



(Howard College Campus)

School of Built Environment and Development Studies

**An analysis of backyard structures as a livelihood strategy for  
low-income households: The Case of Ikwezi Township in Mthatha**

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## ABSTRACT

The lack of low income housing especially rental housing in urban areas of South Africa has forced many low-income households to find accommodation in the backyard housing sector, which is mainly provided by the household sector. Despite the growth of the backyard rental housing sector in the post-apartheid era, housing policies have discounted the sector. Focusing more on eradicating informal settlements, and homelessness by delivering subsidised starter houses. The overlooking of the backyard rental sector by the state neglects prospects for more sustainable human settlements. This study thus reflects on the use of backyard structures as a livelihood strategy by low-income households. Addressing the research question of: whether backyard structures can enhance economic opportunities in townships, and what role has it played in elevating the housing backlog problem South African in cities?

The study employs a literature review informed by electronic data bases, and implements mixed method research relying on quantitative data gathered via questionnaires, and qualitative data from semi-structured interviews and anecdotal observation in the nonmetropolitan case study of Ikwezi Township, in Mthatha in the Eastern Cape. This thesis focuses on housing policy and legislation, spatial, economic, social, and environmental considerations in relation to the backyard rental sector. By discussing the backyard rental sector within housing, the liberal and neoliberal theories and the sustainable livelihood approach are used. In order to relate the sector to planning practises and bylaws at municipal level. The study strengthens the argument that the perception that the backyard rental sector is informal and therefore undesirable is not necessarily true.

This study proposes that this position should be reconsidered. In investigating the economic, and environmental impacts of the backyard rental sector in Ikwezi Township in Mthatha. The study affirms that the backyard sector plays a vital role is sustaining livelihood strategies of the poor, and it also increases dwelling unit and population density substantially and it also promotes urban compaction. Furthermore, the study proves that landlord can make considerable amounts of money from their backyard structures. Depending on what they use their backyard structures for, the quality of their neighbourhood, and their backyard structures. The study has also found that the amounts they charge their tenants per backyard structure, and how many backyard structures they have in their homes also play a significant role on the income they can generate from their backyard structures.

All these factors have been proven to differ from case study to case study, and have been proven to have an influence on how much landlords can generate from their backyard structures. The case study of Ikwezi Township has also refuted the notion that economic sustainability wise, low-income dwellings rarely realise financial asset value, trapping homeowners on the low levels of the property ladder in unaffordable housing. Instead the backyard rentals sector provides rental income or other remittances, realising economic asset value, whilst providing tenants with affordable rental accommodation.

The backyard rentals sector further promotes the social asset value of housing, and support social sustainability. Evidenced can be seen in co-dependence, and low-conflict in landlord-tenant relationships sometimes framed by familial connections that provide tenure security. Findings also indicate that backyard rentals challenge sustainability through concerns of the pressure they place on infrastructure. The study concludes that informal backyard rentals contribute towards elevating poverty in low-income neighbourhoods. However, interventions should be considered by authorities and planners to address impediments such as, lack of infrastructural capacity to accommodate backyard tenants, especially in new housing developments targeting the poor.

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## List of acronyms

- CBD Central Business District
- CSIR Council for Scientific and Industrial Research
- DHS Department of Human Settlements
- IDP Integrated Development Plan
- IMF International Monetary Fund
- KSDLM King Sabatha Dalindlebo Local Municipality
- NEMA National Environmental Management
- OECD Organisation for Economic Cooperation and Development
- RDP Reconstruction and Development Programme
- SLA Sustainable Livelihood Approach
- UN United Nation
- UNCHS United National Centre for Human Settlements
- WB World Bank

# Chapter 1: Introduction

## 1.1. Background/Introduction

Shelter is one of the three basic human needs, and a responsible society has an obligation to prevent people from dying out in the cold (Orlebeke, 2000). Informal settlements are a common feature in most developing countries that are going through a rapid process of urbanization, and which have limited resources to address housing needs of citizens more especially the poor (Gilbert *et al.* 1997). The construction of formal, and informal backyard structures on formally developed residential sites have been increasing in number in South Africa. More especially in predominantly African residential townships (Braude, 1996). Backyard structures have become important in housing the urban poor in South Africa. However, backyard structures are not only limited to formal townships. They can be found in middle or high income areas, and in informal areas as well, and they are used for both commercial and residential purposes.

Formally constructed backyard structures are usually built by landlords themselves as a way of extending their properties. While informal backyard structures usually occur when tenants rent the backyard land/space from landlords then they use their own resources to construct the dwelling. The informal structures found on backyards have come to be commonly referred to as ‘backyard shacks’, ‘wendy house’, ‘hokkie’, ‘shack’ and ‘bungalow’ (Lemanski, 2009). In such cases where by tenants build the backyard structures themselves rent is relatively low as they just rent out the backyard space from their landlord, then they have to build the backyard structure on their own (Lemanski, 2009). Informal backyard structures like shacks are usually constructed from corrugated iron, metal sheets, and wooden planks. They also range in size and quality. With most comprising of a single room in which residents cook, eat, sleep, wash and live (Lemanski, 2009).

Backyard accommodation during the apartheid era was one of the limited option the poor had to access shelter in urban areas. Because of the restrictions, and difficulties placed upon them by the policies of the past government, in respect to access to land and housing (Braude, 1996). There has been limited research covering backyard structures both as a housing option for poor South African households, and as a livelihood strategy. Lemanski (2009) argues that the emphasis on ‘slums’ overlooks a lesser known sub-set of informal housing: backyard dwellings. While Braude (1996) argues that the development of backyard secondary buildings and shacks are the least researched, and recognised housing option of the urban poor within South Africa.

Furthermore, according to Braude (1996) research done on backyard structures has been in most cases overshadowed either by quantifying the extent of the development, or by investigations, and debates on other forms of informal housing. However, this is not to undermine the literature, and recommendations made regarding informal housing, and in particular that surround informal settlements. It can be argued that these debates have not yet managed to adequately address issues surrounding the development of backyard structures. And the extent to which this housing option plays a role in providing additional income, and accommodation for South African's urban poor households (Braude, 1996).

Backyard dwelling units have become one of the largest housing sub-sectors in South Africa, and make a significant contribution to the provision of rental housing to households whose needs are not addressed by government subsidy programmes, or the private market (Lategan, 2012). Largely without any government intervention/support, the sector successfully provides accommodation to those who cannot afford to acquire housing on their own, non-qualifiers on South African National housing subsidies, migrants or temporary workers not seeking home ownership, and any other households wishing to rent but who cannot afford formal rental accommodation available (Lategan, 2012). Furthermore, it is estimated that almost 25% of all South Africans are now accommodated in the informal rental markets (Lategan, 2012: 148). Backyard dwellings are also one of the fastest growing sectors (Lategan, 2012). Between 2007 and 2011, backyard dwellings absorbed two thirds of new households. Twice as many as those absorbed into informal settlements. The quality and size of backyard dwellings varies greatly.

## **1.2. Problem statement**

After the Second World War (WWII), governments in developing countries have been forced to embrace neo-liberal policies by international monetary bodies such as the World Bank (WB) and International Monetary Fund (IMF) (Harvey, 2005). This has been encouraged as a cost recovery strategy, as a way to fast track urban development, to foster economic growth, and to poverty reduction of underdeveloped and developing countries (Harvey, 2005). As a result, public spending by the government on housing and service delivery to the poor is to be limited.

Housing backlog, which mostly affect the previously disadvantaged majority African population has been one of the key challenge for post-apartheid South African government (Ngubane, 2016). In attempts to reduce inequalities created by the racial oppressive policies of the apartheid regime. The democratic elected government led by the African National Congress (ANC) has established several intervention programmes aimed at improving the

living conditions of previously disadvantaged communities (Ngubane, 2016). Incremental housing through the Informal Settlements Upgrading Programme (ISUP) is one of these interventions. Which aims to improve the lives of informal settlement dwellers (National Housing Code, NHC, 2009).

However, the housing supply for the poor is not catching up with the housing demand especially in urban areas. As a result the number of informal settlements is continually growing in the country uncontrollably (Sexwale, 2013). The populations living in townships, informal settlements, and in urban areas in general are increasing rapidly (Sexwale, 2013). The United Nations Department of Economic and Social Affairs (2014: 12) states that the world's population is estimated at about 7.2 billion, and that more than half of the global population live in urban areas, and 1.06 billion of urban dwellers live in slums. In the next 30 years, this number is set to double. According to the South African Cities Network (2004) cited in Misselhorn (2008: 16) almost 50% of South Africa's population live in urban centres, and a quarter of those in major urban centres live in informal settlements.

The backyard rental housing sector is playing a very important role in housing the poor in urban areas. Previous oppression on blacks, and poverty are both responsible for the persistent construction of backyard structures in urban areas. The current South African housing policy is mainly based on the promotion of fully subsidised home-ownership for the poor, and seeks to eradicate informal housing, including backyard shacks (Morange, 2002).

Backyard dwellings generate income for poor homeowners, and provide serviced accommodation for poor tenants. On the other hand, they also perpetuate informal forms of living, and thus hamper the government's vision to eradicating informality in favour of formal human settlements. According to Lemanski (2009) another problem dwellers occupying backyard structures face is that they lack the mass visibility, and collective force of an informal settlement. Being instead merged into existing residential areas, and functioning alongside neighbours with formal tenure rights, and access to infrastructure and services.

However, it must be also noted that almost all information available on the backyard rental sector case studies in South Africa have been based on specific locations (Rubin and Gardner, 2013: 79). Usually metropolitan or city-based (Zwaig, 2015: 2). Reflecting a wider research bias towards such areas (Visser, 2013). The focus on metropolitan areas, and larger cities arises from arguments that the informal rental housing is component significantly found primarily in major cities (Gilbert *et al.*, 1997:134), and the success of backyard structures seems to be

closely linked to the size of the city (Morange, 2002: 6). This study challenges these generalisation taking the paths of Zwaig (2015:2) and Lategan (2017: 8). Addressing the concerns raised by Rubin and Gardner (2013:79) that not much is understood about the real role of the backyard sector and its dynamics in smaller cities, and town across South Africa. The informal backyard rental sector differences between different contexts and across urban scales must be taken to consideration. Meaning that only through data that is more representative a national policy to deal with the informal backyard rental sector may be drafted with application power suitable for all urban scales (Lategan. 2017).

In smaller cities and towns' resources and capacity to deal with housing issues such as housing backlog may be considerably weaker than in larger cities and metro municipalities (Zwaig, 2015: 5). Accordingly, and in recognition of the fact that research practices cannot be minimised into a tidy package of pragmatic answers applicable to any and every context (Bond, 2011). This short dissertation draws the research lens to the smaller town of Mthatha in a township called Ikwezi. In order to analyse the use of backyard structures in generating additional income for household's living there. The question is, should government focus on eradicating the backyard sector, or should the state attempt to support, and improve this sector as part of the mandate of the national housing policy. As it has become increasingly obvious that the South African government lacks the resources, and capacity needed to provide the favoured fully subsidised home-ownership housing option for South Africa's urban poor.

### **1.3. Aim**

The aim of this study is to analyse the extent to which households in low-income housing use backyard structure a source of alternative income in South African townships.

### **1.4. Objectives**

1. To explore the diverse uses of backyard structures as a source of economic income for households in townships.
2. To evaluate the quality of backyard structures and the kind of materials used to build them.
3. To assess the living conditions of backyard dwellers.
4. To explore the level of accessibility to basic services backyarders have and challenges they encounter in that regard.
5. To analyse the institutional framework in place to regulate backyard structures.



## **1.5. Research questions**

### **1.5.1. Main research question**

Do backyard structures enhance economic opportunities in townships, and what role has it played in elevating the housing backlog problem in South African cities?

### **1.5.2. Subsidiary questions**

1. What are the economic benefits of backyard renting for landlords and tenants?
2. Do backyard structures in established townships offer a safer living space than areas of informal settlements?
3. How does the municipality react to backyard renting, and the development of backyard structures?
4. Can backyard tenants access basic services and infrastructure safely and adequately?
5. Are there any challenges that arise from the renting out backyards for the community as a whole?

## **1.6. Justification of the study**

Over the past decades the construction of backyard structures, which may be formal or informal developed on formally developed residential sites within the predominantly African residential townships of South Africa have been increasing in number. The informal out buildings have come to be commonly known as backyard shacks, and have been constructed mainly by the urban poor. In response to the restrictions and difficulties placed upon them by the policies of the past government, in respect to access to land and housing. Research on this housing option is limited, and has unfortunately either concentrated on quantifying the extent of the development, or has been overshadowed by investigation, and debate on other methods of informal housing.

Therefore, this dissertation sets about, by reason of research in Ikwezi Township, to contextualise, identify, and place firmly on the agenda the issues of the backyard residents. In addition to this, the case study is located in a small town called Mthatha which is struggling with housing provision, and delivering services. Small towns, and their housing problems are often overlooked by researchers in the South African housing literature. The town of Mthatha is no different as it suffers the same fate. There has been little research done to explore the nature of the housing problems facing the King Sabatha Dalindlebo municipality. In order to identify opportunities that can help the municipality, and the provincial Department of Human

Settlements to solve some of their housing related problems. Especially when it comes to the poor living in backyard dwellings.

### **1.7. Structure of dissertation**

This section provides the breakdown of the how the dissertation will be structured. It serves as a guide to introduce the reader on what to expect when going through this paper. In order to understand the synergy of the different themes that are being discussed to bring out the arguments the researcher is presenting concerning the subject of backyard dwellings, and how they provide additional income for households in low income areas.

#### **Chapter 1: Introduction/ Background**

This chapter's purpose is to introduce the study, and to provide the reader with a sufficient background. Furthermore, this chapter provides a detailed research problem, research aim and objectives, and research questions. This chapter also provides the justification of the study, and with the last two sections covering the outline of the dissertation, and the summary of the chapter.

#### **Chapter 2: Theoretical framework**

The chapter discusses key concepts that will be commonly used in this paper. This chapter also provides a detailed theoretical framework related to informal rental housing, and informal settlements. Furthermore, the researcher discusses literature review by using existing literature on the different uses of backyard dwelling, and landlordism of backyard structures.

Theories discussed in this chapter include liberalism, neo-liberalism, and the sustainable livelihood approach. In addition, it also reviews literature on the different uses of backyard structures to generate income, and the experiences of tenants living in backyard dwellings. Further literature is provided through precedent studies, drawing experiences from other international developing countries where backyard dwelling occurs.

#### **Chapter 3: The development of backyard structures in South African**

This chapter discusses the South African experience in regards to the use of backyard structures for sourcing alternative income, and as means to accommodate the poor. Both pre 1994 and the post 1994 eras are discussed. In order to understand the role of backyards accommodation during the apartheid era, and during the current time of a democratic led government.

This chapter discusses how backyard structure respond to South African national building standards, and regulations. Lastly the chapter discusses how the South African National

housing policy has responded to the development, and use of backyard structures to accommodate poor urban households.

#### **Chapter 4: Research Methodology**

This chapter starts off by briefly discussing the study area of Ikwezi Township, and why it was selected for this study. This chapter then discusses the research methods that the researcher used. Starting with discussing qualitative, and quantitative data techniques that were main research tools employed to gather primary data.

Secondary and primary data collection methods are discussed in this chapter. This is followed by a description of the sampling methods that were employed for the study. The researcher then discusses the data analysis tools that were used after the data was collected from the field, and the recruitment strategy that was used to get key informants and municipal officials.

#### **Chapter 5: Data presentation and analysis**

The purpose of this chapter is to provide the historical background, and current socioeconomic status of the study area (Ikwezi Township). This chapter also provides a thematic data presentation of the data collected during the field work. Another purpose of this chapter is to analyse the data findings presented.

The data is analysed through thematic analysis, and content analysis. The analysis makes attempts to make a link between the data presented, and the theories used in this study, as a lance through which the data is analysed. Consequently, the data presented is also linked to the literature review to find similarities, and contrasting views between the data this paper presents, and existing literature on backyard dwellings from different authors.

#### **Chapter 6: Conclusion and recommendations**

The final chapter provides a summary of findings, the recommendations based on the findings, and the chapter is concluded by final remarks from the researcher.

##### **1.8. Chapter summary**

As outlined in the introduction, this chapter has outlined the background of the backyard phenomenon, and has also presented a problem statement which lays out some of the reasons why the author picked this particular topic. The chapter then went on to provide the research aims, and objectives of the study which are instrumental in shaping the study, and in guiding the process of data presentation. In order to answer the questions that the researcher set out to investigate. Moreover, the chapter discusses the justification of the study, explaining why it

was this study on the backyard dwelling phenomenon is timely, and why it needs to be given attention more especially in smaller towns.

## **Chapter 2: Theoretical framework**

### **2.0. Introduction**

This chapter is basically divided into four sections. The first section of the chapter discusses outlines of the conceptual framework. Which will help in dealing with the informal backyard rental sector phenomenon in the study area. In this regard, this section deals with the concept of backyard dwelling its self, the concept of housing, understanding what a household is, formal township and informal dwelling structures. All key concepts will be defined, in order to ensure that their conceptual consistency, and cohesion is not compromised including their contextual significance in this study. This will be done in order to avoid possible misinterpretation in the study, with a broader intention of providing clarity where necessary. The second section presents the theoretical framework. Which is based on three theories namely liberalisation, neoliberalism and the sustainable livelihood approach (SLA). These theories are instrumental in helping explain and understand the use of backyards dwellings as a source of alternative income, and as a livelihood strategy. The theories are not conceptualized for the sole purpose of the use of backyard dwellings as a source of alternative income for households living in townships, however; their umbrella extends to this phenomenon. The third section contains the review of literature around the subject of the use of backyard dwellings as a source of income additional income, and as a form of accommodation for family overflows. Furthermore, the section gives more insight into the characteristics, and dynamics surrounding backyard dwellings. These dynamics will include a general overview of literature from different scholars who have researched this phenomenon. Of which these following will be discussed: an introduction to the informal backyard sector; the use of backyard structures to source extra income; the impact of backyard structure on infrastructure. How backyard structures respond to building, and planning regulations; the diverse motivations behind construction of backyard structures; and the paper will also explore who lives in these backyard structures and why. The fourth and last section of this chapter looks into precedent studies derived from the experiences of other developing countries. Concerning the different uses that are found in them of backyard structures and backyard space.

### **2.1. Conceptual framework**

The following section will be discussing the key concepts that will be used in this study. There are four key concepts that will be discussed, these concepts will be defined and briefly discussed. The first concept is housing and what it means to its diverse users. Secondly the

concept of households and how they are shaped and measured in housing discourse. Thirdly, the concept of townships is probed, to give an account of how they are defined and conceptualised in housing literature. The fourth concept is the concept of informal dwelling structures, the discussion looks into how they are defined, what are the characteristics of these forms of housing structures. The fifth and last concept under discussion in this section is the concept of backyard dwelling structures, focusing on how they come about and what physical and social features they can be identified by.

### **2.1.1. Housing**

Housing is a broad term its description can include houses, flats and other various housing typologies, as well as the whole residential neighbourhood, including infrastructure and public spaces (Tonkin, 2008 cited in Fischer, Le Roux and Mare, 2011). Housing can be seen as an object (or a complex of material components), where its value is judged by its material quality. Housing is a sphere of action in which everyone takes part. Homes and neighbourhoods either sustain or support people in a society, or they could burden and oppress them; buildings and services either improve or deteriorate (Jordaan, 2007). The housing stock can be seen as the fixed capital stock that is accumulated for the purpose of sheltering the population. Housing is both a source of consumption and a means of investment. As a consumer housing services are enjoyed, and as an investor value is accumulated over time (Jordaan, 2007). In the backyard sector homes are utilised as both consumer goods and as assets. This is because landlords are able to live in them and also source income from them through the use of their backyard structures or space.

Housing contains characteristics of both private and public goods. The aspect of private consumption is clear, while living in a particular location or neighbourhood (and local government) implies decisions concerning public goods (Jordaan, 2007). This combination of attributes makes housing a very special and difficult commodity to analyse (Jordaan, 2007). The services that are derived from the stock have two dimensions. The quantity of housing services yielded by the housing stock is normally related to some measure of the physical size of a unit of stock. The quality of services can be related to the amount of satisfaction derived from a given quantity of services (Hirsch, 1973: 46). Housing is not just a commodity, it is a complex process of many people and organizations doing many things in order to get many kinds of real or expected results (Turner, 1978).

### **2.1.2. A household**

Durkheim's classic notion of a 'nuclear family' refers to a married couple and their dependent children, living together but apart from other kin (Moen and Forest, 1999; Hoffmann, 1987; Smith, 1968 cited in Alho and Keilman 2010). During the post-World War II period, the notion of a family has broadened to include a range of forms (Settles 1999 cited in Alho and Keilman 2010). A household is composed of related or unrelated persons residing together in a dwelling unit. Household members share living space, energy, water, and other goods, leading to potentially important economies of scale (Leiwen and O'Neill, 2004). In the backyard housing sector it could be argued that different households who share basic services and amenities either as tenants or landlords within a single property can be viewed as households, as households vary in size and form.

The assumption of one household per dwelling is proven wrong especially in informal housing arrangements such as those found in the backyard sector. According to Tissington (2011), an informal dwelling unit may be composed of more than one household, hence the actual figures of estimating households living in informal housing units remain relatively unknown. Households are not fixed structures, their average sizes continuously vary. The average number of members in developing countries is five, numbers fluctuate greatly in informal settlements because there is no accurate measuring instrument (Bongaarts, 2001). This is indeed the case in the backyard sector as, some backyards structures may be occupied by one person per room while others can hold up to six people or more.

### **2.1.3. Formal Townships**

Townships are defined as areas that were designated under apartheid legislation for exclusive occupation by people classified as Africans, Coloureds and Indians. Previously called 'locations' townships have a unique and distinct history, which has had a direct impact on the socioeconomic status of these areas and how people perceive and operate within them (Donaldson, *et al*, 2013). Over the years, townships have developed an iconic profile in South African societies, representing the very heart of where the struggle for freedom was waged, where many of today's leaders, including famous politicians, artists, business icons, sportsmen and women were born and grew up (Donaldson, *et al*, 2013). They are also places where a real sense of community exists (Donaldson, *et al*, 2013). Furthermore, the practise of backyard rental sector is also commonly found in old and new township especially in South African cities.

A township is the land formally allocated to hosting the site of a town; the word township legally refers to both residential and industrial sites (Ladd, 2008). Possibly the most famous townships are in South Africa, which were a creation of the apartheid system and its predecessor regimes of white rule. Apartheid was formally instituted as state policy in 1948, but racial segregation as a formal practise in South Africa dates back from when the white settler's started permanently residing in the area that is now known as Cape Town in 1652 (Ladd, 2008).

The townships were racially discriminatory in that "black" African, "coloured" (mixed-race), and "Indian" people were ordered by the Land Act of 1913 and the Group Areas Act of 1950 to live separately (Ladd, 2008). Even within black townships, ethnic groups were often segregated into separate areas for Zulus, Xhosas, Sothos, and others. These laws existed until the early 1990s, since then there has been only gradual desegregation of formerly white, coloured, and Indian areas (Ladd, 2008). The formal dwellings within the townships are usually called 'four-roomed houses' by the residents of townships, and they refer to the 51/6 and 51/9 houses built as part of the government's public housing programme of 1960's and 1970's (Ladd, 2008).

#### **2.1.4. Informal dwelling structures**

According to Staff (1996: 235), informal dwelling structures are dwelling units that have been constructed by households outside the state's legal framework in order to realise their own housing needs. These dwelling units may be constructed under traditional, formal or formal land tenure. Staff (1996) adds that these types of dwelling structures are common in third world countries, and are the urban poor's solution to housing shortages. However, there is no standard definition for informal dwelling structures, definitions vary greatly from country to country. According to Srinivas (1991), informal housing units may be defined as a dwelling structures which are developed outside the legal framework governing housing development, which includes land use regulations and building norms and standards. Furthermore, because of their illegal status and their development outside the regulations of the city, these informal structures lack access to inadequate services and infrastructure (Klug and Vawda, 2009). However, in the case of backyard dwelling structures even though some might be informal tenants are usually able to enjoy all the basic services that landlords have access to, including surrounding infrastructures.



Informal dwelling structures can be defined by certain physical, social and legal characteristics. Physical characteristics refer to inadequate physical infrastructure, and dwellings constructed with substandard building materials which may vary from corrugated iron, plastic, clay, timber, metal sheets etc. (Marx and Charlton 2003 cited in Mazeka, 2014). Social characteristics refer to low income groups, who do not own land, who depend on informal modes of housing such as evading land to build shacks, or rent other people's backyard space to erect a shack (Srinivas, 1991). While legal refers to lack of legal ownership of land parcel on which shacks are constructed (Srinivas, 1991). For the purposes of this study, an informal dwelling structures will chiefly refers to unregulated dwelling units, which are constructed on formal or informal areas.

#### **2.1.5. Backyard Dwelling**

Backyard dwelling can be described as accommodation shelter that is separate from the main structure which accommodates one or more separate households (Crankshaw, Gilbert, and Morris, 2000). The definitive characteristic, however, is that the accommodation is in the backyard of the family or household's dwelling unit that owns or controls the use of the land. Backyard structures are either used by landlords to generate an income from a commercial business, or erected to accommodate tenants or other family members; all of which, for various reasons have been forced to find shelter in this form of housing (Braude, 1996). The backyarders may be related to the household in the main structure, they may be friends, or sometimes complete strangers. The shelter is often flimsy although it can also be substantial. It may have been constructed by the tenant, in which case it is likely to be rudimentary, or by the owner of the plot, where it is more likely to be solidly built (Crankshaw, Gilbert, and Morris, 2000).

Some backyards host multiple shacks or formal backyard structures, and landlords typically share electricity, water, sanitation and refuse collection with backyard tenants in return for rent money (Lemanski, 2009). Although the inadequate size and quality of backyard dwellings, as well as the unhealthy living environments of some backyard structures are similar to living in an informal settlement, backyard dwellings differ from informal settlements by being situated on a demarcated plot within a formal and fully-serviced housing area. Furthermore, their proliferation throughout urban South Africa is closely linked to the massive housing shortage for poor households in urban area (Lemanski, 2009).

## **2.2. Theoretical framework**

This section firstly discusses three theories in relation to the backyard rental housing sector, which are the theory of liberalism, the theory of neoliberalism and the sustainable livelihood approach. These theories will be used as a lens through which the researcher analyses the dynamics surrounding the phenomenon of the backyard rental sector. The strengths and critics of the theories will also be discussed respectively and then the section will be summarised.

### **2.2.1. Liberalism**

Liberalism is made up of various competing theories explaining how society should be, it is also a highly contested term (Chau, 2009). Liberalism advocates have a common ground of believing that freedom or liberty is the key idiosyncratic and the value that every inhabitant must enjoy. The core basics of liberalism principles are based on individualism and liberty. Furthermore, it may be argued that as a principle of justice that each individual is to have an “equal right to the most extensive basic liberty compatible with a similar liberty for others” (Rawls 1972: 60 cited in Yengo, 2008). Freedom as a building block of liberalism advocates for individualism, equality of opportunity, property rights, a free market economy, and a limited State role (Gerber, 1983). In relation to these core principles are four key elements of this theory: Individualism, universalism, meliorism and egalitarianism (Chau, 2009).

Thus, in order for liberal policy to run smoothly the state must not be directly involved with the people’s welfare. However; it must seek to establish a workable society founded on values of justice. In the backyard sector citizens using their own properties and resources manage to build the dwelling units on their backyards without government intervention. This practise is characterised by the use of property rights to achieve individual goals for economic freedom, and social stability of both the households who are landlords and those who are tenants in the backyard sector. The role of the state is to assure that the people access infrastructure and social services fundamental in creating a conducive environment for people to live in a sustainable manner. The primary responsibility of a liberal state is to simply provide and guarantee freedom of all citizens. It is upon these principle of liberalism that Bill of Human Rights arose, which are adopted in democratic countries (Yengo, 2008).

The theory of liberalism places the individual at the heart of society, and suggests that the highest value of social order is one that is constructed around the individual (Chau, 2009). The backyard dwelling rental sector plays a significant role in building a society constructed around the needs of individuals. This is because the backyard rental sector offers low-income

households the chance to access affordable rental housing in urban areas, which are well integrated to existing physical infrastructure, and surrounding economic opportunities. Moreover, backyard structures and outside building are used by landlords for generating additional income and to accommodate family overflows. This is important in maintaining the welfare of individuals and social order within communities in states governed by liberal principles. The second principal is that, the societies main purpose should be to permit individuals to reach their full potential if they are willing to do so, and this can only be achieved through giving individuals as much freedom as possible (Chau, 2009). Within the backyard rental sector this means that individuals who own property can use their land and properties on their land to reach their full potential, this can be done in numerous ways. For example, some people chose to use their backyard structures and outside building for office use and for running home based enterprises while some chose to rent out their backyard structures to tenants. All of these activities contribute to the welfare of communities, and in assisting individuals reach their full potential economic productivity. These two principles serve as the foundation where the elements of liberalism come about (Chau, 2009).

In a liberal state, the state's role is therefore to organize housing activities through laws that respect and promote the founding principles of freedom and justice (Rawls, 1972). An example of this is that, the state needs to be the enforcer of bylaws and planning regulations in housing, in order to promote safe living environments, quality housing and to have mechanisms to manage disputes related to housing in communities. These bylaws and planning regulations are set to ensure that minimum quality standards are adhered to when people decide to extend their homes, and when people want to constructing outside building or backyard dwellings in formal neighbourhoods. As much as these bylaws and land use regulations make ensure that people live in safe and habitable structures and environments, they can also pose constraints for low-income households in relation to build dwelling structures in their private properties. This is because most of the landlords cannot afford to adhere to such laws. Therefore according neoliberal principles such laws hinder freedom of individuals to peruse their desires. Meaning that such bylaws should be revised to fit the needs of all individuals including the poor.

Furthermore, the state is also obligated to protect tenants against illegal evictions and landlords from illegal occupation of their land. An example of such a law in South Africa is the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act (PIE) (1998). This act is meant to protect both tenants and landlords by providing procedures for eviction of unlawful occupants and prohibits unlawful evictions. The owner or landlord must follow the

provisions of the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act (PIE) (except in areas where ESTA operates) if they want to evict a tenant. Other government responsibilities in housing provision as mentioned by Rawls (1972) include: the responsibility to provide housing finance accessible to all citizens more especially low-income people, and provision of physical infrastructures. Moreover, the ability of the state to organize housing activities adequately depends upon its ability to facilitate access to land for low-income people (Payne, 1999). In most developing countries there are housing policies put in place to insure that housing subsidies are available to assist poor households in their quest to access adequate housing in urban areas. One example of this, is that backyard dwellers who qualify for such individual or group subsidies can get be granted serviced sites to erect their housing structures using their own resources or even starter houses provided through government funded housing projects.

Yengo (2008) also points out that, it is the government's responsibility to 'plan' housing activities, and to also act as a facilitator and not the primary actor in a liberal state. The state is responsible for providing and to actively protect access to the elements of the housing process for users, and these include; laws, land, tools, credit, building materials (Nientied *et al*, 1988: 11 cited in Yengo, 2008: 13). In addition, planning of housing activities must be guided by principles of fair opportunity in order to uphold the values and principles of liberalism. This principle is one of the main pillars of liberalism that the backyard rental sector stands upon. This is because households who operate this sector exploit the opportunities that their property rights grant them, even though they might not always be in line with the building standards and regulation in place within their respective jurisdictions. Therefore, planning of housing activities should not become a tool used to deny people their freedom, and their economic wellbeing.

### **2.2.1.1. Advantages of liberalism**

Individualism values and individuality as such entails a number of beliefs (Chau, 2009). One of them is based on the notion that individuals have human rights for simply being people, and that these rights must be above the discretion of governments (Chau, 2009). This implies that these rights must be negative in the sense that the state must not infringe those rights. In addition they must be positive meaning that the government is not obliged to provide anything, for example, welfare (Chau, 2009). If this should be the case in a state driven by the liberal ideology, then it means governments should intervene in the backyard sector in way that supports the economic productivity of the sector, and its role in decreasing the rental housing

shortages in cities of developing countries. As people have the right to adequate housing, and a right to pursue their entrepreneurial goals under the liberalist ideology. However, these rights must not harm anyone else. Therefore they are rights as long as they adhere to this principle of harmlessness to other individuals.

Theoretically, the legitimate duty of the government is to prevent individuals from harming each other (Chau, 2009). It is also supposed that, people are self-interested and that they best understand what they want as individuals, so they should be left alone to decide for themselves how to maximise utility (Chau, 2009). Moreover, Chau (2009) argues that any government intervention will make them worse off. The backyard sector market is driven by demand and supply which is expressed willingly by both landlords (as suppliers of rental accommodation), and by their tenants who in search of affordable housing in the city end up finding accommodation in backyard structures. This is usually due to a lack of public rental housing or affordable rental housing in the formal markets. Most landlords are mainly motivated by the additional income they generate from their backyards. While their tenants are also motivated by various reasons which include: the need for affordable housing and flexibility accommodation with no contractual agreements that may constrain them to move to another area with ease when necessary. Therefore, individuals involved in the backyard sector make deliberate decisions to participate in this informal market, whether as landlords or tenants. These decisions are based on self-interest and a deep understanding of their own circumstances.

#### **2.2.1.2. Critic of liberalism**

Regardless of the positive accounts mentioned above, liberalism is not directly concerned with people's welfare (Osborne, 1991). Marx argued that liberal politics, by protecting certain areas of life from political intervention, give dominance to non-political, non-communal perception of the person. This egoistic behaviour promoted by liberal politics has in turn fuelled greed amongst citizens, and has given power by law to few individuals who are in a position of political influence. Furthermore, individuals with the most economic power, use it to manipulate markets and government policies in favour of their own individual interests, while the majority of their fellow citizens live in poverty (Estlund, 1998). The few individuals who control the means of production in countries governed by liberal principles use their social, economic and political positions to exploit the poor. Egoistic behaviour as promoted by liberal thought is one of the reasons why the gap between the rich and the poor has been widening over the year in most developing countries.

