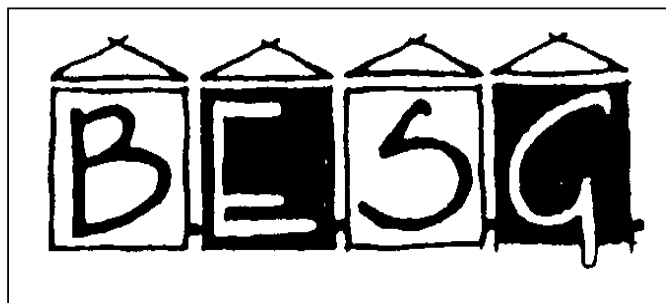


**A STUDY OF POST-HOUSING  
SUBSIDY  
HOUSING CONSOLIDATION  
IN THE DURBAN METROPOLITAN  
AREA**

**Executive summary**

prepared by



**BUILT ENVIRONMENT SUPPORT GROUP  
Hut 8, University of Natal,  
Durban 4001**

**November 2000**

## Introduction

This study, focused on the Durban Metropolitan Area, seeks to enhance our understanding of the complex and dynamic processes at work in neighbourhoods that have been developed in terms of the government's project linked subsidy scheme. It focuses on the home improvements undertaken after completion of the subsidy project. Its more specific aims are firstly, to identify the key factors facilitating housing consolidation and the key constraints encountered by the consolidators. Secondly, the study aims to build our collective understanding of how to encourage and support home improvement processes. The study should not be seen as the final word on housing consolidation. It is part of a much broader and longer term process of data gathering and analysis that will contribute to our understanding of housing consolidation processes.

As part of the study some 500 households who live in 10 different areas, developed in terms of the government's subsidy scheme, were interviewed. This was followed up by focus group discussions in four of the areas. Five of the sample areas were green field developments and five were in situ upgrading projects. Data was also gathered in interviews with housing practitioners and/ or developers and from secondary sources.

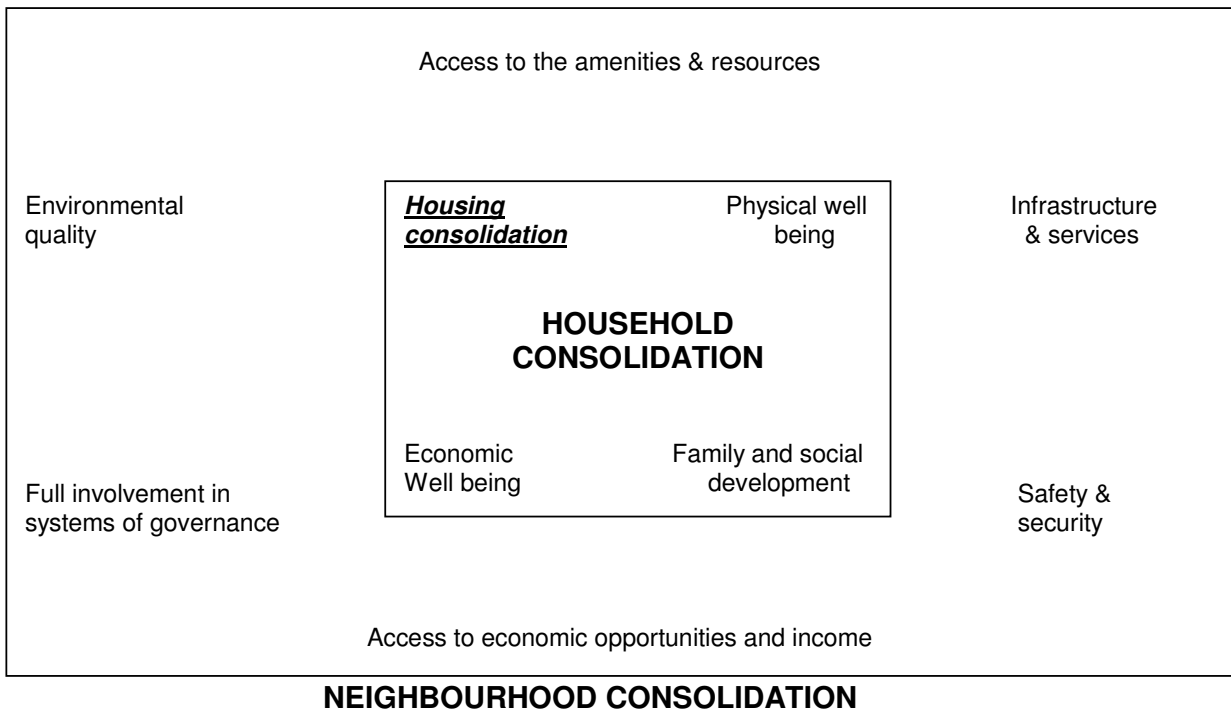
*Table A: The 10 sample areas used in the survey*

