The social and economic impact of land titling in selected settlements in Ekurhuleni Metropolitan area

South African case study report

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Synthesis report

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Executive summary

The provision of land title to low income households as a mechanism of poverty alleviation and social and economic betterment is highly contested. Many countries and international organizations have promoted home and land ownership as one of their key poverty reduction strategies. The logic rests on the understanding that it is through well-defined property ownership regimes that national economies function of wealthier countries and households flourish. The general assumption is that if developing countries and emerging economies are able to replicate this model then economic development cannot be far off. Researchers, academics, economists and government officials have all taken positions on these arguments and it is a hotly debated and deeply contested area of development.

In South Africa titling and the provision of ownership to historically disadvantaged individuals who were not able to own property under the Apartheid regime has been a key principle underlying much of South African housing and land reform policy since 1994. There is an expectation that it is through titling that economic and social inequity and past wrongs will be redressed in order to create a more equitable and integrated society. Although these ideas have been at the core of the land and housing debate for the past 14 years, little has been done to evaluate or review the effects of titling on low income communities and the next generation of urban policy looks set to continue in the same manner.

About this Report

This study forms part of a larger international research project, which is examining the social and economic impacts of land titling on poor households. The research took place in three different but similarly located urban settlements in the Ekurhuleni Metropolitan area, Gauteng Province, South Africa and attempted to answer the following questions:

- What are the social and economic outcomes and impacts of titling programmes?
  i. What are the social and economic outcomes and impacts of tenure regularisation in informal areas? For whom?
  ii. To what extent have titling programmes increased tenure security for all affected groups?
  iii. Has titling improved access to formal credit? By whom? From which sources?
  iv. Has titling led to increased investment in housing and/or infrastructure? By whom?
  v. Has titling led to improved well-being for poor households?
  vi. Has titling increased investment in housing the sense of poor households' social/political inclusion?

- What impacts has titling had on urban land markets, including   the frequency and cost of transactions and prices?
  i. What are the trends in terms of overall access to land
  ii. And how are the patterns of development affecting the housing, land and property market?

The report is divided into three main parts. The first provides a context, history and legal background to explain the institutional, legislative and social conditions within which the study took place. Part Two sets out the findings of the study and is grouped around the main thematic areas of tenure security, access to credit, housing improvements and investment, local municipal revenues, and the impact on economic development for development. Part Three draws conclusions from the findings and offers a series of policy recommendations in line with the study findings.

Reasons why this research is relevant and important

The research has taken place at a most opportune time for a number of reasons. At the South African level, the National Departments of Housing, Land Affairs, and Public Works are taking stock of their programmes and are reviewing much of the work that they have undertaken and the policies that they have implemented over the last 14 years. There is also greater recognition of the fact that the urban land market is not working for poor people and low-income households consistently feel alienated from it. At the international level, the debate about the ability of land titling to contribute to poverty alleviation and improved socio-economic conditions goes on, with limited empirical evidence on both sides. This research will attempt to unpack and understand the role of titling in housing policy and delivery and assess whether it is usefully redressing past inequalities. Lastly, there are many assumptions about the benefits of titling programmes for low-income communities but the claims made about titling are not always realised, nor are the effects homogenous across countries or even across metropolitan areas.

Main Findings

The report presents findings that relate to the context of Gauteng province and which are indicative of the range of processes and mechanisms that are at work in other urban areas in South Africa. In the research, the distinction is made between different types of tenure claims that the respondents hold according to the underlying legal status of the land, the respondent's possession of documentation, and the type of documentation that was held. The most important tenure claims included 'formal ownership', intermediate forms of ownership, rental, occupying and 'looking after'.

Some of the key findings were that:

- **There is a range of other tenure options that exist in low income communities but pass unrecognized by current policy**

The old dualisms of own/rent and informal/formal are not useful in understanding the different kinds of tenure that are used within low-income communities. Low-income communities understand a range of different kinds of ownership that are considered commensurate to each other but are not recognized by the formal legal property section.

- **Possessing a title deed has little effect on owners' perception of their security of tenure**

When households in the three communities were asked if they were afraid that somebody could take their home away, irrespective of their tenure very few households reported that they thought that they could be moved. In addition to those with formal ownership claims, over 90% of households with informal ownership and over 95% of households who were occupying their property were confident that they could not be arbitrarily removed.

- **Possessing a title deed has little effect on improvements and household investment in their homes**

Less than half (45%) of households with formal tenure and only 30% of households with some form of intermediate ownership had made any improvements to their homes, whereas 33% of households who own their properties informally had made some improvements to their units. When probed, most households claimed that the reason they had not invested in their homes was a lack of finance. The majority of households that had completed some kind

of investment in their homes were generally motivated by a need to fix up their homes to make them more liveable.

- **Possessing a title deed has little effect on borrowing/accessing credit**

The findings demonstrate that few (13.7%) low-income households borrow money at all, with most expressing a deep fear of debt. Of those who have borrowed money, most have used banks, but not one household in the survey has used their home as collateral for a loan. In all cases, the loans that had been taken out from banks were unsecured, irrespective of the form of tenure held by the household.

- **Holding a title does not make selling easier**

There was no evidence to suggest that households with title find selling their units easier than other households. In fact the restrictive clause that requires the owner of a Reconstruction and Development Programme (RDP) unit, if wishing to sell within the first five years, to offer it first to the government seems to force households to sell their units informally.

- **Title is not leading to formal secondary transactions**

Although government subsidized housing is initially legally registered within the formal property systems, the restrictive clause and the time and financial costs of transacting formally mean that many households who have received state housing choose to sell it informally. The end result is that the bifurcation between the low income housing market and the rest of the market is entrenched through these processes rather than normalized.

- **Households do not see their homes as an income generating investments**

When asked if they would sell their homes or their documents to their homes only a small percentage of households (5%) said that they would. However, far more households said that they would be willing to give away their documents and houses to family members. This seems to indicate that households do not value their houses and title deeds as investments that they can realise to generate a profit and instead perceive their homes as an urban base and primarily as a bequest to their children although this could extend to include to providing support to members of the extended family network. There is a general sense that the extended family has "use rights" and can be accommodated in the unit but ownership seems to be bequeathed to specific individuals (usually, but not necessarily direct descendents).

- **Title does not help households to save money in formal financial institutions**

Over two thirds (67.4%) of all the households surveyed do not save money at all, due to the low income levels of most of the households in the sample. However, households that were previously tenants reported that home ownership minimised their housing costs by obviating the need for rental payments. Households who are currently renting, either formally or informally, are more likely to save using formal financial institutions than those who own their properties or are already on the path to ownership.

- **Title makes little difference but the process of titling makes a great deal of difference**

The most important finding is that individual possession of a title deed makes very little immediate difference to most households but that being part of a 'titling system' that ultimately guarantees formal property ownership does. The 'titling system' refers to the

general norms, expectations, procedures and categories of property ownership that are created and supported by the activities of the state and judiciary. The 'titling system' therefore refers simultaneously to a process (of clarifying property ownership in particular ways) and relies on specific understandings of property ownership (to which wealthier and more powerful social groups have already signed up to and invested in). Through inclusion of poor households the processual aspect of the 'titling system' progressively and immediately makes these households more "visible" to government, providing them with access to tangible benefits such as services and infrastructure and more intangible benefits that relate to citizenship. The 'titling system' also underscores and guarantees (and is guaranteed by) specific understandings of property ownership that become available to (poor) households when they participate in the 'titling system'. Since, people's engagement with, and participation in, the 'titling system' is determined by factors such as gender, income, race, location and so on, it is not surprising that constantly changing combinations of these factors channel, mitigate or exacerbate the impact of the 'titling system'. However, even though the 'titling system' has an immediate impact on poor households, it does not appear to have the same benefits as for wealthier households in society.

- **Titling for low income households is de-linked from important legal, financial, and market processes**

The current property system is designed for the wealthier elements of society and does not appropriately support the low-income home owning sector. Banks do not cater to, nor consider the value of, title deeds held by low-income households for low cost properties and the 'titling system' does not assist such households to join the property or land markets. The legal system also operates for households with higher incomes and fails to recognise that poor households lack access to the tools, instruments and systems that would allow them to effectively utilise the legal system.

- **Titling does have some impact on poverty reduction**

The findings suggest that the process of titling does help to make households feel less vulnerable and provides some sense of a defensible claim.

- **Titling and title deeds are associated with an improvement in the quality of life.**

There is also, importantly, a perception that title and the titling process bring with them an improved quality of life. This is very likely to have more to do with the provision of services and better quality shelter associated with the housing process than the actual receipt of a title deed.

- **Titling has contributed to redressing the gender imbalance in terms of property ownership.**

The results seem to indicate that more women-headed households who have received title in these areas. Past inequities, which disallowed women from owning property, are being redressed through this process.

Conclusions and Recommendations

The logic that clearer property rights achieved through land titling generates a better financial situation for low-income homeowners is currently inapplicable in Greenfield relocation projects, *in-situ* upgrading projects and informal settlements in Gauteng.

The assumed direct impact of titling in terms of economic and financial improvements is not taking place within the sites studied. As expected, households who are in possession of title deeds are less vulnerable in a number of ways and generally feel more secure than those without. Whether title mitigates other processes of impoverishment is not clear and requires further research. The indirect impact of titling is the process of making households more visible to the government over time, creating a reciprocal and mutually reinforcing set of obligations between the state and households, which are recognised as citizens with a claim on the state.

In the light of these findings and conclusions, the recommendations that are put forward are guided by a non-financial logic that seeks to use title as a way of supporting poor urban households, meeting their needs and effectively facilitating their survival strategies.

The main policy recommendations include:

- Acknowledge and legitimate the diversity of tenure claims which currently actually exist. This includes recognising people's claims to land as soon as possible.
  - Validate the social uses of property that predominate in people's everyday livelihoods by supporting processes that allow for social uses of land and providing better access to services and public amenities.
  - Place more emphasis on supporting savings processes than providing access to credit/debt.
  - Create a longitudinal data set to better understand the impact of titling and housing processes over time.

Acknowledgements

Table of contents

Table of figures

List of tables

List of maps

List of photographs

Abbreviations

ANC   African National Congress
EMM   Ekurhuleni Metropolitan Municipality
IDP   Integrated Development Plan
MIG   Municipal Infrastructure Grant
RDP   Reconstruction and Development Programme

Components of the research

This research consists of a number of separate documents:
- **Synthesis report**: containing the objectives of the research, findings and conclusion and policy implications.
- **Methodological report:** specifying the methodological parameters of the research.
- **Electronic database** in SPSS format
- **Bibliography** comprising references located and used in the course of the research

These components are available from:
Geoffrey Payne and Associates
www.gpa.org.uk

or

Urban LandMark
www.urbanlandmark.org.za

PART ONE

1 INTRODUCTION

This report assesses the social and economic impacts of land titling in urban areas on poor people in three different types of settlements in the Ekurhuleni Metropolitan area, Gauteng Province, South Africa. The aim of this international comparative research project is to analyse the role of land titling programmes in creating a sound basis for tenure policy and economic development in the urban and peri-urban areas of developing countries. The research is specifically focused on whether titling has succeeded in:

- increasing tenure security for all affected groups, especially the most vulnerable;
- increasing access to formal credit;
- stimulating investment in housing and/or services;
- increasing municipal revenue from property taxes, and
- improving the residential transfer process.

It is intended to assess the extent to which titling has addressed the diverse needs, cultural practices, legal traditions and economic circumstances existing in selected cities of different countries.

A case study in South Africa offers a very powerful context in which to examine the impact of land titling on poor households because access to urban land in particular locations is a critical factor in poor people's everyday lives, the post-Apartheid state has made enormous and creative efforts to redress years of dispossession, and the centrality and tangibility of social relations that shape different interpretations of claims to land (Cousins and Claasens, 2006; Cross, 1994) facilitate the process of tracking impacts. These three reasons will be explained in greater detail and therefore we provide only a brief introduction now.

The racial manipulation of rights to land was a fundamental tenet of the Apartheid vision and political system, with the consequence that access to land rights figures in particular ways in poor and Black people's[1] understanding of what it means to live in cities (Beall et al., 2002; Robinson, 1996).[2] Within this context, and since 1994, the post-Apartheid state has moved actively to provide people who were systematically dispossessed of urban property with urban land and housing. Through the National Housing Subsidy Scheme, over 2.35 million households have benefited from obtaining some form of title (National Department of Housing, 2007). It is important to note that while 2.35 million households may have been allocated a subsidy, this does not necessarily translate into 2.35 million households having freehold title. There are delays in the system of registering title that reduce the number of titles issued, as well as various other forms of tenure, such as leasehold, that have been used in establishing townships. There are currently no accurate figures on the number of households that have obtained freehold title in South Africa. While there are no accurate figures on the number of households that have obtained freehold title through this policy, it is

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[1] The terms Black, White, Indian and Coloured reflect the racial categorisations of Apartheid. We do not agree with these categorisations. Their usage here reflects the historical usage and the present and foreseeable need for reparations in accordance with these categorisations. Our hope is that the categories will lose their potency in the future.

[2] The manipulation of land rights did not only affect Black households. See Freund Freund, B. 1995: *Insiders and outsiders. The Indian working class of Durban 1910 - 1990.* Portsmouth, NH: Heinemann. and Western Western, J. 1997 [1981]: *Outcast Cape Town.* Berkeley: University of California Press. for rich insights on how urban life was affected for Indian and Coloured people, respectively.

safe to assume that the majority of subsidies that have been issued have resulted, or will result, in the allocation of freehold title. In addition, there is a contingency or 'cloudiness' to interpretations to land and property rights in South Africa (see for example, Fourie, 1998). The role of property and land ownership is not universally understood by all South Africans in the same way and is highly dependent on the social and political context of the individual and the household. Formal systems of ownership and trade are used only by a minority of South Africans.

Contingent interpretations of land rights have a long history in South Africa, varying from the arcane gradations of tenure created under Apartheid (Hendler, 1993), to the invention of forms of tenure by the post-Apartheid state that have no legal basis in the Deeds Registry, such as 'family titles',[3] to progressive interpretations by the post-Apartheid Constitutional Court.[4] The current system of rights has created a situation in which households and communities see the procedure for attaining ownership as a cumulative and progressive process with each step having its own sense of meaning and significance.

The study reveals a diverse range of tenure claims in the case study settlements. We conclude that it is useful to make a distinction between individuals possessing title deeds and being part of a 'titling system'. The results suggest that it is the titling system that has an impact on poor households and that this impact is more social than economic or financial.

1.1 STRUCTURE

We begin by providing a context for the research in terms of selected aspects of South Africa's national urban history and current legislative terrain. **Part One** continues with a review of recent literature, highlighting South African contributions to the debates and provides a brief overview of the methodological parameters of the research.[5] In **Part Two,** contextual information is given on Ekurhuleni Metropolitan area and the three case study settlements, before the research findings on factors such as tenure security, levels of investment, access to credit, municipal government revenues, poverty reduction and urban land and housing markets are presented. Finally, **Part Three** draws together the conclusions and outlines tentative policy implications.

1.2 CONTEXT

This section outlines the objectives of the research before providing some detail on the national urban history and current legislative terrain. This history is fundamental to understand the current context.

1.2.1 Objectives

The objectives of this research are to identify the social and economic impacts of land titling on poor households. There are a number of other social processes and factors that this research relates to, but does not address directly. For example, broader issues such as processes of urbanisation and the impact of the HIV epidemic are only referred to when they were raised by the respondents. This is not to suggest that these broader issues are

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[3] Interview, Sepp 2007, Pretoria.
[4] See for example: *Government of the Republic of South Africa and Others vs Irene Grootboom and Others* 2001 (1) SA46 (CC), where the finely crafted judgement rested on the rights of children to shelter, with the result that, through their children, families were supported by the court to obtain access to emergency shelter.
[5] A detailed methodological report is provided as an appendix to the main report.

unimportant, but reflects the particular focus of the study on the impact of land titling. Titling (through the housing policy) also has important implications and impacts on the national fiscus. Again, this impact fell outside the purview of this research. The research objectives were set out in the terms of references as:

- What are the social and economic outcomes and impacts of titling programmes?
- What are the social and economic outcomes and impacts of tenure regularisation in informal areas? For whom?
- What are the impacts of titling in new development projects?
- To what extent have efforts to improve land registration systems been successful? How do programmes define 'success'? What have they achieved in terms of large-scale registration of newly subdivided plots? Who has benefited? How adequately has the system coped with ongoing transfers of land and property? What are the social and economic outcomes and impacts of titling programmes?
- To what extent have titling programmes increased tenure security for all affected groups?
- Has titling improved access to formal credit? By whom? From which sources?
- Has titling led to increased investment in housing and/or infrastructure? By whom?
- Has titling led to improved well-being for poor households? Through what channels: Improved housing conditions, utilities and services? Increased investment in housing? Community solidarity and voice? Social/political inclusion?

In addition:

- Assess the impacts titling has had on urban land markets, including the frequency and cost of transactions and prices.
- Indicate access to land and patterns of development.
- Focus on the urban scale, though impacts at community/neighbourhood level will also be assessed where information can be obtained.

1.3 HISTORICAL BACKGROUND AND RECENT REFORMS

This section provides some detail on South Africa's urban history and current legislative terrain.

The two fundamental aspects of life that Apartheid was built on were racial identity and access to land. Consequently, the effect of the extent, invasiveness and brutality of apartheid legislation relating to land ownership cannot be underestimated and casts a long shadow over the post-Apartheid period (Claasens, 1991; Wilson and Ramphele, 1989). It is startling to realise that it has been less than thirty years since Black people were able to own urban land and formally leverage credit on the basis of their land ownership in South Africa's major urban centres. For this reason, we sketch out in broad terms some of the important legislation and regulations relating to land ownership and, to provide a sense of how extensively it affected people's everyday lives, go into some details. In reviewing this legislation and its effects, Hendler (1993) identifies three broad periods that correspond to the intensity in which racial prejudices and hatreds were foremost in the formulation and implementation of the laws.

In the first period, from 1912 to 1976, various laws relating to land ownership were set in place that sought to realise the segregated vision of Grand Apartheid. The vision was based on the assumption that Black people would only be permitted to settle in designated areas and that ownership would be based on land holdings within ethnically defined homelands. Between 1976 and 1991, a limited set of reforms were introduced in an attempt to change

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the relationship between the Apartheid state and the Black urban population. In the post-1991 period an increasingly progressive series of land legislation reforms were enacted in attempts to redress the inequities and systematic dispossession of Black people of their land.

1.3.1   Grand Apartheid (1912 – 1976)

South Africa's racial land ownership patterns were infamously entrenched with the Land Act of 1912. This Land Act set aside approximately 13% of land for the majority Black population, while reserving the rest for White ownership and use. As a result South Africa's urban areas had a racially-based parallel system of accessing land. The Native (Black) Urban Areas Act 21 of 1923 further divided South Africa into 'prescribed' (urban) areas and 'non-prescribed' (rural) areas and provided for the strict control of Black men's movement between the 'White' towns and 'black' rural areas. The ability of Black men to move to 'prescribed' towns and cities was linked to the demand for labour in South Africa's White-owned economy. The Native Laws Amendment Act of 1952, which defined which Black people would have the right to reside in 'prescribed' areas, tightened control over Black people's rights to urban land. The infamous Section 10 ensured that those who had rights were limited to people who had been born in a town and had lived there continuously for more than 15 years, or had been employed in a town for at least 15 years, or who had worked continuously for the same employer for at least 10 years.[6]

During the 1950s and 1960s the Apartheid state embarked on a massive public housing programme in order to make the vision of Grand Apartheid workable. By the 1970s, approximately 468,000 units had been constructed (Bekker and Humphries 1985, 83 in Hendler, 1993). There were 112 848 households that held 30-year leases to their land, which gave them slightly more rights than tenants but less than freehold title. In 1968 the provision for 30-year leasehold rights was scrapped and only re-introduced in 1975. As an example of the arcane and divisive regulations that were necessary to attempt to make Apartheid work, five forms of tenancy were devised. The slight gradations in different rights associated with different forms of tenancy are only one instance of a long-standing diversity of land rights that continues through to the present and which contradicts the view that there are only three forms of tenure (freehold, leasehold, occupation) in South Africa and that these forms of tenure are unchanging (see also, Fourie, 1998).

In 1968, the five forms of tenancy defined by the regulations covering urban Black townships were:
* *Site permits* (with building permits) whereby households could oversee the construction of a dwelling unit and rent the dwelling and land
* *Certificates of occupation* whereby households could rent dwellings constructed or acquired by the local authorities
* *Residential permits* whereby households could rent dwellings originally owned by White municipalities but which had been transferred to the administration authorities of the townships
* *Lodger's permits* whereby individuals or households who did not hold site permits, certificates of occupation or residential permits to occupy dwelling units described above could rent dwellings
* *Hostel permits* whereby individuals could rent beds in hostels (Hendler, 1993).

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[6] The Blacks (Urban Areas) Consolidation Act 25 of 1945 proclaimed that no African could be in a 'prescribed area' for longer than 72 hours unless he/she: 1) had resided there continuously since birth; 2) had worked there continuously for an employer for 10 years and thereafter, continued to reside there; or 3) was the wife , unmarried daughter, or son under 18 years of an African falling into classes (1) or (2); or 4) had been granted a permit to remain in the prescribed area.

The distinctions were not only fine but the system also actively discriminated against Black women. Initially only Black males over the age of 21 could qualify for *Site Permits*, *Certificates of Occupation* and *Residential Permits* and Black males over the age of 18 for Hostel Permits.[7] Black women could live as dependents of their husbands but otherwise could only be granted *Lodger's Permits*. Prior to 1968, it was stipulated that no Black woman could be placed on a waiting list for family housing. There were also restrictions on women's land rental when they became widowed or divorced.[8] It was only in May 1979 that the regulations were relaxed so that any person who possessed Section 10(1)[a] or [b] rights could apply for land and housing.

Until 1971, ownership of land and the housing stock in the urban townships established for Black people was vested in the White national state through the White municipalities in terms of the Blacks (Urban Areas) Consolidation Act 25 of 1945. In 1971, Black Affairs Administration Boards were established to manage Black housing on behalf of the national state. The control of urban land for Black people was absorbed into the (immediately discredited) separate local authorities that were established in Black areas in 1982 (Black Local Authorities Act 102 of 1982).

From the late 1960s and during most of the 1970s, enormous power was vested in the office of the Township Superintendent, who had almost sole discretion to decide which applicants were "free from infectious disease" and "fit and proper" to be tenants in the township. The regulations promulgated in 1968 additionally authorised Superintendents to be able to cancel a tenancy within a notice period of 30 days should tenants, in their opinion, no longer be considered "fit and proper". This power was buttressed by additional controls such as:

- *Certificates of Occupancy* and *Site* and *Residential Permits* could only be held over land allocated for use by a particular ethnic group.[9]
- People in possession of *Certificates of Occupancy* and *Site* and *Residential Permits*, and their dependents, had to have permission from the Superintendent if they wanted to be absent from their site for more than 30 days.
- Holders of *Certificates of Occupancy* and *Site* and *Residential Permits* and their dependents were only allowed to hold one certificate or permit and were not allowed to own immovable property in any prescribed area.
- *Residential Permits* expired on the last day of the month for which they had been issued. As a result, holders had to apply for a renewal from the Township Superintendent before the seventh day of the following month. However, acceptance of rental was considered to imply approval of the renewal of the permit for the month for which the rent had been paid (Hendler, 1993).

Thus, it would not be too hazardous to make the claim that the *effects* of documentation (whether this documentation was perceived as politically legitimate or illegitimate) and value of formal property ownership have been strongly imprinted on Black people's minds.

1.3.2   Limited reforms (1976 – 1991)

The period between 1976 and 1991 was marked by an inability to admit the dysfunctionality of Grand Apartheid, attempts to retain political power by the White minority, and the reluctant

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[7] Qualification was defined in terms of Section 10(1)[a] and [b] of the Blacks (Urban Areas) Consolidation Act in respect of men over the age of 21 and in terms of Section 10(1)[d] for men over the age of 18.

[8] For example, a divorced or widowed woman was allowed to continue occupying a dwelling if she qualified in her own name for Section 10(1)[a] or [b] rights and was able to pay the rent, and, if divorced, was neither the guilty party nor faced any contestation from her former spouse over the use and occupation of the dwelling.

[9] The Population Registration Act 30 of 1950 recorded people's race and ethnic group.

and piecemeal dismantling of legislation relating to Black people's land ownership in cities and towns.

In 1978 the Apartheid government enacted The Blacks (Urban Areas) Amendment Act 97 which made it possible for Black people to hold urban land on a leasehold basis for the first time. However, even the leasehold rights that were introduced were qualified and restricted to Black people with Section 10(1)[a] and [b] rights.[10] The leasehold rights were still premised on the underlying grand plan of Apartheid - that all Black South Africans would officially be residents of an ethnically defined homeland.

It was also necessary to make it statutorily possible for building societies to make loans available to Black people and in 1978, the Financial Institutions Act 80 was amended to allow for this. The regulations remained in force until 1990, even though the Abolition of Influx Control Act 68 of 1986 had abolished the Section 10 categories and made the provision of public rental accommodation independent of the pass laws.

Leasehold ownership offered developers a potentially cheaper means of proclaiming land i.e. getting land zoned under the land management schemes as residential because lower professional fees were prescribed, transfer duty was not payable and the agreement of a conversion price could postpone payment of the full purchase price. It was also possible to apply exceptions to the normal rules of proclaiming developed stands. For example, in 1986 the Township Establishment and Land Use Regulations (Republic of South Africa, GN R1897/10431/42) provided for the possibility of leaseholds being registered in the Deeds Registry at an earlier stage in the development process than in the freehold procedure.

In 1986, 99-year leasehold became available to any 'citizen' of the 'independent homelands'.[11] The provisions were included in the Black Communities Development Act No. 4 of 1984 but could only be effected when new regulations relating to leaseholds were published in 1985 (Republic of South Africa, GN R2451/9990/1). The most important aspects of these changes were that leasehold rights and mortgage bonds over such rights would be registered in the Deeds Registry. Between 1978 and 1985, leasehold registrations had been recorded in the registration offices of regional land commissioners. Another significant change was that the 99-year leasehold rights became perpetual rights.[12] Thus, it was finally possible for Black people to acquire property and for leasehold to be converted to freehold title. In addition, prior to 1975 private developers could not play a role in the improvement of urban land reserved for Black people. In 1986, amendments to the Black Community Development Act 74 of 1986 finally allowed developers to purchase and hold land for the purposes of developing land for urban Black people.

The restrictions on Black people accessing urban land, the halt to building rental accommodation in the late 1970s, and allowing private developers to purchase and hold land for development for Black occupants led to three phenomena that continue to have implications for post-apartheid South African society. The ways that people avoided these restrictions or overcame the shortage of land supply were to erect backyard shacks for rent in established townships. Or, secondly, to occupy land 'illegally'. Thirdly, in addition, the land that was privately purchased for development for Black people tended to be cheaper, peripheral land.

Before finalising the review of this period of limited reform it is necessary to draw attention to the Apartheid state's 'Great Sale' of publicly developed land and housing which began in

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[10] Leasehold rights did not apply in areas in which Black people were going to be (forcibly) removed.
[11] The homelands were Transkei, Venda, Bophuthatswana and Ciskei.
[12] When a transfer of leasehold rights was executed, the transferee obtained a new lease of 99-years rather than the remainder of the unexpired portion of the original leasehold.

1983. The 1988 Conversion of Certain Rights to Leasehold Act enabled Black people in possession of *Hostel*, *Residential* and *Site Permits* and *Certificates of Occupation* to convert these to leasehold rights at no cost. The sale of state housing to Black people marked a further shift in state policy, progressively moving away from state provision, though not necessarily from state involvement (Hendler, 1993). Writing in response to the 'Great Sale', Mabin and Parnell (1983) drew three conclusions from the contemporary literature on the political significance of home ownership:

"1) there are circumstances under which home ownership forms divisions within working class communities, but these divisions are likely to be related to more fundamental social cleavages; 2) the existence of private property in housing can acquire its own potential for polarizing different working class groups economically and politically; 3) *various* outcomes of owner occupancy are likely to develop *simultaneously* with the result that the formation of *general* strategies to confront the housing question under conditions of expanding ownership is a daunting task indeed for organisations".

As our research starts to show, elements of all three conclusions – reached nearly 25 years ago – have been borne out.

1.3.3   A period of redress (1991 onwards)

The abolition of the influx control measures and the Group Areas Act produced a sense of foreboding that Black people would flood the 'White' cities. In an attempt to manage this process, the Apartheid government enacted a series of laws. Some of these were concerned with the issue of freehold title.[13] Freehold title is defined in the Deeds Registry Act of 1937. The Less Formal Township Establishment Act 113 of 1991 aimed to accelerate the development of urban land and, in so doing, to manage the increasing urbanisation of the Black population. The Act was intended to relax some of the conditions of township establishment and grant freehold title. In addition, transfer of ownership of tribal land to a tribe is regulated by the Upgrading of Land Tenure Rights Act 112 of 1991 and first transfer of ownership (after the opening of the township register) by the Less Formal Township Establishment Act 113 of 1991 (various sections of Chapter 11).

On a more progressive basis, the Development Facilitation Act 67 of 1995 was enacted to facilitate the planning of urban areas and the process of developing urban land. This Act aimed, amongst other things, to increase the security of tenure of people living in informal settlements by creating a form of tenure known as 'initial ownership', which grants title to persons meeting certain conditions before the land development process is completed.

There are other acts and regulations that relate to land tenure that have been introduced and changed in the post-apartheid period though there is neither space nor reason to cover all of these here. It is, however, necessary to consider two final laws that relate to tenure security and South Africa's current housing policy. The first is the Prevention of Illegal Eviction from Unlawful Occupation of Land Act 19 of 1998. This Act seeks to realise the Constitutional provision against arbitrary evictions by providing for rigorous controls on eviction proceedings. It provides greater security of tenure to informal settlements irrespective of occupants' legal relationships with the land. The progressive intent and importance of this Act is only clear in the context of Apartheid's longstanding contradictory stance with respect to informal settlement of land. In 1951 the Prevention of Illegal Squatting Act 52 had been promulgated. This draconian piece of legislation was used by the apartheid state to control and demolish some informal settlements whilst designating other land for controlled squatting. Such designated areas could eventually be deproclaimed as land for controlled squatting and reproclaimed as a township. Thus not only were people settling informally in response to controls over access to urban land and an artificially restricted housing supply, but also the state itself was promoting informal settlement. As a result, by

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[13] This sub-section was produced by Marx and Rubin.

1994 it was estimated that about 1 million households were inadequately housed and lacked secure tenure.

The effect of the Prevention of Illegal Eviction from Unlawful Occupation of Land Act is that it has decriminalised the illegal occupation of land. Since the Act requires the person seeking the eviction to ensure that adequate alternative accommodation is provided to the households that are evicted, the informal settlers have greater security, because the high costs of eviction and relocation tend to discourage landowners and authorities from implementing the eviction. Kihato (2007a) argues that despite the greater security this Act provides to informal settlements, it tends to leave poor households in informal settlements in limbo because the Act makes no provision for active and deliberate steps to be taken to resolve the situation of so many informally settled households.

The second act that relates specifically to the informal occupation of land is the Interim Protection of Informal Land Rights Act 31 of 1996. The aim of the Act was to provide people holding 'informal' land rights, such as those created by customary or indigenous law, temporary protection while the process of land reform was being finalised. The purpose was to prevent people holding informal land rights from being evicted by landowners anticipating changes arising from land reform policies (Kihato, 2007a). The law applies to people who had held land for more than five years prior to 31 December 1997. Although intended as an interim measure, the Act has been extended annually and was last extended to 31 December 2006.

Apart from land law, the most important legislation relating to land titling in urban areas in the post-Apartheid period is the National Housing Act 107 of 1997 (as subsequently amended). The Act makes provision for a Housing Subsidy Scheme and is the post-Apartheid state's most significant response to meeting the Constitutional obligation to provide access to adequate housing to all South Africans (South African Constitution, Section 26). The parameters of the Act emerged from the Housing Forum of the early 1990s and the Housing Subsidy Scheme was seen as the mechanism by which low-income households could receive direct government assistance, in an attempt to redress ownership patterns and urban settlement morphologies created and entrenched by the Apartheid system. The Housing Subsidy Scheme replaced all previous subsidies and was to be used to effectively provide housing, secure tenure and access to basic services in order to create a sense of empowerment and citizenship amongst population groups that had previously been excluded from land and property ownership. The system was developed in order to enable South African households, with an income of between R0 to R3 500 per month, who had not previously owned property, to own a starter home (known as an Reconstruction and Development or RDP unit), which could be added to over time. It is this Housing policy that forms the basis of South Africa's national titling programme.

Currently the application process is extremely time consuming. It begins with beneficiaries who qualify[14] for the subsidy applying for housing through their local councils, which then send the names to Provincial Housing Development Boards. After approval, Provincial Housing Development Boards or accredited municipalities pay housing subsidies out of the

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[14] In order to qualify for a housing subsidy a person must prove:
He or she is married or cohabits with any other person or is single and has proven financial dependants.
He or she is lawfully resident in South Africa.
He or she is legally competent to contract: he or she is over 21 years of age, if not married.
The gross monthly household income of his or her household does not exceed R3 500 per month.
The beneficiary or spouse has not received a subsidy from the Government to buy a house previously.
He or she is a first time property owner.

nine Provincial Housing Development Funds to developers who are contracted to construct specific housing projects. This arrangement between different levels of government creates a 'disconnect' between residents and the level of the state that is ultimately responsible for improving their housing. Nonetheless, beneficiaries are selected and matched with a housing project and a specific dwelling unit. In greenfield projects, when beneficiaries move into a unit, they first sign "happy letters" stating that they find the accommodation acceptable and have received a key. Title or ownership of the unit may come simultaneously but generally it takes some time and even if the property has been transferred into his/her name, the beneficiary generally receives the actual title deed, even if the property has been transferred into his/her name many years after occupation has taken place. The situation in informal settlement upgrading projects is normally slightly different: beneficiaries may first receive notification of allocation of ownership/title to a stand, then provision of basic services and finally a top-structure that meets with certain requirements. The order of events in different municipalities varies and one of the key problems is the time taken between a title or piece of land being transferred to an individual and the top-structure being built. In Gauteng, in a reported 80% of cases the title-holder is no longer living on the plot by the time the developer is contracted to build the unit. In these cases the contractor cannot build a home, as the owner of record and the sitting tenant are different.

The value of a unit for a 40m^2 RDP unit for the period 1st April 2007 to 31st May 2008 is just under R40 000 (Table 1). Originally there was a sliding scale of contributions for different income groups but these have effectively been collapsed into the R0-R1 500 and the R1 501-R3 500 categories. Households in the latter group needed to contribute R2 479 to the cost of their homes or can contribute an equivalent amount through providing labour or what is called "sweat equity" in the building process. The subsidy can be increased by up to 15% for geotechnical or topographical anomalies and households with members who are disabled are able to benefit from higher subsidies and modified units. There is also a "restrictive clause" in the title deed of beneficiaries, which government has instituted in an attempt to "protect" its investment. The clause restricts sale of the unit to anyone other than the local authority for a period of five years. Households are thus free to rent the unit out but are not allowed to legally sell it. At present few, if any, beneficiaries have chosen the option of selling to the municipality and many of the sales of these units happen informally through a range of communally accepted systems, such as the signing of affidavits at police stations, and the crossing out of names on the title deed document.

Table 1. Overview of Housing Subsidy Scheme amounts

Individual and project-linked subsidies	Top structure funding only	Own Contribution	Product price
R0-R1500 monthly household income	R38984	None	R38984
R1501-R3500 monthly household income	R36505	R2479	R38984
Indigent: Aged, disabled, health-stricken (R0-R3500 monthly household income)	R38984	None	R38984

Although there is a great deal of uncertainty as to the number of units that have been delivered using this subsidy scheme, the National Department of Housing's estimated figure sits at around 2.35 million. The Housing Subsidy Scheme has recently seen a great deal of criticism, as the rate of delivery has dropped, accusations of corruption and queue jumping of the housing lists are rife, and the quality of the units that have been delivered is questionable. In addition the Housing Subsidy Scheme has been criticised for entrenching

the Apartheid geographies of South African cities by their locating low income housing on urban peripheries, with poor access to facilities and opportunities. In its response, the National Department of Housing's new housing policy, colloquially known as "Breaking New Ground", is set to focus on good quality low income housing that is better located and has greater access to all manner of urban opportunities. The National Department of Housing and the National Department of Land Affairs have also entered into negotiations around who pays the land costs for people receiving the Housing Subsidy Scheme, which would allow the full subsidy amount to go to building the top-structure, which is intended to allow for a better quality and more sustainable house.

1.4 LITERATURE SURVEY

In the context of the Apartheid state's manipulation of property rights it is unsurprising that the issue of access to land has attracted a lot of academic attention in South Africa. This is as a result of the ways in which African, Indian and Coloured people were systematically dispossessed of land through the implementation of various apartheid laws prior to 1994. In the post-1994 period, issues of land reform have had a high political profile. In addition the post-Apartheid state has continued to sell/transfer public housing stock to individuals.[15] The justification for the issuance of titles is based on arguments that will be familiar from other contexts. These arguments are based on assumptions that freehold title leads to greater investment, access to credit, an improved municipal tax base, greater transactional efficiency and so on. More recently, the work of de Soto (2001) has given renewed impetus to initiatives to provide title to poor people and his ideas have surfaced in different ways in South Africa.[16] We return to consider de Soto's ideas below, but for now it is important to note that, in South Africa, the policy emphasis of the state with regard to issuing freehold title is significantly buttressed and fed by popular perceptions of the importance of freehold title and demand for such tenure forms by people who were historically dispossessed of land and politically disenfranchised.

In the context of the Apartheid state's manipulation of property rights it is unsurprising that the issue of access to land has attracted a lot of attention in South Africa. This is as a result of the ways in which African, Indian and Coloured people were systematically dispossessed of land through the implementation of various apartheid laws prior to 1994. In the post-1994 period, issues of land reform have had a high political profile. In addition the post-Apartheid state has continued to sell/transfer public housing stock to individuals.[17] The justification for the issuance of titles is based on arguments that will be familiar from other contexts. These arguments are based on assumptions that freehold title leads to greater investment, access to credit, an improved municipal tax base, greater transactional efficiency and so on. More recently, the work of de Soto (2001) has given renewed impetus to initiatives to provide title to poor people and his ideas have surfaced in different ways in South Africa.[18] We return to consider de Soto's ideas below, but for now it is important to note that, in South Africa, the policy emphasis of the state with regard to issuing freehold title is significantly buttressed

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[15] The Extended Discount Benefit Scheme and the Transfer of Residential Property Scheme have been the two most significant transfer programmes.

[16] See for example, Joffe Joffe, H. 2006: De Soto's notion of 'dead capital' seems to be dead wrong in SA. *Business Day,* Johannesburg., Mathane Mathane, P. 2006: De Soto ignores intangibles. *Business Day,* Johannesburg. and Pressly and Hazelhurst Pressly, D. and Hazelhurst, E. 2007: Poor South Africans sit on R3bn of 'dead equity'. *Business Day,* Johannesburg..

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and fed by popular perceptions of the importance of freehold title and demand for such tenure forms by people who were historically dispossessed of their land and politically disenfranchised.

Despite the emphasis by the state on issuing freehold title and popular demands for this form of tenure, there are no studies of which we are aware that explicitly evaluate the impact of freehold title in South Africa. In an observation that applies as much to urban land issues as rural, Bernstein (2005) notes, the "popular debate on land reform in South Africa is influenced far more by the country's history than by plans for its future well-being". In a similar vein, Bremner (2000) analyses how attempts to confront South Africa's racialised urban history through a 'rapid land release' programme eventually reinforced the cities' racialised geographies. Nevertheless, there is a large body of research work that contributes toward a conceptual framework for this research. This research will be briefly outlined below as a way of introducing the proposed conceptual framework.

This brief overview is intended to introduce some of the recent findings in relation to tenure in South Africa. We begin with research into 'township residential property markets' (Nell et al., 2004), which aims to "understand the current dynamics of Black township residential property markets in South Africa including the components that contribute towards their functionality and or dysfunctionality, and to frame this understanding in a conceptual model that might be analysed in policy terms" (Nell et al., 2004). This study focused on three of South Africa's metropolitan areas, including Ekurhuleni, which provides the location for the current research. The conclusions were that there were distinct housing sub-markets that tended to correspond to the settlement types and the different development regimes that had led to their establishment. Partly as a result of these different development trajectories, each area remained fairly isolated from the others in terms of people transacting across areas. In the different housing sub-markets identified in the research, only 7.5% of proclaimed properties were formally transacted, as registered in the Deeds registry in the five-year period 1999-2004. The study found that of the 1.5 million houses that had been built by 2003, only 1.3 million houses had been transferred to beneficiaries. The study suggests that in formal economic terms, the markets in the study areas were dysfunctional because of limited supply, lack of suitable finance, a limited number of buyers and extremely limited information.

The 'Financial Diaries Project' is longitudinal research that seeks to understand the complex financial lives of poor people in a number of countries (Collins, 2006). In relation to housing and land, the research suggests that formal home ownership has different meanings for poor people and does not appear to automatically conform to a model of ownership as a vehicle for financial investment. The research has generated a number of findings that are useful for the current research. First, low income home owners generally accumulate a large lump sum, through borrowing and saving, which is then used to buy the property. The findings indicate that in South Africa, 36% of first time homebuyers purchase their properties using these lump sums. Incremental approaches to home acquisition appear to be the dominant means for poor South African households.[19] Approximately 50% of the respondents built their homes by buying building materials bit by bit. The percentage of respondents that made use of moneylenders or informal loans from family members was extremely low. The most expensive houses in the sample were not built with formal loans, but rather through lump sum savings payouts or credit at a building materials supply store. Sixty per cent of households had made some payments towards housing over the year prior to the survey. The study found that the form of tenure did not make a large difference to the amount of

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[19] See Rust Rust, K. 2004: Doing it for themselves. Hope and challenges in incremental housing. Johannesburg: Housing finance resource programme, 38. for a comprehensive overview of similar incremental approaches in households that have had their houses repossessed and 'right-sized' by the Servcon programme.

money invested in housing. Formal homeowners (with freehold title) spent about 5% of their monthly income on the maintenance of their homes, while people living in informal settlements spent just over 1%.[20] Approximately 16% of people living in an informal settlement had another home somewhere. The research starts to point toward the idea that a home is a place to be "identified with" rather than an investment (Collins, 2006).

Other research shows that poorer people are wary of formal mortgage loans (Boudreaux, 2006; Royston, 2006; Rust, 2004; Tomlinson, 1999). Research also suggests that there are limited opportunities for financial institutions to provide mortgage loans for public housing stock that is likely to be transferred to private ownership (Morkel, 2005).[21]

One of the most explicit attempts to engage with issues of tenure has been co-ordinated by LEAP (2005)[22], which aims to develop an "enhanced understanding of the multiple tenure arrangements that characterise South Africa's tenure landscape" (LEAP, 2005). LEAP argues that while titling continues to dominate approaches to tenure, there is widespread recognition that titling can be problematic for poor people. It is argued that there are multiple tenure situations that contain elements of formality and informality and have multi-dimensional relationships to each other. Building on LEAP's work, a recently completed research project on informal land markets aimed to understand how (mainly) poor people were accessing, trading, and holding land in three of South Africa's metropolitan areas (Isandla Institute and SBC, 2007). The research concluded that there were informal land markets that tended to be characterised by socially-dominated logics, but that these logics were co-constituted by financially-dominated logics and the activities of the state. Echoing the conclusions of LEAP, the study of informal land markets questions the validity of using terms such as 'formal' and 'informal' in relation to urban land issues in South Africa.

Catherine Cross has maintained a long-term interest in urban land tenure (see for example Cross, 1994, 2002, 2006; Cross et al., 1998). For this report it is worth drawing attention to her conclusions in relation to informal tenure in Durban (Cross, 1994). The conclusion reached is that "urban tenure works on *de facto* arrangements for holding, using and transferring land on terms defined by the landholders themselves" (Cross, 1994). These *de facto* arrangements are shaped by the underlying form of legal tenure and specific assumptions about property rights but are equally strongly influenced by "cognitive models of rural tenure systems" (Cross, 1994).[23] Assumptions about property rights are traced back to the relationship between residence and occupation of land and how this relationship relates individuals and households to the broader communities of which they consider themselves members. Thus, similar to the LEAP research, Cross concludes that Durban's urban informal tenure system "is one of relative social rights rather than property rights" (Cross, 1994).

Researchers have explored the relationship between property rights and poverty. For example, Mooya and Cloete (2007) argue that an understanding of property rights (both formal and informal) and transaction costs can be used to develop a framework which could suggest whether and how informal land markets contribute to poverty alleviation. Nathan and Spindler (2001) suggest that society as a whole bears a social cost if individuals in

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[20] There is no indication whether average household incomes vary between formal owners and households in informal settlements?

[21] If this is the case, then it is more useful to discover how people finance investments in other ways rather than gather more evidence that they don't use formal mortgage loans.

[22] See www.leap.org.za

[23] This is a broader process that has been observed in other African cities Rakodi, C. and Leduka, R.C. 2004: Informal land delivery processes and access to land for the poor: A comparative study of six African cities. *Informal land delivery processes in African cities,* Birmingham: International Development Department, University of Birmingham and Department of Geography, National University of Lesotho, 45..

informal settlements are not assigned formal property rights. Others, such as Barry (1998; 2006; 1999) and Burns et al (2006), have highlighted the importance of land tenure information systems and processes of land registration. Barry (2006) has been one of the few recent attempts to explicitly build an understanding of social change into his work. His work is developed from Fourie (1993) and we return to it in the next section.

Issues relating to land titling are currently most popularly associated with the work of de Soto (de Soto, 1989, 2001, 2006). De Soto's ideas have been picked up to some extent in studies of 'township residential property markets' and in revisions to national housing policy (Royston, 2006) and it is therefore important to consider this broad approach. The basic argument is that providing land title to poor people is necessary but not always sufficient for alleviating poverty (Schaefer, 2004). Within the broad school of thought on which de Soto draws, Frank Byamugisha (1999) provides a more explicit conceptualisation of the different links between land titling and poverty alleviation. Byamugisha (1999) outlines a series of different 'linkages' between title to land and being able to contribute to the economy. These 'linkages' include:
"the land tenure security and investment incentives linkage; the land title, collateral and credit linkage; the land markets, transactions and efficiency linkage; the labour mobility and efficiency linkage; and the land liquidity deposit mobilisation and investment linkage".

This broad set of ideas has been critiqued at many levels both in South Africa and internationally. The 'de Soto type proposals' and critiques will be examined in the course of this research and for the moment, we simply identify the sources of some of the critiques. In South Africa, titling for poor people has been suggested to be an inappropriate solution because it does not adequately account for the complexity of social claims to land (Cousins et al., 2005; Kingwill et al., 2006; Royston, 2002, 2006; Royston and Ambert, 2002). In addition, Royston is concerned that the integration of the extra-legal into the legal does not question the current functioning of the legal systems (Royston, 2006). Internationally, Bromley (1994; 2004) and Gilbert (2001) and Payne (2002) have questioned de Soto's conclusions. Zaibert and Smith (2003) question the ontological assumptions of 'de Soto type' models. Galal and Razzaz (2001) argue for a comprehensive view of land titling and Manders (2004) draws attention to the sequencing problems and one dimensionality of a 'de Soto type of approach' to titling.

In sum, current research suggests that property rights to land and housing are perceived by local residents to circulate within relatively bounded areas that tend to correspond to the period in which a township was developed and a settlement that was established. The tendency of poor people to acquire housing incrementally marks out building material suppliers as a key indicator of the impact of freehold title on poor households because poor people tend to draw on their own savings rather than leverage credit through a formal financial institution to improve their dwellings. The work of LEAP has served to highlight the complexity of urban property rights through acknowledging the multiple and co-existing forms of tenure and types of claims that must be negotiated through diverse and differentially situated social networks. The socially-dominated land market logics of informal areas of the city allow for the possibility that freehold title to land can circulate and be exchanged in different registers of value.

1.5 METHODOLOGY

This section outlines key methodological factors that informed and structured the research.[24] This study had the advantage of being able to draw on an up-to-date and international

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[24] Full details of the methodology can be found in a separate methodological report.

literature review (see Durand-Lasserve et al., 2006). On the basis of this review, it was possible to identify the advantages and disadvantages of different methodological assumptions, techniques and processes.

One of the most important issues that Durand-Lasserve et al (2006) address is the difficulty of isolating land titling from other social, political and economic processes. Thus Galiani and Schargrodsky (2006) consider that property rights are "endogenous" to a social group (and its characteristics) rather than being exogenously attributed by policy or law. One solution to the issue of the endogeneity of land titling has been to attempt to isolate one or two relevant variables that indicate outcomes and impact. Examples of useful research in this regard include de Soto (1989; 2001) and Mooya and Cloete (2007) on property rights and poverty levels, Besley (1995), Jackoby and Minten (2007) and Field (2005) on levels of investment and Méndez (2006) on the value of title. Following this broad approach to work, our research attempts to isolate relevant variables that indicate outcomes and impact of titling.

In our research, the approach has been to acknowledge that property rights are always endogenous but, lacking the 'natural experiment' available to Galiani and Schargrodsky, we have eschewed an approach that tries to isolate one variable to assess the impact of land titling.

This research is therefore informed by a view that the impact and outcomes of a social phenomenon such as land titling is as much about who is affected and how as it is about the processes or 'transmission mechanisms' through which land titling is interpreted and experienced. The methodological approach that we have developed for this project is a combination of elements of 'impact analysis' and 'impact evaluation'. While 'impact analysis' methodologies seek to anticipate the effect of change, 'impact evaluation' methodologies analyse changes that have already occurred. Impact analysis methodologies tend to be more precise and have developed a greater understanding of how changes are *transmitted* in different social contexts.[25] Approaches to impact analysis have long realised that understanding the way in which changes are 'transmitted' is as important as understanding the resultant change or impact. Our research focused on understanding the respondent's context and history so as to clarify how changes are likely to be 'transmitted'.

Impact evaluation provides more guidance on how to *identify* the people affected by social change and goes beyond focusing on the goals of a particular programme, which tends to be the emphasis of impact analysis techniques (Davidson, 2005).[26] It is critical to identify exactly who the people/'impactees' are that are being evaluated. In the case of titling, it is necessary to think of impact in terms of changes that are effected as well as outcomes that reflect the lack of change. This is because titling is intended to enable some activities (such as investment) and discourage others (such as informal transactions). In identifying 'impactees' it is important to include those who could hold or should hold freehold title, as this provides insight on how the titling process is working. In this respect, work that addresses the gender dimensions of property rights is important, as well as how these are refracted through decision-making processes at an intra-household level (Guyer, 1997; Haddad et al., 1997; Mills, 2004; Wallace, 2002; Wheelock and Oughton, 1996). An explicit

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[25] The transmission channels are currently understood to be: "employment, prices (production, consumption, wages), access, assets, transfers and taxes and authority" DfID 2005: Tools for institutional, political and social analysis (TIPS). A sourcebook poverty and social impact analysis (PSIA). London: Department for International Development, UK and Social Development Department, The World Bank, 65.. The economic focus is fairly evident.

[26] If the goals of a particular programme are the sole focus, it is difficult to conclude whether an overall programme is a success if only some of the goals are achieved; it is difficult to account for side-effects if these are not linked to the goals; it is difficult to reflect on the reasonableness of the goals; and it is difficult to assess the processes involved.

gender focus is therefore built into the analysis in our research by disaggregating the data by gender at household level.

The Terms of Reference of the study required that it be possible to be able to attribute socio-economic changes to titling. Two methodological approaches would permit this: a 'before and after' study or comparing titled and untitled plots in a restricted geographic area so as to minimise differences between households in terms of access to infrastructure and any other investments in land, to isolate the effects of titling on investment from the encouraging effects of infrastructure improvements (Jackoby and Minten, 2007).[27] Acknowledging that these situations were not available, the methodology adopted a comparative approach, focusing on different settlement types with 'area-wide' (rather than sporadic) titling programmes. The advantage that an 'area-wide' approach to researching land titling is that it brings the dynamics and processes within the titling process into focus.

The research involved generating both quantitative and qualitative data in the case study settlements as well as qualitative data from stakeholders at different levels of government, practitioners and policy makers. The purpose of examining case study settlements was to generate empirical data on the impacts and outcomes of selected variables such as levels of household investment, formal borrowing, household saving and household security. These variables informed the structure of the qualitative questionnaire schedule and format of the qualitative interviews. The engagement with different stakeholders sought to contextualise processes in the case study settlements as well as trace processes beyond the immediate case study areas.

We proceed by summarising the approach to the research before providing greater detail on key elements such as the selection of case study areas and respondents. Our approach to the research began by collating and analysing local research data (within the context of international research findings). The results of this analysis pointed to considerable variations in the understandings of key concepts (such as 'home', 'rights', 'title deeds' and so on) and relationships between socio-economic processes (for example, leveraging credit, property transactions, etc.). Consequently, the research process involved separate processes of clarifying the dominant meanings of terms and processes amongst both poor households and policy makers. Focus group methodologies were used in both instances to generate, clarify and agree upon, dominant understandings of relevant processes and concepts. Insights gained through this process informed both the processes of selecting a case study area (and sites and respondents) and the structure of the quantitative and qualitative questionnaires.

Following the focus groups and simultaneously with a series of semi-structured interviews with municipal stakeholders and policy makers, a quantitative survey was conducted in the case study area using a stratified random sample. The results of the quantitative survey were analysed using SPSS™. The results of the quantitative survey informed the final round of qualitative in-depth interviews in the case study area. The qualitative interviews were translated from vernacular languages and transcribed for analysis.

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[27] Jackoby and Minten Jackoby, H.G. and Minten, B. 2007: Is land titling in sub-Saharan Africa cost-effective? Evidence from Madagascar. *World Bank Economic Review* Advanced access June 30, 1-25. point out that it is necessary to hold family level attributes constant to eliminate bias at the family level. This is because it is difficult to observe attributes such as entrepreneurial ability and wealth at the family level and these attributes may be key to land investment decisions. It was not possible to hold family level attributes constant in this study.

1.5.1   Selection of the case study areas

The selection of the case study areas was determined by a deliberate research choice to generate data in areas that were theoretically most likely to demonstrate the impact and outcomes of land titling. The theories general suggest that the impact of titling will be greater in areas that are:

- **well-located** in relation to urban amenities and opportunities because such areas are likely to valued more highly which in turn relates to levels of investment and higher desirability which stimulates transactions. The importance of proximity to employment and urban amenities in relation to the broader impact of urban life is well established. In relation to the impact of freehold title, Atuahene (2004), Takeuchi et al (2006) and van Gend Botha and Weich (2007) all draw attention to 'location' as an important variable in thinking about the impact of holding freehold title.[28] Consequently, we can expect that the impact of titling will be greater in a well-located area and because property in well-located areas tends to have a higher value, holding freehold title in these areas should have a greater positive effect on beneficiaries.
- **stable** in terms of the age of the settlement because social networks are likely to be more facilitative and access to social amenities secured and clear, and thereby also contributing to the value of the location.

In methodological terms, it was necessary to control for a number of factors to ensure the reliability and validity of the data generated within the financial and time constraints of the research process. In selecting case study sites, our concern was to study areas with different tenure regimes, but with a similar location, resident socio-economic profile and age and size of the settlement (as measured by the number of households). Key methodological factors were:

- **Similar socio-economic characteristics** of the respondents in the different sites. It was considered desirable to compare areas with similar household socio-economic profiles, in order to focus on the impact of tenure rather than income or wealth, and to select settlements that were not too disparate in terms of their age and size.
- **Type of settlements** (informal settlement, *in-situ* upgrade and greenfield relocation). The purpose of the different settlement types was generate data on the impact of titling on an area-wide basis.
- **Proximity of areas** so as to ensure that all of the types of settlements were similarly located and afforded similar levels of accessibility to urban amenities.[29]
- **Population size** to ensure that the sample size would generate an acceptable level of representivity and that the confidence levels on the results would be acceptable
- **Age of settlement** to ensure that the settlement is relatively stable and is not characterised by any dynamics of uncertainty associated with a new settlement[30]

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[28] In a comparative review of the experiences of urban land titling in Peru, the Philippines and South Africa, Atuahene, B. 2004: Legal title as an intervention against urban poverty in developing nations. *The George Washington international law review* 36, 1109-1179. suggests that the key issue in considering the impact of titling is the extent to which it entrenches "structural barriers such as the poor location of titled land and the marginalisation of women that impair social mobility and the accumulation of wealth of poor populations in the long term." The aim, she suggests, should be to strive for 'titling mobility' (ease of transacting in titled property).

[29] The importance of holding the variable of 'location of the settlements' constant in considering the impact of titling is demonstrated by Jackoby, H.G. and Minten, B. 2007: Is land titling in sub-Saharan Africa cost-effective? Evidence from Madagascar. *World Bank Economic Review* Advanced access June 30, 1-25.. This is because different locations in the city present different opportunities and constraints for household investment.

- **Length of time** that residents have had possession of title deeds (to ensure time for the impacts to be felt through, for example, accumulating savings to invest in housing improvements)

The area that has therefore been selected for the purposes of this research is the Reiger Park Ext 5 area, which is a best-case scenario in the sense that it is well-located and well served by public infrastructure, as well as providing a range of tenure situations in close proximity. There is an informal settlement (Tokyo Sexwale), an *in-situ* upgrading project that has been titled (Ramaphosa), and a relocation project where people have been relocated to a greenfield area and received titles (Egoli Village).