As a result, the poor usually lack finance to access adequate housing in cities because of the perpetual exploitation of not only their physical and intellectual labour for the benefit of the rich few, but also as a result of privatisation of national resources which include land that should be benefiting all citizens. This is one of the main contributing factors to homelessness and housing backlog for poor households. Consequently, many of these households find themselves in informal settlements and in backyard structures which are in most cases located low-income areas. Such dwelling structures are in most cases built with substandard material, are small in size, and have poor access to basic services. Furthermore, it could be argued that even landlords of backyard structures contribute to the perpetual exploitation of the poor, as some of them deny their tenants adequate access to basic services even though they pay rents. Landlords also impose high rents in some instances for their own selfish benefits, even though they might be poor themselves.

The privatisation of resources, the linearization of markets and the restricted government intervention in public affairs advocated by liberal politics, usually leaves the majority which is made up of poor households in a vulnerable position. In many instances with no land or resources to be able to realise their housing needs on their own, especially in urban areas. As a result, poor people end up resorting to unlawful backyard dwelling or land invasions to erect informal settlements in attempts to address their housing needs. One therefore can be justified in arguing that liberal politics, and laws imposed by governments to individuals do not guarantee equal opportunities to housing activities for all, as it is evident in literature that more often the rich will benefit more than the poor. Furthermore, the inability of the poor to satisfy their housing needs is not only a result of the lack of necessary resources to build a housing structure, but it is also embedded on the dependence of households to a single low-income earner heading the household and on poverty in general. Which is one of the reasons why households in townships resort to using their backyard spaces to build housing structures they use to run home based businesses that can source them extra income.

### **2.2.3. Neoliberalism**

Neoliberalism can be viewed as a theory of political and economic practices, that recommends that people's well-being can best be advanced by liberating individual entrepreneurial freedoms and skills, within an institutional framework characterized by strong private property rights, free markets and free trade (Harvey 2005: 2). The state's role is to construct and preserve an institutional framework appropriate to such practices. In relation to the housing processes,

according to neo-liberals, it is the government's responsibility to organise the housing process (Yengo, 2006). On the other hand, entrepreneurial freedoms can be expressed by private property owners in whatever way they chose within the boundaries of their properties of the law. The use of the backyard space to generate income is a practical demonstration of this principle. As backyard landlord/homeowners use their private property rights to express their individual freedoms, which they manifest by running home based enterprises and by creating state unregulated markets such as the backyard sector.

According to the neoliberal theory, efficient allocation of resources is the most important purpose of an economic system, and the most efficient way to allocate resources goes through market mechanisms. Which is why government intervention must be minimised so that it is easy to enter and exit the market and to attract investment. This means that acts of intervention in the economy from government agencies are almost always undesirable, because intervention can undermine the finely tuned logic of the marketplace, and thus reduce economic efficiency (Thorsen and Lie, 2006).

According to the neoliberal theory if markets do not exist (in areas such as land, water, education, health care, social security, or environmental pollution), then the state should take responsibility of creating them where it is necessary in order to upgrade the living standards of its citizens (Harvey 2005: 2). However, beyond these tasks the government is not encouraged to venture, as state intervention is supposed to be kept minimum. It is clear that neoliberalism is founded on the principles of liberalism. The name neoliberalism itself suggest that it is a new form of liberalism. Neoliberalism in contrast to liberalism advocates for limited state intervention in markets and people's welfare. While liberalism advocates that the state must not be directly involved in markets or people's welfare at all.

The majority of the population in developing countries living cities are usually households who are low-income earners, and they often lack adequate housing because of the high costs associated with securing land and property rights in urban area. This is evident by the visible growth of the number of informal settlements and cases of backyard dwelling in developing country cities (Lategan, 2012). Furthermore, the general lack of financial resources for people to buy their own homes is an indicator that there is a need for government intervention in the housing market in order to ensure equity, and the welfare of all citizens especially the poor. Neoliberals also acknowledge the need for government when it comes to housing the poor and in provision of basic services. Due to this context, donors began to promote aided self-help

policy in developing countries that adapted neoliberal policies (Stern, 1990). Internationally, the majority of self-help housing policies have been influenced by neo-liberal policy positions of the World Bank and United Nations-Habitat including other international, bilateral and regional development donor agencies. Stern (1990) observed that the adaptation of these self-help housing policies overlapped with public housing, and resulted in relaxation of planning standards.

Relaxation of planning standards as a principle of discouraging government intervention in private property matters. It also provides an opportunity for households to maximise the monetary gain they can get from their properties when they use them as assets. In the backyard rental sector for example, property owners sometimes build backyard structures that do not conform to the conventional standards, land use regulations and bye-laws. Municipalities tend to turn a blind eye on the violation of these bye-laws and land use regulations. Mainly because the state is also aware of the serious issues of housing backlog in cities, and lack of sufficient state resources to adequately supply affordable housing to the urban poor. Furthermore, (Benjamin, 1985) also points out that, housing as a shelter is just one element within a whole range of activities. As alluded to above, the house can be used as an asset to source secondary income and as a social institutions vital to households and communities. These institutions and secondary sources of income are a great variety, they could be living in the house; renting out a backyard dwelling; renting out a room within the main structure; operating a small shop selling consumer goods; open air space used to make brick to sell or to fix cars; a room rented out to traditional herbalist who is also a local doctor; a day-care etc. (Benjamin, 1985). These activities are also flexible as some can be temporary, for example, a room used as a shop in the day time can also be used as an extension of sleeping space at night, or as part of the kitchen (Benjamin, 1985).

Neoliberal policy principles consequently limit funding from the state towards public welfare-oriented projects, thus the development of informal businesses and low-cost housing is not sufficiently funded (Huchzermeyer, 2003 cited in Goebel, 2007: 293). Backyard squatting, informal housing and informal businesses operating in low-cost areas are a direct result of inadequate state funding towards low-cost housing delivery, job creation and support of local businesses. The inability to enter formal housing markets motivates people find alternative accommodation in the informal housing market. While the lack of state funds spent on creating jobs also forces people to find alternative ways to make a living in the city. Thus informal income generating activities such as, the backyard rental sector, informal home based



businesses, and other livelihood strategies such as street vending are the only way to make a living for some low-income households. It could be argued that these informal activities are a direct manifestation of the effects of neoliberal policies on the daily lives of citizens. According to Thorsen and Lie (2006), neoliberalism wields great power over contemporary debates concerning reforms of international trade and the public sector. One in this view is basically forced, to either take up a position against neoliberal reforms, or else contribute to their diffusion and entrenchment in the global market.

### **2.2.3.1. Advantages of Neoliberalism**

The Neoliberal urban policy is perceived to be good because it is aimed at eliminating barriers that hamper the productivity of economic agents (Zanetta, 2002). In a neoliberal state emphasis is given to the creation of conducive environments that can maximise the economic productivity of individuals without state imposed regulations that may hinder this process. This neoliberal principle suggest that the state is supposed to provide physical infrastructure, basic services in order to ensure that its citizens are able to have a good quality life. The Backyard sector benefits in this regard by being able to generate income for home owners while it gives better quality dwellings that are in locations well connected to already physical infrastructure and basic services for the tenants. Which they could not otherwise be able afford to access in the formal housing market, or in informal settlement areas where there are no basic services provided by the state. Therefore, the state according to this neoliberal principle always has a role to play in housing. This role is to provide the basic services and physical infrastructure that individuals or the private sector cannot provide to all citizens. The fact that neoliberal principles clearly express that state intervention that hinders economic freedom of its individuals is undesirable, justifies the use of informal modes of production in the backyard sector. This is because some of the building norms and regulations are too expensive for the poor to follow. Thus if households were forced to adhere to all of these bylaws and regulations the state would indirectly also slowdown economic productivity households in the backyard sector, and also reduce the production of much needed rental housing units affordable to the poor. In this note it is important to highlight that some have argued that most of these regulations are outdated, too unrealistic, and too expensive for the poor to adhere to them.

The neoliberal urban agenda is also strictly expressed in economic terms and is aimed at deregulation of the economy. Meaning that there is relative importance placed on urban centres and their contribute to economic growth through economies of scale, financing of urban investments by the private sector and agglomeration economies (Pugh, 1995 cited in Zanetta,

2002). One of the ways in which the backyard sector plays a significant role in this regard, is that it provides flexible and affordable accommodation to the workforce needed by the public and the private sector to operate successfully. Thereby contributing to economic growth at city and national level. The youth makes up the majority of the population living in other people's backyards as tenants, and they are the most economically active segment of the population in most countries. Furthermore, it is now well reorganised that investment into the potential productivity of the urban poor through informal sectors such as the backyard sector can have numerous benefits for a city's economy as urban centres serve as engines of economic growth (Jones and Ward, 1994; Lee, 1994 cited in Zanetta, 2002). Moreover, countries that abide by neoliberal policies realise the potential of the informal sector, and it has been explicitly identified as an asset rather than a threat. Previously the poor were often not directly targeted for investment as role players in the economy that could help themselves through their informal businesses. This was because it was anticipated that through increased efficiency and savings from well-functioning municipal governments that the poor would eventually benefit, as they were traditionally viewed as more dependent on public services rather than in themselves (Zanetta, 2002).

#### **2.2.3.2. Critiques**

Neoliberal policies that were adopted by developing countries shifted the role of the public sector away from direct provision of housing and urban infrastructure (Harpham and Boateng, 1997 cited in Zanetta, 2002). The backyard sector along with informal settlements in cities generally are a response to the housing shortage. The poor living conditions experiences by households living in these informal arrangements can be directly attributed to the cut of funds directed towards the welfare of the poor in countries that adopted neoliberal policies. These countries are forced to adopt these strategies because of conditions imposed on loans by the World Bank (WB), and the International Monetary Fund (IMF). According to neoliberal principles the state should be responsible of housing the poor in their societies. This is should be done as means of creating a conducive environment to maximise economic productivity of individuals. Moreover, it should be the state's responsibility to make sure that all people have equal opportunities to better their lives. This is not possible with lack of access to housing and secure tenure. This contradicts some of the principles of the neoliberal theory, which also acknowledges that people have the right to housing rich or poor.

However, the role of the state was alternatively is seen as the creator of a regulatory and financial environment in which individuals, individual households, the private sector and

community groups could satisfy their own needs (World Bank, 1991). The assumption that people can improve their housing conditions using free markets has proven to be untrue, as the number of unemployed people has grown in many developing countries along with the housing backlog (Benjamine, 1985). Moreover, as mentioned above low-income households and individuals usually find themselves living in informal settlements, and in the backyard sector as a result of the unfounded neoliberal assumptions that influence housing policies in developing countries. On the contrary the poor need some form of direct public housing, either subsidised rental housing, state provide starter houses, or serviced site with basic services as a starting point to accumulate finance to realise their housing needs in the city.

The reductions of public expenditure on infrastructure, housing and health imposed by neoliberal donors on developing countries also has had a number of negative effects at the social and economic welfare of the poor. When planning for low-income housing and infrastructure national governments and municipalities usually do not take into consideration the additional dwelling units that people may add incrementally in their yards. Whether it be outside buildings or main structure extensions, which provide space for a home based business or additional households to rent or to accommodate family overflows. This places a lot of pressure on the existing infrastructure, which is poorly funded and poorly maintained as a result of neoliberal policy adjustments policies which emphasises on cutting down public expenditures directed towards peoples' welfare.

Many have argued that the neoliberal agenda has had some success in addressing the economic role of the city. However, it has failed to address social issues effecting citizens (Jones and Ward, 1995 cited in Benjamin, 1985). The strong emphasis on economic growth and macroeconomic performance seems to have obscured the importance of social functions of the state. Which including poverty alleviation, health care and fair distribution of wealth. This is arguable one of the reasons why the gap between the rich and the poor seems to be widening greater instead of decreasing in developing countries (Benjamine, 1985).

#### **2.2.4. Sustainable Livelihood Approach**

According to Rakodi (2002) who draws the definition from Chambers and Conway (1992), a livelihood is defined as encompassing assets (including material and social resources), capabilities and activities needed for means of living. Carney (1998: 4) cited in Rakodi (2002: 3) also state that, "livelihood is sustainable when it can cope with and recover from stress and

shocks and maintain or enhance its capabilities and assets both now and in the future, while not undermining the natural resources base”.

According to Krantz (2001: 1), the idea of sustainable livelihoods was first introduced by the Brundtland Commission on Environment and Development formally known as the World Commission on Environment and Development (WCED) in a report called “Our Common Future” also known as the Brundtland Report published in 1987. Following this the United Nations Conference on Environment and Development held in 1992 further expanded on the concept, promoting the realisation of sustainable livelihoods as a broad goal for poverty eradication (Krantz, 2001: 1). Perrings (1994) cited in Morse and McNamara (2013), also points out that the notion of sustainable livelihood as we know it today arose out of the Earth Summit held in Rio held in 1992, and its promotion of agenda 21 (Agenda for the 21st Century). One of the stated aims of agenda 21 is that every human being should have the “opportunity to earn a sustainable livelihood” (Morse and McNamara, 2013: 22).

There has been more attention paid to livelihoods in research and in policy. This follows a wide recognition that few urban and rural households, especially poor households in developing and underdeveloped countries, rely on a single income generating activity (wages of employment or farming) to support themselves (Rakodi, 2002). This is a problem because most of these low-income households usually work in casual, contractual, and seasonal jobs which can end at any time. As a result of such circumstances many of these families end up in the informal backyard rental sector, as it offers affordable and more flexible accommodation than rental housing in formal market. This is indeed also the case for most low-income landlords, as they struggle to hold down a single stable job. Hence why some of them rely on their home based enterprises to sustain their livelihoods. Even though some of them have median income paying jobs they still construct formal backyard structures to accommodate tenants which pay rent in return to source extra income to help supplement their main income sources. Limited government expenditure on housing as a result of neoliberal imposed policies also contributes to the housing backlog, which further push the poor into informal housing arrangements such backyard dwelling.

Due to this it is now recognised that more consideration must be paid to the numerous issues and processes that either enhance or constrain poor people’s ability to make a living in an economically, ecologically, and socially sustainable manner. In this regard the Sustainable Livelihood (SL) concept offers a clearer and integrated approach to poverty (Krantz, 2001).

Livelihood has various components, however the most complex is the portfolio of assets out of which people have to construct their living, and it includes tangible assets, resources, and immaterial assets such as access and claims (Krantz, 2001). Ownership of a house is one example of a tangible asset which can assist people to construct their living. In this regard property ownership enhances people's ability to live an economically viable life by giving them a place to live in safety while they are working or looking for work. Secondly having ownership rights of a property can grant households access to other resources such as financial loans from the private sector, access to infrastructure and social services. Moreover, as alluded to before, a house is an asset that can be used to run home based enterprises that provide income which helps sustain people's livelihood strategies.

On the other hand, owning a property can also constrain the poor's ability to make a living if the property is too expensive for them to maintain. For example high costs of basic services which the poor cannot cope with, while earning a low income or nothing. This is usually the case for some household who benefit from informal settlements upgrading projects by relocation which include backyarders. As they are not used to paying directly for basic services because of their low-income status or have previously depended on communal water taps and illegal electrical connections.

Chambers and Conway (1992) cited in Krantz (2001) argue that, any given definition of livelihood sustainability has to include the capability of households to circumvent or more usually to withstand and recover from stresses and shocks. These shocks and stresses can be factors such as such as economic instability, political instability and a "fragile state" environment (Morse and McNamara, 2013: 59). People can sometimes lose their main source of income unexpectedly for one reason or the other. In this case being able to use their properties to generate secondary income with minimum constraints placed upon them by the municipal bylaws and land use regulations can be crucial for the maintenance people's livelihoods, more especially those with no savings in the low-income bracket. Therefore, their home based businesses can protect them from such economics shocks in times of crises, and help them recover from those stresses and shocks.

Also underpinning this approach are three main insights into poverty. The first is that it is recognised that while economic growth may be essential for poverty reduction. The relationship between the two is not automatic since it all depends on the capabilities of the poor to exploit the advantage of expanding economic opportunities (Krantz, 2001). Furthermore, it

is now realised that poverty as the poor see it is not only a question of income. It also includes other dimensions such as, lack of access to social services, bad health, illiteracy, as well as feeling powerless in general, and a living in a state of vulnerability (Krantz, 2001). Lastly, it is also recognised that poor people know their circumstances and needs best. This means that it is advantageous to involve them in policy design, and in projects intended to better their lives (Krantz, 2001).

In terms of housing and the business of rental accommodation in backyard dwellings, usually both landlords and tenants are generally low-income households. Both parties are co-dependant on each other to sustain their livelihoods socially and economically. For a tenants, backyard dwelling may serve as a strategy to access affordable housing in safer and more secure urban communities than living insecurely in informal settlements. This also allows them to save more money to purchase their own houses in the future than they would renting in the formal rental housing market. Therefore, backyard accommodation is suited for their needs. While for homeowners it serves as a strategy of sourcing extra income to sustain their own households. The practice of sourcing extra income from the property by using the backyard pace or outside buildings corresponds well with the sustainable livelihood approach. Which suggests that people's livelihoods should comprise of capabilities, or assets, and required activities to sustain means of living. Furthermore, this also helps these homeowners build a foundation of capabilities and assets that can provide a sustainable livelihood opportunity for the next generation of their families. However, the SL approach has its strength and weaknesses which are elaborated on in the following sections.

#### **2.2.4.1. Strengths of SL**

The SL approach is able to display the variety of activities that people carry out, often in combination, to make a living. This is very important for the poor, because they are often dependent on a number of different types of economic activities for their livelihoods (Chambers, 1995; Hussein and Nelson, 1998). In human settlements the SL approach can play a significant role in highlighting the importance of a people centred approach when thinking about the objectives, priorities, and scope of a housing development (Morse, Acholo, and McNamara, 2009). In order to create economically, socially and environmentally sustainable human settlements that enhances people's abilities to sustain their livelihoods. Government interventions have to be evidence-based, rather than a top-down approach which is often initiated without adequate knowledge of the community (Morse, Acholo, and McNamara, 2009). The small initiatives that people who live in low-income areas take to sustain their

livelihoods, for example, using their homes as an asset to run informal enterprises are usually viewed as undesirable by most officials. Some officials considered backyard dwelling and home run informal enterprises as the course of infrastructural decay, overcrowding, higher crime rates, and contrary to government objectives of eradicating informal living arrangements in cities.

On the other hand, the SL approach to development recognises the importance of people and their livelihoods rather than government objectives, or the resources they use. Meaning that if their best options to sustain their livelihoods clashes with municipal plans, regulations, zoning schemes or government objectives people's interests should always come out on top (Morse, Acholo, and McNamara, 2009). Therefore limiting barriers to the pursuit of economic growth in low-income areas, and government support is encouraged by the SL approach. In order to help those formal and informal income activities low-income households are engaged in so that they can thrive and continue to sustain people's livelihoods. Thus the SL approach forces officials to actively engage with those meant to be helped by an intervention or policy. By focusing on the diversity of possessions that households make use of when constructing their livelihoods. The sustainable livelihood approach produces a more holistic view on why resources, or combination of resources, are significant to the poor, including not only natural and physical resources, but also their human and social capital (Krantz, 2001).

Findings from recent participatory poverty assessment are also in line with this suggestion. As its findings show that poverty is a much more complex phenomenon than just insufficient food production or low-income (Holland and Blackburn, 1998). Another aspect that is crucial about the SL approach is that it facilitates an understanding of the underlying causes of poverty by zooming in on a variety of factors, at different levels. That directly or indirectly determine or constrain poor people's access to assets/resources of different kinds, and thus their livelihoods (Krantz, 2001). Such limitations might come up from formal and informal institutional and social factors at the local level, or they may be the outcome of economic processes, overriding policies, and legislative frameworks at the macro level (Krantz, 2001). A 'micro-macro' perspective is therefore fabricated into the approach, and is more likely to lead to more strategic interventions.

By focusing on the ways in which people develop their livelihood strategies (coping and adapting strategies) to attain a certain outcome in response to a particular 'vulnerability context'. The Sustainable livelihood approach opens the possibilities to see how even the

‘poorest of the poor’ are active decision-makers, not passive victims, in shaping their own livelihoods (Krantz, 2001). This is imperative for crafting support activities that build on the strong points of the poor. For example, people empower themselves by being active decision makers in making means to alleviate poverty in their households without being dependent on the state, by capitalising on their assets such as housing and entrepreneurial skills. Many households in urban areas have been successful in using their backyard structures to generate income either tenant rentals or home based businesses. These households are able to use their homes as a consumer good as well as an investment good. This ability is one of the strong points which sustain many households in low-income communities.

The Sustainable livelihood approach helps in facilitating and in understanding of the linkages between people’s livelihood strategies, their asset status, and the way they use resources available to them (Krantz, 2001). The approach is therefore useful in understanding both the problem and the scope for promoting sustainable development at the local level. Which is why the sustainable livelihood approach is a crucial tool in analysing the backyard rental sector in terms of its strengths and weaknesses, and its impact on the lives of the poor and their surrounding environments. Such detailed information on the poor’s livelihood strategies would be very beneficial for housing policy makers and local municipality. As it could be used to capitalise on the strengths and opportunities of this informal housing rental market instead of ignoring it when formulating future policies, or continuing to enforce bylaws and land use regulations that discourage the practice instead of improving it.

#### **2.2.4.2. Weaknesses of the Sustainable Livelihood Approach**

Though the SL approach results in a much detailed analysis it could be difficult to translate the analysis into interventions. Though the SLP identifies and assesses assets in terms of the contribution they make (or they could make) it does not place much importance on exploring other vulnerabilities such as what impact could different political interests have within a community. Thus only having knowledge of what is happening now is not sufficient, meaning that trying to understand trends and what could happen in the future is also important (Morse, Acholo, and McNamara, 2009). Some of the assets that may be identified in a community using the SLP may change a little over time (e.g. infrastructure, buildings and land) especially in dynamic townships where the backyard sector thrives. While others such as social networks and cash flow in people’s economic activities can be volatile, and depend upon movement of people into and out of the household, and community as in the case of the backyard sector (Morse, Acholo, and McNamara, 2009).



Furthermore, the claim that the SL approach process is liberating for participants can only hold if the same people have power to bring about change in their lives and communities. The SL approach advocates overlook the fact that in reality power can be a highly skewed property (Morse, Acholo, and McNamara, 2009). Some people for example, may be able to adapt to improve their living conditions, their homes, their formal and informal businesses such as home based businesses or the informal backyard renting. While some households may not be able to do anything significant to improve their housing conditions, or living circumstances by using the SLP. Thus The SL approach inherent with all participatory methods fails to circumvent the key concern of representation and the myth of community (Morse, Acholo, and McNamara, 2009). Krantz (2001) also points out that, the way resources and livelihood opportunities are distributed locally is in most cases influenced by informal structures of social dominance, and power inside the communities themselves. In addition, the fundamental idea of the Sustainable Livelihood approach is to start with a widespread and open-ended analysis. The problem with this is that it demands a highly flexible planning situation which hardly exists in reality (Krantz, 2001).

#### **2.2.5. Conclusion of the theories**

Therefore, inferring on the theory of liberalism as outlined in this section. It is worth stressing that the phenomenon of the use of backyard structures as a source of extra income, and as accommodation space is partially due to the effects of liberal ideals, that inform the economic and development policies of developing countries. As argued in this section the core principles of liberalism are individualism and freedom. The idea of freedom is closely linked to property rights and a free market. The backyard rental housing sector can thus be viewed as way in which households exercise their entrepreneurial freedoms, to solve their economic and social dilemmas without government intervention. As outlined in this section, neoliberalism is merely a new form of liberalism which emphasises that even though markets should be liberated government needs to have minimum intervention in the market and in public affairs. In order to balance the distribution of resources. In the case of housing and of the backyard sector rental sector the government intervenes by providing the necessary infrastructure which makes it possible for households to live a stable life. This is vital because home ownership with the necessary physical infrastructure in place can allow households to run home based enterprises. Such as backyard small shops, and other productive enterprises that can help sustain their livelihoods. While the sustainable livelihood approach as outlines in this section, was very

instrumental in stressing the importance of maintaining and enhancing the livelihood strategies of low-income households.

## **2.3. Literature review**

### **2.3.0. Introduction**

This section will be focusing on discussing the available literatures about the phenomenon of backyard structures and its multiple uses. The section begins by giving a background on the housing issues facing the poor in third world countries, and how these issues have led to the growth of informal housing arrangements such as the backyard rental sector. This is followed by an introduction of the backyard sector. Here a definition of backyard structures will be discussed, the understanding of the backyard market and the characteristics of this housing typology. Backyard structures and their income generating function literature will also be discussed as this dissertation is mainly concerned with this function of this housing sector. Furthermore, the issues surrounding the use of backyard structures, and their effects on infrastructures are probed. This is followed by a discussion on how backyard structures correspond to building norms and regulations, and land use schemes. In addition, the literature on the diverse uses of backyard structures is also discussed. The final subsection of this section discusses tenants and landlord of the backyard sector and why they operate this segment of the housing market.

### **2.3.1. General Background to housing issues that lead to the development of informal housing markets**

Majority of cities in third-world countries often struggle to guarantee sufficient supply of adequate housing in suitable locations. Ballesteros (2004) points out that in developing countries households who are low-income earners have to make choices in relation to residence, and location in a highly restricted environment. Buckley *et al.* (2015) cited in Turok and Saladin (2016: 385) argues that, formal land and property markets are usually slow to develop and are inefficient in meeting the needs of the poor. Ballesteros (2004) notes that costs for accessing formal housing are usually too high for low-income households. Their choice in terms of access to locations next to economic opportunities and social amenities and services is often limited.

According to Collier and Venables (2015) shortages of affordable housing are also an indicator of supply side factors such as, complicated land transactions, high costs of construction, and general lack of institutions accessible to the poor to acquire inexpensive finance. All these

factors generally suggest that housing stock produced in the formal markets (own or rent) is often a mismatch with the needs of low-income households (Ballesteros, 2004). The availability of land for self-building is also becoming more and more limited in cities, and expensive due to rapid urbanisation and in high demand. Consequently, low-income households find it difficult to secure land in most cities of developing countries. As a result, many poor households are being increasingly forced to resort to informal housing arrangements outside the state legal framework in order to house themselves (Ballesteros, 2004).

The informal backyard rental housing sector is often unregulated, and is usually found in authorised private properties, and in unauthorised private and public lands (Ballesteros, 2004). Therefore, backyard dwelling can be described as accommodation or shelter that is separate from the main structure, which accommodates one or more separate households (Crankshaw, Gilbert, and Morris, 2000). A backyard shack differs from other forms of informal housing as they are situated on a demarcated stand within a formal housing area which is fully serviced (Lemanski, 2009:474). Backyard structures are commonly built formally in higher income areas, and in case where the township landlords erect the backyard structures themselves. While in instances where the backyard structure is built by the tenant the structures are often informally constructed. The development of backyard structures in low-income areas often leads to overcrowded, and poorly serviced human settlements. But because most governments in developing countries are failing to supply adequate housing to low-income households these informal arrangements are tolerated. Furthermore, Watson and McCarthy (1998) point out that, the growing body of research done in developing countries on rental housing reveals that while the government and commercial investors have decreased investment on rental housing development over the years coming to its all-time low, the number of households accommodated in rental housing more especially the informal backyard sector market has been increasing steadily. Ballesteros (2004) argues that attempting to eradicate the backyard rental sector or informal settlements is too expensive, and an impossible goal to achieve in developing countries. Due to rapid urbanisation, unemployment, coupled with limited resources for housing development.

It is these factors that have fuelled the rapid growth of the informal backyard rental sector in some developing countries. As a result, the informal rental housing sector is now one of the dominant forms of tenures in some cities due to shortages of housing supply, more especially for the poor (Watson and McCarthy 1998). The primary source of the private rental accommodation is in fact predominantly the "household sector" who are often small-scale,

‘subsistence’ landlords providing backyard accommodation, and other informal arrangements such as sharing rooms (Watson and McCarthy 1998; Watson, 2009). This fact tends to be unrecognized in policy (Watson and McCarthy 1998; Watson, 2009). Turok and Saladin (2016: 387) notes that these forms of accommodation are often not authorised, and lack access to basic services. They are also vulnerable to flooding or other environmental hazards. According to Hunter and Posel (2012); Sverdlik (2011); UN-Habitat (2013), this kind of self-help improvisation is a practical response to harsh circumstances, but it can also have negative consequences for people’s safety and the communities well-being.

### **2.3.2. Introduction to the informal backyard sector**

Backyard accommodation typically involves a situation whereby a landlord and a tenant cohabit the same plot, although they are in different dwellings (Shapurjee, and Charlton, 2013). According to authors such as Morange (2002: 6); Robins (2002: 512); Lemanski (2009: 473) informal backyard rental structures are usually one or two roomed informal structures erected of corrugated iron, wooden planks, metal sheets and plastics, located within a plot with a formal dwelling generally in the backyard space (Cirolia, 2014b: 398), and are commonly occupied by a low income tenants (Bank, 2007:209; Watson, 2009b: 5). It is notable that, most authors who have contributed to the backyard sector literature tend to overlook the fact that in some low-income, and high-income areas backyard structures and outside buildings are constructed formally. The formality or informality of backyards structures therefor depends on the landlord’s financial capabilities to invest in the backyard structure, and how serious the local municipalities are in enforcing building norms and standards within their jurisdiction.

On the supply side of the backyard market landlords willingly make available their backyard space or dwelling unit for accommodation. They then generate income from the rental payments coming from their tenants, and most operate in this sector for survival rather than profit-maximisation. They may also be cash poor in some instances just like their tenants (Kumar, 1996). The demand-side of the backyard housing market is driven by tenants who are willing and able to pay rent for being accommodated in other people’s backyards. It is these two forces of demand and supply that are the driving engine of the backyard housing sector. The rent income also encourages landlords to provide and develop more units for accommodation without government intervention (Watson, 2009).

Another possibility behind the development of backyard housing units might be lack of space or overcrowding in the main structure as the family grows. It is for this reason that some of the

backyard dwellings we see are constructed, they are there to accommodate family overflows. These family members may be too young to find their own accommodation. While some may be adults but who cannot yet afford their own properties or to pay for rent elsewhere, although this trend appears to be less common (Turok and Saladin, 2016: 389). These backyard structures are usually located on a formally developed and serviced stand (Shapurjee & Charlton, 2013: 655). Even though backyard dwellings are commonly found in formally developed and serviced stands, some can be found in informally developed areas. It is in these informal settlements that the conditions of living in the backyard are the poorest. Given the general informal nature of backyard structures, tenants often occupy poor quality dwellings that are small, uncomfortable, confining, permeable, damp, poorly ventilated with low thermal performance, and which lack access to basic services. All of this can be summarised as both unsafe and unhealthy (Morange, 2002:4; Poulsen and Silverman, 2005:30; Lemanski, 2009: 473; Jay and Bowen, 2011: 581; Shapurjee and Charlton, 2013: 662).

In this regard we can see that the effects of the backyard housing phenomenon can be complex, because the interactions that exist between housing and wider systems. Which include physical, social and economic processes (Turok and Saladin, 2015). Cheshire *et al.*, (2014) points out that housing decisions are a way for households to sort themselves out across space in relation to other social groups, buying into different bundles of amenities according to their income and wealth. For example, some treat backyard dwelling as a stepping stone in exchange for future advancements. Meaning that they are simply sacrificing their living conditions in the short-term to achieve long-term benefits (Turok and Saladin, 2016). However, Turok and Saladin (2016) also note that this behaviour may be threatening to those who aspire to maximise the value of their properties as an investment in the market. There are also conflicts that arise over access to legal rights to security, and access to services within neighbourhood (Turok and Saladin, 2016). Housing is also a very important medium through which many groups use to try to influence government policy, or even stop developments which threaten their physical communities (Turok and Saladin 2016).

Therefore, it is not easy to generalise about the effects of housing across different social groups because their experiences have extensive differences. For example, people who are migrant workers, may see a housing structure as a temporary shelter in which to get by while saving on their expenses. While for wealthier families, the home may be used as a source of additional wealth, a place of stability, security and comfort. For some living in poor and tough neighbourhoods may be a site of hardships and vulnerability (Turok and Saladin, 2016).

Therefore, backyard shacks or any other form of housing cannot be understood in isolation. Housing has complex interactions with social institutions, the economy, the natural environment, and demographic shifts. Housing is generally multi-dimensional in nature (Turok and Saladin, 2015). Another important observation made about backyard structures and low-income households is that they are closely connected to all-round insecurity and poverty (Turok and Saladin, 2015). Lamanski (2009) argues that, although the backyard dwellings are similar to informal settlements, in that they are also characterised by inadequate size, lack of quality, as well as that they are a perpetuate trend of unhealthy living environment. Informal backyard structures differ from informal settlement shacks in that they are situated on a demarcated plot within a formal and fully-serviced housing area.

The emergence of megalopolises and need to develop competitive cities has forced third-world governments to deal with the housing issue in a more realistic manner (Ballesteros, 2004). In the past governments in developing countries were encouraged to follow western models which advocated for development of owner-occupation housing. These countries have now realised that housing policy based on developing home ownership alone is weak, and is costly for the public sector. Colombia, South Africa and Indonesia for instance, have started to lay the ground works to develop their rental housing markets, as an alternative housing option in urban areas (Gilbert and Varley 1991). There is also a growing recognition that rental housing offers major opportunities for improving living standards of the poor (UNCHS, 1993)

Rental housing in the formal and informal sector is now considered as a vital component in accommodating large numbers of families flooding to the city in developing countries (Ballesteros, 2004). It also needs to be noted that what constitutes poor housing quality is culturally defined, and varies greatly between cities and countries across the globe. In most developing and underdeveloped countries, flimsy shantytowns accommodate most poor families (UNCHS, 1996). By contrast in West Africa and the Indian subcontinent most of the poor are crowded into rental settlements (Tipple, 1988; India, 1989; UNCHS, 1993) and in some of the largest cities of Latin America many families rent room in consolidated self-help settlements (Gilbert, 1983 cited in Crankshaw, Gilbert and Morris. 2000).

