		Column %	40.5%	25.0%	7.0%	100.0%	23.3%	27.6%
	Black	Count	25	14	39	0	33	111
		Column %	59.5%	70.0%	90.7%	0.0%	76.7%	71.2%
	Other	Count	0	1	1	0	0	2
		Column %	0.0%	5.0%	2.3%	0.0%	0.0%	1.3%
Total		Count	42	20	43	8	43	156
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

A strategically important aspect relating to the habitation of one room dwellings concerns the number of people living in it. Thirty eight percent of these dwellings are occupied by one person and another 22% by two people. What is of concern is that 33% of households that occupy one room dwellings comprise three and more members with 11% comprising 5 members and more. Hawston has the most serious over occupation with 50% housing families of 3 and more members (table 5.5).

**Table 5.5: HH size in one room dwellings**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Household size	1	Count	18	10	22	1	17	68
		Column %	38.3%	50.0%	46.8%	12.5%	37.8%	40.7%
	2	Count	9	3	11	3	10	36
		Column %	19.1%	15.0%	23.4%	37.5%	22.2%	21.6%
	3	Count	8	2	7	1	7	25
		Column %	17.0%	10.0%	14.9%	12.5%	15.6%	15.0%
	4	Count	8	3	3	2	6	22
		Column %	17.0%	15.0%	6.4%	25.0%	13.3%	13.2%
	5	Count	2	2	2	1	3	10
		Column %	4.3%	10.0%	4.3%	12.5%	6.7%	6.0%
	6+	Count	2	0	2	0	2	6
		Column %	4.3%	0.0%	4.3%	0.0%	4.4%	3.6%
Total		Count	47	20	47	8	45	167
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

The age distribution of household heads of one room dwellings shows that it is a young population that populate these dwellings with 35% under 30 years of age and another 40% between 30-39 years with the mean age 34.4 and the mode 30 years (table 5.6). It can be assumed that a strong majority, given their race and young age are in - migrants from predominantly the Eastern Cape that have settled in the Overstrand (see discussion on migration trends in Chapter 3).

**Table 5.6: Age distribution of household heads of one room dwellings**

		Frequency	Valid Percent	Cumulative Percent
Valid	20-29yrs	58	34.7	34.7
	30-39yrs	66	39.5	74.3
	40-49yrs	27	16.2	90.4
	50yrs +	16	9.6	100.0
	Total	167	100.0	

The research results summarised in table 5.7 clearly show that most of the one room dwellings are situated in backyards (64%) and in informal settlements (21%). In Gansbaai most of the single room dwellings are located in informal settlements (49%), while in the remaining towns, overwhelmingly in backyards, i.e. Kleinmond 78% and Hermanus 77%. The importance of backyard accommodation as a strategy to deal with the overflow from formal housing with especially restricted space, is forcefully illuminated here.

**Table 5.7: Housing type of one room dwellings by town**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Type of dwelling	Formal dwelling	Count	2	3	8	0	6	19
		Column %	4.3%	15.0%	17.0%	0.0%	13.3%	11.4%
	Backyard	Count	18	9	36	8	35	106
		Column %	38.3%	45.0%	76.6%	100.0%	77.8%	63.5%
	Informal settlement	Count	23	8	2	0	2	35
		Column %	48.9%	40.0%	4.3%	0.0%	4.4%	21.0%
	Other	Count	4	0	1	0	2	7
		Column %	8.5%	0.0%	2.1%	0.0%	4.4%	4.2%
	Total	Count	47	20	47	8	45	167
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Another measure that provides a more nuanced description of the living realities of households is the number of generations that have to share the living space. The phenomenon of co - existence of more than one generation in one dwelling, of whatever size, can be the result of a diversity of factors. Some of the most common include financial considerations, lack of alternative accommodation, cultural embedded patterns as well as looking after vulnerable family members.

Fifty eight percent of one room dwellings accommodate two generation households with 9% three generations (table 5.8). The high percentage of households constituted of two generations, as well as the young age of household heads, suggest that a high percentage are children that are sharing one room with their parents or one parent and partner. The potential negative impact of this living arrangement cannot be stressed enough.

**Table 5.8: Number of generations in one room dwellings**

			Number of generations in HH			Total
			1	2	3	
Town	Gansbaai	Count	22	45	6	73
		% within Town	30.1%	61.6%	8.2%	100.0%
	Stanford	Count	15	16	1	32
		% within Town	46.9%	50.0%	3.1%	100.0%
	Hermanus	Count	20	33	6	59
		% within Town	33.9%	55.9%	10.2%	100.0%
	Hawston	Count	3	6	2	11
		% within Town	27.3%	54.5%	18.2%	100.0%
	Kleinmond	Count	19	34	5	58
		% within Town	32.8%	58.6%	8.6%	100.0%
Total		Count	79	134	20	233
		% within Town	33.9%	57.5%	8.6%	100.0%

## 3.2 Multiple-room dwellings

The living conditions in terms of the available space for those households that live in dwellings consisting of more than one room were considered in terms of (1) the number of bedrooms in relation to household size comprising the household and, (2) the number of bedrooms in relation to the number of generations that comprise a household. Table 5.9 provides the findings for the measurement of the number of bedrooms in relation to household size. It is evident to observe that the number of bedrooms do not increase with

the household size of these households. The majority of households live in dwellings with either one (47%) or two (37.5%) bedrooms irrespective of their household size.

Measuring the number of generations in terms of the number of bedrooms the data in table 5.10 give a clear indication that rooms are shared in most cases irrespective of the number of generations that share a dwelling, with the largest portion (47%) of all households living in dwellings with more than one room having to share a bedroom. The practice of having to share bedrooms is further confirmed in considering the number of bedrooms per generation with 47.2% of two generation households and another 26.3% of three generation households living in a one bedroom house. Forty one percent of three generation households were living in a two bedroom house at the time of the survey.

**Table 5.9: Number of bedrooms in relation to HH size**

			Number of bedrooms					Total
			1	2	3	4	5	
Household size	1	Count	51	9	3	1	0	64
		Row%	79.7%	14.1%	4.7%	1.6%	0.0%	100.0%
	2	Count	38	26	11	3	0	78
		Row%	48.7%	33.3%	14.1%	3.8%	0.0%	100.0%
	3	Count	54	40	15	7	0	116
		Row%	46.6%	34.5%	12.9%	6.0%	0.0%	100.0%
	4+	Count	91	90	40	15	4	240
		Row%	37.9%	37.5%	16.7%	6.3%	1.7%	100.0%
Total		Count	234	165	69	26	4	498
		Row%	47.0%	33.1%	13.9%	5.2%	0.8%	100.0%

**Table 5.10: Number of bedrooms in relation to number of generations in HH**

			Number of bedrooms					Total
			1	2	3	4	5	
Number of generations sharing a dwelling	1	Count	79	30	15	3	0	127
		Row %	62.2%	23.6%	11.8%	2.4%	0.0%	100.0%
	2	Count	135	100	35	13	3	286
		Row %	47.2%	35.0%	12.2%	4.5%	1.0%	100.0%
	3	Count	20	31	15	9	1	76
		Row %	26.3%	40.8%	19.7%	11.8%	1.3%	100.0%
	4	Count	0	3	4	1	0	8
		Row %	0.0%	37.5%	50.0%	12.5%	0.0%	100.0%
Total		Count	234	164	69	26	4	497
		Row %	47.1%	33.0%	13.9%	5.2%	0.8%	100.0%

The above described living conditions of households, both residing in one- and multi-room dwellings, provides a clear indication that households that fall within the specific income bracket constituting the research population of this study, more often than not experience living conditions characterised by (severe) overcrowding with multiple generations having to live, sleep and share limited and intimate living space in a dwelling.

The cohabitation of different generations in a confined space together with the sharing of bedrooms in multi-generational households has been found and often argued as a source of conflict, domestic instability, health concern and negative impact on the social wellbeing of children. The associated negative experience and impact of these realities on household members and communities were confirmed by respondents taking part in focus group discussions included in the research. One respondent articulated it as follow... *“dit is ‘n groot problem as meer as een generasie saambly in een huis”*. Another respondent stated that... *“hier is nog soveel jong mense wat al kinders het wat saam met hule ouers, oupas en oumas en ook broers en suster woon... in een kamerhuis. Dit is baie ongesond”*

The phenomenon of overcrowding and especially the consequences associated with severe over- population of existing housing stock was stressed by virtually every focus group. Respondents repeatedly mentioned the impact of overcrowding on the privacy of household members and especially the negative impact this has on young children growing up in these households by exposing the young to adult behaviour, including substance abuse and unruly and sexual behaviour.

Given the large percentage of households that are residing in backyard dwellings, a discussion on the living environment of households with reference to overcrowding, will be incomplete without a description of how living arrangements are organised on plots. For obvious reasons this discussion excludes those households that reside in informal settlements.

#### **4. Living arrangements on Plots**

This research team developed a unique research measuring instrument, a *geo-gram* that served to establish the number of dwellings on one plot, the total number of individuals living on this plot, the number of households these individuals constitute and the relationship of these households to the household head of the main dwelling. This was done to get a better understanding of exactly how people that reside in low income areas of the Overstrand organise their housing environment. This instrument was designed to serve mainly to establish the density that this population experience daily.



Table 5.11 presents the number of structures used for living on the sampled plots. From the data it is clear that in most cases (58.7%) individuals living on a plot share the main house with no other structures used for living in, on the plot. Just more than 40% of plots included in the survey have more than one dwelling used for living in. Exploring possible differences in plot density in relation to the total number of structures on a plot for the different towns the analysis shows that Hermanus has the highest percentage of multiple dwellings per single plot (55.6%), followed by Gansbaai (50.5%) and Stanford (46.5%). Hermanus is also the town with the highest percentage of plots with more than three structures (34%) compared to 15% and 5% respectively in Kleinmond and Hawston

**Table 5.11: Number of structure used for living purposes on a plot presented by town**

			Town					Total
			Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	
Number of structures t	1	Count	45	23	40	34	94	236
		Column%	49.5%	53.5%	44.4%	77.3%	70.1%	58.7%
	2	Count	21	10	20	8	20	79
		Column%	23.1%	23.3%	22.2%	18.2%	14.9%	19.7%
	3	Count	16	1	14	2	10	43
		Column%	17.6%	2.3%	15.6%	4.5%	7.5%	10.7%
	4+	Count	9	9	16	0	10	44
		Column%	9.9%	20.9%	17.8%	0.0%	7.5%	10.9%
Total		Count	91	43	90	44	134	402
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

In a further effort to explore plot density in relation to the number of households and individuals that live on a plot, the respective mean measure for these indicators were calculated and are presented in table 5.12 below. From this data the importance of exploring density and overcrowding in both individual households as well as how respective households organise themselves in terms of housing and associated living arrangements, becomes evident. The descriptive statistics confirm that in general Overstrand households that fall within the lower income bracket tend to share their geographical space with at least one more household with the mean number of households per plot indicated as 1.63. With the household size of an individual household at an average of 3.39, and an average of 1.63 households per plot, the average number of people that share a plot is calculated at 5.52. The fact that the mode and mean values show some variance is an indication of the variance in this trend within the municipal area, a trend that was discussed above in detail.

The potential impact of removing additional structures (so called backyard structures) on overcrowding of the main dwelling, in the absence of access to alternative housing

opportunities, was calculated. Should backyard structures as a housing solution disappear, the current average of 2.13 persons per dwelling would increase to 6.41. This is significant given that earlier analysis showed the majority of households living in formal dwellings live in dwellings consisting of only one bedroom or a one room dwelling.

**Table 5.12: Number of people living on a plot vs number of HH on plot**

Statistics					
		Number of people on the plot	Number of HH on plot	Number of dwelling units on plot	Household size of individual HH living on a plot
N	Valid	407	407	405	666
	Missing	0	0	2	0
Mean		5.52	1.63	1.84	3.39
Median		5.00	1.00	1.00	3.00
Mode		3	1	1	3

Further analysis of the number of households per plot is presented in table 5.13. The data presented here supports the above trends with the number of households correlate with the number of structures on a plot. Seventy six percent of plots with only one structure build have only one household although in 33% and 26% cases respectively these single structures accommodate two and three households. Forty seven percent of plots with two structures accommodate two families. The correlation between the number of structures is especially strong when there are four or more dwellings on one plot.