The study was implemented between 1 June and 31 December 2007 in consultation with the Ward Councillor and local community structures. The once-off nature of the research means that we provide a snapshot of the impacts of titling. Ideally, panel data would provide more conclusive findings and we hope to have provided the foundation for such research in the future.

1.5.2 Selection of respondents

A key feature of the research was to try and minimise the filtering effect that specific (and standardised) subjectivities that dominant development discourses trigger in poor households participating in (developmental) research processes. To achieve this, the interviewers in the case study area sought to minimise the use of key terms such as 'title deeds' and 'land ownership' and use other ways of generating data on the issues. This important feature of the research had a direct impact on the selection of respondents in each of the three settlement types. In the two settlement types that had been titled the research was biased toward interviewing households that had been titled. Since the research was focused on households that have freehold title, it was necessary to select households that were likely to have freehold title without this being the defining feature for the respondent.

The greenfield relocation project and *in-situ* upgrading project were two areas where it was confirmed by the municipal authorities that title deeds had been issued. The presence of a formally constructed (standardised) RDP house on the site was considered sufficient evidence to approach the household head. The household head was defined as the person in the household who (self-defined) took the majority of decisions affecting the household. Houses were randomly selected on the basis of the presence of a constructed RDP unit. In Tokyo Sexwale, sites were randomly selected. Interviewers tried up to three times to interview selected household heads on sites before proceeding to the next randomly selected site. The table below provides a summary of the components of the research.

Table 2. Research components

Component	Number of interviews	Purpose
Literature review		To collate and analyse the latest information on land titling issues.
Stakeholder analysis and key informant interviews	16	To generate qualitative data on the perspectives and 'investments' that different groups have made in titling processes.
Focus groups	4	To clarify and refine key research concepts prior to the main quantitative and in-depth social surveys.

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[30] Uncertainty could also be generated in a 'stable stage' of informal settlement if eviction notices are being served on residents. This was not the case in Tokyo Sexwale.

Component	Number of interviews	Purpose
Quantitative social survey	456	To generative representative data on the social and economic impact of titling by interviewing household heads in three types of settlement: *in-situ* upgrade, relocated settlement and Greenfield project.
Qualitative in-depth household interviews	40	To generate 'case study' examples of the social and economic impact of land titling in three types of settlement (13 interviews in two of the settlements and 14 in the third with household heads): *in-situ* upgrade, relocated settlement and Greenfield project.

The samples for the quantitative social survey are listed in more detail in Table 3, which also includes data on the sample size and confidence limits within which the results from the quantitative survey can be interpreted. In total 456 questionnaires were completed and 40 in-depth household interviews were undertaken

Table 3. Case study areas and sample sizes

	Informal Settlement	*In-situ* upgrade	Relocation/greenfield project
	Tokyo Sexwale	Ramaphosa	Egoli[31]
Sample size (no of households)	153	213	90
Estimated sample population (no of people) [32]	1971	5393	795
Qualitative household interviews	13	13	14

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[31] The area is also known as Graceland.

[32] The sample sizes are based on assumptions about the average size of households. The Housing Department of Ekurhuleni works on historical evidence that, on average, households in informal settlements that are well-located tend to comprise 3 members, in well-located upgraded settlements they comprise 2.5 members, and on greenfield sites they comprise 3.5 members. The explanation for the difference tends to revolve around the livelihood strategies of households. Households in informal settlements tend to be smaller because the household members are pursuing an economic activity that either cannot support more family members; or is reliant on minimising living costs to subsist or support household members elsewhere. Often these settlements do not afford access to services suitable for the children or the aged persons that make up bigger households.

PART TWO

2 BACKGROUND, DEMOGRAPHIC PROFILE AND RESEARCH FINDINGS

In this part of the report, the research findings are presented, starting with contextual information on the Ekurhuleni Metropolitan area, background information on the case study areas and demographic information on the respondents

2.1 EKURHULENI METROPOLITAN AREA

In this section, some of the characteristics of the broader case study area of Ekurhuleni are briefly outlined, with a particular emphasis on the Metropolitan Council's housing programmes and the process of land development.

Map 1. Location of Ekurhuleni Metropolitan area in South Africa
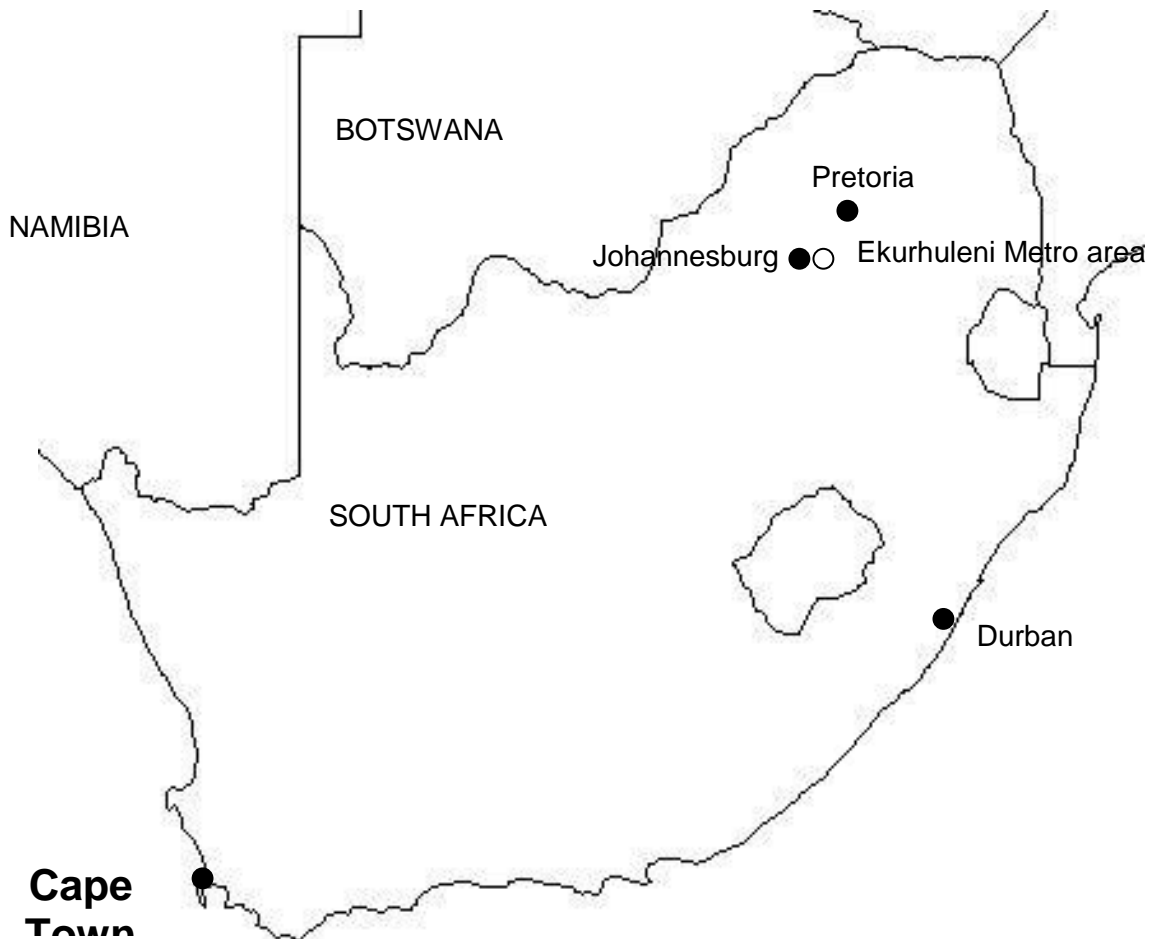
Map 2. Ekurhuleni Metropolitan Municipality in provincial context

LEGEND
- EKURHULENI
- CITY OF JOHANNESBURG
- METSWEDING DM
- SEDIBENG DM
- CITY OF TSHWANE
- WEST RAND DM

MAP 1
PROVINCIAL CONTEXT

SPATIAL DEVELOPMENT FRAMEWORK 2005/2006

0   10   20   40   60   80Km
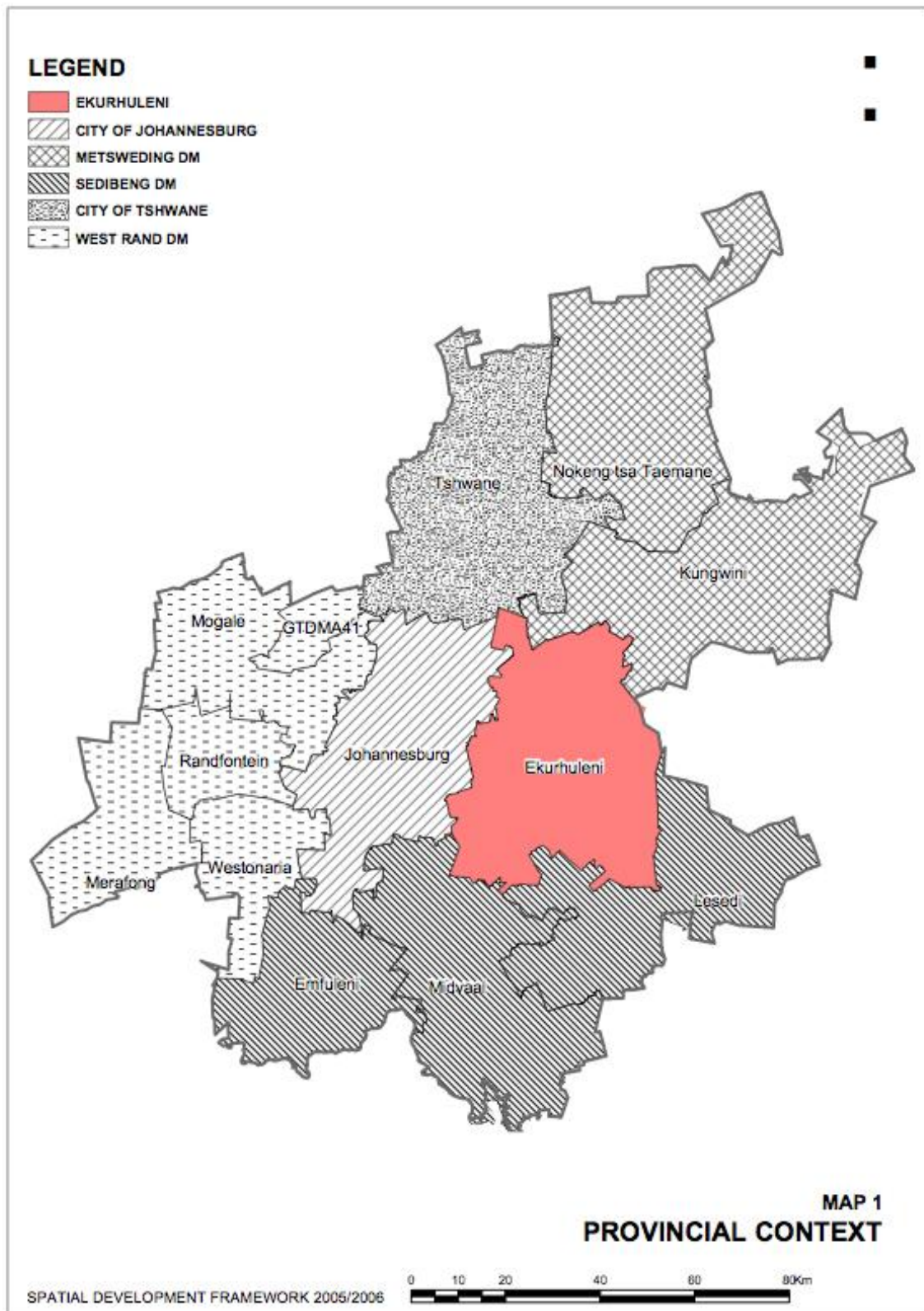
The Ekurhuleni metropolitan area has an area of about 2000km^2 and had a population of approximately 2.5 million people in 2002 (EMM, 2006b). This metropolitan area is to the east of, and adjacent to, central Johannesburg (see maps 1 and 2). The Gauteng economy as a whole contributes over a third of South Africa's GDP (EMM, 2006b). The Ekurhuleni metropolitan region is one of South Africa's industrial hubs and contributes 23% to the provincial GDP and 7.6% to the national GNP. The area is experiencing high levels of both economic and demographic growth (2.4% p.a. and 2.49% p.a. respectively). Ekurhuleni also contains South Africa's major international airport and biggest railway hub that links the region with major centres in southern Africa. However, economic prosperity does not benefit all communities within the metropolitan area which has an overall 47% unemployment rate and a Gini co-efficient of 0.57. A large area, the Ekurhuleni Metropolitan Municipality (EMM) is divided into three regions and 88 wards to make the area more governable and to try and ensure adequate service provision across the Metropolitan area. The region's economic base and large population can be attributed, in part, to its historic function as an entry point for new urban residents. In addition, the metropolitan area contains substantial land holdings that historically were allocated to mining but which have since been decommissioned or abandoned. The combination of declining mining interests, new employment opportunities, consolidated industrial and commercial land, and its function as an historical entry point for poor migrants has resulted in a situation in which the Ekurhuleni Metropolitan Council calculates the population density to be 1250 people per km^2 (compared to a provincial average of 513 people per km^2) (EMM, 2006b)[33]. For all these economic and historical reasons, the Metropolitan area contains a very diverse set of land dynamics.

2.1.1 <u>Housing programmes in Ekurhuleni</u>

The Housing Department of Ekurhuleni defines its role as "the planning, development and management of sustainable human settlements in Ekurhuleni. Furthermore to plan, facilitate, implement and manage targeted human settlements through efficient and effective resource allocation in partnership with stakeholders, which provides and promotes the provision of sustainable housing opportunities to the residents of Ekurhuleni" (EMM, 2006a). It has a number of housing programmes. Not of all these programmes relate directly to tenure issues, but they are outlined here to give a sense of the challenges facing the local authorities and their responses. The programmes include:
- *Upgrading of informal settlements programme* (before providing basic dwellings). The programme is intended to upgrade existing informal settlements using a phased approach. It proposes the upgrading of 130 000 units (EMM, 2006b).
- *Essential services programme* (services and dwellings). The programme focuses on providing registered title to serviced land with a top structure.
- *Rural housing development.* The metropolitan area encompasses farmland and there is a need to house farmworkers who have been displaced from farms and who are currently residing in informal settlements.
- *Community builders programme.* This programme relates to the national government's public works programme and is intended to create employment through construction, rehabilitation and maintenance projects.
- *Special projects programme.* The purpose of this programme is to create transitional zones between subsidised housing projects and existing developments.
- *Affordable rental programme.* The programme is focused on moving poorer people out of dormitory hostels to single, communal and family accommodation in self-contained units.
- *Social housing programme.* This is designed to provide opportunities for housing associations to develop housing.

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[33] Similar population estimates are given in SACN, 2007: a population of over 2.5 million living in an area of 1 924 km^2 and an average population density of 1 313 people/km^2

- *Special projects assistance programme.* The purpose of this programme is to create alignments between the different state departments that are responsible for different infrastructures and services.
- *Repair violence damaged housing units programme.* Here the focus is on repairing dwellings that were damaged in the brutal political violence that beset the broader East Rand area in the early 1990s.
- Refurbishment of rental property programme. Upgrading of the remaining municipal stock
- *Downsizing programme.* Public housing tenants that can no longer afford public rentals are relocated and 'down sized' to subsidised houses.
- *Resettlement and relocation assistance programme.* The programme applies to instances where either voluntary or forced resettlement/relocation is required by the municipality.
- *Repairs of houses for indigent persons.* This programme makes provision for assistance with repairing unforeseen damage to houses occupied by people who are classified as indigent.
- *Transfer of residential properties (TORPs) programme.* The programme relates to the selling of public rental stock. In 2006, 36905 title deeds had been issued and a further 63000 applications for the transfer of ownership were pending adjudication (EMM, 2006a).
- *Regularisation and free transfer of houses (RETRO) programme.* The RETRO programme applies to former Coloured and Indian areas where houses are being rented have already been sold off to the previous tenants. Provision is made for housing debt or rent to be written off and then a Housing Subsidy granted against the transfer.

The EMM calculates that there were 112 informal settlements consisting of about 134 000 units in Ekurhuleni in 2005 (EMM, 2006b). When people living in backyard shacks are factored into the backlog calculations, the backlog is estimated to be 170 000 units (without taking into account future population growth) (EMM, 2006b). All of the informal settlements are provided with emergency water supplies. In the last decade, approximately 80,000 serviced stands have been developed in the EMM, and of this total, 72,000 have included basic housing units.

2.1.2 The land development process in Ekurhuleni[34]
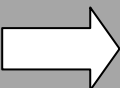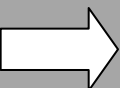
Development of land for the purpose of low cost housing in South Africa comprises a number of key processes within the framework of a municipal Integrated Development Plan (IDP). These include:
- Land identification and acquisition;
- township establishment;
- environmental assessments; and
- land registration.

The following sub-sections elaborate on the key legislation used by the Ekurhuleni Metropolitan Municipality (EMM) for land development for low-income housing. The process of developing and titling land is also shown diagrammatically in Figure 1. The process represented in this Figure excludes the phases associated with the construction and implementation of infrastructure. If the provision of infrastructure occurs before the title deeds are issued to the residents, the process of titling is prolonged accordingly.

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[34] This section was written by Michael Kihato unless otherwise specified.

Figure 1. The typical process of titling land in Ekurhuleni

Stage		Integrated development plan	Land parcel identified					Title deed issued	
Activity	→	Land identified	Feasibility of development	→	Obtain Land Option Agreement with landowner	Obtain market valuation	Deed of sale produced	Title deeds issued to beneficiaries	Consumer Agreements signed with beneficiaries
Process		Housing Dept identifies potential land and gives this information to the IDP office	Province conducts Geotech survey. Mineral rights checked/ holders consent	Province conducts Environmental Impact Assessment	Includes suspensive conditions		Land transferred to EMM		
Actors	IDP office	Y							
	Metro Housing	Y							
	Provincial Dept of Housing		Y	Y	Y	Y			
	Metro legal office				Y	Y	Y	Y	
	Metro Finance office								Y
	Deeds Office						Y		
Key document		Approved IDP		Gauteng Department of Agriculture, Conservation & Environment approval resolution by Provincial Minister	Agreement to develop	Agreement between landowner, valuer and municipality on price.		Title deeds	Monthly Bills, exemptions etc.
Duration				36 months	36 months			12 months	

Source: Llale 2007 (Produced by Marx and Rubin)

2.1.3 Land identification and acquisition

Once the overall framework of spatial development has been determined and agreed in the IDP, the land development process begins with the identification and acquisition of land. For low cost housing, this process is principally state led.[35] The national Minister of Land Affairs can make state land available or alternatively can purchase land for the purpose of settlement, in terms of the Provision of Land and Assistance Act 126 of 1993.[36] Financial assistance may also be provided to an individual or provincial or municipal authorities for this purpose. Apart from acquiring the land, subsidies are available for, among others, upgrading and registering tenure rights, planning and developing the land and acquiring capital assets. While a series of subsidy programs relating to these have been established, they are almost exclusively used for agricultural land.[37] As noted above, the key subsidy for developing housing in urban areas upon acquisition of land is the housing subsidy.

2.1.4 Township establishment

The process of township establishment represents the actual land development process: the subdivision, arrangement and layout of the land to comply with planning, engineering and other requirements, as well as final registration. This process subdivides and develops land into individual plots for housing and title registration. The main legislation used for township establishment in Ekurhuleni can be one of three laws, namely:
- The Town Planning and Townships Ordinance (Gauteng) 15 of 1986 (Ordinance);
- the Development Facilitation Act 67 of 1995 (DFA); or
- rarely, the less formal township establishment process contained in the Less Formal Township Establishment Act 113 of 1991.

Apart from these the following may also used:
- The Gauteng Division of Land Ordinance 20 of 1986, used for subdivision of land.
- The Subdivision of Agricultural Land Act 70 of 1970, if the land is in a peri- urban area and classified as agricultural.
- The Gauteng Removal of Restrictions Act 3 of 1996, for the removal of any restrictions that may hinder the development.
- The Land Survey Act 8 of 1997, which provides for requirements for inclusion in the cadastre.

These laws provide for consents, permissions or approvals that need to be obtained from multiple authorities in different sectors and levels of government (national, provincial and municipal).

2.1.5 Environmental assessments

Environmental impact assessments (EIAs) have become entrenched in legislation and are an integral part of the land development process. EIAs determine how suitable land is for development after all environmental concerns have been considered. The assessment can conclude that the development is too damaging to the environment to be allowed. More often that not however, developments are allowed subject to certain conditions being

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[35] In some instances, well-organised poor communities have been known to identify land and purchase it by mobilising their own savings together with state subsidies.
[36] Section 2
[37] These include the Land Redistribution for Agricultural Development Grant (LRAD); Grant for the Acquisition and Development of Land for Municipal Commonage; Planning Grant; and Restitution Discretionary Grant.

fulfilled. The EIA process and the conditions it may prescribe has a direct bearing on how land is developed and subsequently used, as well as an influence on the costs of the development.

The main laws include:

- National Environmental Management Act 107 of 1998 (NEMA), which provides for an environmental impact assessment before approving development.
- National Heritage Resources Act, 25 of 1999, which provides for heritage impact assessment in heritage-rich areas and is usually combined with an environmental impact assessment.

After 1994, the new government recognised the enormity of the task of delivering land and housing rapidly in the face of the considerable backlog that existed, as well as the spatial inequalities of urban and rural South Africa. The Development Facilitation Act (DFA) was a key piece of legislation enacted to change this. One of its provisions, section 33, gives a provincial development tribunal wide-ranging powers to, among others, determine whether to apply any law relating to land development which, in its opinion, may have 'a dilatory effect' on the development of land. This provision effectively gives provincial development tribunals the discretion to waive the requirement for an EIA on a land development application.

In reality, EIAs can rarely be avoided. One reason is that provincial development tribunals are reluctant to waive the requirements for an EIA, largely because this may put the decision of the tribunal in direct conflict with the provisions of NEMA, making it vulnerable to court challenge[38]. Given the contentious nature of environmental matters in general and the vigilance of the environmental lobby, this possibility is avoided by tribunals. It is also debateable whether, at the time of enactment of the DFA, EIAs were intended to be within the ambit of this exemption. This is because when the DFA came into operation, large scale EIA implementation had yet to occur, and the regulations required to enable it[39] were still to be enacted. Additionally, waiving an EIA is only possible if the application for land development has been brought through the DFA. Ordinance applications, commonly used in the EMM, do not grant this discretionary power.

The net effect of this is that EIAs routinely apply, and are often blamed for 'impeding' low cost housing development due to the length of time they take, the conditions they impose on the development, and the opportunities they present to Not In My Back Yard (NIMBY) type neighbours to resist these types of developments.

2.1.6   Registration

Once the land has gone through the township establishment process, the plans and diagrams are lodged for registration through the Deeds Registries Act 47 of 1937. Registering ownership to land allows the registered titleholder to transact in the land, including sell and mortgage it. Initial lodgement of the documents is with the Surveyor-General to determine if the requirements for inclusion in the cadastre have been met[40]. Once

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[38] For example, NEMA section 24(1) provides that ' the potential impact on the environment of listed activities MUST be considered'.

[39] For instance, those identifying activities requiring EIAs were only promulgated in September 1997, more than two years after the DFA.

[40] Section 72 of the Ordinance for example provides for the duty to lodge certain documents for approval with the Surveyor-General and 'such plans, diagrams or other documents as the Surveyor-General may require, and if the applicant fails to do so the application shall lapse'.

approval of the Surveyor-General has been obtained, the applicant must lodge the application with the Registrar of Deeds for final registration and obtaining title[41].

The registration process has often been criticised for being inefficient and taking an inordinately long time. Delays in title registration have often been cited as an impediment to state housing beneficiaries obtaining their titles quickly[42]. The national Department of Lands has recognised this, and is attempting to improve the process by, among others, establishing additional deeds registries with the ultimate goal of having at least one per province; digitisation of registries; electronic submission and processing of diagrams in the offices of the Surveyors-General to eliminate paper traffic between lawyers, the Deeds Registries and the Surveyor-General; and establishing an internet-based registration information system. Thus a large number of institutions and authorities at various levels of government are involved in the land development process. These are reflected in the table below.

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[41] See for instance section 76 of the Ordinance.
[42] See for instance Mathew Nell and Associates et al (2005).

Table 4. Institutions involved in land development

Process	Main Institution	Other players
Land identification and acquisition	National Department of Land Affairs	Municipalities through the 5-year strategic planning process are involved in identification and acquisition of land for housing.
Housing development Administering and granting subsidies for housing	National and provincial departments of housing	There are plans to allow municipalities with the capacity to be accredited to perform housing development.
Township establishment	Consents and permissions provided by, depending on the statute and the process: - Municipal planning authorities - Provincial planning authorities - National Department of Land Affairs	
Environmental assessments	Provincial environmental departments Provincial heritage authorities	Some EIA applications, depending on their scale, may be handled by the national Department of Environmental Affairs There is provision for declaring municipalities competent to handle EIAs
Registration	National Department of Land Affairs	There are 9 decentralised registries around the country, in Pretoria, Cape Town, Johannesburg, Pietermaritzburg, Bloemfontein, Kimberley, King William's Town, Vryburg and Umtata. There are plans to establish more, with Nelspruit being in the first phase of the project.

2.1.7 Costs and subsidies

Costs associated with the legislative requirements for land development are mainly:
- Costs of acquiring the land;
- direct fees related to lodgement of applications;
- professional fees for the township development process including for surveyors, town planners, engineers;
- fees for specialists in the EIA process including assessment practitioners, botanists and zoologists, geologists, heritage specialists and so on;
- fees associated with public participation, including hiring specialists to conduct the process and the costs of the process;
- costs of fiscal requirements such as municipal taxes and other duties; and transfer and conveyancing charges.

The national Department of Land Affairs acquires the land on the beneficiaries' behalf. The housing subsidy covers the township establishment, environmental assessment and registration process. The subsidy amount also covers the costs of erecting the top structure. Often, the amount is inadequate, especially if the land is difficult to develop or the processes are contested by neighbours, in which case building costs and/or professional fees escalate.

As noted above, the de-linking of land acquisition costs from the housing subsidy amount is a relatively new policy shift, contained in the '*Breaking New Ground*' policy of the national Department of Housing. The document provides that *'funding for the acquisition of land will no longer form part of the housing subsidy. Rather, the acquisition of well-located private land will be funded through a separate funding mechanism'.*[43] This is already in effect in EMM.

Property ownership is associated with access to a number of other subsidies; especially free basic services but also rate rebates, access to municipal jobs and preferential tariffs for other services. The very poor ('indigent') are entitled to this assistance; the issue is how they are identified. Municipalities commonly, but not universally, implement subsidies for free basic services. Many of these subsidies are nationally established, for instance free basic services for electricity and water, and are provided by the national treasury as part of the local government equitable share allocation. While these subsidies do not require that their beneficiaries necessarily be land titleholders, in reality, the manner in which they are implemented by municipalities often demands this. Local government as the implementing authority has powers to modify the system to suit local circumstances. Additionally, local government is granted powers under various sections of the Local Government: Municipal Systems Act No. 32 of 2000[44] to come up with its own indigent policies within an overall national framework.

2.1.8 Free basic services

Provisions for free access to some basic services are a product of fairly recent government poverty relief strategies. Indigent property owners are either formally registered to receive these, or alternatively, automatically qualify if rising block tariffs for all property owners are used. The EMM has implemented free basic electricity, water, sewage and refuse removal. It uses indigent registration to target beneficiaries of its free basic services package. Both property and non-property owners can be classified as indigents[45]. However, *registration* as an indigent is restricted to residential consumers of services[46]. Those appearing in the municipality's database of indigents and entitled to the package of free basic services therefore have to:
- Qualify and be registered in terms of the indigent policy which requires among others, they be South African citizens, over the age of 18 years and have a combined income of less than two pension grants per month.
- Be the owner of a property in the EMM area, valued at less than R100,000.
- Be the occupant of the property concerned, and further, have no other independent occupants on the property.

It is noteworthy from the above that indirect access to free basic services through rental (for instance of a backyard dwelling) is made difficult by the proviso that requires a qualifying property not to have any other independent occupants. Presumably, the reasoning is that a landowner who has rental income does not qualify as an indigent.[47] While indigents outside the formal registration system can and do obtain free basic services such as water,

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[43] Page 14.
[44] See sections 97(1)(c) and 104(1)(l)
[45] The definition in the *Indigent Support Policy* provides that an indigent is a person who is *'lacking the necessities of life such as sufficient water, basic sanitation, refuse removal, health care, housing, environmental health, supply of basic energy, food and clothing …'.*
[46] See the Ekurhuleni Metropolitan Municipality Indigent Support Policy.
[47] This means that tenants with an absent landlord are unlikely to qualify for the indigency benefits. It also raises questions about whether landlords pass on the benefits of indigency grants to backyard tenants.

electricity and refuse removal without owning property, this is supplied communally and typically does not involve formal and systematic registration of an individual or households.

2.1.9 Electricity

In the first quarter of 2001, national Cabinet approved proposals on Electricity Basic Services Support Tariffs (EBSST). According to this policy, free basic electricity is limited to 50 kWh per day per household for people with a monthly income between R800 and R1200. The EMM fully implemented this policy from the end of September 2005, when an agreement was signed between the municipality and the national electricity provider to that effect. According to the current EMM tariffs for electricity use, any dwelling unit of domestic users (including wealthier households) of electricity obtains the first 100 kWh per month free (or alternatively for electricity dispensers, is issued with a token for 100 kWh at no cost). Connection to low cost housing is also supplied at no up-front cost upon a successful application.

2.1.10 Water

Nationally, the standard is set is 6000 litres of free basic water per poor household every month. The *Ekurhuleni Metropolitan Municipality Tariffs: Water Supply Services and Incidental Charge*s provides that 6000 litres basic consumption is granted to all registered indigent account holders under its Indigent Policy. Qualifying households must both own and occupy the property, and further, have no independent occupants on the property. Informal settlements are also provided with free water through standpipes.

2.1.11 Sewerage services

Charges for sewer services are tied to the provision of water. The *Ekurhuleni Metropolitan Municipality Tariffs: Sewerage disposal services and incidental charges* provides households that qualify for free basic water will not be charged for sewerage. Inhabitants of informal settlements are also not charged for sewerage in cases *'where stands and/or dwelling units are supplied with water by means of a standpipe (no stand connection available)'*. This provision emphasises that, while informal settlement dwellers and other poor households may obtain free basic services to a certain degree (in this case through a stand pipe), the provision of these services is to a general population and does not render them 'visible' as individual households.
*

2.1.12 Rate rebates

The Local Authorities Rating Ordinance 11 of 1977 provides that a municipality may either exempt or grant rebates to certain owners of property, including owners who are indigents. The *Ekurhuleni Metropolitan Municipality Notice of General Assessment Rates,* released in June 2007, provides, among others, for a 100% rebate for pensioners, mentally and/or physically disabled persons and indigents owning and occupying land valued at R100 000 or less. Beneficiaries of rebates are recorded on the database that also entitles them to the package of free basic services.

2.1.13 Preferential access to municipal jobs

Presence in the municipal indigent database, besides providing for access to a package of free basic services, also allows the municipality to determine whom to preferentially hire. In programmes such as the Expanded Public Works Program (EPWP), which especially target the poor, the database is a useful tool in identifying deserving cases.

2.1.14 Other services provided by the council

The indigent policy provides that EMM can determine special tariffs for registered indigents when making use of other services it provides including:
Sports Grounds; pools, fire protection, transport, museums, hiring of halls, cemeteries and crematoria, damage to property as a result of natural disaster, and any other services as determined by Council.

2.1.15 Participation in the financial system

Holders of title to land in theory have the ability to use the land as collateral to obtain finance. The Deeds Registries Act 47 of 1937 provides the necessary procedural mechanisms through which registered land can be mortgaged. The Act provides that, should the owner of the land default on payment, the lender has the power to foreclose and sell the property. It is this element of collateral that the formal registration system provides that, in theory, makes it possible for the financial system to lend to property owners.

However, having title to land does not mean that the property owner can automatically obtain finance against it. Banks and other providers of finance consider many other factors. For example, the 5-year statutory time limit on the sale of state subsidised housing, as provided by the Housing Act 107 of 1997, discourages lending institutions because not only voluntary sales by creditors but also involuntary sales within this period are controlled, requiring that a pre-emptive offer be made to the state to buy the house[48]. Nevertheless, having title to land is a necessary first step in the process of benefiting from the formal finance systems.

2.1.16 Security of tenure

Formal registered title to land is the most secure form of tenure. However, there are other tenure rights that are protected by statute including:
- Rights of beneficial occupiers[49], which are protected by the Development Facilitation Act 67 of 1995.
- Rights of labour tenants and sharecroppers, in terms of the Land Reform (Labour Tenants) Act 3 of 1996.
- Informal rights[50] to land in terms of the Interim Protection of Informal Land Rights Act 31 of 1996 (see above).
- Rights of unlawful occupiers of urban land in terms of the Prevention of illegal Eviction from and Unlawful Occupation of Land Act 19 of 1998 (see above).
- Rights of lawful occupiers of land belonging to another person in rural areas in terms of the Extension of Security of Tenure Act 62 of 1997.
- Customary law interests in land in terms of the Communal Land Rights Act 11 of 2004.
- Rights of occupation of tribal land, as well as rights of landholders who acquired 'lesser' forms of tenure in the Apartheid era, including leaseholds, deeds of grant and quitrents, which are protected under the Upgrading of Land Tenure Rights Act 112 of 1991.
- Prescriptive rights to land.
- Rental tenure.

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[48] Section 10B of the Act.
[49] This means a person who has been in peaceful and undisturbed occupation of land under the act for a continuous period of not less than five years.
[50] Informal land rights include use of, occupation of, or access to land in terms of among others: (i) tribal law (ii) rights granted by laws in previous self governing territories and 'independent' tribal homelands (iii) rights granted by virtue of being a beneficiary to a trust established by a public body; (iv) beneficial occupation.

Nevertheless, the formal system of registration of title through the Deeds Registries Act still represents the most secure and readily acceptable form of ownership of land. Many of the above rights are considered 'lesser' than formal registration. They often derive from formal registration (for instance rental), or are intended to ultimately result in formal registration (for instance beneficial occupation, informal occupation and prescriptive rights). Others are representative of a negative right (for instance the right to protection against eviction of unlawful occupiers). While there has been a lot of effort towards recognising customary rights, there is still uncertainty on how this fits in within the overall formal land tenure system. A registered titleholder, therefore, benefits from the fullest and widest form of rights and recognition.

2.1.17 Constraints on the land development and titling process

There are instances where legislation interacts in a detrimental way, and hampers the ability of the poor to acquire title to land. In the land development process in South Africa, it is necessary to negotiate a complex and often confusing legislative terrain. Further, development of land for the poor, unlike private land development, has the added requirement of having to deal with the regulatory environment that governs housing subsidies and acquisition of land by the state. The net effect is that the numerous and often overlapping interactions of legislation dealing with the entire land development process have a deleterious effect on the ability of the state to provide housing for the poor.

As noted above, the state is the prime mover in identifying land for the provision of housing through the national Minister of Land Affairs. This system of identification involves an exacting feat of coordination. Community need is determined and land identified as part of the municipal strategic planning process through the Integrated Development Plan (IDP). Subsequently, consultation with the provincial office of land affairs is meant to result in options being presented to the municipality by the national Department of Land Affairs for the acquisition of land. This meshing across various levels of government does not easily happen. Often, the IDP is not as effective a tool as intended in prioritising land for provision to the poor. IDPs are often not categorical and explicit enough in identifying sites and guiding decisions of the relevant authorities with respect to acquisition of well-located land for housing for the poor[51]. The problem is amplified by the general unavailability of land suitable for residential development, high land prices and resistance from hostile neighbours. As a result, land identification and acquisition represents one of the most difficult phases in providing land title and housing for the poor.

Obtaining consents and permissions from various authorities for township establishment and environmental assessment is also a major hurdle in the land development process. Due to the current state of the regulatory environment, there is a formidable web of often overlapping and complex legal procedures. Further, they are implemented by different structures across different sectors in all three spheres of government that is, national, provincial and local. This state of affairs serves to confuse stakeholders, who do not always understand the often-arcane processes, with the result that the quality of decision making is compromised, the cost of the application for the applicant increased and the overall process slowed down. This means that regulations are often a major hindrance to the quick and successful completion of land titling and housing projects for the benefit of the poor.

2.1.18 Dispute resolution mechanisms

In this section we outline the formal system and opportunities for resolving disputes about land development and ownership. This is important in providing a context for understanding

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[51] See for instance World Bank (2007).

the recourse that poor people might have through the formal system as well as the formal circumstances under which they might be evicted from land.

2.1.19 Court decisions related to the use of land

The main form of formal dispute resolution is through the course system. Poor areas of the city are uniformly subjected to by-laws and zoning regulations, as are other parts of the city. The only exception is areas where the underlying land use rights are those relating to the former 'black areas' established before the democratic dispensation[52]. These regulations are often deemed more permissive than those in other areas. Court challenge to the existence of these two separate systems has happened. The claim is that municipal authorities are discriminatory by treating landowners differently, and in allowing two or more different systems of land use planning to be implemented[53]. The challenge is usually from landowners who have to abide with the stricter regulations applicable in areas outside the former black areas, and so does not affect traditionally poorer areas.

2.1.20 Court decisions related to evictions

The post 1994 Constitutional dispensation in South Africa included socio-economic rights within the Bill of Rights. Section 26 provides that:

"(1) Everyone has the right to have access to adequate housing

(2) The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right

(3) 'No one may be evicted from their home, or have their home demolished without an order of the court made after considering all the relevant circumstances. No legislation may permit arbitrary evictions".

The impact of this provision on land in an urban setting received judicial consideration in the Constitutional Court case of *The Government of the RSA and Others v Grootboom and Others*[54]. In this case, urban shack dwellers had been evicted. The judgment in the Constitutional Court expounded, among others, on the duties imposed on the state under Section 26 in the face of such an eviction. The court held that section 26 obliged the state to provide relief for those desperately in need of housing. The judgment was also an acknowledgment that, even in the context of a housing programme, the government has a duty to provide for the immediate needs of the urban poor.

The new constitution also spurred on a legislative process, which includes the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act 19 of 1998 (PIE). PIE can be seen as, among others, the substantiation of the Section 23(3) right against arbitrary evictions. It introduces rigorous controls and benchmarks for evictions, and promotes greater security of tenure for occupiers of urban and rural land, irrespective of their legal right to occupy the said land. These controls require, among others, that evictions are 'just and equitable' and consider 'all relevant circumstances'. They are especially concerned with the plight of the elderly, children, disabled persons and households headed by women. The rights of these vulnerable groups especially circumscribe court action when arriving at a decision to evict or not to evict. In *Port Elizabeth Municipality v Peoples Dialogue on Land and Shelter and*

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[52] These rights are regulated by, among others, regulations under the Black Administration Act 38 of 1927 and the Black Communities Development Act 4 of 1984.
[53] See for instance *The Municipality of Port Elizabeth v Rudman* (1) SA 665 (SE))
[54] [2001] (1) SA 46 (CC)

Another[55], for example, the Constitutional Court was prepared to assume the existence of these persons amongst families slated for evictions despite the lack of information on this.

PIE has also meant that rights to property have ceased to be seen as superior to other rights, including those of the poor. In *First National bank of SA Limited t/a Wesbank v Commissioner for the South African Revenue Services*. The Constitutional Court stated[56]:

'The structure of the property right as provided for under section 25 of the constitution must not be construed in isolation, but in the context of other provisions of section 25 and their historical context, and indeed in the context of the constitution as a whole …under the 1996 Constitution the protection of property as an individual right is not an absolute but subject to societal considerations'.

PIE has also proved important in emphasising governmental responsibility to fulfil the rights of the poor with regard to access to housing. The Act has created an important connection between the illegality of actions of the poor and state responsibility to provide access to housing. The requirement for notice to be provided to municipalities by private landowners before evictions is an example. The requirement that suitable alternative accommodation is found for evictees has resulted in scrutiny of the state's housing programmes. In this regard, the court examined the Cape Town Accelerated Managed Land Settlement Programmes[57], in the context of PIE. In the recent case of *City of Johannesburg v Rand Properties*[58], the Supreme Court of Appeal examined the City of Johannesburg's emergency housing programme, providing that its provision of emergency shelter for two weeks for evictees was 'not enough' and that evictees need to be assisted instead to relocate to a temporary settlement within the municipal area[59].

2.1.21 Court decisions related to sales in execution with relation to municipal debts

Section 104(1)(f)(ii) - (iv) of the Local Government Municipal Systems Act 32 of 2000 provides that the national Minister of local government may make regulations and issue guidelines for actions that municipalities and service providers need to take to secure payment of accounts that are in arrears, including those related to:
- Termination or restriction of municipal services;
- the seizure of property; and
- the attachment of rent payable on a property.

The national Minister is yet to provide regulations and guidelines.

The *Ekurhuleni Metropolitan Municipality Credit Control and Debt Collection By-Laws* provide that the Council may pursue actions in terms of this section as well as any laws, policies and directives it may have formulated on the issue. The by-laws emphasise that indigents are entitled to free basic services, subject to them providing proof of registration as indigent consumers. However, an indigent consumer is only entitled to basic services, and thereafter is liable for payment in respect of services used in excess of the basic entitlement. In such instances, in terms of the by-law, the Council may:
- Enter into an agreement with the debtor for payment of the arrears in instalments;
- discontinue or limit services;
- pursue legal action against the debtor;

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[55] [2001] 1 All SA 381 at 391
[56] [2002] (7) BCLR 702 (CC) at 49
[57] *City of Cape Town v Rudolph and others* [2003] 3 All SA 517 (C)
[58] [2007] (6) BCLR 643 (SCA)
[59] The Case is on appeal to the Constitutional Court.

- make the debtor's name public, and list it with a credit bureau or any other equivalent body as a defaulter;
- hand the account over to a debt collector or attorney for collection.

It is therefore theoretically possible for property belonging to an indigent to be sold in execution for a municipal debt. For instance, a debt collector or attorney can apply for a sale in execution of the property if the debt is not satisfied. However, the EMM does not pursue this course of action. Instead agreements allowing easy payment terms are entered into, and a final write-off of the debt is more likely if all else fails.

2.1.22 Sales in execution by judgement creditors

The principles for sales in execution for debtors' homes were set out by the Constitutional Court in the case of *Jaftha v Schoeman and Others; Van Rooyen v Stolz and Others.* In this case, two homeowners and beneficiaries of state-subsidised housing successfully challenged the sale of their homes through a sale in execution for debts they had incurred.

The case changed the manner in which sales in execution of lawful debts are done, by introducing the necessity of weighing such an action against the right to housing. Houses, including state-subsidised ones, can be legitimately sold through sales in execution. The court, however, emphasised that the circumstances surrounding such an action must be carefully weighed against the need to make the sale, and stated that judicial oversight of the process is necessary to achieve this. The court provided a number of relevant issues that need to be taken into consideration during such oversight:
- The size of the debt, which in this case was trifling in nature, and pivotal in the court ruling against the sale in execution.
- The circumstances of entering into debt including whether the house has been put up willingly as security for the debt.[60]
- Any attempts made by the debtor to pay off the debt.
- The financial situation of the parties.
- The impact of the sale in execution on the debtor. In this case, the fact that the debtors were very vulnerable (unemployed and poor single mothers, in ill health, and with limited education), and further that they were disqualified from receiving further state funded houses and lacked alternative accommodation, was considered relevant.
- The availability of alternative remedies to recover the debt, such as payment in instalments.

Thus while sales in execution of state-funded houses are possible, this provision has been considerably circumscribed, with a lot of emphasis on court oversight processes that ensure that the homeowner is not severely prejudiced by such an action.

In addition to the mechanisms for dispute resolution provided by the court system, an alternative mechanism exists through the Land Titles Adjustment Act 111 of 1993. In instances where land claimants have no title, but have a rightful claim to land, a land adjustment commissioner may resolve the competing claims. This happens when a previous owner never took full transfer of the land or failed to pass the rightful shares to the beneficiaries. Practically, this often emerges when a registered owner dies before formally obtaining ownership to land, or when informal rather than formal systems of succession and registration are used. This is especially true for land in former black areas where freehold title was obtained, but hereditary and other transfers were never registered. The land in question is thus often private and registered.

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[60] In this case this had not happened.

Before the merit of claims to the land are subjected to scrutiny by the commissioner, the Minister of Land Affairs designates the land in question as to be dealt with in accordance with the Act. Among the matters to be considered in such a declaration are that the situation will progressively become worse as the number of people without registered title deeds increases or the cost of acquiring the land in the usual manner is out of proportion to the value of the land.

The use of the Act has largely been in some old-established former black townships, as well as large private farms in areas of KwaZulu-Natal and the Eastern Cape provinces. It has the distinct advantage of removing disputes from the complex and costly formal court system, and resolving them faster, and in a manner much more accessible to the claimants.

2.3   BACKGROUND TO THE SETTLEMENTS

The three case study areas of Egoli Village, Ramaphosa and Tokyo Sexwale, which were chosen for this study, are situated in the Ekurhuleni Metropolitan Municipality (EMM) As noted above, these maps should be in the previous section and the two aerial photographs inserted near here

In many ways, they typify the housing, social and economic conditions of low-income residents of Ekurhuleni. The following sections provide background and contextual data on the three case study areas in order to compare, contrast and in many cases to draw parallels between the three sites. In this section, a description of the history and background of each case study site is given, followed by a demographic profile and a settlement profile. Each section will unpack some of the key data and compare it, where possible, to general data for the metropolitan region drawn for the most part from the Census 2001, EMM's IDP and the South African Cities Network data.

Although all three case study areas are located within a five kilometre radius of each other, the reasons for their establishment and their subsequent development are quite different, in many ways helping to explain many of their current characteristics.

Map 3. Location of case studies in Ekurhuleni
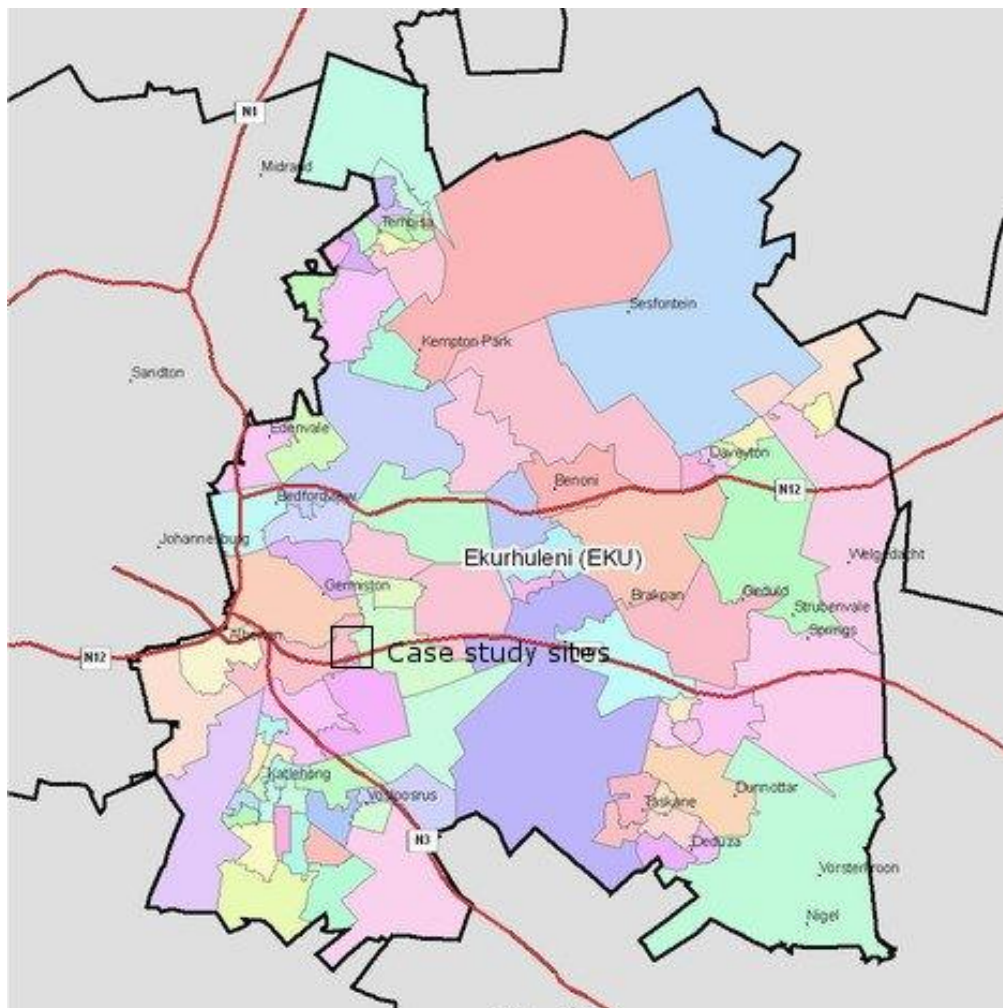
Source: Municipal Demarcation Board (www.demarcation.org.za

2.1.23 <u>Tokyo Sexwale</u>

Tokyo Sexwale is an informal settlement that is contiguous with Ramaphosa and difficult for the non-resident to distinguish as a separate settlement (see Map 3. The settlement is fairly new and has its origins in the violence of the early 1990s, as households in Ekurhuleni looked for settlements away from the main areas of political fighting. Many of the early residents came from the rural areas and most are not from Gauteng. The settlement is home to 1 971 households and is recognized as an informal settlement by the local authorities. Tokyo Sexwale, named after the ANC activist and later mining magnate and millionaire, has not yet benefited from any of the government housing or infrastructure programmes. The settlement is mostly comprised of informal dwellings, shacks made from corrugated iron, wood and any other building materials that can be cheaply bought and usefully added to the structure. There are no tarred roads, flush toilets or in-house running water and there is generally a great deal of dependence on communal facilities such as standpipes and pit latrines. There is some uncertainty as to the future of the settlement and there were rumours that Tokyo Sexwale is to be de-densified and upgraded in a manner quite similar to the neighbouring Ramaphosa settlement. There was, however, no confirmation from the municipality on this point and the precise prospects for Tokyo Sexwale remain uncertain.

Photograph 1. Tokyo Sexwale

Photograph 2. Tokyo Sexwale

2.1.24 <u>Ramaphosa</u>

Ramaphosa is officially known as Reiger Park Extension 5. Reiger Park is a significantly older settlement and is constituted of a number of smaller districts. The original settlement was built just after the Second World War as a number of people migrated to the mining-rich area in search of jobs. The settlement was named Stirtonville until 1963, when the segregationist laws of the Apartheid government ensured that the previous mix of Black, White and Coloured residents was dismantled. The settlement became a Coloured township and was renamed Reiger Park. The site that the case study focused on is referred to as Ramaphosa, named after a local politician and a key figure in South Africa's struggle history "To show that we follow his struggle" (Tyetyana and Zungu, 2007). Ramaphosa is situated just across a main road from the formal and much older Coloured township. It was originally settled in the early 1990s by people from Joe Slovo informal settlement and the old ERPM mine hostel, who decided to move away due to the political violence in the area at the time. The households who settled in Ramaphosa occupied the land illegally and initially faced a great deal of resistance by the previous government, facing forced removals and bull-dozing of their shacks on a number of occasions (Tyetyana and Zungu, 2007).

In the post-1994 period the residents have fought for and successfully won recognition of their rights to the land. The settlement has gone through an "upgrading" process, whereby the local authority has had the land proclaimed as a residential township, with a masterplan drawn up. Between 1996 and 1998 land was parcelled and sub-divided according to the plan. Households with some kind of claim to the land were registered and then shuffled onto stands that had been designated by the masterplan and other households who had been on the housing waiting list were relocated to Ramaphosa. The population is estimated to be 5393 people. The settlement has been titled and many stands have, as a result, received basic services of water, sanitation and electricity. Title deeds have been handed to many of the original residents, although not all by any means. At present, top structures or formal

38

housing (RDP units) are being built for households who have title deeds and are living on the stands of which they have recorded and registered ownership. Delivery of the top structures was only begun in 2003 and many of the original titleholders and households of record have left and newcomers have informally taken over their stands and often the title deeds. In these cases, the municipality will not build the top structure until it has been established that these households satisfy the government's criteria for a housing subsidy. As a result the area is characterized by a range of housing and service provision types.

Photograph 3. Ramaphosa

Photograph 4. Ramaphosa

Map 4. Aerial photograph of Reiger Park Extension 5
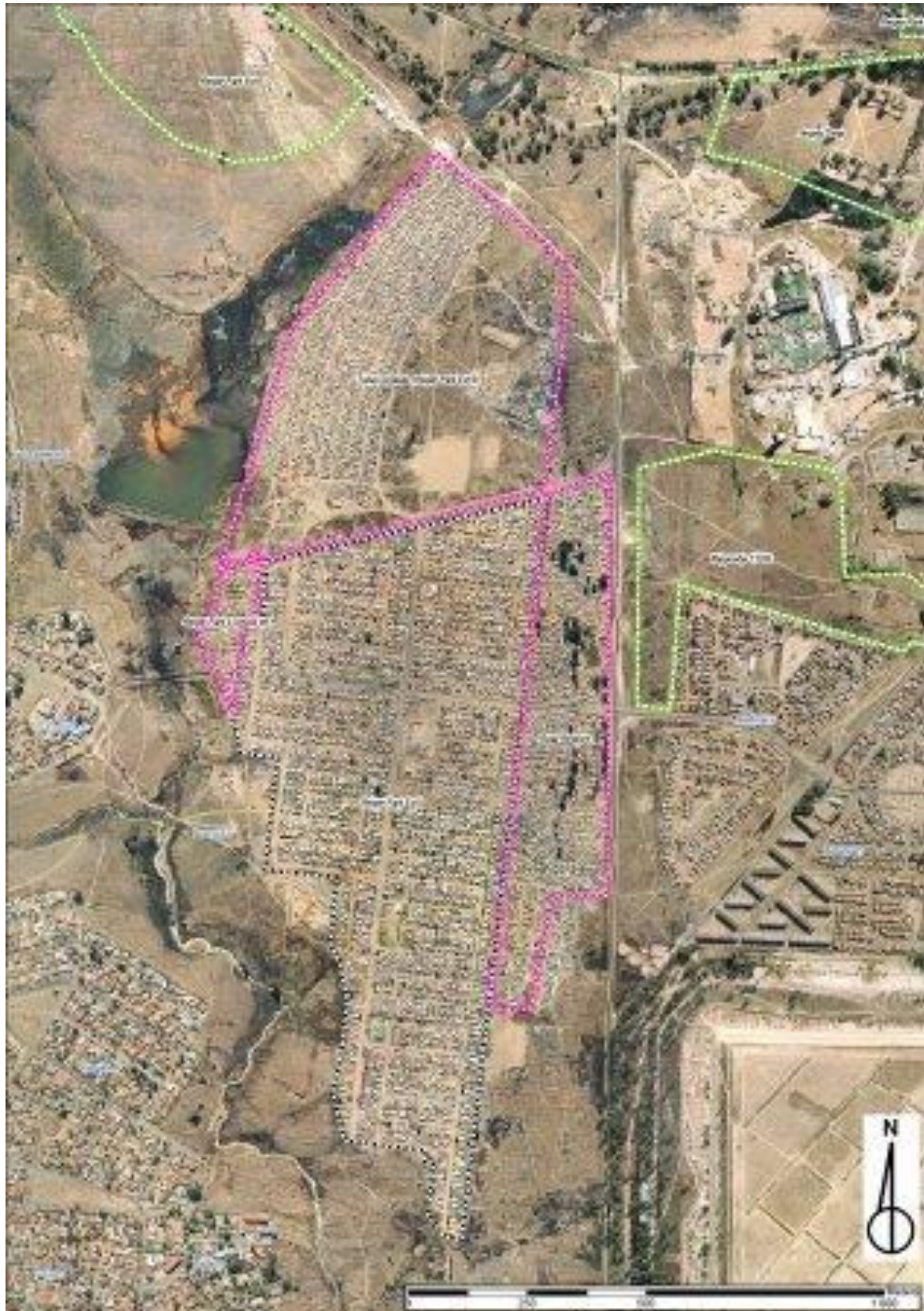
Map 5. Aerial photograph of Egoli Village

2.1.25 Egoli Village

Egoli Village is a greenfield housing project of the Ekurhuleni Metropolitan Municipality Department of Housing (see Map 4). It is one of many council projects scattered across the area in a bid to adequately house low-income people. The project was started in 2000 and only completed this year. Most of the residents come from Kathlehong and the settlement is now home to about 928 people, all of whom earn below R3 500 a month and qualified for housing subsidies (Sikhosana, 2007). The settlement is comprised of formal "RDP" (Reconstruction and Development Programme) starter units, which are basic freestanding 40m^2 units on a serviced stand. The houses, which are built by companies contracted by the local authorities, provide an unpartitioned unit that has neither a ceiling nor paint but is a cement and brick structure with an inside flush toilet and running water in the kitchen. The settlement has yet to be electrified and the internal roads are not yet tarred. The council is pleased with the project and the residents are getting used to their new homes. Due to the positive response and the availability of more land adjacent to the existing area, it looks as if Egoli village will be extended over the next few years to house more low income households.

Photograph 5. Egoli Village

Photograph 6. Egoli Village

Photograph 7. Egoli Village

2.2 DEMOGRAPHIC PROFILE

In order to understand some of the basic trends within these settlements, data that was generated by the survey were compared to 2001 Census data for the municipality. The comparison across the three settlements is also important when trying to unpack broader socio-economic issues.