### **2.3.3. The backyard sector income generation function**

A house is not only container for people but an important shelter for life-sustaining economic activities (Mahmud, 2003). Livelihood strategies that are centred on housing as an asset can be instrumental in advancing households out of poverty. Dwelling units and home based

livelihood strategies also act as a poverty net. So that household do not fall beyond the point at which they cannot be able to respond to new opportunities (Mbambo, 2013). In this regard research has proved that security of tenure is essential in housing, as a dwelling structure or a plot alone is not enough for poverty reduction (Moser, 1996). Especially when you have to pay monthly rentals in order to live in that space as in the case of backyarders. Where individuals enjoy secure tenure they can also be motivated to invest in their properties to make it more productive, and functional for the needs of their families (Mbambo, 2013). Backyard landlords are only able to build additional dwellings because of tenure security.

Otherwise if they we living in illegally occupied land where their homes could be demolished any day, or anywhere where they have no secure tenure rights, they would not be so motivated to invest in constructing solid structures like some found in the backyard sector. Research has thus proved that a home can be a market place, a place of production, an entertainment centre, a place to retreat, and it can also be a financial institution where an informal loan shark business is being operated etc. (Kellett and Tipple, 2000). This means a house is not only a place for a home life but it has other functions such as income generation especially for the poor (Kellett and Tipple, 2000). As a result, housing continues to play a crucial role in operating and sustaining the informal economy. Which also sustains many low-income families, and contributes to the national economies of many developing countries as well as developed countries (Kenett and Tipple, 2000).

In many developing countries low-income families operate home based enterprises, and this is not possible without a dwelling space to work in (Kenett and Tipple, 2000). It is therefore safe to argue that housing conditions would be worse if there were no income generating activities being operated from home by households. More especially in low-income neighbourhoods. The characteristics of home-based enterprises include the following: first is that the family should controls most of the land, and capital to which its labour is applied. Secondly, most of the family's land, capital and labour is used in the enterprise (Kellett and Tipple, 2000 cited in Mbabo). Lastly, most of the labour that is applied to the enterprise is provided by the family (Kellett and Tipple, 2000). Lipton further argues that home based enterprises have the advantage of being able to convert fungible resources swiftly and without loss, from one use to another (Lipton, 1980 cited in Kenett and Tipple, 2000). Likewise, this means time spent on domestic activities can be converted into time spent on home-based enterprises (Kellett and Tipple, 2000). Even the home space can be used for a number of activities which may change throughout the day or seasonally (Lipton, 1980 cited in Kenett and Tipple, 2000).

According to Kenett and Tipple (2000) the absence of home-based businesses or any other form of income generating activity in some neighbourhoods, means that these activities are not a general solution to even part of the income generating function of households. This is because some households prefer to separate their work from their homes. While others chose to give up a considerable area of their living space to accommodate the equipment they use to generate income for the household (Mbambo, 2013). This even extends to situations whereby people store their sacks of commercial goods behind their beds. Living with machinery in the living room, and having unpleasant processes taking place near eating areas (Kenett and Tipple, 2000).

Home ownership can thus improve chances of a households to capitalise on opportunities for income generation in order to increase their household income. Surveys suggest that the housing structure, when owned, can provide economic opportunities such as a space for home run businesses to increase household income (Mbambo, 2013). According to Moser (1996) the success of home based businesses highly depends on the access to assets that complement home ownership. These assets include physical infrastructure such as, access roads for transportation, reliable and affordable basic services (Moser, 1996). It also depends on human capital, such as individual skills for some other less formal activities (Moser, 1996). In addition, success depends on cash or credit needed for initial as well as current investment, and finally on a markets to exchange goods produced or services offered (Moser, 1996).

#### **2.3.4. The impact of backyard structure on infrastructure and basic services**

All people are supposed to have access to basic services, as this is a constitutional right which is central to people's health and security. Backyarders commonly access these services through the main structure, this may complicate basic service delivery packaging for the municipalities, and may increase densities which may also hamper service provision (Lategan, 2017). Due to these predicaments tenants in backyard structures as a result of the need to access basic services place great pressure on infrastructures, which was mainly meant to cater for the homeowners. According to Govender *et al* (2011), municipalities are sometimes not able to efficiently dispose solid waste, and sewerage waist due to the increased population densities associated with extra residents of backyard structures.

This is because city utilities that are originally designed to service a single household of six individuals ends up having to service up to six families per plot. Consequently, this places immense pressure and strain on infrastructural services. The infrastructure is stretched beyond



its capacity. As landlords who are the main intended services recipients end up having to share it with their tenants who are additional families living in their backyards (Lategan, 2017). This extra infrastructural pressure caused by backyarders, along with poor municipal infrastructural planning, and lack of infrastructural maintenance can ultimately leads to urban decay. Which can turn what was originally as vibrant, and formal human settlements to slums within a few years.

For these reasons it becomes a necessity that some kind of upgrading be implemented on existing infrastructure. Especially in areas burdened by the increase in numbers of inhabitants in a single plot, due extra dwelling units in the backyard. However, this exercise is costlier than providing a higher level of infrastructure which can service a maximum, instead of minimum number of residents from the start (Lategan, 2012). The upgrading installations may include increased water supply, installation of additional electricity sub-stations, and extended sewerage capacity in the neighbourhoods effected by infrastructural overload as a result of unanticipated number of households (Lategan, 2012).

The inadequacy of infrastructural provision in these low-income area also has other non-fiscal impact. The densification of low-income areas due to a rapid increase in the number of backyard dwellings also creates countless unintended public health hazards and fire risks. Mainly arising from illegal electrical connections, which are often made with insubstantial materials (Govender *et al*, 2011). In light of this, it is obvious that the backyard rental sector merits serious attention, which should be provided by a responsive policy intervention strategy, in order to better regulate the sector. Furthermore, Govender *et al*. (2011) also argues that, the rise in the development of backyard accommodation may also enlarge consumer spending and retail services, which also overloads public infrastructures. This can lead to urban blight, and aggravation of social tensions within communities. The overcrowded and unappealing backyard structures to some, may increase social problems such as crime, which could ultimately lower the quality of these neighbourhoods, thereby hampering and reducing private investment value of housing (Turok and Saladin, 2015). This raises the fundamental question of whether backyard dwellings are helping or hampering neighbourhood vitality and livelihood opportunities, as the sector can improve or damage people's living standards.

### **2.3.5. The backyard sector and housing regulations**

Outside buildings such as backyard structures can be found in low, middle, and high income areas. In most private properties in urban areas landlords are allowed by law to extend their

properties. Meaning that building a backyard structure is legal if it abides to the land use regulations of that area and bylaws. In some areas the residential and commercial land uses are mixed. However, residents are expected to go through the legal processes in order to construct outside building, or if they want to use their homes and outside building for commercial purposes. In most middle income and high income areas landlords are financially able and willing to construct outside buildings that comply with municipal bylaws, zoning regulations and building norms and standards. This is important in high and middle income neighbourhoods. As residents tend to feel the need to keep the value of their properties high, and their neighbourhoods clean and attractive to investors.

Informal backyard structures are mostly found in low-income areas, however in the same low-income areas some of the landlords are able to construct formal backyard structures. There are a number of reasons behind the high number of informal backyard structures in low-income areas, these include: the costs associated with formal construction of outside buildings in formal areas, and the costs of extending services to the backyarders in a safe and conventional manner. According to Lategan (2012) landlords in low-income areas often argue that their outside buildings are irregular and extra-legal, because of the complicated nature of bureaucratic planning processes, and the costs involved in obtaining planning permission.

On the side of the officials, the inconsistency in enforcement of the legislative framework also plays a role in the high numbers of informal backyard structures in some areas of cities. Hence why most landlords who live in low-income areas and their tenants tend to ignore official frameworks. In many municipalities, a dual system usually applies to development. It is common for municipal systems to demand that high and middle income neighbourhoods comply with formal processes. While low-income neighbourhoods are left to contravene these processes. Therefore, there is a policy vacuum in which informal backyard structures are allowed to continue to exist illegally. Which also continues the growth and existence of the informal backyard rental sector as more of these backyard dwelling units are informally constructed in most townships (Lategan, 2012). This also limits any efforts by authorities to deal with the backyard rental sector.

However, it should be noted that a formalisation policy would affect landlords positively, and could possibly improve living conditions of the tenants. Lemanski (2009: 482) notes that landlords due to formalisation would get increased rental income, and would also then benefit from the added value to their homes due to upgrades. However, Watson (2009: 5) points out that formalisation of the backyard rental sector may lead to rents that are too high for average backyard tenants to afford. Watson (2009: 5) goes on to add that physical upgrades on backyard

structure arrangements from shacks to more formal structures could pose a threat on affordability, and would therefore water down the sector's contribution to the housing stock. In this regard to Lategan (2012) suggests that there must be caution not to leave the poorest without shelter for the sake of providing households who are already beneficiaries of housing subsidies with an income. There is very limited existing data to show whether or not backyarders would be prepared to pay higher monthly rents for better quality accommodation (Social Housing Foundation, 2008: 9)

### **2.3.6. The Diverse Motivations behind the construction of backyard structures by landlords**

There are a number of factors that motivate landlords to construct backyard rooms. In high and middle income areas these outside buildings are commonly used as office space, surgeries, bread and breakfast accommodation, student accommodation etc. In lower income areas backyard structures are commonly used to supply accommodation to other low-income households. There are three factors mainly driving the supply of backyard accommodation in low-income neighborhoods. The first, being that landlords may construct and rent accommodation for the purpose of generating income (in which case the backyard structure is generally constructed formally). Secondly, the landlord may rent the backyard space to tenants to build the backyard structures with their own resources (these structures are generally shacks). Finally, they are expected to pay rent regularly for the space, and access to basic services.

For tenants who are unemployed and those who do not earn enough to rent formally built backyard structures the option of renting the backyard space to erect a shack is their best option. These shacks are also built with materials that are easy to take down and move if tenants want to take their shacks to live elsewhere. This flexibility is important as some tenants often work within short term contract agreements, seasonal jobs, and casual jobs, and may need to move from areas to areas to be closer to their place of employment. The ownership of property allows poor households to make a vital income stream out of renting out a room in their backyards, or just giving backyarders enough space to erect their own structures which would otherwise be unevaluable to them. This also enables low-income landlords to create valuable entrepreneurial opportunities through home based enterprises in their backyard structures. Some of these landlords are motivated by social reasons when building backyard structures. In which case they provide accommodation to their children and family members. In such situations,

backyard rentals enable vital support for vulnerable households to exist through social cohesion (Lotgan, 2017).

### **2.3.7. Backyard landlords**

According to Gilbert *et al.* (1997: 136) the majority of small-scale landlords use their backyard structures and space to source extra income. According to the Social Housing Foundation (2008: 8), 95% of backyard tenants renting within informal settlements paid a rent of less than R200 per month in 2008. Lemanski (2009: 482) argues that, it is highly likely that landlord with a formal structure containing 2-3 rooms, providing full services, will be tempted to raise rents far above the 2009 average rent of R150 – R250 per month. This reinforces the concepts that housing has a very important role to play in developing local economies Lategan (2012) also points out that the majority of homeowners in the backyard sector like their tenants have little to no contact with the formal building regulation systems (Lategan, 2012).

Most do not have formal legal lease agreements, and the majority of units rented out to tenants violate building and planning regulations in numerous ways. According to Lategan (2012), it is a threat to attempt to force backyard landlords to adhere to the formal systems. As that would impose costs (in money and time) that would rise the cost construction, and consequently rentals to a point beyond the means of most low-income households. Watson (2009: 14) puts it this way, “most supply-side strategies applied in existing areas serve to raise the cost of provision of the rented space, or make its provision more difficult, and hence would serve to raise rents and/or displace lower-income families”. Therefore, it is important that any intervention strategy formulated to deal with the backyard sector to consider the effects of strategies on other informal, and formal housing sectors.

### **2.3.8. Tenants**

The informal backyard sub-market addresses the housing needs of the poor, those who are unable or unwilling to access formal accommodation. Backyarders can be family members of the households in the main structures, or they can be total strangers. They are commonly small households (1-3 persons), but they can sometimes be larger households (3-6 persons). Backyard tenants are usually households who are seeking temporary accommodation (e.g. students, traders, contract workers, work seekers). It is also evident in literature that tenants are mostly made up of strangers and friends in newer townships. While in older townships they are more likely to be family or extended family members of the main property owner (Lategan, 2012). It is also common for backyard dwellers to be employed and or have more income

security than the landlord. More especially in situations whereby the homeowner or landlord is unemployed, and only dependent on rentals from their tenants (Lemanski, 2009).

Most of the backyard tenants are attracted by the location of the neighbourhoods they rent in. Which is often connected to services and closer to economic opportunities and institutions than informal settlements (Tshangana, 2014). However, there are instances whereby backyarders are exploited or denied access to services by households in the main structure (Lemanski, 2009). It has also been argued that due to the formality of townships backyard dwelling provides more tenure security than informal settlements. Which are often erected illegally or may be undergoing an upgrading programme which could include relocation to undesirable locations (Lategan, 2012). Tenants who reside in the same yard for a number of years usually have a strong sense of tenure, despite the informality of the lease agreement (Tshangana, 2014).

People who are temporary workers or informal traders usually prefer the backyard housing sector because it provides more flexibility accommodation, enabling tenants to make non-momentary payments if they can't pay cash upfront (e.g. help with chores or take care of children of the household in the main structure and other tenants), or negotiate other payment terms (Lategan, 2012). In the formal rental housing market late payments are usually not tolerated and poor people who also commonly have unstable income streams can find themselves homeless if they can't pay the rent in time. Backyard tenants are very diverse and their motivations for preferring backyard dwelling than formal rental, informal settlements, or home ownership are also complex. This makes it clear that generalisation about backyard tenants is neither possible nor advisable. Therefore, the conclusion is that a localised research on the nature of backyard dwellers in particular in neighbourhoods is a vital first step for municipalities to undertake before devising any kind of intervention (Tshangana, 2014).

## **2.4.0. Precedent studies**

### **2.4.1. Introduction**

This section of the study aims to explore the backyard rental phenomenon in other international countries. However, the only case studies that are available and that are discussed in this study are derived only from developing countries. As there were no case studies found concerning this phenomenon in the developed country context. The case study of the City of Metro Manila in the Philippines, and the case study of Santiago Chile will be probed in this respect. Then the study will discuss the lessons learned from both case studies and the chapter will be concluded.

### 2.4.1.1. Precedent study- city of Metro Manila in the Philippines

The Philippines is located in the Pacific Ocean, north of Indonesia and it consists of 7,107 islands, only around 900 of them are inhabited and it is located (Truong and Olofsson, 2008). The largest island in the Philippines is Luzon, and it is located in the northern part of the country. The Metro Manila is located in this island. Furthermore, it has been estimated that by 2050 the urban population will increase to 80% or 127 million people (UNCHS, Human Settlements Statistics 2001 cited in Ballesteros, 2004: 1). In Metro Manila, the increase in urban population through both migration and natural increase, has been absorbed to a large extent by both formal and informal rental housing markets. With majority of the urban poor living congested substandard housing structures (Ballesteros, 2004). Map 1 on page 42 shows the location of the Philippines on the left hand side, and the location of the metro manila and Manila city on the right hand side.

**Map 1:. The Philippines on the left and the city of Manila in the left hand side**



*Source: (Google maps, 2017)*

The Philippines has been suffering continuous setbacks in providing a steady supply of housing that fits the needs of the homeless, and low-income groups (Pampanga, Ma-jid and Angel, 2015). As a result, the country has a persistent housing shortage. Which is a tenacious challenge especially in urban areas (Pampanga, Majid and Angel, 2015). The Philippines also has one of

the highest rates of urbanization in the developing world (Ballesteros, 2004). The country is also a poverty stricken state like many other developing countries. It is estimated 3.5 million urban households had incomes below Philippine Peso (PHP) 28,800 per capita per year (less than \$2 a day level) (Ballesteros, 2004: 2). Moreover, 3.5 million urban households were estimated to have incomes below P28, 800 per capita per year (less than \$2 a day level) (Ballesteros, 2004: 2).

The low affordability levels of households, the unprecedented increases in land prices in urban areas, and the untamed fiscal problem in the country are conditions that raise the need for government to find alternative solutions to increase the choices of low-income households. In order for them to be able to find low-cost and decent housing in the housing market (Strassman, 1993). This has resulted in a steady increase of informal housing arrangements, substandard structures, and congestion neighbourhoods. Which all characterize the problem of urban areas of the Philippines (Monsod and Diliman, 2012). According to Carino and Corpuz (2009), one of the main causes of poverty in the Philippines is the limited access of lower income urban households to housing. Monsod and Diliman, (2012) further argue that the record suggests that state response, especially its reliance on below-market priced mortgage loans has made the situation worse (Monsod and Diliman, 2012).

Manila is the capital city of the Philippines, and it is located in Metro Manila along with Quezon City which is the largest city in the Philippines (Ragragio, 2003). The housing condition of low-income households in Metro Manila are poor. The houses in low income areas are not well-built and can only withstand fair weather conditions. The low quality housing that lower income groups live in can easily collapse under extreme weather conditions. As the Philippines is often exposed to yearly natural disasters, which mostly effect the poor and their housing (Truong and Olofsson, 2008). The poor are often in an unprotected state against such disasters compered to wealthier households. This is because of the choice of location in urban areas (Truong and Olofsson, 2008). Low-income households often lack access to housing finance, and safer land parcels. As a result the poor are mostly found in danger zones living in houses that are built with materials that are unable to withstand strong winds, earthquakes, and typhoons amongst others in Manila (Truong and Olofsson, 2008). It is these conditions that ultimately lead to the displacement the poor, especially during the typhoon season. Which comes with floods and strong winds, able to flood and collapse houses (Truong and Olofsson, 2008). Due to these circumstance some people tend to prefer backyard renting instead of investing in securing property rights in some of these areas (Valeriano, 2012). This allows them

to move easily when they are warned about possible disasters, or when they get economic opportunities that require them to move to other parts of Manila city.

In addition, the concentration of the workforce in cities such as Manila has profound effects on the socioeconomics of housing. In this regard Valeriano (2012) states that, property values have been increasing in city Manila due to development of office building, shopping centres, and malls. Low-income residents find themselves unable to afford to rent in formal accommodation let alone to purchase land in the city. There have been three particular responses to acute shortage of affordable housing in the Philippines particularly in metropolitan cities such as the city of Manila and Quezon City (Ballesteros, 2004). The majority of low-income households end up opting for the informal rental market which comes in three forms in the city of Manila. The first being renting in a backyard structure in someone else's plot. The second is the renting land by tenants to construct a dwelling structures using their own resources, and the last is sharing a room with the landlord (Valeriano, 2012).

The private sector is the major supplier and producer of both formal and informal rental housing in the city of Manila and in the Philippines in general (Ballesteros, 2004). Moreover, there are several types of rental housing that can be found in the Manila. The rental housing in the metro of Manila differs by type, size, construction, quality, ownership, rents, kind of contract and profitability (Ballesteros, 2004). This means there is diversity in rental housing as with property and land ownership. As in many other major cities in developing countries, informal arrangements are prominent for housing the urban poor of the city of Manila. According to Ballesteros (2004), tenants in the city of Manila are not only those who rent homes but also those who rent lots, or temporally build houses on lots that are not their own for, example backyard dwellers. These three types of tenants listed by Ballesteros (2004) also corresponds with the response to housing shortages in Manila listed by Valeriano (2012). Therefor the dependency of poor urban dwellers on informal rental housing arrangements such as backyard dwelling in the city of Manila reflects a microcosm of the global population of urban dwellers (Truong and Olofsson, 2008).

There are poor as well as rich tenants in the city of Manila, many don't own the land they live in. Some have to share land with their landlords due to lack of suitable land for housing development in the city (Truong and Olofsson, 2008). These informal arrangements of rental housing are characterised by poor access to services and infrastructure, as in many other developing countries. The communities in which informal renting occurs usually ends up in



overcrowded conditions, with poor sanitation, health and social services plagues (Truong and Olofsson, 2008). Furthermore, the additional backyard dwellings and other unplanned informal settlements add extra stress to the infrastructure of the city of Manila. This ultimately has negative effects on surrounding neighbourhoods, and also creates hazardous living conditions (Valeriano, 2012).

#### **4.4.1.2. Rental housing policy in the Philippines**

Before 1992 the Philippine's national government had a monopoly in the production of housing required under the shelter framework of the country (Pampanga, Majid and Angel, 2015). However, despite this long history of public sector housing programs. There is still a significantly high numbers of unmet needs of housing improvements and additional housing units for poor urban Filipinians (Monsod and Diliman, 2012). In 2007 the backlog was standing at 1.3 million, of which two-thirds was "unacceptable housing" including deteriorating, or debilitated housing, marginal housing (Monsod and Diliman, 2012: 226).

Carino and Corpuz (2009) also point out that factors such as the high growth rate of the urban population, the insufficiency of land in urban areas to build detached housing units, and the lack of state funds to meet housing backlog are a significant factor in limiting the effectiveness of the government's shelter programs. Pampanga Majid and Angel (2015) also point out that the high prices of land in urban areas also contribute to the exclusion of development of social housing which is fundamental for the poor. Housing conditions just reflect the level of economic development. For example, higher incomes are associated with economic development, which allow people to have greater spending on housing, which also reflects in good quality housing (World Bank 1993). However, low quality housing can also be an outcome of housing policy, combination of policies and regulations that determine the efficiency and responsiveness of housing (World Bank 1993). This especially applies to metropolises like metro Manila where restricted access to urban land markets amounts greatly in explaining the somewhat high costs and poor conditions of housing (Strassman and Blunt 1993; Ballesteros 2000).

According to the World Bank (1993) policies affecting the responsiveness of the supply of housing, therefore, often offer a vital scope for reforms (World Bank 1993). However, instead of concentrating on addressing input markets, and inflexibilities. The Philippine's housing programs have emphasised on maximisation of output of new dwelling units, and sites for sale at below market prices through under-priced mortgages, guaranties and development loans,

and other implicit and explicit government subsidies (Monsod and Diliman, 2012). According to Monsod and Diliman (2012) this approach is treating the symptoms of failures of the housing system instead of its fundamental causes and it has not achieved much. However, at great fiscal and quasi-fiscal cost. Therefore, the government of the Philippines needs to shift its approach in order to solve the housing problems it is facing.

#### **4.4.1.3. Conclusion**

As discussed in this case study, the city of Manila as in many other cities in developing countries lacks adequate housing supply able to cater for the needs of the urban poor. This is due to the rapid increases in urban population through both migration and natural increase. This has widened the market for informal rental housing sector which is in most cases supplied by the household sector. Tenants in the city of Manila range from rich to poor households. This is due to the high costs of urban land, and the convenience of flexibility that informal rental accommodations provides to tenants such as those living in backyard accommodation, or those renting land from their landlords. Furthermore, land invasions and development of informal squatters within the city Manila are not uncommon. As a result low-income housing in Manila is often characterised by poor quality housing, hazardous environments and poverty.

### **2.4.2. Precedent study- City of Santiago in Chile**

#### **2.4.2.0. Introduction**

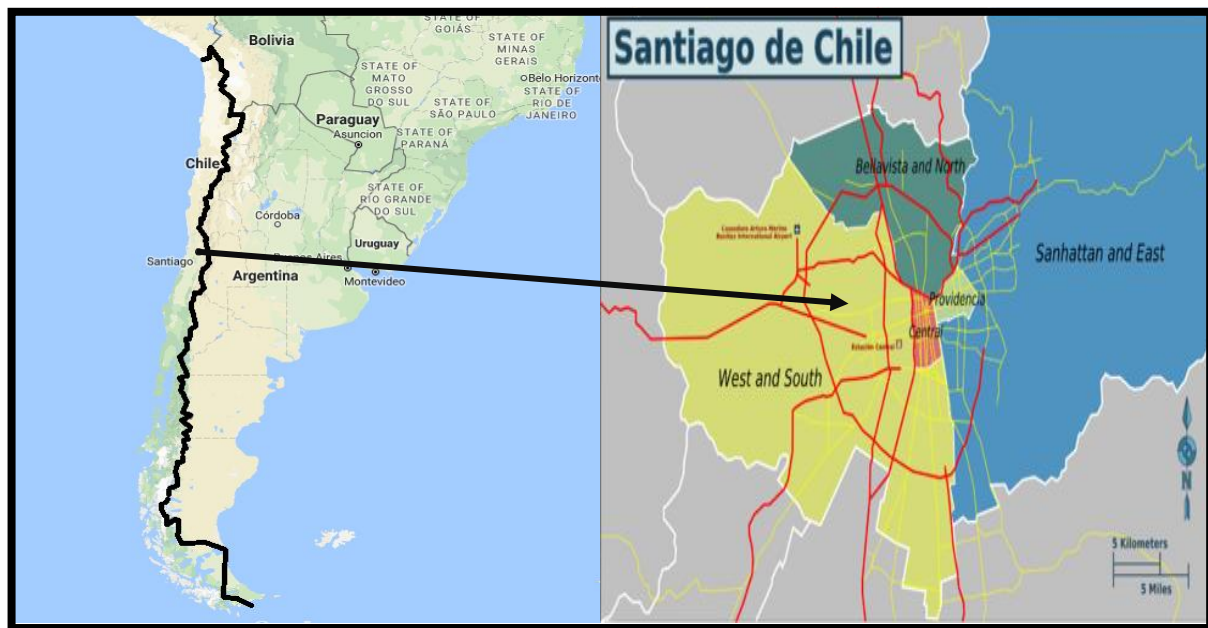
This section will be focusing on the case study of Santiago Chile. The case study of this city in respect to the backyard phenomenon will be discussed. In order to illuminate the importance of this sector in housing the poor, and also to find lessons that can be learned from international countries concerning how the backyard sector can be best dealt with and utilised.

#### **2.4.2.1. The city of Santiago Chile**

Santiago is the capital city of Chile, it has about 5 million inhabitants. The city is located in the country's central valley (Sabatini & Salcedo, 2007: 579) see Map 2 in page 47. Santiago is a city that has remained with an urban divide. The upper and middle income groups tend to be concentrate in their own areas forming geographic cones, which are closer to the city centers and economic opportunities. While the lower income groups tend to live in congested areas burdened by poverty in the urban peripheral parts of Santiago (Sabatini and Salcedo, 2007). Indeed, low income households in Santiago tend to be concentrated in the urban periphery or outskirts of urban areas. In neighbourhoods that are characterised by poverty, crime, high levels of unemployment, lack of public services, public transportation, low- quality housing and

amenities (OECD, 2013). They also have lower economic opportunities close to their neighbourhoods, and lack contact with people from different social backgrounds of life than those closer to the urban core. All these factors are ingredients for unsustainable human settlements where there is lack and imbalances of all the social, economic, and environmental pillars of sustainability.

**Map 2:.. Satellite image of Chile on the left and the city of Santiago on the right side**



Source: (Google maps, 2017)

The segregation pattern of housing in Chile is associated with the tremendous social inequality that prevails throughout Latin America (Sabatini and Salcedo, 2007). The housing policies of the past in Chile contributed to this spatial segregation of housing in Santiago (Salvi Del Pero, 2016). The need to rapidly increase the housing stock in order to accommodate population growth, and migration towards cities while containing costs also contributed in the absence of regulatory mechanisms or incentives to construct subsidised housing. Which has forced the construction of subsidised housing for the poor to take place in areas further and further away from the city centres where the cheapest land can be purchased (OECD, 2013; Simian, 2010; Vargas 2006). The segregation pattern of housing in Chile is associated with the tremendous social inequality that prevails throughout Latin America (Sabatini and Salcedo, 2007. The building standards, the connection to public services and amenities are often substandard (Salvi Del Pero, 2016). The houses and neighbourhoods also tend to deteriorate faster than normal as low-income homeowners often lack financial means to maintain these dwellings (Salvi Del Pero, 2016).

The high demand for new housing also proceeds the supply especially for poor households of Santiago. Hence why many of these families find themselves renting informally in '*allegados*' (staying in a relative's backyard) (Ministerio Desarrollo Social, 2013). As in most developing countries Chile's housing market is constrained by many factors in effectively providing minimum housing conditions. In surveys made in 1992 it was found that 3.78 million households in Chile occupied 3.10 million houses (Rojas and Greene, 1995: 32). Families in the low-income bracket made up most of the households facing inadequate housing. Which were about 880,000, households sharing accommodation with other families were standing at about 610,000, and households staying in houses that required replacement were approximately 270,000 (Rojas and Greene, 1995: 32). However, according to Salvi Del Pero (2016) there has been significant improvement in accessing good-quality housing in recent years. The numbers of people living in backyard structure in properties of relatives or friends '*allegados*' (staying in a relative's backyard), or in sub-standard housing structure has decreased from 780 000 in 1992 to less than 500 000 in 2011 (Ministerio Desarrollo Social, 2013: 165).

As a result of the inadequacy of public rental housing supply to cater for low-income families the city of Santiago in Chile has been characterised by developments of backyard dwellings. The backyard accommodation of Santiago Chile has a different pattern than the backyard accommodation seen in South Africa, the Philippines and in other in developing countries (Gilbert, 2003). Backyarders in Santiago do not usually pay a formal rent to the landlords, however they may contribute to the service, and maintenance cost of sustaining the property (Gilbert, 2003). The main difference about backyard dwellers in Santiago Chile is that they are all most likely to be related to the landlords (Gilbert, 2003). Indeed, the name given by the locals to refer to these tenants is '*allegados*' (staying in a relative's backyard), is best translated as those who are near, related or close (Gilbert, 2003). Furthermore, in the late 1960s and early 1970s there was a real but undeclared policy, which was the tolerance of land invasions by the state (Rojas and Greene, 1995).

The '*allegados*' (staying in a relative's backyard) has been the only answer for young families and low-income households in Santiago, and it gained significance in the Chilean housing future scene under the military regime of the late 1970s and 1980s (Gilbert, 2003). As People were now prohibited to practise land invasion, and there was little affordable rental housing available for the low-income earners, most young adults were forced to set up homes in the backyard spaces of their relative's properties (Gilbert, 2003). By the year 1990 the estimated number of Chilean households living in backyards was estimated at 292, 000, about 8% of total

households (Gilbert, 2003:44). South Africa and Chile have the larger number of households in in backyards structures than most other countries in developing countries. Chiefly because of the high costs of securing a land parcel to construct one's own house in the cities. As a result of the shortage of affordable rental accommodation available, constructing one's own shack in someone else's backyard seems to be the next best option for the urban poor in Chilean. This is also the case in South African cities and in other developing countries (Gilbert, 2003: 45)

#### **4.4.2.1. Causes of low numbers of formal rental housing in Santiago Chile**

The past decades have also been characterised by major shortages of formal rental housing more especially that can accommodate the poor in the capital city of Santiago, and in other urban centres of the country. This was mainly because the development of rental housing and of housing in general was left to the private sector while the government took a facilitative, and regulatory role as neoliberal policies dictates (Rojas and Greene, 1995). There are various factors that also hindered the private sector to have enough capacity to provide all income groups within the country with adequate housing. The most significant factor is that low-income families cannot affect their demand in houses supplied by private developers because of their high prices. As a result the sub-market for formal rental housing is also significantly low in Chile (Rojas and Greene, 1995). This also accounts for the relatively low share of rented housing in Chile compared to other Organisation for Economic Cooperation and Development (OECD) countries. The rental sector in Chile accounts for 18% of the housing stock, and no social housing is available so the sector is entirely comprised of private rentals (Del Pero, 2016, 13). Across OECD countries, rental housing accounts on average for 32% of the housing stock, with private rentals comprising 23% of the stock and social rental housing 19% (Salvi Del Pero, 2016: 13).

Rojas and Greene (1995) also points out that before 1979, rental housing supply in Santiago and in other parts of the country were discouraged by rent controls. While the interventions of the government were intended to protect tenant. They undermined the real value of rentals and reduced flexibility in the rental market (Rojas and Greene, 1995). The regulations were finally abolished in 1979. However, the rental market is still greatly constrained by the preference of home-ownership by Chilean households than rental housing. Which is a trend that the government has promoted since official support only exists for owner-occupied houses (Rojas and Greene, 1995). The collective effect of these factors has discouraged private investors in developing rental housing. As a result, the Chile's housing stock tenure has long been dominated by self-ownership. About 63% of Chile's housing stock is owner occupied, and

private rented stand at only 17%, and the outstanding 20% is under other forms of tenure mostly users without payment (Rojas and Greene, 1995: 265).

#### **4.4.2.2. The reforms to housing Policy in Chile to include affordable rental housing**

Chile's housing policy has been and continues to serve as a model for other South American countries (Ross and Pelletiere, 2014). Until 2013, Chile's housing policy was mostly focused on supporting the route of owner-occupied housing (Salvi Del Pero, 2016). As alluded to before, the key futures of Chile's housing policies is that it gives support to homeownership more than rental housing. These policies have included housing subsidies delivered by the state and household savings schemes. All of which have had a significant contribution to the growth of formal and mortgage-backed homeownership (Ross and Pelletiere, 2014). A better targeting housing policy that can improve housing conditions of those most in need has become Chile's national priority, and has been used as a way of promoting equality and a strategy of reducing poverty (OECD, 2012). Chile also started the trend of building state-subsidised housing estates that provide good-quality housing for sales in neighbourhoods with infrastructure and services (Ross and Pelletiere, 2014). In situations whereby housing is in large government-supported, multifamily facilities. The government of Chile may fund (95%) of the costs for a unit (MINVU, 2013: 335).

According to Ross and Pelletiere (2014) Chile's housing deficit has become relatively minimal compared to other South American countries as a result of these efforts. Chile has the lowest number of poor-quality housing; that is, housing unsuitable for habitation, and that lacks basic infrastructure services. However, in the past Chile's housing policy did not address the needs of the renters, and the emphasis placed on homeownership by policy has likely contributed to the squeezed rental market in Chile (Ross and Pelletiere, 2014). As alluded to before the Chilean rental housing market is currently still under-developed compared to other OECD countries. Results of a recent economic survey reveal that credit-constrained families, especially the ones who are young , or have low incomes, are still forced to live with their parents or family as '*allegados*'(staying in a relative's backyard) or to or resort to other living situations that are likely contribute to overcrowding (OECD, 2012).