**Table 5.13: Number of dwellings on a plot**

			Number of HH				Total
			1	2	3	4+	
Number of structures	1	Count	201	25	10	1	237
		Column%	76.4%	32.5%	25.6%	3.8%	58.5%
	2	Count	38	36	5	0	79
		Column%	14.4%	46.8%	12.8%	0.0%	19.5%
	3	Count	13	12	17	2	44
		Column%	4.9%	15.6%	43.6%	7.7%	10.9%
	4+	Count	11	4	7	23	45
		Column%	4.2%	5.2%	17.9%	88.5%	11.1%
Total		Count	263	77	39	26	405
		Column%	100.0%	100.0%	100.0%	100.0%	100.0%

If the percentage of dwelling units per plot in terms of sub-places in the formal areas is analysed it is striking that there is a consistent higher population of dwellings per plot in traditionally Black African suburbs of formal areas (table 5.14). This difference in plot density is pronounced in Gansbaai, Hermanus and Kleinmond. Gansbaai is a case in point where 10% of plots in Blompark have three or more structures compared with 58% in Masakhane. The same sweeping difference is present in Hermanus with 13% of plots in Mount Pleasant presenting three or more structures on a plot compared to 51% in the case of Zwelihle.

**Table 5.14: Number of dwelling units per plot by sub-place for formal areas**

Town				Number of structures on plot				Total
				1	2	3	4+	
Gansbaai	Small place	Blompark	Count	27	11	3	1	42
			Row%	64.3%	26.2%	7.1%	2.4%	100.0%
		Mashakane	Count	8	3	9	6	26
			Row%	30.8%	11.5%	34.6%	23.1%	100.0%
	Total		Count	35	14	12	7	68
			Row%	51.5%	20.6%	17.6%	10.3%	100.0%
Stanford	Small place	Stanford North & Thembalithle	Count	20	9		5	34
			Row%	58.8%	26.5%		14.7%	100.0%
	Total		Count	20	9		5	34
			Row%	58.8%	26.5%		14.7%	100.0%
Hermanus	Small place	Mount Pleasant	Count	29	12	4	2	47
			Row%	61.7%	25.5%	8.5%	4.3%	100.0%
		Zwelihle	Count	4	7	6	11	28
			Row%	14.3%	25.0%	21.4%	39.3%	100.0%
	Total		Count	33	19	10	13	75
			Row%	44.0%	25.3%	13.3%	17.3%	100.0%
Hawston	Small place	Hawston	Count	34	8	2		44
			Row%	77.3%	18.2%	4.5%		100.0%
	Total		Count	34	8	2		44
			Row%	77.3%	18.2%	4.5%		100.0%
Kleinmond	Small place	Poppedorp	Count	14	7	4	8	33
			Row%	42.4%	21.2%	12.1%	24.2%	100.0%
		Proteadorp	Count	28	10	4	1	43
			Row%	65.1%	23.3%	9.3%	2.3%	100.0%
		Riemvasmaak	Count	33	0	0	0	33
			Row%	100.0%	0.0%	0.0%	0.0%	100.0%
	Total		Count	75	17	8	9	109
			Row%	68.8%	15.6%	7.3%	8.3%	100.0%

Testing the relationship of those living in the additional structures on plots, most (46.09%) indicated these dwellings to be occupied by non-family members paying rent to the occupant of the main house on the plot. This trend is true for all towns, with the exception of Gansbaai where most (38.38%) of these structures are occupied by family members staying for free. This group was the second largest to occupy additional structures for all the other towns. Hawston exhibits the highest number of structures rented out to family, where the general trends is for family to stay for free (table 5.15).

**Table 5.15: Relation of households living in back yard dwellings to the household head of main house by town**

Relationship to main house	Gansbaai	Stanford	Hermanus	Hawston	Kleinmond	Total
Family paying rent	4.04	9.80	8.85	<b>25.00</b>	7.06	7.82
Family staying for free	<b>38.38</b>	29.41	35.40	33.33	34.12	34.64
Non family member paying rent	29.29	<b>49.02</b>	<b>54.87</b>	<b>41.67</b>	<b>51.76</b>	<b>46.09</b>
Non family member staying for free	28.28	9.80	0.00	0.00	5.88	10.61
Other	0	1.96	0.88	0	1.18	0.84
Total	100	100	100	100	100	100
Total count	99	51	113	12	85	358

## 5. The strategic importance of backyard structures

The preceding analyses have again unequivocally underlined the strategic importance of backyard structures situated on plots in the Overstrand in not only quenching the ever growing thirst for housing in this area but to also lessen already experienced conditions of overcrowding in a large portion of formal dwellings within the area.

Having said this, the impact of this informal housing innovation comes at a high cost, as became clear from focus group discussions. Having said this, the impact of this informal housing innovation comes at a high cost, as became clear from focus group discussions, (particularly in Hermanus) to the quality of life of people living in and amidst persistent proliferation of these structures. Residents of Zwelilhe described their present housing condition as extremely bad and uncomfortable. One participant declared that, “*where I am living now is hell*”. The main obstacles with their current housing situation mentioned were an acute lack of space as most dwellings consist of only one room resulting in a lack of privacy particularly in households that consist of more than one member.

Participants all voiced a sense of vulnerability and exposure to their environment. Plots are often so densely populated with shacks and people that it is virtually impossible to move around to access toilets and dry laundry. Unbearable noise levels which are especially bad over weekends when loud music continues throughout the night combined with drunken people stumbling against thin corrugated walls of shacks further adds to unpleasant living conditions. It was stressed how this intrusion makes it impossible to sleep, with implication for the ability to work the next day. Reprimanding these people was said to serve no purpose due to a lack of a sense and acknowledgement of individual property. This feeling of intrusion and vulnerability was the most forceful aspect articulated relating to present housing conditions.

During a focus group discussion with backyard dwellers their vulnerable existence and precarious living conditions were accentuated, stating that at times access to basic services are limited due to the dictates of landlords. *“Sometimes if we work late, the man locked the house and then we cannot get access to the toilet or tap, then we have to make another plan”.*

There was particular frustration in some focus groups about the prevalence and impact of the overcrowding due to proliferation of shacks. One particular aspect that caused great frustration amongst participants is the so-called “one- door policy” enforced by some satellite offices whereby backyard dwellings and dwellings in informal settlements are not allowed to expand with additional doors fitted. This leads directly to the proliferation of dwellings on a single stand.

The issue and consequences of the high density of structures on plots in Thembelithle (Stanford) was voiced as a source of deep concern for residents of this settlement by focus group participants. The participants claimed that the area is characterised by severe overcrowding of Wendy’s on plots that is described as. *“baie gevaarlik”* causing shack fires with incidences of people that have burned to death. This they contribute directly to the prevailing overcrowded conditions. Asked about any alternative housing solutions, respondents were very despondent, indicating that they do not see any solution or alternative to the overcrowding as there are no alternative housing solutions available to them. *“Ons probeer net vir almal ‘n dak oor hul koppe kry”.*

From this focus group it became clear that apart from the obvious irritation and general unhappiness with their existing housing reality (i.e. lack of adequate sanitation and easy and sustainable use of water and electricity), the impact of uncontrolled urbanization characterised by settlement densification and a raft of negative social implications was repeatedly stressed. It is clear that these households do not only have to deal with a lack of

basic services and amenities, but also with a raucous and intrusive social ecology in which they daily function and live

## **6. Ownership**

The research established the status of ownership of households regarding their property. Owning one's property is an emotional investment to many. This message was forcefully delivered during all focus group discussions when participants were probed about possible housing options.

The following table contains data pertaining to ownership of the dwelling respondents are staying in. The data is presented for the two population groups and the three different dwellings types, i.e. formal dwellings, informal in informal settlement and backyard structure. In terms of general ownership across housing types, the results show that a statistical significant difference exists between black African and coloured homeownership with 55% of African Blacks and 80% of coloured households having ownership. This is not surprising as the Overstrand traditionally have been the home of coloured people for generations with black African visiting this area mostly as migrant contract (male) workers in the previous dispensation.

Considering the ownership status of households occupying different types of dwellings, i.e. formal structure, informal backyard structured and informal structure in informal settlement, the trend above trend is mostly repeated with the majority indicating ownership in most cases, however, with some interesting variance for the two population groups.

For those that life in formal dwelling units the majority of both Coloured (85%) and Black African (72%) household heads indicated to own the dwelling. The trend shifts when ownership of backyard shacks is considered, with significantly lower rates of ownership for both population groups. Although still the majority of Coloured households own the back yard structure they live in (65%) the number of households that live for free is significantly higher (19%). In case of Black African households the majority (50%) living in back yard shacks are shown to rent these structures with another 40% that indicated ownership. As expected the majority of household heads living in informal settlements indicated to own the dwellings they live in. Interesting to note, however, is the rather large percentage (18%) of Black African households that live for free in these settlements.

**Table 5.17: Ownership of dwelling structures, Black and Coloured Household Heads**

Ownership of dwelling			Population group		Total
			Coloured	Black	
Formal dwelling	Own the structure	Count	195	83	278
		Column %	85.2%	72.2%	80.8%
	Rent the structure	Count	28	21	49
		Column %	12.2%	18.3%	14.2%
	Stay for free	Count	6	11	17
		Column %	2.6%	9.6%	4.9%
	Total	Count	229	115	344
		Column %	100.0%	100.0%	100.0%
Back yard	Own the structure	Count	37	48	85
		Column %	64.9%	40.3%	48.3%
	Rent the structure	Count	9	60	69
		Column %	15.8%	50.4%	39.2%
	Stay for free	Count	11	11	22
		Column %	19.3%	9.2%	12.5%
	Total	Count	57	119	176
		Column %	100.0%	100.0%	100.0%
Informal settlement	Own the structure	Count	8	40	48
		Column %	61.5%	52.6%	53.9%
	Rent the structure	Count	5	22	27
		Column %	38.5%	28.9%	30.3%
	Stay for free	Count	0	14	14
		Column %	0.0%	18.4%	15.7%
	Total	Count	13	76	89
		Column %	100.0%	100.0%	100.0%
Total	Own the structure	Count	240	171	411
		Column %	80.3%	55.2%	67.5%
	Rent the structure	Count	42	103	145
		Column %	14.0%	33.2%	23.8%
	Stay for free	Count	17	36	53
		Column %	5.7%	11.6%	8.7%
	Total	Count	299	310	609
		Column %	100.0%	100.0%	100.0%

A follow up question probed owners of structures whether they have ownership of the land their property has been erected on. It became clear from focus group discussion that the perception is held that even if no legal papers (documents) can be presented, occupants of dwellings in especially informal areas are often of the opinion that they are the rightful owners of both the land and house they live in. Some even indicated to have bought it from a previous 'owner'. The following table reflects results on ownership of land (table 5.18).

As expected nearly all household heads living in formal structures an indicting to own these, also own the land the structure is build. For those living in backyard shacks the majority pay rent to live on the plot. These findings for those living in formal and back yard structures are consisted for both population groups. Considering those that live in informal settlements an interesting finding presents itself, confirming trends established in focus group discussions, particularly amongst Black African participants. For these household heads the majority (62.5%) of Coloured respondents indicated to stay for free with the remainder 37% indicating to own the land. In turn the majority (72.5%) of Black African heads living in an informal settlement and indicating to own that structure also indicated to own the land this structure is built on. This is an important finding in that it could be expected that such perceptions might cause difficulties in programmes aimed at formalising informal settlement areas

**Table 5.18: Ownership of dwelling structures, Black and Coloured Household Heads**

Population group				Ownership of structure			Total
				Yes, I own this structure	No, I rent this structure	No, I stay here for free	
Coloured	Dwelling type	Formal dwelling	Count	195	28	6	229
			Column %	79.9%	63.6%	31.6%	74.6%
		Backyard	Count	37	9	11	57
			Column %	15.2%	20.5%	57.9%	18.6%
		Informal settlement	Count	7	5	0	12
			Column %	2.9%	11.4%	0.0%	3.9%
		Other	Count	5	2	2	9
			Column %	2.0%	4.5%	10.5%	2.9%
	Total	Count	244	44	19	307	
		Column %				100.0%	
Black	Dwelling type	Formal dwelling	Count	83	21	11	115
			Column %	48.3%	20.4%	29.7%	36.9%
		Back yard	Count	48	60	11	119
			Column %	27.9%	58.3%	29.7%	38.1%
		Informal settlement	Count	40	22	14	76
			Column %	23.3%	21.4%	37.8%	24.4%



		Other	Count	1	0	1	2
			Column %	0.6%	0.0%	2.7%	0.6%
	Total		Count	172	103	37	312
			Column %	100.0%	100.0%	100.0%	100.0%
<b>Total</b>	Dwelling type	Formal dwelling	Count	278	49	17	344
			Column %	<b>66.8%</b>	33.3%	30.4%	55.6%
		Back yard	Count	85	69	22	176
			Column %	20.4%	<b>46.9%</b>	<b>39.3%</b>	28.4%
		Informal settlement	Count	47	27	14	88
			Column %	11.3%	18.4%	25.0%	14.2%
		Other	Count	6	2	3	11
			Column %	1.4%	1.4%	5.4%	1.8%
	Total		Count	416	147	56	619
			Column %	100.0%	100.0%	100.0%	100.0%

## 7. Acceptability of site and serviced plots

The acceptability of a site and serviced plot as part of the Government's programme of low cost housing programme was tested in both the survey and focus group sessions. The survey results are presented in the table below (table 5.19).