2.2.1 Age of head of household

The age of the head of household is used as an indicator of where the household is in its life cycle, providing a sense of the household needs and requirements, which may help to understand some of the decisions and priorities within the surveyed households.

Figure 2. Age of head of household by community
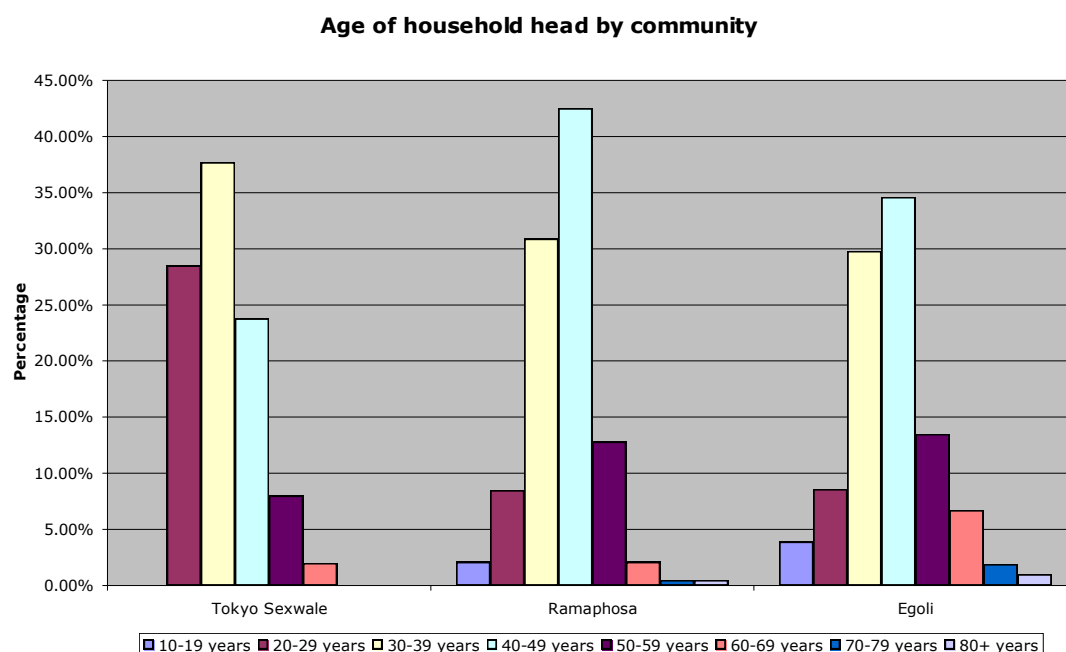
When comparing the three settlements (see Figure 2), Tokyo Sexwale has a much younger population than the other two settlements, with 66.2% of household heads between 20 and 39. This finding is reinforced by calculations of the average age of the household head. The average age of the household head in Tokyo Sexwale is 38 years compared to 44 in Ramaphosa and 42 in Egoli Village. Tokyo Sexwale also houses over half of all the household heads in the combined sample between the ages of 20 and 29. In Ramaphosa and Egoli Village the household heads are slightly older, with 64.4% of those in Egoli Village and 73.4% in Reigers Park being between the ages of 30 and 49. In Ekurhuleni as a whole, 31.9% of household heads are between 30 and 39 and a further 24.4% are between 40 and 49 years old. Of the households interviewed, only 2% in Tokyo Sexwale and 3.1% in Ramaphosa had heads over the age of 60, whereas almost 10% of the household heads interviewed in Egoli Village were 60 and older. According to the 2001 census, 5.7% of the Ekurhuleni population are over the age of 60, and 6.4% of household heads. Thus the proportion of older household heads in Tokyo Sexwale and Ramaphosa is lower than the metropolitan average, whereas a higher proportion of households in Egoli Village are older.

45

Of the entire sample almost all (97.8%) household heads have reached their majority of 21 years. A total of 11 (unweighted) or 2.3% of the overall sample reporting that they were both the head of the household and under 21 years.

2.2.2   Household structure

The highest percentage of household heads in the three settlements reported that they were married (37.9%), followed by 32.5% who said that they were single. If all the heads of households who are single, divorced or widowed are added together, then a total of 42.5% of households are single parent headed whereas those married or living together as married constitute 57.5% of the total sample. Of female heads, the most common marital status was 'single', with just under a third reporting that they are not married, whereas overall 43.3% of male-heads said that they were married.

Figure 3. Marital status of household heads by community
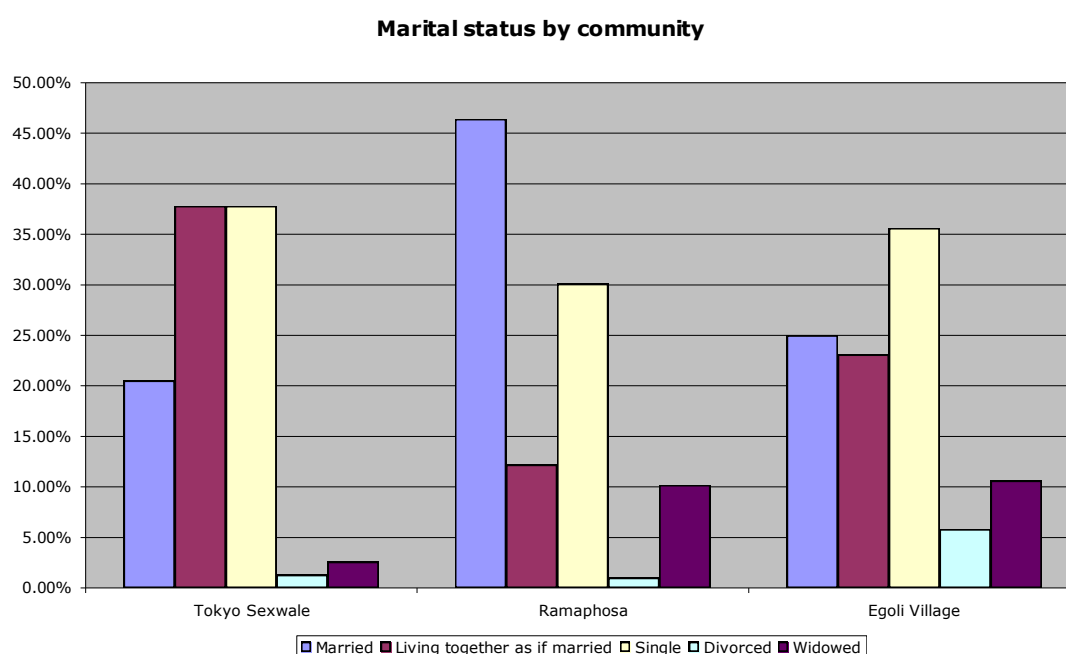
In Tokyo Sexwale equal percentages (37.8%) of those interviewed were either living together as if married or single, very few people reported that they were widowed (1.3%) or divorced (2.4%). In light of the relatively young demographic of the settlement, the low rates of divorce and widowhood are unsurprising. Of those interviewed in Ramaphosa, 46.4% said that they were married, constituting 79.7% of all married heads of household in the sample. The next largest group (30%) reported that they were single and only 12.2% said that they were living with someone else. Ramaphosa also had fewer people who reported that they were divorced (1%) but interestingly over 10% were widowed. The high rate of marriage in the community may be due to the slightly older and potentially more traditional households who value marriage more than living together. Egoli Village has a more even distribution: 25% married, 23.1% living together as if married and 35.6% single. Household heads in Egoli Village also reported higher rates of divorced respondents (5.8%) but about the same percentage of widows and widowers (10.6%) as Ramaphosa. Although having a similar age profile to Ramaphosa, interestingly the number of single heads is much higher than the other settlement and far closer to that of Tokyo Sexwale.

Figure 4. Type of household by community

Type of household by community
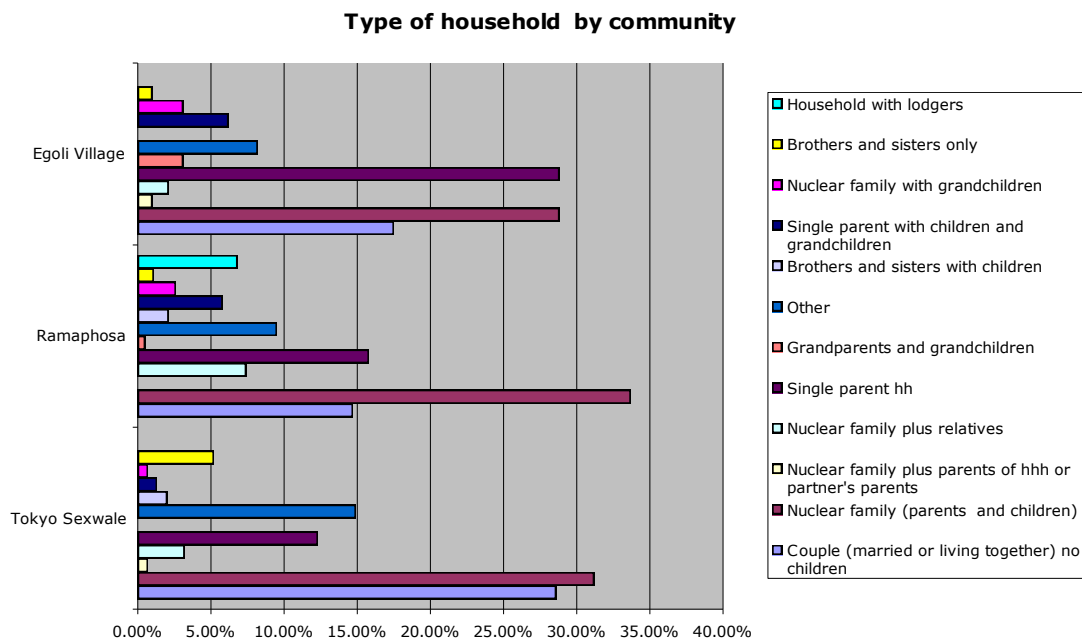
Marital status provides a potential insight into the decision-making processes within households. Interestingly the findings seem to indicate that, even when women are in relationships and there is a consistent male presence in the household, over two thirds of household heads (69.6%) are women. The results are supported by examining the household type, as a third of the households (32.5%) were nuclear households (i.e. father, mother and children), with a further 18.4% reported that they were couples (either married or living together as married) without children.

Tokyo Sexwale adhered to the generalised pattern, with 32% of households reported as nuclear families, followed by couples representing the next largest group (28.6%). Single parent households with children or grandchildren constituted 13.6% of the sample. Surprisingly, no grandparents and grandchildren living together and no households with lodgers were reported in the settlement, both of which seemed strange given the high rates of HIV/Aids in the country and the number of children that are reportedly being looked after by either extended families or grandparents. The lack of lodgers may be explained by the fact that 58.3% of the household heads are women and could be reluctant to take in lodgers due to safety concerns.

In Ramaphosa, nuclear families comprise 33.7% of all households in the settlement. A total of 21.6% are single parents, either with children (15.8%) or children and grandchildren (5.8%), while couples on their own make up 14.7% of the sample. Relatively few inter-generational households were in evidence, with no nuclear families with grandparents and only 0.5% of households comprising grandparents and grandchildren. Female-headed households make up 68.2% of the respondents.

In Egoli Village, most households are either nuclear households (28.8%), single parent households with children (28.8%) or single parents with children and grandchildren (6.2%), giving a total of single parents with children and grandchildren as 35%. Only 17.5% of heads are married or living together as if married without children. Nearly three quarters of

households (73%) have women heads. Given the fact that, in order to qualify for the housing subsidy, a household must either have a married head or have dependents, the finding that most households have dependents is expected.

According to the Census 2001 data, 67.2% of the household heads in Ekurhuleni are male and 32.8% are female, whereas in the survey the proportions are reversed. In the survey, 30.4% of the total sample is male-headed households and 69.6% are female-headed households.

The average household size in the three settlements varies: 3.08 in Tokyo Sexwale, 3.38 in Egoli Village and 4.41 in Ramaphosa, closely reflecting trends in the average age of households heads and clearly reflecting that overall in the three areas, households have reached a somewhat different stage in their life cycle. Women-headed households tended to be larger (4.2 members) on the whole than their male counterparts (3.6 members) and 43.8% of female-headed households had 3-4 members whereas 46% of male-headed households only had 2-3 members. Over half the households in Tokyo Sexwale and Egoli Village have between 2-3 members, whereas Ramaphosa has slightly larger households, 50% with 4-6 members. Very few people (12.7% in Ramaphosa and 0.7% in Tokyo Sexwale) reported living with 7 people or more and most of the larger households were in Ramaphosa.

The lower average household sizes in Tokyo Sexwale reflect the difficulties of accommodating larger households in small, multi-purpose spaces; the difficulties of increase the number of shacks on a site in a densely settled area and difficulties of caring for larger households in the absence of easily accessible water and energy supplies. Stability and permanence may also be a factor because one of the first responses of households that have tenure security is to attempt to consolidate a fragmented family structure.

The high proportion of female-headed households is difficult to explain. Factors that may be causing the high proportion of female-headed households to settle in such settlements may relate to the fact that, as they tend to be poorer, they can only settle in marginal spaces (that eventually get upgraded) or that the state system of allocating subsidies actively works in women's favour.

Table 5. Household size by community

Size of Household	Tokyo Sexwale	Ramaphosa	Egoli Village
1	12.20%	7.10%	6.70%
2	27.60%	11.20%	23.10%
3	26.90%	17.30%	28.90%
4	18.60%	18.90%	18.20%
5	6.40%	18.40%	14.50%
6	5.80%	14.30%	6.70%
7	1.90%	5.10%	1.90%
8	0.70%	1.50%	0%
9	0%	2.60%	0%
10	0%	3.60%	0%

2.2.3 Origins and migration patterns

The respondents who were interviewed had come from a wide variety of places. Understanding their previous experiences helps to evaluate what, if anything has changed

and improved. It also gives a sense of how housing systems and the search for safe and adequate housing plays out. The following three graphs need to be read in conjunction with each other in order to get a sense of where people have come from, what their previous housing, shelter and tenure situation had been and what are the general patterns and trends that can be picked up in the three settlements. As such the information will be presented per settlement in order to be as clear as possible.

Figure 5. Previous place of residence of household head by community

Where did you live before by community

49
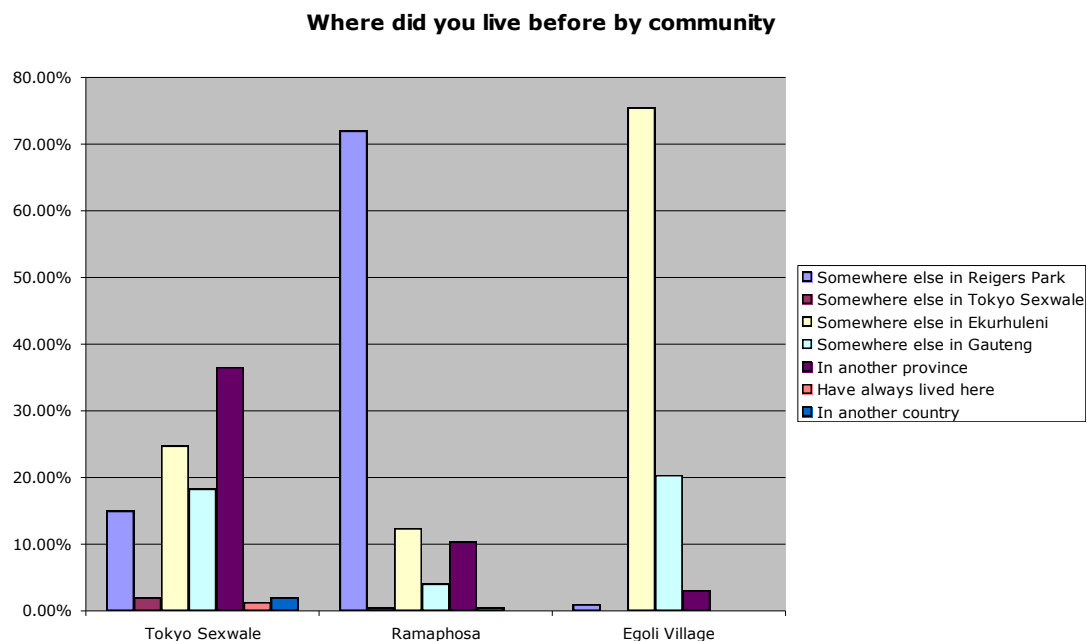
Figure 6. Type of unit in previous place

Type of unit in previous place by community

Legend:
- House in a traditional village
- House on a farm
- Shack in an informal settlement
- Backyard room/backyard shack
- Work accommodation /domestic servant quarters
- Hostel (not provided by work/employer)
- RDP House
- Formal (brick) house in town/city/township
- Municipal flats / flats
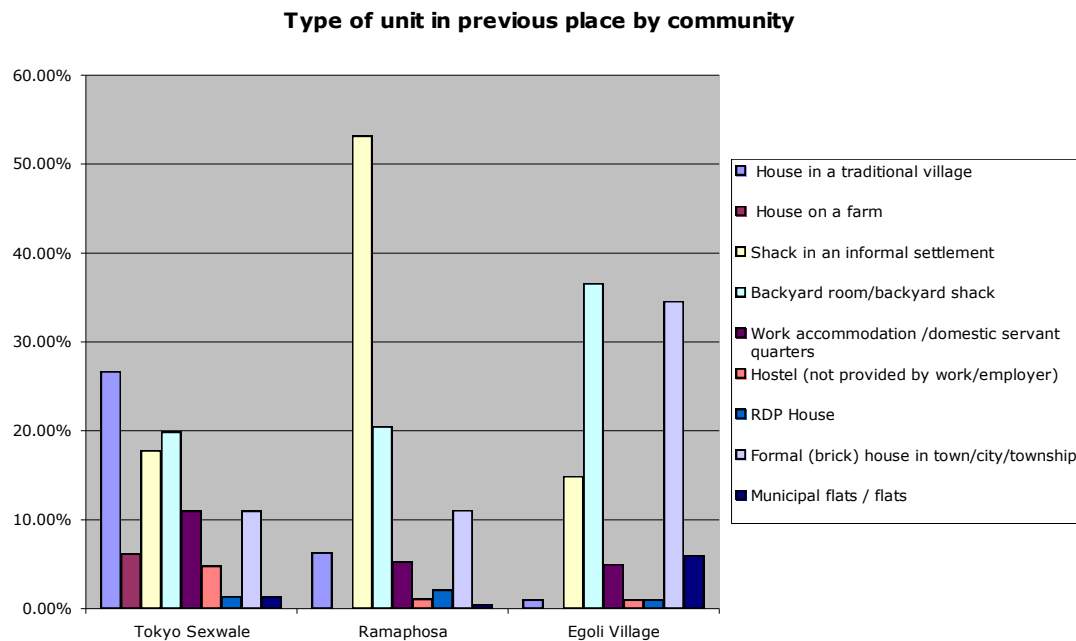
Figure 7. Type of tenure in previous place

Type of tenure in previous place

Legend:
- I was renting
- I owned the place
- I still own the place
- My family lived/lives there
- I was staying at my employers place
- Living with friends/family
- Occupied the place
- Farmer/land owner let us stay there
- My spouse's family home
- Looking after the place
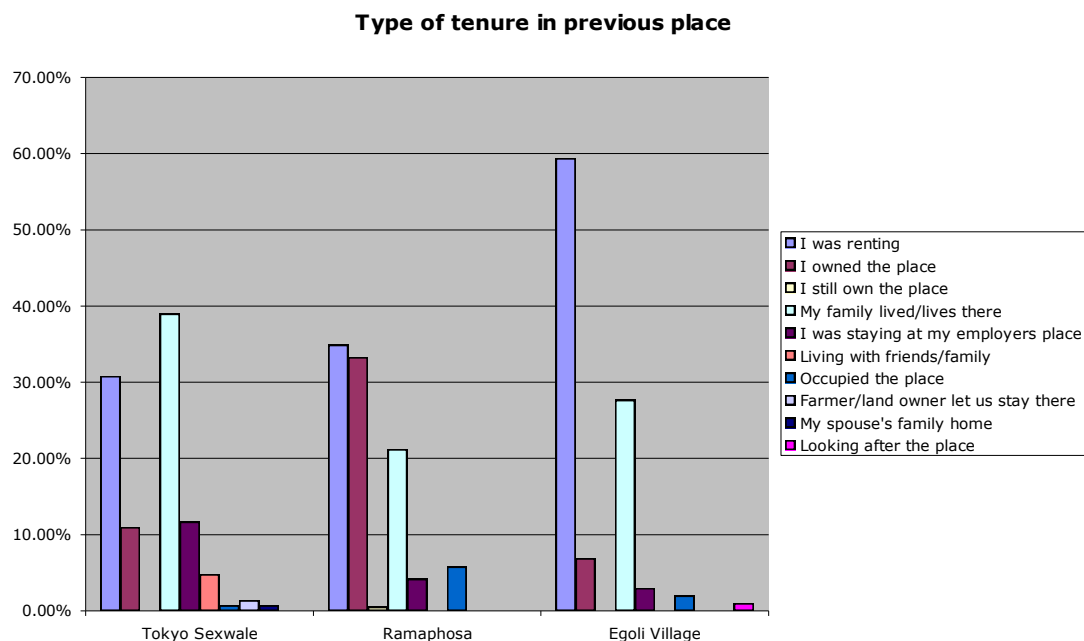
In Tokyo Sexwale most of the household heads sampled said they had come from another province (36.6%), a third (32.9%) identifying a rural area, either a traditional village (26.7%) or a house on a farm (6.2%), as best describing the place in which they had previously lived. In terms of tenure, almost 40% said that they had been living with friends or family. The general trend can then be seen to be one of rural-urban migration, in which a generally

50

youthful population had moved away from home for the first time and migrated to an urban area. It would seem that most struck out in a search for independence and the attractions of the big city. A second trend is the movement of people from within EMM (24.8%) or the wider provincial area (18.3%). 30% of the Tokyo Sexwale households said they had previously been renting, many it would seem had been either in informal settlements or backyard shacks, although only a few, approximately 2.3%, had lived in the greater Tokyo Sexwale area. What is interesting as well is that many of those who currently reside in an informal settlement previously lived in what StatsSA would define as inadequate shelter i.e. 19.9% lived in backyards, 17.8% were in informal settlements, and 26.7% were in a traditional village. A number of households did have a formal brick structure (11%), but only a tiny minority had government-supplied housing – 1.4% had RDP units and the same percentage were in municipal flats.

The partially upgraded partially re-located settlement of Ramaphosa demonstrates some expected results. These include the fact that 72% of those interviewed said they had lived somewhere else in Ramaphosa and 12.4% said they had come from somewhere else in Ekurhuleni. Since Ramaphosa had been upgraded and people shuffled around according to the masterplan, or people who had been on the housing list for Ekurhuleni had been settled in the settlement, the percentages are unsurprising, as are the findings that 53.2% had previously lived either in an informal dwelling and 20.5% in a backyard shack, since these would have been the units that the upgrading and relocation programmes would have attempted to upgrade or improve. A third (34.9%) reported that they had been renting and a third (33.3%) claimed some sort of ownership of their previous dwelling but, as will be seen later in the report, formal ownership is generally not what is referred to by informal dwellers. In contrast with Tokyo Sexwale, this population seems to have had more urbanized roots and only 6.3% said that they had come from a traditional village or farm.

Egoli Village displays an altogether different but not unexpected pattern, as three quarters of the relocated household heads (75.5%) had come from within Ekurhuleni and 20.4% from within Gauteng. Since the housing department tries to allocate housing to people within their original area or area of choice, the fact that over three quarters came from the metro means that the system is in force. At the same time, the housing list is provincial and Ekurhuleni is an attractive metropolitan area, which may explain the 20% of respondents who came from elsewhere in the province but had not been living within the metropolitan area. Over half of the respondents in Egoli (51.5%) had previously lived in backyards (36.6%) or shacks in informal settlements (14.9%). Almost 60% (59.4%) of Egoli household heads said that they had previously been renting and a further 27.7% had been staying with family before taking up their homes in Egoli Village. Considering the criteria needed to qualify for formal housing, namely earning below R3 500 a month and not owning property elsewhere, it is certainly not surprising that many households reported inadequate housing conditions in informal settlement or backyards, in which they had previously been renting dwellings. What is somewhat surprising is the 34.6% who had been staying in formal brick housing in a town/city or township and the 6% who had been living in a municipal flat before they moved to Egoli Village. The fact that over 40% of households left formal housing for Egoli Village does speak to the attractions of ownership over renting or staying with family.

The settlements do show different migration dynamics: their populations come from different areas with different tenure patterns and types of housing. The general patterns seem to show that Tokyo Sexwale is acting as a reception area for a predominantly young rural population that has moved to the urban area for the first time. Tokyo Sexwale demonstrates the characteristics of an upgraded and relocated community, with most of the residents saying that they were previously renting in some type of informal dwelling. The Egoli Village population shows the characteristics of households who would have qualified for the housing subsidy, as they were generally low income households that did not own any other property and the heads of which were either married or had dependents.

2.2.4 Race

Of those household heads sampled, 91.6% were Black and 9.4% were Coloured. There were no other "racial groups" in the case study sites. The racial composition of the metro is 76.3% Black, 19.4% White, 2.7% Coloured and only 1.6% Indian/Asian. The sample is therefore not representative of the wider Ekurhuleni community, but when considering that the majority of South Africa's low-income households are either Black or Coloured, the sample appears representative of poor communities. In Tokyo Sexwale, almost the entire sample (99.3%) is Black, similarly 99% in Egoli Village, with 12.4% of households in Ramaphosa identifying themselves as Coloured (constituting 96.8% of all households with Coloured heads in the sample).

2.2.5 Household expenditure patterns

The survey used household expenditure as a proxy for household income and also identified what households' largest expenses are. Expenditure is shown for households with the dominant forms of tenure and gender of the household head in each settlement in order to see if either of these two factors played a role in the manner in which money was spent in the three case study sites.

Figure 8. Tokyo Sexwale: Monthly expenditure by dominant tenure forms and gender of household head

Tokyo Sexwale: Dominant tenure forms by household expenditure
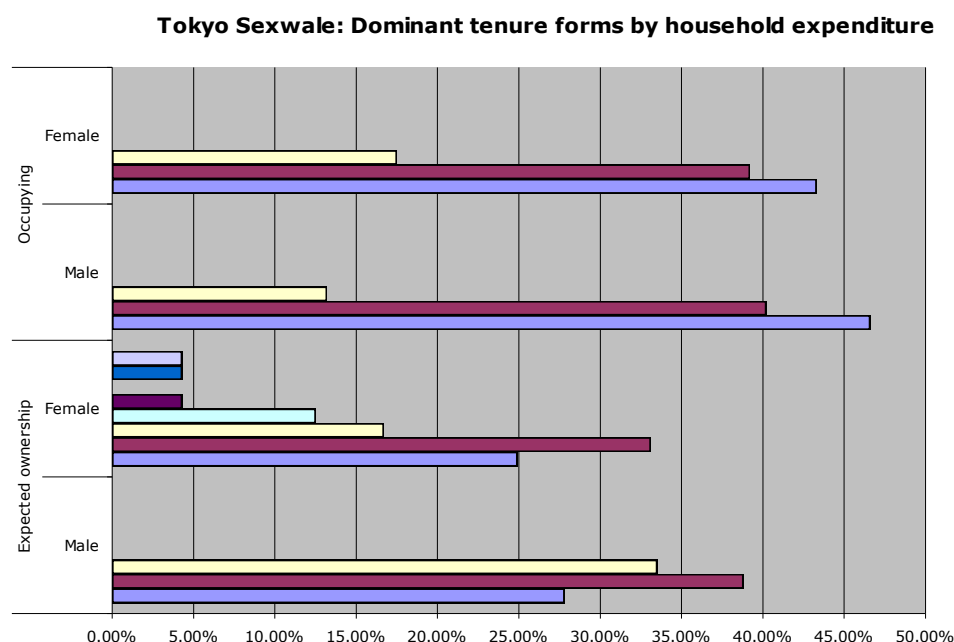
Tokyo Sexwale is a very low-income area: 94% of male-headed households and 82.2% of female-headed households spend less than the income threshold below which households are classified as indigent (R1 500). Over 80% of both male and female-headed households who are occupying plots have low incomes (below R 1 000 a month) and over 40% are in

52

the very lowest income group (below R500 a month). None spend more than R 1 500. In contrast, a smaller proportion of households with expectations of ownership are in the lowest expenditure groups (about a quarter of households spending less than R500 and two thirds of male and about 58% of female headed households less than R1 000). About a quarter of the female-headed households who expect to become owners spend more than R1 000 a month (about 4% more than R3 500).

Figure 9. Ramaphosa: Monthly expenditure by dominant tenure forms and gender of household head

Ramaphosa: Dominant tenure and monthly household expenditure
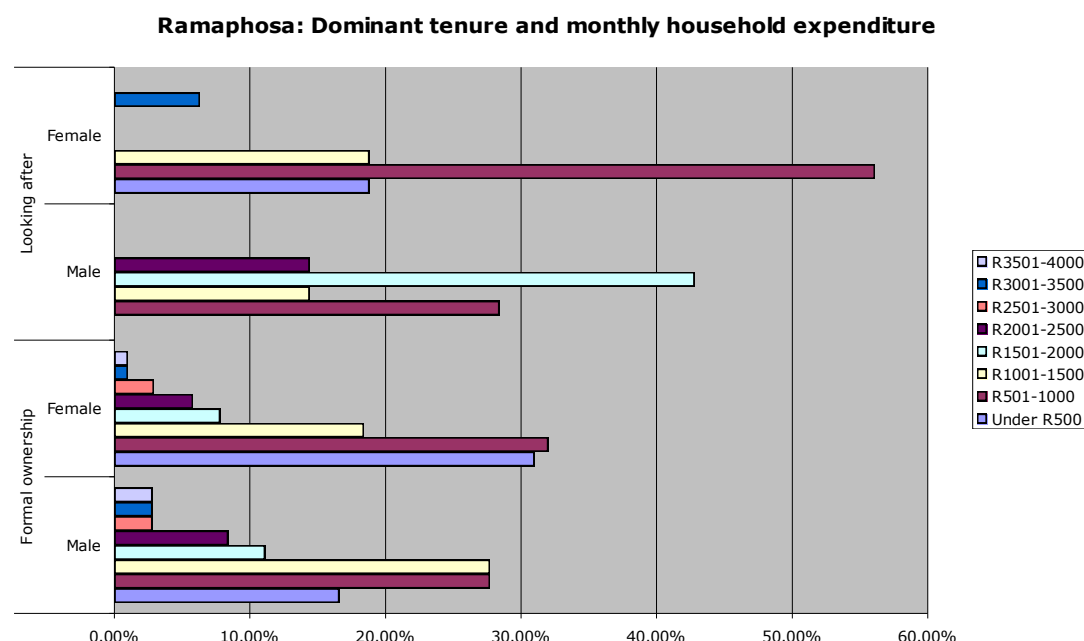
Ramaphosa is a slightly higher income area than Tokyo Sexwale (see Figure 10) but still, 69.2% of male-headed households and 82.4% of female-headed households spend less than the threshold income to be classified as indigent. Only amongst female-headed households 'looking after' plots/houses is a comparable proportion in the lowest income groups (about three quarters spending under R1 000). Even amongst households 'looking after' plots/houses, about a quarter of female and about 70% of male-headed households spend more than R1 000, while amongst households with 'formal ownership' over half of male-headed and about a third of female-headed households spend more than R1 000 (although very few spend more than R3 500).

There are more female than male-headed households in Ramaphosa who hold formal ownership claims who spend less than R500 per month than their male counterparts. Male-headed households that are 'looking after' tend to spend substantially more than female-headed households with this tenure claim and over 40% of male headed households are spending more than R1 500 a month.

The modal form of tenure in Egoli is formal ownership with around a fifth holding 'intermediate tenure'. There were no male-headed households holding an 'intermediate tenure' claim in Egoli. Overall, the income levels in this settlement appear to be similar to Tokyo Sexwale and Ramaphosa, with 80.7% of male-headed households and 83.6% of female-headed households spending less than the income level necessary to qualify for indigent status. A large proportion of female-headed households are in the lowest

expenditure groups (about a third of those with intermediate tenure spending less than R500 and over half less than R1 000, over a third of those with formal ownership spending less than R500 and over 70% less than R1 000). A higher proportion of female-headed households with intermediate tenure are in the less poor categories (nearly half spend more than R1 000) compared to those with formal tenure (less than a third). Two thirds of male-headed households with formal tenure spend more than R1 000.

Figure 10 confirms that expenditure levels in Tokyo Sexwale are lower than in Ramaphosa and Egoli Village. The biggest difference in the expenditure patterns is that respondents in Tokyo Sexwale spend considerably less on transport. This could be explained by the Tokyo Sexwale residents being dependent on local employment that can be reached by walking or shorter distances or that their employment is more casual and intermittent and hence the transport costs incurred are lower on average. The higher expenditure on food incurred by respondents in Ramaphosa is most likely due to the fact that household size is the largest of the three settlements. Titling appears to result in very little difference in housing expenditure.

Figure 10. Comparison of largest monthly expenditure items across settlements

Comparison of largest items of monthly expenditure across settlements
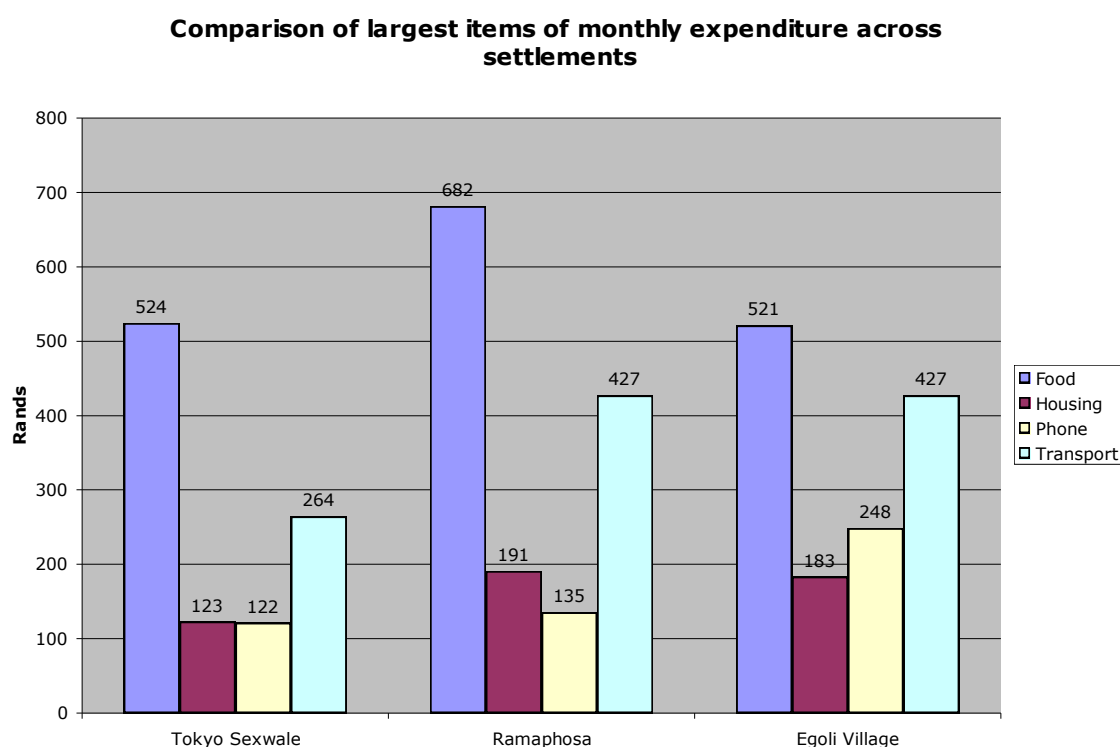
Figure 11. Egoli Village: Monthly expenditure by dominant tenure forms and gender of household head

Egoli: Dominant tenure by monthly household expenditure
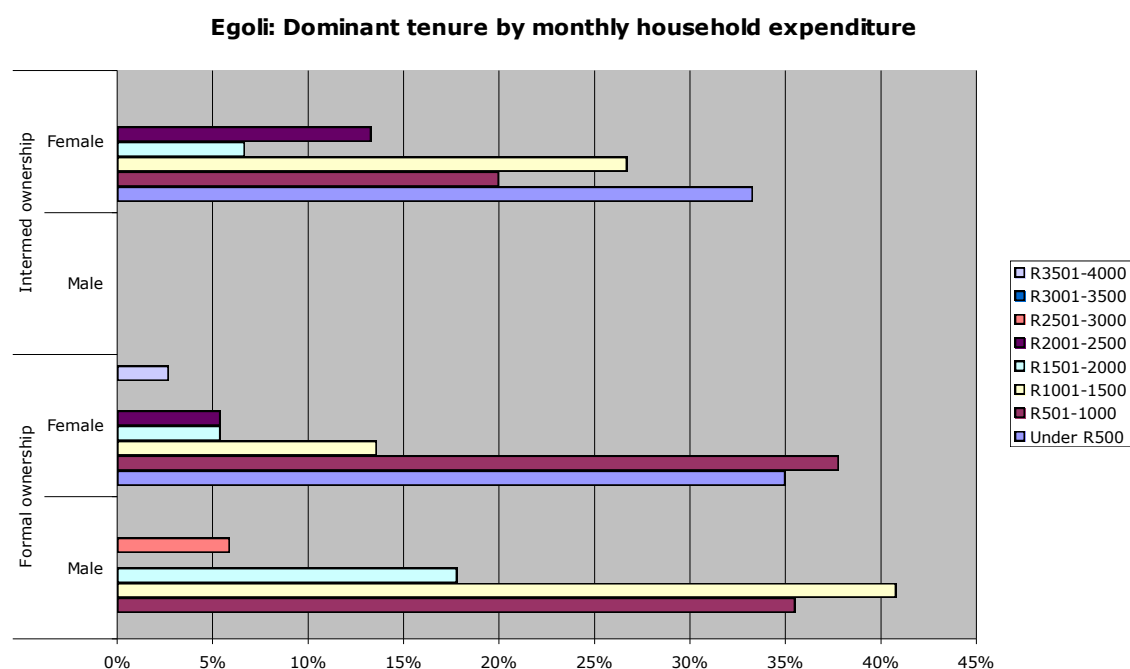
2.2.6   Settlement profiles

Each settlement has its own very particular profile, which demonstrates the internal dynamics of the settlement, and the current types of tenure, housing and service provision for each household.

2.2.7   Internal dynamics

Within the three settlements the manner in which people move around once they take up residence in the settlement indicates how stable the community is or what kinds of changes and disruptions are occurring. By analyzing when people first arrived in the settlement and comparing it to when they moved to their current piece of land and their current house, one is able to start sketching a picture of what the settlements' internal dynamics are, how people are moving and why.

Figure 12. Internal dynamics of Tokyo Sexwale

Tokyo Sexwale: Internal movement in settlement
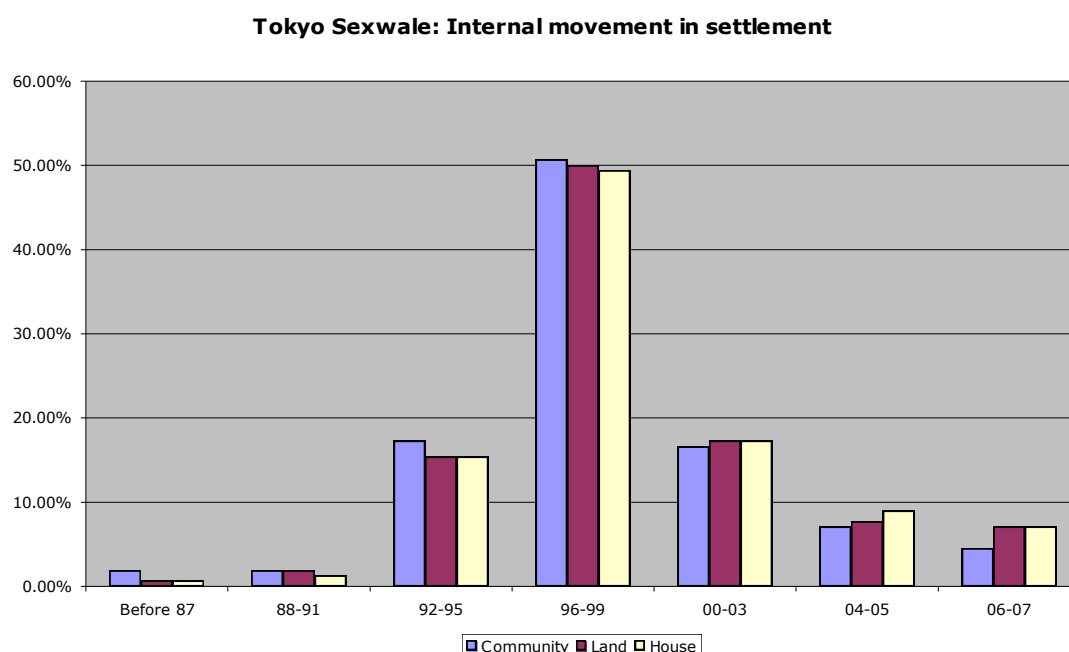
Tokyo Sexwale is a stable community with little internal movement (see Figure 12). Half of the households reported that they moved to the settlement between 1996-1999 and from what can be seen most moved onto both their current stand and their current unit at the same time. Movement to the settlement seems to have tailed off over the last few years, with 7.1% reporting that they had arrived in the last two years, and 9% in the last four years. The data suggests that people move into the settlement and do not then move around within it. Egoli Village shows a very similar pattern (Figure 13), as most households moved directly onto their present pieces of land and units when they moved into the community. Since Egoli Village did not exist as a settlement until quite recently and due to the fact that it is a greenfield project it is not surprising to find that 85.6% of the population moved in between 2004 and 2005 and 9.6% moved in even more recently. It can be clearly seen from Figure 13 that households moved into the settlement and into their properties at the same time.

Figure 13. Internal dynamics of Egoli Village

Egoli Village: Internal movement in settlement

Legend: Before 87 | 88-91 | 92-95 | 96-99 | 00-03 | 04-05 | 06-07

Ramaphosa, as an upgraded and relocated settlement, displays a slightly different set of dynamics. Instead of households moving into the settlement and staying put, what becomes apparent is that households first moved into the settlement, then onto their piece of land a bit later on and now are moving into their units. What the graph (Figure 14) reveals is that almost three quarters of the households moved in before 2000. However, 59.7% moved onto their current piece of land between 1996 and 1999, which indicates when people were shuffled around and relocated during to the first stages of the upgrading process. The final stages of the programme in terms of people receiving top structures have clearly only been implemented since 2000, as 68% of households sampled reported that they moved into their current structure over the 7 years prior to the survey. Few people will now be moved within the settlement and it could be expected that the next major change will be the consolidation of additional stands as the delivery of top structures increases and the loss of a number of households who are being relocated from the road reserves to new nearby settlements at Delmar and Delmar Extension II.

Figure 14. Internal dynamics of Ramaphosa

Ramaphosa: Internal movement in settlement
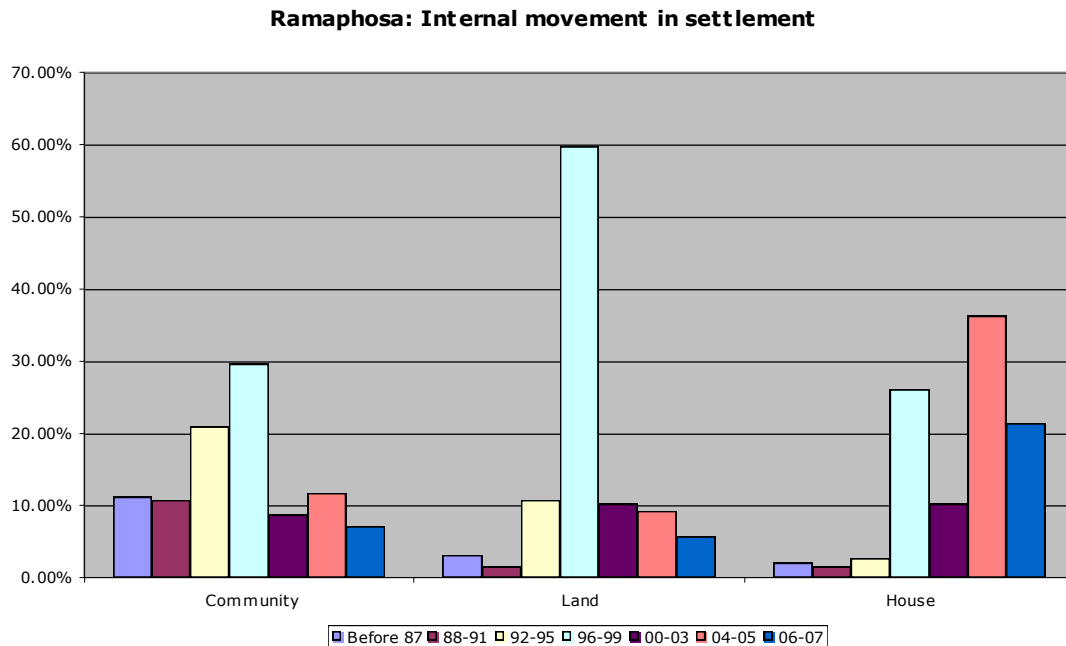
2.2.8 Tenure forms

The tenure that households reported within the settlements in many ways reflects their status as either formal or informal settlements, where in theory formal ownership is or is not possible respectively. Thus even the very small number of households (5.5%) who claim formal ownership in Tokyo Sexwale is quite unexpected and may be explained by some households misinterpreting some other government document for a title deed. A full third of households in Tokyo Sexwale expect to become owners at some point and are in possession of some type of formal documentation, which reflects that they are on the housing waiting list and will, at some point, receive a property. The results also show a range of other tenure options that are less common in the other settlements, including a number of households (31%) saying that they are currently occupying a place, which means that they are staying in a unit or on a stand that does not belong to them and for which they are not paying any rental. A further 15.1% are 'looking after' property, which means that they are staying there with the "owners" permission and/or at his/her request and may or may not be paying rent.

The exact figure of how many properties have been transferred in Ramaphosa is unclear and although the survey reports that 76.8% of surveyed households have formal ownership, the sample may be slightly skewed due to the requirements of the research, which aimed to find households with ownership in order to best understand the impact of title. As a result, the Ramaphosa figure of just under than three quarters represents the percentage of sampled households with formal tenure rather than a representative figure for the community.

By contrast, the sample in Egoli Village was representative and the figure that 54% have formal ownership, 17% intermediate ownership, which means that they are awaiting the delivery of their title deeds, and a further 15% have some legitimate expectation of ownership no doubt accurately reflects the community's tenure status. Some of the residents

(8%) have taken advantage of their formal houses and legal title and are quite legitimately renting out their units to tenants. These forms of tenure will be discussed in more depth.

Figure 15. Current tenure within the three settlements

Tenure by settlement
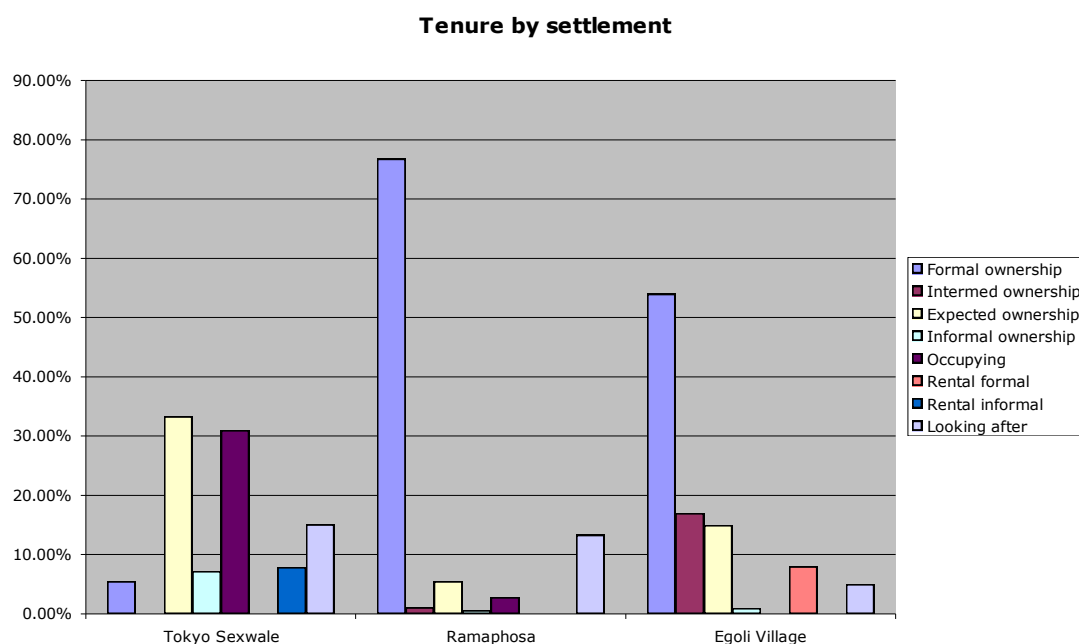
2.2.9   Housing types

The units in which people stay also reflect the formalization or lack thereof in the various settlements. As expected, most of the dwellings in Tokyo Sexwale are informal whereas in the other two areas most households live in formal RDP units (Figure 16). Figure 16 reveals that a larger proportion of male-headed households overall (47.6%) live in informal dwellings than female-headed: over two-thirds of female-headed households are living in RDP units (see Figure 17). It is not clear why so many more RDP units are female-headed. Of those households who are looking after a unit, occupying their stand or have some expectation of ownership, the vast majority are living in informal dwellings).

Figure 16. Dwelling type across community

Dwelling type by community
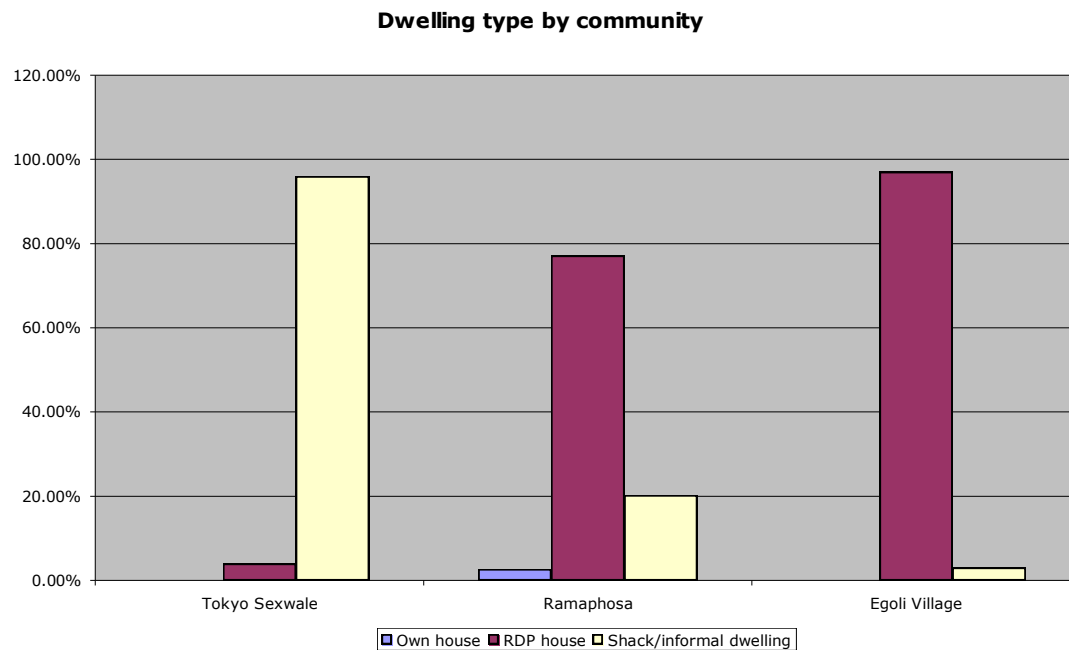
Figure 17. Dwelling type by gender of household head

Dwelling type by gender of household head
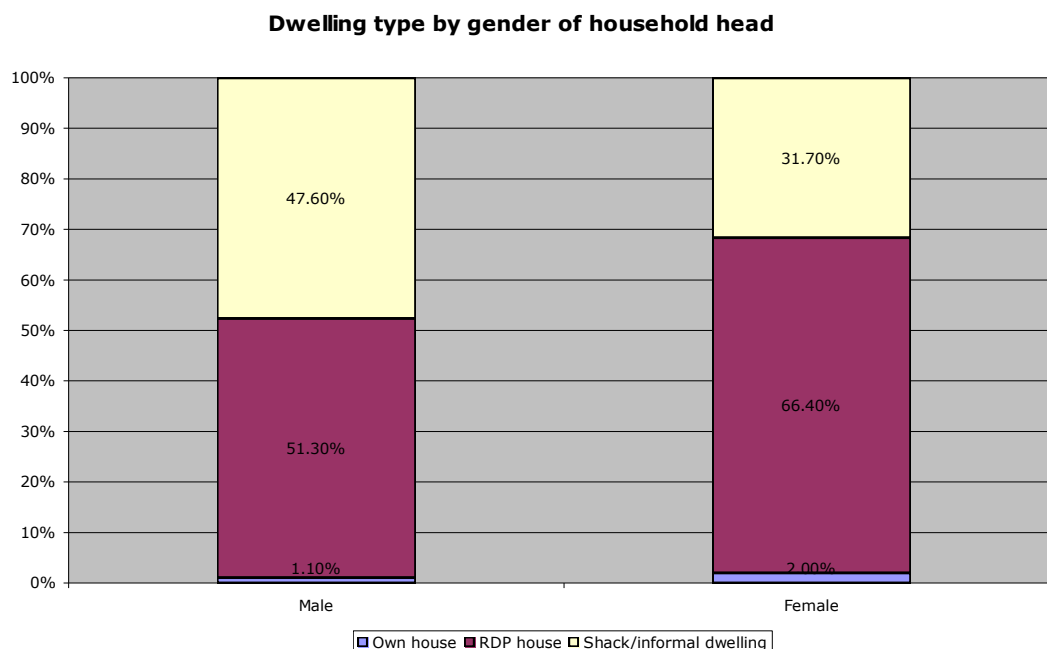
The majority of households with formal tenure or intermediate ownership are living in formal RDP units, either as owners (with formal title or intermediate tenure), tenants or 'looking after' the units (Figure 18). The majority of units with these dwelling types are in Ramaphosa and Egoli Village. The generalised pattern that is exposed by these graphs is that the majority of households in Ramaphosa and Egoli Village are female-headed and have full or

intermediate ownership of their RDP units. In comparison Tokyo Sexwale is an informal settlement where the majority of households live in informal units, that they have occupied or are 'looking after', or that they have some expectation of ownership. It is also more likely that households in informal dwellings are male headed. Very few households in any of the settlements have built their own homes and of those who have, almost all are in Tokyo Sexwale.

Figure 18. Dwelling type by tenure form

Dwelling type by tenure
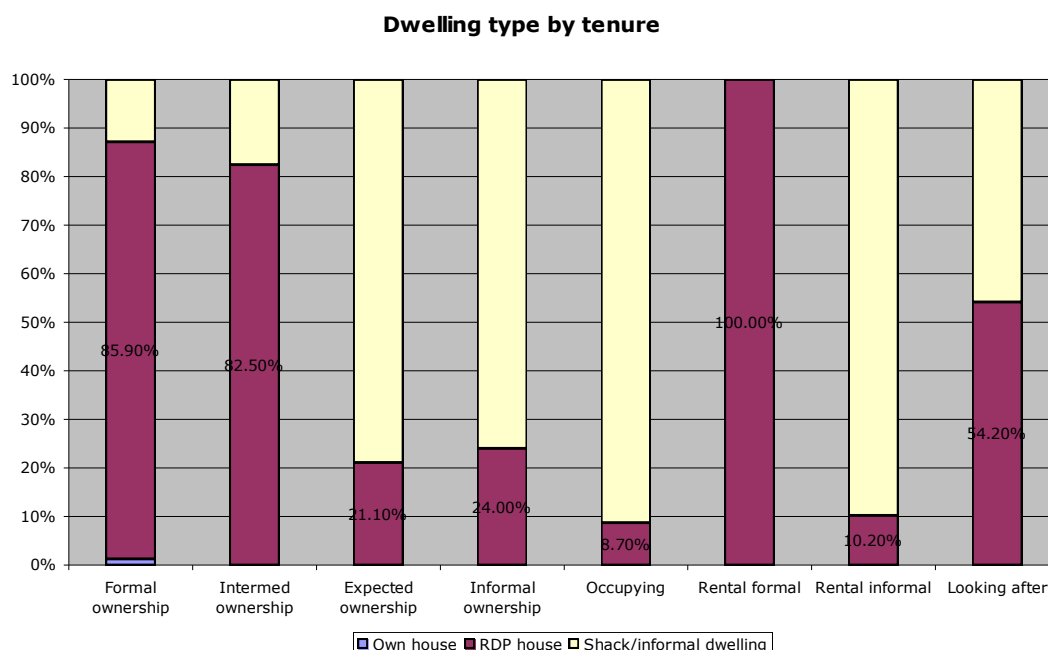
2.2.10 Access to services

Delivery of services across the three settlements is uneven (see Table 6). Tokyo Sexwale has the worst delivery of the three settlements, with access to water mostly communal (91.4% of households) and sanitation being mostly a pit-latrine in the shared yard of a number of households (82%). A further indication of poor service is the report that 96.1% of households are not serviced by any form of refuse removal, unlike the two other settlements in which the vast majority, 97.9% in Ramaphosa and 98.1% in Egoli Village, reported that their refuse was removed. In Ramaphosa many of the stands were upgraded and provided with basic services before the formal structures were built; as a result almost all (96.6% and 95.5% respectively) stands have toilets and basins in the front yard, which are used by all household members and any other residents on the stand. In keeping with the fact that Egoli Village was a formally constructed greenfield housing project, almost all of the homes have in-house taps (74%) and in-door plumbing (96.7%)

Table 6. Access to services by community

Type of Service		Tokyo Sexwale	Ramaphosa	Egoli Village
Water type of service	In-House Taps	0.8	3.9	74
	In-yard Taps	7.8	95.5	25
	Communal	91.4	0.6	1
Sanitation type of service	In-house	2.1	3.4	96.7
	In-yard	82	96.6	3.3
	Communal	15.9	0	0
Electricity access to service	Yes	1.9	81.5	1
	No	98.1	18.5	99
Refuse Removal	Yes	3.9	97.9	98.1
	No	96.1	2.1	1.9
Have a Telkom phone	Yes	9	1.1	1
	No	91	98.9	99
Receive Bills from the Municipality	Yes	4.5	84.1	58.6
	No	95.5	15.9	41.4

Another distinction between the communities is the very low proportion of households in Tokyo Sexwale who receive a bill from the municipality, only 4.5%. Since there is such poor service in the settlement it is hard to see what they might be billed for, but it does effectively mean that a large percentage of the households are not visible to the authorities. In Egoli Village, where most households are hooked up to the local water supply and have their refuse removed, 41.4% do not receive any bills, which may be due to EMM's Indigency Policy[61]. As noted above, this policy allows a certain amount of free water, electricity and basic services to households that are considered indigent i.e. earn less than R1 500 a month. By contrast Ramaphosa, which is of roughly the same socio-economic group, only has 15.9% who do not receive bills, which may be due to a lower application rate for the Indigency Grant or because some people are not the owners of record and are not receiving bills in their name.