It's only recently that South American countries started to have rental housing policy that has widely supported homeownership in the past (Ross and Pelletiere, 2014). Among recommendations, there was growing recognition of the need for interventions in the rental housing sector in South America at the start of 2014 (Ross and Pelletiere, 2014). Chile was the

first South American country to adopt a national rental subsidy program (Ross and Pelletiere, 2014). The first rental housing subsidy programme of the country aims to make rental housing more affordable to low- and moderate-income young families throughout Chile (Ross and Pelletiere, 2014). The effectiveness of the Chile's rental housing policy are yet to be reviewed as the policy is relatively new to country.

### **2.4.3. Conclusion**

As literature reveals Santiago Chile's urban development tends to be divided according to income. Housing for poorer households tends to be concentrated in the urban peripheral parts of the City while the middle and high-income housing tends to be located closer to the urban core. The location of neighbourhoods inhabited by low-income earners often lacks adequate physical infrastructure, access to services and is often located far from economic opportunities. '*Allegados*' (staying in a relative's backyard), have become an answer for many low-income households who cannot afford to purchase land to construct their own homes. As in many other South American countries Chile's housing policy previously focused owner-occupy housing. Which did not cater for the needs of people still in the waiting in the list for public housing, or seasonal and foreign workers who do not wish to permanently reside in Santiago or in any other city in Chile. However, this has changed in recent years, as many of the Latin American countries including Chile have started to develop rental housing policies to reduce the housing backlog in their cities.

### **2.4.4. Lessons learnt from Metro Manila in the Philippine and Santiago Chile**

Housing development for the poor in Santiago Chile tends to occur in urban periphery areas of cities where the poor households are far from economic opportunities. As a result these neighbourhoods have high levels of unemployment, crime, and of lack access to quality public services and housing amenities (Gilbert, 2003). In the city of Manila in the Philippines housing between the rich and the poor is not as segregated as in the case of Santiago Chile. Informal rental housing is utilised by both low and high income households (Truong and Olofsson, 2008). In both Manila and Santiago capital cities, the poor cannot afford land close to the urban core because of the high costs of the land. Which is driven by the high demand of land for development of office buildings, and shopping centres etc. It is also evident that both Chile and the Philippines have taken the same approach in their housing policy. Which is a monopoly approach to providing housing for the poor, favouring owner-occupier, paying little to no attention to need of a rental housing market. We can therefore conclude that there is still a long way to go in addressing the housing needs of the poor in both Manila city and Santiago. As

most of the poor still live in substandard housing conditions due to lack of publicly funded housing in market especially rental housing.

#### **2.4.5. Chapter summary**

The chapter was started by introducing the conceptual framework. This section of the study discussed fundamental concepts that form the basis for understanding the use of backyard dwellings as livelihood strategy for the poor. Which is a chief pillar of the topic under investigation in this short thesis. These are some of the key concepts that has helped encapsulate the conception of backyard structures as a livelihood strategy. For this reason, the main concepts that were discussed in this chapter were housing as a concept, households, townships, informal dwelling structures, and backyard structures. Having laid down the conceptual framework the chapter went on to build a theoretical framework. Which serves as a lance through which this research can be theorised in as social, economic, environmental and institutional determinants of the phenomenon of the use of backyard structures to generate income. In this respect, the theory of liberalism, neoliberalism, and the sustainable livelihood strategy have been expounded on, to bring about clarification concerning this research.

Both the liberal and neoliberal theories were used to help explain how these theories have influenced the economic and housing policy of developing countries. Moreover, the consequences of the implementation of these policies have contributed to the supply or the housing for low-income households and cities that is still widely short. These theories were also used to explain how they theoretically support, and discourage the practise of using backyard dwelling to generate income by the household sector at the same time? The sustainable livelihood approach (in the context of this study) was instrumental in explaining why low-income households use their backyard structures to host tenants, or to run home base enterprises. Then a review of literature by various scholars was probed in order to gain more insight into the emergence, and importance of backyard structures for the urban poor, and their socio economic impacts on society and institutions. This was supported by precedent studies from other developing countries which demonstrated a strong reliance on backyard dwellings to house the urban poor. These case studies were important as they demonstrated the diversities on how the backyard sector is operated and its uses in different country contexts.



## **Chapter 3: Literature review on South Africa**

### **3.0. Introduction**

This chapter discusses the use of backyard structures in the context of South African. The chapter briefly discusses the general overview of the use of backyard structures and its difference from other forms of informal housing. The chapter goes on to discuss how the apartheid regime planning systems paved the way for the emergence of backyard renting in South African townships. Furthermore, the chapter discusses the post-apartheid government housing policy, and how dealt with the national housing shortage. Including addressing the issue of backyard dwellings. This section is followed by a closer look into how the backyard sector responds to bylaws and national building standards and norms that govern the development of housing in this country. Furthermore, the chapter discourses in more detail the response of the South African housing policy to backyard dwelling in the post-apartheid era, lastly the chapter is summary.

### **3.1. The difference of backyard structures from other forms of informal housing arrangements**

In South Africa as in many developing countries most low-income households find themselves living in poor housing conditions in urban area. Either as backyard dwellers, informal settlement dwellers, or as home owners of formal government subsidized housing (Gilbert *et al.* 1997). A backyard rental market which makes provision for construction by tenants on rented backyard land of formal plots is a uniquely South African occurrence. Which distinguishes the local backyard sector from others in developing countries. This form of informal rental housing has been one of the most viable housing option for the poor in South African because of the former apartheid government's policies towards housing for black in urban areas. Including its approach towards illegal and informal kinds of housing in cities around the countries (Crankshaw, Gilbert, and Morris, 2000).

### **3.2. Backyard yard structures during apartheid South Africa**

Racism, segregation, inequality, and prejudice have come to define the history of South Africa (Schensul and Heller, 2011: 80). The lack of adequate housing for low-income earners especially the non-white races in South Africa is due to the historic oppression of the majority population of the country. Which is the African race, with the use of 'apartheid' policies first officially implemented in 1948 (Schensul and Heller, 2011: 80). These apartheid policies of urban containment resulted in the development of under-serviced townships, and informal

settlements. Which were usually overcrowded and located in the urban periphery (Lamanski, 2009). Black people who migrated to urban centres to find jobs were prevented for years from settling in cities (Crankshaw, Gilbert, and Morris, 2000). However, Crankshaw, Gilbert and Morris (2000) also state that during the early apartheid period, when the government was still committed to providing houses for urban Africans, migrants who qualified for urban status were generally housed in hostels or official council housing.

Even though the apartheid government provided housing for African urbanites they were still prohibited from having home ownership rights outside Bantustans. (Gunter, 2013: 278). As a result, almost all South African township housing units were state owned and controlled (Seekings *et al.*, 2010: 5). Lategan (2012) also state that the Regulations Concerning the Administration and Control of Land in Black Urban Areas of 1968, also insured that the black majority could not have security of tenure. According to these regulations which were steps to ensure insecurity of tenure for the black population, black individuals could only gain tenure through a permit to build a private dwelling. Which came in a form of a certificate to occupy a house or a permit to rent the governments housing units (Lategan, 2012). Thus, public rental housing was the dominant form of tenure for African households under the apartheid regime (Goodlad, 1996:1631; RSA, 2009a: 30; Maass, 2011: 766).

According to Lategan (2012) the houses that the state delivered did very little to address individuality or the needs of the black population. In order to thoughtfully decide on the best course of action the apartheid government commissioned the Council for Scientific and Industrial Research (CSIR) to conduct a research about an appropriate, and cost-effective housing options for African beneficiaries (Haarhoff, 2011: 189). The following model of housing produced were relatively small, detached single-storey nuclear-family homes. Constructed in the middle of the plot of uniform measurements (Lategan, 2012). In Soweto Johannesburg, which is the largest township in the country, plots measured approximately 260m<sup>2</sup> (Vestbro and Horelli 2012: 5). The housing units that were developed were four roomed units of approximately 40m<sup>2</sup>, and the majority of these units were not provided with indoor lavatories (RSA, 2009a: 42; Thomas, 2010: 204). Refuse removal, stand pipes, and access to roads located every 460m were provided as part and parcel of township houses (Lategan, 2012). Sites and services were also provided to African's, and these residents were expected to construct their own houses in line with formal housing regulations. The fact that the majority of them were low-income earners was completely overlooked.

Their housing choices were thus limited to a few prototypes and the self-built processes were also monitored and controlled by state appointed supervisors (Lategan, 2012). Accordingly, the set specification for township housing were intended to assert state control (Chipkin, 1998; RSA, 2009a: 41). This resulted in row upon row of colourless, uniform and uninspiring housing that were developed in numbing monotony (Bonner and Segal, 1998: 34). This identical approach was copied and implemented nation-wide, with total disregard for cultural variations or climate variations (Lategan, 2012). This approach was contrast to apartheid ideology that advocated that each racial group needs to develop according to its own heritage and culture (Mancheno Gren, 2006:27). These housing units only provided minimal comfort and access to amenities. As anything more, according to the state, would discourage Africans from identifying with their 'tribal homelands' (Thomas, 2010: 202-203).

On the other hand, the apartheid government had also increased emphasis on accommodating the growing black labour force within the "homeland" areas. From where it was anticipated they would travel from to their jobs in the "white" towns and cities (Watson and McCarthy, 1998). Therefore, starting from the mid-1960s resources for housing Africans were increasingly directed towards "homeland" locations (Watson and McCarthy, 1998). There were also emerging problems facing the state with the ongoing maintenance and management of the urban public rental stock (Watson and McCarthy, 1998). As the government had set itself up as a "national landlord", it was then forced to deal with organized mass resistance to increases in rentals and maintenance charges, and the consequent deterioration of the quality of housing stock (Watson and McCarthy, 1998).

From the end of the 1960s, the government stopped building new houses, and recent arrivals to the city were forced to find accommodation elsewhere (Crankshaw, Gilbert, and Morris, 2000). In this regard Shapurjee *et al.* (2014: 19) notes that it was during the 1960s that the informal backyard rental phenomenon began to be visible in the country. According to Morange (2002) it was these constraints that stimulated the widespread creativity, and initiative of people or individuals who legally occupied council houses to start accommodating members of their families, extended families, and friends who were in search of job opportunities and in need of shelter in the city in their backyards. This was also due to limited space in the municipal houses, so newcomers had to be accommodated in backyard structures, where they would pay rent to the legal occupants of council houses (Morange, 2002). This was seen as a way to access more space and privacy, and to remain reasonably safe, and invisible from police patrols (Morange, 2002).

Crankshaw, Gilbert and Morris, (2000) also point out that, during the 1970s and early 1980s backyard accommodation was the only option available for recent rivals in the city. This was mainly because at this time the state was still able to prevent land invasions in cities. Lategan (2017) states that by the mid-1980s land invasion became a common and informality became a common practice. Even though the practice of subletting was illegal, the officials seemed to turn a blind eye to the growth of incidents of land invasions in townships (Crankshaw, Gilbert, & Morris, 2000). The state lost control of African townships, and by the mid-1980s land invasion became a common practice (Crankshaw, Gilbert, and Morris, 2000). Backyarders and residents of overcrowded council houses were usually leaders in these land invasion, however the population of backyarders persisted (Crankshaw, Gilbert, and Morris, 2000). Even post 1994 after the abolishment of the apartheid system informal development did not stop. Instead supply of new backyard dwellings has been increasing in older townships, and in areas where post 1994 state-subsidised housing are located (Bank, 2007:206; Lemanski, 2009: 474).

The revolts against the apartheid system were also intensified during the 1980s. Policy maker reformist were becoming more and more worried about how they were going to manage the process of African urbanization, which was finally accepted as inevitable (Watson and McCarthy, 1998). One key problem with the urbanization trend was the provision of housing for the very poor and rapid growth of the black population, which would support the emergence of a primarily market-driven process (Watson and McCarthy, 1998). As a result of this, the apartheid government saw it necessary to establish property owning for the African middle class, and this provided more justification for the introduction of an operation to sell off public rental housing stock in 1983 (Watson and McCarthy, 1998).

### **3.3. Backyard in post-1994 S.A**

The apartheid government left a legacy of socioeconomic imbalances, which left blacks in a disadvantaged position economically and socially (Gilbert *et al.* 1997). It is also widely acknowledged that the apartheid government contributed to the current housing crisis. By providing insufficient housing in the townships to which blacks and coloureds were restricted to (Morange, 2002). The end of apartheid encouraged a rapid increase of African urbanisation, resulting in extensive shortages of housing, and a growing culture of informal housing arrangements (Strauss and Liebenberg, 2014: 3). Furthermore, 8 million households in 1994 were reported to be living in shacks, hostels or in old deteriorating buildings in the inner city areas (Gilbert *et al.* 1997: 101). In addition, only 58% of all households had secure tenure, while 9% of residents were under unrecognised or traditional tenure arrangements, and 18% of

all households had no secure tenure living in backyard structures and in informal settlement areas (RSA, 1994:11). Research also reveals that by (2006) over half of private properties had backyard dwellings in South Africa. Of which most of them were informally build and typically accommodated 1-2 adults (and sometimes with 1-2 little children) (Lemanski, 2009: 476). The majority of these households were black, and it was estimated that approximately 45% of black urban households were living in such conditions around urban areas by 1997 (Gilbert *et al.* 1997, 133).

The post-apartheid ANC led government is still struggling to deal with the socioeconomic and spatial challenges, including housing backlog that were created by the apartheid regime (Gilbert *et al.* 1997). Thus, informal arrangements such as backyard housing have continued to thrive. As housing policies have continued to fail in keeping up with the scope of a growing housing backlog (Lategan, 2012). This has also contributed to the deteriorating environmental conditions in existing low-income housing projects due to overcrowding (Gilbert *et al.* 1997). People who own property in existing townships, and newly developed ones use their backyard space to rent out to tenants in order to source extra income as a livelihood strategy (Gilbert *et al.* 1997).

Prior to 1996, housing policies virtually ignored backyard dwellers and statistics captured them in the 'informal settlement' bracket, though their circumstances and challenges are very different (Lemanski, 2009). Backyard dwellings continue to proliferate in contemporary South Africa, where most township 57% host backyard dwellings, particularly in older, well-located townships (Bank, 2007: 206). However, backyard accommodation is still not considered as an essential form of affordable housing that needs to be afforded its equal status as far as contributing to addressing housing shortages in the market (Informal Settlements and Backyard Housing Summit Report, 2014)

Some backyard dwellings symbolise informality and disorder, which arguably contradicts the current South African housing policy objectives, which indicates the severity of the housing shortage in the country (Shapurjee, and Charlton, 2013). Backyard structures in South African townships have been gradually increasing in numbers. This trend is contrary to the expectation that these numbers would diminish with the increase in public and private sector house-building, and the increase in average incomes (Shapurjee, and Charlton, 2013). The increase is however consistent with the growth of informal activities more widely. Despite the suggestion by most theories that marginal activities should decline with development (Chen, 2014).

According to Watson and McCarthy (1998) the current housing policy is likely to produce housing options that are very limited in addressing the housing needs of the poor. When considering the diversity of these households in terms of their locational requirements, income, and trajectories of consolidation, a poor "fit" between housing needs and supply seems to be unavoidable (Watson and McCarthy, 1998).

#### **3.4. The housing regulatory systems responsiveness to backyard structures**

Rakodi and Withers (1995) argue that the extensive programmes of formal public housing that were provided by the apartheid government were similar to that of other Southern African countries. In the sense that they were closely tied to objectives of political and economic control of the African labour force. However, for the South African government these objectives took a peculiar form and intensity, related to the apartheid project (Watson and McCarthy, 1998). The Native Urban Areas Act which was a piece of legislation passed in 1923, was established to deny African's permanent residence in and next to "white" urban areas (Wilkinson, 1984).

As alluded to before, the previous restrictions on African people to have permanent residents in South African cities, and the lack of new housing stock to accommodate the growing black population in urban centres resulted in the emergence of a growing informal rental housing sector market controlled by household sector. The informal backyard rental sector provides clear advantages. Such as housing the urban poor, capitalising on existing housing and infrastructural investments, increasing residential densities through infill, community kinship networks, and supporting people's livelihood strategies (Gardner, 2009:10; Watson, 2009:6; Rubin and Gardner, 2013:87; Shapurjee and Charlton, 2013: 663; Turok & Saladin, 2015: 5; Zwaig, 2015: 1). The sector is still viewed as negative by the majority of authorities, as a housing component that should be eradicated rather than one that should be maintained and promoted (Morange 2002; Poulsen and Silverman 2005; Bank 2007; Lemanski 2000); Lategan and Cilliers 2013). These interpretations are motivated by an overemphasis on the informality of the sector. Which raises undertones of illegality, poor living conditions, inadequacy, overcrowding, exploitation, fire and health risks, social unrest, overburdening of existing infrastructure provisions and disorder (Govender *et al.* 2011b; Shapurjee and Charlton 2013; Shapurjee *et al.* 2014; Turok and Saladin 2014).

Furthermore, backyard dwelling has long been viewed as a form of provisional shelter, temporary accommodation to those on their way to state subsidised housing projects (Bank, 2007: 206). As a result, South Africa's housing policies have discounted the backyard rental

sector as a legitimate component of the country's housing stock (Watson, 2009: 9). Furthermore, after more than twenty years in the post-apartheid era and radical housing policy development, no national policy draft on informal backyard renting has been accepted (Lategan, 2017). Thus, the informal backyard rental sector continues to function without consistent intervention, or support from the state (Tshangana, 2013:2; Turok and Saladin, 2015:4; Zwaig, 2015:4).

As alluded to before, one of the key significant features of the backyard structures and shacks phenomenon, is that they were and still are in most cases not a concern of the state, and consequently they are beyond the influence or protection by the state (Chen, 2014; Roy, 2005; Sinha and Kanbur, 2012). Backyard dwellings in low income areas are typically not part of the purview of several forms of governmental regulations, planning ordinances, environmental health standards, building codes, property registration and payment for property rates, and use of basic services (Turok and Saladin, 2016). However, in middle and high income areas municipalities tend to be more intolerant with development of informal backyard structures or outside buildings. In light of this it is thus safe to argue that, municipalities have a dual approach in regulating the development of outside buildings. In the *Informal Settlements and Backyard Housing Summit Report* (2014), it was also recognised that the construction of backyard structures in townships is generally non-compliant with safety requirements. Because they violate building standards and municipal by-laws, as some of these structures are built and connected illegally to services, and built over sewerage pipes.

Backyard structures in townships are usually provided with little capital investment, at a low-level of organisation, and at a small and highly fragmented scale (Turok and Saladin, 2016). Consequently, relations between backyard landlords and their tenants are relatively casual, or based on personal relations rather than contractual arrangements with legal backing. According to Turok and Saladin (2016) it is the regulations, by-laws, registration costs and other taxes that make it difficult for productive activities run by the poor to be viable. This perspective hypothesises that informal, bottom-up resolutions are likely to be responsive to the reality of the situation on the ground. They can be more creative, and resilient than government-regulated activities, as people are closer to conditions on the ground, and free of bureaucratic hurdles (Turok and Saladin, 2016). Moreover, Soto (1989) argues that the informal economy is the people's spontaneous and creative response to the government's failure to adequately address the basic needs of the poor masses. In his arguments Soto (1989) also presents the image of informality as 'heroic entrepreneurship'.

The arguments made by Soto (1989) are in contrast with other perspectives that emphasise that the necessity for poor individuals to enter informality is because they have few opportunities, and the alternative is destitution. People's diverse uses of backyard structures to run informal enterprises is similar to private corporations who often squeeze their suppliers in order to reduce their costs, and force them to work outside government rules and regulations and without protection (Chen, 2012). These small enterprises as in the case of backyard landlords often lack access to necessary resources, skills and technologies, and therefore function on the margins of survival with substandard working conditions (Turok and Saladin, 2016). Furthermore, the lack of support of the construction industry and housing finance institutions often leaves the housing market ungeared to build low-cost homes, or lend money to low-income households.

This forces low-income households to create their own solutions or risk homelessness. Which is one of the reasons why people resort to backyard dwellings for housing, and for income generation (Turok and Saladin, 2016). Their poor education, low-income jobs, and irregular earnings mean that they do not qualify in the formal money lending markets to borrow capital to invest in land or housing (Turok and Saladin, 2016). The complexity of government regulations governing the use, and development of land adds to the problem of marginalising poor communities from potential sites, and better standards of shelter. High levels of unemployment make township home owners desperate for additional income, but it is too expensive for them to abide by the formal state regulations, by-laws and taxes. This places the backyard dwelling phenomenon in a tenuous position politically and constitutionally (Turok and Saladin, 2016). Contrary to this, high and middle income neighbourhoods utilise state building regulations to maintain the quality of their properties, their neighbourhoods, and to exclude the poor from their communities.

### **3.5. SA government's policy response to backyard structures**

Despite the housing problems that the country is facing, the South African constitution is one of the only thirty (30) constitutions which includes a right to adequate housing (Arenas, 2002: 21 cited in Lategan and Cilliers, 2013). It thus mandates that constitutionally it is the South African government's responsibility to address the plight of those in informal settlements and those renting backyards structures. The prominent housing policy to emerge after 1994 in South Africa was the White Paper of 1994. Which was a new housing policy and strategy for South Africa, the policy was a product of the Botshabelo Housing Consensus of 27 October 1994, and the National Housing Forum (NHF), a multi-party non-governmental negotiating



body established before the democratic elections of 1994 (Hopkins, 2007: 1). South Africa's post-apartheid approach foundation to housing delivery laid chiefly in the constitution and in the Housing White Paper, as affected by the Reconstruction and Development Programme (RDP). With the principles within the Housing White Paper being central in accomplishing the later established constitutional right to adequate housing (RSA, 2009: 12). Post-apartheid South African housing subsidies effectively provide ownership of a newly built one bedroom houses, known colloquially as 'RDP' houses and settlements, to eligible households. However, progress has been slow and backyard accommodation remains important. As households wait more than a decade or more for their RDP houses (Beall, Crankshaw and Parnell, 2014: 164). Furthermore, RDP settlements offer a new location for backyard dwellings, leading to changes in the nature of backyard housing (Lemanski, 2009).

The Housing White Paper recognised the existence of the backyard sector, and encouraged concepts which could be reconciled with addressing the needs of the backyard segment. These concepts included enhancing the initiative of individuals to improve their housing circumstances, serving all segments of the housing market, promoting freedom of housing choice, removing past discriminatory mechanisms, and promoting access to socio-economic opportunities and basic services (RSA, 1994: 8-29). However, the White Paper failed to independently influence or improve the regulation of the backyard sector at national or provincial level, and it also failed to contribute to the formulation of policies in this regard (Lategan and Cilliers, 2013).

According to Lategan and Cilliers (2013) the existence and scope of backyard structures in townships has always been recognised. Post 1994, the policies of the democratic government have continued to reference to this part of the housing market, but only to a limited extent. Until now there has been no specific segment of the national housing policy aimed at regulating the future development of this sector, nor objectives of managing the current backyard housing stock. Watson (2009: 6) argues that post 1994 South African housing policies, and policy makers considered the practise of informal renting as a transitory state, providing temporary, providing shelter to those who are awaiting to benefit from Reconstruction and Development Programme (RDP) housing projects. Lategan and Cilliers (2013) collaborate by stating that the backyard housing sector provides shelter that is much needed to people waiting to be housed by the South African government's (RDP) housing.

However, Bank (2007: 2), counters this perception, by arguing that it has been wrongly assumed that backyarders will naturally move to new RDP houses outside townships. Bank (2007: 2) supports his argument by pointing out that the informal renters often remain in backyard dwellings, even when RDP housing is provided as an alternative. This is often because of the poor location of the new housing projects in relation to job opportunities. Therefore, new RDP housing developments are associated with additional transportation costs, and the deficiency of economic opportunities (Lategan and Cilliers, 2013). Furthermore, it is also worth mentioning that the small sizes of old township houses, and of new RDP housing is often too small to accommodate some households, and the main dwelling structure becomes even more crowded as the family grows in number of heads living within the house.

Supporting Bank's (2007) argument, research reveals that most black townships in South Africa have a thriving market for backyard rental accommodation (Informal Settlements and Backyard Housing Summit Report, 2014). According to Turok and Saladin (2016) the growth in informality of incremental housing production specifically backyard dwellings, and the running of informal businesses in these backyard structures in old and newly developed South African townships is subject to considerable debate. A number of theories have been proposed which offer different explanations of this phenomenon. Some of them point to the careful choice made by individuals to operate in the informal sector as a response to extreme and inappropriate government regulations which are beyond their reach (Chen, 2012).

### **3.6. Backyard rental sector in The Breaking New Ground Policy of 2004**

In 2004 the South African government released Breaking New Ground: A Comprehensive Plan for the Development of Sustainable Human Settlements (BNG). This was a response to growing housing backlogs and the poor quality of the units and neighbourhoods delivered (Lategan and Cilliers, 2013). The only direct reference to the backyard sector cited in BNG signifies and states that more information on the 'scale, conditions, rental charges, and facilities which are provided within this sector, and the linkages between this sector and the broader residential property market', is required (RSA, 2004: 8). The BNG continues the already existing trend of recognising the sector without providing guidelines for management, and regulation also found in the White Paper of 1994. Other key principles advocated for by the BNG, which could be strengthened by a policy on sustainable backyard development, include: the establishment of new systems to address the housing backlog, shifting from product uniformity to demand responsiveness, promoting densification and integration, informal

settlement (and therefore informal unit) eradication enhancing housing, and settlement design and quality, and redefining the concept of social housing (RSA, 2004: 7-19).

The government of South Africa typically favours and promise home ownership instead of rental housing. This is done despite the fact that private renting is the fastest growing form of accommodation available for urban poor households (Lemanski, 2009: 475). According to Turok and Saladin (2016), the importance of backyard accommodation became more apparent with the population data consensus released in 2011. The results of this data showed that the number of households living in backyard structures had increased from 460 000 to 713 000 over the previous decade. On the other hand the number of people living in standing shacks decreased by 126 900 to 1 249 800 (Turok and Saladin, 2016: 387).

Surprisingly government policies have continued to neglect this issue even in the BNG policy (Lemanski, 2009; Rubin & Gardner, 2013). It is not featured in the 2009 National Housing Code, and it was also dismissed at the Presidential Delivery Agreement for Sustainable Human Settlements in these words; “since informal rental is an accommodation provider, these units are illegal, do not conform to minimum standards and thus cannot be accounted for in this document” (The Presidency, 2010: 43). The backyard issue was ignored by the then housing minister’s key policy statement for her five-year term in office (Sisulu, 2014). On the other hand, the state of the housing market, with formal housing has been declining over the years. Demand is rising and many people who remain unqualified for housing subsidies can only access the informal rental sector for affordable housing (Lategan, 2012).

According to Lategan and Ciliers (2013) the lack of adequate accommodation close to economic opportunity nodes for the poor has directly resulted in the establishment of the backyard rental phenomenon in South African townships ever since its inception in the 1980s. Due to the capital intensive nature of constructing a formal dwelling, and the expensive nature of acquiring inner-city land, it should be accepted that the backyard rental housing sector is a permanent state of residence (Lategan, 2012). This is necessary because only when this realisation takes place that realistic measures can be sought and put in place. Silverman (2012) states that backyard structures are slowly starting to receive more amplified attention from policy makers, as a potential solution to some of South Africa’s housing problems (Lategan, 2012).

### **3.7. The Upgrading of Informal Settlements Programme (UISP)**

The Upgrading of Informal Settlements Programme (UISP) is one of the results of the of the BNG policy document. Accordingly people who reside in other people's backyards were indirectly catered for in this policy programme even though they were not directly referenced. The overall aim of the BNG as opposed to the previous policy was to deliver quality housing for beneficiaries. That is well-located, that is of acceptable quality structurally through innovation, demand-driven housing programmes and projects (Tissington, 2011). The BNG thus failed to recognise the need to respond directly to the needs of backyard dwellers even though this sector has been growing strong over the years. Rather the policy has different indirect responses to this issue such as the (UISP), social housing policy, and other programmes of which all have proven to be not suitable to respond to the needs of backyard dwellers. Charlton and Kihato (2006) also point out that the BNG has been criticised for not fully addressing the key weaknesses of the previous policy identified by the department. Or it has not offered clear directions on how to deal with the difficult political issues related to land ownership, the land market and rights around property values.

### **3.8. The “1996 Constitution of the Republic of South Africa”**

The most crucial piece of legislation that governs the process of informal settlement upgrading in South Africa is the 1996 Constitution. The “Constitution was designed with the aim of redressing the racial divisions created by the apartheid regime. Section 26 (1) of the Constitution states that “everyone has the right to have access to adequate housing” and Section (2) of the same article enjoins the state to “take reasonable legislative and other measures, within its available resources to achieve the progressive realisation of this right”. Tshikotshi (2009), and Huchzermeyer (2003) in their writings have argued that the realisation of the right to housing is inextricably linked to the right to land.

The Housing Act of 1997 together with the revised Housing Code of 2009 was legislated to give of a sustainable housing development process, the Act does this by laying down the general principles that should govern such processes in all spheres of government. The Act also amongst other things, outlines relationship and functions between the various tiers of government, individuals and communities with regard to housing development (Tissington, 2011). The Act further contains relevant provisions under Section 2, which oblige municipalities to ensure a non-discriminatory, pro-poor, racially integrated, and participatory process to upgrade informal settlements based on the principles of good governance. Section 2 (1) states that the national, provincial and local spheres of government must: (a) Give priority

to the needs of the poor with respect to housing development; and (b) Consult meaningfully with individuals and communities affected by housing development. Section 2(1) further enjoins all spheres of government to ensure that housing development: (i) Provides as wide a choice of housing and tenure options as is reasonably possible; (ii) Is economically, fiscally, socially and financially affordable and sustainable; (iii) Is based on integrated development, and (iv) is administered in a transparent, accountable and equitable manner, and upholds the practice of good governance.

### **3.9. Pieces of legislature the protect housing consumers and which regulate housing development**

In terms of the construction and design of homes there are acts such as, the National Building Regulations and Building Standards Act of 1977 (Act No. 103 of 1977); the Housing Consumers Protection Measure Act of 1998 (Act No. 95 of 1998), the Occupational Health and Safety Act of 1993 (Act No. 85 of 1993); the Construction Industry Development Board Act of 2000 (Act No. 38 of 2000); the Consumer Protection Act of 2008 (Act No. 68 of 2008); the National Regulator for Compulsory Specifications Act of 2008 (Act No. 5 of 2008). All the above pieces of legislature are there to regulate mainly the construction industry to ensure that they deliver quality products, and also to ensure the safety and health in new housing developments. Furthermore, to reinforce these safety and health standards there are acts such as the Occupational Health and Safety Act of 1993 (Act No. 85 of 1993); the Pressure Equipment Regulations of 2009; and the Electrical Installation Regulations of 2011. All these laws are there to insure safety in new housing development including backyard structures in formal neighbourhoods. They are also there to guide municipalities in enforcing such laws so that consumers and the state can be protected. This means that the backyard sector should ideally be subject to these laws, but because they are too expensive and long processes to follow backyard landlords in low-income areas tend to overlook them. Moreover some have described them as too outdated and unresponsive to the realities of the poor majority in the country.

### **3.10. Chapter summary**

The chapter started off by discussing the use of backyard structures in the South African context. Highlighting how the South African backyard rental sector is different from other international countries. The chapter went on to discuss the history of the backyard sector in South Africa, and the role of the apartheid housing policies which was based on segregation in stimulating the growth of informal settlements living arrangements in South African cities. Including the growth of the informal backyard rental sector. The chapter further outlined and

discussed the different approaches used by the post-apartheid government in dealing with housing backlog in South African cities. The failures of the 1994 Housing White paper and of the BNG housing policy discussed. Focusing on how these policies fail to recognise the backyard rental sector as an issue that requires specific attention, acknowledgement, and approach within the housing policy. The following subsection discussed in depth how backyard structures respond to housing regulatory systems. In this regard some of the advantages of the backyard sector were discussed, and the reasons behind why most low-income households do not follow formal building regulations norms and standards when constructing their backyard structures were also articulated. The chapter also discussed in greater detail how the Housing White Paper of 1994 dealt with the issue of backyard structures. Further outlining the fact that the issue of the existence of the informal backyard rental market is well known by the state. However, the South African government is still yet to include a draft in their housing policy meant to specifically regulate the backyard rental sector. The chapter also went on to discuss the Breaking New Ground housing policy of 2004, which was meant to improve on the shortfalls of the Housing White paper of 1994. As in the White Paper housing policy of 1994 the BNG housing policy also failed to address the issue of the existence of a backyard rental sector directly. Even though an effort was made to reference the issue briefly within the policy.