Very strong support (83%) for this concept is evident with slightly more enthusiasms amongst Black Africans (88%) than coloureds (82%).

**Table 5.19: Acceptability of serviced plot by population group (Black & Coloured)**

			Population group		Total
			Coloured	Black	
Consider to move to service plot and build own top structure	Yes	Count	93	206	299
		Column %	81.6%	87.7%	85.7%
	No	Count	21	28	49
		Column %	18.4%	11.9%	14.0%
	Don't know	Count	0	1	1
		Column %	0.0%	0.4%	0.3%
Total	Count		114	235	349
	Column %		100.0%	100.0%	100.0%

During focus group sessions participants view of this was comprehensively discussed. Although nearly equally strong support for a site and serviced plot programme was expressed during focus group discussions by both Black African and coloured participants in

different settlements, many participants attached strong conditions to this should it be rolled out. They stressed that this programme must include decent size plots in order to accommodate extensions when needed. Participants pointed to the average size of families in these areas. *“Huisse wat hulle nou bou moet darem redelike erwe hê dat jy darem kan beweeg (om die huis) en ‘n wasgoed lyn kan opsit. Kinders kan nie eers speel (op die klein erwe) nie.”*

In Hermanus participants from Zwelilhe also welcomed the concept of a site and serviced plot with two provisions though - firstly the plot must be of “good” size in order to build a dwelling that will accommodate large families. It was pointed out that households in the informal settlement are typically large extended families, and some official control must be exerted over the type of housing to be build (*“must be nice looking”*). Participants from the informal settlement in Mount Pleasant supported this concept, noting that its potential application will be limited and only applicable to households with incomes exceeding R3 500 per month. They pointed out that households with incomes lower than this simply do not have the necessary funds to purchase material and labour to make it a viable option for households with lower income cohorts.

Although respondents from Mooiuitsig expressed a strong desire to be the recipient of a completed house, the option of site and service was welcomed as a second best alternative. They had two conditions accompanying this though:

- From the outset there has to be strict building regulations governing the structures that will be allowed to be erected. They insisted that the municipality need to play an active role in this and that
- All structures to be build need to be accompanied by some basic plan – not necessarily a formal architect designed one though, which will be too expensive for future beneficiaries.

Participants from Buffeljagsbaai were also willing to consider a serviced plot on which they would have to build their own top structures. The only reservation was that these plots must be of a decent size. *“Erf is fine gediens, maar dan moet dit ‘n ordentlike erf wees. Dat jy kan aanbou, nie 8x8m<sup>2</sup> nie. Daar moet ook ‘n pad wees”.*

From the above it is clear that a number of themes and concerns emanating from different focus group sessions were repeatedly mentioned, i.e. the size of plots, an aspect that dominated the discourse as well as some control over the type of houses to be built. In Zwelilhe, Mooiuitsig and Blompark concern was voiced that the site and service programme

must not be allowed to degenerate in a slum. The affordability and thus the viability of this option to really low income households were also critically questioned.

This sentiment was supported by the findings of the survey that showed that nearly half of respondents that gave a reason mentioned why they do not support the service plot as a housing option a lack of available funds. The other main reason offered was the quest for home ownership (22%).

## 8. Renting as a housing solution

The research had to test a variety of different housing opportunity options in terms of their viability and acceptability. Questions pertaining to rental housing options and serviced land were posed as hypothetical questions to test the demand and viability of such housing models towards housing delivery options. According to table 5.20, 57% answered in the affirmative with slightly more (58%) Black African than coloured (52%) approving this option. For those not interested to rent the primary reason stated was that they would not be able to afford the rent (59%), with another 29% stating that they would rather want to own a house (table 20).

The *mean* of the amount households will be willing to pay monthly for a rental dwelling was just under R600 with the lowest amount R500 and the highest R3000 while the *mode* (the amount mentioned most often) was R500 (table 5.21).

**Table 5.20: Consider to rent a house/flat from the municipality by population group (Black & Coloured)**

			Population group		Total
			Coloured	Black	
Interested in renting a house/flat from municipality	Yes	Count	59	135	194
		Column %	51.8%	58.4%	56.2%
	No	Count	54	95	149
		Column %	47.4%	41.1%	43.2%
	Don't know	Count	1	1	2
		Column %	0.9%	0.4%	0.6%
Total		Count	114	231	345
		Column %	100.0%	100.0%	100.0%

**Table 5.21: Afford to rent**

Affordable rent amount		
N	Valid	193
	Missing	438
Mean		591.54
Mode		500
Minimum		47
Maximum		3000

The results of the survey on the topic of rental stock was in line with sentiments expressed in focus groups that dealt with this topic with most respondents not enthusiastically and unconditionally supporting the idea of renting a dwelling with high and often un-affordable rental structures. The first choice is to own a property. .

The general sentiment expressed was in favour of this option although consistently this was described as a second best option. In Mount Pleasant the general feeling amongst respondents was that they are prepared to rent a house. However, the rental structure that will be affordable would be R400–R600 per month and not any higher. In Stanford both focus groups were positive about the option renting of a housing stock from the Municipality; however those from Stanford South said that this must include the option to buy the property eventually. However, rented houses should only be sold to people that have demonstrated they have been good tenants. Asked what people could pay for monthly rent the group indicated that this would depend on their income and provided the following breakdown:

HH income = R3 500-R5 000	Rent = R800 (with water and electricity it would then come to R1000)
HH income = R5 001-R8 000	Rent = R1 200
HH income = R8 001 – R10 000	Rent = R1 500
HH income = R10 000+	Rent = R2 500 – R3 000

Blompark representatives confirmed that a strong need exists for rental stock, with the provision that the rent is kept low, varying between R1200 and R2500 monthly. This is mainly due to the prevailing modest income structures in Gansbaai. In addition, it was pointed out that many households are dependent upon the fishing industry which is typically highly seasonal and unpredictable and tenants cannot and will be reluctant to commit to high rental structures.

Kleinmond participants representing the GAP market indicated that they would consider renting a dwelling if this is the only option and the rental remains the same as the current

rent that they are paying for informal and backyard dwellings. They were unequivocal that they are not willing to pay more for another rental option if there is no opportunity in the foreseeable future of this unit ever becoming their property. Participants from the informal settlement of Overhills (Kleinmond), however, stressed that a very small demand for rental housing exists in this community; for them clearly the preferential model of housing provision is home ownership.

Participants from Hawston described as “desperate” the need for affordable rental housing in the town. The community would not mind the development of rental stock in Hawston with the proviso that tenants will be allowed ownership after an allocated number of years of renting elapsed; the community will support a model of rent with the option to own if the tenant proves to be trustworthy. Although the need for rental stock is mostly across age groups, the majority of individuals in need of rental housing are young adults in the mid-40 age cohort. Currently the asking price range for renting a backyard shack is approximately R600-R1 000 and between R1 000 – R4 000 to rent a formal house. The group felt that price structure for rental stock should be determined by means of a scale - thus those that earn more should pay more and those with a lower income should pay less.

Currently in Masakhane the monthly rent for a backyard shack is approximately R350.00+ and a RDP house R1 000.00+. Speaking about the need for housing in the area respondents commented that people have become dependent on government support for houses – particularly in terms of free housing. The majority of people do not have money to pay for rent.

Blompark participants confirmed that a strong need exists for rental stock, with the provision that the rent is kept affordable, varying between R1200 and R2500 monthly. This is mainly due to the prevailing modest income structures in Gansbaai. In addition, it was pointed out that many households are dependent upon the fishing industry which is typically highly seasonal and unpredictable and tenants cannot and will be reluctant to commit to high rental structures.

## 9. Purchasing as a viable housing option

Respondents had to state whether they would be interest to purchase a house from the Municipality. This option appears to be more acceptable to coloured households with a slight majority (53%) indicating they would consider it, compared to 42% of black African respondents that would (table 5.22).

Those that expressed interest in purchasing a dwelling were asked to state how much they would be prepared to pay for it. The *mean* of the amounts reported was R252,800 and the *mode* R200,000.00 (table 5.23).

**Table 5.22: Interested to buy a house from the municipality**

			Population group		Total
			Coloured	Black	
Interested to buy a house from the municipality	Yes	Count	59	97	156
		Column %	52.7%	41.8%	45.3%
	No	Count	50	135	185
		Column %	44.6%	58.2%	53.8%
	Don't know	Count	3	0	3
		Column %	2.7%	0.0%	0.9%
Total		Count	112	232	344
		Column %	100.0%	100.0%	100.0%

**Table 5.23: Afford to pay to buy**

Statistics		
Affordable purchase amount		
N	Valid	134
	Missing	497
Mean		25280.58
Mode		20000
Minimum		-1
Maximum		500000

## 10. Alternative use of dwellings

Respondents had to indicate whether they use their dwelling for purposes other than residential use (table 5.24). A very small percentage confirmed this, using it mainly to conduct business from. During one focus group discussion the small size of current state housing prohibits people from conducting viable business from home. A participant from Hawston pleaded for fair size housing in any future development by the local municipality that would allow using it to conduct a small craft business in order to generate an income. One of the respondents, a seamstress, has her own business but cannot properly conduct nor grow it since there is no space for her to work in the house as more than 6 people are living in a 2 bedroom house.

**Table 5.24: Other use of dwelling than living by population group (Black & Coloured)**

			Population group		Total
			Coloured	Black	
Use of dwelling	Only for living and household purposes	Count	304	291	595
		Column %	96.2%	92.4%	94.3%
	Business	Count	6	15	21
		Column %	1.9%	4.8%	3.3%
	Other	Count	6	9	15
		Column %	1.9%	2.9%	2.4%
Total		Count	316	315	631
		Column %	100.0%	100.0%	100.0%

## 11. Municipal Waiting List (Housing Demand List)

A number of aspects concerning the municipal housing waiting list were explored, amongst other whether respondents were on the list, if so for what duration and if not the reason(s) for this.

Comparing the status of household heads as registered on the housing waiting list of the municipality or not the results are split with 50% indicating that they are currently on the waiting list of the municipality and the other 50% who are not on the list (table 5.24).

Considering the type of dwellings in which these household heads live that are not registered on the municipal housing waiting list, it is striking that 74.6% live in an informal dwelling (47.8% in backyard structures and 22.4% in an informal settlement) [table 5.25]. This is an important aspect to consider when dealing with the housing demand. It is clear from these

statistics that although the municipality waiting list does provide some indication of current housing need it should not at all be viewed as a reliable indicator. Given the informal nature of the dwelling types occupied by the majority of those not registered on the list, it is clear that the immediate need exceeds the number of individuals on the current municipal waiting list.

**Table 5.24: Current only waiting list**

	<b>Count</b>	<b>Percent</b>	<b>Cumulative Percent</b>
Yes	68	49.6	49.6
No	67	48.9	98.5
Unsure	2	1.5	100.0
<b>Total</b>	<b>137</b>	<b>100.0</b>	

**Table 5.25: Dwelling type of household heads not registered on waiting list**

	<b>Count</b>	<b>Percent</b>	<b>Cumulative Percent</b>
Formal dwelling	17	25.4	25.4
Back yard	32	47.8	73.1
Informal settlement	15	22.4	95.5
Other	3	4.5	100.0
<b>Total</b>	<b>67</b>	<b>100.0</b>	

Asking household heads not registered on the municipal waiting list, the reason why they have not yet registered the majority (37.5%) indicated that they did not know that they could put their name on such a list. Nineteen percent indicated that they did not know where to go to register on the list, with another 12.5% saying that they did not know that they would (possibly) qualify for a housing opportunity.

For those household head indicating that they are indeed on the waiting list, 76% had been waiting between now and ten years with 35% less than 10 years and 41% between 5 and 10 years. The difference in waiting period between black African and coloured applicants is not significant with the only notable difference being that black a higher percentage of black Africans in the 6-10 year waiting period (table 5.25).