Green field	In situ
Waterloo Extensions 1, 2 & 4 Lusaka Morton Lovu Section 5/1b Hambinati Wiggins Fast Track	Dube Village KwaDabeka Unit 1 Mshayesafe Umbhedula Wiggins Umkhumbaan

## The concept of consolidation

The study locates the concept of housing consolidation within household and neighbourhood consolidation (refer to Figure A). Household consolidation refers to the improvement of a household's living conditions and circumstances over time. The household should be economically secure, physically fit and have access to housing that, at minimum, meets health and safety standards. It also requires positive social relations and supportive networks within the household and between the household and their friends and neighbours. Neighbourhood consolidation, on the other hand, refers to the creation of holistic living environments and the incorporation of the neighbourhood into the city as a whole.

Figure A: Conceptual framework for understanding housing consolidation



Housing consolidation refers to the incremental improvement of the property (house and site) a household has de facto or de jure rights to. It covers improvements in tenure security, access to services, the size and quality of the dwelling unit and improvements made to the site. There are seven major categories of housing consolidation namely<sup>1</sup>:

1. Provision of security of tenure
2. Primary house construction
3. Service improvements
4. External quality improvements

<sup>1</sup> For a more detailed discussion of each of these categories refer to Section 2.1.

5. Internal quality improvements
6. Extensions and conversions
7. Site improvements

As all the households interviewed by the study owned their property and with one or two exceptions obtained a dwelling unit and some services as part of the subsidy project the survey undertaken by this study focused on improvements three to seven.

### **The decision to consolidate**

The decision to make a housing adjustment is a two step process (Seek 1983 and Tipple 2000). The first decision is to adjust housing consumption. This decision is usually prompted by a mismatch between consumption and demand. While the second decision is to move to a new house or improve the existing house. A cost-benefit analysis usually guides this decision. In developing countries the scale of the housing shortage, in all likelihood, pushes the pendulum in favour of the improve option.

The housing consolidation literature identifies a number of different factors that motivate a household to make adjustments to their house (De Sousa, 1999, Turner, 1972, Seek, 1983, Tipple, 2000). The factors, which were explored by the survey, are the following:

- Household size and composition
- Gender
- The income and vocational status of the household
- Urban / rural linkages
- Home ownership / security of tenure
- Housing as an investment
- The respondents' attitudes to what the subsidy project delivered
- The respondents' attitudes to their neighbourhood and its services and facilities

#### *Household size and composition*

One of the most frequently cited factors prompting households to extend their housing is household size. It is argued (Seek, 1983 & Tipple, 200) that changes in the size and age composition of the household lead to a mismatch between current levels of housing consumption and the household's need and demand for space. Tipple's study (2000), for example, found that the median number of people living in the houses that had been consolidated was higher than that of the non-consolidators. Interestingly the same pattern is not evident in the areas surveyed. There is no difference in the median household size of consolidators and non-consolidators and the age composition of the households is the same. A possible reason for this is that some of the households have adjusted the size of their household to suit the maximum number of people that can be accommodated in a 'subsidy house". 18% and 17% of the consolidator and non-consolidator households

respectively gave the size of the house as the reason why they did not have all their children living with them.

### *Gender*

A common theme in much of the literature on gender and housing is that women-headed households tend to attach higher priority to home improvements than male-headed households do. This was to some extent supported by the findings of the study. The percentage of women-headed consolidator households and that of the non-consolidator households was the same (43%). The women-headed households were, however, responsible for a slightly larger proportion (44%) of all the improvements undertaken by women and male headed households.

### *The income and vocational status of the household*

Much of the literature suggests that income does not necessarily influence the decision to make housing adjustments. Income, however, influences the form, cost and phasing of the adjustments.