2.2.11 Access to facilities/amenities

The location of the settlements and their access to important amenities and facilities allows the reader to get a sense of how well situated these settlements are and how connected or disconnected to the rest of EMM. The location also offers some sense of the desirability of the settlements and the contribution that they make to the quality of their residents' lives.

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[61] The indigency Policy will be discussed in greater detail in the following sections

Figure 19. Tokyo Sexwale: Access to facilities

Tokyo Sexwale: Access to facilities
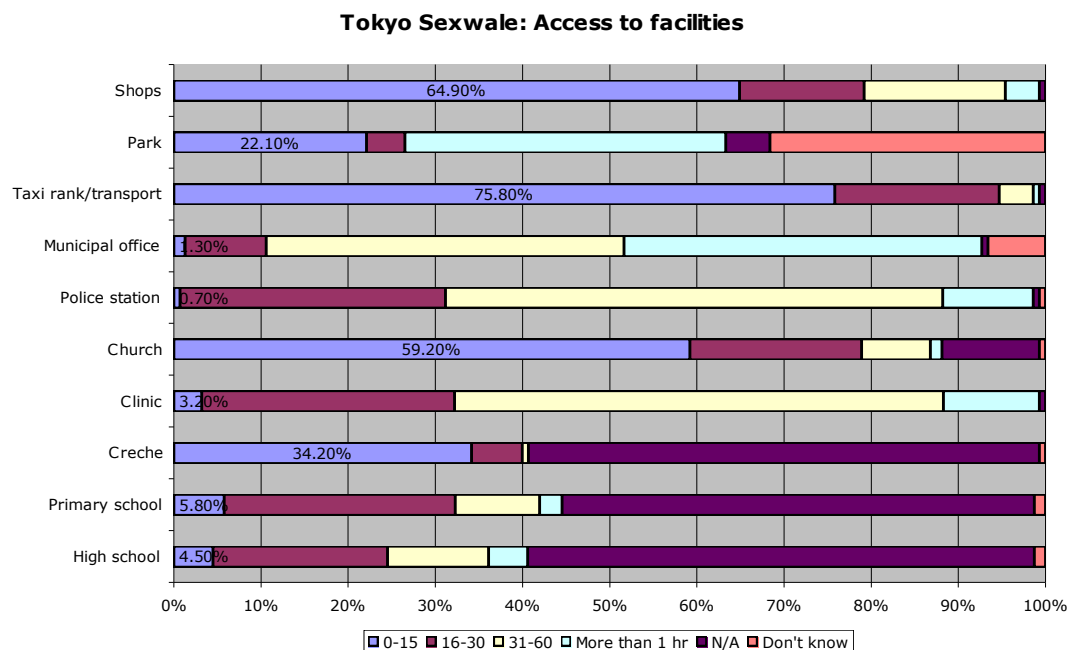
Although Tokyo Sexwale appears to have rather poor services, it does seem to be remarkably well located. For those who need them crèches, primary and high schools are generally less half an hour away and 75.8% of households report that taxis are less than 15 minutes away. Shops also seem to be conveniently located, with 80.2% reporting that they have to travel less than half an hour to get there. Unfortunately not everything is within easy reach for residents of this area, and most residents (57.1%) report that the clinic takes more than half an hour to get to. The police station is also not very conveniently located and 57% report that it takes between 31 and 60 minutes to find. The municipal offices can be considered quite far away, taking over 41% of the residents more than an hour to travel to them.

Ramaphosa seems equally well-located in almost all respects; for most (almost 70%) the shops take less than 15 minutes to get to and for over 91% taxis and other forms of transport are also less than a quarter of an hour away (Figure 20). Most households need to travel less than half an hour to get to schools and crèches. The police station is closer for Ramaphosa residents than for Tokyo Sexwale inhabitants, with over half the residents having to travel less than 30 minutes to get there. Even the municipality is closer and 80% of households have to travel less than half an hour to get there.

Figure 20. Ramaphosa: Access to facilities

Ramaphosa: Access to facilities

Facility	Value shown
Shops	53.80%
Park	10.80%
Taxi rank/transport	91.80%
Municipal office	2.60%
Police station	3.10%
Church	68.80%
Clinic	4.70%
Creche	44.60%
Primary school	10.60%
High school	6.80%

Legend: ◼ 0-15 ◼ 16-30 ◻ 31-60 ◻ More than 1 hr ◼ N/A ◼ Don't know
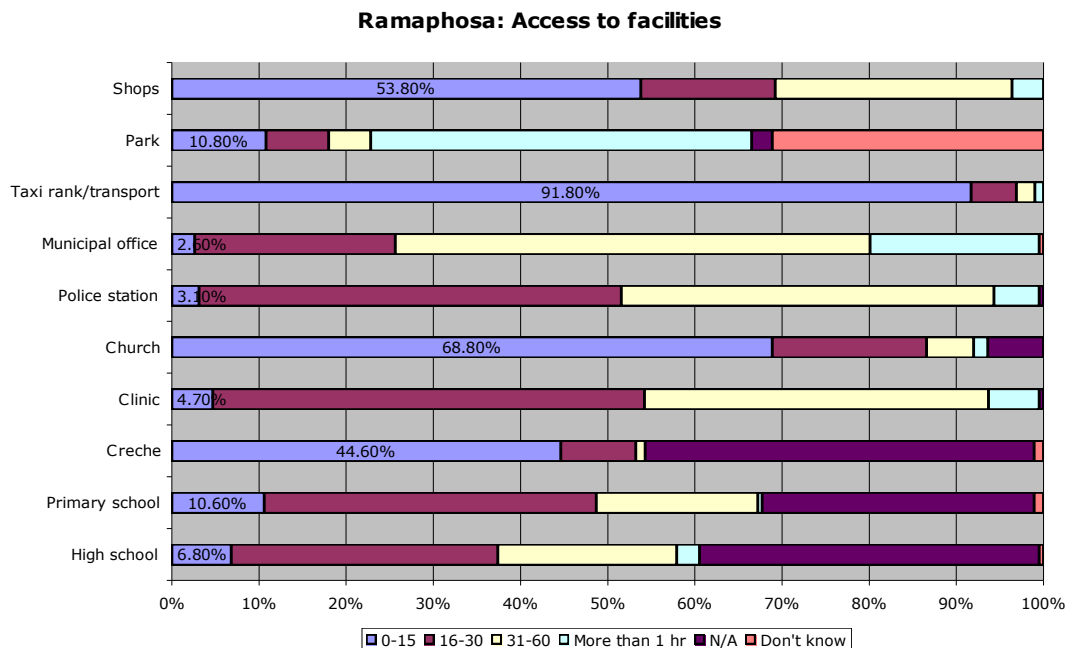
Figure 21. Egoli Village: Access to facilities

Egoli Village: Access to facilities

Facility	Value shown
Shops	35.60%
Park	28.40%
Taxi rank/transport	85.10%
Municipal office	1.00%
Police station	2.00%
Church	45.40%
Clinic	3.10%
Creche	23.80%
Primary school	25.70%
High school	22.00%

Legend: ◼ 0-15 ◼ 16-30 ◻ 31-60 ◻ More than 1 hr ◼ N/A ◼ Don't know
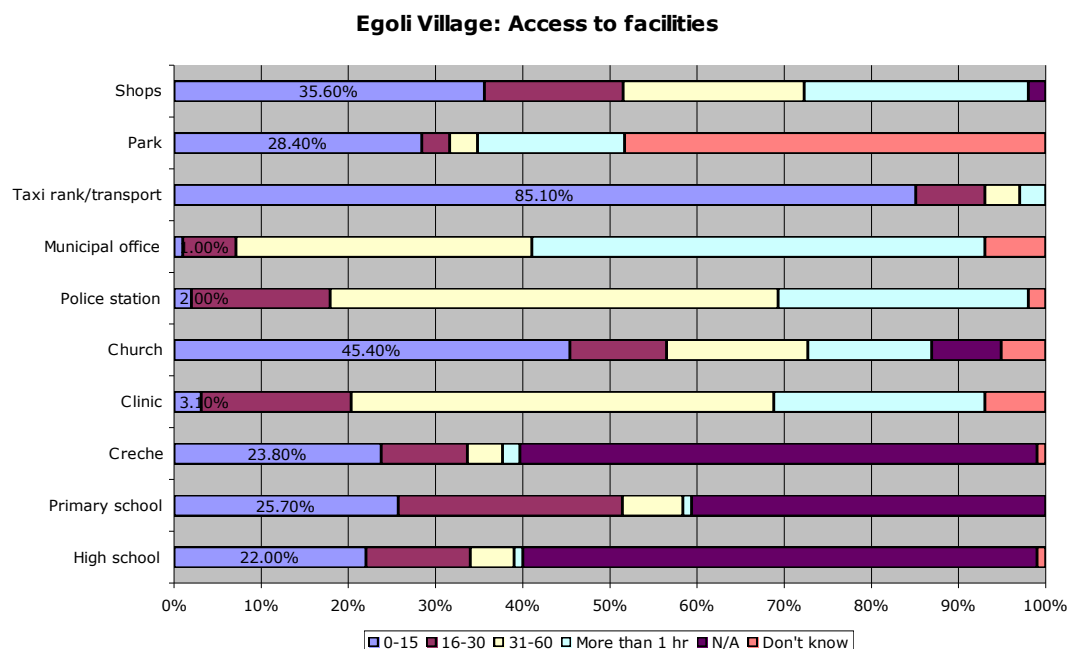
The location of Egoli Village has much to recommend it, with a great many facilities very close by (Figure 21). For almost a quarter of households, high schools, primary schools and crèches are less than 15 minutes away and 85.1% can get to a taxi or other form of transportation in a quarter of an hour. Getting to a clinic takes most people (48.5%) between a half and a full hour, which is the same amount of time that it would take 51% of households to get to the police station. The municipality does not seem to be well located for

any of the settlements and it takes the residents of Egoli Village over an hour to reach it. Almost 65% report that the shops are too far away (more than 15 minutes) and a quarter of the residents have to travel for over an hour to get to any retail activities.

The settlements seem to be generally well located and all are well serviced by taxis and other forms of public transport, which allow residents to travel easily and quickly, if not cheaply or safely. Schools seem to be easy to access but police stations, clinics and the municipality although not far, could be considered out of reach during an emergency or when someone is ill or in need of help.

2.2.12 <u>Summary of settlement profiles</u>

The key features of the three settlements are summarised in the Table below.

Table 7. Summary of settlement profiles

	Tokyo Sexwale	Ramaphosa	Egoli Village
Settlement Status	Informal Settlement	Upgraded and Relocated	Greenfield Formal Settlement
Housing Typology	96% Informal Dwellings	77% RDP units 20% Informal dwellings	97% Formal Units
Dominant Tenure	31% Occupying 33% Intermediate Ownership 15% looking after	76.8% Formal ownership	54% Formal ownership 17% Intermediate ownership
Access to Services	91.4% Communal taps 82% In-yard toilets 96.1% no refuse removal	95.5% In-yard taps 96.6% In-yard Toilet 97.9% do have refuse removal	74% In-house taps 96.7% In-house toilets 98.1% do have refuse removal
Receive Bills from the municipality	95.5% No	84.1% Yes	58.6% Yes
Access to facilities	Good access to schools, shops, and transport	Good access to all facilities	Generally well located – shops further than other settlements
Mean Household Size	3.08	4.41	3.38
Mean Age of Head of Household	38.17	43.7	42.03
Gender of Head of household	41.7% male 58.3% female	31.8% male 68.2% female	27% male 73% female
Race	99.3% Black	87.6% Black 12.4% Coloured	99% Black

2.3 TENURE SECURITY

This section addresses the social and economic impact of land titling with respect to tenure security. Tenure security is defined as protection from forced eviction without procedural safeguards and entitlement to some form of compensation. This definition suggests that tenure security does not only apply to formally owned claims to land rights. For example, as noted above, the Prevention of illegal Eviction from and Unlawful Occupation of Land Act 19 of 1998 creates some measure of tenure security for people who originally occupied land informally because it specifies the process through which evictions should take place and requires that alternative accommodation be provided for those people that are evicted.

2.3.1 Description and distribution of tenure claims

There are gradations of tenure in the case study sites. These have been defined in Table 8 and are structured around the legal characteristics of the settlements' development; inhabitants' possession of documentation; and the nature of the documentation that represents the agreement (i.e. title deed, application form, personal receipt, verbal agreement). It is important to acknowledge these different types of tenure because the distinctions between them have implications for understanding the impact of land titling. The data suggests that titling does not only have an impact on the households that actually receive the title, but also impacts on people who, while they hold different tenure claims, observe the impacts of title on the titled households. The differences between the different types of tenure are not hard and fast. In some situations, the respondents in the case studies interpreted their tenure claims in very different ways – sometimes erasing differences between the different types and on other occasions emphasising differences.

Table 8. Types of tenure

Type	Definition	Manifested by
Formal ownership	Residents live in an area that has been surveyed and registered. Descriptions of the parcels of land are lodged in the Deeds Registry and residents are in possession of the original title deed to the erf on which they are living.	Original title deed[62]
Intermediate ownership	Residents live in an area that has been surveyed and registered. Descriptions of the parcels of land are lodged in the Deeds Registry and residents are in possession of documentation that indicates that they will eventually gain possession of a title deed to the erf on which they are currently living.	"Happy letter" confirming the resident's satisfaction with the services/dwelling and allocation to a specific erf.
Expectation of ownership	Residents are in possession of a document that indicates that at	C-Form demonstrating an application for housing/land

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[62] An original title deed refers to a deed that has been issued by the Deeds Office and excludes title deeds that may have been purchased or transferred informally.

Type	Definition	Manifested by
	some time in the future, they will gain possession of a title deed but to a parcel of land that has not yet been identified. There are two kinds of forms that households are issued with: B-forms and C-Forms. C-forms are issued to residents when they apply for low income government housing subsidies, the C-form simply places an applicant on the waiting list for subsidized RDP housing wherever suitably available (see Box 1). The B-form has created some confidence among people, in fact they believe it confers specific 'rights' to their site until such time as they receive an RDP house (Himlin et al., 2007).	has been lodged and is being reviewed. B-Form demonstrating that an application has been lodged specifically for the place in which the household or individual is living
Informal ownership	Residents live in either a registered township or informally and do not have any original documentation to prove their claim.	Informally transferred title deeds, application forms, or other official documentation or receipts of sale.
Occupying	Residents live informally or illegally on land.	Physical presence on invaded land
Formal rental	Residents possess a rental agreement in an area that has been surveyed and registered. Descriptions of the parcels of land are lodged in the Deeds Registry and landlords are in possession of the original title deed to the erf on which the tenants are living.	Physical presence in rental unit in formalised area, usually agreed verbally
Informal rental	Residents rent from landlords who themselves do not have any original documentation to prove their claim.	Physical presence in rental unit in informal area, usually agreed verbally
Looking after	Residents have negotiated or have been required to (temporarily) occupy a piece of land on behalf of someone else that retains the primary claim to the parcel of land.	Documentation unlikely; occupation is confirmed by physical presence and verbal agreements with owner and neighbours.

Respondent 33, 5 reports that "I have to get the C form from the Department of Housing in Boksburg so that I can prove that I own the stand, I'll give them my name and ID and bring the person who will tell the department that he or she is in control of housing in Tokyo. But still there is no payment that is done. It will only be the bus fare for the person who I will take with me to the department of housing then I will get that C form and after that I will know that I am the landlord on my stand."

Box 1. One of the processes of obtaining a C-Form in Tokyo Sexwale

The process of obtaining C-Forms is not always straightforward (Box 2).

Box 2. Bureaucratic delays

> **Respondent 39,** (2) recalled that "first, I used to attend meetings where we filled in forms, then we got feedback that those forms had failed, those forms were written in Afrikaans. They were filled in at the community offices. We had to fill in new forms but someone at the office stole them so now we had to send our delegates who were going to be taught how to fill in these forms for us. These forms that we were going to sign, for the third time, were called the C- forms. These C-forms were given to us at the time that we registered. The only thing that took time was for us to receive the title deeds."

In Figure 22, the distribution of these tenure claims are represented. However, before considering this distribution, it is worth recalling that the purpose of the research was to identify people that were in possession of original title deeds to gain as comprehensive an understanding of the impact of titling as possible. There was therefore a deliberate bias in the sampling process to identify people that were in possession of original title deeds in the two case study areas where this was possible (Ramaphosa and Egoli). Interviewers were instructed to sample from erfs where there was initial evidence that the resident possessed a title deed. This initial evidence was that an RDP-style dwelling had been constructed on the site or that the site had services such as sanitation and electricity.[63] This sampling strategy did not preclude the possibility of informal sales or rental agreements having been struck up subsequent to the issuance of the original title deed. Consequently, this graph shows the distribution of tenure within the *sample* of households and does not necessarily reflect the distribution of tenure claims across the entire population.

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[63] This was taken as evidence of a title deed having been issued because the RDP-style houses can normally only be constructed when the beneficiary of the sites and services component of the Housing Subsidy Scheme matches up with the beneficiary of the housing component.

Figure 22. Overview of tenure claims in the research sample

Overview of tenure
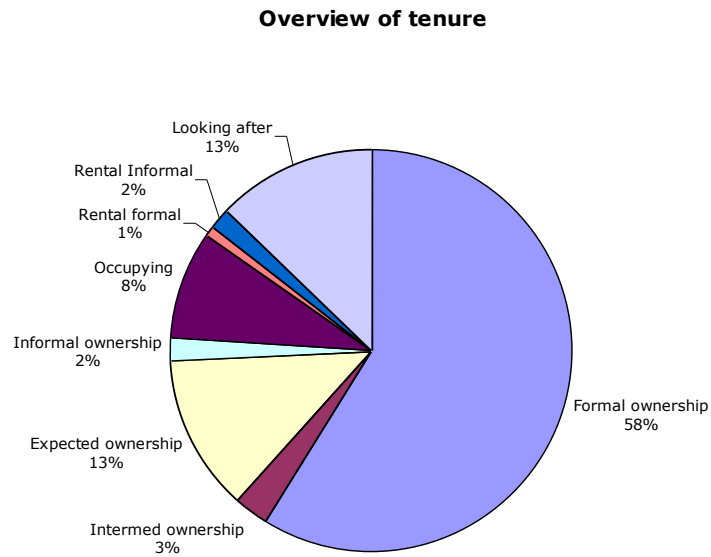
Within the sample of households in the three settlements (informal settlement, upgraded settlement and greenfield project), Figure 22 shows that 58% of the sample holds claims of formal ownership. The rental market appears very small in this sample, with formal and informal rental arrangements only being entered into by 3% of respondents. The proportion of households (13%) who are 'looking after' land and dwellings probably compensates, at least to some extent, for the apparently limited rental market. The 'looking after' category of tenure contains a mixture of relationships, some of which may have a financial dimension (see Figure 26). The 'looking after' category suggests that there are significant numbers of people that wish to retain their claim to an erf or parcel of land but have had to temporarily relocate somewhere else.

These tenure types are distributed across the case study settlements as follows.

Figure 23. Tokyo Sexwale: Distribution of tenure claims

Tokyo Sexwale
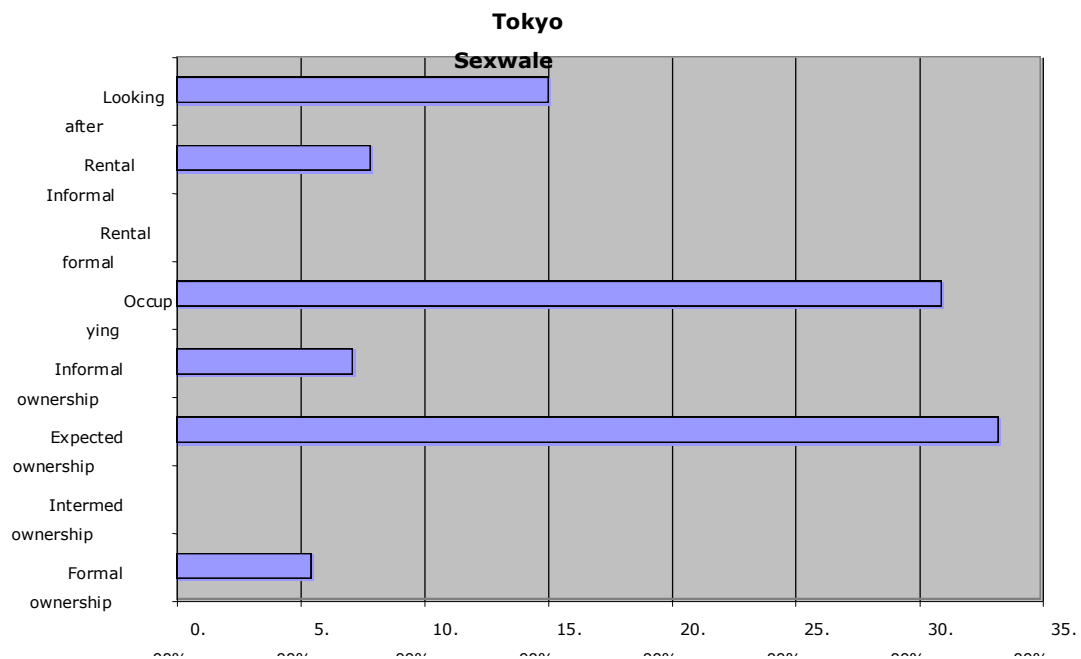
Figure 24. Ramaphosa: Distribution of tenure claims

Ramaphosa

70
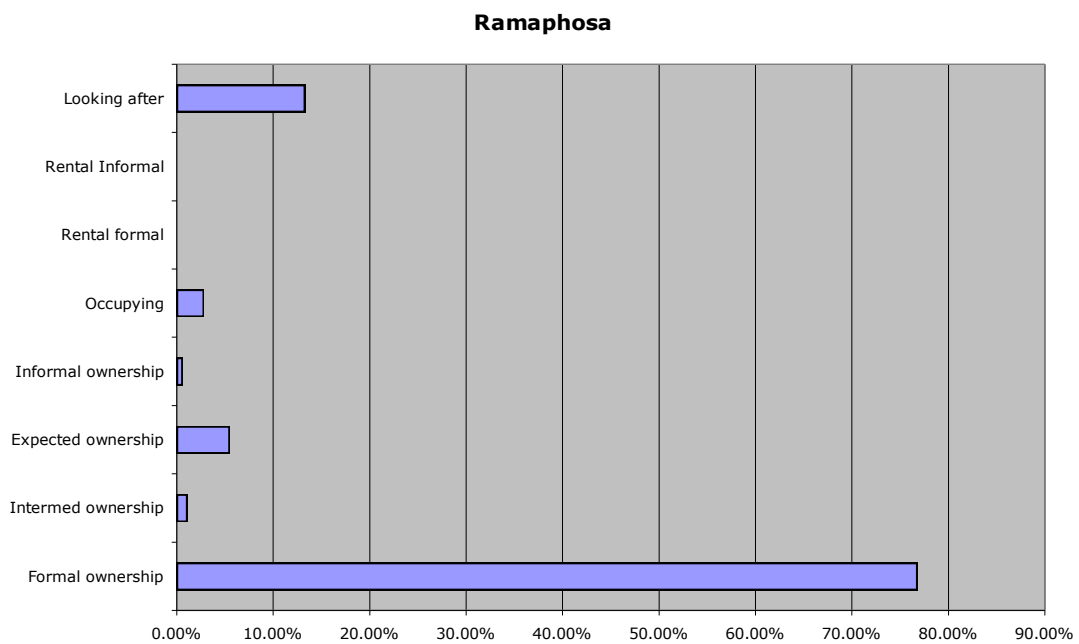
Figure 25. Egoli: Distribution of tenure claims
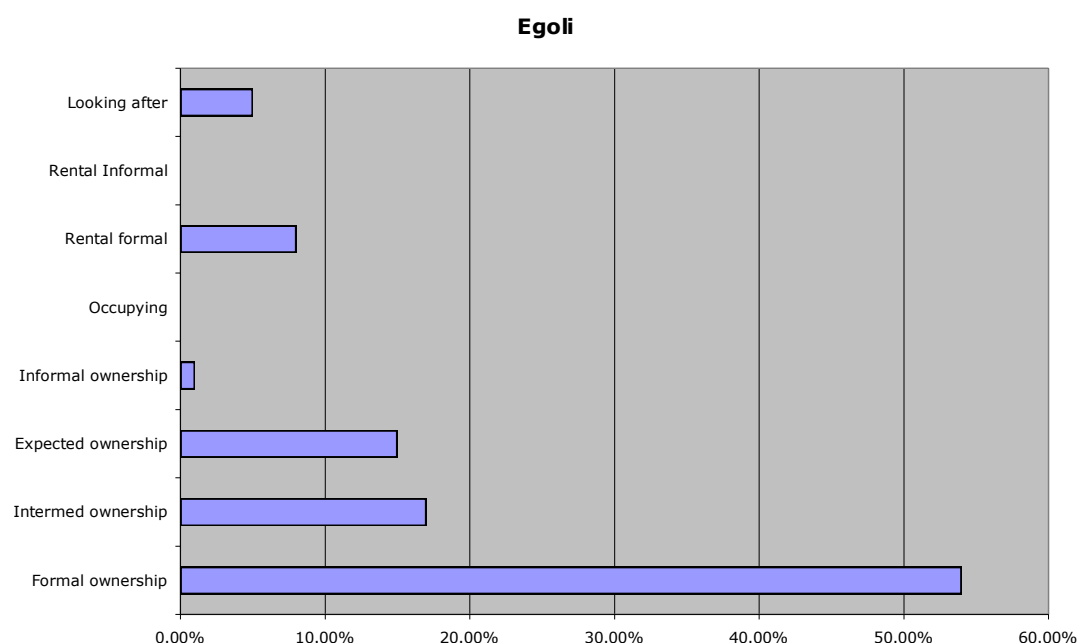
The category of 'looking after' requires further specification since this is not a formal tenure type but is one of the three dominant types of claims that exist in the case study settlements. Examining the nature of the category of 'Looking after', it is clear that it is a fairly wide concept. The results in Figure 26 indicate how household heads that are 'looking after' a dwelling responded to the question: "How did you get this piece of land?" While the biggest proportion (37.4%) is 'looking after it for someone else', there are considerable variations on this theme. The involvement of the state in the form of municipal officials (27.2%) and councillors (15.2%) adds a new dimension to an understanding of tenure that was conceptualised in this research as being negotiated within family and social networks. The concept of 'looking after' also includes inheritance arrangements and purchasing from another person.[64]

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[64] Thubelisha Homes is a company that acts as a 'support institution' to the National Department of Housing.

Figure 26. Components of the tenure type: 'Looking after'

Components of the tenure type: 'Looking after'
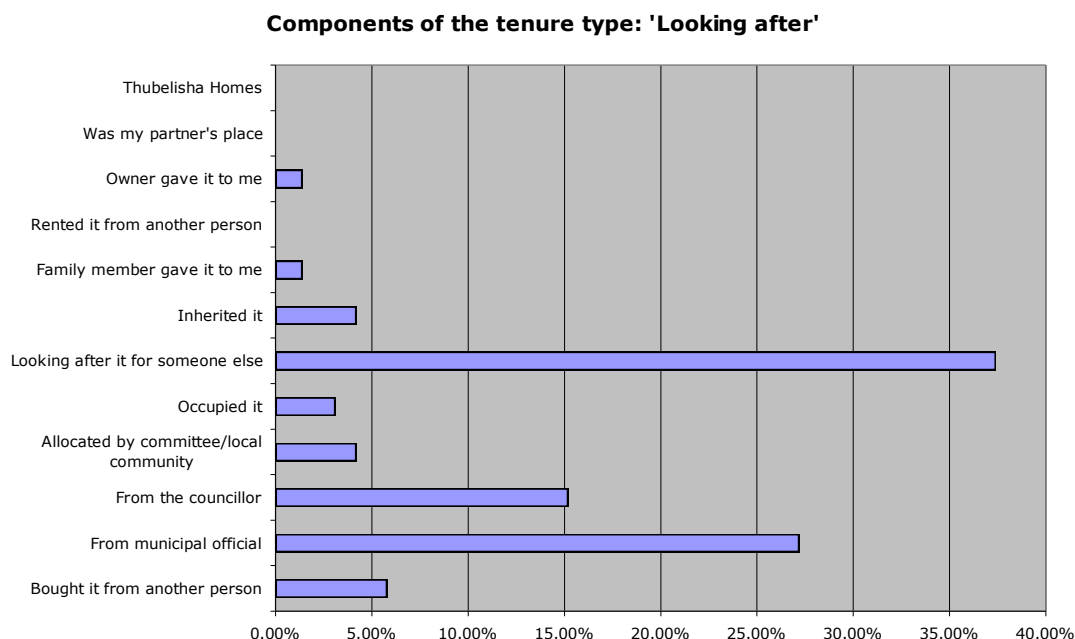
Returning Figure 22, the results suggest that 61% of the household heads in the sample (59% formal ownership plus 3% intermediate ownership) either have original documentation relating to their erf or that it will be obtained in relation to the erf on which they are currently living in the near future. Those that have some expectation of formal ownership (but for which no specific piece of land has been identified) comprise 13% of the sample.

The sample therefore contains a good proportion of households that actually hold title deeds to enable us to draw some conclusions about the impact of titling.

2.3.2   Perceptions of tenure security

People's perception of security is an important aspect of their actual security. In this section we present the findings that relate to people's perception of whether they own the land/housing on which they reside, whether they have had any experience of being evicted, and whether they feel anyone could evict them. The general picture is that respondents in the sample feel very secure about their current and future tenure claims.

The results represented in Figure 27 are important for two reasons. First, the results suggest that there are very clear distinctions made between the different types of tenure. 'Ownership', broadly defined, is different to 'occupying', which is different to 'rental' and 'looking after'. This implies that there is little ambiguity in the respondents' minds about the norms and expectations associated with the different categories.[65]

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[65] This is not to say that there are not variations in the ways in which people configure, or arrive at, the different tenure types, as demonstrated in the case of 'looking after'.

Figure 27. Basis of occupation across tenure types

Basis of occupation of land
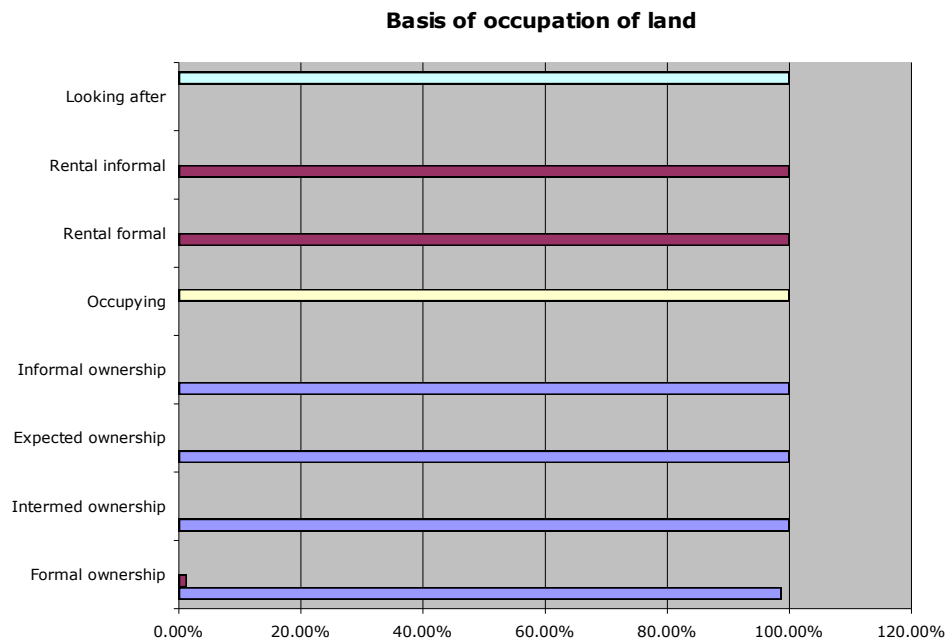
Figure 28. Distribution of claims by settlement

Distribution of ownership claims by settlement
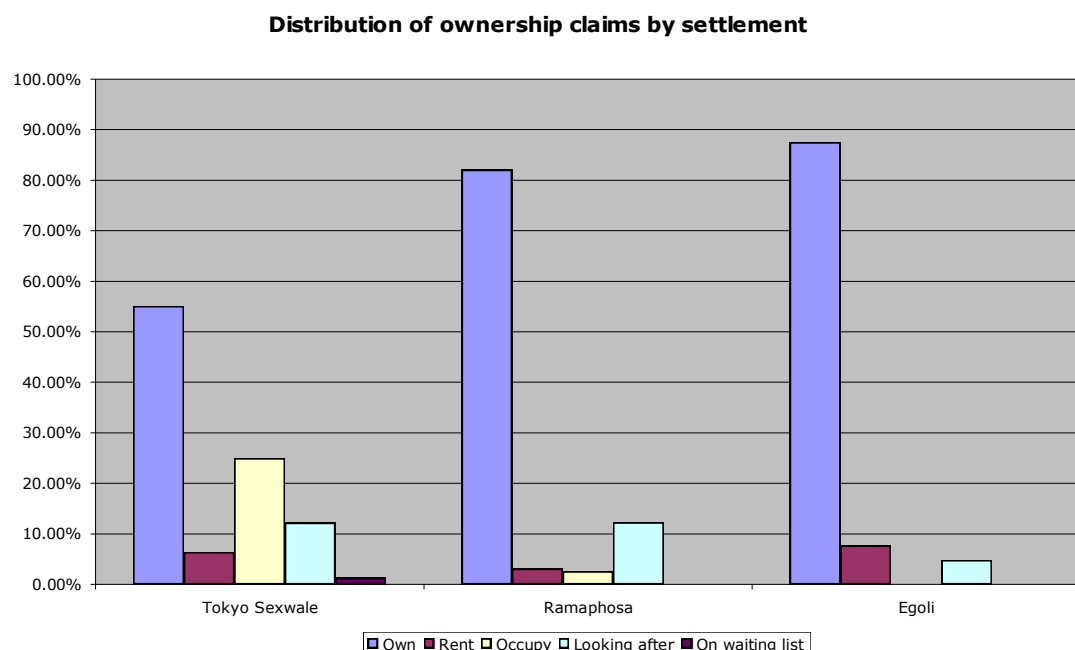
The second reason follows on from the first and points to the emergence of ambiguities between kinds of ownership. The category of tenure described as 'ownership' stretches from formally recognised forms to informally recognised forms (informal ownership is 2.7% of those households owning). Through reviews of the focus groups and the in depth interviews it became clear that the respondents are erasing important differences between the tenure types. The different forms of tenure are likely to have different justifications for the claims that are made i.e. households in informal settlements still claim that they own (see Figure 27) their properties even though formal ownership in these circumstances is not technically

73

possible. It would therefore seem that households do not need to have formal title to a place to believe that they own or have some form of ownership of their homes.

The second aspect of tenure security that was investigated was whether the respondents had had any experiences of being evicted, by which is meant the forced removal from their homes either through demolition of their units or being told to leave their dwellings. In this case, it was not assumed that the government was the only authority able to evict households, and respondents were asked about if they had been asked to leave by family and community members. Somewhat surprisingly, given the historical racial manipulation of land in South Africa and the average age of the household heads of the sample (42 years) very few household heads have experienced being evicted (Figure 29). This suggests that, for the most part, household heads in the sample have no direct experience of tenure insecurity.

Figure 29. Eviction
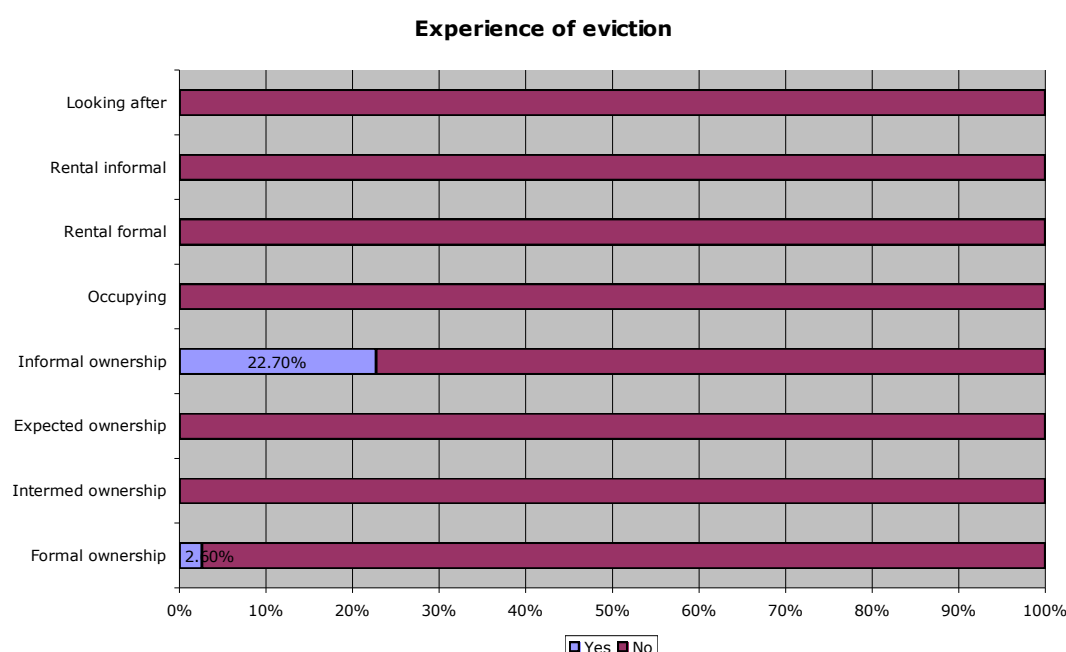
The third aspect that was considered was whether people thought that somebody could evict them from their current place of residence – irrespective of their current claim. From Figure 30 it is clear that the majority of respondents across all tenure claims feel secure where they are. However, almost all the households that hold more formal kinds of 'ownership' appear to feel more secure, while a slightly larger proportion of households with other forms of tenure feel vulnerable, especially tenants. Households that are renting formal dwellings appear to be the least secure, with over a third feeling vulnerable to eviction. The most common source of insecurity amongst households with formal ownership (41.7% of those feeling vulnerable to eviction) is that the 'family of the people I bought it from' will contest the transaction.

Figure 30. Can someone put you out of this house/land?

Do you feel someone can take this house/land away from you?
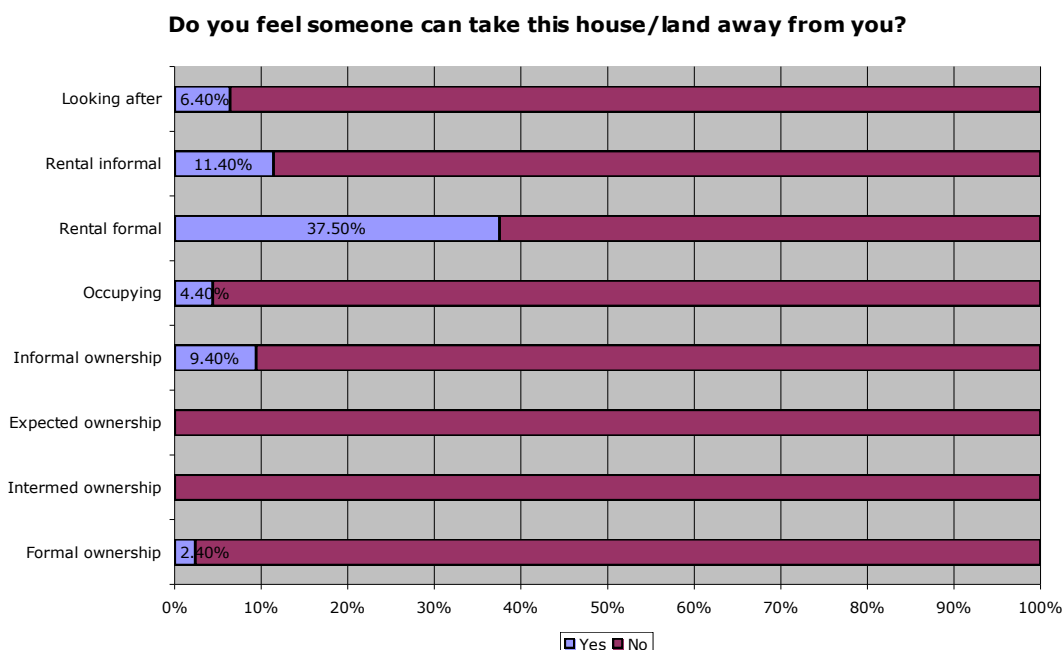
The results suggest that tenure security is not only dependent on holding a title deed to a dwelling/land. In the following sections, we investigate the possible sources of the perception of security.

2.3.3   Source of different tenure claims

In this section, we analyse the data in terms of possible reasons why the perception of tenure security is so high, despite the diverse set of claims that are held.

Figure 31 presents an overview of the four different ways that people obtained their current place across all tenure types. The data was aggregated to distinguish between procedures that went through 'private', 'state', 'community' and 'occupation/ invasion' channels. 'Private' refers to personal agreements that were made to purchase, rent or 'look after' a place between two parties. 'State' refers to either allocations that occurred through municipal officials or councillors. 'Community' comprises allocations that were made through the processes associated with the local development committee(s). 'Occupation' refers to instances where no explicit agreement to use the land was sought by the people settling.[66] The purpose behind this categorisation was to obtain some idea of the nature of the institutional support that each household could claim for their settlement on the land. This is because the allocation systems are all part of more complex institutional configurations (Rakodi and Leduka, 2004).

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[66] This does not mean that there were not any implicit agreements amongst those occupying the land informally.

Figure 31. Allocation procedures

Allocation procedure
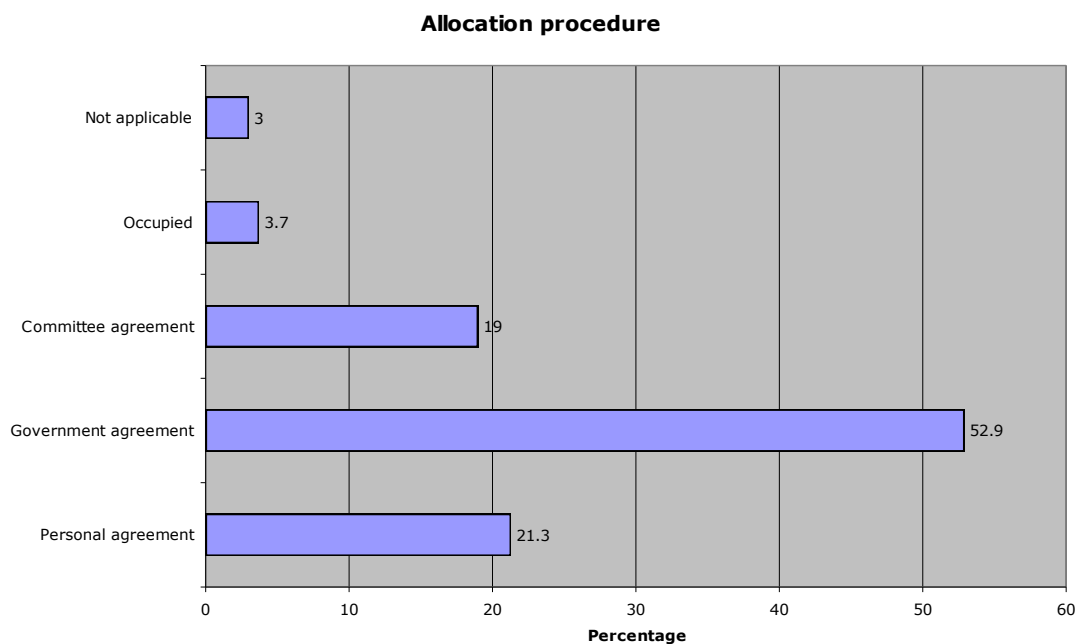
The dominance of 'state' processes is clear in Figure 31. More than 50% of households across all tenure types in the case studies obtained their dwelling/land through a mechanism associated with the state. This suggests a high level of institutional support for the claim that the households hold. Although perhaps not as strong as a 'state' allocation mechanism, about one in five households (19%) obtained their land through the local committee brokering the transaction. Those with the weakest tenure security, who had very little means of resorting to institutional support to back up their claim, represent a very small proportion of the sample (3.7%). Somewhere between the strength of 'state-backed', or at least 'state-associated', allocation systems are the 21.3% of households that made some kind of personal agreement to transact. We could hazard a guess that household heads that obtained their claims through institutional channels with weaker formal support are likely to be reassured by the dominance of the state in the settlements and the protection this affords those households that obtained their land through 'state' mechanisms.

Households seem to trust the system of housing and land provision and feel secure, no matter where they are in the housing process. There is a strong sense that irrespective of what kind of claim the individual or household may have their claim is protected. The perception seems to be derived from two observations, the first is that it is the government who gave them the piece of land or document, which is then reinforced by the fact that people around them are actually getting land and title. This data is presented in greater detail in Figure 32.

76

Figure 32. How did you get this piece of land - detail
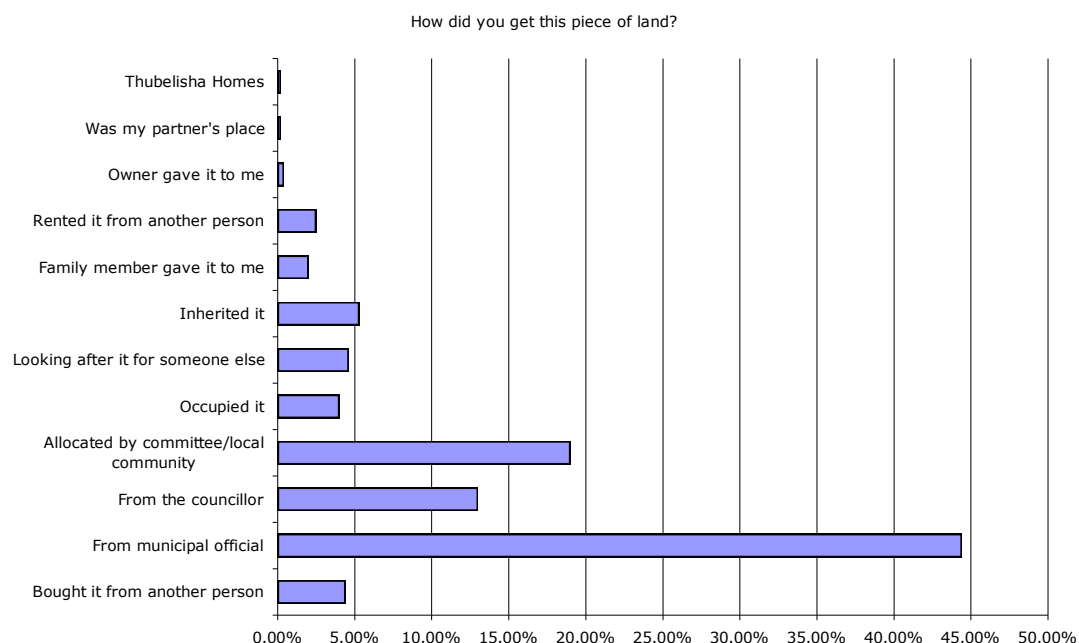
In Figure 32 the dominance of the state in allocating land is clearly evident, with 44.4% of the respondents across all tenure types indicating that they had obtained their current land through a municipal official. A further 15.2% perceived the local ward councillor to be their main conduit to obtaining the land. There are some differences between the three sites: in Tokyo Sexwale the most common way of accessing land was through the local community or local committee, over two thirds of informal residents were able to access their homes in this way. In contrast, almost half of the residents of Ramaphosa said that they had accessed their homes through a municipal official and 15.5% said that it was through a local councillor. However the semi-formal nature of the settlement is reflected by the proportion of households (17.1%) who were allocated their dwellings through the local community or committee. Within the formal settlement of Egoli Village, almost three quarters of the respondents claimed that they were allocated their homes by a municipal official and a significant percentage (8.6%) said that they were able to get their homes through the local councillor. The wide range of 'personal' allocation mechanisms is evident, with 'inheritance' standing out as one of the most important.

A further factor that could explain the high security of tenure is the duration of households' claims to the land. In Figure 33, the year that households moved to the case study areas is represented.

Figure 33 suggests that the communities in the three case studies are relatively established and stable. Apart from 'Formal rental' the majority of households across the different tenure types have lived in the area for more than three years and this generates a perception of security (see Box 3). The noticeable difference relates to rental – both formal and informal. Although households that are formally renting make up a very small proportion of the overall sample (1%), it is interesting to note that 62.5% of these households had moved into the area in the previous two years. The shorter duration of renting could indicate that a rental market is still emerging, but could also reflect the nature of the rental market and the fact that some households rely on tenancies precisely because they are of shorter duration and require less household fixed investment.

77

Figure 33. Year moved to the area by tenure

Year moved to this place by tenure

legend: ☐ less than 1 year ■ 1-2 years ☐ 3 +
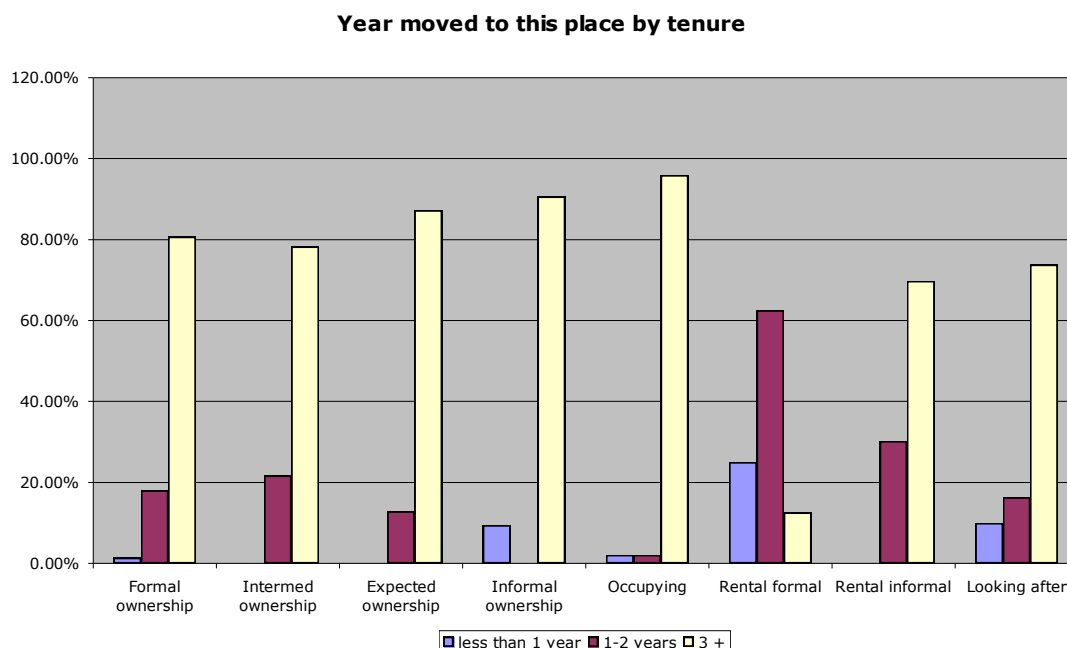
Box 3. Length of stay

> **Respondent 33, 14** stated that "even if I don't have a C form, after all these years I don't think anyone can move me from my stand…. Because if there was anyone who also wanted this stand they would have came a long time ago because counting the number of years I have been here, it's been a long time, 11 years is too long unless I am given another place to stay, that is the only way I can be moved."

There is generally a substantial intervening period between being allocated land and obtaining a title deed and since households experience complete security and their claims seem to be recognised and respected by both the community and the authorities. Thus the longer households reside in a particular place, irrespective of whether they have the title deed or not the more they feel that the place is their own. In Figure 34 the data is presented for only those households that hold formal ownership claims, as these are the households that are most likely to have title deeds to their current dwelling/land. It suggests that there is likely to be at least a two-year delay between when households were allocated the land on which they are currently living and when they were issued with their title deed. Figure 34 also shows no clear association between when people were allocated land and when they were issued a title deed. There is therefore little basis for resident households to associate residence on land with title deeds. Although over 80% of the respondents with title deeds have never used them for anything, there is anecdotal evidence from the in depth interviews to suggest that having a title deed is desirable, not because it makes the tenure more secure but rather as a document that proves ownership. The findings suggest that irrespective of

length of stay or documentation, most households seem to feel that they have a substantive claim on their dwellings and land, title just seems to demonstrate ownership and there is a sense that ownership is desirable more for its own sake rather than because it is particularly useful.

Figure 34. Formal ownership: Year obtained land and year obtained title deed

Formal ownership: Year obtained land and year obtained title deed
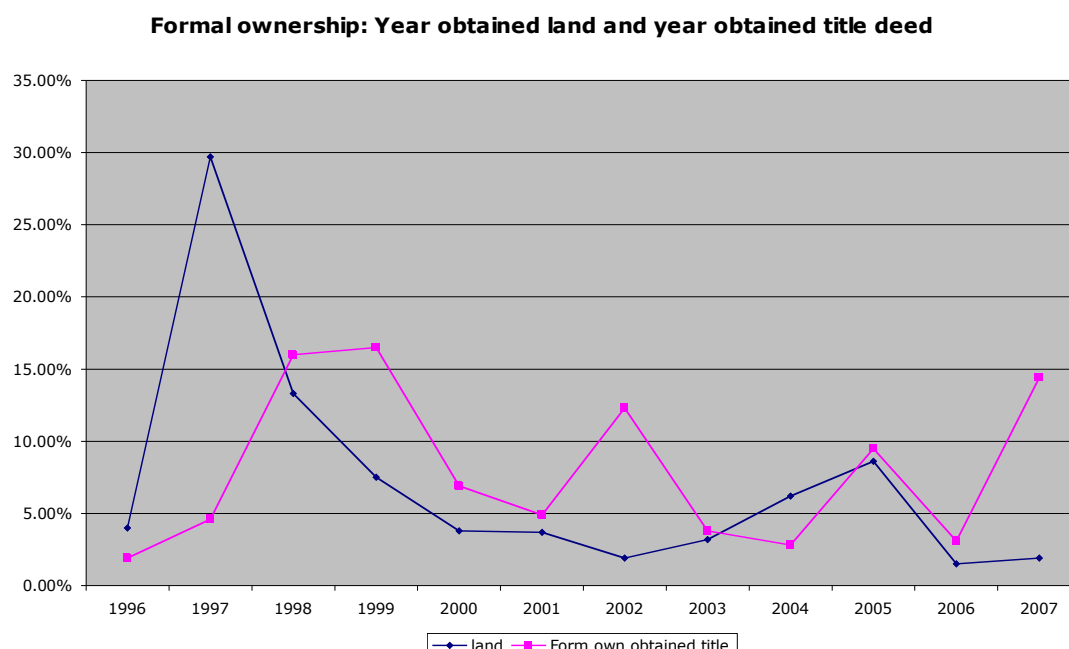
2.3.4 Tenure security based on claims to land elsewhere?

In order to evaluate whether the respondents' sense of tenure security in their current place was based on stronger claims to other places, the questionnaire focused on whether people had claims to other places that were held concurrently with the existing claim in the case study sites and whether they had another place they considered home.

Overwhelmingly, and across all tenure types, 95.2% of respondents reported that they did not hold any claims to another land/dwelling. The biggest proportion of those households that held a claim somewhere else were amongst those currently holding 'informal rental' (10.2%). Interestingly, this was followed by those currently holding formal ownership, 6.3% of which own a house/stand somewhere else. Of the households that currently hold formal ownership claims and own a house elsewhere, 70% relate to land and housing in rural areas.

Despite 95.2% of all respondents stating that they did not own a property elsewhere, 59.1% indicated that they did have another place they considered home. The percentages across the different categories of tenure ranged from 50% - 69.8%, with the exception of households currently holding 'informal ownership', where 91.3% of respondents indicated that they had another place they considered home.