**Table 5.25: Number of years on waiting list by population group (Black & Coloured)**

			Population group		Total
			Coloured	Black	
Number of years on waiting list	0-5 years	Count	23	35	58
		Column %	34.3%	35.7%	35.2%
	6-10 years	Count	24	43	67
		Column %	35.8%	43.9%	40.6%
	11-15 years	Count	10	14	24
		Column %	14.9%	14.3%	14.5%
	16-20 years	Count	8	5	13
		Column %	11.9%	5.1%	7.9%
	20 year+	Count	2	1	3
		Column %	3.0%	1.0%	1.8%
	Total	Count	67	98	165
		Column %	100.0%	100.0%	100.0%

During focus group discussions deep dissatisfaction, frustration and anger were expressed regarding the Overstrand Municipality waiting list. The main concerns expressed related to alleged favouritism and criteria employed in the allocation of houses.

In one settlement allegation of irregularities were made with the process of allocation of houses. This would seem to stem from how housing allocations have been done in the past as well as explanations offered to them by the housing official in reaction to their queries. *“Hy het self vir my gese as hier iemand al 20 jaar op die waglys is en as daar more ‘n vrou van die land kom en sy het 4 kinders en ek net 3, dan kry sy die huis”.*

Other irregularities were also pointed out; *“Dan is dit ook so dat (van die) mense wat huise gekry het, nie huise moes gekry het nie”.* When asked about why they say this it was claimed that some people lie about their income just to get a house.

Another complaint and source of deep unhappiness was expressed by participants regarding the fairness of managing the waiting list and allocation criteria. Some participants had been waiting for 15 years for a housing opportunity, while one that have been waiting for 10 years, pointed out that with the last allocation young unmarried mothers (having only been three years on the waiting list) were given preference over married couples with children which they described as more entitled being a beneficiary.

Other respondents voiced profound resentment concerning alleged unfair allocation of houses by the municipal housing official(s).... *“Die meeste mense wat hier huise kry is inkommers – nie ons kinders wat hier gebore is nie.”* The claim was made that preference

was given to new arrivals, notably from the Eastern Cape. In the case of another town, participants were adamant there is corruption in the allocation of houses. *“Mense wat 2 maande hier kom bly kry huise en ander wat al jare op die waglys is kry nie”*.

A community leader from a small isolated settlement was extremely despondent with the way the allocation of houses is managed and implemented. She claimed deep discontent exists amongst the local coloured people regarding the allocation of houses. This is due to the continuous exclusion of coloured people in the allocation of available houses. This has led to serious overcrowding of the existing housing stock. Although at present 20 coloured families are on the housing waiting list, the spokesperson alleged that it has no purpose to add your name on the waiting list either as she was informed that *“die waglys is vol”*. A community leader from Die Kop bluntly declared that the community has no more faith in the housing waiting list. Many of them, he alleged have been on the list for many years and they have now given up hope of getting a house.

Allegations were made of the widespread misuse of children's birth certificates of family members of applicants to illegitimately qualify for housing. It is alleged that this happens because some housing officials are not literate (enough) in some languages in order to uncover this malpractice.

A second strong theme, one that is strongly associated with unfair allocation of houses, concerns the malpractice of selling or renting of houses by beneficiaries.

It was repeatedly mentioned that beneficiaries of houses, in order to enhance household income, vacate their houses, relocate in the settlement and then either sell for rent the house. There was a high measure of unanimity amongst participants that this practice is because houses are allocated to inappropriate, i.e. financially unfit beneficiaries. According to them this is proof that beneficiaries are not able to maintain a house and thus should never have been allocated a house in the first place.... *“Daar is mense wat hul huise hier uithuur en dan gaan bly hulle by familie en vriende. As jy jou huis uitverhuur het jy mos bewys jy kan nie die huis onderhou nie”* During another focus group mention was made of the trend to sell houses to affluent foreign national that start businesses from these dwelling, *“Hulle verkoop nie net lollies en chips nie. Hulle bring drugs in die gemeenskap in. Hulle kry ook meisies om vir hulle seks werk te doen.”*

Regarding the criteria that should be considered with the allocation of housing the following aspects should, according to participants from one settlement, be considered (in order of priority)

- Young married couples staying with their parents

- Years on waiting list
- Single people

Criteria of allocating houses mooted by other focus groups included again young married couples staying in a backyard structure of their parents' house or in their house or in an informal settlement, period (years) on the waiting list.

From these discussions it is patently clear that participants assign most of the blame for the perceived irregularities and lack of transparency with the allocation of housing opportunities on malfunctioning housing offices of the respective satellite Administrations of the Municipality. There appears to be a serious and pervasive crises in credibility associated with the functioning of these municipal offices. This research has found the general discontent and anger regarding the perceived lack of credibility is one of the most, if not the most, persistently mentioned and emotionally charged issues or aspects regarding the entire housing situation.

## **12. Summative comments**

The demographic features of the household heads of the sample population discussed in this chapter, have distinct implications for housing planning and delivery. The high incidence of female household heads as well as the young age of heads of households in general implies; (1) gender must be considered as an important indicator in deciding priority areas for projects, and (2) an expected strong population growth and subsequent higher demand for housing.

The living conditions of households described here, provides a clear indication that these households more often than not experience living conditions characterised by overcrowding with multiple generations having to live, sleep and share limited and intimate living space in a dwelling. This applies to households living either one- or multi-room dwellings.

The spatial organisation of dwellings on a plot is shown to correlate with the number of households on that same plot. Exploring the relationship of the household head of the additional structure(s) to the head of household of the main house, the occupants of the additional structures were in the majority of cases non-family members paying rent followed by family members staying for free. This has three strategic important implications; (1) it illustrates the importance of backyard dwellings as a source of (additional) income and (2) its strategic role in addressing overcrowding within the main dwelling units and (3) its role as an accessible and affordable housing solution in a context of high need for such solutions.

Very strong support for the site and service concept as a housing option is evident with slightly more enthusiasms amongst Black Africans than coloureds. This support is however conditional insofar that it was described as only viable to financially relatively strong beneficiaries. A strict regulatory framework must accompany such initiative to prevent deterioration of such initiative into a slum-like environment. Renting as dwelling is acceptable although home ownership is the preferred option. Renting a property will be viable only if the rent is modest and transfer of ownership of the house eventuate. The present (mal)functioning of the municipal waiting list is a source of strong discontent with allegations of lack of fairness, transparency and ultimately credibility levelled at the relevant regional offices.

## **Chapter 6**

# **The viability of the GAP Market and Caravan Parks and Resorts providing Housing Opportunities in the Overstrand**

### **1. Introduction**

The Overstrand Municipality expressed a need to improve its understanding of the dynamics of GAP market in its area of jurisdiction, i.e. what is the demand for housing in this market, what are the socio economic profile and characteristics of the market and what does the supply of appropriate housing stock tailored for this market look like. The GAP market can be described as those households earning between R3500 and R15000, key public sector workers and labourers, earn too much to qualify for a housing subsidy, but do not earn enough to afford a housing opportunity in the open and available housing market.

The required information was collected from three source; (1) a short dedicated questionnaire circulated with monthly municipal accounts and available on the Municipality's Website, (2) through the qualitative focus groups with community members and leaders and, (3) in-depth discussions with a range of property experts from the three main towns in the Overstrand. The tables following reflect the data obtained through these data collection instruments and methods.

### **2. Socio-economic characteristics of the respondent population**

A total of 480 households completed the questionnaire circulated with municipal accounts during the month of the survey. Of these respondents 57% were coloured, 27% black African and 16% white. Significantly the income of 29% of these respondents fell within the limit of free subsidized housing, with the greater portion of these respondents classified as Coloured. Fifty four percent of the respondents' income was within the income parameters of the GAP market with another 10% earning monthly above R15 000.00 (table 6.1).

**Table 6.1: Income vs population group**

			Population group				Total
			Black	Coloured	White	Asian	
Monthly income	No income	Count	5	27	0	0	32
		Column %	3.8%	9.9%	0.0%	0.0%	6.7%
	R1-R3 500	Count	25	93	20	0	138
		Column %	19.1%	34.2%	26.3%	0.0%	28.8%
	R3 501-R7 500	Count	26	80	21	0	127
		Column %	19.8%	29.4%	27.6%	0.0%	26.5%
	R7 501-R15 000	Count	43	63	24	1	131
		Column %	32.8%	23.2%	31.6%	100.0%	27.3%
	R15 001-R25 000	Count	30	8	9	0	47
		Column %	22.9%	2.9%	11.8%	0.0%	9.8%
	R25 000+	Count	2	1	2	0	5
		Column %	1.5%	0.4%	2.6%	0.0%	1.0%
Total		Count	131	272	76	1	480
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%

### 3. Housing preference

In testing the housing preference of respondents, 79% of Black African respondents indicated that they would prefer to buy a dwelling, followed by Whites and Coloureds with 65% and 59% respectively. The option of renting did not get meaningful support with coloureds showing the highest interest at 15%. The only other option that received a measure of support, by specifically Coloured respondents (23%), was the opportunity of buying a serviced plot on which they can then build their own top structure (table 6.2).

**Table 6.2: Preferred housing opportunity**

			Population group				Total
			Black	Coloured	White	Asian	
Preferred housing opportunity	Buy a house	Count	95	158	48	1	302
		Column %	78.5%	59.4%	64.9%	100.0%	65.4%
	Rent a house	Count	10	41	9	0	60
		Column %	8.3%	15.4%	12.2%	0.0%	13.0%
	Buy a flat	Count	2	2	4	0	8
		Column %	1.7%	0.8%	5.4%	0.0%	1.7%
	Rent a flat	Count	3	3	4	0	10
		Column %	2.5%	1.1%	5.4%	0.0%	2.2%
	Serviced land	Count	11	62	9	0	82
		Column %	9.1%	23.3%	12.2%	0.0%	17.7%
Total		Count	121	266	74	1	462
		Column %	100.0%	100.0%	100.0%	100.0%	100.0%

Asked to indicate the monthly amount they would be able to afford towards a housing opportunity, the amounts mentioned were low with 43% indicated an affordable rent or instalment of R501 – R1 000 (table 6.3 and 6.4). Those that indicated a low ceiling to their ability to furnish a bond instalment or rent were more amicable to rent than to buy. This is most likely because of realizing that purchasing a house is beyond their means. As income increases the option of renting becomes less popular and the preference for purchasing a dwelling grows.

**Table 6.3: Monthly affordable rent/instalment**

Affordable rent/instalment	Count	Percentage	Cumulative Percentage
R500 or less	100	21.7	21.7
R501 - R1000	98	21.3	43.0
R1 001 - R2 000	126	27.4	70.4
R2 001 - R3 000	73	15.9	86.3
R3 001+	63	13.7	100.0
Total	460	100.0	

**Table 6.4: Monthly affordable rent/instalment vs Preferred housing opportunity**

			Preferred housing option		Total
			Buy house/flat/ serviced land	Rent house/flat	
Affordable monthly payment	R500 or less	Count	44	24	68
		Column %	14.7%	35.3%	18.5%
	R501 - R1000	Count	59	20	79
		Column %	19.7%	29.4%	21.5%
	R1 001 - R2 000	Count	85	19	104
		Column %	28.4%	27.9%	28.3%
	R2 001 - R3 000	Count	64	0	64
		Column %	21.4%	0.0%	17.4%
	R3 001+	Count	47	5	52
		Column %	15.7%	7.4%	14.2%
	Total	Count	299	68	367
		Column %	100.0%	100.0%	100.0%

From the focus groups it was clear that a strong need exists for affordable rental stock in the different towns included in the study, albeit with conditions attached. During an interview in Kleinmond with teachers, policemen, retail and municipal workers (with the exception of one that is renting a Wendy house, all presently renting a “RDP” house) it was stated that potential beneficiaries, specifically those in backyard structures, would consider renting if the rent is within the same range as what they are currently paying (between R1 500 to R2 000 monthly). If the rent is exceeding their present rent they would rather continue living under uncomfortable conditions, than have the comfort of a new house with all basic services intact. These potential beneficiaries did, however, indicate that they would be willing to pay somewhat more towards the purchasing or renting of a dwelling with the understanding that they would at some stage be able to take ownership thereof.

In Gansbaai, Hawston and Hermanus largely the same message was delivered during focus group discussions pertaining to the need for rental GAP housing. It is very evident that the need for rental GAP housing is strong but existing housing opportunities in this segment is financially beyond the reach of potential beneficiaries.

Testing the average asking prices for long term rental, the research shows slight regional differences between Hermanus on the one hand and Gansbaai and Kleinmond on the other. According to a rental expert in Hermanus the average price of rental stock has doubled over the last four years. This is primarily caused by the ability of affluent in - migrants from Gauteng (and other regions too) to meet higher rent. In Hermanus rent for available housing



(usually flats) starts at R7,000.00 (in exceptional cases) but usually varies between R8,000.00 (in Fisherhaven) and R13,000.00 in the rest of Hermanus.