Generally speaking the incomes of the people living in the sample areas are very low and the dependency ratios<sup>2</sup> are very high. The non-consolidators are poorer than the consolidators are and their dependency ratios are higher. An alarming finding is that in both groups the percentage of people looking for work is higher than the percentage of people who are formally and informally employed but despite the gloomy income and vocational data poor households are consolidating. The survey found that 46% of the consolidators had a household income that is less than R 500 per month.

### *Urban / rural linkages*

The study found that the rural linkages of the respondents were weak or non-existent. 97% of the total sample considered their permanent home to be the 'subsidy house'. Only 7% of the total sample said they had a house elsewhere. 75% of the second homeowners indicated that their second home was in the rural areas. 83% of the second homeowners said the fact that they owned another house did not discourage them from investing in the 'subsidy house'.

### *Home ownership / security of tenure*

Three issues were explored in this section. Firstly, it was hypothesised, that people had not consolidated their houses because they did not want to become homeowners. This hypothesis was not borne out by the data as 95% of the non-consolidators said they wanted to become homeowners.

---

<sup>2</sup> Calculated on the basis of the number of dependants per wage earner and the number of dependants per wage earner plus those informally or self employed.

The second issue explored was whether security of tenure encourages housing consolidation. The study found that only 26% of the total sample associated ownership of their houses with "the freedom to make improvements". A larger percentage (38%) said that what they liked about home ownership was that "it was their own property".

The third issue related to the sustainability of home ownership. Sanyal (1996) argued that tenure does not necessarily lead to higher levels of consolidation, as home ownership tends to increase the economic vulnerability of the homeowners. Ford and Wilcox (1998), on the other hand, have questioned whether ownership is sustainable in the current period of labour market re-structuring that involves a reduction in the number of secure, full-time jobs, income polarisation, higher rates of labour turn over and routinely higher levels of unemployment. When the respondents were asked if their economic situation had changed since moving into the 'subsidy house' 60% of the total sample said it had got worse. Both consolidators and non-consolidators had experienced a worsening in their economic position. The reasons put forward by the group whose economic position worsened were job loss and unemployment (29%) and the financial burden of maintaining a property (43%)<sup>3</sup>.

#### *What the subsidy project delivered*

When asked what they liked and disliked about their house and site it was apparent that the percentage of households that were unhappy with their house and site (36% of consolidators and 29% of non-consolidators) was greater than those that were happy with their house and site (19.5% of consolidators and 16% of non-consolidators). Furthermore, most of the consolidators and non-consolidators indicated that site size and house size had a very strong influence when deciding to undertake further improvements. In the focus group discussions it became apparent that the size of the house put a number of different pressures on the household to extend it. The key motivator was that the fact that they could not adequately accommodate their household members. Households that had enough space to accommodate the existing household saw the addition of extra space improving their general living conditions and giving them the space to accommodate visitors.

#### *Attitudes to their neighbourhood and its services and facilities*

The survey tried to elicit whether the respondents' attitudes to their neighborhood influenced their decision to consolidate. From their responses it did not appear that there is a close correlation between the total sample's respondents attitudes to the services and facilities in their neighborhood and their decision to undertake further improvements.

---

<sup>3</sup> When the focus group participants were asked to explain what they understood the financial burdens of maintaining a property to be they spoke about the need to improve and extend the house, having to pay rates and service charges, general house maintenance and their hire purchase commitments on building materials, furnishing, kitchen equipment and the like.

Table C: Summary of some of the key findings of the survey with regard to the decision to consolidate