## **Chapter 4: Research Methodology**

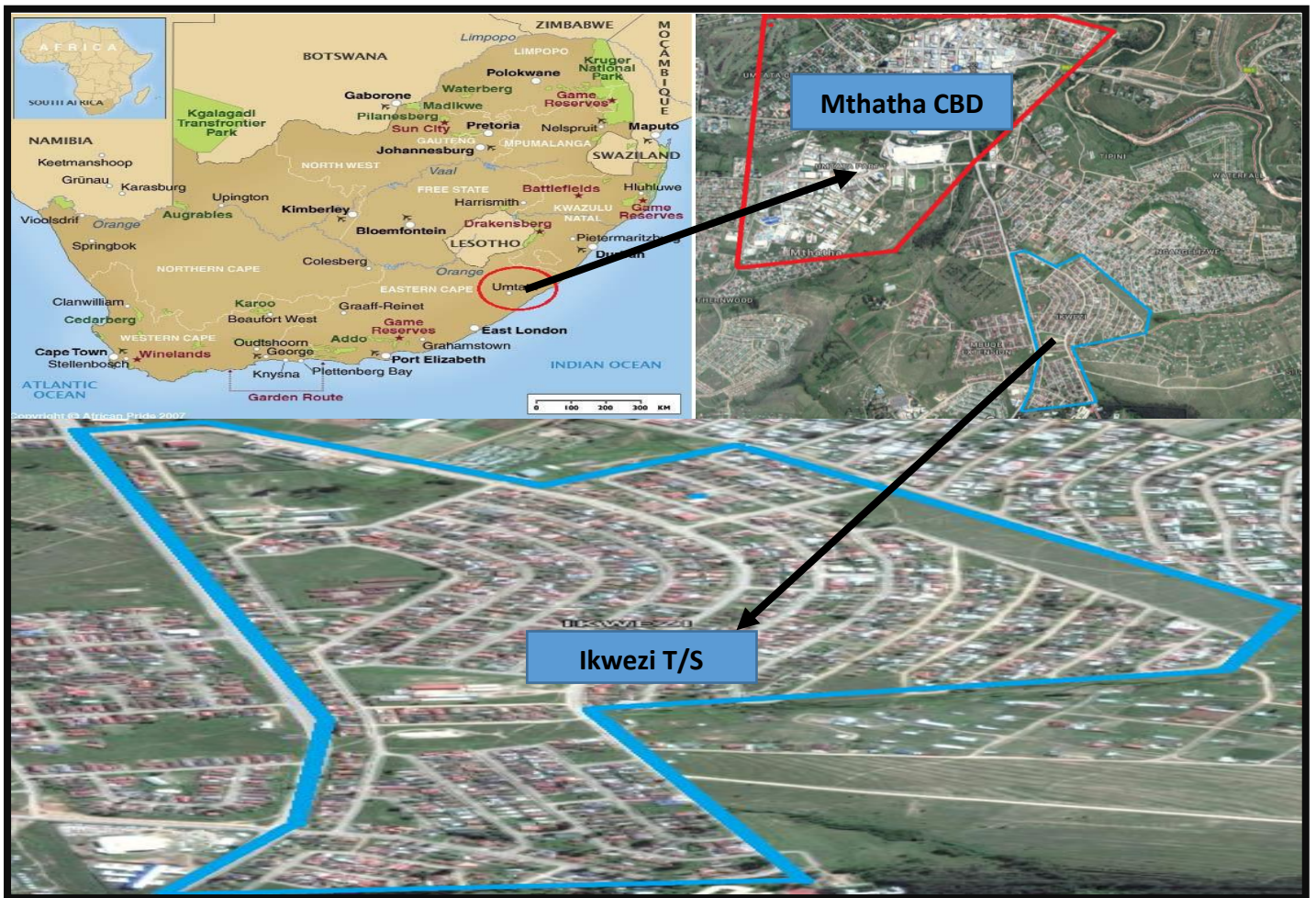
### **4.0. Introduction**

This chapter mainly discusses the methodology and techniques that were employed to collect data. As the methodology was meant to provide the basis for meeting the overall objectives of the study in order to complete this short dissertation. The main objective of the study is to explore the diverse uses of backyard structures as a source of economic opportunities for households living in townships. Ikwezi Township located in Mthatha in the Eastern Cape Province as the selected case study area to conduct this research will also be discussed in this chapter, including the reasons for its selection.

### **4.1. Location of the study area**

Ikwezi Township is located in Mthatha town in the Eastern Cape under the jurisdiction of King Sabatha Dalindlebo Local Municipality (KSDLM), which is under the O.R Tambo District municipality. Ikwezi Township, which is a residential area in Mthatha, was chosen as the case study area because the backyard sector is thriving in this township as in many other townships in South African cities. This allowed the researcher to explore the socioeconomic impacts of the backyard rental sector phenomenon in this township. The case study selected is conveniently located close to the Town of Mthatha, adjacent to Ngangelizwe location, and a rural area called Silverton. It was therefore also possible to explore, and observe the role played by the backyard rental sector in sustaining the livelihoods strategies of homeowners of Ikwezi Township. It was also possible to compare the quality of the backyard structures, and the quality of life against the surrounding areas like Ngangelizwe location, and Silverton rural residential area. Map 3 on page 68 shows the location of Ikwezi Township is in relation to Mthatha town, and the Eastern Cape in South Africa.

**Map 3:.** This is a map showing Ikwezi Township in Mthatha in the Eastern Cape



Source: (google maps, 2017)

## **4.2. Research methodology: Quantitative and qualitative**

For this study a mixed method approach was used, this means that the researcher used both quantitative and qualitative data research methods to conduct this research. The main differences between these two data methods is that the quantitative approach is more concerned with numerical data, while the qualitative method mainly deals with in-depth data about the opinions of participants and their experiences.

### **4.2.1. Quantitative data methods**

Using quantitative research methods, the researcher was able to collect numerical data and gain an understanding of different individual's perspectives, and also the evaluation of their own circumstances in the field. Quantitative research was also used to formulate closed-ended survey questions to collect numerical data. One of the motivation behind the researcher's choice to use the quantitative research method is that it is clearer, and it can be easily tested for



validity (Kumar, 2011). By quantifying the results of the research, the study was able to limit the involvement of the researcher's emotions on the subject under research. It was thus used to give a clear indication of the situation taking place in the backyard structures of Ikwezi Township in Mthatha.

#### **4.2.2. Qualitative research methods**

Using the qualitative data research method the researcher was able formulate open-ended questions research questions. Which probed the participants to share their opinions, and experiences with the researcher during the data collection process. Therefore, the qualitative research method helped the researcher in providing the research with data collection that reflects on how backyard landlords and their tenants experience life in Ikwezi Township. The qualitative research method also allowed the researcher to better understand the opinions of these households, and the municipality concerning issues of service delivery. The backyard living conditions, and what respondents wish the municipality could do to improve their lives as backyarders and as landlords. This also helped the research explore behaviours of tenants towards their landlords, and the attitude of landlords towards tenants. Therefore, the qualitative method was instrumental in exploring the nature of these relationships. The qualitative research method also helped the researcher in analysing the socio-economic status of the community in the community's own views. This assisted the researcher in analysing the challenges and opportunities presented by backyard dwelling, and landlordism. Thus helping interpret the multidimensional realities created by and faced by backyarders, including the implication of these realities on their daily lives.

#### **4.3. Secondary data**

Secondary data was collected from a number of information resourceful places, such as the World Wide Web. The researcher also used books and journals that are available within the University of KwaZulu-Natal Libraries in Durban Howard College. This assisted in searching for academic books, documentation, journals, and newspapers to build the argument of the study. These academic materials were vital for an in-depth study, and understanding of various issues within the scope of this short dissertation. Housing literature in the international arena, and in South Africa was also probed using these means. In order to understand issues surrounding backyard dwelling, and the history of this practice. Meaning that the study made use of both past and present experiences concerning backyard dwellings, and housing backlog in South Africa, and in other international examples found in developing countries. This was meant to provide an account into why South Africa's backyard dwelling accommodation

methods are considered peculiar in nature compared to those of other countries which also practice backyard dwelling as a form of rental housing option. Statistical documents were also explored to better comprehend the recent general trends, and impacts of backyard dwelling. These trends observed were also instrumental enhancing the reliability of this study.

#### **4.4. Primary Data**

The following section discusses the various methods the researcher used to gather primary data during the visit to the study area.

##### **4.4.1. Case study**

This study is designed in such a way that it makes use of a case study as a methodology. A case study investigates a case to answer specific research questions. This research seeks to investigate backyard dwelling as a livelihood strategy for low income households. The case study serves as the primary methodology. The benefit of a case study is that it produces a good case report because various data sources are used as evidence.

Ikwezi Township is the selected case study, it falls under the jurisdiction of King Sabatha Dalindyebo municipality in Mthatha, see Map 3 on page 67 above. The selection of the case study was guided by the existence of backyard structures which are used for income generating purposes within Ikwezi Township. These formal and informal backyard structures are consequently accommodating people's home based enterprises, and the urban poor who cannot afford to compete in the formal housing market.

Furthermore, the study area was easy to access, and it is located 4 kilometres away from the city centre of Mthatha. This case study was vital for the research, because it offered the opportunity to investigate the use of backyard structures as a livelihood strategy in a small town setting as opposed to metropolitan municipalities, and larger cities which are the usual focus when investigating the backyard dwelling phenomenon. Furthermore, Ikwezi Township offered a different case study in that the backyard structures in this township are commonly constructed with conventional methods. This investigation thus provided important findings that can be instrumental for further research, and for better understanding the backyard structures phenomenon. More especially in smaller towns where academic literature is usually insufficient to non-existent. This academic literature can be vital in assisting municipalities in smaller towns to deal with some of their housing issues, such as the backyard phenomenon in a more efficient and localised manner.

#### **4.4.2. Observations**

As defined by Maree (2007), observation is a systematic process of recording the behavioural patterns of participants, objects, and occurrences without necessarily questioning or communicating with them. During the data collection process the researcher collected physical evidence to support this research by taking photographs of the backyard structures, spaza shops (convenience shop business) in backyard structures, photographs of the condition of roads etc. For the purpose of this study GIS aerial photos were also used to count the number of plots in order to determine the sample size appropriate for the study. This was instrumental for the researcher in selecting participants for the survey, and to better understand the layout of the township. The use of this method was critical as it was also used as a verifying strategy to understand what the reality was on the ground during the site visit for data collection.

#### **4.4.3. Questionnaires for household surveys**

The nature of this investigation necessitated the use of primary data tools. One of the main methods that were employed in this regard was the administration of questionnaires to landlords and backyard tenants of Ikwezi Township Mthatha. According to Oppenheim (1992), questionnaires are used to gather, and record data on a specific issue of interest. The questionnaires mainly comprised of a list of questions, but they also incorporated clear directions, instructions, and space for answers. The questionnaires used had a clear connection to the objectives of this research, and were clear from the start on how the findings will be used. Respondents were made mindful of the aim of the research. The researcher thus prepared two sets of questionnaires for both backyard landlords and tenants. The cluster, and purposive sampling methods were also used to target relevant participants. The researcher then walked from door to door sitting with some of the tenants, and landlords to help them answer the questionnaires. While some of the respondents asked that the researcher leave the questionnaire with them and they were able to answer on their own. The researcher would then come to collect the questionnaire at a date and time agreed upon by him and the respondents.

The surveys were necessary as these households were able to give a better account of the experiences that the study was aimed to examine. They were also able to give a better insight into matters that accompany backyard dwelling accommodation such as: living conditions in backyard structures, and the financial strategic dimension of this practice. The responses to the questionnaires were an adequate way to gauge such perceptions. As alluded to before the researcher prepared two sets of questionnaires with structured closed-ended and open-ended questions. Meaning that participants who are landlords were asked the same series of questions

designed for them, and the backyarders were also asked the same series of questions designed for them. This assisted the researcher in comparing the responses from the questionnaires. Thus the resulting data had a greater degree of standardization. Structured questions were beneficial in terms of collecting numerical data, and for generalizing or applying scientific standards from the data that was collected in a more fashionable manner.

#### **4.4.4. Semi-structured Interview with key informant**

The second principal method that was employed to collect primary data was in-depth interviews. According to Seidman (1998), an interview is a discussion between two or more people where questions are posed by the interviewer to produce statements or facts from the person or people interviewed. The Department of Human Settlements office in the King Sabatha Dalindlebo municipality is responsible for the delivery of housing in Mthatha town. This department is tasked with, amongst other things, facilitating the eradication of informal settlements. This includes providing fully subsidised formal housing to informal backyard dwellers, initiating and supporting informal settlement upgrading projects, identifying and designating land, providing basic services and infrastructure. This is done through various BNG housing policy instruments such as the Informal Settlement Upgrading Instrument. In order to deliver housing to the urban poor, and eradicate informality in South African cities. The researcher collected data with regards to this department's experience and roles in managing and dealing with informality settlements and backyard dwelling in Ikwezi Township. This information was elicited through the use of a semi-structured, face-to-face interview. The reason why the interview was semi-structured is because the aim was to identify issues relevant to the study, and to allow the interviewee to have more liberty to express herself.

The researcher secured an interview with the Director of Human Settlements of the King Sabatha Dalindlebo Local Municipality (KSDLM). The Director of Human Settlements of the King Sabatha Dalindlebo Local Municipality (KSDLM) from the public official standpoint was very instrumental in providing different and comparative perspectives of how they as the municipality view the backyard rental sector. Also to shed light on its role in sustaining people's livelihoods. Furthermore, the director also provided in depth information about the role they have been playing as the Department of Human Settlements, and as the municipality in managing and regulating the backyard sector, including other housing issues in general. She also provided information on how this sector gives their department challenges in a smaller municipality, and how they have been trying to tackle them. This rich information was very

vital in providing more in-depth insight into how the King Sabatha Dalindlebo Local Municipality (KSDLM) is reacting to informal backyard rental housing.

#### **4.4.5. Sampling method**

A sampling is a technique or process to select an appropriate sample, or to represent a population with the aim of determining the characteristics of the entire population (Webster, 1985 cited in Ngubane, 2016). As discussed in Hennink *et al* (2011), it is usually impossible to include the entire population in a study because of time, cost, and population size. For the purpose of this study, a strategy of mixed method sampling was employed. Which encompassed the selection cases or units for a research study. Using cluster sampling, purposive sampling (this increased transferability), and probability (random) sampling strategies (this increased external validity).

#### **4.4.6. Cluster sampling**

There were two clusters which were households that use their backyards structures as a source of income, and households who rent in backyard structures in Ikwezi Township. The township was then divided into these two clusters, and primary data was collected from each cluster to represent the viewpoint of the whole area. The researcher used cluster sampling for data collection because the population of the Ikwezi Township is too large for the study. Households stand at 29593 (538.30 per km<sup>2</sup>), and out of these households not all of them have backyard structures, or use their backyard structures for income generation purpose (Census, 2011: 1). On the other hand, the study only needed backyard structures landlords using these structures to generate income, and tenants of backyard structures.

Thus this sampling method was used because the researcher appreciated that it was going to be physically, and financially impossible to undertake research on a sample that is drawn from all of Ikwezi Township. For this reason, the researcher used an aerial map from (google maps, 2017) to count and estimate the number of plots with backyard structures in Ikwezi Township. The number of the backyard structures amounted to 473 backyard structures. The researcher appreciates this might not be the accurate number, however it does give the researcher a picture of the sample size. From the number of backyard structures the researcher planned to interview 10% of the households with plots with backyard structures, this amount to 47 households.

#### **4.4.7. Purposive sampling**

From the 47 household sample that was derived using cluster sampling the researcher then made use of the purposive sampling method to selected members of the communities of Ikwezi

Township who fit the categories of backyard tenants, and those who are property owners who use their backyard structures for income generating purposes. Therefore, the 47 households were divided into 2 main clusters. 24 households were made up of property owners of backyard structures, and the remaining 23 households were made up of tenants of backyard structures. The purposive sampling method was important because not all the plots with backyard structures counted are used for income generating purposes.

Purposive sampling was employed because this sampling method is used in special situations where sampling is done with a specific purpose in mind (Maree, 2007). The purposive sampling method was used to identify participants to provide mainly primary data. The purposive sampling technique is also known as judgment sampling. Person(s) were identified purposefully for their relationship with backyard structures. Primarily as landlord or acting landlords of backyard structures, or as tenants who live in these backyard structures. Purposive sampling was also used to select other stakeholders such as government officials.

#### **4.4.8. Random Sampling**

The researcher then randomly selected certain areas of the township by sticking of a pin into a map or the area whilst blindfolded. This sample method was employed because it permitted the population to have an equal chance of being selected as participants. It was of paramount importance to use this sampling technique as it ensured that the population in the study was adequately represented.

#### **4.5. Data analysis**

Interviews, questionnaires and observations were analyzed using content analysis which is a procedure for the categorization of verbal or behavioral data. For purposes of classification, summarization and tabulation. The researcher adopted a more interpretive analysis that was concerned with the responses as well as what may have been inferred or implied. The researcher then coded and classified the data. This is also referred to as categorizing, and indexing. The aim of context analysis was to help make sense of the data collected, and to highlight the important messages, features or findings. With regards to data collected during the interviews the researcher prepared a detailed description of the views of the respondents. The data was analyzed using specific themes that enabled the researcher to draw general statements guided by the phenomenon under study, and the participants' responses. Lastly the researcher translated and theorised the findings. This process involved systematic organization of the data.

#### **4.6. Limitations**

One limitation of the study is that some of the respondents on the surveys were not able to read. Therefore the researcher made appointments to seat with them to read and translate the questions for them, and to write down their responses to the questions. All community participant who were part of this study were not willing to give their names or sign the consent form. However, the researcher was able to convince them to participate by insuring them that there would be no harm done to them as a result of the study, and that they would be referenced to anonymously.

#### **4.7. Ethical considerations**

Permission to administer questionnaires and to conduct interviews was obtained from the KSD municipality which also acts as a gate keeper of the community. Therefore, the researcher was able to conduct the survey. All participants were thus given a consent form so that they could indicate that they understood that they were taking part in this research, and to ensure that all terms of the study were clear before they participated.

#### **4.8. Summary**

In this chapter the researcher has laid out the research methods that will be used to collect data for this study. Qualitative and quantitative research methods formed the basis for the methodology. While cluster, purposive, and random sampling were used for this study. Household surveys and semi-structured interviews were also employed to collect data from various stakeholders. Such as community members, and the Director of human settlements in the KSD municipality. Data analysis tools that were used to interpret, categorise, theorise and summarise the data collected were also outlined.

## **Chapter 5: Data analysis and presentation**

### **5.0. Introduction**

This chapter will be beginning by discussing the historical background of Mthatha study area. This review will include this town's historical role as a capital city during the apartheid era. The role the town took post the apartheid era, and its current socioeconomic dynamics. This chapter will also briefly discuss the origins of Ikwezi Township, and the townships socio-economic status as this research is based on this study area. The second section of the chapter will mainly be dealing with presentation and analysis. That section will present and analyse that data collected from backyard landlords, backyard tenants and data collected from an interview with the Director of Human settlements in the King Sabatha Dalindlebo Local Municipality (KSDLM). The researcher will then have a discussion which seeks to connect the findings of the study with the theories discussed, and the literature reviewed about the backyard phenomenon from different authors in previous chapters.

### **5.1. Historic background of Mthatha**

Section 5.1 will be discussing the historical background of the Mthatha during the apartheid era and post the apartheid era. The socio-economic dynamics of this small town, and its transition from being the capital city of former Bantustan called Transkie to being another town struggling with poverty, and urban decay will also be discussed in this section. Most importantly the origins of Ikwezi Township will also be discussed in this section.

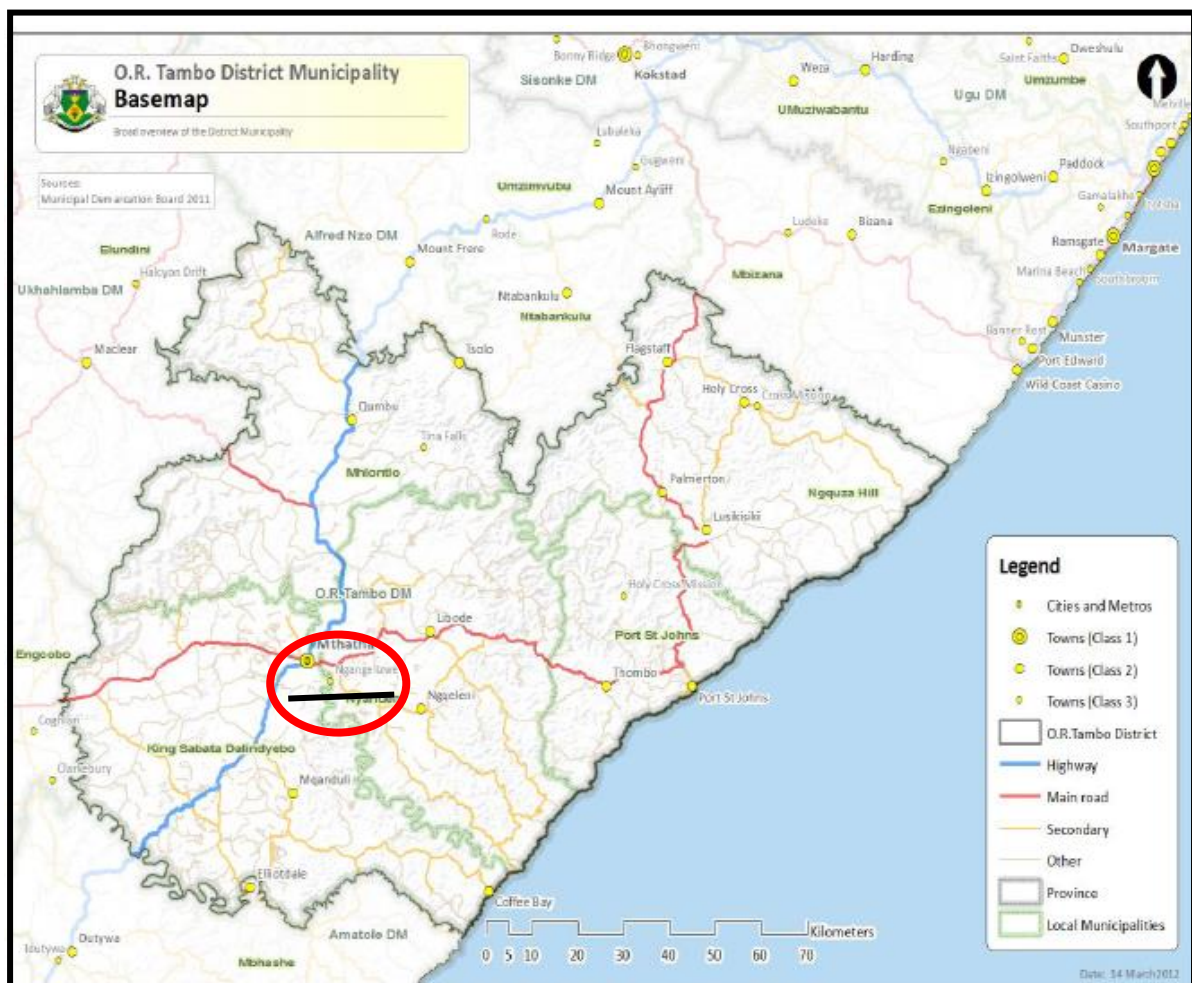
#### **5.1.1. Mthatha before 1994**

Mthatha is town located in the Eastern Cape Province in South Africa. The town is under the jurisdiction of the King Sabatha Dalindlebo Local Municipality (KSDLM) which is one of the municipality under the Oliver Reginald (O.R) Tambo District Municipality, as illustrated in Map 4 on page 77. According to Dzinotyiweyi (2013) Mthatha was founded in 1879 on the banks of the Mthatha River and at the intersection of the N2 and the R61. The original establishment of the town is dated even further back to the 1860s. According to Mthatha (1952) Mthatha was established as a European settlement which was meant to act as a buffer between the Tembu and the Pondo people who were frequently in dispute. This is the reason why the settlement was developed on the banks of Mthatha River as the river also acts as a buffer separating the two territories of the Tembus and Pundos. Mthatha is now serving as a town, however, as alluded to before, it was originally a settlement established on a colonial grid which was situated on gentle slope towards the Mthatha River affording views to the surrounding hinterland (Dzinotyiweyi, 2013).



Mthatha is characterised by a predominance of low-rise, single story buildings punctuated by the dome of the Bunga building, Anglican Cathedral, and the Town Hall. The grid layout by the colonialist in Mthatha still persist to this very day within the central business district. Although its skyline is now more aggressive with the construction of 3 government buildings, two of which are about 7 stories high namely the Bota Sigcawu Building, and Kaizer Dhaliwonga Mathandzima Building, and a more recently constructed building that towers over the town at 19 stories high which is a houses the South African Revenue Authority called PRD Building (Dzinotyweyi, 2013). Other buildings which are prominent in terms of height include a mixed use building and hotel situated at the edge of the Mthatha Central Business District (CBD) which are 6 and 7 stories high respectively (Dzinotyweyi, 2013).

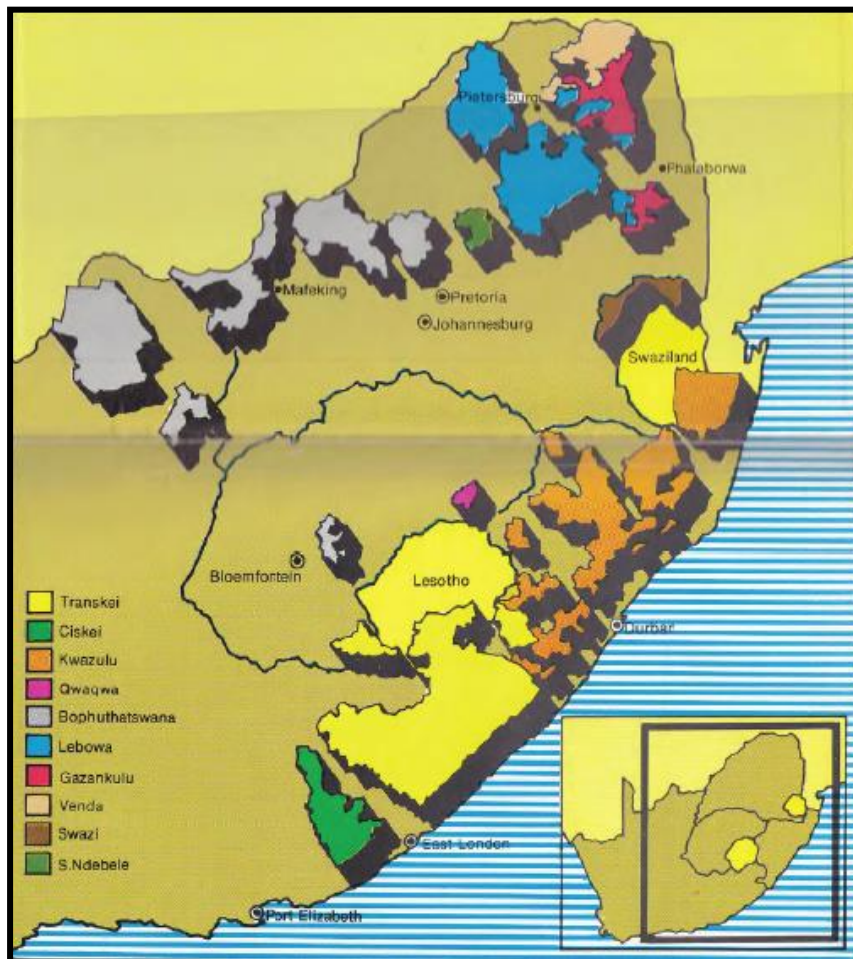
**Map 4:. O.R Tambo District Municipality Boundaries and O.R Tambo Local municipality boundaries**



Source: (ORTDM IDP, 2017: 25).

The town is largely recognized historically as a capital town of the old homeland formerly known as Transkei. Which was one of the ten territories which the apartheid government granted full independence between 1948 and 1994, see Map 5 below (Dzinotyiweyi, 2013). Granting Africans autonomy of the ten territories was a strategy by the apartheid government to deny black South Africans citizenship disguised as the intention to award them sovereignty.

**Map 5: Old Map showing former “Bantustan” territories**



Source: (Prinsloo, 1976 cited in Dzinotyiweyi, 2013: 6)

Even though Mthatha has always been widely regarded as the most successful Bantustan capital city that nurtured the former apartheid government’s territorial apartheid planning. The town is still under researched more especially in terms of housing literature. Therefore there is a need to take a closer look at Mthatha as a former capital city of Transkei despite the data that is now available on Bantustan/self-governing states (Siyongwana, 2005). Nevertheless, Umtata, as a capital of the former Transkei, was unlike other former homeland capitals as it was established on the foundation of a developed colonial town (Best and Young, 1972). According to Siyongwana (1999) this resulted in Mthatha being a more urbanised, more complex, and larger

capital city than other homeland capitals. Siyongwana (2005) also notes that because of this Mthatha consequently became the ‘best showcase’ of the success of apartheid planning in South Africa.

Mthatha was flourishing, and in 1882 it was proclaimed a municipality (Siyongwana, 2005). From its establishment up to the early 1990s Mthatha was important in shaping development throughout the former state of Transkei (Siyongwana, 2005). This was because Mthatha was a vital nodal point for marketing agricultural products (Redding, 1988), and it also had a long history of being an administration centre of Transkei (Siyongwana, 1990). Moreover, the residential layout of Mthatha resembled the dual city form of South Africa. With the poor living in housing located in areas further away from the city centre reserved for the blacks. In areas like Ngangelizwe location which was a sites and services scheme housing project, and in match box housing projects like Ikhwezi Township, and other surrounding townships which were reserved for blacks. While white South Africans were living in upmarket residential areas much close to the city centre.

### **5.1.2. Mthatha Post 1994**

In 1994 Mthatha lost its capital status as it followed the remerge of Transkei into South Africa, and was consequently relegated to being a medium regional urban centre (Dzinotyiweyi, 2013). Dzinotyiweyi (2013) also notes that the relegation of Mthatha to the status of medium regional centre in 1994 was a sign of a new era in its development pattern. Mthatha became subject to the South African Urban Development Strategy (UDS) of the government of National Unity which was released in 1995 (Dzinotyiweyi, 2013). Mthatha was also governed by the African National Congress (ANC) from 1994-1999 until they lost local elections to the United Democratic Movement (UDM), which was the official opposition party in the country (Dzinotyiweyi, 2013; Siyongwana, 2005). It is alleged that ANC officials received direct pressure from the late former President Nelson Mandela as a result of the loss over Mthatha, who is believed to have been unhappy that his own party was unable to control what he considered to be his backyard (Dzinotyiweyi, 2013). It is henceforth alleged that the ANC, in control of the national and provincial spheres of government, sabotaged Mthatha people’s support for UDM by intentionally delaying the releasing funds for service delivery, and the development of the town this was also a strategy to frustrate and undermine the UDM (Dzinotyiweyi, 2013).

The KSD municipality was the only municipality controlled by the UDM up to the year 2000 when it lost seats to the ANC during the ‘floor crossing’ in the window period. According to Siyongwana (2005) the ANC’s strategy to delay funds for service delivery and development worked resulted in the regaining of control of Mthatha by the ANC in the 2004 elections. However, the town’s development suffered a five-year delay in development and maintenance, and was five years behind on both development, and maintenance as a result of the delayed funding by the ANC during the years it was under the control of the UDM (Dzinotyiweyi, 2013). The town is still in despair till today, and this is linked to historical political parties’ agendas mentioned above (Dzinotyiweyi, 2013). Even though the town of Mthatha is strongly associated with South Africa’s liberators such as Oliver Tambo, Walter Sisulu, Nelson Mandela and King Sabata Dalinyebo there has been no change in the town of Mthatha, as it still remains in deteriorating conditions (Dzinotyiweyi, 2013). However, Siyongwana (2005) notes that, it is this rich historical background of Mthatha that makes the city a centre of interest to local and foreign world scholars.

### **5.1.3. Mthatha’s economy**

Mashiri *at al* (2013) describes Mthatha as a rapidly growing rural town under the KSD municipality. Mashiri *at al* (2013) further notes that, Mthatha’s sphere of influence ranges much wider than the administrative boundaries of KSD. In this viewpoint Mthatha acts as a regional rural town servicing a poverty-stricken hinterland “(characterised by a deficient socio-economic and institutional system that impedes the rural poor from accessing services, resources, markets and information)” (Mashiri *at al*, 2014: 321). However, Dzinotyiweyi (2013) notes that the first impression that is undeniable made by Mthatha on its visitors is that of a vibrant city ‘pumping’ with activity. According to Dzinotyiweyi (2013) the essential factor contributing to Mthatha’s vitality is the fact that it is the only lower medium town within a 230km radius. Mthatha is thus a regional powerhouse serving as an economic and social centre to the functionally lower order towns of Libode, Tsolo, Mquanduli, Ngqaleni, Qumbu, Mbizana, Lusikisiki, and Flagstaff in addition to their surrounding rural settlements (ORTDM IDP, 2005). Mthatha is also strategically located in the centre of a vast region endowed with yet to be exploited development potential (Mashiri *at al*, 2014).

Mthatha is located 72km from Port St Johns, approximately 131km from Kokstad along the busy N2 national route to the north east, 147km from Lady Frere to the north, 179km from East London and 184km from Queenstown to the west (Mashiri *at al*, 2014). In addition, “it is the railhead of the 282km East London-Mthatha Rail (the Kei Rail), and at the cross-roads of major

national and provincial routes (N2 and R61 respectively)” (Mashiri *at al*, 2014: 324). Thus Mthatha’s location can indeed be easily exploited as a resource, and opportunity to sponsor the concept of a freight village, see Map 6 below.

**Map 6:. Map showing Mthatha**



Source: (Schreve, 2008 cited in Dzinotyweyi, 2013: 13)

As much as there is intense commuter activity between Mthatha and its surrounding settlements the livelihoods of the majority of Mthatha’s residents remains in terrible conditions. According to Harrison (2008: 56) about two thirds of Mthatha’s citizens live in poverty. Recent statistics reveal that unemployment rates in the KSD municipality have been increasing. As it was standing at 28.8% in 2015 with an economically active population of 123 361, with only 36 089 or 29.2% of the economically active population employed, and about 98 345 or 79.7% are unemployed, see table 5.1 in page 82 (ORTDM IDP, 2015: 55). From these statistics it is obvious that the condition of Mthatha’s economy is getting worse in terms of job creation, with more people finding it hard to get formal employment in recent years within the town.