Currently available units in Kleinmond for long term rent is virtually nonexistent and if available, it varies from R3,5000.00 to R4,000.00 per month for very modest small housing opportunities (e.g. granny flats). The normal average asking price for a family home, however, is R8,500.00 per month. In the case of Gansbaai the average affordable rental stock is slightly more expensive.

### ***What is Affordable Rent?***

Whereas affordable monthly rent in Hermanus is viewed by property experts as between R4,000 – R7,000, it varies in the other towns between R1,500 and an absolute maximum of R4,000.

In Gansbaai the majority of the employed enjoy modest incomes, ranging between R3 000 and R6 000 per month. Thus, depending on which end of the range they fall, they can only afford to rent for R3 500 to a maximum of R5 000 per month in exceptional instances. Apart from their rent, electricity and in some cases also water, must also still be added as an expense. Thus, ideally, a long term monthly rent for a three bedroom house should come to approximately R4 000.

In the case of Kleinmond it was pointed out that the locally employed in general earn low salaries. What is needed in this town is rental units that have two or three bedrooms and that are rented out for between R1 500 – R3 000 per month. However, the ideal renting range was defined as between R1 500 – R2 500 for specifically young people who work in Kleinmond. For those that have their own businesses or work outside Kleinmond, affordable rent is approximately R4 000 per month. This means that for most of the households currently in need of rental stock in the open market in Kleinmond, renting is beyond their means. This applies to both young families as well as older, often retired people.

If the modest affordable monthly bond repayment or rent (table 6.4) that respondents are able to meet (22% indicating R500 or less and another 21% between R501.00 and R1,000.00, with only 14% above R3001.00) is compared with the current rental structure in the three Overstrand towns, the disjuncture between what is affordable and what is available is forcefully illustrated.

### ***Viability of Buying***

The option to buy a house or flat for households in the so called GAP market (middle and low income cohorts) is unfortunately not viable. Houses are very expensive in all three towns, with Hermanus particularly high.

In the case of Kleinmond the absence of a buffer zone, where people that would typically fall within the gap market could buy a house, was pointed out. To qualify for a R500, 000.00 bond (available dwellings in Kleinmond is substantially more expensive) a monthly salary of R20,000.00 is required. This is significantly beyond the maximum income of general administrative employees, those working in the retail or local government sectors as well strategically important professions like teachers and nurses.

The availability in Gansbaai to purchase affordable housing is, according to local agents nonexistent, nothing below R1 million is available. People that fall within the GAP market cannot remotely afford these prices. This is evident in the empty houses at Fountain Hill, a housing project build for those in the GAP market, where houses are sold for approximately R500, 000.00 The problem with this specific development is however, not just the price but also its location, al be it according to one focus group discussion with community members and in-depth interviews with estate agents. Sandwiched between Mashakane and the industrial area it was indicated that this development is regarded as a less attractive for prospective buyers.

In order to develop some idea of the composition of households indicating a need for housing, respondents were asked to state the number of people that a housing solution is needed for as well as the age and relationship to the respondent.

The average household size reported was relative small with the mean at 3.56, the median and mode 4 (table 6.5). The households consist predominantly of young people with nearly ninety percent 30 years of age and younger (table 6.6). A high percentage of respondents are single with only 8% having a partner. However, the largest portion of heads of households seems to have dependents with 74% of households consisting of children and 17% accommodating other relatives (table 6.7).

**Table 6.5: Household size**

Descriptive Statistics		
HH size		
N	Valid	484
	Missing	5
Mean		3.56
Median		4.00
Mode		4

**Table 6.6: Age of household members**

Age	Count	Percentage	Cumulative Percentage
0-5	154	23.3	23.3
6-10	157	23.7	47.0
11-15	108	16.3	63.3
16-20	77	11.6	74.9
21-30	86	13.0	87.9
31-40	32	4.8	92.7
41-50	22	3.3	96.1
51-60	9	1.4	97.4
60+	17	2.6	100.0
<b>Total</b>	<b>662</b>	<b>100.0</b>	

**Table 6.7: Relationship of household members to household head**

	Count	Percentage	Cumulative Percentage
Partner	60	8.0	8.0
Child	555	74.0	82.0
Other family	129	17.2	99.2
Non family	6	.8	100.0
<b>Total</b>	<b>750</b>	<b>100.0</b>	

#### **4. Possible Option to Alleviate the Dilemma**

It was proposed by agents that the possibility of building flats to rent, consisting of typically two bedrooms, one bathroom with very *basic non - luxurious finishes* should be considered as an option to accommodate those that earn above R3 500 but too little to access either the available local rental stock or to qualify for housing bonds from lending institutions.

Table 6.5 above suggests that households interested in the GAP housing opportunities have small family sizes. Two bedrooms will suffice of which one room must be of sufficient dimensions to accommodate a double bed while the other to fit two single beds for children. The latter is important as is evident from table 6.7 where a large number of respondents indicating probably young dependents if their young age distribution is considered. During interviews with estate agents the plight of young single mothers regarding finding affordable housing was frequently mentioned.

Another point highlighted by estate agents is the role of the local municipality in escalating building costs. The municipality, allegedly, is currently making it prohibitively expensive for developers to provide affordable housing and should according to property spokespeople, be more flexible and accommodating in this regard. Although OLM adheres to the national building codes when providing bulk services subsidised & housing it will stand them in good stead, to explore innovative solutions to address the present impasse in the GAP market. One possible option is to substantially reduce the costs of basic services to these households.

#### **5. Strategic Importance of Caravan Parks/Resorts**

Against the background of a largely non - functioning GAP market in the Overstrand the study established the strategically important role of camping resorts and caravan parks in partially filling this void. These facilities are presently the only de facto viable GAP market mechanism operating in the Overstrand.

A total of four in depth interviews were conducted with representatives of Paradise Park (Hermanus), Franskraal, Uilenkraalsmond and Pearly Beach Resort camping resorts and caravan parks.

The parks and resort located in the Overstrand play a pivotal and strategic role in offering accommodation particularly to financially strapped and vulnerable individuals and families that, according to spokespeople for these facilities, in most instances earn above the limit

allowed for government subsidized housing. It is estimated that these facilities accommodate between 800 to 1 200 permanent residents, as at the time of the fieldwork. Two cohorts seem to dominate this population, i.e. retirees (which in some instances constitutes the majority) and young families (particularly in the case of a Hermanus resort), predominantly single mothers with young children.

The parks and resort represent an attractive option for individuals and families that simply cannot afford either the cost of renting or purchasing a property in the towns surrounding these facilities. According to the spokesperson of a caravan park outside Hermanus, their facility is highly sought after as *permanent accommodation....“ because of the affordable rent/levy charged. People settle in my resort because they simply cannot afford rent in Hermanus and settlements like Onrus and Sandbaai, particularly families with low incomes, single parent households and the elderly.”* Currently the park charges a monthly levy of approximately R1 350.00 levy/rent. This includes all services (water, electricity, sewerage and, refuse removal) and the upkeep of the park.

The manager of another resort close to Gansbaai stated that.... *“in town people have to pay R3 000 upwards for a rental unit, people simply cannot afford this. Buying in town is even more expensive. This camp provides affordable housing of both ownership and rental, as well as a safe environment. The only difficulty for the people here is transport, since there is no regular transport to town for them....”*

According to the manager of another resort close to Gansbaai a constant demand exists for affordable rental accommodation. Those who permanently rent in the resort pay between R3 000 and R4 000 monthly, depending on the size of the house. There is no stock available for long term rental in Pearly Beach. The need for rental housing is mostly among the retirees. Given their modest pension, they simply cannot afford the high rental charged in the open market and still cover basic living expenses.

Compelling evidence collected in this study unequivocally confirms that these caravan parks/resorts play a critical role in filling a void in the housing market for households with a restricted income that does not allow access to a bond to purchase a property or alternatively rent a property in the open market. These facilities are undoubtedly strategically positioned to ameliorate what one local property rental expert described as a growing “crisis” in the availability of affordable housing in the Overstrand, but particularly of the availability of rental stock in the entire Overstrand municipal area.

The protracted legal uncertainty concerning the status of tenure and zoning pertaining to land use that some of these facilities still deal with presents a distinct obstacle to the full and effective utilization and expansion thereof as a viable and appropriate housing option for

those in the GAP market. Clearly this impasse should be addressed. This will allow caravan parks and resort facilities to play an optimum role in meeting an ever-increasing demand for affordable housing. It will also go a long way in bringing tenure security to many financially vulnerable households living in these camps and resorts.

Some facilities appear to be functioning outside the regulatory framework. The reality is, however, that these have assumed a measure of permanence regarding tenure status of the households living there. Both owners of resorts and residents occupants appear to ignore regulations pertaining to land use zoning. Resident associations have been established to manage internal affairs and represent residents. With the exception of one facility, where at present conflict exists between residents and the owners over their tenure status, most facilities appear to be excellently managed, often with the cooperation of the local authority. To this end the local authority should consider revisiting and reassessing the regulatory framework that presently sets infrastructural standards and govern the tenure status of these parks and resorts. As such these facilities are assisting the Overstrand Municipality in a significant way in managing the local need for affordable housing in this income cohort.

Pertaining to the current legal status of these parks, all operate in terms of a zone 3 status, i.e. the land is specifically earmarked for non-permanent habitation. This has over the years created complication and legal conflict with the local authority for both the owners and occupants of these facilities, primarily due to the tendency of many occupants to stay there permanently. In terms of zone three regulations it is illegal to stay permanently in these camps. Both owners and occupants appear to ignore this regulation. In the case of some parks/resorts residents have gone so far to establish residents' associations. Levies, to cover operational costs and regulate living arrangements are monthly raised. The owners of one camp have been in negotiations with both provincial and local authorities to have their resort rezoned. The costs involved in this (e.g. bulk and infrastructural requirements to meet) has, however, caused the owners to forfeit their application.

## 6. Summative Comment

The main themes emanating from interviews with estate agents in the three Overberg towns can be summarized as follows:

- A desperate and pervasive shortage of available affordable rental accommodation persists – especially amongst young employed, single mothers and the elderly.
- The average income of workers are extremely low amongst both semi skilled white collar workers (administrative, clerical workers) as well as professionals (teachers, social workers, police officers) which make it impossible for them to meet asking prices of available rental stock that is often artificially inflated by in-migrants and the sought after nature of these towns as holiday and retirement destinations. This reality is specifically evident in Gansbaai and Kleinmond.
- The gap market as a strategy or route to purchase a house for the missing middle is a failure- essentially because of the inability to meet the purchase price asked.
- Building of very basic rental accommodation (e.g. flats) stripped of fancy and unnecessarily expensive trimming and finishes is in great demand in all three towns
- Over - strict municipal development and building regulation allegedly significantly add to building cost resulting in end products not affordable to the gap market

The preceding paragraphs clearly show that housing policy and programmes directed towards the GAP market is presently not addressing the housing need and demand of those in this market segment. The reason for this is structural in so far that on the one hand the salary structure of those employed in this cohort is simply too little to afford the current market related prices of both available rental stock and housing that is for sale. The inflation of market related price is described as structural in nature as it is largely determined by the high number of in-migration of the affluent to the Overstrand in need of housing. This has an impact on the entire local housing structure of the Overstrand by alleviating the cost structure of the entire local housing market. Local property rental experts also pointed to the reluctance of large numbers of owners of holiday houses (especially in Gansbaai and Hermanus) that are not willing to rent out their properties to locals as another contributing factor of the scarcity of rental stock.

# Chapter 7

## Quality of life

### 1. Introduction

Scholars of quality of life traditionally and typically operationalize indicators relating to inter alia the distribution of income in a society, employment status (the lack thereof is one of the main economic causes of low quality of life), access to (quality) housing, basic services and education standards in order to measure levels of well being. Increasingly though, studies on this topic have been including (toxic) environmental social aspects, especially crime and violence as important variables in determining a sense of wellbeing. A study conducted by Moller (2005) found that where the omnipresence threat of crime against the person and not property is high it had the most negative impact on individuals' quality of life. It is observed that individuals who felt exposed to criminal behaviour develop a general vulnerability to all hardships.<sup>14</sup>

Testing the premise of more conventional (economic approach) and a more extended definition of quality of life (environmental concerns) respondents in this study were asked to self assess their perceptions of their experience of their quality of life. Respondents were given the freedom to indicate which aspects relate to this rating. This approach was applied in both quantitative and qualitative data collection initiatives. The results to these initiatives are reflected below.

### 2. Quality of life

In the structured household questionnaire, household heads were asked to assess their quality life in terms of their past experience, their present reality and their future expectations.