Issue	Key findings
Household size & composition	<ul style="list-style-type: none"> <li>▪ The median household size of the consolidators and non-consolidators was the same – 4 persons</li> <li>▪ The age distribution of the consolidator and non-consolidator households was the same</li> <li>▪ 17.6% of the consolidators did not have all their children who were &lt; 16 years of age living with them. 41% gave house size as the reason</li> <li>▪ 16.5% of the non-consolidators did not have all their children who were &lt; 16 years of age living with them. 23.5% gave house size as the reason</li> </ul>
Gender	<ul style="list-style-type: none"> <li>▪ The percentage of women-headed households in the consolidator and non-consolidator sample was the same – 43%</li> <li>▪ Women-headed households undertook 44% of all the improvements undertaken</li> </ul>
Income & vocational status	<ul style="list-style-type: none"> <li>▪ The median household monthly wage and other income was R 540 for consolidators and R 485 for non-consolidators</li> <li>▪ The number of dependants per income earner was 5.1 persons for the consolidators and 5.5 persons for the non-consolidators</li> <li>▪ The income profile of the consolidators is similar to that of the total sample</li> <li>▪ 46% of the consolidators earned less than R 500 per month</li> <li>▪ In both the consolidator and non-consolidator samples the number of people looking for work was higher than the number of people employed in the informal and formal sector</li> <li>▪ The number of home-based enterprises in the sample areas was very low, most of them were in the in situ upgrading projects</li> <li>▪ 28% of the consolidators said they had money saved and 18% said the main purpose of their savings was to improve their house</li> <li>▪ 21% of the non-consolidators had money saved and the main purpose they said they would use the savings for was food and education. None gave home improvements as the main purpose their savings would be used for.</li> </ul>
Urban & rural linkages	<ul style="list-style-type: none"> <li>▪ 97% of the total sample said the 'subsidy house' was their permanent home</li> <li>▪ Only 7% of the total sample had a second house/ homestead</li> <li>▪ Within the second home owner group               <ul style="list-style-type: none"> <li>- 75% owned a home in the rural areas</li> <li>- 83% said that ownership of a second home did not discourage them from investing in the 'subsidy house'</li> <li>- 62% visited their second home at least once a month</li> </ul> </li> </ul>
Home ownership	<ul style="list-style-type: none"> <li>▪ 99% of the consolidators and 95% of the non consolidators said they wanted to become homeowners</li> <li>▪ Only 26% of the total sample saw home ownership as "giving them the freedom to make improvements"</li> <li>▪ 61% of the consolidators and 64% of the non-consolidators said that "the financial burden of homeownership" was what they disliked most about homeownership</li> <li>▪ 60% of the total sample's economic position had worsened since the moved into the subsidy house.</li> <li>▪ Of the group whose economic positioned worsened:               <ul style="list-style-type: none"> <li>- 29% gave job loss/ income decline as the reason</li> <li>- 43% mentioned the financial burden of maintaining a property</li> </ul> </li> </ul>

Issue	Key findings
Housing as an investment	<ul style="list-style-type: none"> <li>▪ Only 9% of the total sample mentioned the investment value of their house when they spoke about what they liked about home ownership</li> <li>▪ 5% of the total sample were not the original subsidy beneficiaries</li> <li>▪ 76% said they did not think it would be easier to sell their property than other properties in their area</li> <li>▪ 23% of the total sample saw the improvements they had made to their house improving its marketability</li> <li>▪ 33% of the total sample said it would not be easy to sell their house as it was in a bad condition</li> <li>▪ 14% of the total sample said they would find it difficult to sell their property because the house and site were small</li> </ul>
What the subsidy project delivered	<ul style="list-style-type: none"> <li>▪ 36% of the consolidators and 29% of the non-consolidators disliked the size of their house and site</li> <li>▪ 19.5% of the consolidators and 16% of the non-consolidators liked the size of their house and site</li> <li>▪ 41% of the consolidators and 47% of the non-consolidators said the size of their house would very strongly influence their decision to undertake further improvements</li> <li>▪ 42% of the consolidators and 51% of the non-consolidators said the size of their site would very strongly influence their decision to undertake further improvements</li> </ul>
Attitude to their project area	<ul style="list-style-type: none"> <li>▪ 51% of the consolidators as opposed to 44% of the non-consolidators said they were dissatisfied or very dissatisfied with the facilities in their area.</li> <li>▪ There did not appear to be a close correlation between the respondents attitudes to the services and facilities in their area and their decision to consolidate</li> </ul>

## The housing consolidation process

### *Nature of improvements undertaken*

The improvements undertaken appear to have been influenced, in part, by what the subsidy project delivered. For example in Dube Village, with the exception of the wet core, the subsidy house did not have a floor, windows or doors. This explains why such a large proportion of the Dube Village consolidators undertook these improvements. The study found that the consolidators undertook a mean of three improvements and some have done as many as 10 different improvements. External improvements were the most frequently undertaken category of improvement and plastering was the most popular improvement in this category. 35% of the consolidators undertook external improvements. The next most popular improvements were service improvements (24%), which usually involved the installation of a readi-board, and internal improvements (24%), which largely involved floor improvements and internal plastering.