**Table 5.1.: Comparison of economically active population across municipalities in the OR Tambo District 2015**

	Economically active population (official definition)	% of total population	Number of unemployed people	Unemployment rate (%)	Number of employed people
Ingquza Hill	49 716	16.6	20 164	40.6%	24 255
Port St Johns	20 937	12.6	8 791	42.0	15 113
Nyandeni	50 192	16.2	17 160	34.2	20 606
Mhlontlo	37 128	19.2	13 799	37.2	24 218
King Sabata Dalindyebo	123 361	25.3	36 089	28.8	98 345
OR Tambo	281 334	19.3	96 723	34.4	182 538
Eastern Cape	2 001 442	28.9	583 131	29.1	1 422 766
South Africa	20 753 507	37.8	5 286 709	25.5	15 466 554

Source: (IHS Global Insight, 2015 cited in ORTDM IDP, 2017: 55)

It is these conditions that have fuelled a vibrant informal economy in Mthatha, which is visible to one when entering the town (Dzinotyiweyi, 2013). However, Dzinotyiweyi (2013) also points out that the informal economy is dominated by thousands of hawkers selling fruit and vegetables, clothing and operating make shift hair salons, which is essentially a poverty trap. According to surveys done by Harrison (2008: 8) who is a Local Economic Development expert, it was found that while over 53% of Mthatha’s hawkers have been operating for over 5 years, 61% of them earn less than R500 per month. These severely low earnings are a direct result of the high competition posed by retail giants such as shopping malls and supermarkets which are in close proximity to the major transport interchanges that compete with 70% of Mthatha hawkers based at these dominant energy points (Dzinotyiweyi, 2013: 8). These retail giants are able to “truck in” their produce from East London and Durban in bulk, therefore the competition for customers is almost always one sided (Dzinotyiweyi, 2013). Furthermore, Dzinotyiweyi (2013) also notes that headquartered of these large retailers are usually located in Gauteng to which profits made in Mthatha move to. This results in great reduction on the number of times that the money circulates within Mthatha itself. It is thus clear that the potential prosperity of Mthatha fails to take fruition since it is largely a city of consumers as opposed to being a city of producers (Dzinotyiweyi, 2013).

As a result of a combination of factors including capacity constraints (both human and financial), political gamesmanship, and for a long time the lack of a visionary leadership. The

physical infrastructure (roads, sewer, water and electricity reticulation) of Mthatha has been left to deteriorate, and eventually crumble to a point where in some cases it can no longer be rehabilitated anymore (Mashiri *et al*, 2014). According to Mashiri *et al* (2014) the manifestation of this can be seen through the visible deterioration of the livelihoods of Mthatha's citizens. As new investments withered, and some existing businesses moved to other towns – resulting in many households living below the poverty line (Mashiri *et al*, 2014). These and others are some of the reasons why many people in Mthatha lack access to secure job opportunities, and adequate housing therefore lending them in the backyard housing sector. Because of these reasons in 2009 Mthatha was declared a Presidential Intervention Program in order to deal with this infrastructure delivery backlog in a more focused manner (Mashiri *et al*, 2014).

According to the town's officials this backward state of Mthatha is due to the failure of its bulk network to cope under the burden of a rising population (Mary, 2008 cited in Dzinotyiweyi, 2013). This is also closely related to the number of people invading land, natural growth, immigration, and the rise in the number of people living in backyard structures within the municipality. Even though it's undeniable that these claims may well be contributing factors Dzinotyiweyi (2013) however, points out that the problem has also been aggravated by the absence of a satisfactory maintenance regime. An example of this failure of maintenance can be found in a report produced at the end of 2008. Which uncovered that 19 out of 20 pump stations were not working properly. Leading to unreliable water supplies, and the inadequacy of the major sewage treatment plant, which results in raw waste being discharged into the Mthatha River (Dzinotyiweyi, 2013).

The productivity of Mthatha is also negatively impacted by the ever-present congestion. Which is largely a result of through, and local truck traffic, as well as traffic from the hinterland. Worsened by poor road infrastructure conditions, and the non-existence of a parking policy (peak capacity required for CBD parking is 2285 spaces equivalent to 12km of road space) (Mashiri *et al*, 2014: 325). It has also been determined that about 90% of surfaced road networks in Mthatha have deteriorated beyond requirements of pothole repair, especially in the central business district (Mashiri *et al*, 2014: 325).

The O.R. Tambo District Municipality also has a housing backlog of approximately 158 143 houses (ORTDM IDP, 2017: 149). However, KSD Municipality where Mthatha and the study area is located has one of the lowest backlog numbers alongside the Port St Johns municipality at 22 000, while Nyandeni LM has the Highest number of backlogs at standing at 41 892 (ORTDM IDP, 2017: 149). It is these housing backlog and service delivery challenges within

the KSD local municipality that have fostered the development of informal settlements over the years in Mthatha, and the maintenance of a thriving backyard accommodation informal market. Which in turn over burdens the physical infrastructure of residential areas like Ikwezi Township and the Mthatha CBD.

#### **5.1.4. Ikwezi Township**

The introduction of the homeland system was first constituted in the year 1963. The Transkei government led by K.D Matanzima instituted reforms invalidating much of the Group Areas Act's clauses (Dzinotyiweyi, 2013). This allowed racial mixing, and enabled black people to access properties in former white- only areas (Dzinotyiweyi, 2013). Matanzima's government offered compensation to whites who decided to leave the Transkei in order to facilitate this access, and housing subsidies were offered to parastatal employers and civil servants (Dzinotyiweyi, 2013). Remarkable growth also occurred with regards to residential development ranging from high up class developments to 'match box' houses such as those found in Ikwezi Township, and in Northcrest (Siyongwana, 2005). Ikwezi Township originally constituted of 4 room housing which were constructed by the University of Transkie for its employees in the mid-1970s. The township was later further developed by the municipality and more building 4 room and 5 room housing were built to sell to interested people at affordable prices. As in other surrounding townships, Ikwezi Township is inhabited by a mix of low and middle income earners, and it is characterised by high levels of employment. The majority of the youth are also unemployed and many never get to complete tertiary education. This has resulted in high rates of crime and drug abuse. The township is dynamic and vibrant, as it is closer to economic opportunities than other areas. It also serves as a place that can provide cheap accommodation to people who come to find work in the town. It is these factors that help sustain the thriving backyard sector in this township.

## **5.2. Data analysis and presentation and analysis**

### **5.2.0. Introduction**

This section of the chapter mainly focuses on research data presentation, and analysis of the findings that emerged from the data that was collected, with the aid of qualitative and quantitative research methods. This data was collected through surveys with landlords as well as tenants and from an interview with the King Sabatha Dalindyebo Local Municipality (KSDLM) Department of Human Settlements. For landlords the thymes are as follows: demographic information of landlords, economic status of landlords and the diverse uses ways

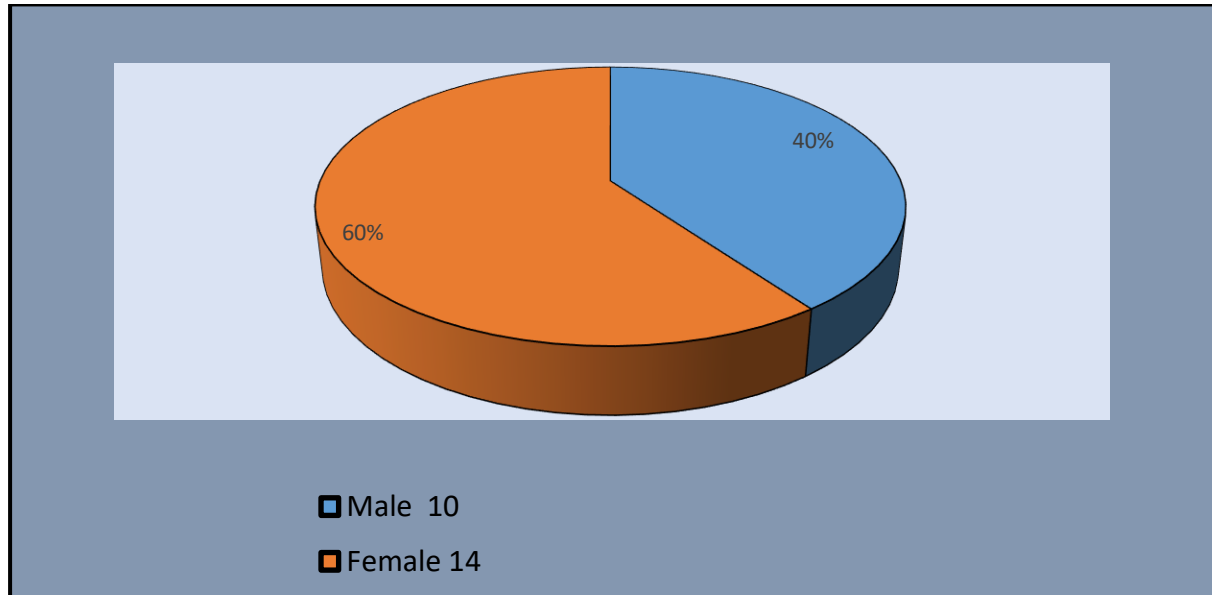


of using backyard structures to generate extra income. For the backyard tenants the themes are arranged as follows: demographic information of tenant, economic status of tenants. This will be followed by data presentation of the quality backyard structures, their access to basic services, and challenges of living in backyard structures. Lastly the data collected concerning the response of the King Sabatha Dilndyebo local municipality will be presented and analysed. The research findings will then be discussed in relation to the theoretical framework and literature review of this study, then the chapter will be concluded.

### 5.2.1. Landlord demographic information

Figure 5.1 below, simply shows that the majority of landlord respondents that participated in this study were females making up 60%, while males made up 40%. This simply implies that the number of female headed households in the study areas is slightly higher than the number of male headed households. There might be a number of reasons for this. One being that some of the males are stay in other locations to work for their families, and the other factor could be that females have been proven to outlive males in many continents due to various factors. Which include the fact that males are greater risk takers than their female counterparts.

**Figure 5.1: Gender distribution amongst landlords**

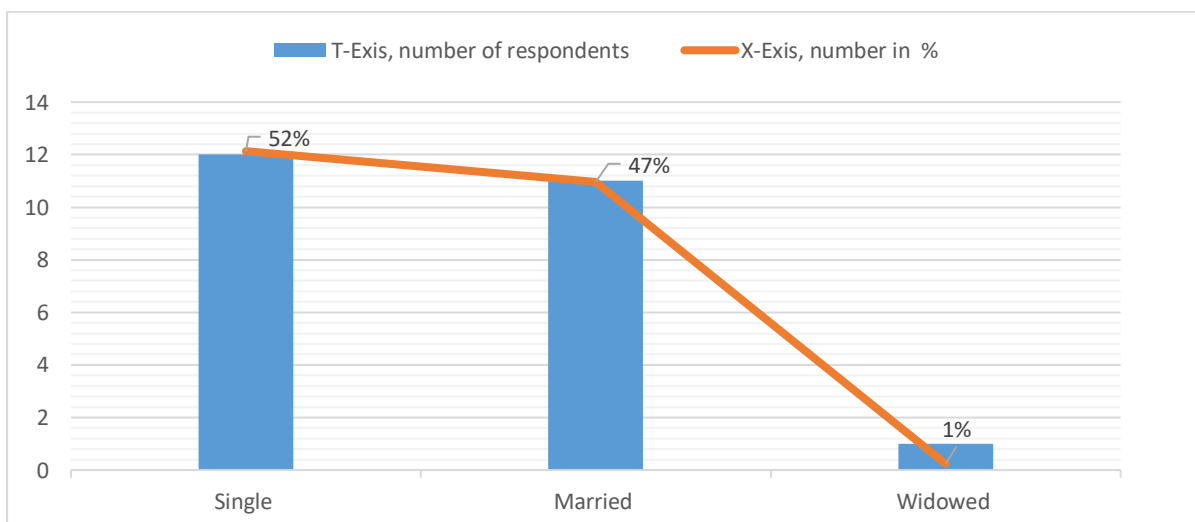


Source: Author (2018)

However, it should be noted that 47% of the total number of households interviewed indicated that they were wedded. While 52% indicated that they were single, see Figure 5.2 in page 86. Only 1 respondent indicated that she was widowed, and there were no respondents that indicated that they were divorced. This also affirms that the number of female headed

households is higher as they make up the majority of the respondents that are single. It is also the female headed households that dominate the backyard housing rental sector as landlords. In addition to the monetary gain that they receive from the backyard business they also feel safer living with other people. Especially males who can neutralise some of the criminal threats by their simple presence in the yard. As some criminals tend to target woman who stay alone. One of the respondents explained that, “having other people living with us makes me feel safer as a female, there is a lot of crime in the area and our house has been robbed before, so my tenants also help with the safe guarding of the yard, our children and our belongings”. Another respondent said “even when I have to leave town for work purposes or when I am visiting home in the rural areas with my children I know that my house is safer because I normally ask one of my tenants or my tenants kids to light the lights in my house at night when I am away, or to sleep in and keep an eye on things”. Deducing from this information it is evident that there are multiple benefits in the backyard rental sector for landlords. Which include not only monetary benefits for landlords but also social benefits which are closely tied to social cohesion with their tenants. This social cohesion is also important to keep landlords and their tenants safer from the crime. As for instance, some of the households within a yard can be present when the other is absent. Another example is that, a tenant might work night shift while the landlord works during the day, in this way there is always someone to keep an eye in the yard to look out for intruders.

**Figure 5.2: Marital status of Landlords**

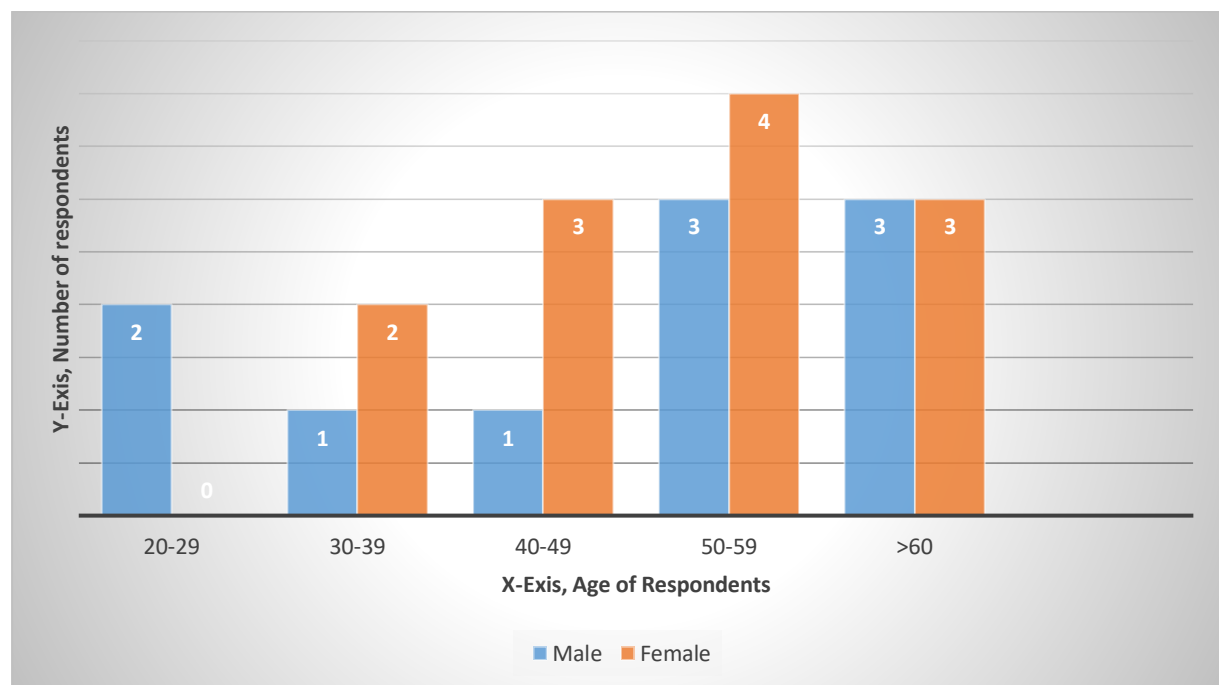


Source: Author (2018)

Figure 5.3 on page 87 is graphical illustration of the age distribution of landlords in Ikhwezi Township. Deducing from the information presented in the graph, the most dominant age

groups of landlord are the ages 50-59 years of age, followed by 60 years of age and above. While the least dominants age groups of landlords are the 20-29 years of age group, and the 30-39 years of age group. This trend of elderly landlords might be attributed to the fact that the youth are usually not in a good financial position to purchase a home. As most of them are still trying to find stable jobs, perusing educational goals or are unemployed. Furthermore, the younger people are more mobile, as they are still trying to find their feet financially they might need to frequently move from place to place in search better economic opportunities. While the more elderly individuals have had more time to save funds, and to go up the ranks in their jobs earning enough money to invest into housing.

**Figure 5.3.: Age distribution of landlords**

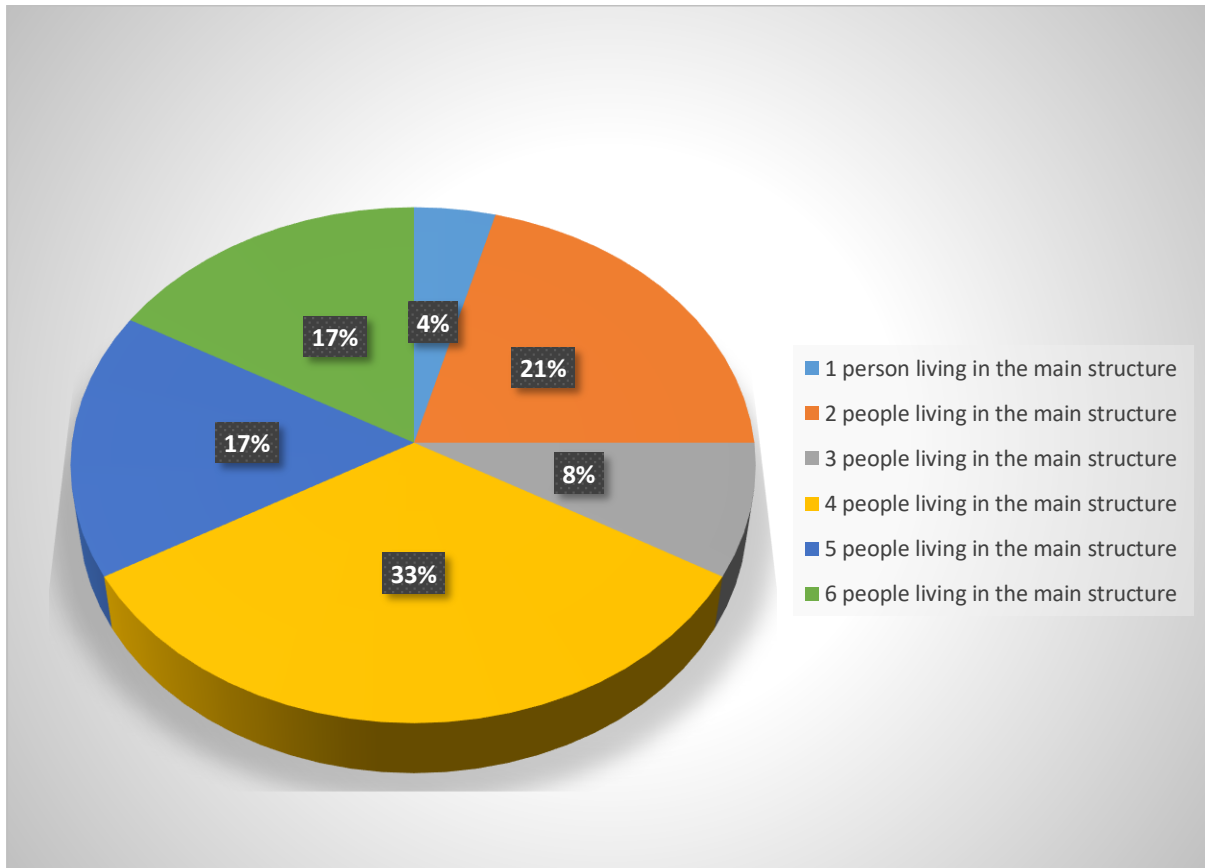


Source: Author (2018)

According to the data presented in Figure 5.4 on page 88, the majority 33% of landlords indicated that they live with 3 other people in their house. While 21% of them revealed that they live in pairs of 2 commonly with a spouse or a child, a grandchild or family member. On the other hand, 17% of the respondent indicated that they live with 5 other people, and another 17% indicated that they live with 4 other people in the house. The house may be a bit congested in a situation where 5 or more people are living in the main structure. As the houses in this township are commonly 4 roomed houses with 2 bedrooms, a kitchen, a dining room and a small toilet with a bath tub or shower inside, see Plate 5.1 in page 89. However, some of the original 4 roomed houses have been extended over the years by owners to make rooms bigger,

and to increase the number of rooms, an example of this is illustrated in Plate 5.2 in page 89. Because of such extensions in room numbers and size, some of these households who live with 4 or more relatives in the main structure may not be too congested as the house has been extended to accommodate more people.

**Figure 5.4: Size of households in main structures**



Source: Author (2018)

Plate 5.1 in page 89 shows the size of the original 4 room housing build in Ikwezi Township in Mthatha during the apartheid regime. These were commonly referred to as match box houses. All of them were formally constructed by the Mathandzima regime, and sold to residents of the former Transkie.

**Plate 5.1:. Original 4 room housing with backyard structures**



Source: Author (2018)

Plate 5.2 below shows a 4 room house which has been extended and customised by the owner incrementally. The house now consist of 2 added rooms which is a larger sitting room, and a bedroom, and it also has 3 backyard rooms with a toilet and a bathroom at the back.

**Plate 5.2:. Extended 4 room housing with backyard structures**

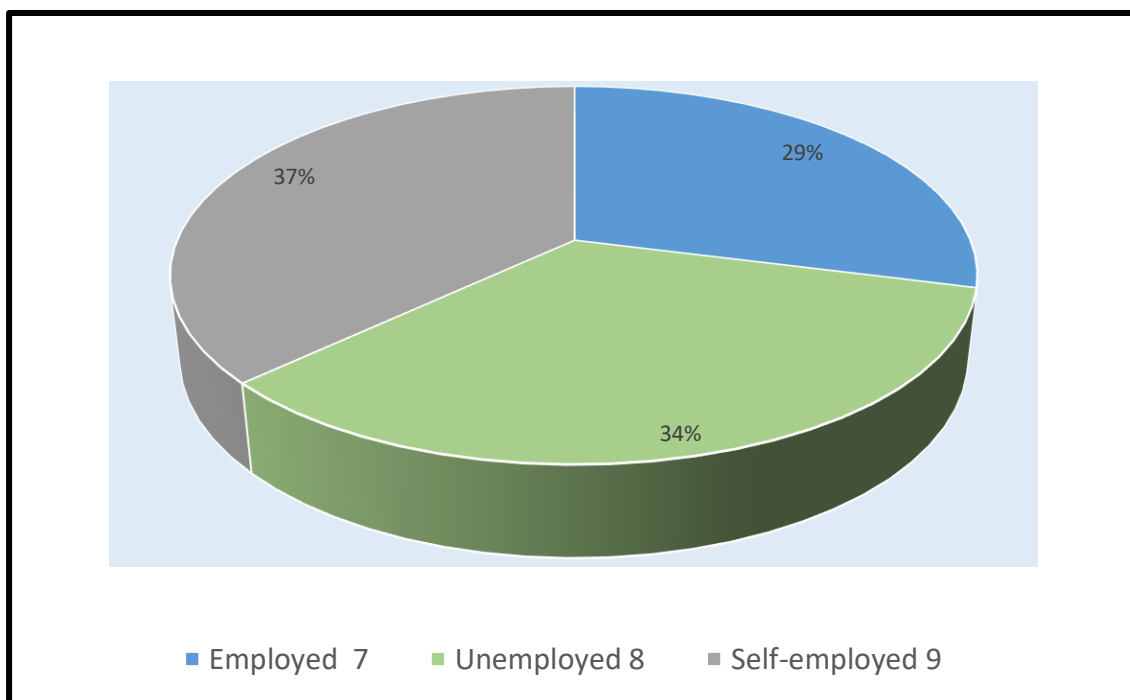


Source: Author (2018)

### 5.2.2. Economic Status of landlords

With regards to employment status the majority of the landlords are relatively poor. With 36% of them running low income generating informal businesses, and 34% of them unemployed. Unemployed and self-employed respondents combined account for 70% of the total number of respondents. Which is relatively larger than the 30% of employed respondents, see Figure 5.5 below. These statistics help explains why some of these landlords chose to rent out their backyard structures, and why they operate home based businesses as a livelihood strategy to source extra income. The majority of the landlords are unemployed or self-employed earning low income. Therefore they need extra money to sustain their livelihoods as the cost of living in this townships is also relatively high, given that they have pay rates on a monthly basis.

**Figure 5.5: Employment status of landlords**



Source: Author (2018)

According to Table 5.3 in page 91, the majority of landlord respondents 50% have been living in Ikwezi for over 31 years. While those who have been living there for 15-30 years are at about 25%. The ratio is equal for those who have been living in the area for less than 5 years and those who have been living in the township for 6-14 years.

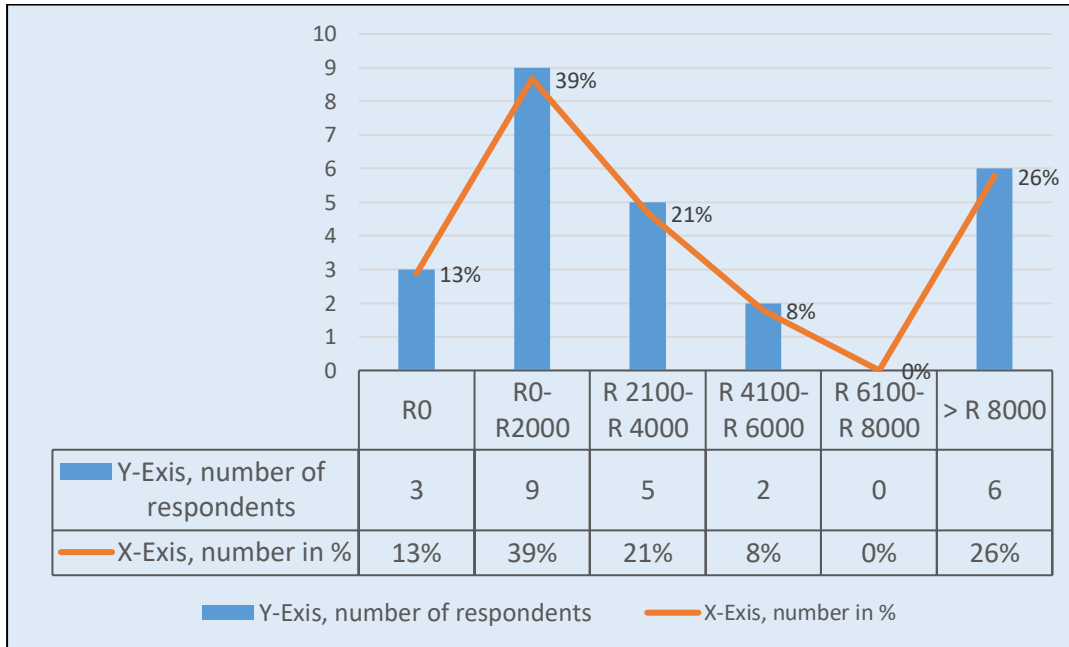
**Table 5.2.: Number of years living in Ikwezi Township**

Number of years living in Ikwezi T/S	Number of respondents	Percentage
0-5	3	12%
6-14	3	13%
15-30	6	25%
Over 31	12	50%
Total	24	100%

Source: Author (2018)

Inferring from the Figure 5.6 below, it is evident that the majority 39% of landlords earn R 2000 and below from their main sources of income. While 21% of them earn between R 2100- R 4000, and 8% of the landlords indicated that they earn between R 4100 – R 6000. 13% of them indicated that they have no primary source of income they only depend on rental income. Moreover, 26% of the landlords indicated that they earn above R 8000, this group can be categorised as the median income earners.

**Figure 5.6.: Monthly earnings of landlords from main source of income**

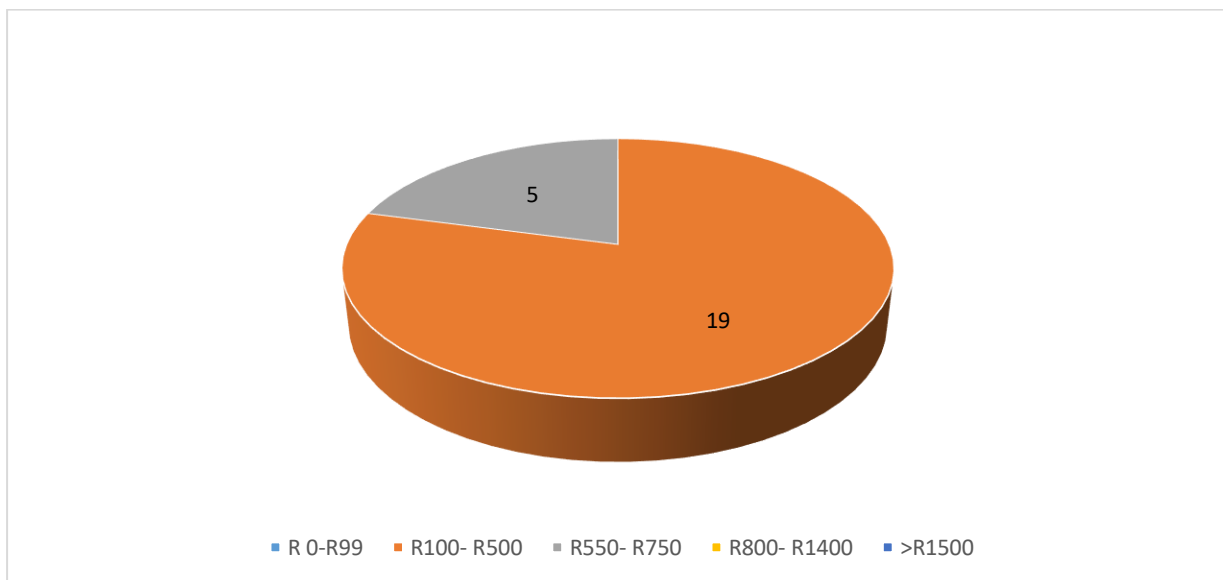


Source: Author (2018)

Inferring on Figure 5.7 in page 92, 79% of landlords expressed that they spend close to R500 a month commuting to their work places, both those who use their own cars and those who use public transport. This means that the majority 39% of landlords who earn R2000 and less, use

up to 25% or more of their income when commuting to work on a monthly bases. Unlike in other townships in metros that are usually 20 kilometres away from town and where transport fare can cost up to R17-R20. Ikwezi Township is closer to town and it is only R8 to go to town with a taxi. However due to the town’s dependence on low-income jobs, and lack of economic development these households are still forced to spend a significant amount of their monthly income on transport. Landlords who pay R550-R750 represent the remaining 21%. These are usually people who work in places outside town or adjacent to the town, and they have to take two taxis to get to their work places, or people who use their own cars that consume more fuel than cars with smaller engines.

**Figure 5.7.: Money spent on transport by landlords**



Source: Author (2018)

When respondents were asked if they owned another property 75% of them responded no. While the remaining 25% indicated that they do own another property, see Table 3 below. These secondary properties are usually in rural areas, and in the urban periphery of other small towns in the Eastern Cape.

**Table 5.3.: Ownership of other properties**

Ownership of another property	Number of respondents	percentage
Yes	6	25%
No	18	75%
Total	24	100%

Source: Author (2018)



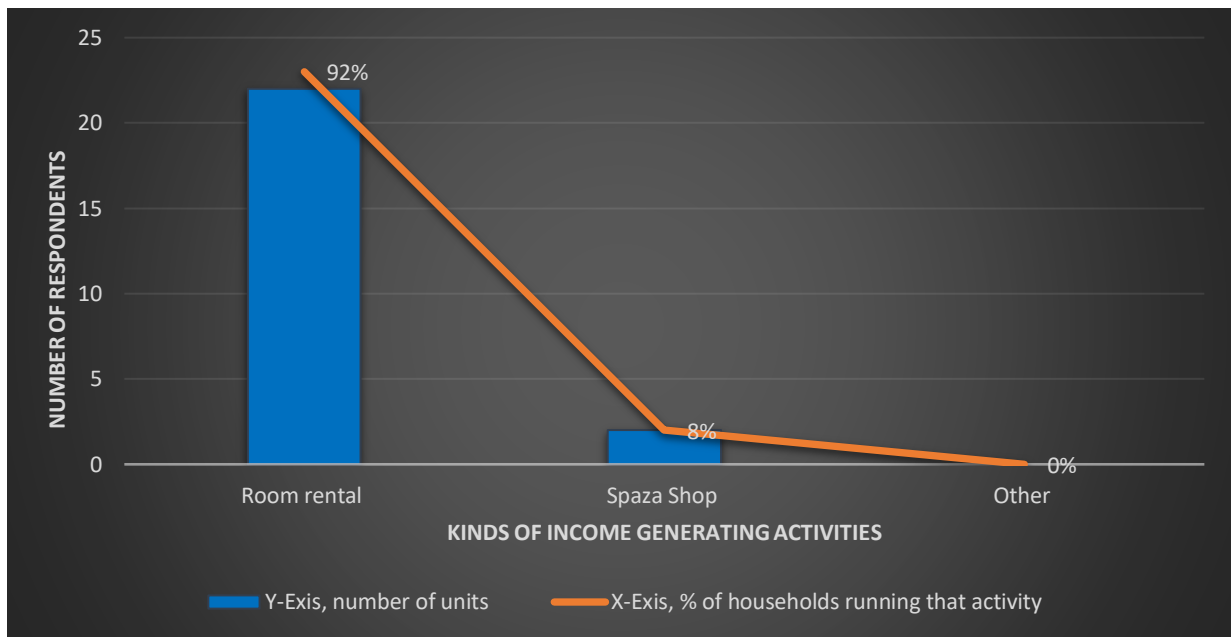
### **5.2.3. The diverse uses of the backyard structures to source extra income in Ikwezi Township**

The ownership of property in a formal township like Ikwezi Township has a number of advantages for households living in this neighbourhood. People living in Ikwezi Township range from middle to low income households. These households have engaged in a number of activities to source primary income. Some are employed while some are self-employed. Furthermore, all respondents use their backyard structures to source extra income. Which is the main reason why they were asked to participate in this study. Respondents are therefore able to utilise their homes as productive and economic assets to run home based enterprises, and to rent their backyard rooms to tenants in orders to supplement their main income.