The most positive assessment of current quality of life compared to five years ago was amongst Kleinmond residents (29%) followed closely by those from Hermanus (28%). Amongst a raft of reasons offered for this optimism, three strong themes crystallized; firstly enjoying a better financial position at present compared to five years ago, secondly a better

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<sup>14</sup> [http://www.hsrc.ac.za/uploads/pageContent/256/6004\\_Gaibie\\_Qualityoflife.pdf](http://www.hsrc.ac.za/uploads/pageContent/256/6004_Gaibie_Qualityoflife.pdf).



social context and personal environment or context and, importantly improved housing conditions and access to basic services (table 7.2). The least positive were Hawston respondents (table 7.1).

Interestingly, the most negative assessment of present quality of life compared to five years ago was also amongst respondents from Kleinmond (30%). This is fascinating and could suggest that respondents from this town residing in different low income housing developments experience totally diverse life experiences and subsequent levels of satisfaction with their respective quality of life. Also in the case of respondents from Gansbaai a relatively high percentage of respondents thought their quality of life had decline over the last five years.

Two main themes were illuminated for explaining why their quality of life had deteriorated over the past five years; firstly and by far the most importantly, a worsening of the financial situation of respondents, and secondly, a deterioration of their personal life and in their social conditions (table 7.3).

**Table 7.1: Quality of life compared to 5 years ago**

			Current quality of life compared to 5 years ago			Total
			Better	Worse	The same	
Town	Gansbaai	Count	73	35	46	154
		Column%	21.2%	26.5%	25.4%	23.4%
	Stanford	Count	38	17	26	81
		Column%	11.0%	12.9%	14.4%	12.3%
	Hermanus	Count	96	32	37	165
		Column%	27.9%	24.2%	20.4%	25.1%
	Hawston	Count	36	9	12	57
		Column%	10.5%	6.8%	6.6%	8.7%
	Kleinmond	Count	101	39	60	200
		Column%	29.4%	29.5%	33.1%	30.4%
Total		Count	344	132	181	657
		Column%	100.0%	100.0%	100.0%	100.0%

**Table 7.2: For those that are better of than 5 years ago – reason**

Reason for better rating	Count	Percentage	Cumulative Percent
Financially better off	179	52.0	52.0
Social/personal context is better	81	23.5	75.6
Better housing/electricity/water conditions	50	14.5	90.1
Income, housing and access to services better	11	3.2	93.3
Other	23	6.7	100.0
<b>Total</b>	<b>344</b>	<b>100.0</b>	

**Table 7.3: For those that are worse of than 5 year ago – reason**

Reason for lower rating	Count	Percentage	Cumulative Percent
Financially worse off	78	61.4	61.4
Social/personal context is worse	33	26.0	87.4
Worse housing/electricity/water conditions	10	7.9	95.3
Income, housing and access to services worse	3	2.4	97.6
Other	3	2.4	100.0
<b>Total</b>	<b>127</b>	<b>100.0</b>	

A follow - up question probed the general outlook and expectations of respondents for the next five years (table 7.4). The result is illuminating with 75% taking a positive stance in this regard. This can be described as remarkable given the general low prevailing household income levels in the communities surveyed and a concomitant sense of material impoverishment expressed in chronic livelihood scarcity of basic services and an omnipresent food insecurity. To this can be added a pervasive lack of rewarding job opportunities in the Overstrand municipal area and a stronger than before competition for those opportunities available due to a steady increase in the low-skilled population of this area.

Of those that responded that are of opinion that their quality of life will improve two reasons offered dominated, i.e. that their financial (34%) and their housing situation (21%) will show improvement. Another nearly 10% thought that both their finances and housing will be better. Of those that saw a bleaker future in five years a worsening in their finances (58%) and decline in their social and personal life (30%) was the main single reasons mentioned (table 7.5).

**Table 7.4: Expectation for quality of life 5 years from now**

	Count	Percentage	Cumulative Percentage
Better	476	75.0	75.0
Worse	44	6.9	81.9
The same	115	18.1	100.0
<b>Total</b>	<b>635</b>	<b>100.0</b>	

**Table 7.5: For those that see a better future 5 years from now – reason**

Reason for better future	Count	Percentage	Cumulative Percent
Financial changes	159	33.5	33.5
Change in social/personal context	42	8.9	42.4
Change in housing situation	100	21.1	63.5
Change in financial and housing situation	43	9.1	72.6
Other	130	27.4	100.0
<b>Total</b>	<b>474</b>	<b>100.0</b>	

Although the quantitative measurement of quality of life accentuated the impact of economic variables in the quality of life, focus group narratives tend to highlight the impact of social factors. The impact of these factors on the quality of life was repeatedly and spontaneously highlighted during all focus group discussions.

Increasing social and deviant behaviour within communities was repeated mentioned as a primary factor negatively impacting on the quality of life of surveyed communities. This was described as a serious issue in all settlements, albeit in varying degree, with the least affected community reported to be Mooiuitsig in Betty's Bay and the worse Masakhane in Gansbaai. Participants from the latter mentioned community repeatedly mentioned their disquiet with the steady decline in the moral standing in this community, stating that Mashakane used to be a very safe community. The situation has, however, changed drastically. It has become, according to a leader, a community that has been.. *"high-jacked by criminal elements directly linked to the poaching groups active in area"* and residing in Masakhane.

The decay in the social fibre in Masakhane is endemic according to the respondents. The youth, including the very young, are increasingly being affected and becoming involved in criminal behaviour, particularly relating to drugs and alcohol abuse and sexual promiscuity. Particular concern was expressed about young girls that are being corrupted by the display of affluence and conspicuous spending by poachers. Some of the local police were also

implicated by respondents claiming that they assist poachers in their criminal activities, *“It is corruption in this community. Even the police are involved in poaching and go with it. The police are corrupt to the core”*. This alleged toxic relationship between the police and poachers was illustrated by instances of the aforementioned socializing (*“drinking and partying”*) with the poachers when off duty. The local Community Police Forum was described as “a joke” with participants pointing out that it has no purpose in soliciting their assistance. The lack of effective parental control and guidance was another causative factor for the juvenile delinquency, *“Parents are not properly guiding their children. They are not disciplining their children”*.

The exact same sentiment was expressed by a community leader from the community of Eluxolweni in Pearly Beach. Concern was raised about the increasing crime and abuse of substances in this settlement, claimed to be intimately associated with the practice of poaching. The impact of this illegal activity on the community’s mores and cohesion is negative and is exacerbated by the lack of concerted punitive action by what is described and alleged to be a corrupt local police service.

This sentiment was repeated by community leaders and members of Hawston, stating that children are increasingly getting involved in drugs and gang activities. This was attributed to firstly a need for educational opportunities for young unemployed and unemployable school leavers to equip them with marketable skills. Towards this end the development of a skills development centre was mooted that would allow for the training of specifically young people of Hawston. Many matriculants cannot study further and want to acquire marketable skills in order to become more employable. Secondly, the need for an aftercare system for school going children was mentioned in additional recreation spaces for children. Currently there are no parks in Hawston where children can play. There are also no social activities for children to partake in consequently leaving the vulnerable to deviant behaviour, *“hulle raak dan betrokke by drank, drugs, sex, poaching, ens.”*

In the case of Mooiuitsig in Betty’s Bay, the relatively high incidence of youth unemployment and the subsequent and associated anti-social social and deviant behaviour were mentioned as serious destabilising community challenges that need immediate attention, *“werk is ook skaars en as gevolg van dit raak hierdie jong mense stout en breek hulle by huise in”*. It was, however, pointed out that violence in Mooiutisig is not a big problem, although respondents did express concern about the negative impact the in-migrants, referred to as *“inkommers”*, has on the moral fibre of the community by distributing drugs, notably *Tik* amongst the youth.

It is evident from these narratives that a general deep concern pertaining to the decline in the social fabric exists among all low income settlements of the Overstrand. In all discussions spontaneously this was directly associated to the abalone poaching sub-culture evident in these communities. The level of community frustration emanates on two levels; (1) a perceived powerlessness to react to this sub-culture and (2) the lack of effective institutional support, specifically from the South African Police Service in protecting them against the destructive impact of this practice and subculture on the quality of life of ordinary households.

### **3. Summative comments**

These trends noted by respondents in interviews point to the need and urgency in low-income housing schemes for a holistic view in developing human settlements. In a housing demand and need study, the perspective should be broader and inclusive of the development of the social wellbeing of residents, which is part and parcel of neighbourhood and sustainable community development. It needs to be observed therefore that the understanding of the housing need and demand in Overstrand Local Municipality requires insight into the social fabric of the communities to be housed and that it should go beyond a mere statistic of the volume of the demand for dwelling units. Housing developments should therefore include strategies of how to effectively advance community development in those settlement areas to attain dignified sustainable human settlements.

## **Chapter 8**

### **Housing for Agricultural Workers within the Overstrand Municipality**

#### **1. Introduction**

During the fieldwork phase a request was received from the local agricultural sector to include the current and future needs of this sector regarding the housing of agricultural workers and certain farm management cohorts in this study. In order to collect relevant information interviews were held with two representatives of organisations representing local organized agriculture in Stanford and Baardskeerdersbos. In addition, a short questionnaire was circulated with the assistance of these organizations. The response to the questionnaires was disappointing.

The request from the local agricultural sector must be viewed within the context of a growing trend reported in both Stanford and Baardskeersbos of farm workers increasingly residing in towns in proximity of farms. A number of reasons underpins this movement with a raft of newly enacted legislation governing conditions of work and living on farms of agricultural employees (farm workers) being the main driver of this phenomenon. The main reason for this migration pattern is primarily to be sought in reaction to legal requirements and implications regarding tenure rights and conditions of agri-workers on farms they are employed on.

The relevant legal provision is the Extension of Security of Tenure Act 62 of 1997 (ESTA). ESTA sets out to facilitate long-term security of land tenure; to regulate the conditions of residence on certain land (e.g. farms); to regulate the conditions on and circumstances under which the right of persons to reside on land may be terminated; and to regulate the conditions and circumstances under which persons, whose right of residence has been terminated, may be evicted from land; and to provide for matters connected therewith. (<http://www.lhr.org.za/policy/extension-of-security-of-tenure-act-62-of-1997>).

Producers interviewed highlighted challenges that are associated with stipulations and conditions enacted in this legislation pertaining to housing. According to one respondent farms have made provision for agri-workers housing over generations. It was pointed out that this has a number of practical implications that makes the implementation of this extremely difficult, sometimes impractical and very costly. This relates to stringent

requirements and criteria set by ESTA pertaining to the housing of on-farm workers; allegedly much more so than the (quality) criteria set for the construction of so-called RDP houses build by the government in towns.

## **2. Housing Needs of Agri-workers**

Respondents from the two agricultural associations agreed that currently a strong demand exists amongst producers for housing for farm workers in both Stanford and Gansbaai<sup>15</sup>. This applies to both current employees and retired workers. The respondents indicated that the majority of producers will be willing to contribute to the costs of the building of housing for their workers (both current and retired) if the municipality will provide the agricultural sector with the requisite urban space.... *“Die boere wil ook redelik wees. Jy wil nie ‘n man wat 20 jaar by jou gewerk het in die pad skop nie. Jy het voor hom groot geword”*.

At this stage the agricultural sector and by default present and future agri-workers are excluded from housing programmes. Thus farm workers are in fact being discriminated against in housing allocation due to their absence in towns. When they retire they have nothing and are left vulnerable. According to interviews conducted, agricultural producers, being contributors to the municipal tax base, feel aggrieved by the present status quo. Producers are ready to implement transport systems for their workforce to and from farms. It was pointed out that a few farms located in the close proximity of towns like Gansbaai and Stanford, have a small number of agri-workers already housed in Stanford and that are transported daily to their respective farms.

It was proposed by a respondent that at least a percentage of houses of future housing projects in the Overstrand are allocated to accommodate agri-workers. The actual number should be negotiated with the farming community weighing the interest of town-dwellers with that of the agri-workers. Another producer confirmed that producers are indeed willing to buy these houses from the municipality for their workers although this is according to him politically a sensitive issue.

There is, however, a need for a serious discussion between organised agriculture and the municipality to determine the criteria and conditions of housing if there is to be collaborative effort towards future housing delivery for farm workers. One respondent cautioned about exactly how the model of housing provision for current and ex-farm workers in surrounding towns should look. He mentioned many potential pitfalls and unintended consequences for

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<sup>15</sup> Numerous unsuccessful attempts were made to interview representatives from Hemel and Aarde organized agriculture

farmers if they negotiate the relocation of the workforce within an urban context. He pointed out that a new generation of highly skilled agri-workers has been trained to meet demands of modern farming protocols. Such skills are also in high demand at municipalities for example. A number of producers have lost well qualified and skilled labour to the municipality in the Overstrand...*“Vaardighede van plaaswerkers is in aanvraag, hulle is kundige mense. Munisipaliteite is lief om hulle aan te stel. Hulle is bekwaam en in aanvraag.”* It was stressed that the drafting of a final and workable model of providing housing for farm workers should better be left to organized agriculture to ensure financial sustainability.