Figure 35. Description of other home - overview

Description of place considered home
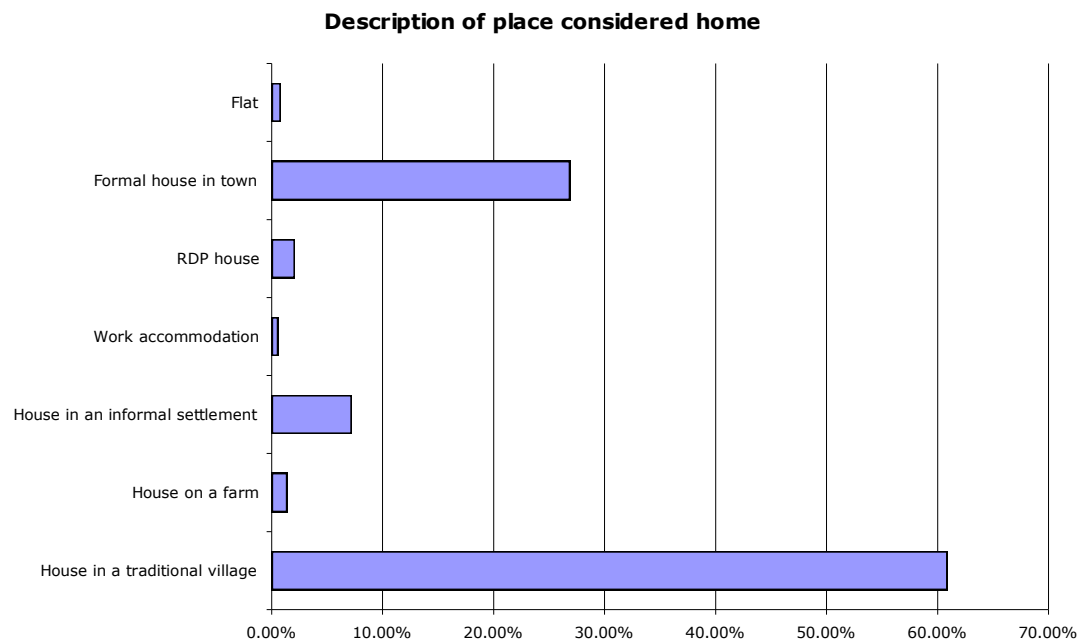
The majority of household heads identified the place they consider 'home' to be a house in a traditional village (60.9%). For 86.1% of all respondents who have another place they consider home, this place is in another province.

Of households that indicated that they had a 'formal house in town' that they considered 'home', the majority were households who currently hold 'formal ownership' (55.3%). This suggests that their main household has already urbanised and that household members have taken the opportunity to escape overcrowded family homes and achieve some independence.

The responses across different forms of tenure confirm this picture. In Figure 36, the proportion of households across all tenure types that indicated that their other place considered 'home' was a house in a traditional village is shown.

Figure 36. Description of place called home - house in traditional village across tenure types
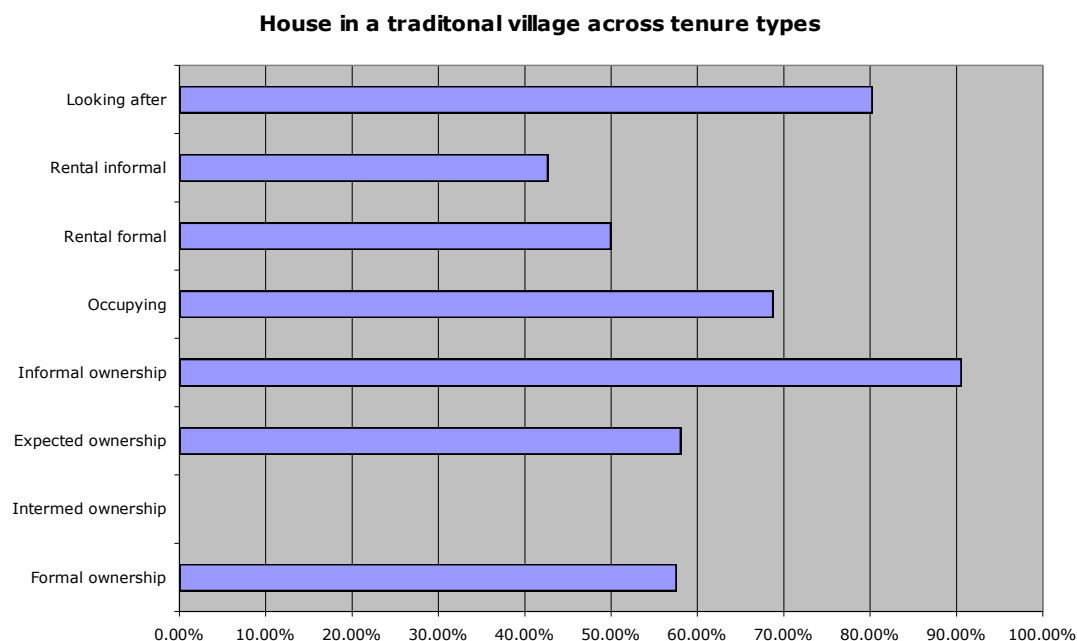
The two predominant reasons why respondents identified another place that is considered to be home is because the respondent's parents live there (24.2%) or because they were born there (57.8%).

For the most part, however, most households (across all tenure types) invest most in the place in which they are currently staying. There are differences between the three dominant tenure types: 'formal ownership', 'expectations of ownership', and 'looking after', with a larger proportion of formal owners and residents 'looking after' the property investing than those expecting ownership. A larger proportion of tenants and informal owners invest in the place considered 'home' than of other owners or occupiers, although surprisingly even some informal tenants invest in their current dwelling. Where households hold formal rental claim to the place they are currently living, the majority of respondents in this category appear not to invest and/or invest more in the place considered 'home'. This seems to be a logical strategy.

Figure 37. Investments in current place and place considered home

Where invest the most

Legend:
- Can't invest
- Have not invested
- Invest in one back home
- Invest in both
- Invest in current

Categories (top to bottom): Looking after, Rental informal, Rental formal, Occupying, Informal ownership, Expected ownership, Intermed ownership, Formal ownership

X-axis: 0.00%, 10.00%, 20.00%, 30.00%, 40.00%, 50.00%, 60.00%, 70.00%, 80.00%, 90.00%

82
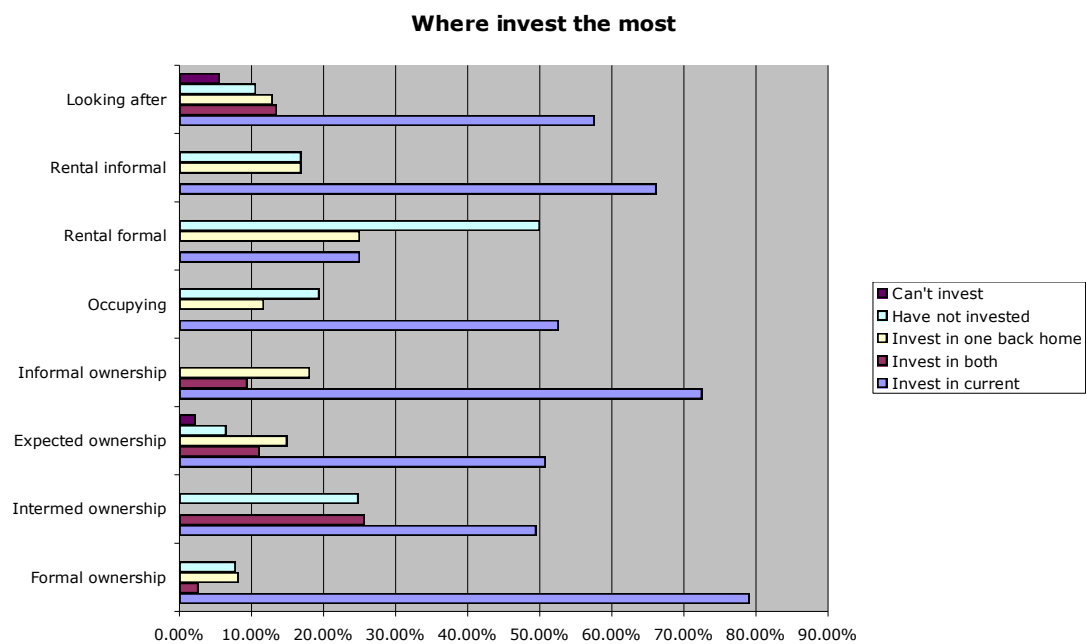
2.4 INVESTMENT IN HOUSING

There is a key assumption in much of the literature around titling that the provision of land titles will increase investment by homeowners and the state. Studies by Field (2005) claim to provide empirical evidence of this assertion and seem to indicate that investment by low income households increases after home owners receive their title deeds or at the very least that some type of improved property right encourages investment by households. The hypothesis asserts that, by investing, households increase the value of their asset, which means that the amount that could potentially be redeemed through sale of the unit is higher. Further international studies, however, have revealed that formal property rights are just one factor that may influence investment and that length of tenure, state investment in infrastructure and location of the settlement may all play a role in decisions by households and homeowners to increase the amount of money that they spend on their unit. House improvements cannot be assumed to be merely profit-driven and some consideration needs to be given to the reasons why households invest, what supports their investment and what obstacles get in their way (Collins, 2006).

A portion of the survey questionnaire was dedicated to questions of house improvement and households were asked what improvements they had made to their current units, as well as why they had or had not completed them. Some sense of the costs of the improvements came from the qualitative interviews and provided for a greater understanding of why households had engaged in particular improvements and what inspired or limited their motivations and choices.

While a third of households in Ramaphosa and Egoli Village reported that they had improved their houses, only 10% in Tokyo Sexwale had done so (Figure 38). Over half of formal owners had invested in improvements, compared to around a third of informal and intermediate owners. As expected, formal tenants had not invested in improvements, and only 2% of occupiers, but rather surprisingly, 20% of informal tenants had done so. The reasons as to why residents of these particular settlements or households with these specific forms of tenure seem to be able to make improvements to their homes and increase their investment is unpacked in the next section.

Figure 38. Improvements by community

Improvement by community

Legend: □ No improvements ■ Some improvements
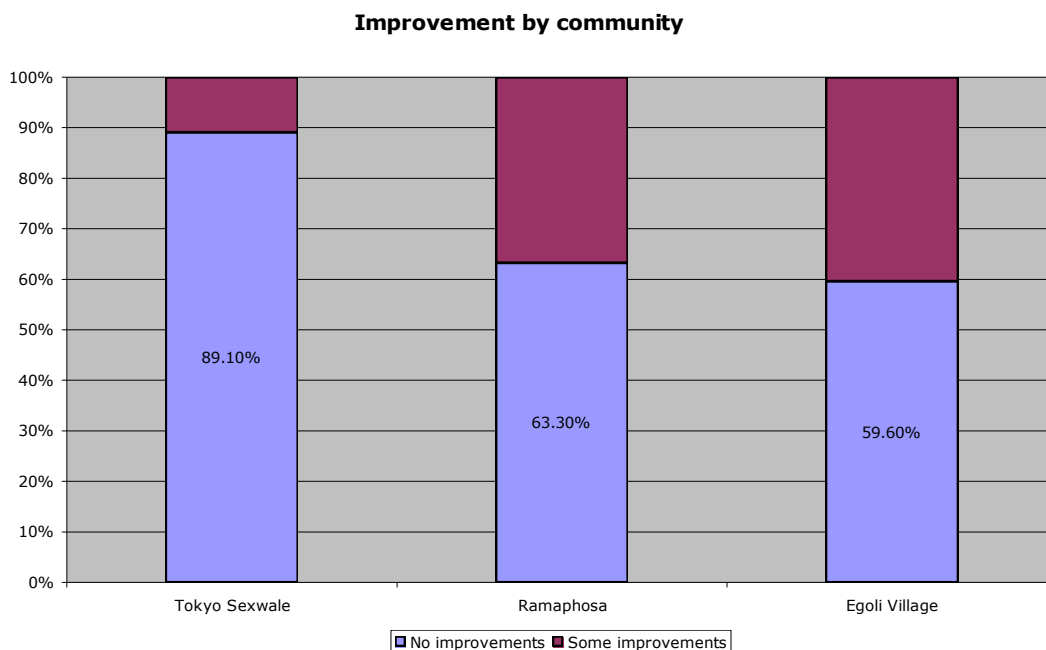
Figure 39. Improvements by tenure types

Improvements across tenure types

Legend: □ No improvements ■ Some improvements
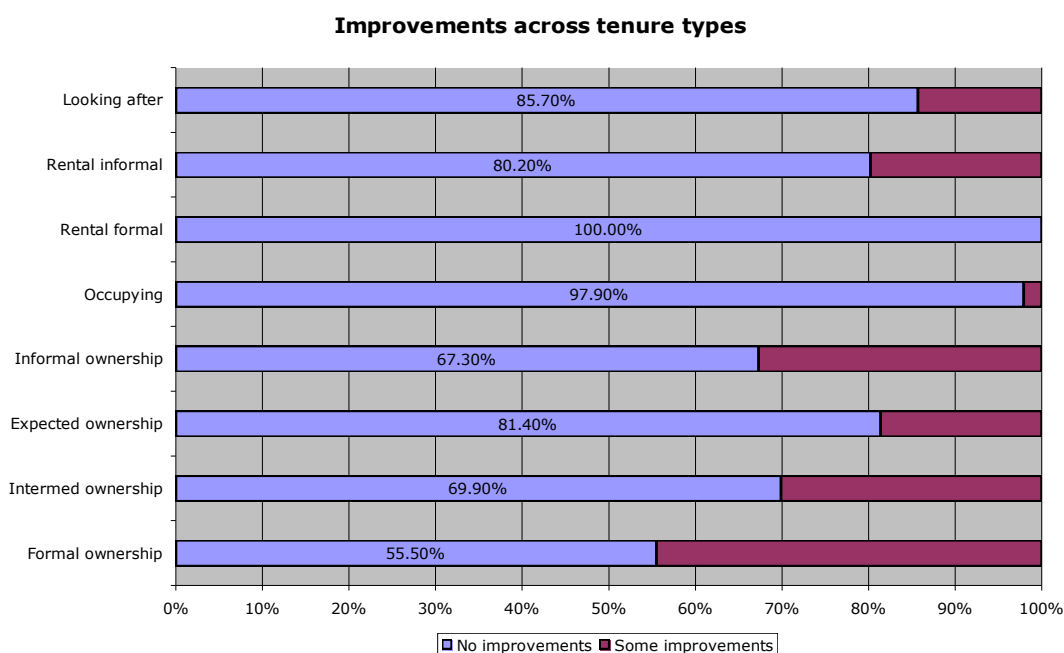
2.4.1 <u>Nature of house improvements</u>

The residents of the different settlements have made changes, which are highly dependent on what their current units need and what their physical environment allows them to do. Since there were so many different kinds of improvements across the three settlements, unweighted data, which shows the actual number of households who engaged in each of the improvement categories is used to get a sense of the kinds of enhancements that residents are making to their homes.

84

The most common improvements made in Egoli Village and Ramaphosa were plastering and painting (11.4% and 3.8% respectively), making alterations (5.7% and 7.6% respectively) and enlarging or improving their units (6.7% and 7.6% respectively). Since the RDP units that households receive are just bare brick faced units and since these are the kinds of units that most households with formal tenure have received, it is not surprising that many households have spent time and money plastering and painting their homes. Most of the people interviewed in the qualitative interviews explained that these changes were simply to make the house more beautiful or, as one respondent said, "When I came here the house was not painted, and I felt that I couldn't live in a house not painted. It was only bricks" (R17, 6). Of the male-headed households who had plastered and painted, 34.8% had plastered and 43% painted in 2005. Women-headed households tended to make the same improvements slightly later, with 32.5% plastering and 38.7% painting in 2006. One explanation for the difference, according to the findings of the qualitative interviews, is that many of the male heads of households said that they had done the plastering and other changes themselves, whereas most of the women heads of household said that they had employed people for the task and therefore had taken some time to accumulate the savings necessary to finance the improvements.

Fencing was another fairly common improvement. Most households have put in fences, for a few reasons. As R28 (page 6) concisely put it, "I have not done renovations, I only fenced the yard to protect my house and to show where my stand ends". Thus it would seem that firstly people fence their yards to designate the boundaries of their property and to ensure that the plot is protected from encroachment. A second reason is security, to enable households to protect their homes and families. Of the households who had fenced their properties, 46.8% of male and 56.2% of female-headed households cited security as their motivation. Security is certainly an issue for many women-headed households, which is demonstrated by the fact that 36.7% of whom had put in burglar proofing, as opposed to only 16.9% of male-headed households. The time and gender pattern of those who fenced is very similar to those who painted and plastered: women fenced their properties later (in 2007) than their male counterparts, 57.5% of whom fenced their properties a year earlier.

A higher proportion of households in Tokyo Sexwale had added a room than in either Ramaphosa or Egoli Village. This is likely to be due in part to the ease with which people can add to their structures in informal settlements, where no applications to formal bodies are needed in order to make the changes and there is often more space to add rooms. The residents of the formal units in Ramaphosa and Egoli Village are obliged to apply to the council for any changes that they want to make to their units and are often constrained by the rather awkward location of the units, which are placed in the centre of the stands, leaving little room to extend in most directions. Of the rooms that were added, most seem to have been for residential purposes, with 4.6% of male-headed households reporting that the additional room was for siblings to have a place to sleep, whilst for the majority of female-headed households (82.8%), reported that the extra room provided some necessary extra space for the existing household. Very few residents in any of the settlements stated that they added rooms for business or commercial activities, including renting them out.[67]

2.4.2 Benefits of house improvements

The improvements were also made for different household members. In Egoli Village householders have a strong sense of their units as a legacy to be passed on, with two thirds of the sample saying that they had made the improvements for their children. In Tokyo Sexwale and Ramaphosa most households (75.2% and 89.9% respectively) cited the fact that the improvements had been made for the whole family and the remainder referred to

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[67] Only 4.1% of the overall sample reported earning an income from rental.

benefiting other relatives. There were few differences between male and female-headed households in this respect: in most cases the changes were made for the whole family, with the exception of an additional room, which almost 30% of male-headed households but only 7.5% of female-headed households said was for the benefit of other relatives.

The benefits of the improvements are quite diverse and depend a great deal on their nature. Plastering and painting was said to make the house look nicer or more beautiful, while the addition of a room provided more space and a place for extended family members to stay. In very few cases did households mention the idea of improving the value of their property as a reason for the improvements and by the same token none of the households considered that the property had increased in value as a result of the improvements made. For the most part, the type of improvements that were made was a direct result of the needs of the households at the time and the type of housing that they inhabit.

One particular benefit was clearly felt: 90.9% of households that had made improvements felt that the place was more their own as a result of having made the changes (see Box 4). This was a general sentiment that was expressed in all three settlements, irrespective of housing or settlement type or gender (93% of male headed and 90.3% of female headed households concurred). There were, however, households who felt that the investment had made no difference to their living conditions and sense of ownership, with 17.3% in Tokyo Sexwale saying that the improvements had made no difference to their living conditions and a further 6.4% saying that they did not feel that the place was any more their own as a result of the improvements. It would appear that in the informal settlement of Tokyo Sexwale something more than the ability to improve one's home is needed in order to give households a greater sense of ownership.

Households do not take the decision to invest lightly: the findings seem to show that households with formal or intermediate title are more likely to invest in their homes than those without title. Overall 37.4% of households chose to increase the amount that they invested in their properties as a result of receiving some official documentation.

Box 4. Making changes, making it mine

> I have children and grand children whose mothers have passed away. They are three of them. My grandchildren are living at home, and schooling there. One of them was given to me. Her mother has a stand, so I have made the changes on the stand, so that the stand could be mine. Then the stand is under my name, because my grandchildren were under my control. Because when they died [the mothers], I didn't know who the fathers of my grand children were (R21, 6).

2.4.3   Reasons for house improvements

In light of theoretical claims that titling increases investment, the results are somewhat unexpected. In total, only 37.8% of households had increased the money they spent on their current place when they received the document substantiating their ownership (Figure 40) Of those saying that they had increased their investment as a result of receiving their documents, 84.4% were in Ramaphosa and Egoli Village. 40.2% of households in Ramaphosa and 23.8% in Egoli Village said that they had increased investment when they received their documents, which in these two cases were most likely to be happy letters or title deeds. Interestingly, 38% of households in Tokyo Sexwale said that they had increased

expenditure when they received their documents. This claim is supported by the result that 43.3% of all households with informal ownership claimed that they increased their investment once they had received some form of documentation. Conversely for 46.6% of households in Egoli Village, 41.7% in Ramaphosa and 33% in Tokyo Sexwale, receiving documentation made no difference to how much they invested. There were few differences between male and female-headed households who had received documentation. Over a third of male-headed households and 35.2% of female-headed households increased investments, whilst overall 41.1% neither increased nor decreased their investment, the percentage was much higher amongst male-headed households (50.6%) whereas in female headed households the figure sat at 37.2%.

Of the various ownership categories, informal owners were more likely to have increased their investment (43.3%), the main reason being that the shack needed fixing up (26.7%) or that extensions were required (12.4%). Pragmatically 23.6% of households in Tokyo Sexwale said that investment was increased to cover the cost of building materials. Respondents in households holding 'formal ownership' claims, however, reported that, for the most part, receipt of the documentation had little effect (43.8%), although over a third had increased their investment in their houses.

Table 9. Number of households that gave a lack of money as the reason why they had not increased investment on their dwelling once they had documentation to support their claim

Formal ownership	Intermediate ownership	Expected ownership	Informal ownership	Total
39.7%	33.3%	35.8%	36.2%	38.8%

Figure 40. Impact of documentation on investment across tenure types

Effect of document on money spent on current place
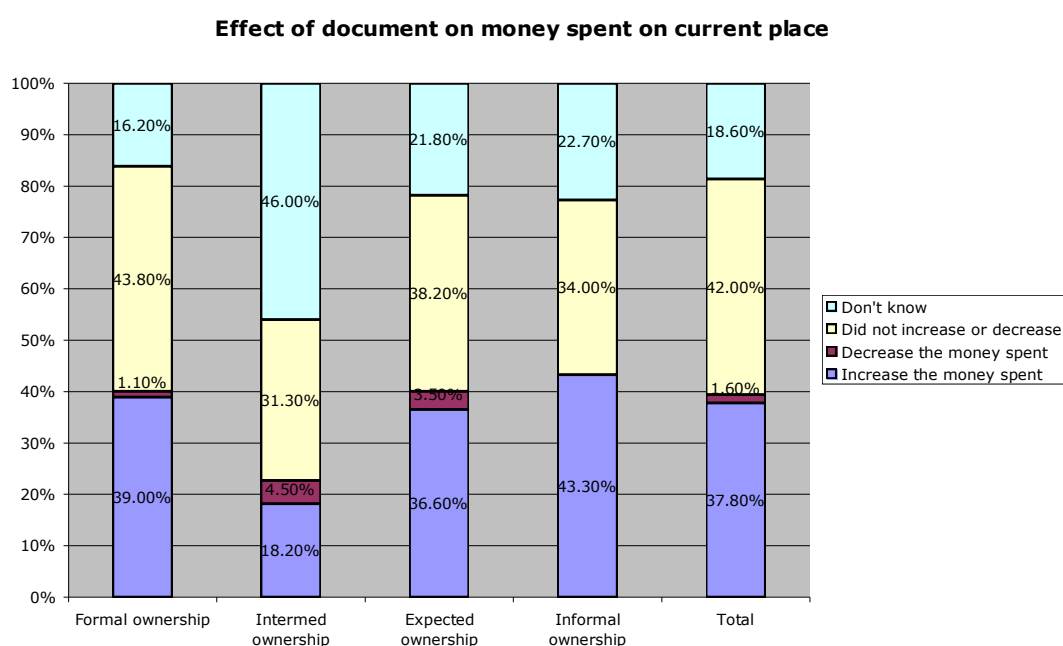
The reasons why households have or have not invested gives rich insights into what motivates household investment. The most consistent reason given across each ownership

category for the lack of change in the amount of money spent was that the respondents did 'not have any money' to spend on housing improvements (Table 9). As one respondent put it, "Money is a big problem. I don't have money because I am the only person working in this house. My daughter has just gotten a piece job, so I can say money is the problem" (R21, 5). More male-headed households (44.4%) said that lack of money was the reason than female-headed (35%). Providing a formal unit with title does not necessarily seem to have increased the amount of disposable income that a household possesses, as 48.8% of households in Egoli Village said that they had no money to increase investments, which is higher than in both Ramaphosa (38%) and Tokyo Sexwale (26.1%). Other reasons for lack of investment included the lack of proof of ownership: 10.6% of households in Tokyo Sexwale said that they would not invest in a house which they did not yet own or have a title deed for.

The issue of how households finance these investments also provides some insight as to the access that they have to formal credit systems and low-income households' willingness to use them.

2.4.4   Financing house improvements

Access to finance is discussed more fully in the next section and since very households actually made improvements, the comments below cannot really be said to be representative of the three settlements. Overall more women than men consistently used their own savings or money from family members and, although certainly not a high percentage, men seemed far more comfortable with seeking credit from a bank than female-headed households. Surprisingly, for all of the different types of improvements that households embarked on, those with formal tenure used banks less often than many of those with other forms of tenure. Whereas they far more consistently and in much higher numbers seem to have used either their own savings or contributions by family members. Households with intermediate ownership and households who are informally renting used banks more frequently than any of the other groups. Considering that neither of these groups have title deeds, it is very likely that these households took out unsecured loans in order to pay for the improvements. These finding are supported by studying the source of finance by settlement. In each category of improvement, households from all settlements more often used their own savings than any other source. When formal credit was cited, only households from Tokyo Sexwale were found to have borrowed. The phrase "My wife works. She would save bit by bit until we had enough money" (R31, 7) seems to typify the manner in which people source money for their improvements.

2.5 ACCESS TO CREDIT

This section assesses the social and economic impact of land titling on households' ability to access credit and also the impact of credit on accessing title.

On the whole, land titling appears to have very little impact on household heads' willingness or desire to access credit, or to use the term that better reflects respondents' perceptions – to incur debt. Only 13.7% of households in the sample reported that they had borrowed money.[68] This does not leave a very large sub-sample from which to draw conclusions. Nonetheless in this section we draw attention to different aspects of respondents' borrowing patterns. As saving is the primary means of accumulating capital, in the second half of this section, we turn to consider respondents' savings patterns.

2.5.1   Borrowing patterns

The sources of credit used by respondents are indicated in Figure 45. Respondents were questioned about the 'largest amount' that they had borrowed in the previous five years. Unless otherwise stated the, results presented in this section relate to the first amount mentioned by the respondents. A variety of sources are used – micro-lenders, friends, family, savings clubs, employer loans and other options. The qualitative data reveals the respondents are very wary of informal lenders and the comments in Box 5 express a widely held sentiment.

Box 5. Fears of borrowing from informal lenders

> I don't know what they will think when I fail to pay them back. If I borrow R50 from someone I know, I'll give them the R50 as soon as I have it, if I have it. Where will I get the interest for the loan shark? (R19, 14)

However, banks are the single most common source of loans, taken out by about 8% of households. Because so few respondents obtained credit from other sources, it is not possible to draw any conclusions from the data. However, the use of bank loans will be analysed below.

Figure 41 suggests that there is little difference in the borrowing patterns of the household heads between the different settlements, informal, upgraded or relocated. In no case had more than 8.4% of households borrowed from a bank.

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[68] These findings are echoed in other recent South African research. See for example Boudreaux, K. 2006: The effects of property titling in Langa Township, South Africa. *Mercatus Policy Series,* Arlington, VA: Mercatus Center, George Mason University, 42. and Collins, D. 2006: Focus note: Housing and finance for the poor. *Investigating the financial lives of the poor. The financial diaries project,* Cape Town: University of Cape Town, 11..

Figure 41. Loans by community

Loans by community
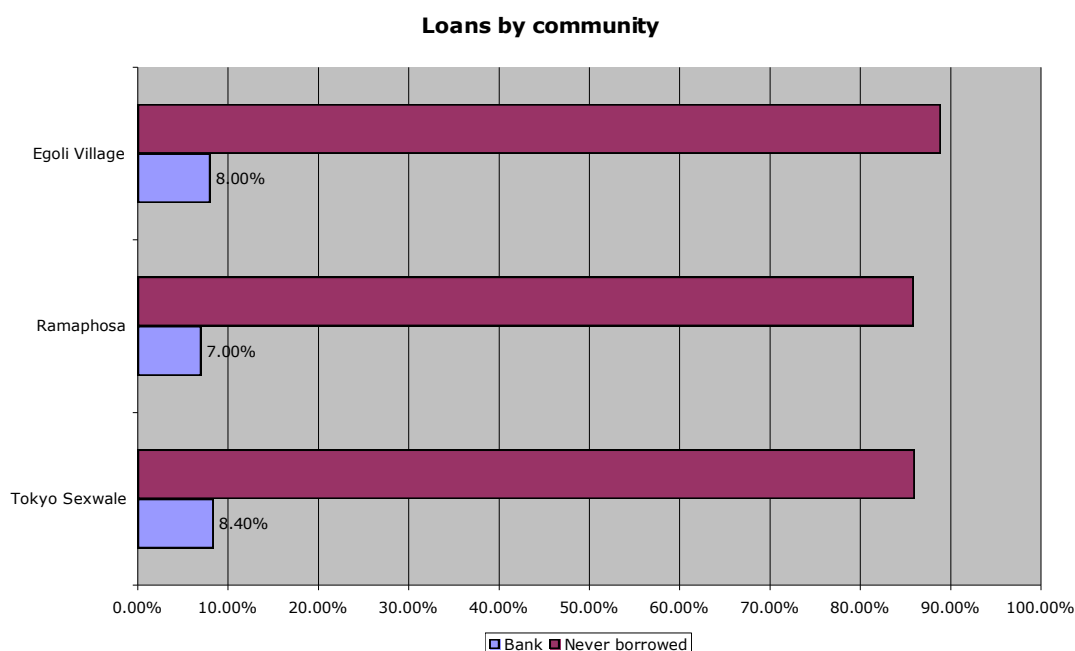
Figure 42 suggests that there is little difference in the borrowing patterns of the household heads between the different settlements, informal, upgraded or relocated. In no case had more than 8% of households borrowed from a bank.

Figure 42. Loans by tenure type

Loans
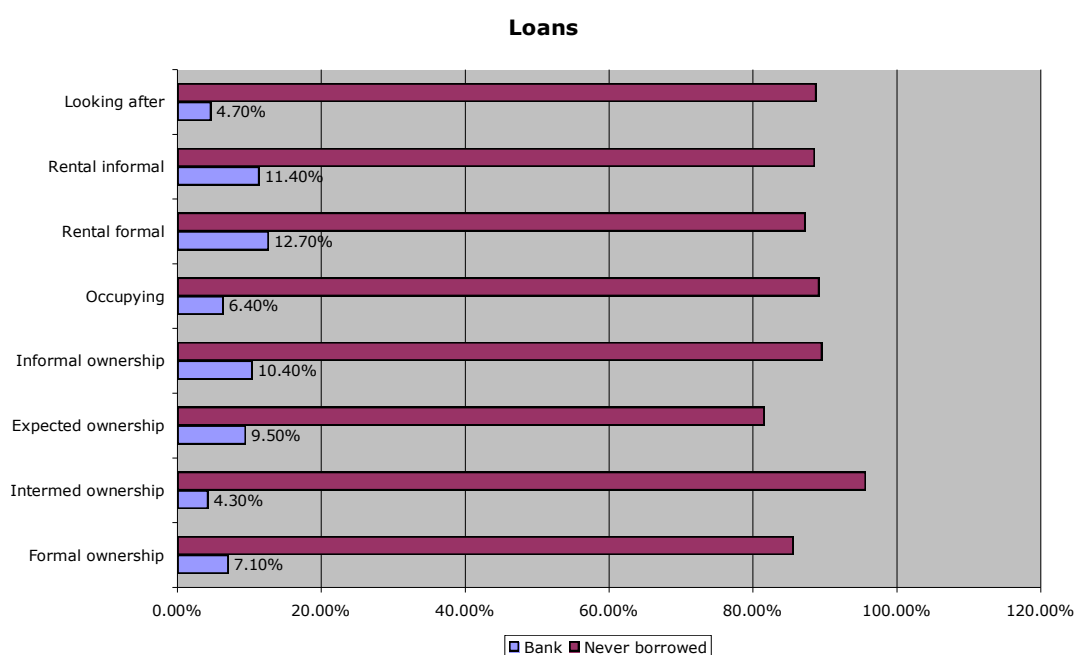
In Figure 42 the same information as Figure 41 is presented but 'sliced' by tenure type. A little more variation emerges, whereby household heads holding the two rental tenure types

(informal and formal) appear to be more likely to borrow from banks. This may be because rental as a tenure type requires a steady (if variable) income and suggests that these households are more likely to be employed. If they are wage employees, their greater familiarity with banks and relatively steady employment might explain why they are both more amenable and more able to obtain loans from banks. There is little difference between household heads occupying land (6.4%) and those holding formal ownership claims (7.1%) when it comes to borrowing money from a bank.

Figure 43. Loans by gender of household head
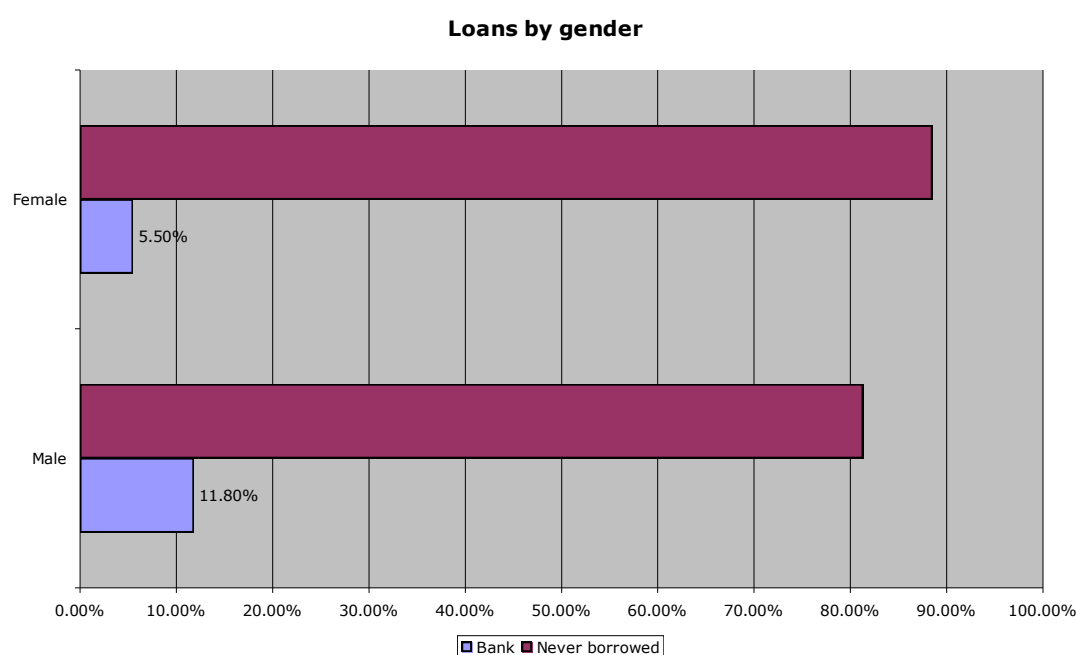
The most noticeable difference emerges between male and female-headed households. Twice as many male-headed households have borrowed from banks than female-headed households in the sample (11.8% compared to 5.5%). Part of the reason for female-headed households' greater reluctance to borrow is their lower rates of monthly expenditure and also their savings patterns, which will be explored later in this section.

Box 6. Experiences with banks

Have you ever tried to borrow money from the bank or a micro-lender?

"I have tried before at the bank but they are very strict, they told me straight away that they don't lend money to pensioners, the government is giving us money, we must not make loans…."
(R39, 7)

For the majority of loan holders, the person in whose name the loan is taken out is the household head. Figure 44 shows that nearly three-quarters of loans are taken out in the name of the household head.

Figure 44. Loan holder of bank loans

Person holding bank loans
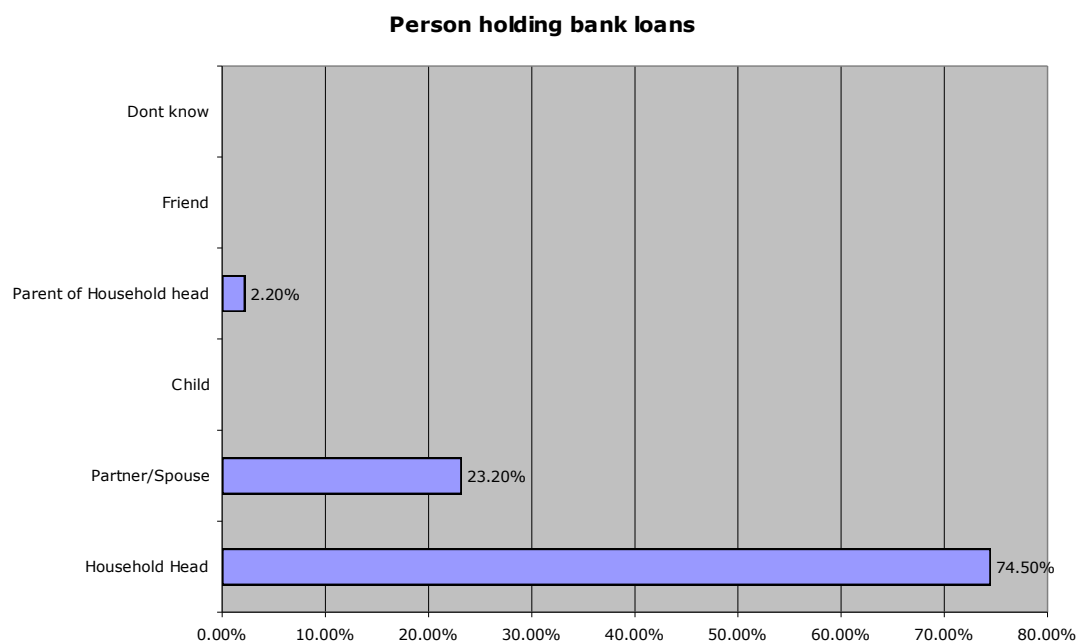
2.5.2   Sources of loans

The relative importance of turning to banks for loans is evident in all three settlements. In Figure 45 the importance of banks is illustrated in relation to other sources of debt – micro-lenders, friends, family, savings clubs, employer loans and 'other' options.

Figure 45. Source of largest loan

Source of largest loan
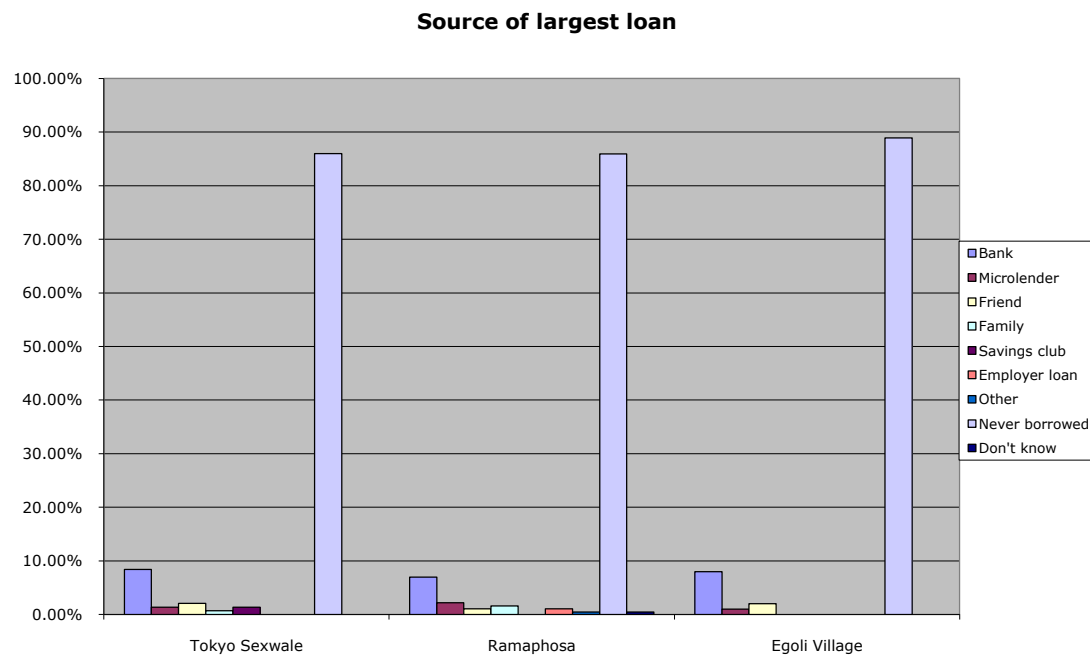
2.5.3 <u>Loan periods</u>

The first important point to note from Figure 46 is that none of the respondents reported taking a loan for longer than three years. Amongst loans taken from banks, most have a two-year redemption period. Differences between the institutional sources become evident, because micro-lenders appear to be preferred for short-term loans of between one and three months. There are less discernible patterns amongst the other sources of loans. Redemption periods range from one month to 24 months.

Figure 46. Loan period by source of loan

Loan period by source of loan
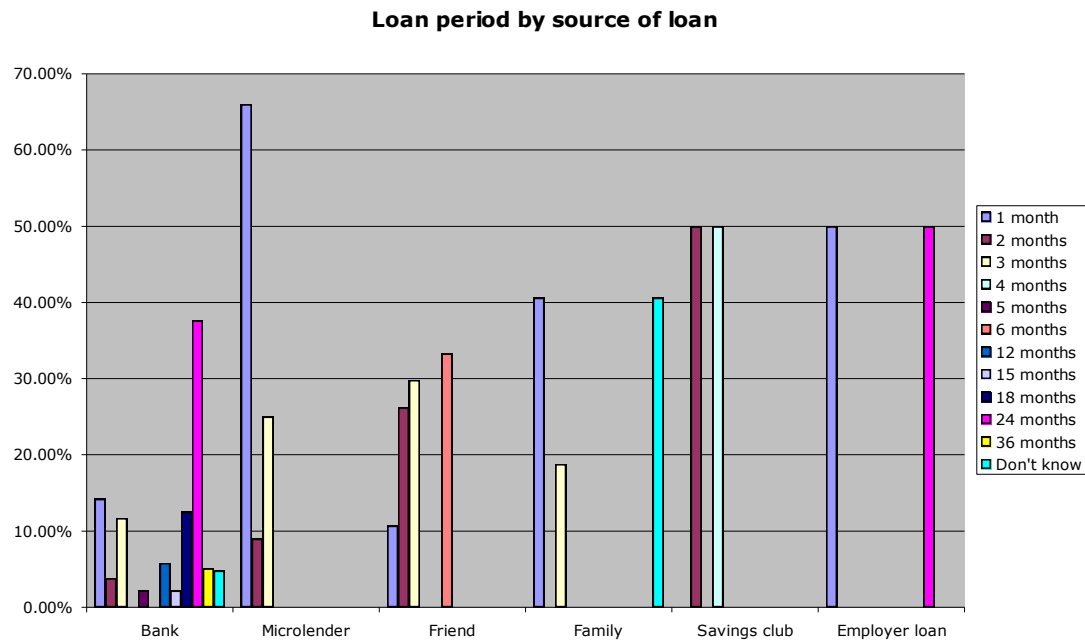
Notwithstanding the short redemption periods, the experience of borrowing from formal banks appears to have generally been positive. In Figure 47 more than 70% of household heads that had borrowed from banks and micro-lenders expressed the view that they would borrow from these sources again.

Figure 47. Satisfaction with borrowing experience
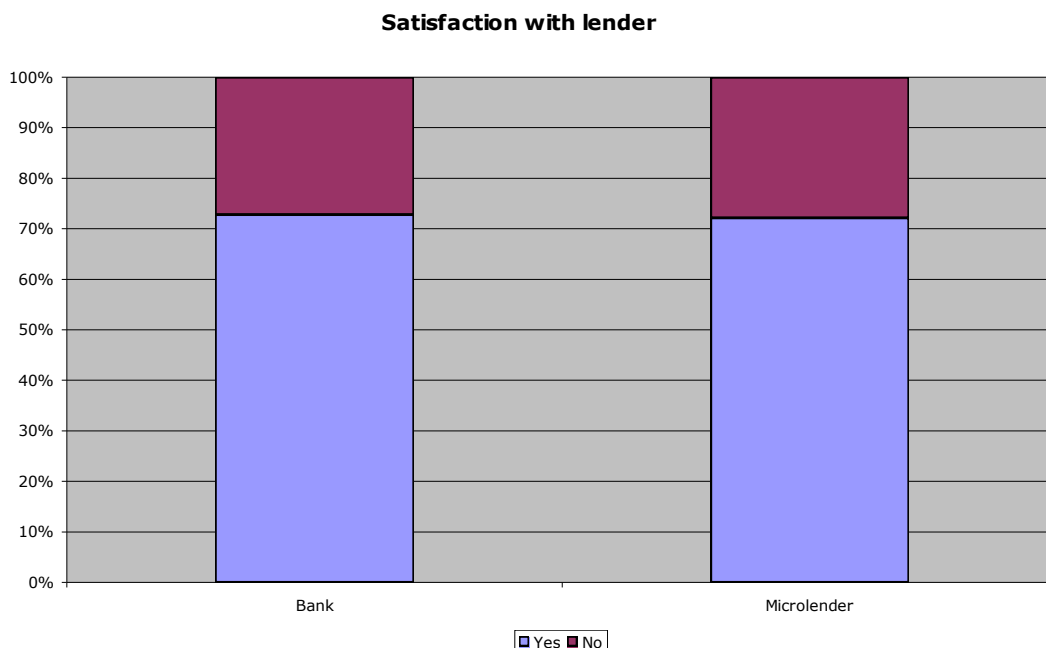
2.5.4   Purpose of loans

In this paragraph, we present data on the purpose for which loans were obtained from
banks. Figure 48 presents two types of data. The longer bars in the graph represent the
percentage of respondents that utilised a bank loan for the purpose of education, starting a
business and so on. The shorter bars represent the proportion of bank loans that were
obtained for that purpose. Thus all the respondents who reported taking a loan to 'start a
business', buy a 'car' or buy a 'house at home' relied on bank loans. However, these three
categories, in particular, represent a relatively small percentage of the purposes for which
bank loans were obtained. There is no indication that access to bank credit is a way of
'unlocking dead capital' for investment in profit generating activities – only 5% of all bank
loans were for business purposes. The greatest proportion of bank loans (37%) was
obtained for home improvements. It is plausible to assume that bank loans are not the only
form of credit available for home improvements. For example, some building material
suppliers offer a lay-by system for accumulating building materials that could be considered
a form of credit. The proportion of building material supplier customers who make use of the
lay-by system is very small (Van Onselen 2007). This suggests a muted and relatively small
link between obtaining formal credit (debt) and home improvement. In addition, to recall from
Figure 42 above, household heads with formal ownership claims are not amongst those
most likely to have obtained a bank loan.

Figure 48. Purpose of bank loans and percentage of bank loans across all settlements
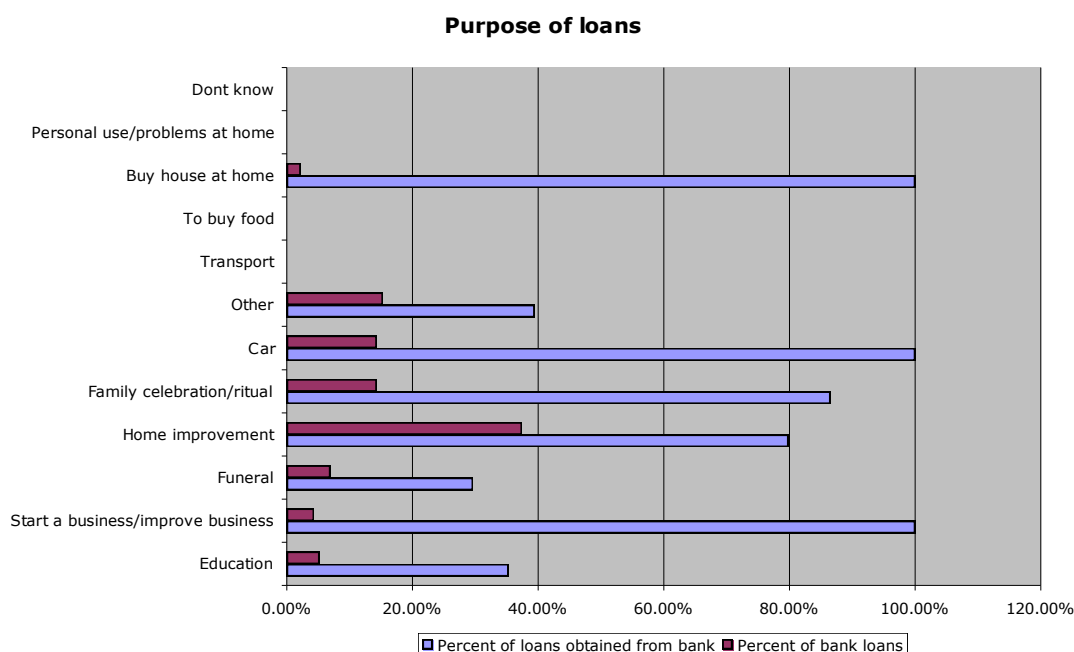
2.5.5 Security or loan collateral

No link is made by lenders between lending and holding title deeds as security. Not one respondent stated that they had used their title deed as security for a loan. This may have to do with the relatively short-term nature of the loans that are being obtained (See Figure 46). The evidence that there are no significant differences in household heads' borrowing patterns between the different settlements (Figure 41) confirms that title deeds/formal ownership are unlikely to be an important factor in securing a loan. Instead the importance of personal trust as the basis for the security of loans is readily apparent from Figure 49. Other research shows that poor households are reluctant to jeopardise their main asset by offering it as security (Collins 2006). In addition, formal financial institutions are reluctant to use title deeds as collateral because it is difficult to take possession of the property and sell it at its full market value if the borrower defaults. In other case banks are aware of the restrictive clause surrounding the sale of RDP houses and know that it would be difficult to navigate the bureaucratic red tape that such a sale would require (Verhage, 2007).

Figure 49. Security for largest loan

Form of security for largest loan
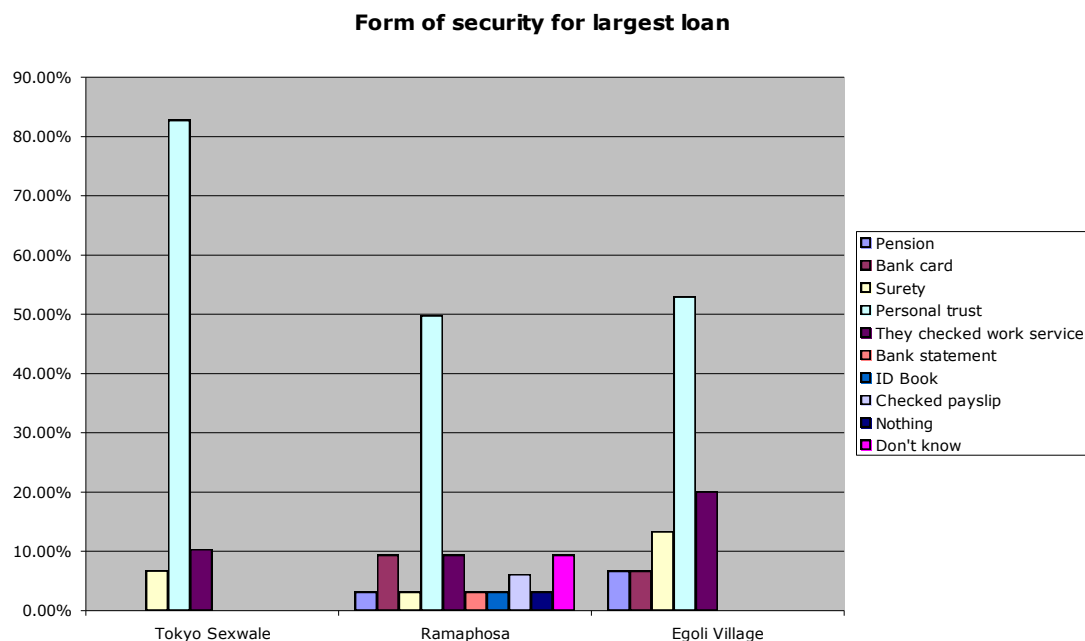
Box 7. The problems of borrowing from banks

> **Respondent 38** explains that, "You see we cannot trust places of work, you can be laid off anytime or just told that there is no more work and you will find yourself not having money to pay the bank. These days you cannot guarantee your stay at the work place…"

In sum, the results show that people generally try and avoid debt and would be unwilling to jeopardise their main asset by mortgaging it. The only other means of financing large or exceptional items is to accumulate savings and in the remainder of this section we consider the respondents savings patterns.

2.5.6   Savings

In general, the respondents' patterns around saving are similar to their borrowing patterns. Two thirds of households in the sample (67.4%) do not save, attributing this to their low levels of monthly income. This leaves a small proportion of households that are able to save and raises similar concerns about the ability to draw general conclusions from a small sample as applied to borrowing patterns above. The two savings institutions that emerge as significant amongst those household heads that save are banks and burial societies.[69]

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[69] Burial societies are formed on the basis of existing social relationships between people and are a means for poorer households to cope with the cost of death. The societies encourage members to save money each month to minimise the risk of facing insurmountable expenses at the time of death. These expenses might relate to the death of a family member or contributions required for the death of someone outside of the family network (Collins 2006).

Following the format of evaluating the borrowing patterns, in the next three figures we present the results of savings patterns in relation to the 'slices' of settlement, tenure types and gender of the household head.

The results in Figure 50 show that the proportion of household heads that do not save do not vary by very much across the three settlements. Household heads are just as likely not to save in the informal settlement as in the upgraded or greenfield areas. Although the sample sizes are small, it is striking that household heads in Tokyo Sexwale are more likely to have a savings account with a formal bank than the other two more formal settlements. In Ramaphosa, burial societies represent the most used savings institution for those household heads that are saving. This could be attributed to the stability of the community, since (particularly informal) burial societies rely on strong social networks for their continued membership and performance. Very few household heads stated that they made use of 'savings clubs' to save.[70]

Figure 50. Savings by community
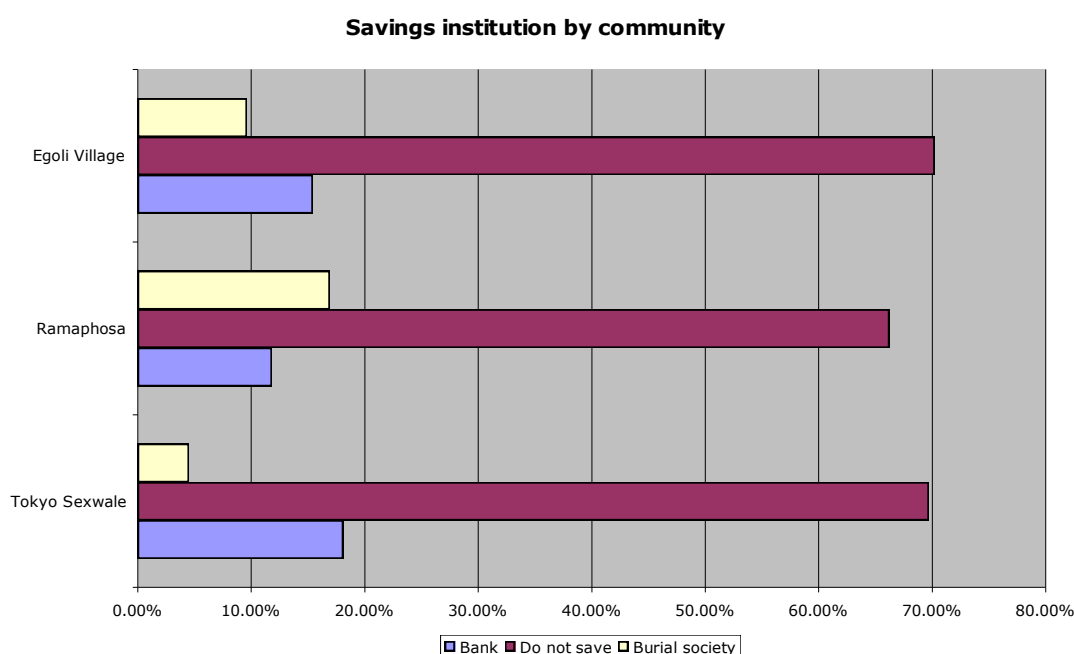
The full range of savings institutions that are used by household heads in the different settlements are presented in Figure 51.

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[70] Savings clubs are a South African version of 'rotating saving and credit associations'.