Deducing from the data presented in figure 5.8 in page 94, it is evident that the majority of landlords 92% indicated that they use their backyard structures to accommodate tenants. While the remaining 8% indicated that they run spaza shops (convenience shop business) in their backyard structures. Deducing from this data we can see that the majority of landlords prefer to rent out their backyard structures to tenants rather than run home based enterprises like spaza shops (convenience shop business), and other forms of businesses. This may be due to the fact that the majority of them are employed or self-employed with a low-income status. Therefore, the majority of their time is consumed by the activities they engage in to source their main income.

Renting out backyard structures does not require a lot of time to operate from the landlords. This is because their responsibility is mainly to make sure that the quality of the yard, and the buildings property is maintained, and to collect rent money at the end of each month. Landlords can easily arrange the maintenance of the property and rent collecting without being physically present themselves. They can relegate these tasks to one of the family members who is available, or another person they trust. Plate 5.3 in page 95 and Plate 5.5 in page 107 show an example of the kind of backyard structures available in Ikwezi Township. Plate 5.4 in page 96 is a picture of the 2 spaza shops (convenience shop business) of landlords that participated in this study.

**Figure 5.8. Types of income generating activities**



Source: Author (2018)

Plate 5.3 is a photograph of one of the homes with backyard structures used to accommodate tenants in Ikwezi Township. The building structures in this particular yard are formally constructed. The landlords and the tenants in this yard are midian income earners, as two of them have their own cars one of these cars is visible in Plate 5.3 below.

**Plate 5.3: Example of backyard structures used to accommodate tenants**



Source: from field survey (2017)

Plate 5.4 below shows outside of a backyard structure spaza shop (convenience shop business) with customers buying and it also shows how the spaza owners use steel bars to protect themselves from being robbed and from theft. While on the same frame the second picture shows the kind of products typically found in these spaza shops (convenience shop business) in townships.

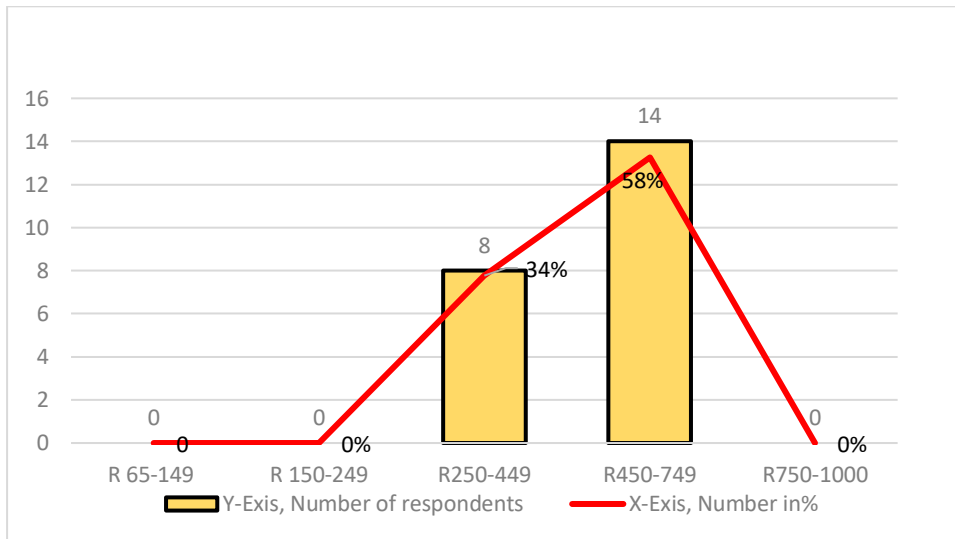
**Plate 5.4: Spaza shops (convenience shop business) operated from backyard dwellings as a source of extra income**



Source: from field survey (2017)

According to Figure 5.9 in page 96, 58% of the respondents rent out each room in their backyard at between R450 and R600 a month. 34% of them rent out each room at R400 which is the lowest rental amount charged for backyard rooms recorded in the study sample. While those who earn R 2000 per backyard room monthly and above stand at 8%. These are the people who use their backyard rooms to run a spaza shop (convenience shop business) either by themselves or renting the space out to someone else to run a business.

**Figure 5.9: Income generated per backyard room**



Source: Author (2018)

Inferring on Figure 5.9 above, it is evident that the costs of renting a backyard structure in Ikwezi Township are much higher than those in other townships that have been studied in the past around the country. For example, in a study that was done by Lategan (2017) in Bridgton and Bongaletu, Oudtshoorn tenants paid an average of R253 per informal backyard structure per month. While in a study done in Alexandra Johannesburg by Shapurjee (2013) tenants paid an average of R213 a month per backyard structure, see Table 5.4 in page 97. These amounts recorded in Table 5.4 are all much lower than the amounts charged in backyard accommodation found in Ikwezi Township. There might be a number of contributing factors to explain this gap in income generated by landlord per backyard structure per month. One might be that in general the majority of backyard structures found in Ikwezi are formally constructed, and so are the main structures. Secondly, people who effect demand of backyard accommodation in Ikwezi Township are people who can afford the amounts that are charged by landlords in this area. As there are townships in close proximity to Ikwezi that charge much less rentals but many tenants still prefer Ikwezi Township. Lastly, the close proximity of the township in relation to the CBD of Mthatha is also another contributing factor the higher rental charges in this township.

Deducing from the surveys, it seems as if landlords who run spaza shops (convenience shop business) on their own are those who are unemployed, and those who benefit from some government grant for their main source of income. The daily needs of communities are the core support that keep spaza shop business running. Spaza shops (convenience shop business) have existed in townships for a long time, and they are popular because they sell goods in small

quantities, which are needed by the people on daily bases. These are products such as, ready to go foods, cosmetics, toiletries, and fuel etc. As shown in Plate 5.4 in page 95. The other contributing factor to the success of spaza shops (convenience shop business) in townships is that major shops are usually located in shopping centres and malls around the CBD outside the township. While spaza shops (convenience shop business) are a few yards away or just in the next street.

**Table 5.4.: Average rental amount charged per month per informal backyard structure**

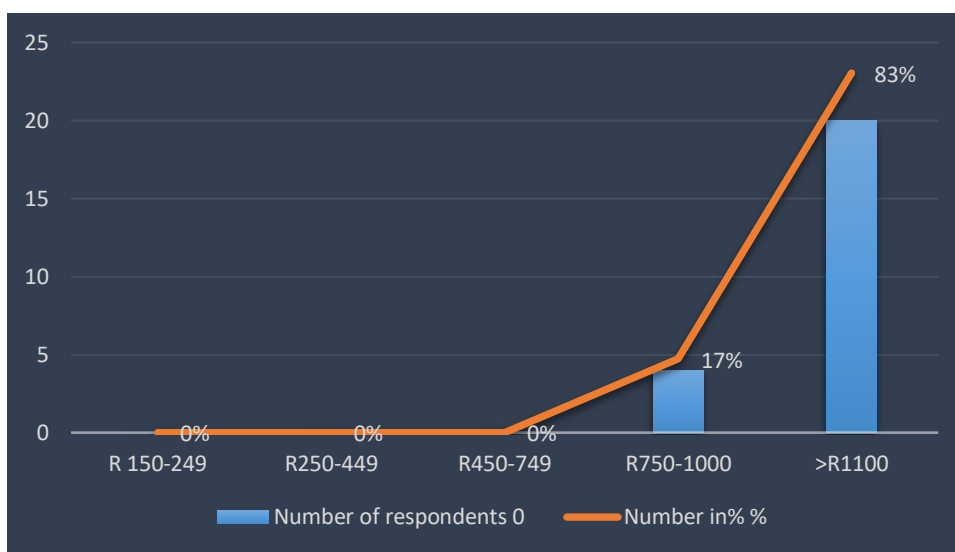
Year	Backyard rent	Location	Source
1989	R43 average, up to R100	Gauteng Township	Saphire, 1992
1997	R40-R100	Johannesburg and Cape Town townships	Guillaume & Houssay Holzschuch, 2002
1997	R20 average	Gugulethu Township in Cape Town	Gilbert et al., 1997
1997	R51 average	Tamboville in Johannesburg	Gilbert et al., 1997
1997	R69 average	Soweto in Johannesburg	Crankshaw et al, 2000
1998	R50-R100	Diepsloot in Johannesburg	Benit, 2002
1999	R52 average	Helenvale Township in Port Elizabeth	Morange, 2002
1999	R17 average	Walmer Location in Port Elizabeth	Morange, 2002
1999	R40 average	Red Location in Port Elizabeth	Morange, 2002
2000	R69, average	Soweto, Gauteng	Crankshaw et al., 2000
2005	R150, including electricity	Duncan Village in East London	Bank, 2007
2006	R150	Gauteng townships	Gordon & Nell, 2006
2006	R240 average, excluding services	Westlake Village in Cape Town	Lemanski, 2009
2007	R150 excluding services	Cape Town Townships	Skuse & Cousins, 2007
2008	R147 average	National survey	SHF, 2008
2010	R216 average	Alexandra, Johannesburg	Shapurjee & Charlton, 2013
2015	R253 average	Bridgton and Bongoletu, Oudtshoorn	This research

Source: Saphire (1992); Crankshaw *et al.* (2000); Benit (2002); Morange (2002); Gordon and Nell (2006); Bank (2007); Skuse and Cousins (2007); SHF (2008b); Lemanski (2009); Shapurjee and Charlton (2013) cited in Lategan (2017)

According to Figure 5.10 in page 98, 83% of backyard landlords earn above R1100 from their backyard structures combined. While 17% of them earn between R750- R1000. Two respondent mentioned that they can earn them up to R3000 from rentals. The common thyme of such landlords is that they usually have a spaza shop running (convenience shop business) in their backyard structures, or they have 6 backyard rooms they rent to tenants for R600 a room. The reason they are able to charge amounts like R600 per backyard structure is that their

yards are usually more secure, and sometimes their backyard room sizes are much larger than those of backyard structures that are leased for R400 or R450. From this data it is clear to see that tenants have options when they are looking for accommodation in backyard structures. If they want better quality rooms and better security it is likely that they will have to pay a little bit more for rent. The respondents also made it clear that the more rooms one has to rent out to tenants in their backyards the more the income. Standing at 17% are landlords who make R750-R1000 in total per month from their backyard rooms. These are usually homeowners who have only two rooms occupied by tenants paying R400 or R450 per a room.

**Figure 5.10: Total income generated per plot monthly**



Source: Author (2018)

Seemingly ownership of a house has made a number of income generating activities possible to residents of Ikwezi Township. Some of the people who own property in this township have extended their original 4 room housing to have backyard structures. Which are used to generate income, and to accommodate family overflows. Property owners with backyard structures that they use to generate income in their yards in this township either do so to supplement their income, or to source primary income. Respondents expressed that having backyard structures in their plots makes it possible for them to use their properties as economic and productive assets for income generation.

All landlord respondents of Ikwezi Township expressed that their plots are fully serviced, and they have access to running water in their yards. They also have prepaid electricity, and a formal sewage disposal systems. Having access to these services makes it possible for them to run their small businesses, and to rent out their backyard rooms in order to generate some



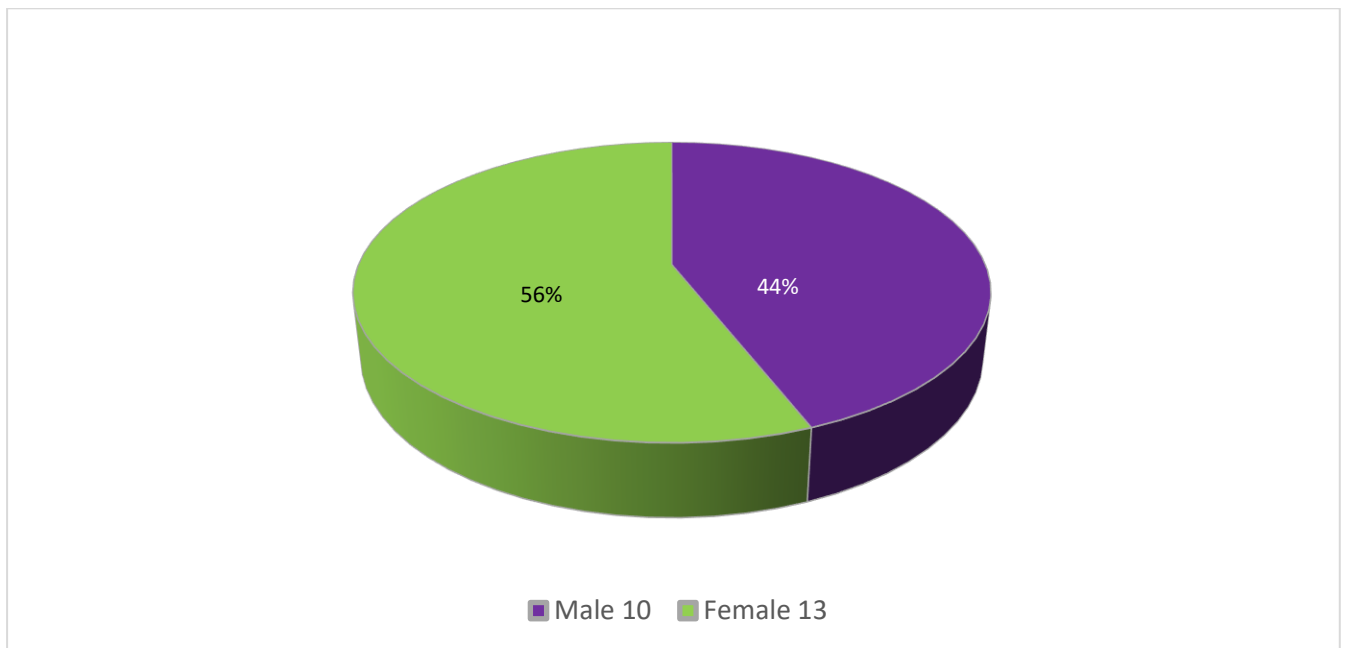
income from their properties. The income generated from the backyard structures helps the property owners to take care of some of their household needs, while also increasing savings on their primary income. All the main structures in the area look formally built however they do not all adhere to all municipal building and planning regulations. Factors such as easy access to basic services, the formality of Ikwezi Township, and the township's proximity to the city. All contribute to Ikwezi Township's attractiveness to people in search of economic opportunities and in need of affordable accommodation in Mthatha.

The availability of adequate space within plots to allow for the construction of backyard structures is also crucial in the development of the backyard sector, and in sustaining the livelihoods of households living in this townships as property owners. If the backyard spaces were not available for them to construct additional units in their plots, some of them would not be able to sustain their household needs. Including paying for services which is an important income base for the municipality. The majority of responses from landlords pointed out that most of them built their backyard structures in order to accommodate tenants. While a few of them built their backyard structures to accommodate both family overspill and tenants. The majority of these landlords build these structures to have more cash flow to help them with paying rates, and to supplement the primary source of income. This confirms Kumar (1996) argument which suggests that, most landlords operate in the backyard sector for survival purposes rather than profit-maximisation, which indeed is the case even amongst the landlords of Ikwezi Township.

#### **5.2.4. Demographic trends of backyarders**

Deducing from Figure 5.11 in page 100, it is obvious that the majority of tenants 56% that were a part of this study are females. While males make up 44% of the total number of tenants who were part of the survey. This trend is similar to that of landlords found in Figure 5.1 in page 85, as females dominated the gender distribution figures in households who are landlords in Ikwezi Township. Even though the reason behind this trend is unclear it is still worth noting and a pointing out for further research.

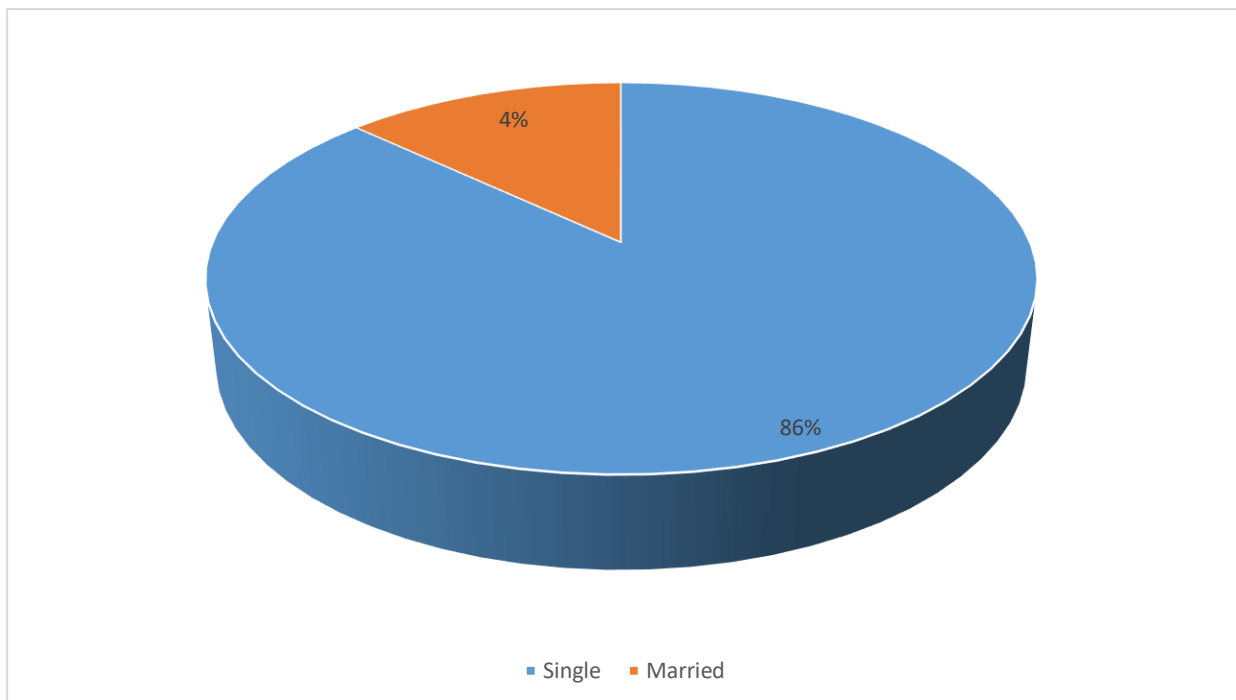
**Figure 5.11:. Gender distribution of backyarders**



Source: Author (2018)

Concerning the marital status of tenants, experimental findings from the respondents indicate that 86% the majority of the tenants are single, and only 4% tenants are married Figure 5.12 below.

**Figure 5.12:. Marital status**

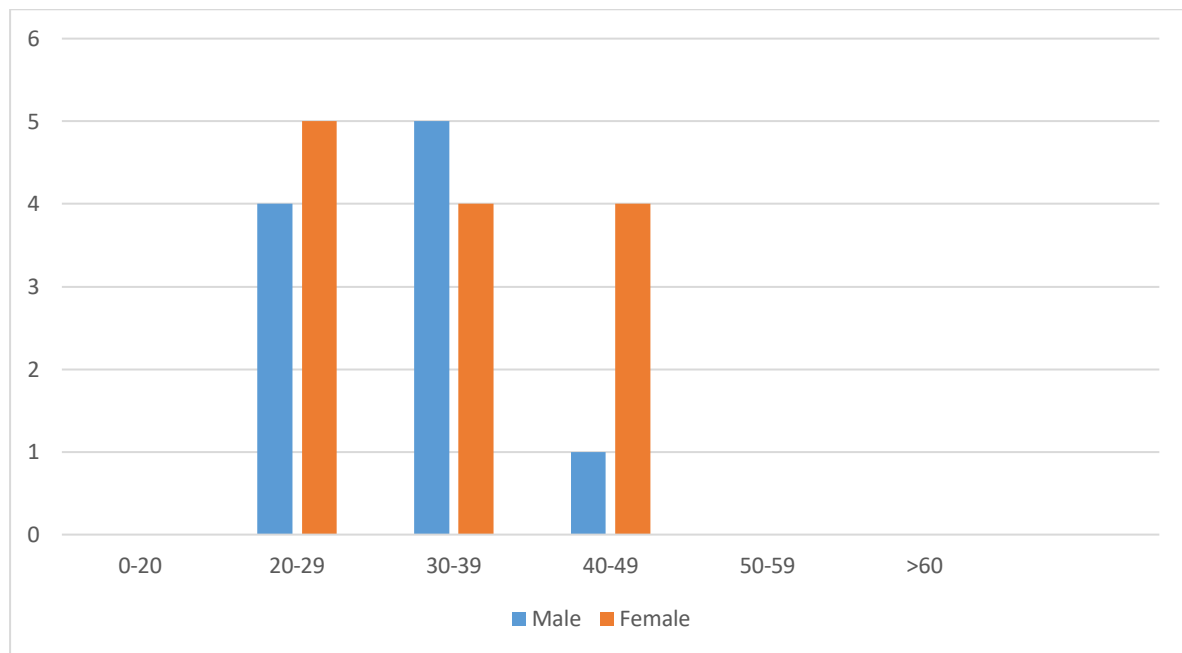


Source: Author (2018)



Deducing from Figure 5.13 below, the age distribution across both males and females it is evident that the tenants are considerably more youthful than landlords. As the most dominant age groups of tenants are the ages 20-29 and 30-39 years of age combined accounting for 78% of the total backyard tenant respondents. Compared to the 50-59 and 60 and above majority age groups that was found amongst landlord on Figure 5.3 in page 87.

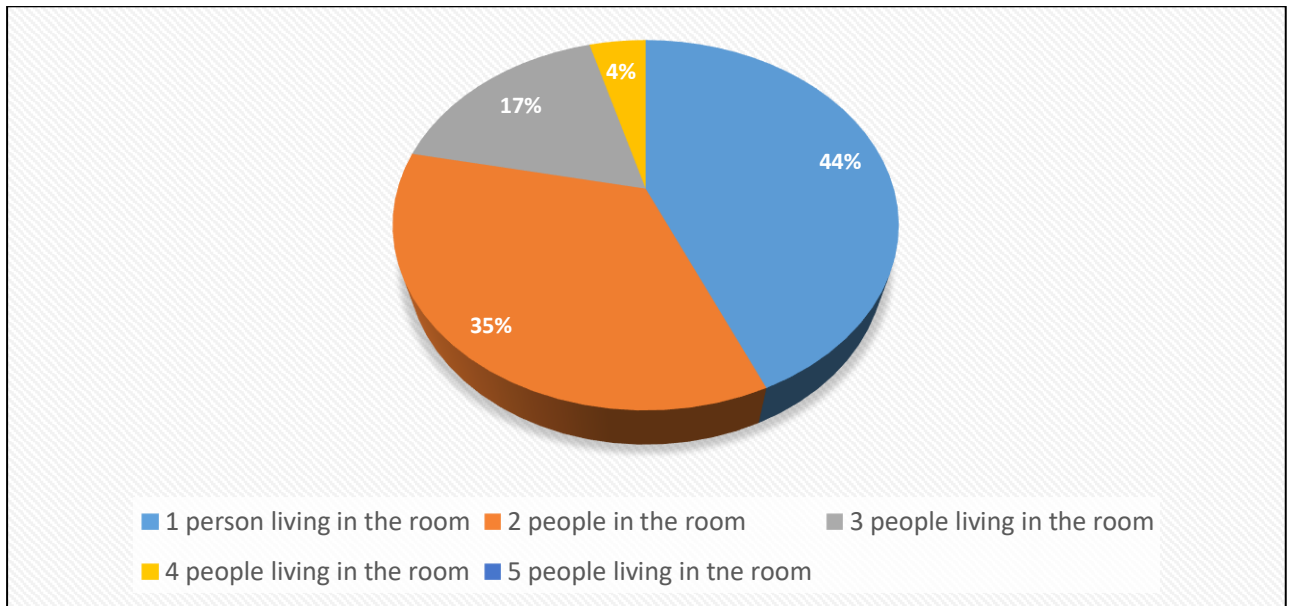
**Figure 5.13:. Gender and age distribution amongst backyarders**



Source: Author (2018)

According to the data contained in the Figure 5.14 in page 102, the majority of backyarders that participated in the study 44% stay alone per backyard structure. While 32% share a room with another person. Furthermore, 17% of these tenants stay as couples with a single child, and only 4% of them stay as a couple with 2 children.

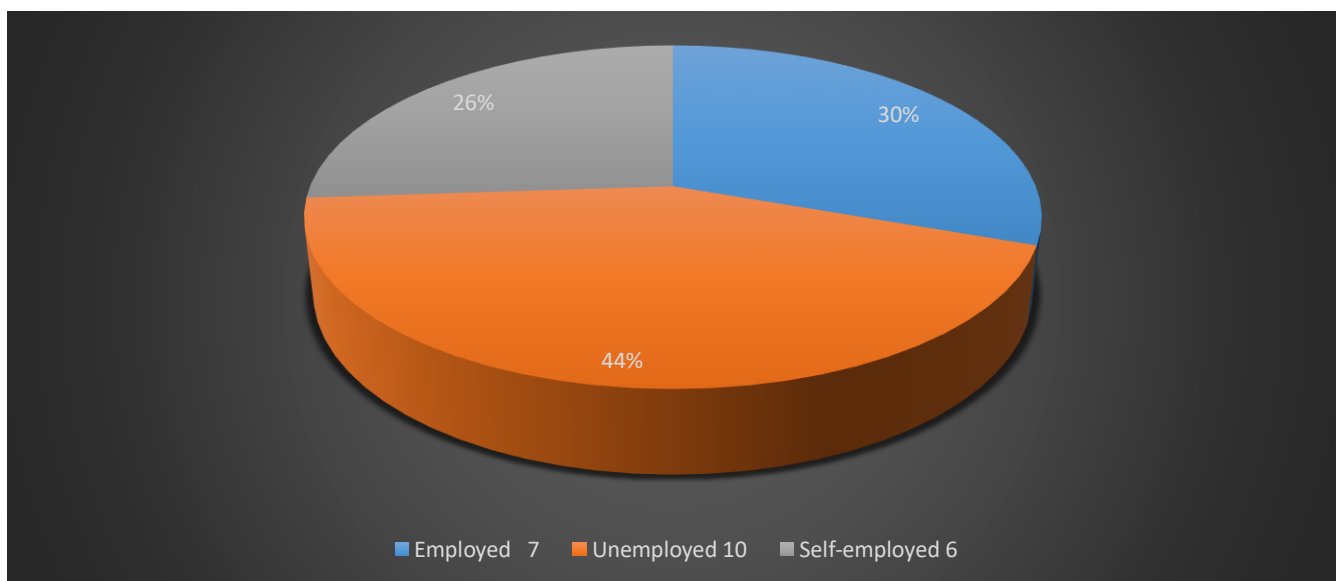
**Figure 5.14:. Number of people living within a single room backyard structure**



### **5.2.5. Economic status of backyard tenants**

According to the data shown in Figure 5.15 below, the majority of tenants 44% are unemployed. 30% of them are employed, and the remaining 26% indicated that they are self-employed. This indicates that the majority of tenants live in poverty. However, some of them are school kids who are supported by their parents, and live in Ikwezi Township to be closer to their schools, so they also add to the number of unemployed persons.

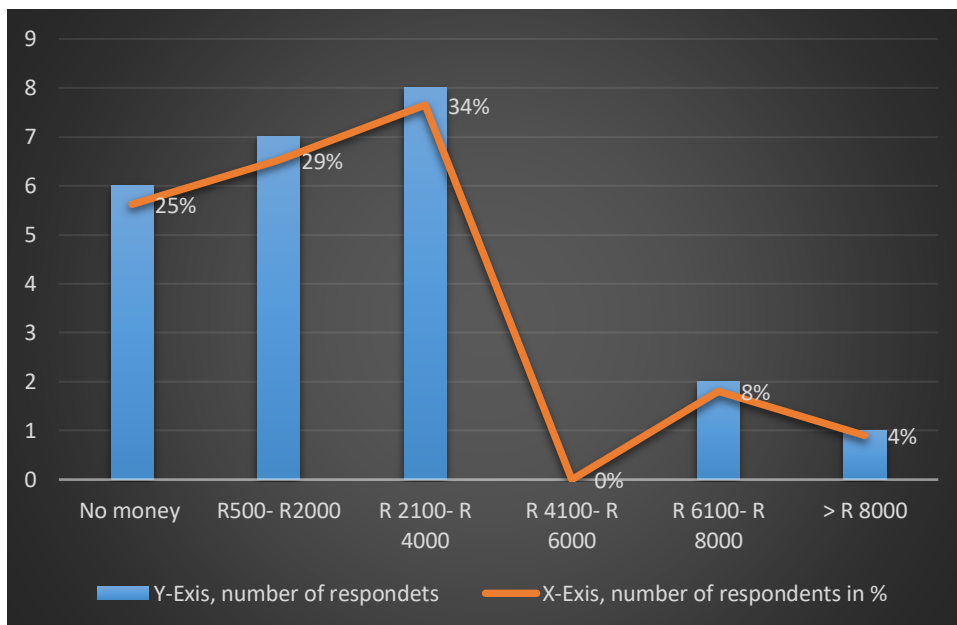
**Figure 5.15:. Occupation amongst backyarders**



Source: Author (2018)

Inferring from the data presented in Figure 5.16 below, the majority of tenants 34% earn between R2100-R4000 a month. While those who earn R500-R2000 make up 29%, and 25% of tenants indicated they do not earn any money at all. As they are either supported by their family members or have other ways to pay for the rent, and services. Only 8% of the tenants earn R6100-R8000, and only 4% earn more than above R8000 per month. This also illustrate that unlike the landlords who source extra income from their backyard structures. The majority of backyarders commonly have only one source of income of which their households depend on in order to sustain their livelihoods. This is partly due to the fact that the majority of them are young, and most of them are still earning low-incomes or are unemployed.

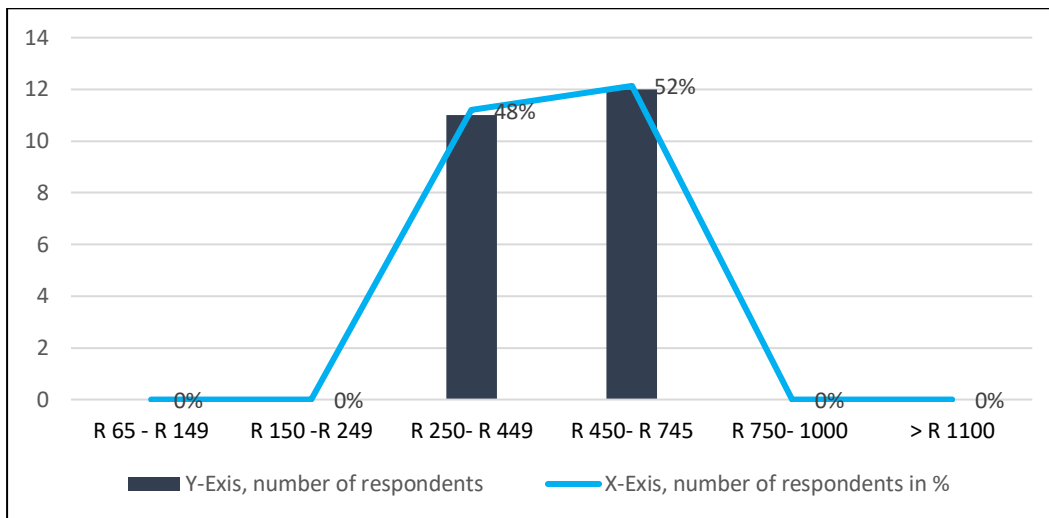
**Figure 5.16.: Monthly earnings of backyarders**



Source: Author (2018)

Deducing from Figure 5.17 in page 104, it is evident that the majority of tenants 52% pay monthly rentals ranging from R450-R600. While the remaining 48% indicated that they pay R400 a month. These amounts are only for the room and access to water and electricity supply is not included in this amount. From this information it is clear to see that backyarders do indeed pay lower rentals than they would in private accommodation in the informal housing rental sector. Which is one of the reasons behind why most people who are low-income earners are attracted to the backyard sector.

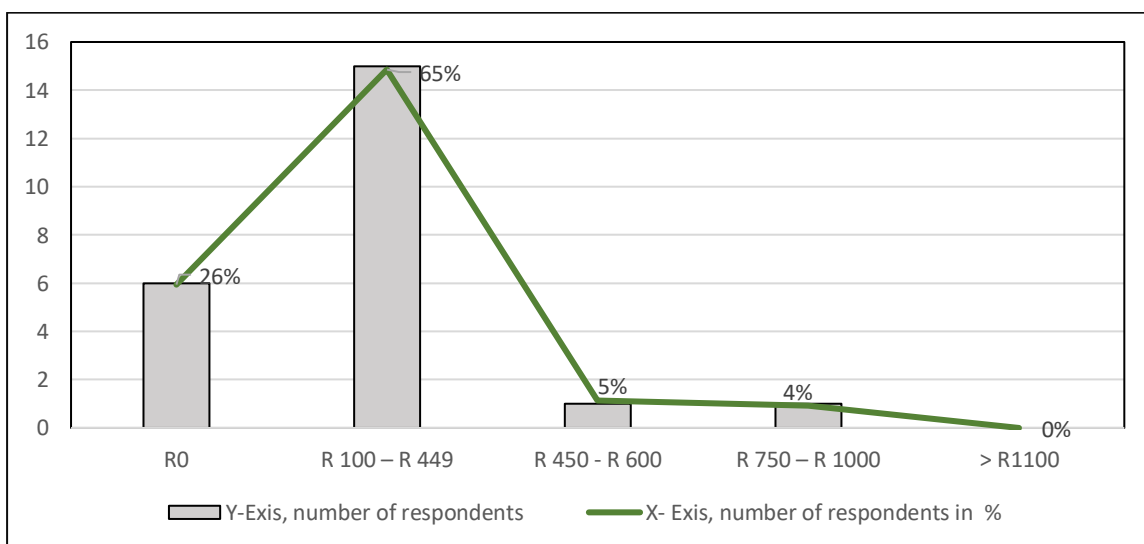
**Figure 5.17: Amount paid for renting the backyard structure per month**



Source: Author (2018)

Inferring from the data presented in Figure 5.18 below, the majority 65% of tenants spend between R100-R449 to commute to work per monthly. Only 9% of tenants have a greater expenditure than R450 a month to commute to work. Furthermore, 26% of them do not spend any money on transport. The majority of the 26% are probably those who are unemployed like the youth who are renting in the township to be closer to their schools, and are mainly provided for by their parent, and a few of those who are self-employed.