Respondents claimed that there is a generalized perception in the agricultural sector that they are largely ignored by the municipality concerning housing issues. *“Elke maand as die munisipale rekeninge uitgaan dan is plase deel van die munisipaliteit. Maar as die landbou iets van die munisipaliteit vra, dan is die plase nie deel van die munisipaliteit nie”*. This alleged discrimination against organised agriculture is not only towards producers but also towards farm workers. *“Daar word gediskrimineer teen plaaswerkers. Hulle het ook ‘n reg op behuising – net soos die dorp bewoner”*.

### **3. Summative comments**

From discussions with organised agriculture active in the Overstrand it is patently clear that the tendency amongst South African farmers wanting to house (some of) their workers off-farm is also present amongst local farmers. It is a trend that will not abate but probably increase in the foreseeable future. The Overstrand Municipality should take cognizance of this development.

It was also evident from the discourse with farmer representatives that contemporary agri-workers are mostly highly skilled. These skills are not only necessary for modern day farming. This implies that agri-workers will increasingly be in a position to compete for rewarding urban based employment opportunities available in the main centres of economic activity of the Overstrand.

An interesting and different perspective concerning the in-migration of farm workers to towns was offered during a focus group discussion held in Stanford. Participants stated that workers are used to living on farms regularly struggle to cope with standard responsibilities attached to living in a dwelling in an urban context...*“Plaaswerkers het ook ‘n probleem. Jy het ‘n luxury lewe op die plaas want daar hoef jy nie water en krag te betaal nie. Hulle kom dan Stanford toe en kry ‘n klein huise – hulle het in groot huise op die plaas gebly en nou moet hulle in klein huisies woon. Hulle is dit nie gewoond nie”*.



Given the context of current legislation, including ESTA and those governing basic conditions of work of farm workers in South Africa, and specific (financial) consequences thereof for organised agriculture, it is safe to assume that the pressure from organised agriculture on available low income housing opportunities in urban localities will increase in the foreseeable future. Towns in the Overstrand will not escape this trend. Exactly how strong this trend will become is not clear at this stage and will be determined to some extent by how amicable specific farming operations are to their employees living off-farm.

## **Chapter 9**

### **Discussion of Main Findings and Associated Implications within relation to the Defined Research Objectives**

#### **1. Introduction**

This chapter presents a summative narrative of the salient findings emanating from this research initiative. Research findings are presented according to the main research objectives that guided this study. It is important to note that due to the interconnectedness of the different aspects encapsulated in these objectives certain aspects will be discussed and referred to more than once in order to illustrate this.

#### **2. Objective 1: To conduct a socio-economic assessment of the households within OLM's jurisdiction**

#### **Findings**

Towards establishing a socio-economic profile of the defined research population<sup>16</sup>, data was collected pertaining to (1) the composition and (2) the socio-economic status of households.

Regarding the composition of households the following aspects were considered; gender and age distribution of the household heads, household size and the number of generations that households are composed of.

The household survey established the majority of heads of households in the lower income areas surveyed are young adult males (30-39 years) with an over representation of female household heads. This stands in contrast to the characteristics associated with the

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<sup>16</sup> Research population consisted of all households with a household income of less than R18 000 per month or R216 000 annually, resident in purposefully selected areas within the Overstrand Local Municipality

household heads of the general OLM population which is predominantly male and within the age group 50 years or older.

Pertaining to household size, the survey established households tend to be of modest size, with 57% comprising of 3 or less members, with a relative high percentage (20%) of households comprising of one person only. The latter could be explained within the context of the strong in-migration of single persons from especially the Eastern Cape. The survey did, however, establish a considerable proportion of households in the sample (25%) to consist of 5 or more members. This is significant, given the general small average size of low cost subsidized housing.

Except for Stanford, the number of generations that typically comprise a household is two, i.e. parents with their children. Another third is comprised of only one generation and nine percent of three or more.

Pertaining to the socio-economic status of households the following indicators were considered; dependency ratio, employment status and income. The overall dependency ratio for the surveyed households was 47.12% which is slightly lower than the 52.31% registered for the total Overstrand population in the 2011 census (the difference noted in the ratio should be seen in the context of the much older general population compared to the relatively young age distributed for the sampled population). The total dependency ratio of the respective population groups surveyed was exactly the same with only marginal difference in the youth ratios.

Thirty one percent of household members in the economically active cohort (16 -64 years) are in full time employment with another 23% in part time employment. Nearly 17% of household members are unemployed (and looking for work) with Kleinmond registering the highest percentage (18.5%) and Gansbaai the lowest (15%). However, if those not part of economically active population are excluded, the narrow and expanded rate of unemployment in the survey area increases to 22% and 25.7% respectively.

The results illustrate a strong correlation between the place work (location) of those employed and their place of residence. This relationship is especially strong in Hermanus and Gansbaai.

Although the employment status of household heads and adult and able members are critical to the socio economic well being of the household, the monetary reward associated to work is the ultimate determinant of material well being and subsistence security. Generally, the income levels of those employed in the Overstrand are disconcertingly low. Nearly 70% of the sample employment the month prior to this survey earned R3 500.00 or

less. Income levels are particularly modest in Gansbaai and Stanford where the overwhelming majority of those economically active earn R3 500.00 or less monthly (81% and 79% respectively), while the corresponding percentages of those employed in Kleinmond and Hermanus earning R3 500.00 or less, are markedly lower (respectively 69% and 67%).

Measuring the presence and impact of different sources of income on the sampled households' economic reality, the importance of others source of income than through employment, is clear. When considering only income derived from work nearly 70% of households fall in the income category R0 - R3 500.00. Adding income derived from additional sources lowers the percentage of households in this income category by 20%. A similar positive trend (increase of 16%) is evident in the income category between R3 501.00 and R15 000.00 once all sources of income are included.

However, even if the cumulative income of households is considered, it is clear that incomes remain low. This is indicative in the finding that nearly half (46%) of households are not in a position to meet their financial obligations, registering a mean shortage of R1 020.54 per month. This unambiguously depicts the desperate financial situation that more than half of the surveyed households find themselves in.

Apart from employment and income educational status is a strong indicator and determinant of socio economic standing in a community. Twenty five percent of heads of households surveyed did not progress beyond primary school level, with the majority (48,6%) completing some secondary schooling. Only 22% of household heads achieved a Grade 12 (Matric) qualification. The strong correlation between educational status, employment and income is confirmed in this study.

## **Implications**

### *Increased future demand for affordable housing*

- ✓ The combined impact of a younger population and high prevalence of female individuals within the sampled population residing in lower income areas suggest a expected higher fertility rate compared to the general OLM population.
- ✓ Although the general household size is currently modest (N=3) consisting mostly of two generations, it is to be expected that the household size will increase given the above realities of mostly young household heads of which a large percentage female,

#### *Housing programmes*

- ✓ The large percentage of households consisting of five or more members is noteworthy within the context of developing and delivering appropriately tailored future housing programmes in the Overstrand.

#### *Addressing vulnerability in housing allocation*

- ✓ The high prevalence of female headed households suggests that the planning and prioritisation of future housing projects must be taken into account.

#### *Affordability of housing options*

- ✓ Localised economic realities have to be incorporated in the planning and implementation of future housing programmes due to the differential income patterns noted in the respective towns of the OLM.
- ✓ Low educational status as an indicator of modest economic mobility of sampled household heads suggests a modest capacity to gainfully participate in the open housing market and to make a meaningful contribution to their housing. This implies that government subsidized housing programmes together with subsidised services represent the only viable housing option open to them.

### **3. Objective 2: To understand households' perceptions on matters related to human settlements planning, policy and delivery**

#### **Findings**

In exploring the above objective data was collected mostly by means of qualitative research methods, i.e. focus group discussions and face-to-face interviews. From these discussions the following findings crystallised.

Respondents are generally ill informed about settlement planning and policies of the Overstrand Municipality that guide the delivery of affordable housing. This is evident by the following findings:

- ✓ Regional inconsistencies in the manner in which human settlements are managed by the different satellite housing offices of the OLM.
- ✓ Lack of open, effective and transparent channels of communication between the municipality and the community. With the latter group constantly feeling marginalised and disempowered in matters relating to housing policy, planning and programmes.

Discontent was expressed regarding the policy that is currently guiding the physical size of individual plots or stands of new housing developments, that firstly, does not allow for any extensions to houses that leads to overcrowding of existing dwellings, and, secondly, does not allow any space for children to play, to dry laundry and safely park vehicles.

The policy of delivering state subsidized housing in the format of a serviced site (including a wet core) drew mixed reaction. Those that supported this initiative attached conditions to this option; the plots and slabs provided should be of decent size and strict control should be exercised over the quality of dwellings to be erected to prevent it degenerating into an informal area. Respondents that rejected this concept thought it not to be viable due to a chronic lack of funds to purchase the necessary building material to construct a dwelling.

Although there is a definite demand for housing opportunities within the GAP market, this strategy is currently unsuccessful, essentially due to the non-affordability of such housing opportunities in the OLM.

Issues regarding the delivery of affordable housing in the Overstrand were dominated by discussions around the municipal waiting list for housing. Dissatisfaction is to be found on two levels; (1) the implications of the policy guiding allocation that favours certain income categories and family compositions and (2) a perceived lack of fairness and transparency regarding the management and functioning of such lists.

The present omission of the agricultural sector from OLM housing policy and programmes is as a serious shortcoming. There is a perception that this exclusion represents discrimination against agri-workers who qualify for housing assistance.

## **Implications**

### *Credibility of housing programmes are compromised*

- ✓ A lack of understanding in the planning and implementation of the housing programmes results in the circulation of rumours and distorted perceptions regarding the implementation and practices particularly in the case of housing allocation. This is aggravated by the lack of functioning and effective participatory community structures that would facilitate understanding, buy-in and thus credibility in the housing initiatives of the OLM.

### *Unidentified demand*

- ✓ The exclusion of the agri-sector in establishing and planning for future housing demand is an oversight that in all probability will compromise effective housing provision. It was predicted that the impact of present legislation relating to tenure rights of bona fide farm workers on farms will see an accelerated trend of Overstrand and Strandveld farmers looking for opportunities to relocate some of their workforce, including management, in adjacent towns.

## **4. Objective 3: To understand household opinions regarding human settlement development and quality of life.**

### **Findings**

In assessing the relative success of the implementation of the philosophy of sustainable human settlement development as underpinned in the new holistic approach to housing provision as articulated in the Breaking New Ground document, two measurements were employed; (1) access to municipal services and, (2) perceptions pertaining to quality of life.

Pertaining to access to basic municipal services the findings were encouraging with the majority of households enjoying access. The only group that did show some lack of access to basic services was back dwellers. This group reported consistent struggles to access toilets, water and electricity that are all managed by the occupants of the main (formal) house.

Quality low cost and sustained access to the cyber highway is nearly as indispensable as electricity, especially within the context of socially marginalized communities, in order to stay in contact with modern industrialized and information driven society. The results show a disappointingly low percentage (2%) of respondents having access to this service (WiFi).

When heads of households were asked to assess their present comparative quality of life their economic status was highlighted as the main determining factor. Another important factor relates to the social environment in which respondents live. Increasing social and deviant behaviour within communities was repeatedly mentioned as a primary factor negatively impacting on the quality of life of surveyed communities. This was described as a serious issue in all settlements, albeit in varying degree.

Regarding respondents' future expectations for the next five years the majority were optimistic. This strong vote of confidence about what the future holds was unexpected given the pervasive general low prevailing household income levels in the communities surveyed and a concomitant sense of material impoverishment expressed in chronic livelihood scarcity of basic material commodities and omnipresent food insecurity.

## **Implications**

### *Vulnerability of back yard dwellers*

- ✓ Due to the pervasive lack of affordable housing opportunities in the OLM the phenomena of backyard dwellers have become a permanent reality. This group, however, find themselves in a vulnerable position regarding access to basic services and general human rights. This has a direct negative impact on the quality of life of their daily existence.

### *Sustainable human development*

- ✓ The strong role of economic opportunity in determining quality of life supports the philosophy of integrated and sustainable human development. In terms of sustainable human settlements this implies the integration of economic considerations in planning. For example future housing projects need to consider aspects such as proximity to economic opportunities and social amenities and availability of sustainable infrastructure to ensure the economic empowerment of households and thus increased quality of life.