When the consolidators were asked to name the three improvements they valued the most they rated service improvements and extensions the highest. When it came to the second and third most valued improvements external improvements were most frequently mentioned.



A very different pattern emerges when one examines how the total sample prioritised their planned improvements. Extensions came up as the most common first and second priority. It is interesting to note that 61% of the respondents, who said they would like to extend their house, wanted to build an external room. It is unclear whether the reason for this is that the house design made it difficult for them to add an internal room, that they did not have the skills to tie a new room into the existing house or whether they preferred that the room be accessed externally.

#### *Who decided on the improvements<sup>4</sup>*

The head of household decided on the improvements in the majority of instances. In only 3% of the cases did the head and his/her spouse collectively decide what should be done.

#### *Who undertook the improvements*

A very small proportion of the improvements were undertaken by household members (16%) while a very large proportion were undertaken by hired labour, especially skilled labour (61%). Given the nature of the improvements most commonly undertaken namely, the installation of electricity and external and internal plastering, the high percentage of households using skilled labour is not surprising. Generally speaking the consolidators seemed to rate the quality of work done by the skilled labour higher than that done by household members and family and friends.

Only 11% of the consolidators said they did not get any technical support or advice when undertaking the improvements. Within this group technical advice and support was received from their friends (50%), relatives (20%) and materials suppliers (20%). Only 10% of the respondents who said they received technical advice and support got it from a HSC.

#### *Materials supply*

In most instances the household bought the materials. Most of them bought the materials they needed from formal suppliers of new materials. The materials suppliers were also largely responsible for the delivery of materials.

#### *Building costs*

Extensions, as is to be expected, are substantially more costly than the other types of improvement and this, no doubt, explains why a relatively small proportion of the households have undertaken this improvement. The median cost of all the improvements is approximately three times the median monthly household income (wage and other sources).

---

<sup>4</sup> The data in this section and the sections on who undertook the improvements and how they were financed is based on the three most valued improvements only.

*Table B: The median and mean costs of all the improvements undertaken*

Type of improvement	Median costs of all improvements (R)	Mean costs of all improvements (R)
Services	450	813
External improvements	600	1426
Internal improvements	450	796
Extensions/ replacements	3000	5416
Site improvements	300	475
Total of all improvements	1600	4728

### *Sources of finance*

The savings of the family, particularly the savings of the head of household and his/her spouse or partner, are the main source of finance for the existing housing improvements. Loans from four different sources accounted for only 12% of the funds used to undertake the existing improvements. When considering the financing of their planned improvements 28% of the total sample indicated that they would like to finance their planned improvements with a loan.

### *Experiences while doing the improvements*

The consolidators were asked to name the three things that had made it easy for them to do the improvements and the three things that made it difficult to do the improvements. The availability of good builders and materials close by were the most often mentioned factors that made it easy for them to undertake the improvements. Their own building knowledge or their easy access to building knowledge via friends or relatives also helped them.

As was to be expected finance came up as the key difficulty people experienced when undertaking their improvements (57%). No other problem approaches it in importance. Other difficulties related to the delivery of materials (22%) and the honesty and reliability of the builders (14%).

### *The impact of housing consolidation*

The study found that the residential densities<sup>5</sup> of the consolidators and non-consolidators were similar before the improvements were undertaken. After the improvements the consolidators enjoyed an extra 2 m<sup>2</sup> per person.

The views expressed by the focus group participants, with respect to the benefits they have derived from the improvements, are well captured by the quotations below<sup>6</sup>.

<sup>5</sup> Measured as persons per roofed area.

<sup>6</sup> It was not always possible to get them to differentiate between the impact of moving into the subsidy house and the impact of improvements they had made after they moved in.