Figure 51. Savings institution

Savings institution by community
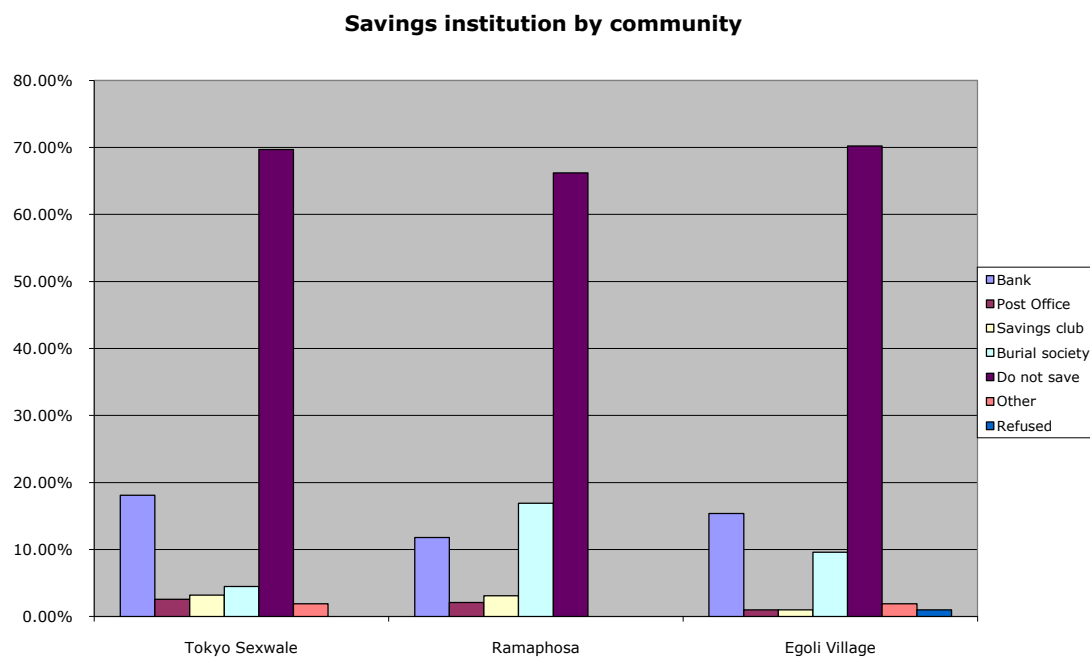
Far greater variation becomes evident when the household head's savings patterns are assessed by their tenure claim (Figure 52). As noted above, the household heads that were most likely to borrow money from banks are those holding formal and informal rental claims (Figure 52). Similarly, household heads holding (formal and informal) rental claims are the most likely to save using a bank. This reflects the results of Figure 50, because the households that are most likely to be holding rental claims or 'expectations' of ownership live in Tokyo Sexwale.

In Figure 52 the percentages of households that use bank accounts across the different tenure claims are presented to show the differences in formal bank usage. Household heads with rental (both formal and informal) claims are most likely to save using a bank account.[71]

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[71] Caution should be exercised in that the number of households holding rental claims is very small and the number of household heads who save is also a small proportion of the overall sample.

Figure 52. Savings by tenure

Savings institutions by tenure type

Legend: ■ Bank account ■ Do not save □ Burial society
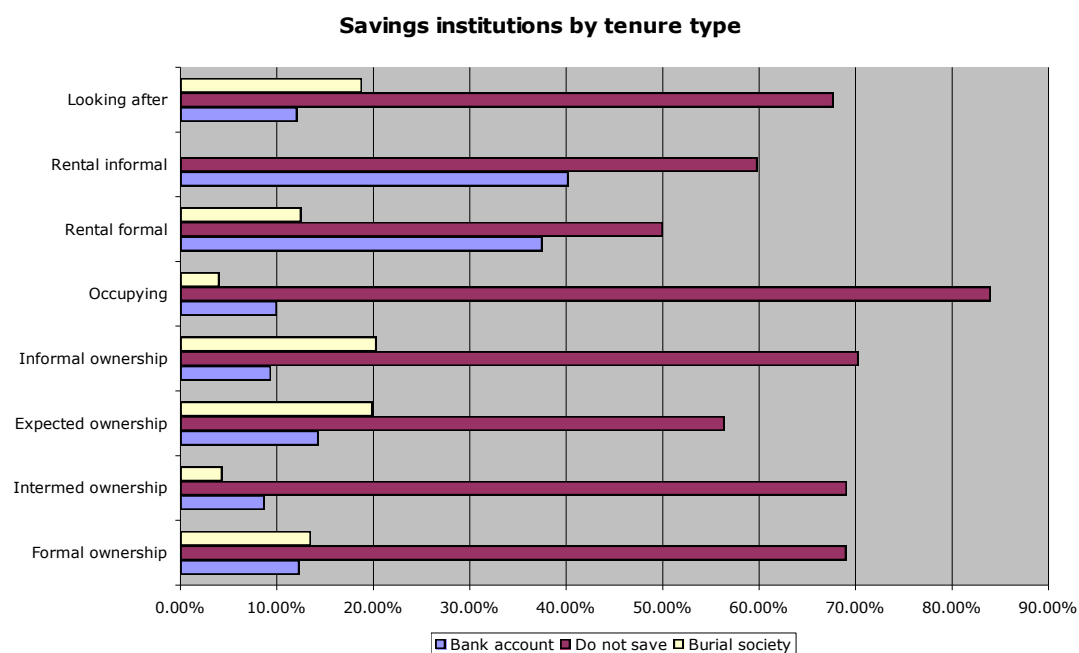
Figure 53. Usage of bank account to save by tenure

Usage of bank account to save
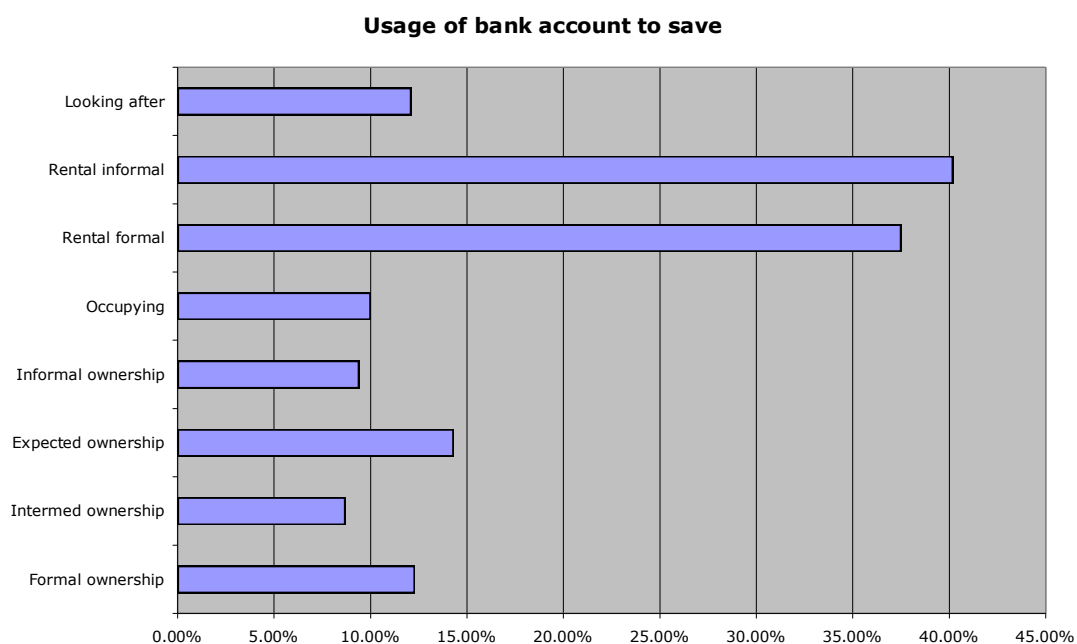
The results demonstrate that a larger proportion of female-headed households do not save than male-headed households. This could be because female-headed households are generally poorer than male-headed households and also because women are less likely to find permanent employment and therefore encounter the problems described in Box 7Box 7. Of those households who do save, male-headed households are more likely to have a bank savings account, and female-headed households to save in a burial society.

100

Figure 54. Savings by gender

Savings institutions by gender

Burial society ☐ **Do not save** ■ **Bank** ■
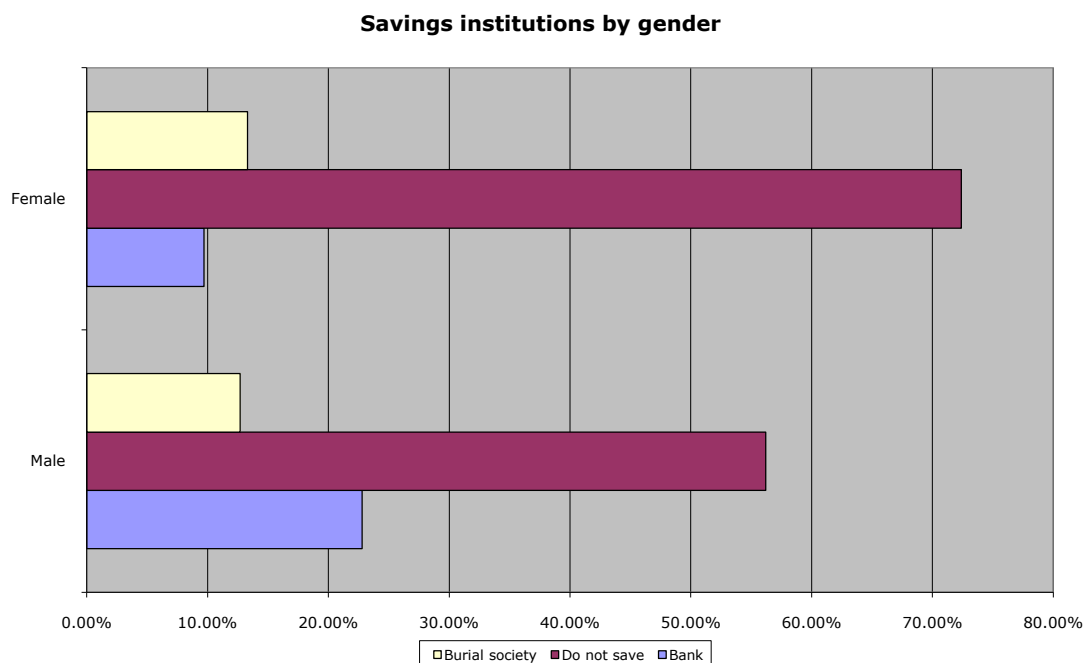
The results in Figure 55 show that the majority of all households who save across all the settlements save on a monthly basis.

Figure 55. Savings by regularity of contribution

Regularity of contribution by institution

☐ Weekly
■ Every two weeks
☐ Monthly
☐ Yearly
■ Irregularly
■ Dont know
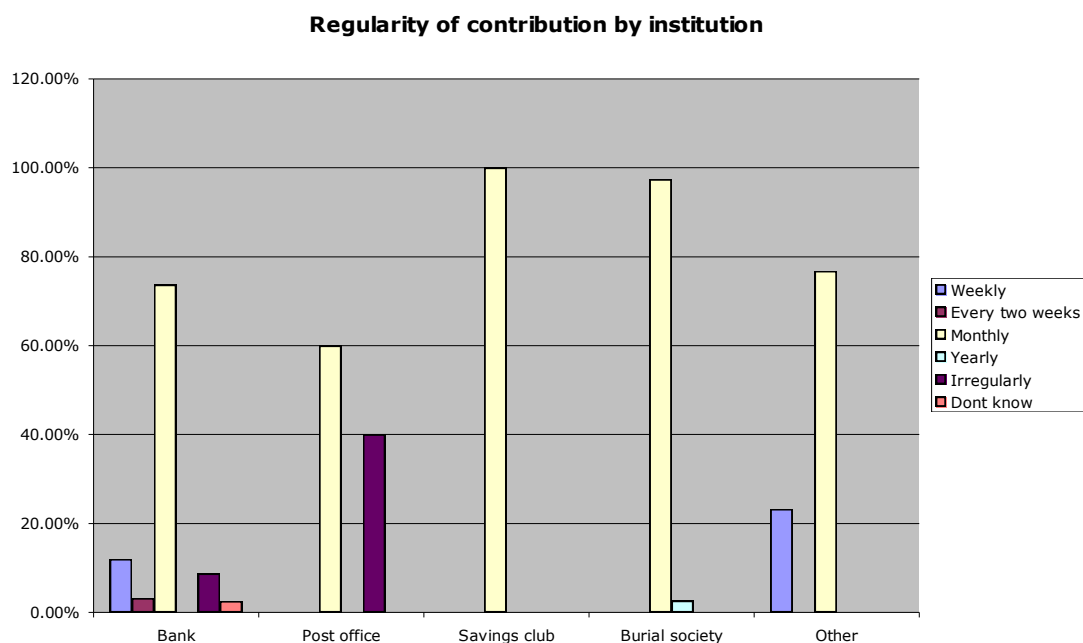
The reasons for low levels of saving amongst the household heads in the sample become more evident when the amount that is being saved (mostly on a monthly basis [Figure 56] is cross tabulated with the institutions which are being used to save. It is clear that most

household heads that are saving are accumulating less than R200 per month. In the cases of those using the post office, savings clubs and burial societies, the most significant proportions are saving under R100 per month. The results suggest that a significant proportion of those households that are saving are doing so for the purpose of coping with the expenses associated with daily life, death and funerals (see Box 8). Other research suggests that similar households primarily save for specific events such as annual school fees, Christmas expenses or general groceries and housing improvements (Collins 2006).

Box 8. Purpose of saving with a savings club

I buy things for this house, and some of it I send home to the other children. I save some money at the bank because I want to extend the house when the time comes. (R20, 12)

Figure 56. Savings institution by amount
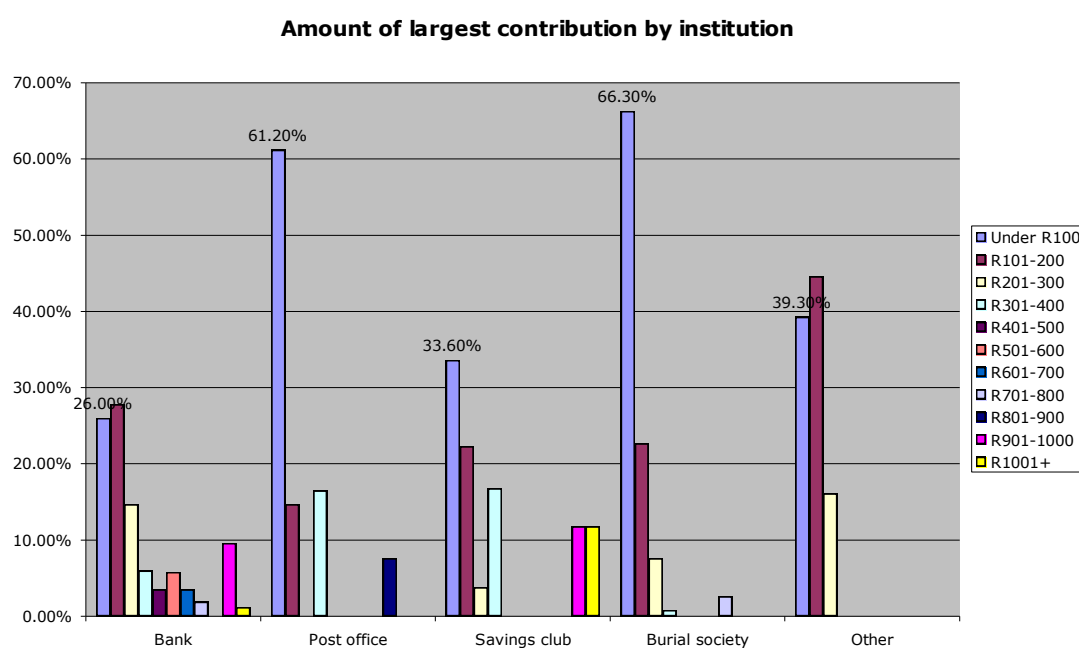
The results in Figure 56 are explored in greater depth for each settlement in the following three figures.

Figure 57. Tokyo Sexwale: Savings institutions by amount

Tokyo Sexwale: Institution for amounts less than R200
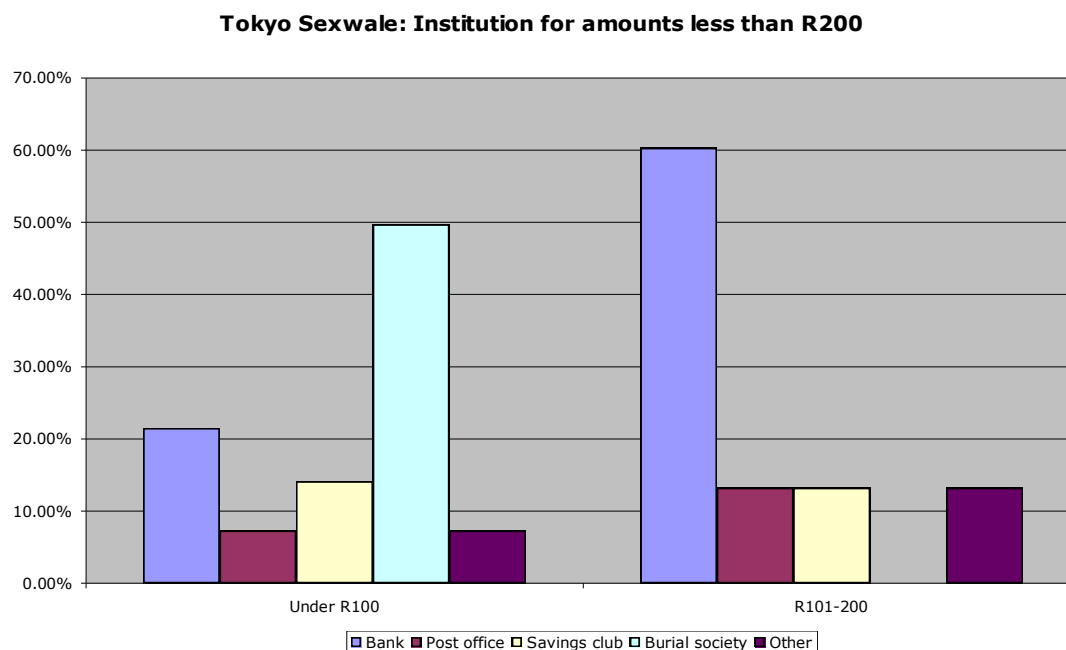
In Tokyo Sexwale, 50% of those household heads that are saving under R100 per month are using burial societies. Contributions to burial societies appear set at under R100 per month, as no household heads stated that they contributed more than R100 to a burial society.

Figure 57 suggests that those households that are able to save a little more (R101-200) are more likely to use bank accounts.

A slightly different pattern is evident in Ramaphosa, where a higher percentage of household heads are likely to save using burial societies than in the other two settlements (Figure 58). However, as in Tokyo Sexwale, the use of banks increases when the amount of money saved increases.

103

Figure 58. Ramaphosa: Savings institutions by amount

Ramaphosa: Institution for amounts less than R200
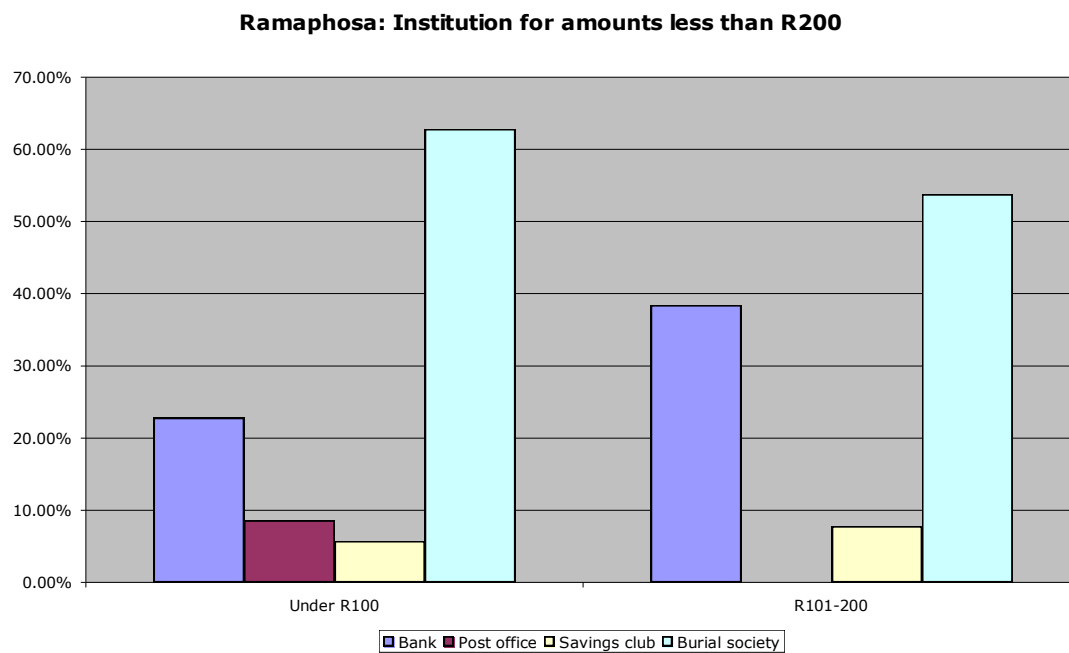
The situation in Egoli Village is interesting because the use of banks to save is more common and there is less reliance on burial societies even when the amount saved is less than R100 per month (Figure 59). This could be due to the fact that people have been living together for less time than in the other two settlements and so burial societies are not yet well established.

Figure 59. Egoli Village: Savings institutions by amount

Egoli Village: Institution for amounts less than R200
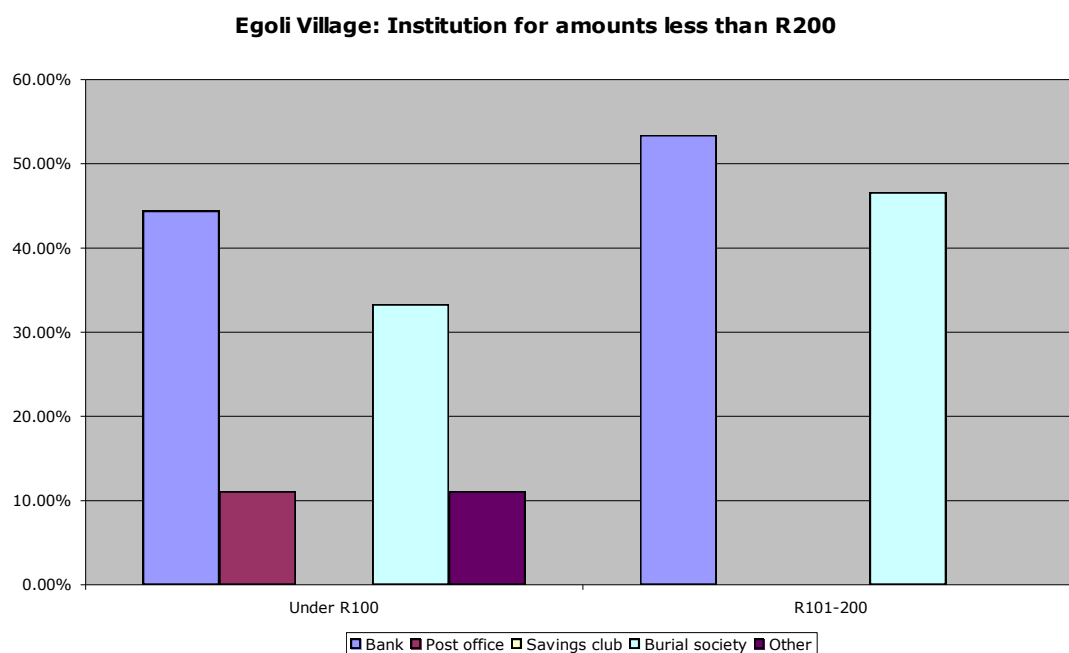
2.5.7   Savings amounts

In Table 10Table 10 the results of both household heads' first and second form of saving show that household heads in Tokyo Sexwale contribute more or less the same monthly amounts to each, but tend to withdraw smaller amounts than in Ramaphosa and Egoli Village. The higher withdrawals linked to the second forms of saving in Ramaphosa and Egoli Village are related to their membership of burial societies to pay for expenses associated with death and funerals.

Table 10. Savings contribution and withdrawals

		Median contribution	Median withdrawal
Tokyo Sexwale	First form of saving	R101-200	R401-500
	Second form of saving	R101-200	Under R100
Ramaphosa	First form of saving	Under R100	R901-1000
	Second form of saving	Under R100	R1001+
Egoli Village	First form of saving	R101-200	R1001+
	Second form of saving	R101-200	R1001+

2.6 MUNICIPAL GOVERNMENT REVENUE

There are a number of reasons why various governments attempt to get low-income households to join the tax base through property tax and rating systems. Some claim that after the initial capital outlay required to house, title and/or regularize low income households, substantial revenue can be made from their taxation and rating (Burns, 2006). Furthermore, once households become integrated into the formal land ownership process they immediately become "visible" to the authorities (Atuahene, 2007). Their names, addresses, family structures, and income levels are all immediately captured by the government system as soon as households and individuals register on the housing list. With each step of formalization, people become more and more "visible", as they appear on an increasing number of state systems (See Box 9).

Visibility to the state is potentially a double-edged sword: on the one side it allows households to access social grants and possibly benefit from the social wage; on the other it makes households liable for payment for goods and services and all of the dangers attendant thereon. Beneficiaries also become locked into a place and the fluidity of movement and change that is necessary for many low income and very poor household income strategies may be lost (Tomlinson, 2006).

2.6.1   EMM Indigency policy and capital expenditure

In EMM, beneficiaries are given debtors' accounts as soon as copies of their signed "happy letters", which say they have moved onto a property, are registered with the local finance department. Title follows but it generally takes a number of years before households receive their copies (Verhage, 2007). The "happy letter" creates what we have termed 'intermediate ownership', whereby households are the official and formal owners of their properties but have yet to receive their title deeds. Households are then eligible and liable for the full array of municipal services, including water, electricity, refuse removal, and possibly municipal rates, which may be beyond their financial means.

Box 9. Rights and visibility

If they were to give you the RDP house, what rights would you have then?
I would say the government has seen the poverty I am in. I would be happy and say that I have my own house. Right now I don't have any rights because I am staying in a shack

Does staying in a shack mean that you don't have rights?
How do you have rights when you are staying in a shack? I am not permanent here, so I can't say that I have rights.

Gladys, would you say that you have rights in this place?
No, because you are not permanent and you can't even make plans to improve your life. I can't open a crèche or a shop because of the situation, the shack is small. At least if we have a house, I know that my children have a home. When we have to go to the toilet we have to go over there outside.

If you had a house, what would you do?
I can have a garden, but now I can't because we fetch water from far using a wheelbarrow. We can't do much, right now we are sleeping on couches, and the place is small.

How the government does protect your rights?
The committees were given permission and the right to give us these places. They will not throw us out for no reason, if they do, they will know where to place us. This is the government's place. (R12, 12)

The National government has recognized that the services associated with formal housing are too expensive for poor households and has encouraged local and provincial authorities to formulate "Indigency Policies", which provide very low income or "indigent" households[72] (household that earn on average below R1 500 a month) with free basic services and exempt them from rates and other municipal charges. Indigency Policies are a relatively recent addition to government poverty relief strategies and have not been implemented across the whole country. In 2001, the National Cabinet approved a proposal for the provision of free basic electricity of 50 kWh per day per household for people with an income threshold of R800 to R1200 income per month. The policy is known as the Electricity Basic Services Support Tariffs (EBSST) and is complemented by the provision of free basic water to poor households. Nationally, 6000 litres of free basic water per poor household every month is the standard but local authorities have the discretion to increase the amount.

EMM has its own indigency policy, the Ekurhuleni Metropolitan Municipality Indigent Support Policy. The policy makes provision for free basic electricity, water, sewage and refuse removal. Free electricity has been provided for since 2005 and the current EMM tariffs allow

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[72] The definition in the Indigent Support Policy provides that an indigent is a person who is 'lacking the necessities of life such as sufficient water, basic sanitation, refuse removal, health care, housing, environmental health, supply of basic energy, food and clothing …'.

each dwelling unit of domestic users to obtain the first 100 kWh per month free (or alternatively for electricity dispensers, a token of 100 kWh at no cost). Connection to low cost housing is also supplied at no up-front cost upon a successful application (Kihato, 2007b). The free water policy is guided by the *Ekurhuleni Metropolitan Municipality Tariffs: Water Supply Services and Incidental Charges* scheme, and provides 6000 litres of water for basic consumption to all registered indigent accounts. As outlined in the section of the report providing a background to Ekurhuleni, in terms of this tariff scheme, indigent households must both own and occupy the property, and further, have no independent occupants on the property in order to qualify for the free services. Informal settlements are also provided free water through standpipes but clearly cannot be billed for amounts that exceed 6000 litres per month, as it would be impossible to measure how much each household has used. Charges for sewer services are tied to the provision of water and if households qualify for free basic services they are not charged for sewerage provision or running costs. In informal settlements, where stands and/or dwelling units are supplied with water by means of a standpipe (no stand connection available), sewerage is free.

As noted in earlier, the Indigency policy extends to a number of other services, including municipal rating. In terms of rates, the Local Authorities Rating Ordinance 11 of 1977 allows a municipality to exempt or grant rebates to certain owners of property, including owners who are indigents. The Ekurhuleni Metropolitan Municipality Notice of General Assessment Rates released in June 2007 provides, among others, for a 100% rebate for pensioners, mentally and/or physically disabled persons and indigents owning and occupying land valued at R100 000 or less.   Further provisions for indigent households, besides the provision of a package of basic services, include preferential status in local government employment programmes, such as the Extended Public Works Policy, affording very poor households the first opportunity to get work and earn some kind of income. Indigent households can also make use of lower tariffs for a range of other municipal services provided by EMM, including sports grounds, swimming pools, fire protection, transport, museums, hiring of halls, cemeteries and crematoria, and any other services as determined by Council.

EMM's tariff strategy has meant that it effectively writes off significant amounts each financial year. The only available figures are included in the 2003-2007 EMM IDP and report that in the 2003/2004 financial year;
• R63 million rand was spent on the provision of free electricity,
• R77, 6 million on water,
• R23, 5 million on sewerage,
• R26, 2 million on free refuse removal in informal settlements,
• Free rates to qualifying properties of R34.9 million
• R355.9 million for rate rebates to residential owners who qualify
• Additional rebates of R7.8 million

The total cost of the various rebates and free service provision amounted to R588.9 million almost 5 years ago. The financial department reports that in the same period EMM generated over R6.5 billion and reports that once all expenditure had been accounted for, the EMM still had a surplus of R588, 725 million (Verhage, 2007). In order to cover the expenses of the indigency policy, the municipality uses a cross-subsidization model, whereby the revenue generated from wealthier citizens' residential and commercial activities is used to subsidize the operating costs of the indigency policy. Capital expenditure, for the most part, seems to be drawn down from national government through the Municipal Infrastructure Grant (MIG). MIGs are jointly funded and administered by the National Department of Water and Forestry, which controls the water component of the grant, the National Department of Local Government which ensures that the applying municipality satisfies the grant's criteria and the National Department of Public Works which is involved in

the provision of basic infrastructure. Between income generated from municipal revenue and from MIG funding, Ekurhuleni spends over R1 billion on capital projects a year, with most of the funding going towards municipal infrastructure (EMM, 2006a).

2.6.2   Becoming 'visible' to the state

In order to qualify for any of the benefits of the indigency policy, households have to make themselves known to the local authorities. Households and individuals who want to qualify for the social goods provided need to register on the EMM indigent database and must satisfy the following criteria:
- Must be a South African citizen
- Over the age of 18 years
- Earn or get a combined income of less than two pension grants per month (less than R1 500 a month)
- Be the owner of a property in the EMM area valued at less than R 100 000.
- Be the occupant of the property concerned, and further, have no other independent occupants on the property

Non-property owners can be classified as indigent but are not able to register on the municipalities' database and are thus not entitled to the package of free basic services. Communities and households that are classified as indigent are able to get free basic services but these are bulk services i.e. communal standpipes in central areas of informal settlements, communal toilets and bulk electricity. Thus unless a household is a formal resident with a registered home that has a title deed, it effectively becomes one of a nameless mass of poor households who cannot on an individual basis be known to the state in the same sense as a home owner, who as an individual is able to access a plethora of rights and services. Poor non-property owning households and communities are thus provided with poorer quality and often more expensive services than their titled compatriots and, whilst certainly better than nothing, this does create a tendency for the unhoused and un-propertied to be seen by government as second class citizens and provided with second class services.

However, as mentioned before, visibility is a double-edged sword and whilst it does provide access to services and the satisfaction of needs on the one hand, it also provides an effective and legal forum to potentially deprive beneficiaries of such access. Indigent households are entitled to only limited free basic services and after a particular point are obliged to pay for whatever else has been used. EMM, in terms of its Credit Control and Debt Collection By-Laws, does make it clear that indigent households are expected to pay for all services used over and above the limited freely provided items. If services are not paid for, and this applies to all households, then the Council has the discretion to engage in a whole range of measures, from entering into a debtor agreement with the liable parties to discontinuing services and pursuing legal action or blacklisting the debtor.

Since there is legal provision for such eventualities, it is theoretically possible for property belonging to indigent or low-income households who have been unable to cover their debts to be sold in execution for a municipal debt. In such cases, a debt collector or attorney can apply for a sale in execution of the property if the debt is not satisfied. Recent Constitutional Court decisions[73], however, have made sale of homes in execution where the value of the property is greatly in excess of the debt or where the sale of the home will create greater hardship for the already vulnerable and at risk households then, where possible, alternative cost recovery strategies must be entered into. EMM does generally try and pursue such

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[73] See the case of *Jaftha v Schoeman and Others; Van Rooyen v Stolz and Others.* In this case, two homeowners and beneficiaries of state subsidised housing successfully challenged the sale of their homes through a sale in execution for debts they had incurred.

policies, enters into agreements allowing easy payment terms and making a final write-off of the debt more likely if all else fails (Muller, 2007). However, for those households who enter into such an agreement, it does mean a prolonged period of time in which they are beholden and in debt to the state. In addition, anecdotal evidence suggests that non-government creditors have successfully petitioned the court to sell RDP units in execution of other debts. The problem is that all RDP houses have a restrictive clause, which disallows their sale to anyone but the state, if the owner has had the property for less than 8 years (Verhage, 2007). As a result households may be evicted from homes that creditors can legally attach but not legitimately sell.

Thus visibility to the state and all that accompanies it is contingent on some form of property ownership, whether it is complete or intermediate. However such visibility comes attached to a series of potential risks and dangers, which range from consistent and prolonged debt, to blacklisting and the resulting inability to get any form of credit, to eviction and the sale in execution of one's property. In addition, any hoped for revenue increases resulting from formalizing and titling poor households is clearly a myth in the Ekurhuleni context, as most households, once identified and registered, seem to require an increased contribution from the municipality rather than less. This seems likely to be a situation that will continue into the future if the level of poverty and unemployment in EMM remains unchanged.

2.7 IMPACTS ON ECONOMIC DEVELOPMENT FOR POVERTY REDUCTION

It is very difficult to identify the social and economic impact of land titling on poor households when concepts of ownership amongst these households are neither confined to, nor defined solely by, a title deed; when levels of housing investment are driven by circumstance rather than future financial returns; when saving and borrowing are muted by low household incomes; and when newly titled households are largely exempt from property taxes and service charges. To anticipate one of the major conclusions of this study, there are very few instances where the impact of titling can be attributed to the possession of a title deed. Indeed, the distinction between the impacts of a titling system and individual possession of a title deed starts to provide a means of understanding the results of our research. However, this is not to argue that there are no impacts and we begin by highlighting three direct impacts before discussing indirect impacts.[74]

2.7.1 Direct impacts

2.7.1.1 *Perceptions of improvement in living environments*

The first direct impact is that the results (see Figure 60) show that household heads that hold formal ownership claims are the most likely to feel that their situation is better in their current place than in their previous place (75.6%). Household heads with formal ownership claims are also the least likely to feel that their situation has become worse than their previous place (13.2%). It is highly debatable how much of this perception is due to possession of a title deed, since property rights are indivisibly bundled together with improved access to services, facilities and municipal 'visibility'. In the light of the indivisible bundle that comes with allocation of a Housing Subsidy, we argue that the difference that possessing a title deed might make is illustrated by the difference between the perceptions of household heads that hold formal ownership claims and intermediate claims. Both types of households are in the same areas and have access to their own erf and the same level of services. In this case study, 14.4% more of those household heads with title deeds are likely to perceive an improvement than household heads holding intermediate ownership claims.

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[74] Ideally, these impacts should be tested using panel data. There is a limitation in using a snap-shot survey approach such as the one used here because the responses rely on the ability of respondents to recall previous situations and these are inevitably filtered and adjusted over time and in response to different situations, such as being asked by researchers.

Figure 60. Comparison between current place and previous place

Comparison to the previous place

Category	Better than where I came from	Worse than where I came from	The same as where I came from	Both better and worse	I have always lived here
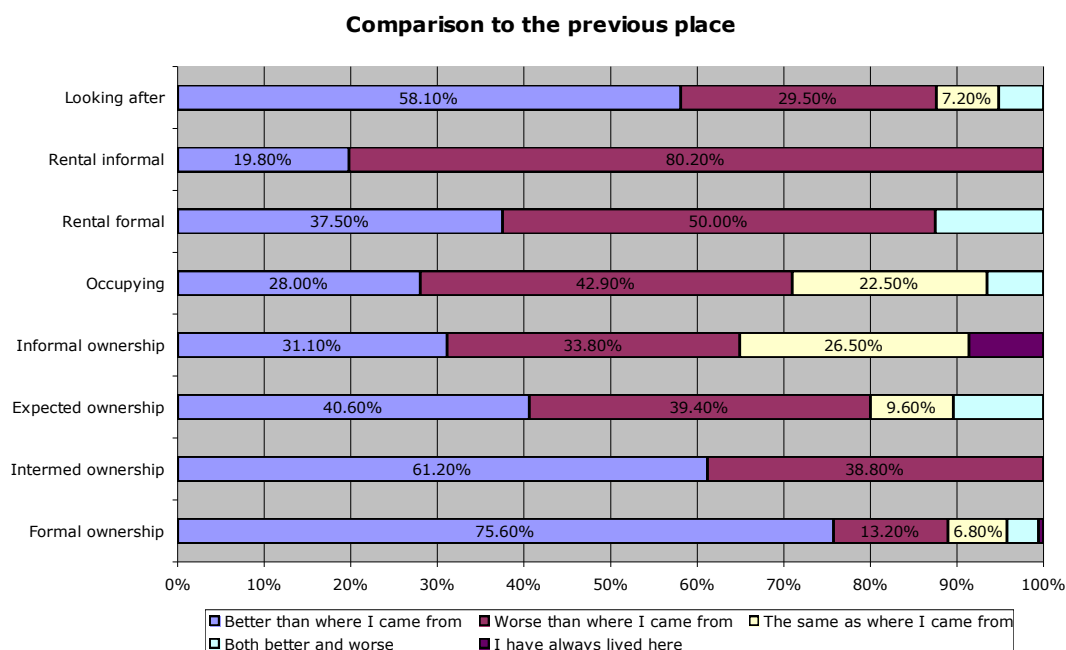
2.7.2   Defending claims

The second direct impact of holding a title deed is that household heads feel more empowered to defend their ownership claims and rights to use of the land.[75] In informal settlement contexts, the ability to defend claims is predicated on the strength and dynamics of social networks. These dynamics could be beneficent and efficient, highly exploitative or both simultaneously. However, irrespective of the nature of the internal settlement dynamics, the point we wish to highlight is that in informal settlement contexts there is little recourse to agents or authorities beyond the social networks within the settlement. Social networks may or may not be just as important in formalised settlements, but there is the opportunity to appeal to external agents or authorities when property claims are contested and therefore households' vulnerability to arbitrary eviction and loss of property is reduced. Results from the qualitative survey consistently demonstrate that, amongst the respondents, this is perceived to be one of the most powerful benefits of possessing a title deed (see Box 10 and Box 11), despite the fact that 91.1% of the respondents stated that they had never used their title deed for such a purpose (Figure 61).

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[75] See also Jackoby and Minten (2007)

Figure 61. Formal ownership: When did you use your title deed?

Formal ownership: Use of title deed
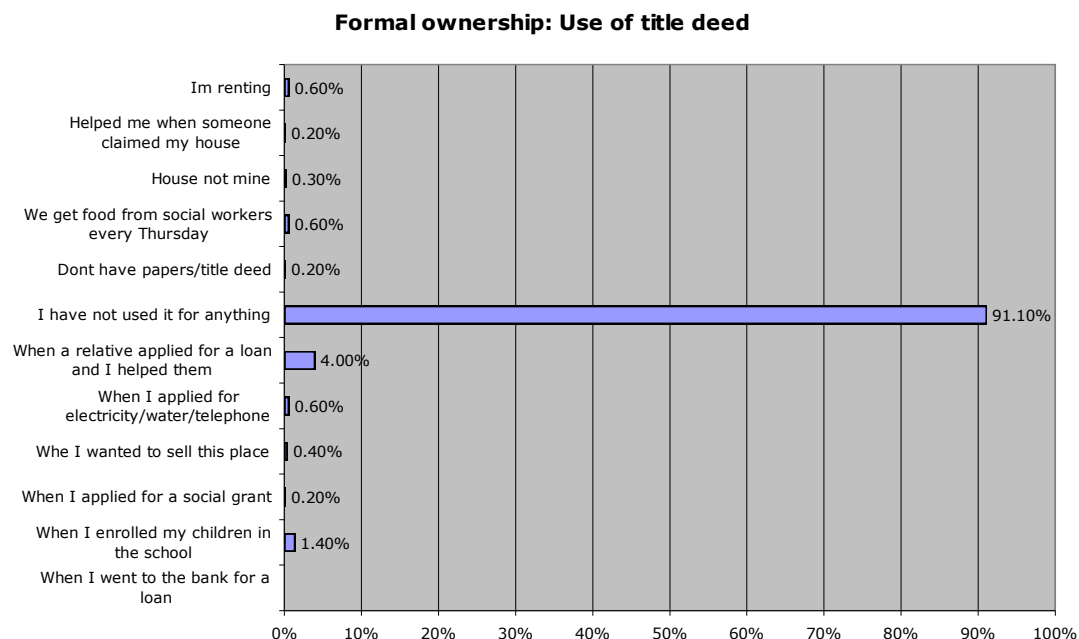
Box 10. Defending claims and belonging

Respondent 40, p19-20 describes that a title deed is useful "only when someone comes and claims that this land is theirs, we can go to the council and present our title deed. If one doesn't have one then, they are given a window period to do so. [The window period gives] … you time to acknowledge that this land is really yours. If you never went to collect your title deed, then your land could be given to someone else." Being able to present a title deed could be necessary "at any moment to prove that I am the owner of this place". My title deed protects me to be sure that I will not be evicted. "I am the property owner, and if you are the property owner, you belong to the community, you are settled as I have the title deed… [and this is guarded] through my title deed." The government protects this right because the "title deed is something that proves that you own a land. Then the government has the laws and rules about property, that might say that this land belongs to Mr. Gouws and this property belongs to this man and no man can come and invade." The rights that come with this mean that "I own this property, I am a part of this community and you can say this is this and I want this. I can go to the council and say that this street is not right, we need electricity and so forth. If you are renting, you don't have those rights."

Box 11. Defending claims and rights

Respondent 38, 13 reports that "the title deed protects me, in other words allows me to stay here, even if a person comes to bulldoze me I can produce this paper." (Interviewer) *What can you use it for?* "I think just to protect myself in this place." The title deed is the most important because "it gives me the rights to be here."

113

2.7.3 Empowering women

The third direct impact is that women are being disproportionately allocated an asset that is legally defendable and in this way, the titling process is addressing the systemic inequalities in South African society. At least in one way, the vulnerability of female-headed households is being reduced, with the intention of mitigating the effects of poverty. Stakeholders confirm that women allocated RDP units are far more likely to pursue the process of applying for a title deed (Kamanga and Brits, 2007) and make up 60% of the customers at one of the countries biggest building material suppliers (van Onselen, 2007). In Figure 62 the results reveal that female-headed households make up more than 7 out of 10 title deeds holders in the survey sample. However the concentration of so many female-headed households that tend to be poorer in such low-income housing areas raises concerns and points toward specific policy implications that are presented in the conclusion to this report.

Figure 62. Distribution of tenure formal claims by gender

Distribution of formal tenure claims by gender
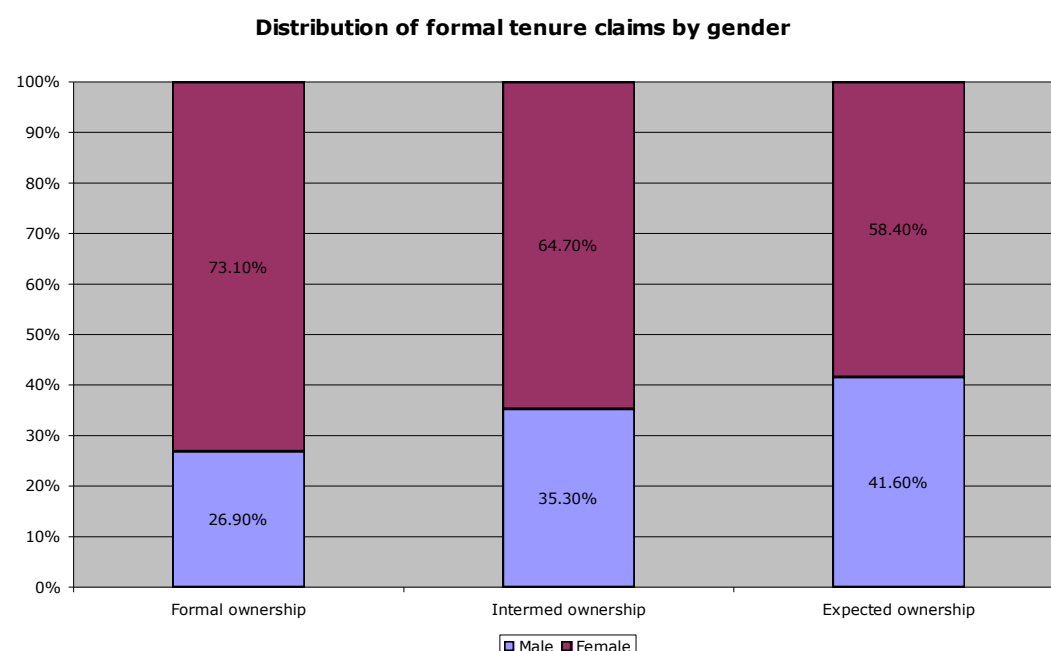
2.7.4 Indirect impacts

Notwithstanding the importance and significance of the three direct impacts identified above, they tend to be focused at the settlement level and work through possession of the title deed itself. At a broader scale and in more diffuse ways, the indirect impacts of a land titling system on poverty reduction are perhaps more powerful and worth considering. The preceding sections that have documented the results of this research have all drawn attention to the fact that tenure security, improvements and investments in housing, access to credit or the accumulation of savings and contributing to municipal revenue are not confined to those who possess a title deed. Consequently, the 'channels' through which titling might reduce poverty are important because they can simultaneously distort, enhance and detract from the benefits policy makers intended.

114

To some extent, the importance of the 'channels' are magnified because of the current disconnect and distance between poor households that qualify for Housing Subsidies and the (provincial) level of the state that is responsible for allocating and distributing the funds. The results suggest that household income influences the impact of titling, both in practice and as perceived by households. Levels of household income and expenditure appear to be more important explanations for levels of investment, savings and access to loans than title per se. This arguably reduces any potential positive impact of titling on poor households' poverty levels.

Part of the reason that titling influences households' wellbeing indirectly is that there is no clear and common point at which tenure security is associated with a title deed. While in this study we have made the assumption that the point at which a resident on a surveyed and registered erf is handed the title deed is the moment from which to measure impact, the survey results suggest a large time gap between households feeling secure and actual possession of a title deed (Llale, 2007). The result of this indeterminacy is that large numbers of households can act *as if* they have security. The security comes from their collective belief in a 'titling system' that, however slow and cumbersome, will one day deliver.

2.8 IMPACTS ON URBAN LAND AND HOUSING MARKETS

When considering the impact of low-income housing and tilting provision in Ekurhuleni, it is necessary to be aware of the broader land and housing dynamics and systems that are in operation. Land and housing markets are often conflated in the literature and as a result they are often written about and spoken of as one market, or land is seen merely as an input into the housing market (Ovens et al., 2007). Whilst land is a necessary component in the housing market, there are a number of factors and concerns that are specific to each. The general nature of these two markets, as well as their connections and disconnections, will be briefly outlined. Large-scale low-income housing provision has a significant impact on urban property and land markets in at least two ways.

One of the main reasons put forward to promote titling is the idea that through formalization of ownership, households will gain an appreciating asset. It is hypothesized that a formally owned house can be used to improve the financial wellbeing of poor households through using the unit as collateral for a loan, sale of the unit at an appreciated rate, and the use of the asset as a place from which to conduct business. There is also a sense that formalisation should make the transacting process a great deal easier and more efficient. These claims will be discussed in the larger South African context, as well as within the context of the three case study sites in Ekurhuleni, in order to see how this context compares to international housing formalization and tiling programmes. The titling of land and construction of poor households is therefore intended to support the 'mobility' of poor households to move up the 'property ladder'. However, the provision of low-income housing is highly segmented and often encounters the NIMBY phenomenon from wealthier, surrounding landowners. The Ekurhuleni Metropolitan Municipality's Housing department's 'Special projects programme' seeks to address this issue by creating transitional zones between new low-income housing projects and existing residential stock.

2.8.1   Climbing the housing ladder

The ability of low-income households in South Africa to generate wealth from their properties is severely limited (Nell, 2007). On the one hand, this is due to very low returns on the sale of low-income housing and the inability of households to leverage capital from their homes. It is also due to the fact that poor people know that, if they wait long enough, they will qualify for a freely titled land and house. The continual (although fluctuating) supply of free housing arguably lowers the price of existing units. On the other hand, a number of reports record that there is a great deal of resistance on the part of low-income households to the idea of selling units in townships.[76] In the TRPM 2004 study, only 26% of all interviewed households were willing to consider selling their units at all. In our research 97.2% of the respondents stated that they would not be willing to sell their title deeds. However, as will be shown later in this section, a higher proportion have sold informally.

An important reason why households are unwilling to sell is that households can only afford to replace their units with something of similar or poorer quality, because the low prices that they can get for their units does not provide enough of a boost to transact at the next 'rung' of the property ladder (TRPM, 2004). In cases where households somehow do manage to generate sufficient capital to access better quality and more expensive housing, their choices are severely curtailed. Nell *et al,* (2007) report that the delivery of housing in the affordable market sector is declining on an annual basis. The number of houses delivered in the R200,000-R500,000 category quadrupled between 2000 and 2004, in direct contrast to the below R200, 000 housing market, in which production declined by 65% for the same period and the below R100, 000 housing market decreased by 40%. The net result is that

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[76] See the Township Residential Property Market, 2004, www.finamrktrust/themes/trpm/trpm.asp for further details.

households who are financially able to 'climb the ladder' may not necessarily be able to find suitable units due to the current and no doubt continuing shortage.

Evidence from the survey seems to support these findings, when respondents were asked to compare their present homes to their previous homes, a significant percentage moved within the same income, housing type and housing tenure sector.

Figure 63: Type of previous living place by settlement

Location prior to moving here by three dominant tenure types
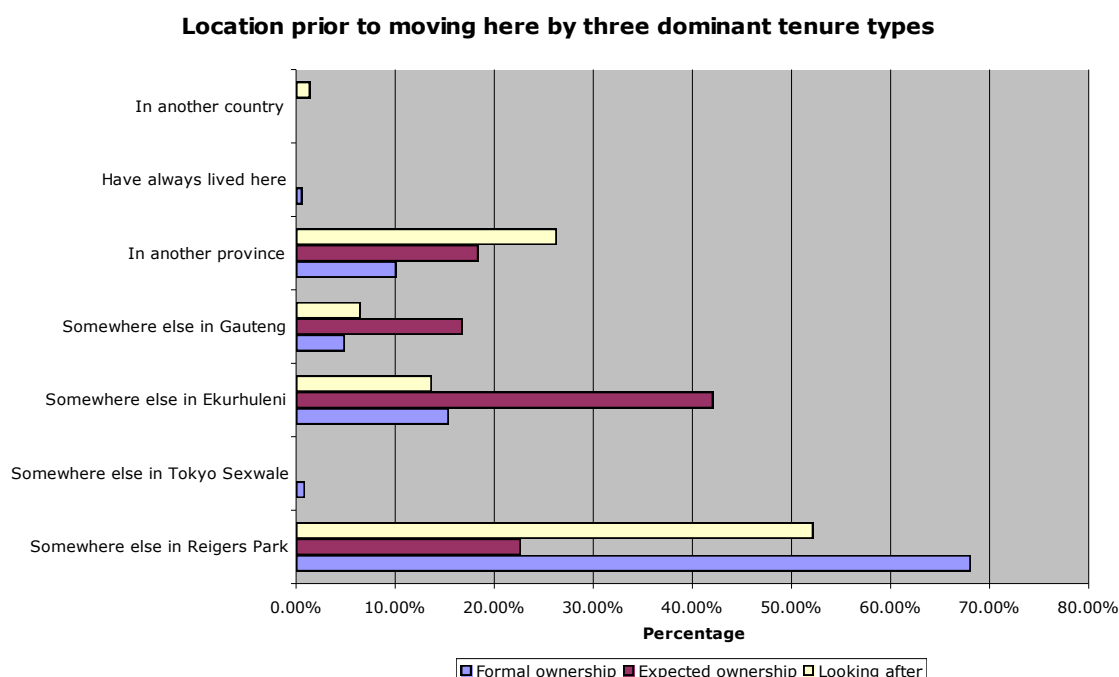
Figure 63 shows the results to the question of in what type of dwelling the respondents were living prior to moving to the current settlement. The results suggest that people generally remain within similar circuits of dwelling value until the state allocates a titled plot and dwelling. For example, over 70% of the respondents in Ramaphosa were living in either an informal settlement or backyard shacks prior to moving to Ramaphosa, which was itself initially an informal settlement. In Egoli, approximately a third of household heads reported that they had made the horizontal move from a formal house in another township to the place they were allocated in Egoli. Similarly in Tokyo Sexwale, about 38% of household heads were living in informal situations (informal settlements and backyard shacks) prior to moving to the current settlement. The role of the informal settlement as a 'reception area' for incoming rural migrants is evident with over 30% having lived previously in a rural area.

It is clear that the state intervention in the form of titling and dwelling provision is significant. A total of 51.1% of household heads that have formal ownership were previously living in an informal settlement and a further 21.7% were living in backyard shacks. At the other extreme, a very small percentage (1.8%) came from another RDP house. Of the households that now have formal ownership, 39% were renting in their previous place, while a third responded that they had 'owned' their previous place and 20% had moved from a place held by their family. In terms of how the previous tenure and place breaks down per settlement; in Egoli Village 41.6% had been in formal housing, either a formal unit or brick structure (34.6%), a municipal flat (6%) or an RDP unit (1%). In the upgraded settlement, most

117

(53.2%) had been living in another informal settlement or a backyard (20.5%). In Tokyo Sexwale almost 37.7% had previously been living in informal conditions, 19.9% previously in backyards, and 17.8% in informal settlements.

It is only where upgrading has taken place that it seems the majority have improved their housing and tenure status and then the residents had little choice since it was a decision taken by the municipality. Thus it seems that where the principle of 'willing-buyer/willing-seller' can be exercised, the restrictions on the current supply allow only the lucky few to move up from informal housing to formal units, and any further climb is halted. Households consistently responded to a question asking whether they would like to live elsewhere with "Where would I then go to stay? I have no other place" (R14, 8). The reasons for the lack of available housing will be considered in the next section, which will briefly summarise the issues facing low-income households' access to urban land and the effect this has on the housing market.

2.8.2 Land Market

There are a number of competing interests in urban South Africa, all of which are trying to access land for their own purposes. The South African Property Owners Association (SAPOA), the 'Voice of South African Property', was recently quoted as saying that "…land availability [is] a growing constraint in the delivery of housing in SA"[77]. The enormous profits to be made in the South Africa upper end property market have made private developers hungry for land that can be developed. Finance institutions and private companies are aware of the burgeoning middle class and the constantly growing high end property sector and are doing their best to cater for them. This puts them in direct competition with the government, which is desperately trying to access the limited supply of well-located land for low-income housing. The national Housing Subsidy Scheme and the land reform programme are two of the key programmes that are attempting to transfer land title to low income households (Napier and Ntombela, 2006)[78] It is through these programmes that the state is attempting to obtain urban land to house and title low income households. Poor households, however, in general feel excluded from the workings of the urban land market and a recent study conducted by Urban LandMark (2007)[79] reported that low income households see the land market as something beyond their reach and only for the wealthy and generally White minority.

In Ekurhuleni, competition for land is effectively between private developers, who are taking advantage of the economic upturn and the general property boom that has occurred over the last five years, and the EMM, which needs to find land for approximately 160 000 new units for low income households (EMM Integrated Development Plan, 2005).[80] Land is in very short supply due to "factors such as shallow undermined land, dolomitic zones, noise zone contours, radiation, the implementation of the urban development boundary and differentiation in land ownership complicates this process" (EMM Integrated Development Plan, 2005: 9). There are a few processes by which land is disposed of.

The process by which land is set aside for low income housing is dependent on the EMM Integrated Development Plan, which is drawn up every five years and reviewed once a year (Figure 1). The IDP is meant to identify exactly which parcels of land are needed for specific

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[77] http://www.property24.com/Property24/Hub/HomeOwners_Default_Full.aspx?articleid=5081
[78] Napier, M., and Ntombela, N., 2006: Towards effective state interventions to improve access by the poor to urban land markets, paper prepared for Urban LandMark, 2006.
[79] Urban LandMark, 2007: Voices of the poor, community perspectives on access to urban land, prepared for Urban LandMark, October 2007.
[80] EMM, 2005: Ekurhuleni Metropolitan Municipality Department of Housing Integrated Development Plan 2005-2010, EMM.

housing projects, once the local authority has identified a piece of land for development. The Gauteng Department of Housing then sends out a consultant to investigate the feasibility of developing a low cost housing settlement on that land. They complete a report to say whether such a development is feasible or not. The property is valued and the Department of Housing then requests the EMM Legal Department to acquire that piece of land for a particular purpose. There is a standard set of conditions under which property will be bought, which relies on the willing buyer/willing seller principle. Once there is agreement between the two parties, a deed of sale is entered into and a detailed feasibility study is completed, followed by an Environmental Impact Assessment. Once all this has been completed and the feasibility of a township being on the property is established, then the council has the go-ahead to buy the land. If the Gauteng Department of Agriculture, Conservation and Environment agree then the EMM Legal Department may begin buying the property. If this process is not achieved in six months, the seller is legally entitled to walk away from the deal. The process of actual development is put out to tender and the company meeting the requirements is awarded the contract to develop the land and build the low-income units. In Ekurhuleni the average time taken for a settlement to go from the IDP phase to the point at which beneficiaries are allocated units is about seven years (Llale, 2007).