## **5. Objectives 4 and 5: To assess household demand for various types of housing as well as residents' ability to pay & To better understand the affordable housing market within OLM.**

This study makes a conceptual distinction between housing demand and need. Housing demand depicts a quantitative assessment and refers to both the 'registered demand' (households on the municipal housing list) as well as households not registered on this database. Housing need is defined as subjective, individualistic and personalised needs and requirements regarding the need for. Housing needs link with household, family and personal predispositions. Both these dimensions are relevant if a more nuanced and purposeful understanding of the necessity for and type of affordable future housing programmes are sought.



Indicators of housing need include, apart from the waiting list register, those presently accommodated in inadequate housing (including dwellings in informal areas), backyard structures, e.g. Wendys, caravans and shacks) in formal areas as well as overcrowding of formal houses.

## **Findings**

The Overstrand Municipal area is home to a dynamic growing population, growing not only in the number of its youth and younger generations but also in the number of older or elderly generations, specifically in the age range 60 years or older. Census data shows a steady growth in both population size (number of individuals) and the number of households from 2001 to 2011 with a faster growth noted in the number of households.

Population growth is a function of both fertility and migration rates. Although fertility definitely impacts on the observed population growth since 2001, the unique growth pattern observed for the OLM in specifically the younger and elderly populations are clearly a function of migration. This is confirmed in the migration analysis where migrants are mostly young Black African adults (20 – 30 years of age) for the sample population, together with Census data that confirms the growth in the elderly population (mostly White). Given the strong influx of Black African migrants the traditional population profile of the OLM characterised by a coloured majority, has fundamentally changed since 2001.

Another indicator of housing need is the geo-spatial organisation of dwellings on a plot together with the number of individuals per dwelling. Slightly more than 40% of plots included in the survey have more than one dwelling used for living purposes. Hermanus has the highest percentage of multiple dwellings per single stand, followed by Gansbaai and then Stanford. Hermanus also has the highest percentage of plots with more than three structures.

Further analysis confirmed that households within the lower income bracket tend to share their geographical space with at least one more household (mean number of households per plot 1.63). With the average size of an individual household of 3.39, and an average of 1.63 households per plot, the average number of people that share a plot in low income settlements of the Overstrand is calculated at 5.52. Except for Gansbaai (that has a lower percentage of 38%) nearly 50% of backyard structures are occupied by non-family members that pay monthly rent.

Considering the above findings, the presence of multiple dwellings per plot is illustrated as a mechanism that manages overcrowding in dwelling units. Calculations show that should

these structures be removed it will add enormous pressure on the occupancy rate of dwellings (the current 2.13 average per dwelling would increase to 6.41 people) and will cause serious overcrowding of main dwellings, many that consists of one room structures or one bedroom. This illustrate the current strategically pivotal role played by so called backyard dwellings in partially meeting the demand for shelter in the sampled areas.

In measuring housing need a second level of analysis explored living arrangements within a dwelling, i.e. number of people compared to number of rooms per dwelling. Of the total number of households included in the survey, 41% lived in a one-roomed dwelling. As to be expected the vast majority (85%) of these types of dwellings are in backyards and informal areas. A third of these dwellings are occupied by households consisting of three or more members with another 11% comprising of 5 members or more. Nearly sixty percent of one room dwellings accommodate two generation households suggesting that a significant percentage of children are sharing a room with their parents or one parent and partner.

The situation regarding multi room dwellings is also a source of concern. The data shows that rooms are shared in most cases irrespective of the number of generations that share a dwelling.

Pertaining to the demand for different housing types the survey tested the demand for both rental stock and serviced plot options. A very strong demand for affordable rental stock was persistently voiced, although renting was viewed as the second best option next to owning a own dwelling. Two dominant themes that emanated were firstly the issue of affordability and secondly, the potential of owning the property for those deserving thereof after a period (that was not specified). Affordable rent was described as between R800.00 (by far the majority) and R3000.00 (GAP market), depending on the income bracket of the household.

Very strong, albeit qualified support (86%) was registered amongst both Black African and coloured respondents for the serviced plot option. This support was, however attached to two very strong conditions; (1) decent size plots need to be part of this programme and, (2) some control need to be exercised by the local authority regarding the type of top structure allowed on these plots to prevent the development of slum like conditions. For those that rejected this option the main reason was that it was financially not viable; a lack of sufficient funds will prevent the building of the top structure.

Finally the realilbty of the housing waiting list as an indicator for housing demand was considered. The research showed a considerable percentage of household heads, typically residing in back yard dwellings or informal settlements that are not registered on the waiting

list. It is thus clear that this percentage of 'non-registered needs' has to be considered in planning for immediate housing need.

## **Implications**

### *Increased future demand for affordable housing*

- ✓ An expected increase in future demand for affordable housing in the OLM is driven by the following aspects:
  - Continuous population growth is driven by both positive net migration flows (high in-migration versus low out-migration) and expected increased fertility rates. The expected increase in fertility rates is based on the growing young population in the OLM. Housing need in the OLM is thus driven by both a short to medium term (migration) and long term (fertility) force.
  - The present occupancy rate per plot implies a strong need for additional housing opportunities. The analysis shows that on average, for every beneficiary household another 0.6 households are in need of a housing opportunity.
- ✓ *Strategic importance of backyard dwellings*
  - Backyard dwellings was shown to have an dual strategic importance in that it acts as an informal strategy to (1) manage overcrowding and (2) provide housing opportunities in a context of a strong demand.

In terms of housing need the findings have shows the following implications:

- ✓ *Need for a diversity of housing opportunities*
  - A shortage of bachelor type accommodation that is reasonably priced, specifically tailored for single person households.
  - A lack of family housing catering for multi-generational households.
- ✓ *Strain on social cohesion in the OLM*
  - As a result of the fast changing character of the OLM population characterised by changes in the age and population group composition social cohesion in the community is under strain.

# **Chapter 10**

## **Recommendations**

### **1. Introduction**

This chapter will present the recommendations as it crystallized from the findings discussed in chapter 9. The recommendations address three levels pertaining to housing planning and delivery:

1. Housing policy
2. Housing programmes
3. Housing programme implementation

Current Western Cape housing policy is informed by a set of principles and objectives defined in its sustainable human settlement strategy (The Road Map to Dignified Communities, Department of Local Government and Housing, 2004). This strategy introduced three major shifts in housing delivery to address the current backlog challenge facing the province. The three shifts introduced are;

- The shift from housing construction to “sustainable human settlements”.
- The shift to sustainable resource use
- The shift to real empowerment

This new philosophy towards the creation of sustainable housing opportunities are guided by eight core objectives of which three are relevant to this study. These objectives are defined as follows in the strategy document:

- Citizens of the Western Cape are aware of - and can easily access - a wide range of housing services/ opportunities and instruments so they can participate in the development of a sustainable human settlement of their choice (Objective 1)
- A functioning property market across both economies. And an enabling environment for agents and institutions who want to design and implement sustainable human settlements in accordance with the WCSHSS approach (Objective 4)
- A new pact is consolidated between Government and organised civil society to build up the trust, reciprocity and development practices required to imagine, design and implement vibrant, sustainable neighbourhoods (Objective 7).

From the above it is clear that great advances has taken place on conceptual level regarding the supply of housing options and how this links with sustainable human development. This

type of conceptual thinking is also evident in the OLM as evident in their IDP (2016) and the initiative towards arriving at an understanding of the housing need and demand in the region of which this report is the outcome.

The value of and the empowerment that accompanies the allocation of a housing opportunity has unequivocally been confirmed by this research. Aligning the findings of this research with the relevant objectives indicated above as defined in the sustainable human development strategy, it becomes clear that current housing delivery has not been able to fully meet these objectives. Pertaining to objective one limited housing opportunities are available to OLM residents with the provision of primarily BNG subsidy houses and limited GAP housing opportunities found not to be affordable to its target market. The current property market although vibrant is highly dualistic and exclusive, and does not meet the needs of the greater percentage of the OLM population. Finally, the relationship between the community and the local municipality has been found to be strained, characterised by a distrusting community mostly caused by the mystification of housing policy, programmes and implementation.

In addition, the research further discovered some unintended consequences linked to current policy of housing provision. These include:

- Impoverishment of beneficiaries caused by the financial inability of the beneficiary to sustain home ownership, specifically pertaining to the cost of basic services and maintenance of allocated dwellings.
- Financial deterioration of prospective beneficiaries, where stable employment is sacrificed in order to qualify for a housing opportunity.
- Evidence of fractured social relationships between different population groups due to misinformation and misperceptions regarding the implementation and allocation of housing opportunities with concomitant negative impact on social cohesion.

It is within this context and the findings of this research that the following recommendations are offered for consideration.

## 2. Recommendations

### 2.1 Housing policy

- Formalise backyard structures as a housing opportunity
  - Such an approach is culturally sympathetic in that it will incorporate practices already embedded in how households within lower income groups organize and create housing opportunities.
  - It will also ensure that the quality of such housing opportunities is managed and thus the living conditions and quality of life of households of these is enhanced. structures (access to services and overcrowding on plots)
- Policy must allow local municipalities to employ local resources to address housing need, i.e. Caravan parks. In this way standards can be developed and set and thus quality of housing and living conditions can be managed. However care needs to be taken as to not over regulate such options in order to ensure affordability and accessibility.
- Have to re-look at the policy providing housing to the lower income cohort. The findings presented in this report strongly suggest that the current policy is setting economic and socially vulnerable households up for failure. Its real impact is shown in this report as counter intuitive to the philosophy advocated in the BNG policy and Human Development Strategy. A possible re-engineering of this policy could entail a stronger focus on rental stock for the lowest-income households where rent is determined on a scale based on household income. It is suggested that such a model will ensure greater sustainability for both the beneficiaries and the municipality who then subsequently create a stronger tax base and thus income revenue.
- There is a need for the development of a policy pertaining to affordable rental stock as an alternative housing opportunity to the BNG subsidy house that will focus on that beneficiary cohort that cannot sustain home ownership successfully. Given the importance associated with home ownership as a basic human right it is recommended that a provision is included in such a policy for the transfer of ownership to a deserving and qualifying beneficiary. It would be important for such a policy to clearly define the criteria for such transfer.
- The development of a policy that sees the incorporation of the agricultural sector in future housing delivery is opportune. Such a policy should be a collaborative initiative between the agricultural sector and the local authority. This could become a replicable model to involve other local external stakeholders in the provision of affordable housing, e.g. marine harvesting and hospitality industries.

## **2.2 Housing programmes**

- This report repeatedly referred to the impact of the current modest size of plots of subsidy housing options. It is recommended that future plots are increased to allow for the extension of dwellings to counter current overcrowding and its concomitant negative social impact. Such initiative will significantly improve the human habitability of both the plot and house and will lead to a stronger of community pride.
- Investing in the upgrade of backyard structures should be considered as a cost and time effective approach that will result in the provision of decent housing to a large group of beneficiaries in a shorter time frame and possibly at a lower cost than what would be the case when following the traditional brick and mortar (green fields) model.
- Urgently give attention to the development of housing programmes that provide appropriate rental stock for both low-income and GAP market beneficiaries. Such programmes should be diversified catering for both single and family units. Currently this is virtually a non-functioning market segment for which a great need exists.
- The affordability of housing programmes focussing on the GAP market for home ownership should be revisited to align with existing variable income levels in the respective towns of prospective beneficiaries. This will ensure affordability and thus financial viability.
- In planning for housing need, OLM has to consider both the impact of migration and fertility on population growth for the target population. In this way both short term (migration) and long term (fertility) population growth indicators will be accommodated ensuring a comprehensive planning strategy.

## **2.3 Housing programme implementation**

- It is recommended that proper and detailed investigation is conducted into current processes and systems associated with beneficiary selection and housing allocation in order to inform the re-design of such processes and structures. It is further important that care is taken that all satellite offices implement and manage this process in a consistent and transparent manner.
- Regarding the upgrade of informal settlements it is important to take cognisance of the general prevailing perception amongst inhabitants of these settlements pertaining to land ownership. It is recommended that the OLM is cognizant of this reality and amicable solutions are negotiated with the effected community in this regard. If

ignored and not negotiated this could jeopardise upgrade initiatives and cause social instability.

#### **Other general recommendations**

- Given the growing pressure on available land for housing (particularly pronounced in Kleinmond) the present policy/approach of protecting the fynbos in the OLM at all cost should be revisited. It is important to face realities and manage it rather than to see unmanaged gradual expansion and occupation of ecological sensitive flora on urban edges
- A final recommendation is the incorporation of skills training centres at Thusong community centres in all towns, in collaboration with LED offices, NGOs and private sector. Given the growing numbers of young individuals and the trend of low out-migration of this group such an initiative could be a valuable socio-economic development programme for the OLM area.



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