*“Once your neighbours start congratulating you on the improvements that you have made you begin to feel like you have really achieved something.” (KwaDabeka Unit 1 focus group participant)*

*“Now that we have electricity cooking is no longer an effort like it used to be ... you had to first light up a stove, carry water before you can [cook]. We now sit and enjoy watching the colour film T.V. without worrying about the battery running out when one is still watching an interesting drama.” (KwaDabeka Unit 1 focus group participant)*

*“The subsidy houses provided us with the start and it’s easier for everyone in the family to assist. My two boys have each added their extra rooms for their own private space and the house is now bigger.” (Mshayesafe focus group participant)*

*Table D: Summary of some of the key survey findings with regard to the consolidation process*

Issue	Key findings
Improvements	<ul style="list-style-type: none"> <li>▪ Consolidators undertook a mean of 3 improvements</li> <li>▪ Of the total number of improvements undertaken 35% were external improvements, 24% were service improvements, 24% were internal improvements and 13% were extensions</li> <li>▪ Service improvements and extensions were most frequently mentioned as the consolidators’ most valued improvement</li> <li>▪ Extensions were the most frequently mentioned first priority (66%) and second priority (39%) with regard to their planned improvements</li> </ul>
Who decided on the improvement	<ul style="list-style-type: none"> <li>▪ Male and female household heads took 48% and 36% of the decisions respectively</li> </ul>
Who undertook the improvements	<ul style="list-style-type: none"> <li>▪ Hired skilled labour undertook 61% of the improvements</li> <li>▪ Hired unskilled labour undertook 21% of the improvements</li> <li>▪ Household members only undertook 16% of the improvements</li> <li>▪ The consolidators expressed higher levels of satisfaction with the quality of the workmanship of the non-household members</li> </ul>
Use of technical support	<ul style="list-style-type: none"> <li>▪ Only 11% of the consolidators received technical support and advice</li> <li>▪ Those that received technical support and advice got it from friends (50%), relatives (20%), materials suppliers (20%) and housing support centres (10%)</li> </ul>
Building materials	<ul style="list-style-type: none"> <li>▪ With the exception of fencing, between 87% and 96% of the building materials were bought from formal suppliers of new materials</li> <li>▪ The materials were mostly delivered by the supplier</li> </ul>

Issue	Key findings
Median building costs	Services improvements = R 450 External improvements = R 600 Internal improvements = R 450 Extensions/replacements = R 3000 Site improvements = R 300 Total improvements = R 1600
Source of finance	<ul style="list-style-type: none"> <li>▪ The savings of the head and his/her spouse financed 62% of the completed improvements.</li> <li>▪ 12% of the completed improvements were undertaken with a loan.</li> <li>▪ 60% of the total sample said they would use the savings of the head and spouse for their planned improvements and 18% said they would like to get a loan to finance their planned improvements</li> </ul>
What facilitated the improvements	<ul style="list-style-type: none"> <li>▪ 30% of the total sample said good builders in the area, 22% said materials suppliers close by, 19% said the help of friends and relatives that can build and 18% said, "I know how to build a house."</li> </ul>
What made doing the improvements difficult	<ul style="list-style-type: none"> <li>▪ 57% of the total sample said not enough money, 22% gave reasons related to the performance of the materials of suppliers or difficulties experienced transporting materials and 27% gave reasons that related to the performance of the builder.</li> </ul>

### **Some general observations with regard to housing consolidation**

The survey, literature study and discussions with housing practitioners, many of who were involved in the development of the sample areas, have raised a number of other important housing consolidation issues. They relate to housing practice and/or policy and include the following issues:

#### *Plot shape and size*

To reduce servicing costs the sites in the sample areas tend to be narrow and small. Tipple's (2000) study has shown that this design approach inhibits consolidation and he has argued that the sites should be large rather than small and wide rather than narrow. The merits and demerits of his approach need to be explored within a South African context.

#### *Legal controls and regulations*

Inappropriate and/or too inflexibly enforced legal controls and regulations can inhibit consolidation. In the sample areas it was apparent that the nature and level of control varied from area to area. While no one denies the need for controls and regulations, particularly on small steep sites where on-site storm water management and retaining walls are very important, there is debate about what the minimum acceptable level of control is. Where there is unanimity is that the controls and regulations should be enabling rather than controlling, they should be user friendly, and those charged with applying

them should be flexible. Building inspectors should see their role as one of educating people about why it is best to do something in a particular way and of helping them to meet the quality standards as best they can rather than as enforcers of the regulations and standards.