Land that is not needed by any of EMM's departments may be disposed of to the private sector, which is also able to identify parcels of land and approach the EMM to buy it off them. The decision to sell off municipal land rests in the hands of the City Manager, who consults a reference group and corporate services to see if there is any previous claim on the land by the municipality or any of its departments. If all parties are in agreement, then the land can be sold to the applicant, who then has control over its use and purpose, within certain land use management and zoning prescriptions (Verhage, 2007). The end result is that prime real estate that the private sector wishes to develop can be pre-emptively bought by developers, whereas the municipality can only reserve land that has been identified through the IDP for low income housing and cannot raise an objection to the sale of land unless some kind of housing plan is in evidence. In cases where the private sector and government are both interested in the same piece of land, the owner of the land is not obliged to sell to government due to the willing buyer/willing seller principle and can sell his/her land to whomever he/she wishes. Since the local authority does not have the same kind of resources as the private sector, the outcome is often a foregone conclusion.

2.8.3   Housing market

Although the housing subsidy per unit is just under R30 000, the formal cost of building a low income unit is estimated to be more than double that, with experts arguing that it is closer to R70, 000 per low income RDP unit in a proclaimed township (Nell, 2007). As such, the government has taken steps to protect its asset in the form of the 'restrictive clause' that is attached to all low-income title deeds (Arendse, 2007; van der Walt, 2007). The restrictive clause stops households from selling their RDP units to anyone other than government for a period of what was 8 years but has recently been changed to 5 years. The idea was that if households want to sell their units, then government should have the first option, so that the unit can be passed on to another qualifying beneficiary. The fear was that the units would be sold to higher income groups or non-qualifying households and as a result the housing backlog would never be addressed.

In practice, there have been no reports of beneficiaries selling their units back to government, although there is a great deal of anecdotal evidence of households selling their units. Gauteng Housing officials report that in a recent occupancy audit of government-provided units, over 70% of the sitting tenants are not the households of record i.e. are not the original recipients of the title deed (Stevens and Dube, 2007). Most households who sell do so informally and are thus not formally transferring the title deed to the new owner. Rather, transactions are taking place through the expedient method of new owners writing

their names on the title deed or through swearing an affidavit at a local police station (Kamanga and Brits, 2007). Although the individual households and the larger communities recognize these claims, the deeds registrar has no record of the change of ownership and as a result the purchaser does not have a legally defensible claim to the property. There is also apparently a trade in other official documents, which either give some kind of limited right to the current location or to a place on the waiting list. The housing markets in the three case study sites were examined to try and identify their current trends and dynamics and to see what, if any, difference title and formal units make to this process.

Box 12. Stories of informal sale (1)

Okay, because you want to know I will not lie to you. They don't go to the municipality or the Department of Housing. It's just between a seller and a buyer.

The thing is, we are not allowed to sell before ten years. That's why people are not going to the municipality. So for the seller there's an advantage because they don't wait for 10 years but for the buyer there's no advantage because there's no signing of papers and there's no witness to say you bought the house. The ownership is not transferred to you as a buyer and when the municipality asks if it's your house you can't say it's your house; you'll lie and say it's your sister's house and you are looking after it.

I think that, and still maintain that, some of the people who are able to sell these houses are those who kept their old houses in the old townships or wherever they came from. They were able to sell before 10 years because they didn't go the legal way like consulting the municipality or going to Johannesburg housing. They would sell a house to you illegally and when the people from housing come to check if the house is yours you say it's your sister's house (R20, 15)

Box 13. Stories of informal sales (2)

My neighbour bought a house and house furniture. He then sold the house, I think for the amount of R10 000. They then went to the lawyers and the lawyer had to be paid. He, the previous owner, left for 3 months to go to the homelands and then he came back. When he came back it was hard because he didn't have a place to go to (R23, 12)

The way in which households accessed their current piece of land reflects, at least to some degree, how prevalent a housing market is within the low-income sector. As noted earlier, the state and local community structures are the dominant means in which land is exchanged and although the state operates within a broader land market (see section on the development process in Ekurhuleni) at the micro-scale, it is difficult to argue that the allocation of titled land has been based on the logic of a land market.

Figure 64: Manner in which accessed current place

Manner in which accessed current place by community

Legend:
- Thubelisha Homes
- Was my partner's place
- Owner gave it to me
- Rented it from another person
- Family member gave it to me
- Inherited it
- Looking after it for someone else
- Occupied it
- Allocated by committee/local community
- From the councillor
- From municipal official
- Bought it from another person
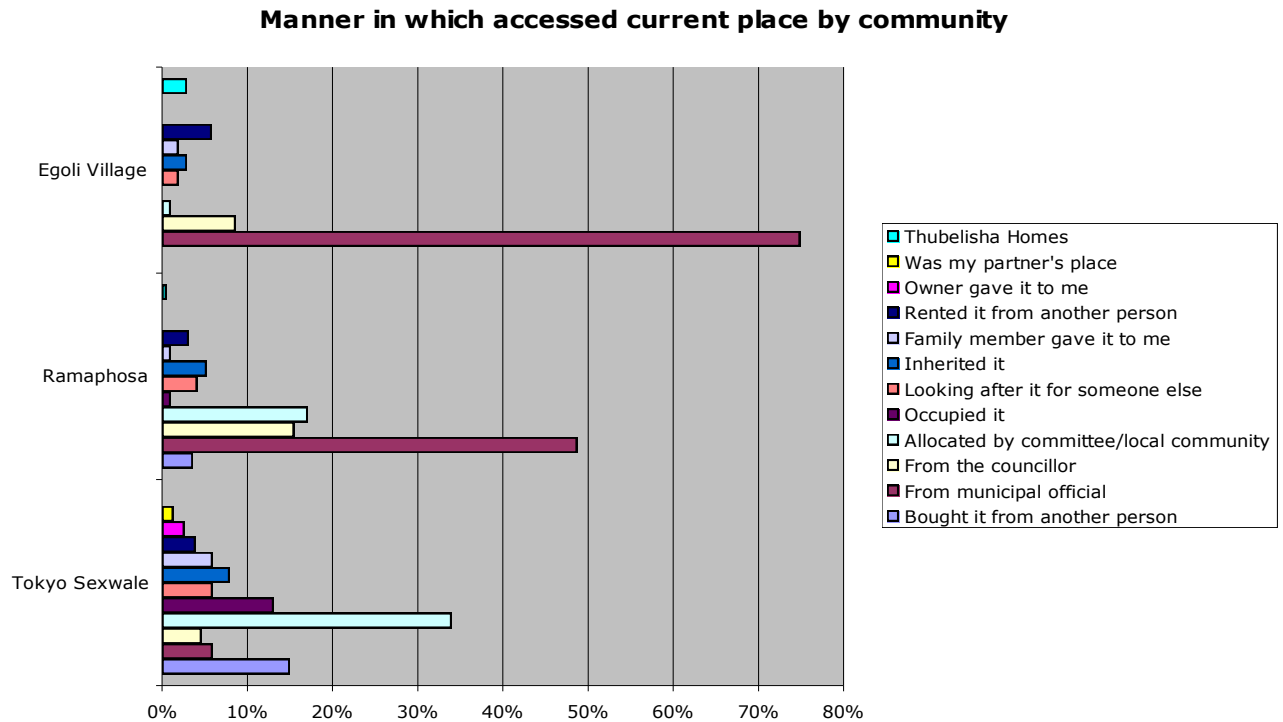
As noted earlier, a very small proportion of respondents had purchased land in the case study areas. A far higher percentage of households bought their current places in Tokyo Sexwale (15%) than the other two settlements, with only 3.6% of those interviewed in Ramaphosa reporting that they had bought their current places and none in Egoli Village (see Figure 64). There also seems to be a gender difference, as 10.5% of male headed households had 'bought it from another person' whilst only 4.9% of female headed households had done so. The high proportion of female-headed households who have accessed their units through some kind of official channel does seem to indicate that the state is targeting women-headed households. The informal land market as a means of obtaining land seems to increase with levels of informality (Figure 64).[81]

The results of our research indicate that while informal sales are relatively low amongst those that have formal ownership, they are more common amongst other forms of tenure. When examining households' access to their current place by their current tenure, it was found that 16.6% of households who have informal ownership, bought their units in the informal market. Within Tokyo Sexwale informal purchase is not the most common way of accessing a unit: inheritance (35.1%) comprises the most important means of obtaining land while 'allocation by committee' makes up a further 25.1%.

The sample for households who have another place elsewhere is extremely small, but if the results are to be taken indicatively rather than representatively then they reveal a fairly

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[81] A larger percentage of respondents are shown to have purchased in Figure 72 because the data is disaggregated and hence not affected by the fact that no respondents in Egoli Village had purchased land.

similar pattern. No households in Egoli Village reported having a place elsewhere and only very small percentages reported ownership of another dwelling in Tokyo Sexwale (3.9%) and Ramaphosa (7.2%). Over half of the concurrently held places are in traditional areas, with more people from Tokyo Sexwale (83.3%) than Ramaphosa (42.9%) revealing ownership in rural areas. A total of 36.7% of households in Ramaphosa with a place in another location said that it was either in another informal settlement or it was a formal unit in a town, city or township. Unsurprisingly given these figures, most people in Tokyo Sexwale had either inherited their other properties (40%) or had been allocated them (40%) by the local community, and only 20% reported purchasing them. Very few households in Ramaphosa (9.1%) reported buying their other property, most (27.3%) say that they rent it and a further 18.2% said that they were allocated it by the local community.

Figure 65: Purchase of land across tenure types

Purchase of land as a means of access across tenure types
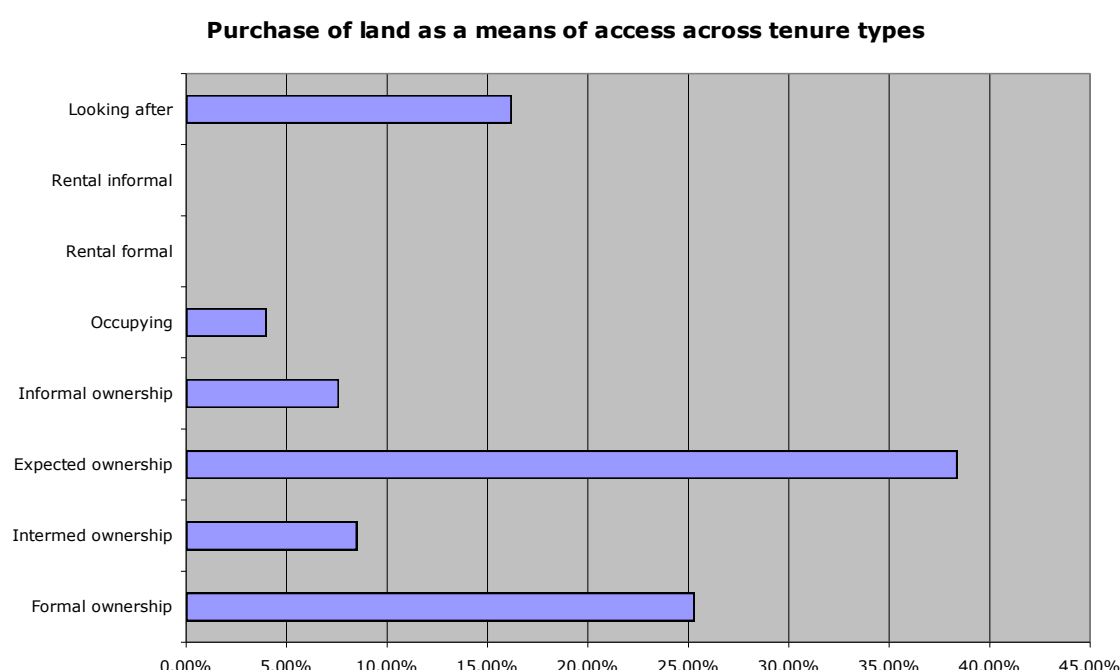
Thus the general trend of buying and selling certainly seems more prevalent for households who have been or still are in informal situations, but the actual market for buying and selling formal units seems to be a great deal smaller than the provincial average or anecdotal evidence would suggest. There are also allegations of corruption, with people involved in the allocation process being accused of selling units informally to people who are not the beneficiaries of record. In a qualitative interview, one of the respondents explained the process to the fieldworker (See Box 14).

Box 14. Corruption

It works like this: Those people who were helping us fill in forms to get these places are the very same people who sell the houses. For instance, say this is my place but I haven't moved in yet, they see that there is nobody here so they sell it to somebody else. But then when you check on the computers, the house is still under my name. So then there is a problem" (R31, 8).

Although no statistics are available, the role of councillors and municipal officials in helping households to access units outside of the formal system cannot be discounted.

2.8.4   <u>Buying and Selling – what are households are willing to do?</u>

Households in all three settlements were asked about their willingness to sell their units or their documentation, either for their current homes or their concurrent (other) homes. There was a general unwillingness to sell either documents or the actual places themselves. No one in either Egoli Village or Ramaphosa were willing to sell their documents to their current place and only 4.8% of households in Tokyo Sexwale. Only households in Ramaphosa and Tokyo Sexwale reported owning a property elsewhere and of this very small percentage no one in Tokyo Sexwale said that they would sell their documentation and 77.8% in Ramaphosa agreed, but 22.2% were uncertain as to whether they would sell their documents or not. Of those households with some kind of expected ownership, only 2.7% of households in Tokyo Sexwale said that they would sell their documents and 1.3% was not sure. There was no uncertainty in Egoli Village, where all households said that they would not sell their documents, but 8.3% in Ramaphosa and 1.3% said they did not know. Interestingly far more households were willing to give their documents away: about one third of both male and female-headed household heads said that they would be willing to give away their documents to their current place to another family member. Over 60% of households in Ramaphosa and Tokyo said that they were willing to give away their documents for another place, but only 18.2% from Egoli Village were willing to do the same. The highest proportion of people who were willing to give up their documents to another place were in Tokyo Sexwale (40%), with and only 20% in Ramaphosa. Of the households who had some kind of documentation of expected ownership, 18.7% in Tokyo Sexwale, 7.7% in Ramaphosa and 25% in Egoli Village were willing to give their documents away.

It would appear from these findings that very few households overall, irrespective of settlement type or tenure form, are willing to sell their documents. Households on the whole seem far more willing to give their documents away to another family member than to sell them. Households with informal ownership seem far more likely to give away their documents to their current place (74.7%) than those with formal ownership (36.4%) or intermediate ownership (31.8%). Conversely 28.5% of households with formal tenure said that they would give away the documents to their other place, but no households who were looking after the current place or had informal ownership or rental would do so. Of those with documents of expected ownership, half with informal ownership and half of households who are informally renting stated that they would be willing to give away their documents. In none of the cases of giving away documentation was there any significant gender difference, as almost equal proportions of male and female-headed households were prepared to give away their documents in each case.

The market for documents seems to be severely limited and very people seem willing to sell their documents, whereas much higher numbers of households are willing to give away their documents to family members. Households with some kind of formal ownership are less willing to give up their documents than their counterparts - it would seem that people with formal ownership are more aware of the power of formal documentation than those without or with some less formal set of papers. It would seem that, once households are given some form of formal recognition, they hold onto to their claims far more than those who do not.

The sale of documents seems to be extremely limited and needs to be compared to the sale of properties to see if units are being sold separately from their documentation or to see if there is a relationship between the documents and the actual place.

When households were asked if they planned on moving out of their current place in the next few years, only 5.7% said yes (over three quarters of whom were either renting informally or had some kind of informal ownership; only 2.7% with formal ownership and no households with intermediate ownership said that they planned to move in the next 2-3 years). Of the very small sample that said that they might move in the next few years, when asked what they would do with their current place, none mentioned selling it. However 45% of households did say that they would leave a family member in it. Of the very few households who had property elsewhere, only 12.5% of households in Ramaphosa said that they would sell it, but half the households in Ramaphosa and Tokyo Sexwale said that they would give it away. Households were generally suspicious of people who sold their units and argued that households who sell their homes must have a house elsewhere "How can you stay for 10 years without a house and when you get one, you want to sell that house. It doesn't make any sense to me, that means you had a place all along (R16, 5) and "I think some of them [people who sell their houses] are people who still have houses somewhere. They applied for these houses so that they can sell them afterwards to get some money and return to their old houses in the townships (R21, 9).

There is, however, other evidence of the sale of properties. Field workers were asked to request to have a look at the documentation that households claimed that they had and to see if the name on the document had been changed. The results were quite fascinating. Of the title deeds held by households, most of whom were in the formal and upgraded settlement, 14.8% in Ramaphosa and 16.4% in Egoli Village had a different name, with a slightly higher percentage of male-headed households (19.8%) than female-headed households (13.8%) having changed the name. Over 10% of those with title deeds where names have been changed claimed to be 'looking after the property'.

There are similar figures and patterns for happy letters, as 16.9% in Ramaphosa and 15.5% in Egoli Village had a different name from the original one. A far higher percentage of male-headed households (35%) than female-headed households (8.8%) had documents with different names on them. To conjecture, this may be due to more men trying to access formal ownership through informal mechanisms because of the way the system seems to favour female-headed households. It was further reported of those who had C-Forms that in Tokyo Sexwale 23.9%, Ramaphosa 21.5% and Egoli Village 19% of what was a very small sample had different names on their documents. These findings demonstrate that there is far more of an informal sale for documents and units than first reported and many more people have accessed their units through buying and selling than initially revealed. It is clear that households are trying to keep these activities under wraps and are not openly displaying the fact that such a market exists and is accessed by many households.

Thus more people than originally reported are buying and selling their units and documents. However, they have a very clear idea about what this sale means for them and their households. They are also aware of the rules surrounding sales and when interviewed, a number of respondents said, "There is a law that doesn't allow people to sell. If they don't want them [units] anymore they should report it to the municipality" (Eric, Age, unknown, resident of Ramaphosa) and "You know we were told that these RDP houses, we are not to sell them until after eight years" (German, Age 48; resident of Egoli Village). People with title deeds are also quite clear that if a unit is sold informally, they may not receive another government house and if they sell, "you will not be able to get another house. If you sell this one your name will never be erased from the office as a registered owner of the house. You will go back to renting in the shacks" (Samuel, Age 52: Resident of Egoli Village). People are also aware that selling is illegal and is accompanied by a range of hazards for the unwary buyer.

2.9 FINDINGS

The aim of this section is to provide a coherent summary of the findings of the thematic research areas. The findings are drawn from the research results that are presented in the previous section. This section summarising the findings of the research provides the basis upon which to draw out broader conclusions in the following section.

2.9.1   The basis for tenure security is diverse

2.9.1.1   *There is a greater range of tenure types than specified in policy or legal terms*

One of the most important findings is that, in practice, there is a range of tenure types. These tenure types go beyond currently urban policies because there is more variation than the ownership and leasehold/rental typologies of policy. The types also go beyond views that only associate ownership with official or legally recognised forms. These tenure types, which are described earlier in Table 8, are differentiated according to the type of document possessed by the inhabitant of the land parcel, the characteristics of the documentation that is held, the legal status of the surrounding settlement, and whether the documentation relates to the parcel of land that is currently inhabited. This range of tenure types comes into view when an 'area-wide perspective' to titling is adopted and is an advantage of the methodology utilised in the study. The types of tenure that were identified are listed in Table 11 below.

Table 11. Summary of types of tenure

Type	Manifested by:
Formal ownership	Original title deed
Intermediate ownership	'Happy letter'
Expectation of ownership	C-Form
Informal ownership	Receipts, affidavits, agreements
Occupying	Physical presence on land
Formal rental	Rental in an area that has been titled
Informal rental	Rental in an informal settlement
'Looking after'	Physical presence on land and verbal agreement with owner

This finding is important because it provides the basis upon which it is possible to conceptualise other findings such as those that relate to tenure security of alternative tenure claims. It is also a fundamental finding in terms of the conclusions we develop around supporting existing urban practices that work for poor people because it highlights a (variable) gap between current urban policy and how practitioners and poor households create alternative and intermediate tenure claims during the process of urban development.

2.9.1.2   *In the short term tenure security does not depend on possessing title deeds*

The results show that perceptions of tenure security are remarkably high across all of the three settlements and within the range of tenure types outlined above. Consequently, perceptions of tenure security do not depend on the immediate possession of original title deeds. Instead, the respondent's tenure security appears to rest on their observation that claims to property ownership are associated with the increasing mutual visibility established between citizens and citizens, and the state and citizens, through processes of urban development such as upgrading settlements, the provision of communal services to informal

settlements and so on. The results show that the links between the allocation of land and title are often spatially dissociated and usually random and temporally separated that it is difficult for respondent's to put much store in an expectation of such a remote occurrence. There is a far greater role for the respondent's observations about the effects of visibility and inclusion in urban development processes. In highlighting the role of respondent's observations rather than expectations, we are also attempting to draw more attention to the agency of poor people in titling processes than the more traditional emphasis on (passive) expectations might imply.

Through our findings tenure security emerges from being 'visible' to different institutions in different ways. For example, informal ownership is recognised by community and family members through a variety of social processes and daily interactions. Intermediate and expected ownership describes a mutual sense of visibility whereby the individual becomes visible to the state as a person rather than as a number in a community and the state and its mechanisms become visible and tangible to the household which now has physical evidence of a relationship and an institutionally recognised status. It is worth noting that none of these processes are mutually exclusive and that they can be mutually reinforcing.

The importance of the title deed and other official documentation and their role in making a household visible is not just recognised by one department or part of government. Households use their "papers" in a variety of contexts e.g. for registering their children for school or to access services. Communities and families also reinforce the importance of documentation and title by arguing that it is the title deed that provides the ultimate proof of ownership. Stakeholder interviews revealed that it is predominantly women (on the advice of other women in the community) that check their ownership status and whose names are on the title deeds at conveyancer's offices (Kamanga and Brits, 2007). Local authorities also respond to the call from communities for legalisation. As the process progresses, each side becomes more visible to the other, with the final goal being an amenity, service or status that is held to be important by both sides.

This finding is important for the conclusions that we draw in relation to the difference that titling can make over a longer timeframe and particularly in terms of changes in meaning and effect that titling might have across generations. The finding also informs the conclusions we draw on the ability to separate the impact of land titling from the impact of service provision that is thoroughly intertwined with clarifying land ownership and rights.

2.9.1.3 *Perceptions of tenure security are important*

From a current policy perspective, security of tenure is dependent on official ownership of land that is achieved through the allocation of title deeds (through the housing programme). In practice, respondents in the case study settlements indicated that they feel secure irrespective of their tenure status.

The role of perceptions of tenure security opens up an important realm to consider for they clearly are a powerful factor in relation to property ownership. Commonly held perceptions of tenure security appear to be the 'currency' with which claims to property are exchanged and held because these perceptions are informed by, and inform, practice. This raises three questions. Firstly, is there the possibility of a more objective comprehension or perspective on tenure security than perceptions?[82] Secondly, the role and importance of perceptions raises questions about how perceptions are created and sustained and consequently an additional dimension for policy-makers to account for when planning interventions. Finally, assuming that there may be some way in which perceptions are slightly removed from 'reality', perceptions may have a very tenuous link to the 'reality' of the situation. There may

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[82] We would like to thank Lauren Royston for raising this question.

126

be important legal or financial factors that fundamentally threaten poor people's security but which are not incorporated in poor people's current perceptions.[83]

2.9.2   The extent and level of financial investment is low

2.9.2.1   *Levels of household financial investment in their property is low across all tenure types*

In all three settlements the extent of financial investment in housing is low in terms of the proportion of respondents that had invested and in terms of the level of investment of individual respondents. In Tokyo Sexwale, 89.1% of the respondents had made no improvements to their dwellings. In Ramaphosa, 63.3% had made no improvements and in Egoli Village 59.6% had made no improvements. Across all three settlements, 81.5% of the household heads have been resident for more than three years and 48.7% have been resident for more than 10 years (although households with title deeds have held these for a far shorter period).

The reasons why people do invest seem to boil down to two main factors. The first is whether they have disposable income or not. Most households claim that their lack of investment in their homes has little to do with what the state of the unit and a great deal more to do with whether they can afford to invest. What remains slightly unclear is whether the lack of money is because there simply are no available funds or whether it is because improvements are considered lower priority than other expenditure.[84] Thus the second factor relates to the opportunity cost of choosing to spend what little disposable income is available on a home that may already be considered eminently serviceable, as may be the case in Ramaphosa or Egoli Village, or not worth the investment due to the vagaries of informal life in Tokyo Sexwale.

2.9.2.2   *Financial investments are for social purposes*

The results indicate that when households do invest financially in their housing it is not generally for financial gain. Investment appears to be primarily motivated by attempts to improve family welfare. Seventy nine per cent of households across the survey reported that they made investments in their housing with the whole family in mind. That is, investments are geared toward ensuring the dwelling meets family needs.

Both men and women tend to invest for their families, with male-headed households seeming to feel a greater sense of obligation to their extended families, as they consider improvements and additions for other family members more than their female counterparts. Women seem to take more time to make improvements, which may partly be because they are less willing to use formal institutions and seem to rely more on family members and savings to finance their improvements. Location seems to make little difference, as none of the household cited either the situation or the physical environment in which they stay as reasons for their investment decisions. Most households financed their improvements through their own savings and contributions from other family members, irrespective of their tenure form or the nature of their settlement.

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[83] We are indebted to Stephen Berrisford for drawing our attention to this danger.
[84] An issue to be taken up in further research is whether there is any difference in the level and kinds of improvements between households that have the same levels of income but differ in terms of the consistency of their income stream.

The "value" of improvements seems to lie in the sense of increased ownership that a household derives from making improvements and in possessing something that can ensure family welfare and be passed on to the next generation. In this respect, 90.9% of households that had made some improvements felt that the place was more their own as a result of having made the improvements.

2.9.2.3 *Obtaining a title deed does not lead to higher levels of financial investment in housing than obtaining other 'lesser' forms of documentation*

The results show that there is very little difference in the levels of financial investment in housing as a result of obtaining forms of documentation. These forms of documentation might be title deeds in the case of formal ownership, C-Forms in the case of expected ownership and so on. Amongst respondent households holding formal ownership, 39% increased the amount of money they spent on their dwelling when they received their title deed. The percentage of respondents that increased the amount of money spent on their dwelling when they obtained a 'Happy letter' is 18.2%, obtaining a C-Form 36.6% and obtaining some kind of informal ownership receipt or affidavit 43.3%. In the concluding section we take up this issue by questioning the logic of exclusively associating the ownership of land with a title deed.

2.9.3 Access to credit

2.9.3.1 *Irrespective of tenure status, very few household heads are prepared to take on debt*

The results show that very few household heads have been willing to borrow money over the last five years. The qualitative results reveal that the unwillingness of household heads to take on debt was related to their inability to pay it off and the recognition that the interest rates would make the original debt far higher than would ever be possible for households to pay off. There is also an unwillingness to risk the only asset that they possess and so debt has to be taken on in a personal capacity, which also relies on satisfying particular social norms of social networks. The percentage of household heads that indicate that they have not been borrowing ranges from 95.7% of heads holding intermediate ownership claims to 81.6% holding expected ownership claims. The percentage of household heads that have accessed credit from formal financial institutions over the last five years ranges from 4.3% of heads holding intermediate claims to 12.7% of those holding formal rental claims.

2.9.3.2 *No household head had used their title deed as collateral for a loan*

No household head reported that they had used their title deed as collateral for a loan in response to questions about details about their three largest loans over the last five years. That is, when household heads are accessing credit, they are not using their title deed as security. Given that it is usually the lender that sets the criteria for the terms of the loan, this suggests that lenders are not basing the terms and conditions on title deeds as a form of security.

2.9.4 Savings

2.9.4.1 *Savings levels are low*

The results show that the numbers of household heads that are saving are low across the three settlements with only one in three respondent reporting that they were saving.[85] While

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[85] Kecia Rust's insightful observation that this interpretation of the result is relative and that caution should be exercised without relating the findings to broader national trends, is critical to bear in mind.

it is debatable as to whether this proportion is lower or higher than the broader trends, it is clear that title makes little difference to the numbers of household heads that are saving. The percentages of household heads that are not saving are 70.2% in Egoli Village and Tokyo Sexwale 69.7% and 66.2% in Ramaphosa. The primary explanation for the savings rates is driven by the levels of disposable income amongst the respondents.

2.9.5   Land and housing markets

2.9.5.1   *Titling is not leading to formal secondary transactions*

Despite the fact that the restrictive 5-year pre-emptive clause is in force in Ramaphosa and Egoli Village and the only transactions should be through the Municipality,[86] the formalisation of property ownership through issuing title deeds in Ramaphosa and Egoli Village is not ensuring that the transactions relating to land are continuing to remain in the formal Deeds Registry system. The results suggest that somewhere between 3.6% and 7.7% of the sample sites that had been issued with an original title deed had been informally exchanged in Ramaphosa. The result for Egoli Village is a low 2%.[87]

2.9.5.2   *The state is dominant in allocation processes*

Slightly more than half of all the household heads in the sample (52.9%) indicate that the means by which they had obtained access to the land that they are currently living on was through an engagement with a councillor or municipal official. Twenty-one per cent of household heads had accessed the land they are living on through (informal) transactions with other individuals and 19% indicated that they had obtained access to land through a local development committee.

The (necessary) dominance of the state in the land allocation processes is important for the conclusions that we draw about the importance of people's observations about titling as well as a more provisional conclusion that we develop about titling acting as a means of including people in 'political processes' rather than enabling them to operate through market processes.

2.9.5.3   *Municipal attempts to increase the supply of land for poor people are constrained*

Emerging from the stakeholder interviews, and at the metro-wide scale, the municipality has difficulties obtaining well-located land for the price that it is able to pay. In addition, the stringent provisions of the Municipal Finance Management Act restrict the ability of all municipalities to transfer land between departments for the development of different land uses, including low-income housing. Consequently, the higher land costs that municipalities

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The most thorough analysis of poor people's savings patterns is offered by the research undertaken through the Financial Diaries of the Poor project. The Financial Diaries research suggests that very few poor people are saving and that when poor people do save, it is for a specific purpose (Collins 2006). From the perspective of the Financial Diaries results, it would appear that the savings rates are relatively high in the three case study settlements. However, the Financial Diaries results also show that in a comparable informal settlement in Gauteng (Diepsloot), 76% of the respondents indicated that they held a savings account with a formal financial institution (Collins 2006). This result could mean that the savings rates in the three case study settlements were lower than average, assuming that having a savings account means that a fair proportion were actually saving.

[86] However, the Provincial Minister for Housing has not made provision for these procedures to be executed.

[87] The innovative attempts to deal with this by facilitating transactions within the 5-year period by Ekurhuleni Metropolitan Municipality do not appear to have filtered down to Ramaphosa and Egoli Village.

face for well-located land, typically result in low-income housing is being built on the urban periphery.

2.9.5.4 *Formal land markets are not working for poor people*

In addition within the current situation, it is hard for households to "climb the housing ladder" and to use their homes to generate wealth. In fact, the value of most units seems to lie in the ability of households to retain them within the family network (as evidenced by the number of households willing to give their homes away but not willing to sell them). Even when examining the number of households whose documents and names do not match up (i.e. proving evidence of informal transactions), the market for units does not seem particularly large and certainly seems to be no larger in formal areas than in informal ones. As for title making the process of sale easier, there is no evidence to suggest that having a title deed makes sale an easier process. The restrictive clause that gives the state a pre-emptive right to purchase RDP allocations is in effect in Egoli Village and Ramaphosa. The application of this clause makes formal transactions more difficult for households in Egoli Village and Ramaphosa and prevents homeowners from taking advantage of any shifts in the housing market to generate wealth. It also drives households who want to or need to sell underground and ensures that neither the buyer nor the seller are in any way protected. The low income housing sector is deeply entwined with larger property and land markets, which need to be considered if changes to the low income housing sector and its dynamics are to be fully understood and utilised in order to meet the needs and satisfy the interests of low income households. We return to issues relating to the five-year restrictive clause in the concluding section.

2.9.6 Titling is addressing key aspects of urban poverty

2.9.6.1 *Possession of a title deed decreases the sense of vulnerability of household heads*

Despite the result that 91.1% of the respondents with title deeds reported that they had never used their title deed for anything, the qualitative survey consistently revealed that one of the most powerful impacts of obtaining a title deed is the respondent's awareness that title deeds offer recourse to an independent authority in contexts where their claims to the land is questioned. The ability to defend their claims in this way reduced their sense of vulnerability.

2.9.6.2 *Possession of a title deed is associated with perceptions of improvements in the quality of the living environment*

Household heads that hold formal ownership claims are the most likely (75.6%) to feel that their current living environment has improved in comparison to their previous living environment. Households holding formal ownership claims are also the least likely (13.2%) to feel that their situation is worse than their previous place. This finding is important because it draws attention to the intertwining of the provision of services and infrastructure and allocation of title deeds.

2.9.6.3 *Titling is redistributing assets to female-headed households*

The titling programme is progressive in the sense that it is allocating title deeds to more female-headed households than male-headed households. Across the Ekurhuleni Metropolitan area, male-headed households make up 67.2% of households. However, seventy-three per cent of households in the sample holding formal ownership claims are female-headed households, while 64.7% of households holding intermediate claims are female-headed and 58.4% of those holding expected claims are female-headed.

2.9.7   Titling and municipal revenue

2.9.7.1   Newly created property owners in the case study settlements do not currently enhance the municipal tax base

Progressive policies in Ekurhuleni Metropolitan Municipality currently completely exempt households living on properties and dwellings with a combined value of less than R100,000 from paying any property taxes. As a result, in the 2003/4 financial year, the Municipality provided R34.9 million in property tax rebates to poorer households.

2.9.7.2   Titling makes households increasingly 'visible' to the state and the state 'accessible' to households

This finding is more fully developed in the concluding section that follows but apart from the relationships that are formed between poor households and the state through the provision of services and infrastructure, there is a very direct way in which titling makes poorer households visible to the state. This is that to be classified as 'indigent' (and therefore to qualify for specific benefits) one of the criteria is that the household be the owner of property in Ekurhuleni metropolitan area.

Part Three

3   CONCLUSIONS AND POLICY IMPLICATIONS

In this concluding section, we draw together the specifics of the research findings with the more general issues contained in the literature to present the broader conclusions of the study. Essentially we conclude that the titling of land for poor households should continue but with important modifications if titling is to have a greater positive social and economic impact. The details of this overall conclusion are elaborated below.

3.1   CONCLUSIONS

3.1.1   The assumed financial and economic impact of titling on poor households is not evident

The findings suggest a rethinking of the general understandings of the financial and economic impact of land titling because neither of the two dominant understandings of impacts are evident in this research. The first understanding of impact argues that there is a link between clearer (formal) property rights, markets and poverty alleviation. In this view, titling creates an economic asset that can be used in a variety of ways to generate capital. The findings from the study suggest that in the three case study areas examined that this is not the case. Differences in tenure did not make households more likely to access credit, invest in their homes for profit or sell their houses nor did any of the households use their formal homes as collateral or as a base for home enterprises.

When investments in housing were investigated, it turned out that the vast majority of households surveyed, irrespective of tenure or settlement, had not made any improvements to their units most of which had been provided by contractors (RDP units), except in the informal settlement of Tokyo Sexwale. The majority cited the reason as a lack of money. There was a noticeable reluctance to borrow money from any source, including money-lenders/micro-lenders or loan sharks. Banks are not approached, as people are worried that they might not be able to repay loans. No respondent had mortgaged their house, although the extent to which this was due to their reluctance to jeopardise their main family asset or to banks' unwillingness to accept low-income houses as collateral given the undeveloped housing market is not clear from the study. Thus those households who do invest in housing improvements rely on their own savings or contributions from family members. Improvements depend very much on the type of unit. Informal dwellings are generally not beautified but are repaired, enlarged and extended, or made liveable, as and when the need arises. Few informal dwellers are willing to make substantial financial investments in their homes because of the risk or do not consider it worthwhile as they do not own the place or feel that one cannot improve a shack. The motivations of households in Ramaphosa and Egoli Village seem to reflect their perceptions of what the delivered formal house needs to be satisfactory as a living place rather than any sense of investment for profit. The bare grey units they receive are unpartitioned, unpainted and unplastered, although they do have a range of other amenities. As a result households paint, plaster and partition in order to make their homes more liveable and comfortable.

From the perspective of the second dominant understanding that clearer (formal) property rights expose poor households to the vagaries and inequalities of (capricious) land market forces in terms of which their choices are restricted and households are displaced. There was anecdotal evidence of entrepreneurs creating a property portfolio in other areas that

had been titled through the RDP programme, there was little evidence of this phenomenon in the case study sites and the vast majority of respondents reported that they would not be prepared to sell their land under any circumstances.

The fact that impacts predicted by the two dominant understandings of title are not evident in this research point towards the need for alternative understandings of the financial and economic impacts and ways of valuing titled property, rather than discarding the dominant understandings completely. There is also an important temporal dimension to bear in mind. While our research has found little evidence of the predicted impacts of land titling, a limitation of the research methodology is that it is difficult to capture long-term effects of titling. It is entirely plausible that in the next generation, the predicted financial and economic impacts of land titling will be realised. The temporal limitation of the methodology of our research and the restrictions it places on understanding impact informs an important recommendation for policy about the need to generate longitudinal data.

Key to rethinking the financial and economic impact of land titling is the need to generate new discourses that introduce more appropriate terms, concepts and possibilities for describing the impacts of titling.[88] But, if these new discourses are still being formulated, what is much clearer is that there are different ways of valuing titled land within areas that contain poorer people. There were a number of elements that became clear throughout the study, regarding the meaning and value that households give to their homes and title deeds. Formal housing that is owned is seen as an urban base for the household and it's extended kin network; a place of refuge and a potential legacy that can be passed on to the next generation. The title deed also has important psychological consequences as those households possessing the document indicate that they feel that they now have a more defensible claim and absolute state-recognised proof that the house belongs to them. These ways of valuing the titled land suggests that the primary way in which titled land is working is as a 'social' asset. Thus, any investment in the house is likely to be done with the comfort and needs of the family in mind rather than with a view to the financial return on investment. It also creates a situation in which low income households are unlikely to sell their units or their documentation due to the value that the property or unit has for the entire family.

3.1.2   The 'titling system' rather than the title deed has a social impact

On the basis of the results of this study, it is possible to conclude that, on balance, the impacts of titling emerge because there is a 'titling system' rather than the immediate possession of original title deeds. One of the main reasons put forward for the provision of title is the fact that they are in some way useful to the households in question. There is the assumption that low-income households will use their title in ways similar to the middle and upper income sectors of society. The findings seem to indicate otherwise and demonstrate that the vast majority of those with title have actually never used them at all for anything. That is not to say that they have no use in this context, when households were interrogated further some did say that the title could be used as proof of their claim and as evidence of the exact dimensions of their plots and homes.

If, as we are arguing, it is not the title deed itself, but the 'titling system' then it is necessary to specify what the 'titling system' is. However, in specifying the 'titling system' we immediately encounter the problem highlighted in the previous conclusion in relation to the availability of alternative discourses that provide the language and activities to understand the impact of titling. Nonetheless, we can start to identify some of the features of the 'titling system'. The first point is that in the South African context, the 'titling system' is neither systematic nor coherent. The process of titling in low-income settlements is typically a (seven year) long process with a large number of steps and stages rather than a single act.

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[88] We are grateful to Marie Huchzermeyer for bringing this issue into clearer focus.

The 'titling system' has to deal with delays and obstructions and is neither linear nor necessarily efficient. What is clearer is that the "system" does however, provide households with a wide variety of documentation, services and amenities that builds a progressive system of mutual visibility between low-income households and the state. Households in informal settlements generally have little interaction with the state, services are provided through communal facilities and the local councillor is often a distant figure. However once an individual registers on the housing waiting he/she immediately appears on government records and becomes a citizen that should be accorded certain rights. As the process of titling progresses the interaction between the state and the individual increases. Increased interaction results in citizens being able to demand greater satisfaction of their rights as they are recognised by themselves and by the state as citizens. Households with title or on the road to receiving it feel less vulnerable to arbitrary evictions and forced removals than those with informal claims, although the differences are not stark. Households also seem to feel that possession of title protects their property rights in a far more concrete and definitive manner than any other document or assurance. Female-headed households seem to feel less at risk from a number of sources and also perceive the title as the key which can open the door to a myriad of government-provided rights, which they see as inevitably resulting in a better living environment.

On the other side individual's greater interaction with the state means that the government in its myriad of formulations becomes a factor visible in the lives of its citizens and the relationships between the state and citizens are made ever clearer. Thus, we argue that the 'titling system' rather than title deeds is the mechanism by which the state and its citizens become 'visible' to each other. Our conclusion about the importance of the 'titling system' is that it provides a new way of thinking about the diversity of tenure claims that actually exist and has important methodological implications. Both of these issues are taken up in the following sections.

3.1.3 The diversity of tenure claims provides a significant resource for households to sustain their urban livelihoods and policy-makers to build upon

The finding that there are a great many more forms of tenure claims that are important to low income households than just officially recognised ownership gives content to our conclusion that the 'titling system' is important because many of these tenure claims are created during the process of land titling. The diversity of tenure claims that exist provides a significant resource for policy makers to build on in ensuring that land titling has a greater and positive social and economic impact on poor households.

3.1.4 Formalised property rights do not necessarily create formal secondary transactions

Apart from identifying the need to build on the forms of tenure claims that actually exist, we can reach the same conclusion from another perspective. The diversity of tenure claims provides a means of tackling the problems that arise when official claims to property are informalised. *In situ* housing upgrades and greenfields projects that result in formal ownership for low-income households do not mean that the government housing stock will stay in the formal system in perpetuity. The evidence suggests that many low-income households will avoid the formal system of housing transfer. For those who have owned their properties for less than 5 years, this may be because it is illegal for them to sell due to the restrictive clause in their title. Whereas for other households it may be due to the cumbersome, expensive, and time-consuming nature of the housing transfer process. However it is looked at the current system does not encourage the continued formality of housing and in many ways actually discourages low-income households from using the

formal legal systems that are in place. The end result of the current titling and housing provision system may be the continued bifurcation in the market between low income housing stock and the rest of the property and land market. The hoped-for "normalization" of the housing market is therefore unlikely given these circumstances.

3.1.5 The visibility of informal settlements

The state needs to recognise the impact of its actions on poor and indigent households. The report notes that tying eligibility for free basic services to formal house ownership results, in practice, in those households who have obtained ownership in a planned housing area having access to a better standard of services than those in informal settlements, where basic services are provided in bulk (shared water supply etc). This marks a particular attitude and thinking about informal settlements, which is in keeping with the notion that they should be eradicated and therefore it is not necessary to put in good services. The reality is that the national government Department's goal of "eradicating" informal settlements by 2014 is blatantly impossible. The usefulness of informal settlements as reception areas for low income households and the social and economic role that they play in urban economies needs to be recognised so that residents are not regarded as a nameless mass of poor people but become visible as individuals and households with specific needs and personalities.

3.1.6 Methodological and conceptual implications

There are two methodological and conceptual implications that emerge from the conclusion that it is not possible to isolate title as a single component. The first is that the impact of title is certainly not homogenous and is mediated and mitigated by the exact context of each particular household and individual within that household. Gender, employment status, income and the ability to access a range of resources are going to change the nature of the impact of title. To say that providing all households with title is uniformly and universally positive or negative would be to grossly over-simplify that factors that affect the impact of title. The exact nature of how these different factors interact with each other could not be conclusively drawn from the study by the heterogeneous and highly varied nature of the responses that we received regarding their experience of title is sufficient to make the conclusion and to flag the point for further research.

The second consideration of the phrase "it is always title and …" refers to the fact that title is not transferred to households in isolation. The titling process is a long and tedious one that judders and moves along in a series of fits and starts. Each step is associated with a different form of documentation and different, generally improved, service and shelter provision. The steps are not consistently co-ordinated in such a fashion that the attainment of a specific document results in the provision of a particular service and the end result are a range of households with a myriad of different combinations of services and shelter before they ever receive title. It then makes if difficult to analyse exactly what is having the impact on people's lives. This study seems to suggest that the impact on households is a combination between the provision of some kind of step in the titling process *and* the provision of services and housing. It is not just the one or the other but the intertwined and entangled array that is provided over a period that actually has the impact.

3.2 POLICY RECOMMENDATIONS

The aim of this section is to identify policy recommendations that emerge from this study. The recommendations are necessarily tentative because there are many government officials at different levels of government who are engaged with the issues investigated in this report and who have valuable and different understandings of the processes and institutions associated with titling. In the spirit of contributing to these processes and institutions we identify the following five recommendations for policy.

3.2.1 Acknowledge and legitimate the diversity of tenure claims

If, as we have argued, the 'titling system' has more impact than title deeds themselves, then we recommend that there is merit in investigating and legitimating the diversity of tenure claims that are created by the 'titling system'. If the titling system creates security of tenure then it is not necessary to ensure that every parcel of land is automatically titled. Instead, households could be given a choice (given that titling expenses are deducted from their subsidy) about which kind of tenure claim they wished to hold without prejudicing any future claims to hold full freehold ownership claims. The other claims could then be managed through local municipal registers in ways that supported the formal registration and protection of residents that currently have little option but to transact informally. It may allow low income households, who rely on their mobility as an integral part of their survival and income generating strategy to not get locked into a certain place and location.

3.2.2 Support savings processes

The research shows that poor households have a very cautious approach to debt and that property is not being used to leverage credit. This suggests that support to savings mechanisms through making saving easier, cheaper and more rewarding could create a greater economic impact on reducing poverty than access to credit/debt.

3.2.3 Validate the social uses of property

We concluded that the titling system rather than title deeds were having more of a social impact than an economic and financial impact on poor households. This provides the grounds for policy to start to validate the social uses of property ownership. This would include making it easier to extend the starter-houses to accommodate extended kin and supporting the goals of the Breaking New Ground policy to create better access to services and public amenities such as schools.

3.2.4 Create a longitudinal data set

The social and economic impact of land titling will clearly differ over different time periods and generations of ownership. Snap-shot studies, such as this one, can only offer glimpses of what is occurring a particular moment and it is very difficult to gain a sense of cumulative or generative impacts that occur over long time frames. In order to understand these processes, we recommend that support be given to creating a longitudinal data set.

APPENDIX: METHODOLOGY

The aim of this appendix is to provide greater details on the methodology used to address the question: *what are the social and economic impacts of land titling?* The appendix documents the organisation of the project and institutional arrangements before elaborating on the conceptual and methodological aspects of different components of the research and questionnaire schedules.

The aim of the research is to investigate the social and economic impacts of land titling in three different types of settlements: an informal settlement, a settlement that has been upgraded *in-situ* and where the residents have possession of their title deeds, and a settlement that was developed and people relocated to the settlement and where they have possession of the title deeds.

Organisation and institutional arrangements

A Reference Group who voluntarily gave of their time and expertise guided the core project team at key moments in the course of the project. The core project team was supplemented by various service providers including Social Surveys Africa, Michael Kihato, Dirk Taljaard and Sarah Charlton.

The Reference Group consisted of:
Professor Alan Mabin	School of Architecture and Planning, Wits
Professor Marie Huchzermeyer	School of Architecture and Planning, Wits
Lauren Royston	Consultant, Development Works, Johannesburg
Dr Mark Napier	CEO, Urban LandMark, Pretoria
Stuart Wilson	Centre for Applied Legal Studies, Wits
Mirjam van Donk	Isandla Institute, Cape Town

The core project team that managed and conducted the research consisted of Colin Marx and Margot Rubin.

Social Surveys Africa provided the social survey services and Sarah Meny-Gibert supplemented the project team on issues relating to the social surveys.

Michael Kihato from Stephen Berrisford Consulting prepared a background report on key policies and legislation relating to land legal issues.

Conceptual framework

Our conceptual framework is defined by an understanding of a number of key concepts. We begin by defining 'land', 'land titling' and specifying the importance of 'social spaces' and 'relationship between law and society'. This leads on to a consideration of the different ways of understanding how social change occurs. The methodological implications of this conceptual framework are taken up in the next section.

Land

Land is typically defined as a physical commodity that is delimited by formal cadastral boundaries. Land has qualities that emerge from its geographical location and technical assignment of uses determined through procedures of municipal development control and

zoning. We seek to go beyond this traditional conception of land that has dominated approaches to urban planning and land tenure reform because this traditional view tends to erase the social and economic processes that constitute urban land and consequently, some of the complexities that characterise how we understand land and its role in society. Following through on our aim to be more sensitive to context and everyday processes, we allow for a more complex understanding of urban land. We introduce the complexity by moving away from the notion that a parcel of land has some essential quality. We move towards a position that allows for definitions of land to co-exist; that considers the dominant form of ownership and use as a contingent configuration of claims that are negotiated and contestable.

Our starting point is to recognise that there are different rights to land and that these co-exist in urban areas. These co-existing rights to land emerge in different ways. For example, at a most basic level the need to survive is dependent on a right to land or to the produce of land (Wallace and Williamson, 2006). Another right, emerging from notions of citizenship, guarantees people access to any urban areas and use of urban spaces (Roy, 2003). The different levels of the state have rights such as to tax, regulate, preserve and allocate land in different ways (Harvey and Jowsey, 2004). A right to use land 'productively' emerges from economic understandings of the role of land in processes of economic growth (Dowall, 1993). Our intention is to draw attention to the existence of different rights to land and that these rights co-exist rather than provide an exhaustive list of rights to land. For example, it is also possible to think of how rights to land might also emerge out of political discourses, religious belief and so on.

The usefulness of these distinctions is that it starts to point toward the ways in which a single parcel of land can simultaneously be part of many different calculations of value by different people. It hints at the contestability of land – of the ways in which land can simultaneously be enrolled in different calculations of value. This moves away from a 'technical' discussions that are limited to the 'productive' potential for land within particular zoning and development control parameters and towards the politics of processes that ultimately determine how land is traded or held and for which purposes. It is clear that with when rights to land co-exist, social relations are important. In this complex view of land, Chris Hann's (2005) observation that property rights are the social relations between persons with respect to land is useful because it draws attention to the social processes that must be negotiated in relation to land.

There are two senses in which we can start to think of land being defined by a network of overlapping rights. The first is that rights to land do not make 'sense' unless they can be distinguished from other rights. While some observers think of land rights as existing in a hierarchy, we prefer to think of rights as co-existing and hence, the analogy of a network is more appropriate. The second sense is that when land rights co-exist, any particular configuration cannot be enforced or stabilised by a single individual and hence the networks which individuals are part of, or can enrol, are critical to think of how land is defined.

Land circulates in different co-existing registers of meaning. Such meanings may references to markets. For example, Isandla Institute and SBC (2007) develop Wallace and Williamson's (2006) differentiation between "survival-land, rights-land, simple commodity-land, asset-land and complex commodity-land". Approached from a more political perspective, Fleming (1996) distinguishes between the different and co-existing meanings that land has at a personal level and for social identity, for nation building, and as an economic resource.

Land titling

Title to land can be held in many ways and represents the real rights on land that an individual or collective can hold. These real rights can be in the form of leasehold or

freehold. The focus in this research is on freehold forms that are held by an individual household in an urban area. It follows from our definition of land (above) that freehold title is a specific form of claim that is configured out of the diversity of overlapping claims to rights to land.

For the purposes of this research, freehold title is defined as existing from the point at which the household is issued the title deed. We acknowledge that this definition excludes the possibility of examining impacts prior to the transfer of freehold title such as how different groups value title in anticipation or adjust in surrounding neighbourhoods.[89]

The difference that urban space makes

It is clear that urban spaces are not just a container or backdrop in which everyday life plays out. Different spaces have multiple meanings and shape everyday activities as the spaces are used, disused, passed through or inhabited. These activities in turn create new meanings of spaces. The research generated in the 'township residential property market' study (Nell et al., 2004) starts to suggest that title in different settlement areas has very different meanings for the holders. There are many sites producing rules and obligations in societies and these are operative in different contexts.

Two broad approaches appear in the literature on urban land titling. In the first, the difference that urban spaces make to land titling is largely implicit. In the second, very little attention is given to the differences between spaces and the lessons learned in rural areas[90] are imported wholesale into urban analyses.[91] There is a need to take the difference that space makes into account and particularly in the light of how social changes are understood to occur.

The relationship between law and everyday social processes

The relationship between law and society is complex and there is a large literature. We agree with Blomley (1994) who suggests that: "although legal practice may affect social life within a locality, law itself is not simply imposed upon a local setting, but is instead interpreted in and through that setting. Law is, as it were, produced in such spaces; those spaces, in turn, are partly constituted by legal norms. Either way, law cannot be detached from the particular places in which it acquires meaning and saliency."

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[89] It is worth remembering that titling is a process. Land to be titled has to be extricated from other configurations of claims to rights to land, there are usually formal processes that dictate how land uses can be converted, and there are diverse groups of social actors that have an interest in how land is used and how it is controlled. A point that is important to extract from the recognition that land titling is a process, is that social actors can anticipate the actual event of titling in certain ways. This may be to foreclose on specific outcomes or open up the possibilities for new outcomes.

[90] Most of the models about the impact of land titling draw heavily on rural evidence. In the rural areas, land is more of a productive asset. But the meanings of spaces and activities in cities are more different than just changing the spatial context in which titling occurs. Land in urban areas more typically leans towards reproductive uses – notwithstanding the evidence that sub-rental arrangements can be an important income stream for impoverished households or that significant numbers of poor households are engaged in 'home-based enterprises'. This existence of home-based enterprises means that the land is productive in different ways – in terms of location, access to infrastructure, qualities in terms of slopes that allow for access and extension and security requiring fencing.

[91] An example of this is Erica Field's Field, E. 2005: Property rights and investment in urban slums. *Journal of the European Economic Association* 3, 279-290. influential work where she draws on Besley Besley, T. 1995: Property rights and investment incentives: Theory and evidence from Ghana. *The journal of political economy* 103, 903-937..

In addition to this we try to develop a 'legal pluralist' position that recognises that there are multiple forms of law. The term 'legal centralism' refers to a view that the label of 'law' should be reserved for state law and that other forms of law should be subordinated to state law (Woodman, 1998). This is important to take into account because as Manji (2006) points out, the 'legal centralist' view contains an assumption of the way in which development occurs. She notes that such a view "leaves little room for local variation: it is assumed that as societies develop modern capitalist economies, non-state legal orders give way neatly to state law and that, in relation to property rights, informal tenure arrangements are superseded by formalisation" (Manji, 2006). A legal pluralist approach "acknowledges the composite nature of society and gives full attention to its multiple sites of control" (Moore, 2005).[92] It is evident that having freehold title does not exclude other forms of rules and obligations from operating.

In a legal pluralist approach it is important to bear in mind that formal law does not remain static. It is evident that the concept of title in general and freehold title in particular is not as stable and unvarying as it is made out to be. Traditional definitions relying on a perceived continuity with the past are often used to legitimise definitions in the present. However, traditions are constantly being invented and reinvented in the name of continuity (Harris, 1996). Cousins and Klaasens (2006) articulate the nuances between 'customary' and 'western-legal' forms. Fourie (1998) draws attention to changes in the notion of property rights, while Kamanga and Brits (2007) highlight 7 different types of freehold title.

Daily life and intra-household dynamics

The importance of focusing on people's daily life is underscored by the fact that this is where people most likely negotiate the law and where the power and authority to negotiate with others has the greatest impact. Anne Griffiths (2005) draws attention to focusing on how people's daily lives are connected to the social polity and involved in networks revolving around kin, marriage and access to resources. Women's access to resources is highly mediated through the gendered networks of family and household together with the broader social and economic domains of which they form part. In addition networks are differentially situated so that different women who may be of a similar age, have very different access to, and control over, resources. O'Laughlin (2007) notes that it is accepted that most households are complex and overlapping and constructed through contradictory relations of gender and seniority and that co-operation is enmeshed *within* inequality.

(Social) urban change

We have identified five ways in which we can understand how change occurs:

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[92] Sally Falk Moore Moore, S.F. 2005: Enforceable rules inside and outside the formal law. In Moore, S.F., editor, *Law and anthropology,* Malden, MA: Blackwell Publishing, 245-248. notes that "a definitional debate has arisen in connection with the idea of legal pluralism. Some social scientists and lawyers treat all enforceable norms as "law" (see Griffiths, 1986). Others continue to emphasize the distinction between an official legal system with the force of government behind it (laws) and unofficial locations of rule making and enforcement ("informal" but enforceable rules). Thus legal pluralism is a term which can be analytically blurring. It can allude to such things as the international context where there are different national legal systems operating in the same arena, it can refer to state law and federal law in a federal system, to colonial law and customary law in a colonial situation, to religious law where there are a multiplicity of officially recognised religions, to ethnic laws where ethnic groups are officially recognised to have some legal autonomy, and so on." Following Sally Merry we adopt a view of legal pluralism as one that "packs official and unofficial rule making in the same basket" Moore, S.F. 2005: Enforceable rules inside and outside the formal law. In Moore, S.F., editor, *Law and anthropology,* Malden, MA: Blackwell Publishing, 245-248..

- Randomly, by chance, through the multiple interpretations of dense interactions and associational life of urban dwellers (Amin and Thrift, 2002; de Boeck and Plissart, 2004; Simone, 2004)
- Through the economy[93] (Bloch et al., 2006)
- Through the state and laws and policies of the state (politics) (Deininger, 2003).
- Through/along infrastructure such as transport, water, energy (Kaika, 2005).[94] This form of social change is particularly important to consider in light of the close relationship between land values and access to infrastructure.
- Through people's social and family networks. As suggested in the section on recent research, Fourie's (1993) approach to social change is one of the few attempts to explicitly link land to social change and is therefore important to consider.[95] In this model, which is built on an understanding that urban land issues are a combination of rural experiences and 'western' conceptions of property, Fourie (1993) identifies a dialectical relationship between internal competition and inter-dependence within a community. These structural processes lead to processes of fission and integration around individual and group tenure rights. These internal processes, as well as the interaction of the community with external processes provide a constantly changing context for transactions that occur.

In addition, social change does not have to be confined to the geographic point at which the policy makers or local authorities intended it to be. Thus the impact of land titling on a particular household may not be felt at the erf that is titled but in another place that is connected through one of the ways in which change occur.[96] The literature survey shows that 'titling alone' does not have socio-economic impacts that are often claimed by protagonists. What is at stake then is identifying other factors or processes and the relationship between these other factors and processes and titling (in different contexts).

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[93] There is often an automatic assumption made that land titling is the one and only factor that determines whether poor people have entered the land market. This leads to concerns to protect poor people from wealthier, and hence more powerful, groups that operate in the land market. There are a number of grounds upon which to question this assumption. First there are many land markets rather than one. Second, poor people are already part of the land market before land titling and by suggesting that poor people only enter the land market upon titling is to ignore complex and multiple forms of existing exploitative relations. It is perhaps more accurate to think through how titling affects existing forms of exploitation which occurs through the ways that poor people are already part of the economy/market.

[94] A simple example is how HIV travels along (long-distance) roads. On water and infrastructure see Gandy Gandy, M. 2004: Rethinking urban metabolism: Water, space and the modern city. *City* 8, 363-379, Gandy, M. 2006: Planning, anti-planning and the infrastructure crisis facing metropolitan Lagos. *Urban studies* 43, 371-396..

[95] The model has been developed by, amongst others, Barry Barry, M. 2006: Formalising informal land rights: The case of Marconi Beam to Joe Slovo Park. *Habitat international* 30, 628-644. and Davies Davies, C. and Fourie, C. 2002: A land management approach for informal settlements in South Africa. In Durand-Lasserve, A. and Royston, L., editors, *Holding their ground: Secure tenure for the urban poor in developing countries,* London: Earthscan, 218-230, Davies, C.J. 1998: Land management of an informal settlement in East London. *Surveying and Mapping,* Durban: University of Natal.

[96] There is a need to distinguish between impacts that assume that the people remain fixed to the land that was titled – and hence, focus on a geographically circumscribed area. There are a different set of impacts to consider when people are assumed to move. For example, people's mobility may increase or decrease as a positive or negative response to their holding title. There are a different set of impacts to consider when both the impacts or people are assumed able to move. People's lives don't fit into the programmes. It is a political act to frame people's lives as if they fit into the parameters of a land-titling project.

In an attempt to represent this conceptual framework graphically, we offer the provisional diagram on page 144. We begin by explaining the different 'lenses' through which people might experience the impact of titling.

We are proposing that the impact of land titling is filtered and interpreted simultaneously through one of more of the following factors:
- The 'register of meaning' of land which different people are able to activate in the specific types of interactions and relations between each other (or despite their relations).[97]
- Which identity people are able to express in their relations with each other. Identity, in turn, is constituted by:
    - People's age
    - Race
    - Gender
    - Marital status
    - Family
    - Personal experiences
    - Employment
    - Religion
- Financial status (or access to financial resources that people can draw on) and investment strategy
- Obligations to family and others
- The part of the city in which ownership to land is held
- Other state activities that are part of people's daily life

We are proposing that the impact is transmitted through the following channels:
- Money
- Transactions
- Family relations
- Social relations
- Employment relations
- State law sanctions
- Time
- Infrastructure
- Chance

In addition the impact is not restricted geographically to the piece of land to which title is held and decision-making and impact (positive or negative) does not necessarily coincide with the titleholder.[98]

There are types of impacts:
- Losing/eroding
- Investing
- Immobilising
- Stabilising/securing
- Displacing
- Accessing
- Protecting
- Conflicting
- Burdening

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[97] Some of the different registers in which land has meaning relates to rights, commodities, investments, and so on.
[98] This is quite a shift from an understanding that property rights need to coincide with an individual to have any effect.

- Participating
- Appearing
- Accumulating
- Leveraging
- Inheriting

The types of impacts can have different (i.e. positive and negative) 'directions' on people's daily lives:
- Cumulative
- Generative
- Catalytic
- Irreversible

The way in which people in poor households make sense of/feel the impact of/deflect the impact/ignore the impact/postpone the impact of title as title is constituted by money, family relations, transactions and so on, is filtered through some or all of the different layers.

If this way of understanding **how** the impact of title is experience is possible, then we still need to understand **what** the impact is.

The framework suggests that there are **specific** moments in which title will have an impact (i.e. it will be a determining factor in the decision-making or actions of people in their relations with others) and there are more **general** conditions that obtain from the decisions and actions that are made in relation to holding or acquiring title to land.

It is precisely because the different 'lenses' trigger specific subjectivities on the part of the respondents that in the research that was conducted with residents of the case study areas, the research team explicitly avoided using the terms 'land titling' and 'freehold title' (although such terms are central to the analysis). The purpose of avoiding these terms is to minimise the subjectivities that are activated within South Africa's particular and emotive land discourses. These discourses are powerful and important within broader discussions of development, but as with all discourses they entrain certain subjectivities that tend to result in very standard responses. Acknowledging that the process of social research is always about generating (rather than collecting) data, we aim to generate data at a 'simpler' level, at the level of people's everyday experiences of land and claims to rights to land. This methodological approach was consistently applied across all phases of research that involved poor households.

How people see the impact coming through the transmission mechanism is filtered by:

Register of meaning of land

Expression of identity

Obligations to others

Financial status

Geographic part of the city

Other state laws

Multiple and co-constituting

Transmission mechanisms

Money, transactions, family relations, social relations, employment relations, legal sanctions, time, infrastructure, chance, etc.

Leveraging

Burdening

Displacing/Fragmenting

Appearing

In different combinations and at different times the nett effect may be:
Generative, cumulative, catalytic, differentiated.

Figure 66. Initial conceptual framework

Ethics

The research was conducted according to the University of the Witwatersrand's Code of Ethics for Research on Human Subjects:

- A researcher's paramount responsibility is to those studied. Where there is conflict of interest, they must come first. Researchers must do everything within their power to protect their informants' physical, social and psychological welfare and to honour their dignity and privacy.
- The aims of the investigation should be communicated as well as possible to informants.
- Informants should have the right to remain anonymous.
- Questions asked should not be insulting or embarrassing.
- The use of monitoring devices such as tape recorders and cameras should be open, and fully understood by the people concerned. They should be free to reject them if they wish. Results should be consonant with the informant's right to welfare, dignity and privacy.
- There should be no exploitation of informants for personal gain. Fair returns should be given them for all services. There is an obligation to reflect on the foreseeable repercussions of research and publication on those studied.
- The privacy and wishes of informants should at all times be respected.
- No reports should be provided to sponsors that are not also available to the general public and, where possible, to the group studied itself, subject to the policy laid down in the document, Policy on Matters Relating to Sensitive and Confidential Research.

Literature review

The purpose of the literature review is to collate and analyse current information and knowledge on issues surrounding the social and economic impact of land titling on poor households. The literature review has focused primarily on South African literature, but also drawn on analysis conducted in other countries, particularly the Global South. The review was based on database searches of journals, books and 'grey' project material.

The main areas of literature that were covered included:
o Economic literature on property rights
o Urban development literature on land policy and security of tenure
o Land markets
o Legal pluralism
o Impact assessment and impact evaluation methodologies
o Methodological analysis of intra-household dynamics

The review of the literature was used to suggest a conceptual framework for the focus groups, key informant interviews and quantitative questionnaire. A comprehensive bibliography has been prepared and is presented as a separate report.

Stakeholder analysis and key informant interviews

Relatively early on in the project, a Focus Group of experts was convened to ensure that the key stakeholder and issues identified by the core project team were comprehensive and accurate.

The stakeholders that were identified for this project are listed in

Stakeholder	Key informant interview	Interest
Ekurhuleni Metropolitan Municipality		Interests in development of residents, reducing inequality, promoting efficient land development.
Housing department	Alida Kotzee (Director Policy and Planning Housing Department)	
	Lena Llale (Executive Manager: Legal and programme support)	
Finance department	Andre Muller (Manager: Income)	
Legal department	Kees Verhage (Manger: Legal Services)	
Project Implementation	Robert van Dijk (Executive Manager)	
	Pheladi Mojapedi	
Research and Development	Robert Thenga (Researcher)	
Ward Councillor	Greg Malebu	Provide context and history of the area as well as ensuring that the community was informed of the research that was taking place in the area.
Conveyancers	Lizl Brits and Vicky Kamanga, Van Rensburg, Schoon and Cronje, Kempton Park	Execute formal land transactions and support the municipality to develop land.
Building materials suppliers	Andre van Onselen, Cashbuild, Johannesburg	Support and benefit from people investing in their housing.
Provincial Housing department	Sibusiso Dube (Director: Transfer Of Residential Properties) Ronnie Stevens (Transfer Of Residential Properties)	Provision of housing subsidy and impact of this
National Department of Housing	Andre Arendse (Director: Human Settlement Policy National Dept of Housing) Louis van der Walt (Acting Chief Director: Executive to the Director-General, National Department of Housing)	

146

Stakeholder	Key informant interview	Interest
Commercial banks	Pierre Venter (Banking Council) Christopher Vengesa (Nedbank: Consumer Loans)	Support and benefit from people investing in their housing
National Credit Regulator	Marlene Heymans (Research Manager)	Regulation of credit to poor households
National Deeds Office	Andres Sepp (Acting Registrar of Deeds, Pretoria)	Maintenance and use of the Deeds Registration system

Semi-structured interviews were conducted with these stakeholders. Notes were made of all meetings and the results are incorporated in the analysis in the final report.

Focus groups

In total four focus groups were held. They were intended to inform the researchers of key issues around tenure and titling and to test how some of the issues raised by the international and local literature were understood by different segments of the sample population. The Focus groups were also anticipated to raise issues and concerns that either the literature had not picked up on but was important to the study or were specific to the context in which the research would be taking place.

Focus group 1: Experts

The focus group was facilitated by the core project team. The participants included: a land economist, two social survey professionals, a land-legal specialist, a low-income finance specialist, and a 'social capital' specialist.

Focus group 2: Conceptual clarification

For the purposes of clarifying key concepts three different focus groups were convened. These groups and the motivation for their composition are set out in Table 12.[99]

Table 12. Demographic composition of conceptual focus groups

Group \\ Criteria	Non-landowners: 'People living in an informal settlement', (Madelakufa)	Landowners: 'RDP housing residents' (Winnie Mandela)	Female group: Landowners and non landowners
Location	Currently living in an informal settlement	Currently first owners of RDP house	Mix of informal settlement and first owners of houses.
Position in household	Heads of households	Heads of households	Heads of households or partners of heads of households
Gender	Mix	Mix	Women

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[99] The participants for the focus groups were drawn from case study settlements that were originally selected to be the sites for the research. However, subsequent to the focus groups it emerged that the case study sites would not be suitable because key criteria for the selection of the case study sites were not met.

Income	Gross monthly household income below R3500
Age	Spread across age groups
Marital status	Mix of married, those living together and single people.
Education level	Education levels more or less the same across the group

The literature suggests that there are considerable variations in the understanding and usage of key concepts and processes that lie at the heart of this research. In order to ensure that the quantitative survey was as sensitive as possible to these local uses, the key concepts that the focus group was designed to test included:

o   How people came to live in the area (ice-breaker and indication of mobility)
o   What life is like in the area (contextual information to understand participant's responses to other questions)
o   What makes a 'home' a 'home' (notions of home and households are central to debates about the impact of titling on property investments because they are so influential on inhabitant's perceptions and decisions about where to invest)
o   What is a family (notions of family and the location of family members are important to inform decision-making processes as well as inform the impact of title)
o   How decisions get made in households (the impact of title deeds is shaped by the processes through which decisions typically get made in households)[100]
o   What (human) rights people have (title deeds represent a particular form of property rights which are linked to broader social and economic rights).

The focus group discussion was transcribed and translated into English and used to inform further thinking on the project.

Quantitative survey

The purpose of the quantitative survey is to generate representative data on the impact of land titling. Three case study settlements were selected. The objective of basing the case study settlements on three different types of settlements was to create the basis for comparability across a range of tenure types. Consequently, an informal settlement was selected to act as a control group for the other two settlements.[101] An informal settlement that was upgraded *in-situ* was selected as the second type of case study area. The objective associated with an *in-situ* case study area was to hold people's social networks and relationships constant while changing their tenure status. This is particularly relevant in relation to the third case study area of a settlement where the residents have been relocated and their tenure confirmed as freehold title.

Respondent selection

The selection of respondents has important implications for the content of data generated. In this project, the core project team identified two important respondents – titleholders and

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[100] The assignment of property rights to a single individual requires care and attention be taken as to the *intra*-household dynamics. It is commonly recognised that the household context in which individuals find themselves have an important influence on their actions and capacity for action Haddad, L., Hoddinott, J. and Alderman, H., editors 1997: *Intrahousehold resource allocation in developing countries. Models, methods, and policy*. Baltimore: The Johns Hopkins University Press.. Mills Mills, S.O.M.-F. 2004: Housing the household: Gender and empowerment in South Africa. *Department of geography and environment,* London: London School of Economics. draws attention to the gendered elements of household contexts in South Africa.
[101] At the time of preparing this Methodological report, it is not clear whether informal settlements act only as a source from which people seek to upgrade. Informal settlements may also act as a destination for people who have stronger forms of tenure, but who wish to relocate closer to a particular part of the city.

household heads – assuming that these two categories were not always the same person. On balance, the survey was focused on household heads as per the advantages and disadvantages set out in Table 13.

Table 13. Advantages and disadvantages of respondent selection

	Titleholder	Household head
Advantages	o We can link impact of (individual) land titling to an individual o Could make comparisons between titleholder (formal) and rights holder (informal)	o Link the impact of individual title to the household to which it relates o Minimise the triggering of subjectivities o Can make easy comparisons across the three different sites o Can pose broader questions about 'ownership' to respondents without having to refer to title
Disadvantages	o Will trigger the subjectivities that we are seeking to avoid invoking in respondents about issues relating to land o It will be difficult to identify the 'rights holder' in informal settlements o Cases where there is more than one household member on the title deed will cause problems o Focusing in on the title deed may provoke difficult household dynamics o There are methodological problems in that the title holder does not always represent the household	o It is impossible to link individual title to individuals o There are methodological problems in that the household head does not always represent the household o The definition of the household head is difficult

Questionnaire development

The quantitative questionnaire was finalised through a number of processes that included; a meeting of the steering committee to discuss the questionnaire and provide inputs; a number of discussions with the survey company, a review from the Senegal team, testing it through the fieldworkers to make sure that words and concepts could be accurately translated and relayed, and finally the questionnaire was tested in the field and changes were made to it depending on the feedback form the respondents and the field workers.

Fieldwork training and piloting

Prior to fieldwork, fieldworkers underwent an intensive full day of training and briefing, focusing on the specific research objectives, the content of the questionnaire to be administered, the type of respondent to be interviewed and the possible constraints that were to be expected in the field. Experienced fieldworkers with a keen sense of how questions should be phrased to obtain the right information from respondents were used. The core project team participated in the training of the fieldworkers and this ensured the development of an appropriate research instrument.

Training of fieldworkers therefore served three purposes:

o Ensuring that fieldworkers fully understood the issues specifically relating to the survey so that they could use the instrument optimally to obtain the highest quality of data.
o Contributing to ongoing investment in capacity building and skills sharing amongst previously disadvantaged individuals.
o Fine-tuning of the survey instrument to enhance the quality of the data.

The field was well managed by an experienced Field Manager, who has a sound understanding of the nature of the project. The Field Manager and moderators also had a good grasp of the nature of the communities in which the research was conducted. In the experience of the service provider – Social Surveys – this is a vital component in ensuring the collection of quality data.

Questionnaire verification and feedback

During the period that the interviews were being conducted the following measures were undertaken to ensure quality data collection:

o Daily communication between the field manager and the team of moderators to ensure progress is monitored, data collection process runs smoothly, quotas were met, and day to day problems were shared and solved.
o Immediate checking of completed questionnaires
o Back-checking of at least 15% of all completed questionnaires to ensure validity

Interviews conducted in the quantitative survey, the focus groups and the in-depth interviews were conducted in the language in which the respondent is most proficient and were transcribed into English, by experienced translators and transcribers. The translators and transcribers were thoroughly briefed in the context of the issues under investigation and on the aims of the research.

Translations and transcriptions of the focus groups and in-depth interviews were then checked by the moderators to ensure they did justice to the research conducted and did not miss out on important nuances.

Data capture and verification

Data was captured using SPSS. Social Surveys' highly experienced and qualified team of statisticians and data managers ensured data integrity and quality. Questionnaires were checked, coded and captured, and electronic data was thoroughly checked and cleaned prior to analysis (data was cleaned by a statistician with a thorough understanding of the research objectives and the contents of the questionnaire).

Responses to any open-ended questions were coded within a framework of codes that enhanced data interpretation. Coding was done by an experienced coder with an understanding of the project objectives, and the contents of the questionnaire.

Principle Component Analysis

The quantitative survey instrument included a section that was structured to generate data suitable for manipulation in terms of the 'principle component analysis' statistical technique. The advantage of principle component analysis is that it provides a means of reducing complex data to reveal underlying trends or patterns (Shlens, 2005). The technique seeks to

look for new bases upon which to cluster information and in so doing re-present complex data.

The value of the technique in the context of land titling is that land titling is typically a complex bundle of processes and it is difficult to isolate the impact of title deeds from, for example, location, the infrastructure and services that are associated with land development, and so on. The technique therefore provides a means for interpreting the relationships of different variables in different clusters to provide an indication of when land title might be a determining variable.

However, the data generated by this section of the questionnaire proved to be inconclusive and was therefore not used in the final data analysis.

Non-site specific samples

In order to be able to think about the impact of land tenure more broadly, the case study includes a 'non-geographic site'. This is because there is a self-selection bias in the sample of case study sites in areas that have been titled. In the titled areas those that currently reside in the area are likely to all have the same experience. By definition, those that have voluntarily moved out after a process of land titling or being forcibly displaced are not present.

The sample size of the non-site specific respondents was 30. This was not intended to be representative but to give some indication of the motivations for people's movements. The original intention was to base the process of obtaining respondents on a 'respondent driven methodology' (Heckathorn, 1997). However, this approach did not prove to be practicable. A question at the end of the quantitative survey to elicit names and contact details of people that had moved out of the two settlements that had been titled yielded very few results.

Another attempt was made to elicit the information from respondents at the end of the qualitative survey by asking for the contact details of the person that had moved away and telephoning that person immediately, in the presence of the respondent.

This component of the research did not develop as anticipated. It proved extremely difficult to identify people that had been living in the area previously. Therefore, this component had to be discarded.

Qualitative in-depth survey

The purpose of the qualitative survey was to generate 'life history' data that started to contextualise the trends and patterns generated in the quantitative data. The methodology adopted for this study was to develop a set of main questions and sub-sets of probing questions for the fieldworkers to draw upon in an unstructured way.

Once again the survey tool went through a number of iterations before it was finalised and the field workers were sent to the field. These included review by Geoffrey Payne, examination by the survey company, discussion by the fieldworkers, and then an initial fieldtest, which was used to iron out any technical, language or conceptual issues. Once all of these comments had been integrated into the final document it was finalised and the fieldworkers were sent out to the case study areas over both weekdays and weekends to ensure that the best sampling could take place.

Sample

A stratified random sample was used to randomly select half female-headed households and half male-headed households in each of the three case study settlements (see Table 14). The variable of gender was identified as very important in relation to land titling because it affects power relations within households and the ability to generate wealth.

In both the upgrade and relocation project, the sample was restricted to those households that hold freehold title. In the upgrade project, the respondents were selected irrespective of whether they had received the subsidy to construct a dwelling or were receiving municipal services.

Table 14. Qualitative sample

	Ramaphosa	Tokyo Sexwale	Egoli
Male-headed households	6	6	7
Female-headed households	7	7	7
Total	13	13	14

Focus group discussion guidelines: Expert group

1. Welcome and introduction of participants
2. Background to the project
    a. Specifying the components of the methodology
        i. Key informant interviews, stakeholder analysis, quantitative survey, in-depth interviews and focus groups
3. Objectives of this Focus Group
    a. Build up a comprehensive picture of the issues in relation to the 'social and economic impact of land titling'
    b. Suggest some of the implications for policy makers
        i. In building the comprehensive picture, what are the characteristics of each of the entities that are identified?
        ii. What processes characterise the relationships between the different entities?
4. Process to be followed in Focus Group
    a. Clarify the entities
    b. Discuss the processes that constitute the relationships
    c. How do the (theoretical) relationships change when you put a person in between?
5. Questions
    a. Are these the right entities?
    b. What processes create relationships between the different entities?
    c. What happens when we think of a person in these relationships?
    d. What are the possible policy consequences of this project on land titling?

Focus group discussion guidelines:

Formative Qualitative Research: Living in Ekurhuleni, Gauteng

Discussion Guide Focus Groups

September 2007

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DISCUSSION GUIDE – FOCUS GROUPS
Living in Ekurhuleni

1   GENERAL FACILITATION GUIDELINES

o   The moderator should create a relaxed and comfortable atmosphere and know the discussion guide well enough to guide the focus group members through the questions using the discussion guide as reminder rather than reading word for word from the discussion guide.
o   The moderator should let him/herself be guided by the group and establish ground rules for the session about issues such as having a break, participants leaving the room, handling of conflict situations, etc. accordingly. The moderator should ensure that the group agrees on how these situations would be handled during the discussion.
o   The moderator must remember that he/she has already introduced the study during the recruitment of participants and he/she should therefore adjust the introduction accordingly.
o   The moderator should remember to inform the group that the discussion will be recorded for the purpose of transcribing and to ensure that no information gets lost. The moderator should however once again assure them of anonymity. The moderator must test that the recorder is functioning effectively and that his/her own voice projections as well as that of the participants would be clear and audible on the tape recording before the discussion starts.
o   Moderators must make eye contact with all participants during discussions and should therefore take care that the chairs for participants are arranged in such a way that this could be achieved.
o   Moderators must be aware of the tendency of focus groups to focus on extreme experiences or unusual situations/stories and has to try and get a sense of what is the everyday situation in the community rather than allow the discussion to dwell on the more unusual.
o   Moderators must attempt to get the perspectives of the whole group but do not have to exhaust every question to its fullest extent. As soon as the moderator is satisfied that he/she has the group perspective of what is happening in the community, the moderator should move on to the next question.
o   The moderator should draw shy or more reserved participants into the discussion and make sure that their opinions are heard.
o   The moderator should not let one or more participants dominate the discussion and should use one of the techniques discussed during training to move on with the discussion without offending the participant.
o   Moderators do not necessarily have to resolve conflict within the group immediately as valuable information might be obtained during such a discussion but the situations should be managed carefully and not be allowed to be destructive or affect the group in any way. It should however not be allowed to continue if the moderator becomes aware that it does not serve to contribute to the objectives of the discussion.
o   Moderators should manage the time well so as to ensure that all questions are covered in the agreed upon time of 2 hours.
o   Moderators should take care not to over-probe as the group could loose focus and all questions might not be covered in the time. Moderators should also not use the words suggested for probing directly – try and use questions to get the required responses (as was discussed during training).

- o Moderators should reflect back/summarise at the end of each section in order to see if he/she is reading the group well and also to stimulate more discussion if the group hasn't managed to cover the section well enough.
- o The moderator should thank participants at the end of the discussion on behalf of Social Surveys for their input and inform them once again of the value thereof.

2   INTRODUCTION

My name is…. I am from Social Surveys, an independent research organisation. We are currently doing research about how people use and develop different parts of the city. This research is intended to provide the people who make policies for different levels of government with information about how the existing development programmes are impacting on people's lives. The purpose is to provide feedback so that the programmes at different levels of government can be improved.

Today's focus group discussion forms part of a larger research project that we are conducting together with Wits University and which, in turn, forms part of an international project that is getting information from people in six other countries.

I would like to emphasize that we are here to talk freely and openly – there are no right or wrong answers. Different people have different opinions and experiences, so if you disagree with something I say or with something anybody else in the group says, please feel free to say what you think – this will make the discussion more valuable for everyone. Everybody's opinion is important, which is why we invited you all here. We will also be conducting other discussions with other groups to make sure that we get as much information as possible.

Everything that is said in this discussion will be treated as confidential by the researchers involved in this project. That means that nobody will be identified in person when a report is written or when information about what has been discussed is shared – we are not interested in WHO said WHAT, we only need to understand things better.

I will be recording our discussion with these tape recorders. This is only for research purposes – nobody but the researchers who are working on this project will listen to the tapes. The only reason why I am recording the discussion is to make sure that all the information you provide can be shared with the researchers as it will be impossible for me to write everything down or to remember everything that was said afterwards.

The discussion will take about 2 hours.

Are there any questions before we begin?

Wait for their response and deal with questions until the group is satisfied before starting the discussion.

During discussions, please ensure that you allow discussions to flow and PROBE as much as possible. We need to capture everything that respondents say - including minority views. **Do not be judgemental**. Encourage all respondents to participate and continuously remind them that there are no right and wrong responses – it is their **own opinions and experiences** that we are interested in. **Make sure that the tape recorder is recording properly**.

PLEASE remember to address a person by using his/her name so that it would be possible for the researchers who will be analysing the group discussions to relate specific opinions/responses to the demographic details of the participant on the recruitment forms. Make sure that all the details on the recruitment forms are completed for each participant in your group.

Remember that we are interested in differences between:
- **Male and female**
- **Age groups**
- **Heads of households and other members of the family**
- **Household and extended family**
- **Those who have title and those who don't**

Please be sensitive to these and PROBE

DEMOGRAPHIC DETAILS

(Moderator has to ensure that the recruitment questionnaires are completed to enable researchers to understand, describe and report on the characteristics of the group)

For this focus group participants should be/have:

- **'People living in an informal settlement' group & RDP housing groups**: Heads of households (male or female) please try to have both male and female participants.
  Female group: Female heads of households or partners of heads of households
- **'People living in an informal settlement' group** should be living in an informal settlement in Tembisa and do not own a house / stand.
  RDP housing group should be the first owner of a RDP house in Tembisa.
  Half of the participants of the **female group** should be from households living in an informal settlement in Tembisa and half of the participants should be from households which are the first owners of RDP houses in Tembisa.
- Similar education levels to ensure that one or two educated respondents do not influence the way in which the group responds
- Income level: Participants' gross monthly household income must not exceed R3 500.
- Spread across age groups
- Marital status: Please ensure to include some participants who are formally married as well as some who are in a partnership but not married. People living alone could also be included.

4 INTRODUCTION

- Can you please tell me how you came to live here in Tembisa? Why did you choose this place?
- What is life like here?
    - What makes this a good place to live? What makes life difficult here?
    - What would make life better here?

5 UNDERSTANDING THE MEANING OF "HOME"

- What makes a place a **home**? Why do you say that?
- How long does one have to stay in a place before one considers it home?

- Thinking about what you told me now, where is **home** for you? Why do you see that as your home?
- How is **home** different from a house, or a shack, or a backyard shack, or a hostel, or you parents' house?
    - Can a hostel be a home for example?
- What do people who live here do to the places they live in to make them homes? What changes do they make before they call their places their homes?

6   UNDERSTANDING THE MEANING OF "FAMILY"

- How do you define a **family**? Who do you think of when I refer to your family?
- How do families make decisions about where they should live?
    - Can you tell me more about this process?
    - Who takes part in this process? Who is consulted and by whom?
    - Who has the final say if they cannot come to an agreement?
    - What kind of things do they take into consideration when they make this decision?
- Under what circumstances or for what kind of decisions would you have to consult with family members who do not live with you in the same place? And what about the extended family – in other words, in what circumstances would it be important to make sure that you involve family members across generations irrespective of where they live?

7   RIGHTS

Moderator to think about house and land – use, occupation, renting, selling, inheritance, etc

- Who in your family have rights to the place **where you are living right now**? Why do you say that? Do YOU have rights? Why?
    - What are these rights
    - What gives you/them these rights?
    - Who gave you/them these rights?
    - What can you/they use to prove these rights?
    - Is there a time limit to the rights you/they have? In other words will it change over time?
    - Who will inherit these rights once you/they are not there?
- How do the rights that your family have make you feel?
    - And the rest of the family – what do you think it means to them?
    - What does it mean to you?
- Do the rights that you or your family members have impose certain obligations upon you? In other words, does it bring responsibilities when you have rights to the place you live in? What are these in terms of:
    - Your family
    - The community

158

- o The municipality
- Do you have rights to any **other place**? Why do you say that? Who else in your family has rights to any other place? Why?
  - o What are these rights
  - o What gives these family members these rights?
  - o Who gave you/them these rights?
  - o What can you/they use to prove these rights?

8   UNDERSTANDING PERCEPTIONS OF SECURITY

- We have just spoken about the rights you or your family have to the place where you are living. Are these rights protected in any way? Why do you say this?
  - o How are these rights protected?
- What can you or the members of your family use to prove the rights you have to the place where you are living?
- Is there anything that makes you/your family feel threatened or insecure about the rights you have to the place that you are living in now?
  - o What are these?
  - o Why does it make you feel insecure?
- Can you do anything to make the rights you have stronger? In other words can you do anything to make you feel more secure about your rights? Why do you say that?
  - o What can you do?
- Who will you call or go to when somebody else makes claims about the place where you are living in now? Why?
- Are the rights people have to the places they live in affected when the municipality provides services like water and electricity? Why do you say that?
  - o How is it affected?
- In your opinion which option is the best:
  - o To build a strong house to make sure that you have more rights to a place

OR
  - o To make sure about your rights to land before you build a house

Questionnaire and protocol: "Off-site questionnaire"

Off-site questionnaire
Land titling research project

Hi, my name is…. I am from Social Surveys, an independent research organisation, doing research for the University of the Witwatersrand. We are doing research in Egoli and Tokyo Sexwale on how people live in the city and adapt it to better suit their needs. The purpose of the research in Egoli, Ramaphosa and Tokyo Sexwale is to find new ideas to improve the ways that cities work for people by identifying what they have achieved by themselves already.

We got your friend/relative we are talking to at the moment in Egoli/Ramaphosa. They suggested that you may be willing to speak to us over the phone for about ten minutes. Your responses will be completely confidential and will not be looked at individually. I don't think that I am going to ask you anything too personal but to ensure your confidentiality I will not record your telephone number with your responses. There are no right or wrong answers and your honest and open response is what matters. The interview is entirely voluntary and you are free to tell me if there is a question that you do not want to answer. Can I go ahead and ask you some questions?

1. What situation were you living in Egoli/Ramaphosa? Were you in a house/shack/backyard shack etc and were you renting or did you own?

2. When did you leave Egoli/Ramaphosa?

3. Why did you leave Egoli/Ramaphosa?

4. What did you do with the place that you left in Egoli/Ramaphosa?

5. Is the place you are now better or worse than Egoli/Ramaphosa? Why do you say that?

Thank you very much!

Quantitative Questionnaire

| | Questionnaire no: |

Quantitative Questionnaire: Living in the City

Introduction

Hi, my name is…. I am from Social Surveys, an independent research organisation, we are not from nor do we represent the government. We are currently doing research about how people live in the city and adapt it to better suit their needs. If you are willing to share this information with me, I guarantee that I will treat the information with the utmost confidentiality and will only share it with the researchers at the office. Your responses will not be looked at individually but they will be put together with the responses of others so that nobody will be able to identify who said what. The only reason why I record your name and telephone number is for my office to make sure that I did my job and recorded your information correctly and accurately. There are no right or wrong answers and your honest and open response is what matters. The interview is entirely voluntary and you are free to tell me if there is a question that you do not want to answer. Can I go ahead and ask you some questions?

We estimate that it will take about 30 minutes. We are going to ask questions about where you came from, what your life is like now, and what your plans for the future are.

Please note that the interview should be with the head of household: defined as the person who makes the decisions in the house. If people claim that they and their partners make decisions together then you can interview whichever partner is available.

Note: the household is defined as those people who you live with and who eat together four nights a week or more.

Stand information

Interviewers name:

Respondent name:

Street name:

161

Stand/ house Number:		Erf number		Barcode:	

Telephone no:		Community:	Tokyo Sexwale	1	Reigiers Park	2

Reigiers Park respondents only: Were you relocated to this area or was your place upgraded here? Relocated 1 Upgraded 2

<table>
<tr><td colspan="2" align="center">Section A: Household Information</td></tr>
</table>

1   **In which year were you born (household head)?**

2   *Interviewer to record:* **Gender of household head**   Male 1   Female 2

3   **What is your marital status?**   Married 1   Living together as if married 2   Single 3   Divorced 4   Widowed 5

     Other, Specify

5   *Interviewer to record:* **Race of respondent**   Black African 1   Coloured 2   Indian or Asian 3   White 4   Other 5

Interviewer to list the names of the people living in the dwelling in the table provided (starting with the respondent's name)

6		Interviewer to write names across top of table									
	What is the relationship of all the people in your household to you? A household is defined as those people that live with you and eat with you four nights a week or more.	Head of HH:	Name:	Name:	Name:	Name:	Name:	Name:	Name:	Name:	Name:
	Relationship to you	*Leave blank*									

162

	(Partner/Spouse=1; Child=2; Parent/parent-in-law=3; Grandparent=4; Grandchild=5; Brother/sister=6; Niece/nephew=7; Aunt/uncle=8; Friend=9; **Lodger=11;** Other,specify)										
	Note: a lodger is someone who is paying rent and is also eating meals with the household.										
7	Highest level of education for **persons 16 years and older** (None=1; Grade 1-7 (Grade 1- Std 5)=2; Grade 8 to 11(Std 6 to 9)=3; Grade12/Std 10/Matric=4; University Technikon completed=5; Other=6; Don't know=99										
8	From which of the following sources do the members of your household usually receive money? *Multiple response. INTERVIEWER TO READ OUT ALL OF THE OPTIONS BELOW.*										
	Salary/ Wages	1	1	1	1	1	1	1	1	1	1
	Earnings from own business or farm (formal and informal)	2	2	2	2	2	2	2	2	2	2
	State grants (old age pension, child support, disability, foster care)	3	3	3	3	3	3	3	3	3	3
	Private pension	4	4	4	4	4	4	4	4	4	4
	UIF	5	5	5	5	5	5	5	5	5	5
	Investments	6	6	6	6	6	6	6	6	6	6
	Remittances from people outside the household living elsewhere	7	7	7	7	7	7	7	7	7	7
	Private maintenance (from ex-spouse or father of children)	8	8	8	8	8	8	8	8	8	8

Interviewer to write the name in the same order as previous page.	Head of HH:	Name:	Name:	Name:	Name:	Name:	Name:	Name:	Name:	Name:	Name:
Rental	9	9	9	9	9	9	9	9	9	9	
Donations or help from neighbours or from the community	10	10	10	10	10	10	10	10	10	10	
Other: please specify											
9 Please can you tell me how long you have been doing these things or how long you have been receiving money in this way? *(If respondent is referring to salaried work or own business, please ask them to specify how long they have been in that specific job).*											
Activity or income source 1											
Activity or income source 2											
Activity or income source 3											
Activity or income source 4											

10 **Can you tell me roughly how much your regular household expenses are? We would like you to think of all the expenses and costs for the WHOLE household, not just yourself.** *INTERVIEWER TO READ OUT ALL THE OPTIONS.*

Note to interviewer: you may have to help the respondent add all the expenses up. You can do the calculations in the margins.

	Amount	State whether this is per week, per month, per quarter or per year. Tick whichever box is applicable.

		Weekly	Monthly	Quarterly (every 3 months)	Yearly
Food and groceries including meat, vegetables, bread, toiletries, milk, etc	R				
Housing - how much you pay in rent or bond payments	R				
Phone (landline, cell phone, internet, public phone etc)	R				
Transport, car maintenance /petrol/taxi/bus fare/train/etc.	R				
Services – water, electricity, and waste/refuse	R				
Clothing and clothing accounts	R				
Schools fees and other costs of education	R				
		Weekly	Monthly	Quarterly (every 3 months)	Yearly
Fuel for heating and cooking: gas, paraffin, wood **(excluding electricity)**	R				
Hire-Purchase repayments and accounts (for example for furniture or a fridge)	R				
Insurance (for a car, personal insurance, investments, medical aid)	R				
Loan repayments (car, personal loan, study loan etc)	R				
Money set aside for savings	R				
Other specify:	R				
Other specify:	R				
Other specify:	R				

Section B: Where you used to live

11 Where did you live before you came to live here?

| Somewhere else in Reigers Park | 1 | Somewhere else in Tokyo Sexwale | 2 | Somewhere else in Ekhurhuleni | 3 | Somewhere else in Gauteng | 4 |

| **In another Province** | | | | | 5 | Have always lived here | 6 | In another country | | | | | 7 | Other: specify where: |

If respondent always lived here, go to

12 Which of the following would best describe the place you were living before you came here? READ OPTIONS

165

House in a traditional village	1
House on a farm	2
Shack in an informal settlement	3
Backyard room/backyard shack	4
Work accommodation / domestic servant quarters	5
Hostel (not a hostel provide by work / employer)	6
RDP house	7
Formal (brick) house in town/city/township	8
Other, specify	

13 On what basis did you stay there? READ OUT.

I was renting	1		I owned the place	2		I still own the place	3		My family lived / lives there	4		I was staying at my employers place	5

I was living with a friend/ friends	6		Other: please specify:

14 Are you living with exactly the same people you lived with before you moved here?

Living with exactly the same people I lived with before we came here	1	*Go to question 20.*
Not living with exactly the same people as we did before we came here **(some people have either joined the household or left the household when we moved here)**	2	*Go to question 15.*

1 5 *If respondent says no*: who lived in the household before you moved here and is now not living here anymore?

	Lived with us before we moved, not living with us after we moved. Put a tick next to the appropriate person.	Number of people. E.g. If two sons were living with the household before you moved here but are not living with the household since you moved here then put two next to 'Sons'.
Son		
Daughter		
Adopted son		
Adopted daughter		
Sister		
Brother		
Mother		

166

Father		
Grandmother		
Relative		
Other: specify		

1
6 **Did the composition of the household change as a direct result of moving to this place?**

It changed as a direct result of moving to this place	1	*Go to question 17.*
The household changed because of other reasons	2	*Go to question 18.*

1 I*f respondent says yes*: please can you tell me why the composition of the household changed as a direct result of moving here? What happended? *Note to interviewers. Please*
7 *PROBE here. E.g if respondent says "The son had to move out" then ask what were the reasons that he had to move out.*

1
8 *If the respondent says no* **(the household changed for other reasons): did the household composition change around the time that you moved here to this place?**

Changed around the time we moved here	1	Changed some other time	2

1 Please can you tell me why the composition of the
9 household changed around this time?

Section C: Where you live now

2
0 **When did you move into this structure/unit/house?**

Month	Ye

	ar

2
1 **When did you move to this piece of land?**

Month	Ye ar

2
2 **When did you move to _____?** *Interviewer to ask when respondent moved to the community they are in now (either Reigers Park or Tokyo Sexwale).*

Month	Ye ar

2
3 **How did you get this piece of land / place? READ OUT LL OPTIONS TO RESPONDENT BEFORE THEY ANSWER.**

Bought it from another person	1	From Municipal official	2	From the Councillor	3
Allocated by committee / local community	4	Occupied it	5	Looking after it for someone else	6
Inherited it	7	Family member gave it to me	8	Rented it from another person	9

Other, specify

2
4
a **On what basis do you occupy this piece of land / place? READ OUT OPTIONS.** *Note to interviewer: this is different to 'on what basis you got the land'. This question refers to how they still have it. Multiple response.*

I / another household member / family member **owns** it		1	➡ *Go to question 25.*

168

Renting it	2	
Occupy it	3	
Looking after it	4	
Other, specify		

If respondent says 'occupy', 'looking after', 'renting' or other, then go to question 32.

If respondent says that he/she / another household member owns it then ask:
Why do you say that you / another person own this land / place?

25 What documentation do you have to show that you / another household member owns this place?

Title deed	1	Happy letter	2	Recepit or paper which shows that you have bought a house or stand or shack from someone	3

Affadavit from police station stating that you have bought a house or stand or shack from another person	4

Other documentation to show that you / a household member owns this. **Please specify what this is:**

26 Under whose name / names is this document? Whose name does it have on it?

Mine	1	My spouse / partner	2	Another family member living here	3	Another family member living elsewhere	4

Another household member (not family)	5	Other: please specify

27 When did you / the owner get this document?

Month	Year

28 Would you / the owner sell the document you have just mentioned?

Yes | 1   No | 2

29 Would you / the owner give this document away to another household or family member?   Yes | 1   No | 2

30 Once you had this document did you...?

| Increase the money spent on the place | 1 | | Decrease the money spent on the place | 2 |

| Didn't increase or decrease money spent on place | 3 | | Don't know | # |

31 Why do you say that? In other words why was money increased / decreased / remained the same?

Section D: Where you own a house elsewhere

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32 Do you own a house or stand elsewhere (ie. Not this one)?   Yes | 1 *Go to question 33*   No | 2 *Go to question 48.*

33 *If respondent says yes*: which of the following best describes that place?

House in a traditional village	1
Stand / land in traditional village	2
House on a farm	3
House in an informal settlement	4
Stand / land in an informal settlement	5
RDP house	6
Formal (brick) house in town/city/township	7
Stand / land in town/city/township	8

Formal house in rural area (not traditional)	9
Stand / land in a rural area (not traditional)	10
Other, specify	

b Why do you say that you / another person own this land / place?

34 When did you become the owner of that place?

Month	Year

35 Where is it?

Somewhere else in Reigers Park	1	Somewhere else in Tokyo Sexwale	2	Somewhere else in Ekhurhuleni	3	Somewhere else in Gauteng	4

In another Province	5	In another country	7	Other: specify where:

36 How did you get that piece of land / place? READ OUT TO RESPONDENTS.

Bought it from another person	1	From Municipal official	2	From the Councillor	3
Allocated by committee / local community	4	Occupied it	5	Looking after it for someone else	6
Inherited it	7	Family member gave it to me	8		

Other, specify

37 What documentation do you have to show that you / another household member owns that place?

Title deed	1	Happy letter	2	Recepit or paper which shows that you have bought a house or stand or shack from someone	3

Affadavit from police station stating that you have bought a house or stand or shack from another person	4

Springbok/Document from tribal council or Chief	5	No documentation	6

171

Other documentation to show that you / a household member owns this. **Please specify what this is:**

38 Under whose name / names is that document? Whose name does it have on it?

Mine	1	My spouse / partner	2	Another family member living here	3	Another family member living elsewhere	4

Another household member (not family)	5	Other: please specify

39 When did you get that document?

Month	Year

40 Would you sell the document you have just mentioned?

Yes 1　No 2

41 Would you give that document away to another household or family member?　Yes 1　No 2

42 Once you had that document did you ...?

Increase the money spent on the place	1	Decrease the money spent on the place	2

Didn't increase or decrease money spent on place	3	Don't know	#

43 Why do you say that? In other words why was money increased / decreased / remained the same?

44 Do you still have that document?　Yes 1　No 2

45 If respondent says no: Why do you not have this document?

46 Would you sell that place? Yes 1 | No 2

47 Would you give that place away to another household member / family member? Yes 1 | No 2

Section E: Home elsewhere

48 Do you have another place (other than this place where you are living now) that you consider home?

| Yes | 1 | *If Yes: Go to question 49.* |
| No | 2 | *If NO: Go to question 52.* |

49 *If respondent says yes*: which of the following best describes the other home?

House in a traditional village	1	House on a farm	2	House in an informal settlement	3	Backyard room/backyard shack	4
Work accommodation / domestic servant quarters	5	Hostel (not work related)	6	RDP house	7		
Formal (brick) house in town/city/township	8	Other, specify					

50 Where is the other home?

| Somewhere else in Reigers Park | 1 | Somewhere else in Tokyo Sexwale | 2 | Somewhere else in Ekhurhuleni | 3 | Somewhere else in Gauteng | 4 |
| In another Province | 5 | In another country | 7 | Other: specify where: | | | |

51 Why do you consider it home?

173

2Which place / house/ stand do you invest in the most?

Section F: On the waiting list…

53 Are you or another household member on a waiting list for a house or a stand?

Yes	1	*Go to question 54*		No	2	*Go to question 60.*

54 *If respondent says yes:* what documentation do you have to show this?

Blue form	1	B form	2	C form	3

Other documentation to show that I / a household member is on the waiting list: **Please specify what this is:**

56 Under whose name / names is this document? Whose name does it have on it?

Mine	1	My spouse / partner	2	Another family member living here	3	Another family member living elsewhere	4

Another household member (not family)	5	Other: please specify

55 When did this person get this document?

Month	Year

57 Would this person sell the document you have just mentioned?

Yes	1	No	2

58 Would this person give this document away to another household or family member?

Yes	1	No	2

Section G: Your area…

60 Which of the following do you have access to?

If yes:

			Type of Service			Type of toilet				
a.	**Water**	Y	N	In-house taps	In-yard taps	Communal					
b.	**Sanitation (toilet)**	Y	N	In-house	In-yard	Communal	Flush	VIP	Pit	Bucket	Chemical
c.	**Electricity**	Y	N	Street lights	Own lighting	Cooking					
d.	**Refuse removal**	Y	N								
e.	**Telkom phones**	Y	N								

61 Do you receive any bills from the municipality?

Yes	1		No	2

62 How long do you or the members of the household need to walk to get to the following things I am going to read out to you? <u>Refer to the closest one to you</u>. If none of the people in your household use this service then please tell us that it is not applicable.

		0-15 min	16-30 mins	31- 60mins	more than an hour	Don't know	Not applicable - no one in this household uses that
a	High School	1	2	3	4	99	6
b	Primary school	1	2	3	4	99	6
c	Creche	1	2	3	4	99	6
d	Clinic	1	2	3	4	99	All must answer
e	Church (any church)	1	2	3	4	99	6
f	Police station	1	2	3	4	99	All must answer
g	Municipal offices	1	2	3	4	99	All must answer
h	Taxi rank/ transport / public transport route	1	2	3	4	99	All must answer
i	Park/open space	1	2	3	4	99	All must answer
j	Shops (for basic groceries)	1	2	3	4	99	All must answer

175

We are now going to ask you about your savings. *Note to interviewer: if they use more than one form of saving then fill in more blocks (a to e. Probe for more than one form of*
63 *savings.*

	Which do you use to save? 1=Bank; 2=Post office; 3=Savings club/stokvel; 4=Burial society; 5=DO NOT SAVE; 6=other	How regularly do you contribute? 1=weekly; 2=every two weeks; 3=monthly; 4=yearly; 5=irregularly (whenever I can)	How much do you usually contribute?	How often do you get paid out or take out money? 1=weekly; 2=every two weeks; 3=monthly; 4=yearly; 5=irregularly; 6=when someone dies; 7=have not taken out money yet	How much do you get paid out or take out?
a					
b					
c					
d					
e					

64 **Compared to the previous place you lived in, would you say that this current place is? READ OPTIONS TO RESPONDENT.**

Better than where I came from	1	Worse than where I came from	2
The same as where I came from	3	Both better and worse than where I came from	4

65 **What is your reason for saying this?**

66 **Please can you tell me about the largest amounts of money you have borrowed in the LAST FIVE YEARS!**

	Source	Would you borrow from this source again?	Loan period	Security: What did you use as security for accessing the loan?	Loan holder: whose name was the loan under?	Purpose of loan

	1=Bank; 2=microlender; 3=burial society; 4=friend; 5=family; 6=Savings Club/stokvel; **7=employer loan;** 8=other; 9=never borrowed.			How many months did you have before you had to pay it back? If there was no limit then say so.	1=pension;2=title deed (house); 3=bank card; 4= surety (somene else signed to guarantee the loan; 5=personal trust; 6=other: SPECIFY.	1=hh head; 2=partner/spouse; 3=child; 4=parents of hhhead or spouse; 5=other relative; 6=friend; 7=household head and spouse; 8=other	1=education; 2=health; 3=start a business or improve business; 4=funeral; 5=home improvement; 6=family celebration/ritual; 7=car; 8=other.
a The largest amount		Yes	No				
b The next largest amount		Yes	No				
c The next largest amount		Yes	No				

67 How have you or your household improved this house since you have moved here? *Multiple response. READ OUT OPTIONS.*

Improvement	Year made	How did you finance the cost of the improvements? 1 = Own savings; 2=Bank; 3=Microlender; 4=savings club/stokvels; 5=Burial society; 6=family member; 7=Employer loan; 8=other (PLEASE SPECIFY)	Who in the household was the improvements mainly made for? 1 = Whole household; 2=children; 3=household head or spouse; 4=Other relatives; 5=Tennents; 6=Other.	In what way did it improve their lives?
No improvement (*Go to Ques. 69*)				
Added a room				
Divided one room into more rooms				
Added/improved kitchen				
Added/improved bathroom				
Painted				
Plastered				
Fenced the yard				
Added security				
Planted trees/plants				
Improved service connection				

177

Add a room for a business			
Other, specify			

68 As a result of these improvements do you feel that this place is more your own?

Yes	1	No	2	Made no difference	3	I don't know	#

69 If you have not improved your home, why did you? If you did not make improvements: please could you tell me why not?

Section I: Your future plans…

70 Are you planning to move your household in the next 2-3 years?

Yes	1	*If YES: go to question 71 below.*
No	2	*If NO: go to question 78.*

71 If YES: why are you planning to move your household? (open ended)

72 What will you do with this current place once you have moved elsewhere? READ OPTIONS

I rent this place so this is not applicable		1	
Sell		2	*If SELL: go to question 73.*
Rent it out		3	*If RENT: go to question 75.*
Put a family member here		4	*If FAMILY: go to question 76.*
Put a friend here (and charge them no rent)		5	*If FRIEND: go to question 77.*
Leave it as it is		6	
Take materials with me			
Other, specify			

73   If you sold it, how much would you ask people to pay for it?

74   What problems do people face when they want to sell a place in this area?

75   If you rented it out, how much would you ask people to pay every month?

76   If you put a family member here, which family member/s, would it be?

77   Why would you put that family member / friend here?

78   Have you made legal arrangements for someone to inherit this place?

Yes	1
No	2
Not applicable: I rent this place / I am just looking after it	3
Don't know	#

If YES go to question 79.

Go to question 81.

79   If yes, who will inherit it?

Son	1	Daughter	2	Adopted son	3	Adopted daughter	4	Sister	5	Brother	6	Mother	7	Father	8

Grandmother	9	Grandfather	#	Relative	#	Spouse	#	Other, specify	

80   Why would this person inherit this place?

81   Have you ever been evicted or forced to leave a place where you were living, either by the government, or someone else?

179

Yes		1		No		2

82 Do you feel that someone can take this house/shack/piece of land away from you or put you out of your house?

Yes	1	*If YES go to question 83 below.*
No	2	*If NO go to question 84.*

83 If yes: Who can take this house or land away from you or put you out of your house? DO NOT READ OUT.

Debt collector		1	Councillor		2	Government Official		3	'Red ants'/Eviction company/Sheriff of the Court		4	Partner/ spouse	5

Relatives	5	Members of the community		6	Family of the people I bought it from		7	The landlord	8	Informal Settlement Committee	9

Other, specify

Section J: PCA

I am now going to ask you a few questions about how important a number of issues are to your household. For every statement that I read to you could you tell me how important that is to you and your household. I would like you to tell me whether it is very important, somewhat important, neither important nor irrelevant, somewhat irrelevant or completely irrelevant.

84 Let us think about choosing a place to live, how important do you think the following things are?

a.   The place provides the opportunity to own land

Completely irrelevant	Irrelevant	Neutral	Important	Very important

b.   The place provides the opportunity to have access to reliable municipal services

Completely irrelevant	Irrelevant	Neutral	Important	Very important

c.	The place provides employment opportunities	Completely irrelevant	Irrelevant	Neutral	Important	Very important

d.	The place is close to my friends/family	Completely irrelevant	Irrelevant	Neutral	Important	Very important

85 If you wanted to buy/sell a property, would the following things be important in making that process easier?

a.	Having a formal house	Completely irrelevant	Irrelevant	Neutral	Important	Very important

b.	Having a title deed	Completely irrelevant	Irrelevant	Neutral	Important	Very important

c.	Having a house that is well located	Completely irrelevant	Irrelevant	Neutral	Important	Very important

d.	Having access to services	Completely irrelevant	Irrelevant	Neutral	Important	Very important

Lets now think about feeling secure in the place that you live (in other words feeling that nobody can take it away from you). How important are the following things to make you 86 feel secure??

a.	Having lived in that place for many years	Completely irrelevant	Irrelevant	Neutral	Important	Very important

b.	Having access to services	Completely irrelevant	Irrelevant	Neutral	Important	Very important

c.	Having built on the land or improved my house	Completely irrelevant	Irrelevant	Neutral	Important	Very important

d.	Having a title deed	Completely irrelevant	Irrelevant	Neutral	Important	Very important

87 Thinking about things that will help you and your household to be able to borrow money, how important are the following things?

a.	Having lived in the community for many years	Completely irrelevant	Irrelevant	Neutral	Important	Very important

b.	Having a formal house	Completely irrelevant	Irrelevant	Neutral	Important	Very important

c.	Having access to services	Completely irrelevant	Irrelevant	Neutral	Important	Very important

d.	Having a title deed	Completely irrelevant	Irrelevant	Neutral	Important	Very important

e.	Having a registration number from the municipality	Completely irrelevant	Irrelevant	Neutral	Important	Very important

88 Let us now think about the things that will be important in influencing you to improve the place that you live in. How important are the following things in this regard?

a.	Having a formal house	Completely irrelevant	Irrelevant	Neutral	Important	Very important

b.	Having access to services	Completely irrelevant	Irrelevant	Neutral	Important	Very important

c.	Having a title deed	Completely irrelevant	Irrelevant	Neutral	Important	Very important

d.	Having a registration number from the municipality	Completely irrelevant	Irrelevant	Neutral	Important	Very important

89   If you were to tell someone what was important about having a title to your place, would you say that the following are:

a.	Everyone knowing that the house is mine and no one can take it away	Completely irrelevant	Irrelevant	Neutral	Important	Very important

b.	It means that I can move away from it and look for work secure that it will still be mine when I come back	Completely irrelevant	Irrelevant	Neutral	Important	Very important

c.	It means that the government must give me my "rights"	Completely irrelevant	Irrelevant	Neutral	Important	Very important

d.	It means that I can access money for anything that I need	Completely irrelevant	Irrelevant	Neutral	Important	Very important
e.	It offers me a way if making my life better	Completely irrelevant	Irrelevant	Neutral	Important	Very important

90 **When have you used your title deed/ Blue form/ happy letter (More than 1 answer is allowed) READ OUT OPTIONS.**

When I went to the bank for a loan		1
When I enrolled my children in the school		2
When I applied for a social grant		3
When I wanted to sell this place		4
When I applied for electricity/water/telephone		5
When a relative applied for a loan and I helped them		6
I have not used it for anything		7
Other, specify		

91 **What does having a title deed to a stand or a house mean to you? Note: please PROBE here. If respondent says: 'It means you own the house', ask them 'and what does this mean, why is it significant'?**

92 **Would it be possible for us to see the documents that relate to your house or stand if you have any?**

	Did respondent show you the document?				Is the name on the document the original name?			
Title deed	Yes	No	N/A: Does not have one	N/A: Does not keep it here	Yes	No	N/A: Does not have one	N/A: Does not keep it here
Happy letter	Yes	No	N/A: Does not have one	N/A: Does not keep it here	Yes	No	N/A: Does not have one	N/A: Does not keep it here
Blue form	Yes	No	N/A: Does not have one	N/A: Does not keep it here	Yes	No	N/A: Does not have one	N/A: Does not keep it here
B forms	Yes	No	N/A: Does not have one	N/A: Does not keep it here	Yes	No	N/A: Does not have one	N/A: Does not keep it here
C forms	Yes	No	N/A: Does not have one	N/A: Does not keep it here	Yes	No	N/A: Does not have one	N/A: Does not keep it here

Receipt showing you or a household member owns the house or stand	Yes	No	N/A: Does not have one	N/A: Does not keep it here	Yes	No	N/A: Does not have one	N/A: Does not keep it here
Affadavit from police station showing you or a household member own this house or stand	Yes	No	N/A: Does not have one	N/A: Does not keep it here	Yes	No	N/A: Does not have one	N/A: Does not keep it here

Thank you for your time. Will you be prepared to participate if the computer randomly chooses your number for a follow-up interview?   Yes   No

Do you know of anybody that has moved from this area?   Yes   No

We would like to interview people who have moved from this area, and find out more about where they moved to and why they made the decision to move, or why they were moved out. COULD YOU GIVE ME THEIR NAME?

Do you know where they moved to?

Please could you tell me why they moved.

Can you give us their telephone number so we can contact them for an interview?

In general, people who moved from this area, or people who are forced to move from this area, where do they usually go?

Back-checked by: **Date of back-check**

184

Questions back-checked:

185

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