### *Affordability*

The survey respondents were, on the whole, very poor and the fact that a large proportion of them indicated that their economic position worsened when they moved into the 'subsidy house', is very concerning. Particularly as 43% indicated that the financial burden of maintaining a property<sup>7</sup> was the reason. The critical question this situation raises is: How can a local authority help alleviate this situation? There are six areas that could potentially be considered, namely:

- Responsibly reducing some of the road and infrastructure standards they apply and/or developing innovative, cost saving approaches, so that the residual available for housing is larger
- Supplementing the subsidy with additional funds (in the form of a loan and/or grant) so that households are not under such pressure to improve and more particularly extend their houses
- Introducing an indigent policy and pro-poor service tariffs<sup>8</sup>
- Introducing an indigent policy and pro-poor property rates
- Local economic development
- The introduction of neighbourhood based, cross-sectoral public works programmes similar to the Department of Water Affairs' Working for Water Programme.

The costs and benefits of each of these areas of intervention need to be weighed up against the availability of municipal resources.

### *Financing of consolidation*

The gearing of the housing subsidy with the households' own resources has positive and negative aspects to it. The positive aspect is that people, recognising their economic vulnerability, have not over-exposed themselves financially<sup>9</sup>. On the negative side is the fact that it slows down the housing consolidation process. Long lead times and extended periods of construction are inefficient. The household has to endure overcrowded living conditions for longer than they would have had to, if they had access to credit. In addition the quality of partially constructed rooms and purchased materials could

---

<sup>7</sup> In the focus groups it became apparent that the factors contributing to the "financial burden of maintaining a house" were the need to improve and more particularly extend the house, having to pay rates and service charges, hire purchase commitments on fridges, curtains, etc and general house maintenance.

<sup>8</sup> It is recognised that the Durban Metropolitan Council is well in advance of other local authorities with regard to its pro-poor tariffs and rates structure. The critical question is could it do more?

<sup>9</sup> This does not mean that they have not over committed themselves on hire purchase agreements.

deteriorate while they save money to finish off the room. It is important, therefore, that consolidators have easy access to affordable credit.

### *Building skills training and small contractor development*

With regard to building skills training and small contractor development the two key issues are: when should the training take place, during the subsidy project or after the subsidy project and what type of training should be provided to whom? It is logical that the training should take place during the subsidy project. This is because the value of the building work is greater and the flow of work more predictable than during the post subsidy project improvement phase. It also follows that during the subsidy project it is possible for the trainees to get more experience and it is easier to provide on-site supervision.

The second issue is a little more difficult to deal with. Much of the emphasis of skills training has been on small contractor development. The study, however, indicates that the consolidators' preference is to use labour only builders who are able to do plastering, fit doors and windows and, to a lesser extent, build extensions and do plumbing<sup>10</sup>. Is the focus on small contractor training therefore correct? Secondly, a lot of the problems experienced by the consolidators related to the work ethics of the builder rather than the quality of his work. This raises the question: How does one improve the builders' work ethics?

### *'Deprojectisation' of housing delivery*

There has been a tendency, particularly on the part of government officials, councillors, politicians and community leaders, to equate housing delivery with the housing subsidy project. The implication is that when the housing project is complete they feel they have fulfilled their obligation to provide housing. This view is problematic because it adopts a very product-oriented view of housing and does not place the subsidy project within the context of the ongoing improvement of the houses and the neighbourhood. The subsidy project needs to be seen as one step in the housing, household and neighbourhood consolidation process.

Drawing on the housing consolidation support mechanisms identified by Gardner and Oelofse (1992), the following are considered to be important areas of support:

- Access to relevant information, e.g. how to get an electricity connection, available financing options, the rights and obligations of home ownership and home maintenance
- Access to specialised services, e.g. architectural house designs and geo-technical information

---

<sup>10</sup> Electricians have not been included as the service provider usually installs the readi-boards.

- Training related to building skills and other forms of training that may increase people's income generating capacity
- Access to building materials and equipment
- Access to credit
- A regulatory and more general environment conducive to housing consolidation
- Continuing the improvement of other facets of the urban environment, e.g. community facilities, public open spaces and shops
- Local economic development (LED).

### *Proactive approach to facilitating housing consolidation*

An important question is: Is it the responsibility of a local authority to proactively encourage housing consolidation? The focus groups seemed to suggest that the local authority's primary responsibility should be at neighbourhood level. While this may be correct it should not be taken to mean that local authorities have no role to play in housing consolidation or household consolidation. Two reasons can be put forward for local authority involvement in housing consolidation. The first is that the houses delivered by the subsidy project cannot adequately accommodate the median household size. Because this has negative social implications for the household they need to be assisted to extend their houses as soon as possible. They also need to be helped to get the best possible value from the money they spend. Secondly, local authority intervention can help halt the decline of a neighbourhood and set it on a positive development path.

### **The MHU and housing consolidation**

What do the results of this study mean for the MHU and the housing consolidation strategy it has put forward in "A strategic housing framework for the Durban Metropolitan Area" (1999)?

At the level of strategy the MHU's housing consolidation approach is by and large appropriate. It makes the critical linkage between housing consolidation and household and neighbourhood consolidation. The key challenge is the translation of these intentions into actions that have the impact that is being sought. An evaluation of the implementation of the MHU's housing consolidation strategy is beyond the scope of this study. However, in the course of the study issues emerged that may be useful for the MHU to consider. The issues relate to the implementation of the strategy more than the strategy itself. They are:

1. The setting up of HSCs and mobile or satellite HSCs is one of the central elements of the strategy. The survey results do not show that the HSCs are having the desired impact, although it is recognised that there are some good reasons for why this may be the case. It is also noted that the HSCs have been set up in different ways and that the operating costs and unpredictable flow of consolidators needing advice makes it difficult to sustain a HSC in the post subsidy project phase. Sufficient progress has

been made with the establishment of HSCs to undertake a preliminary evaluation of them. The purpose would be to identify the aspects that are working well and those that are not and to facilitate information sharing between the different HSCs<sup>11</sup>.

2. As the builders' reliability and honesty were identified as a major problem a more in-depth understanding of why builders behave the way they do may make it easier to identify what the most appropriate form of corrective action would be. Also, discussions with regard to the timing, type and target of the building skills training would benefit from an evaluation of the impact of strategies adopted so far.
3. The problems the respondents experienced with the materials suppliers are difficult to deal with. The development of a materials supply system suited to low-income housing and more particularly housing consolidation should be an area of further research. At minimum the MHU should consider setting itself up as a building materials consumer watchdog. The MHU could monitor and publish/display the prices different suppliers charge for commonly used materials, on a bi-monthly basis. It could also encourage homeowners to report suppliers that have provided them with a poor service. If numerous complaints are received about a particular supplier the MHU could visit the supplier.
4. The fourth area relates to how the MHU proactively facilitates housing and neighbourhood consolidation. Some questions that would merit discussion are: Is the MHU's strategy too broadly defined? Could more be achieved through cross-sectoral area targeting? Some of the sample areas could be targeted and used to pilot a proactive approach to consolidation. A further question is: If one conceptualises housing consolidation as a project in a particular area, how would one go about it? One approach may be to develop a cross-sectoral, area based neighbourhood consolidation strategy that has a public works component to it. Kwadabeka Unit 1 would be a very suitable area to pilot such a programme in. The area is poorly maintained and the site conditions are difficult. The development of retaining walls and management of on-site storm-water could be one of the aspects of the public works programme. Others could be the development of areas for the children to play in<sup>12</sup> and maintenance of the roads and storm-water drains.
5. The survey raises some very real issues about the sustainability of home ownership and the need for pro-poor actions. Some ideas are put forward in Section 5.3 as to how a local authority can help reduce some of the financial stress of owning a starter home. This issue also raises a much broader issue about the nature and form of housing delivery and the most appropriate way of providing poor people with secure tenure and the infrastructure, services and housing they need.

---

<sup>11</sup> The report entitled "An approach to residual management that supports the people's housing process", BESS (2000) also deals with this issue.

<sup>12</sup> In the Kwadabeka Unit 1 focus group people complained that the steep roads were dangerous for the children to play in.



6. The survey provides a very valuable base-line study that can be used for a longitudinal study of housing consolidation in the sample areas. It is suggested that the MHU consider running a similar questionnaire, in the sample areas, every two years to track what progress is being made. It is further suggested that the sampling method be adjusted so that it is possible to track the percentage of households that have consolidated their properties and those that have not. Should the MHU agree to this approach it is critical that a survey, which simply establishes the proportion of households that have and have not consolidated, be undertaken in the sample areas as soon as possible.

Some of the indicators that could be used to track the nature, form and impact of housing consolidation, and household and neighbourhood consolidation more generally, are outlined in Appendix 4.