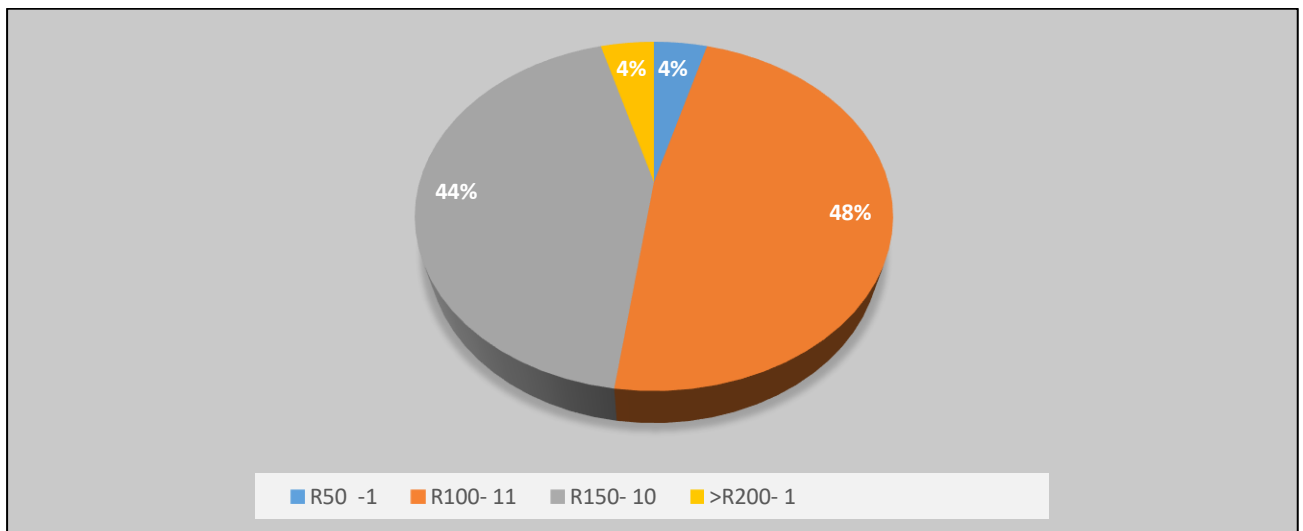
**Figure 5.18: Monthly transport expenditure to commute to work spent by backyarders**



Source: Author (2018)

All tenants pay a monthly fee to contribute to the collective purchasing of prepaid electricity, this amount is separated from the amount paid for rent. Deducing from Figure 5.19 below, the majority of backyard tenants 48% indicated that they pay R100 for electricity per month. 44% of the respondents indicated that they pay R150 for electricity. While only (4%) of them indicated that they pay R50, and the remaining 4% indicated that they pay R200 a month.

**Figure 5.19: Money paid for electricity per month**



Source: Author (2018)

### **5.2.6. The quality of backyard structures on Ikwezi**

One of the respondent said that she felt like backyard accommodation offers more freedom than sharing a room with the landlord in the main structure, and that backyard structures are safer than living in informal settlements. Another respondent added to say that, backyard structures found in Ikwezi Township are of good quality most of the time than those you find in area like Ngangelizwe location (Ngangelizwe Location was a result of a sites and services scheme). This is mainly because many of the backyard structures and main structures in Ngangelizwe Location are informally constructed, therefore rentals tend to be lower than in Ikwezi Township. Another respondent said that she was also motivated to live in the backyard structures because it is more flexible, she can basically move to another area anytime she needs to. Here we see that tenants see backyard structures as an accessible, safer, and more flexible form of housing than other housing options. Plate 5.5 in page 106 illustrate the kind of backyard structures found in Ikwezi Township.

**Plate 5.5:. Formally built backyard structures in Ikwezi Township**



Source: Field surveys (2017)

#### **5.2.6.1. The quality of material used to construct backyard structures**

All respondents that participated in this survey reported that their dwelling structures were conventionally built, and that they were in good conditions. Plate 5.5 above and Plate 5.3 in page 94 show evidence of these claims. As they show how formal these buildings look structurally from the outside. One of the tenants explained that “backyard structures in the yard that I live in have no roof leaks, and they do not flood during the rainy seasons so we are safe from outside weather conditions”. She further explained that they have iron burglar bars in their windows and doors, so they feel safe in them, see Plate 5.6 in page 107. Thus according to the respondent backyard structures are much safer to live in than living in informal settlements, where there are more risks such as fires and flooding etc..

The Plate 5.6 below is a picture of backyard structures with safety fetures such as steel bugler doors. The second picture within the frame shows the yard fencing with a brick wall and iron spikes on it to keep intruders out, and to keep households living within this yard including backyard tenents safe.

**Plate 5.6: Example of backyard structures with safety features**



Source: Field surveys (2017)

#### **5.2.6.2. Motivation to live in backyard structures in Ikwezi Township**

One respondent mentioned that the reason she made the decision to live in Ikwezi Township is because it is closer to economic opportunities than where she grew up, which is the rural area located in Libode. Another respondent said she was motivated to live in Ikwezi Township because it is closer to her work place. Furthermore, some backyarders reported that they stay in Ikhwezi Township because they attend in schools in Ikwezi Township. Some attend in Ngangelizwe location, while others attend in school in Mthatha CBD. It is thus easy for them to get to school from Ikwezi Township, and backyard accommodation in this township is affordable to them.

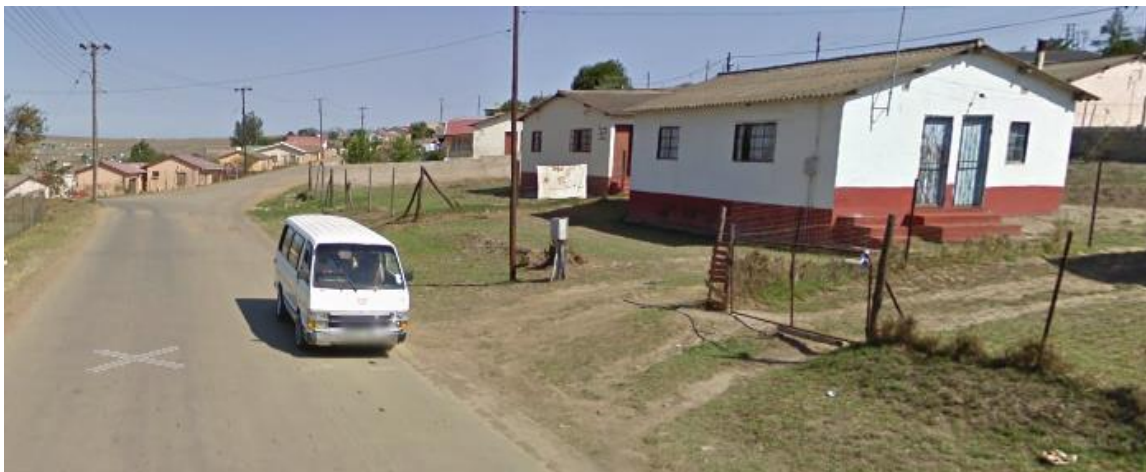


### **5.2.6.3. Access to infrastructure, social amenities and economic opportunities**

Residents of Ikwezi Township expressed that they do have running water, electricity, and conventional sewage disposal systems in their community. They also mentioned that the municipality is supposed to collect their refuse on weekly bases. Furthermore, some of them indicated that there are a number of good local schools for their children. Which include necessary schools, junior secondary schools, and senior secondary schools. Moreover, they have access to a local library located within Ikwezi Township which was completed a few years ago. Some of the backyarders are candidates in colleges around Mthatha CBD. They also mentioned that they have access to a sporting facilities called Rotary stadium which is in Ngangelizwe location within a 5 kilometre radius. They also mentioned that they can access the local clinic, and police station which are also that is in Ngangelizwe location.

The residents also indicated that it is easy to get to public transport. As taxis are always available, and use routes that are close to their homes. Furthermore, both tenants and landlords expressed that it is easy to access public transport and not very expensive. Taxis pick up some of them right in front of their homes. While some have to walk a few minutes to get to the end of the street they live in to get a taxi. The taxi fare is still R8 to get to town from Ikwezi Township. While to get to bigger cities such as Durban some townships such as Umlazi are located 20 kilometres away from the CBD, and the taxi fare is currently R17 to get to Mlazi in the year 2018. Also in townships like Thembisa in Johannesburg taxi fare costs about R16 to get to Johannesburg CBD. Plate 5.7 below, is a photo of a taxi driving within the township to pick up passengers going to the town of Mthatha. As the picture shows the routes that the taxis use makes it easy for them to pick up and drop off passengers very close to their homes.

**Plate 5.7: A Taxi taking people to town within Ikwezi Township**



Source: Field surveys (2017)



According to respondents Ikwezi Township is well located as it is close to town, and small industries that are also located adjacent to the town. According to the respondents one of the main reasons they reside in the area is because it is one of the closest townships to economic opportunities, and people can even walk back and forth to town. Other residents stated that they were forced to move from rural areas to this township by their parents who were in search of economic opportunities, or who worked around Mthatha CBD while they were still young. Some of them were born and raised in the area. Some of these landlords inherited the houses from their parents. While some landlords had to purchase their house from previous owners or from the then Transkei state municipality. As these township houses were not freely given by the state, but they were constructed with the intention to sell at market price from the beginning.

### **5.2.7. General Challenges of living in Ikwezi Township**

#### **5.2.7.1. Poor infrastructure**

Residents mentioned that their street lights are not working most of the time in the township. As a result of this there is a high rate of people getting robbed at night in the township, and house break-ins. They also reported that there is a risk of fire from the electric power lines, and transformers as they have a long history of exploding into flames. They mentioned that sometimes the wooden poles that support these transformers, and power lines fall over in windy weathers because they are old. Other respondents complained about the poor conditions, and maintenance roads within the township. Pointing out in particular the roads that are covered by potholes, that are never fixed by the municipality, see plate 5.8 below.

**Plate 5.8: Damaged roads within Ikwezi Township**



Source: Field surveys (2017)

### **5.2.7.2. Poor quality of services**

Some of the tenants mentioned that they have an issue of garbage disposal. Reporting that in some weeks the municipality fails to come pick up their garbage, and the garbage disposal plastics bags end up being torn apart by dogs and sometimes people looking for things they can sell, and they leave the garbage on the ground while residents are at work. Furthermore, respondents complained about the common occurrences of load shedding and water pipe bursts. Which leaves them without water and electricity for long hours, and sometimes for days. Furthermore, residents also pointed out that the local police station does not have enough capacity to deal with all the crime in all the townships they are supposed to service. Moreover, the majority of landlord complained about the amounts they have to pay for municipal services claiming that they are very high for some of them while the services remain poor. Some residents especially the unemployed who also complained about rates, stated that they cannot afford to pay about R300 for municipal services such as sewerage and garbage disposal, and another R100 for water every month. Both landlords and tenants mentioned that they have been raising these issues in municipal meetings with their councillors over the years, yet there are still no plans in place to address these concerns that they know about as residents.

### **5.2.7.3. Lack of social facilities**

The residents of Ikwezi Township mentioned that they do not have a community hall within Ikwezi. They have to book the hall in Ngangelizwe Rotary Stadium for community meetings and other social events. They also mentioned that there are no open spaces, parks, or playground for their children to play within the Township. Furthermore, they felt that the police station which is located in Ngangelizwe Location does not have the capacity to adequately police crime in all the neighbourhoods that depend on it. They further expressed that there is a need for more police officers, or police stations to patrol the streets so they can reduce crime, and drug abuse.

### **5.2.7.4. Economic and social challenges in Ikwezi Township**

Some residents who participated in the study pointed out that the town of Mthatha lacks economic opportunities, which is why most of the residents depend on low-income jobs. Moreover, some residents pointed out that because of this there are high levels of crime in the area, and high levels of drug abuse.

### 5.2.7.5. Challenges faced by backyard tenants

The majority of tenants complained about the small space they have available in their one room backyard structures. Some of them stated that when you are living with your children or other people in your backyard structure you cannot have privacy. They also mentioned that they cannot invest in furniture and other stuff you need to run a household because of the lack of space in their backyard rooms. One of the respondents complained about having to pay rent stating that it would be better if they owned their own homes that the government promised them. While a few pointed out safety concerns especially woman as they have to go outside even at night in order to get to the toilet. Some mentioned that even though they have good relationships with their landlords it is still not easy having to live by someone else's rules as an adult. Other respondents complained about the high rates of crime, and drug abuse among the youth in the area. As other yards with backyard tenants have no proper gates, and proper fencing to keep criminals out, see Plate 5.9 below for illustration.

**Plate 5.9: A yard with no fencing is easy to access for trespassers**



Source: Field surveys (2017)

Other respondents also complained about the sharing of electricity, arguing that other tenants and the landlord could be using more electricity than they do as individuals but everyone has to pay the same amount. They also stated that sometimes the electricity does not last the whole month and they have to contribute towards buying more again, because of other people's misuse of energy.

#### **5.2.7.8. Challenges faced by the municipality because of backyard dwellers**

The municipal official stated that backyarders place immense pressure on infrastructure. For example, sewer pipes are installed based calculations which are calculated a household population usually 5 people per plot. Then due to backyarders a single plot ends up having 10 people per plot, this over burden infrastructure the director of Departments of Human Settlements explained. She further explained that this is the same situation for the roads, health care facilities, refuse removal, where it was originally planned that there would be 1-5 people per plot and the number ends up being more than that largely because of backyarders. This makes it tenacious for the municipality to maintain the infrastructure adequately. The official also explained that, another problem they have is that as a municipality they register a certain amount of electricity demand with Eskom. But because they over exceed that amount as result of backyarders, and illegal connection Eskom imposes heavy penalties on them as a municipality, because of the extra demand. These challenges all have a negative effect on maintenance of infrastructure, and for the municipality keep up with payments they have to make to service providers like Eskom.

#### **5.2.8. Relationships between landlords and tenants**

The majority of landlords did not have any problems with their tenants, and it was the same for tenants. However, a few landlords expressed that it becomes a challenge when they get difficult tenants. Like people who do not pay in time, people who make noise especially at night, people who start bringing in more children than they originally came with, and people who misuse water and electricity. All landlords who participated in the study indicated that their relationship with their tenants is generally good. However, some expressed that they do sometimes have minor conflicts but they are able to resolve them without outsiders. On the other hand, the director of the Department of Human Settlements mentioned that they do have a rental tribunal established by the provincial government. Which they facilitate as the KSDLM, which is put in place to settle disputes between backyarders and their landlords when they cannot handle the conflicts themselves. The official explained that when a tenant or a landlord has a problem they can report it to the Department of Human Settlements of the KSD municipality. The department then sends that complaint to their Eastern Cape provincial offices which are located in East London. The tribunal then sets a date, and come to hold a hearing to resolve the matter.

### **5.2.9. Responses of the KSD municipality to the backyard phenomenon**

In this regard the official interviewed from the Department of Human settlement of the KSDL explained that, in order to combat the housing backlog, and to also reduce the number of backyarders they use instruments available in the BNG policy. For example, individual subsidies that deliver 40 m<sup>2</sup> RDP beneficiaries, and 50 m<sup>2</sup> housing for military veterans. They also use the Finance Linked Individual Subsidy Program (FLISP) to cover the gap income group. The Finance Linked Individual Subsidy Program (FLISP) is a programme developed by the Department of Human Settlements introduced in April 2012 meant to cover first time buyers who earn between R 3,501 and R 15,000 per month, who want to purchase homes in the formal property market who are South African permanent citizens.

The Department of Human settlement of the KSDL municipality also did a survey in order to enlist backyarders, and to establish their interests in owning a house. This was instrumental in assisting the department to have an idea of how many backyard tenants are in need of a government subsidised house. This survey was important as it helped the municipality realised that not all backyarders are poor, or without their own homes, and not all of them plan on staying around for long. From the social survey they were able to know how big the demand for housing is amongst backyarders, and now they are able to pic beneficiaries. Of which child headed households and the elderly are a priority.

The state official further explained that backyarders are not necessarily included exclusively in their Integrated Development Plans (IDP). But when the department engages in informal settlements upgrading projects they also consider backyarders if the sites are big enough. They deal with backyarders needs through their ward committees. Which are area specific, and the only requirement is that you belong to that area weather you a backyarder or property owner in order to be involved in discussions. Moreover in terms of access to basic services for backyarders the municipality does not directly intervene as these people rent in other people's private properties. However, they as the municipality do make measures to make sure that National Building Regulations and Building Standards are adhered to by landlords when they construct their backyard structures in Ikwezi Township. In terms of running home based enterprises main structures or backyard structures landlords by law, are expected to apply for special consent or rezoning, and they are supposed to pay fees associated with such processes. To do this one needs to advertise that they want to run a business within their property so that the community can also know about the change. The community can then either support or object that application.

### **5.2.10. Discussions of salient issues and how the data links to theories and literature**

According to the sustainable livelihoods approach an array of different combinations of assets, resources such as property rights, and access to services are crucial in maintaining livelihood strategies of poor households. They are also crucial in assisting them absorb shocks which may come in a form of a financial crisis or a natural disaster (Krantz, 2001). Landlords in Ikwezi Township as shown by the evidence collected from the field, use their homes as consumer goods, they do this by living in the main structure. They also use their homes as an asset by renting out their backyard structures to tenants, or by using it to run a home based enterprise in order to generate income. Such activities are essential in supplementing their primary income which is often not enough to sustain their households. This is a crucial strategy for poverty reduction. Moreover, the sustainable livelihood approach recognises that most low-income households rely on a single income, and this makes them more vulnerable in times of financial stress, or during times of unforeseen events such as natural disasters which may disrupt their income stream. Financial vulnerability is one of the main reasons why landlords in Ikhwezi Township are motivated to construct backyard structures for the purpose of using them to generate a secondary income stream.

According to the Social Housing Foundation (2008:8) 95% of backyard tenants in South Africa renting within informal backyard structures paid a rent of less than R200 per month in 2008. This is certainly not the case in Ikwezi Township, and was not the case even back in (2008), as the majority of landlords are able to generate income that amounts ranging from R450 to more than R 2000 from each backyard room per month. The rent charges in Ikwezi Township for tenants only staying in and not running businesses range from R450 to above R 600. There are also those who rent out their backyard structures to small business owners who run of spaza shops (informal convenience shop business) in them. In these cases the business owners are more than willing to pay amounts greater than R 2000 for a backyard room a month. This is simply because spaza shops generate considerable amounts of money, some of the spaza owners revealed that they can make up to R2000, or more on daily bases in favourable locations, and where there is less competition. Consequently, evidence from the data shows that local households who usually generate the most income from their backyard rooms are usually those who have time to run their own spaza shops. With this observation it is obvious that a house is not only a container for people, but an important shelter for life-sustaining economic activities. Another factor that contributes to people being confident in investing in

their homes by means of constructing backyard structures is security of tenure. They understand that no one can take the asset away from them, and it can be important in sustaining the future of their descendants.

Given that the majority of landlords stated that they are low-income earners from the surveys. The amounts they generate from room rentals are usually used to pay for water supply, refuse removal rates, electricity bills, and also to supplement other household needs like groceries. This means that they are not in the backyard sector for profit, but rather for survival purposes. These findings support Kumar (1996) argument that, most landlords in the backyard sector may be cash poor just like their tenants. Which is why they are dependent on the income they generate from their backyard structures for survival. Furthermore, Watson and McCarthy (1998), and (Watson, 2009) also pointed out that the backyard sector is primarily supplied by the household sector who are often small-scale, 'subsistence' landlords. The backyard sector of Ikwezi Township is no exception, it only further affirms the prevalence of this trend.

It is evident from the data presented in this study that the majority of people living in other people's backyard structures are low-income earners, and that most of them chose to live in backyard structures because they cannot afford to affect their demand for their own house or rentals unit in the formal housing market. Therefore, the backyard rental housing sector in Ikwezi Township just like in other townships around the country offers them affordable rental accommodation. That is connected to existing physical infrastructure, and that is close to available economic opportunities and social amenities. This is in line with Shapurjee and Charlton (2013:655) statement that, backyard structures are usually located on a formally developed and serviced stand in established townships. Moreover, the evidence from the data collected from the case study supports Ballesteros (2004) argument which state that low-income households find it difficult to secure land in most cities of developing countries, because of high demand of land next to the city. The high demand for land consequently drives prices up to levels unreachable to poor households. Mthatha is a small town, however it is no different from bigger cities in this regard. As a result this, poor households are being forced to increasingly resort to cheaper housing arrangements such as backyard accommodation, and to live in substandard structures in informal settlements.

According to Turok and Saladin (2016: 387), informal forms of rental accommodation such as the backyard rental sector are often not authorised, and lack access to basic services, and they are also vulnerable to flooding and other environmental hazards. In terms of access to basic

services, flooding and environments hazards, evidence from the case study of Ikwezi Township shows that backyard tenants do not experience any of these problems. As their backyard structures are built with conventional methods, and located on fully serviced formal plots. Furthermore, backyard tenants during the survey expressed that they have good access to basic services and social amenities.

This makes one wonder how these landlords being low-income earners are able to finance the construction of formal backyard structures. There might be a number of answers for this. One, might be that some of the current landlords inherited their homes from their parents who were working in middle income jobs. They could have thus been able to save enough to build the backyard structure in their properties as a way to survive and also to ensure their children future, by leaving them with a property that can generate income for them. Secondly, some of the landlords are middle income earners themselves, meaning they have enough to build these formal backyard structures. Thirdly, some of the landlords bought properties in this area with the backyard structures already in place, even if they are no longer working in higher income jobs anymore the backyard structures still stand, and can still generate income for them. Another contributing factor could be that they commonly use local builders, and labourers to build their backyard structure. Whom are often people they know, and people they can persuade to build much cheaper than they normally would. They can also pay such builders over longer periods of time, and in smaller amounts than what is required by formal construction companies. In addition to this Ikwezi Township is 4 to 5 kilometres away from the CBD of Mthatha. This might also be another contributing factor in their ability to construct formal backyard structures. As it is cheaper to get to hardware stores to purchase, and to transport building materials than it would be in other townships that are much further away from their respective CBD's. For example, in townships like Umlazi in Durban South Africa which is 23.2 kilometres from the Durban CBD, or Kwamashu is 20.7 kilometres away from CBD of Durban, or Soweto which is located 27 kilometres away from Johannesburg CBD it can be much more expensive to transport building materials from their respective CBD's.

### **The KSD municipality's response to the development of backyard structures**

According to the municipal official explanation during the interview, the municipality is only concerned with the formality of the backyard structure, not who live in it, and why they live there. Moreover, the official explained that it is not the municipalities business to tell people what they can do with their private properties. In this regard the liberal and neoliberal theories



also state that individualism, property rights, a free market economy, and limited state intervention are important principles to facilitate entrepreneurial freedoms in order to allow citizens to reach their full potential. According to the neoliberal theory the role of the state should be to organize housing activities through laws such as bylaws, and planning regulations to make sure that both landlords and tenants live in safe living environments, and in quality housing. Therefore, KSDL municipality plays the role of a regulator in the construction of the backyard structures in Ikwezi Township. This is to insure minimum safety, and quality requirements from the landlords. In terms of the relationship between the landlord and the tenant, the KSDL municipality does not directly get involved. However, they do have a tribunal to settle dispute if a landlord or tenant feel like they need authorities to intervene in the dispute. This neutral position in dealing with the backyard landlords and tenants is in line with liberal, and neoliberal principals which advocate minimum state intervention in the housing market, or any other market.

Even though Ikwezi Township is predominantly a low-middle income neighbourhood according to the data collected. As alluded to before all main housing structures, and most of the backyard structures are formally built. As result of the municipality's intolerance for informality in this particular area. However informality is more tolerated in neighbouring township like Ngangelizwe location which is right next to Ikwezi Township. In this regard Gargner and Rubin (2016) points out that there are often differentiated responses to the development of backyard structure. For example, in Reconstruction and Development Programme (RDP) backyard accommodation is seen as undesirable. While in higher income areas this practise has greater acceptance, and this form of housing is formally approved. The case of Ikwezi Township is not very different from Ngangelizwe location in terms of incomes levels. Both townships can be categorised as low-median income neighbourhoods, the only difference is that in Ikwezi main structures were formally built by the municipality, and the then University of Transkei (Walter Sisulu University). While Ngangelizwe Location was developed before Ikwezi Township as a sites, and services scheme. Of which buyers were supposed to construct formal structures as the location is zoned as a formal residential area. People in Ngangelizwe Location were given greater freedom to build their homes, but because of their low-income status many could not afford to build formal structures, so they settled for what they could afford. The municipality allowed them to do so, disregarding their own zoning ordinances. These dual standards in enforcing people to abide by building laws and regulation is important as officials should understand that the majority of South Africans cannot afford to

build formally because of unemployment, the high cost of building materials, and the cost construction labour. Therefore, this creates an environments whereby people are able to find a place in the city, and get the opportunities they need to improve their living standards. They can also improve their homes incrementally over time than them being denied housing, and access to services because of their inability to abide by municipal bylaws, and building regulations.

Furthermore, Robins (2002) argues that as much as homeowners provide serviced accommodation for poor tenants they also perpetuate informal forms of living. This hampers the government's vision of eradicating informality in favour of "suburban bliss". It also contradicts the government's prioritisation of homeownership over rental housing. Evidence from the data collected from the interview with the director of the Department of Human Settlements in the KSD municipality also supports this argument. The official interviewed mentioned that the KSD municipality's aim is to eradicate informal living arrangements within their jurisdiction by using the BNG policy tools, which tend to focus on home ownership rather than rental housing. The director also mentioned that the backyard tenants in Ikhwezi Township, and in other surrounding townships cause an undesirable situation for the municipality. Because they overburden the infrastructure, leading to urban decay, and difficulties in maintenance of the city.

### **5.3. Chapter summary**

As outlined in the introduction, this chapter has discussed the historical background including the socioeconomic conditions which prevail in the case study area of Ikwezi Township, and in the town of Mthatha. Then the data collected from the field was discussed and analysed using thematic analysis. The researcher then discussed the salient issues of this study, and how the findings of this research link with the theories used for this study, and also the literature that was reviewed in the second and third chapter of this short thesis.

## **Chapter 6: conclusion and recommendations**

### **6.1. Introduction**

This chapter will focus on discussing the summary of the findings of this study as observed in the case study of Ikwezi Township. In order to assess whether the objectives of this study have been achieved. The second section of the chapter outlines the recommendations based on the findings of this study. The third and final section of this chapter will give concluding remarks which mark the end of this short thesis.

### **6.2. Summary of main findings**

The findings of this study clearly indicate that ownership of a house especially in areas close to economic opportunities can have a positive impact on people's income, and in reducing overall poverty in low- middle income neighbourhoods like Ikwezi Township. As expressed in the previous chapter, backyard structures are the pillar of most home based businesses, and income from rental accommodation. All these home based enterprises operated in backyard structures are very crucial for sustaining households of some of the landlords living in this area. Most of the landlords reported to be low-income earners. Therefore their primary income streams are usually not enough to cover all their monthly expenses. This means that the majority of them need the money they generate from their backyard structures for their very survival. The formality of the main structures, and the backyard structures that are found in Ikwezi Township have proven to be crucial for landlords. As they can generate much more money out of their backyard space than in more informal townships and backyard structures. This means that even though it is more expensive to develop formal backyard structures initially, in the long term returns on investments are greater than those of informal backyard structures, and the structures last longer.

As alluded to in the previous chapter location is another contributing factor that determines the price charged for backyard structures. In Ikwezi Township for example, rents are higher because of the townships proximity to the CBD of Mthatha. While townships that are in poorer locations are forced to lower their rents than townships much closer to economic opportunities, social amenities, and the central business district. This is mainly because tenants are always looking to cut cost especially transport fare, and want to reduce time spent travelling to their workplaces on daily bases. Consequently there is a higher demand for accommodation in townships closer to economic opportunities. It is this high demand for rental accommodation in such areas that drives the prices of the rooms up, which is good business for landlords.

Moreover, the quality of the physical infrastructure in the neighbourhood provided by the municipality also play a significant role in the attractiveness of Ikwezi Township. This also has positive social, and economic benefits for both landlords and tenants. Some of the mutual benefit which tenants and landlords share in such environments might be that everyone gets to live in a safer environment, that is conducive for capitalising on economic opportunities available, and has good access to basic services and social enmities. The ownership of a house also makes it easy for landlords to look for jobs, and to store their business stock goods. The income backyard structures generate is very beneficial to landlords who are unemployed, disabled people, and the elderly who only rely on income they get from government grants. Even though there are obvious problems such high rates of crime, and the poor maintenance of infrastructure. New tenants, and investors are still attracted to Ikwezi Township. Some are attracted by the availability of good schools in and around the township, and the township's proximity to economic opportunities. While others are attracted by its acceptance of people of different cultures, and people from foreign countries.

As the evidence that was presented in this paper shows, not all backyard structures are informal. From the observations on the field evidence show that in some case you can have both informal, and formal backyard structures coexisting in the same yard. While in other cases you can find only formal or informal structures depending on how firm the municipality is in guarding the use of formal building regulations, and standards in that particular area. Some backyard structures may even exhibit informal and formal characteristics simultaneously in terms of building materials. In terms of legality the backyard structures maybe formally constructed but they may be not have official approval. The evidence from the study also confirms the notion that municipalities tend to have dual system in managing the development of backyard structures in South African cities. An example of this can be found in the case of Ngangelizwe and Ikwezi which are neighbouring townships. As explained before informal methods of building are tolerated by the KSD municipality in Ngangelizwe Location, while in Ikwezi Township there is less tolerance of informal structures. In fact, the official interviewed even assured the researcher that if an informal structure is found in Ikwezi Township they take measures as the municipality to make sure that the structure is demolished.

In conclusion, it is not possible to categorise the backyard rental sector as a sector that provides informal or formal rental housing because backyard structures vary greatly. As some backyard structures exhibit both informal and formal characteristics, while some are formal and others are informal.

### **6.3. Recommendations**

This section outlines the recommendations that the researcher think would be helpful in dealing with the issues caused by backyard accommodation, and the concerns that were expressed by the community's respondents during data collection. These recommendations will also help officials to capitalising on the opportunities that the backyard rental sector offer in South African cities.

#### **6.3.1. The need for policy intervention that addresses the backyard sector**

The intervention of local authorities in the backyard sector should not be uniform across all cases where back yard accommodation is found. Interventions should be targeted to best meet the needs of that particular neighbourhood. Findings of this research show that, in cases whereby the use of formal building methods are effectively enforced by municipalities, the resulting outcome are good quality backyard structures. While in areas that the municipality is more tolerant to informality the backyard structures are more informal. This means in some neighbourhoods' people can afford to build formally, while in some neighbourhoods landlords are poorer. Therefore, the flexibility that the KSD municipality exhibits in enforcing building standards, and bylaws should be utilise as a strategy that allows poorer households to have more freedom to build, and improve their backyard structures incrementally over time. If the household who is a landlord earns a low-income which cannot allow them to construct formally they should be allowed to construct their backyards informally. In hopes that from their future earnings they will be able to incrementally improve their backyard structures.

Backyard structures should not be undermined by the national housing policy of South Africa, and by local authorities. They should rather be supported, and improved where possible. For example, the state should at least make sure backyard tenants access electricity safely, in order to reduce the chances of electrocution of people especially children, and the possibility fires. The interventions that are to be made by the state in the backyard sector should be flexible enough not to discourage, or disrupt people's livelihood strategies, in the name of eradicating what is stereotyped as informal housing. For the simple fact that informal modes of housing are a result of the state's failure to deliver adequate housing for the poor, and the fact that these forms of housing arrangements works well for the poor masses in developing countries.

The backyard sector also combats the issue of urban sprawl. This should be seen as an advantage, and local municipalities should capitalise on it rather than looking at the backyard sector as a threat. The development of backyard structures has been able to successfully

increase the population, and dwelling densities in the case study of Ikwezi Township, and in many other townships around the country without government resources. Urban compaction, reducing travelling cost, and traffic is what future cities are about. Furthermore, the backyard rental sector accommodates people who would be otherwise forced to invade land illegally on the urban periphery of cities. Such illegal practises eventually contributing to undesired urban sprawl, and cause more expensive problems to solve for local authorities than those caused by the existence of the backyard accommodation in already established neighbourhoods.

### **6.3.2. Improving the quality of infrastructure as a strategy to improve quality of life and cities**

The King Sabathat Dalindyebo municipality, along with the Department of Human settlement, and the Department of Public Works should partner up to upgrade infrastructure in the CBD of Mthatha, and in its residential areas like Ikwezi Township and others. The infrastructural upgrades should focus on repairing and increasing the capacity of roads, and drainage systems. This would help accommodate the increasing number of cars which causes slow movement of traffic especially in the CBD, and would also help with the handling of extra pressure placed on sewage systems by the population increase in residential areas due to backyarders.

Furthermore, the KSD municipality should invest in maintaining and improving their power stations, transformers, electric poles and lines. This is important because respondents expressed that there are a lot of electric cuts in the town of Mthatha due to poor power infrastructure. Residents of Ikwezi Township expressed that they lose considerable amounts of money because of load shedding. As they are sometimes forced to use up their food supply because their refrigerators have no power. While other residents expressed that they also lose business, and customers because of this issue. As some business require electricity in order to run efficiently e.g. restaurants, panel beating, nightclub, liquor stores, salons etc.

These disruptions of electric supply also have negative effects on businesses in the CBD. Because they also lose money as a result of this issue. Load shedding is even more severe on smaller businesses in the CBD who cannot afford to purchase big generators to back up the ever failing electric supply. These issues contribute to failure of businesses, loss of jobs, and driving away of potential investors to the town. The municipality also loses an important income stream that comes from providing services to the private sector effectively. Small improvements to remedy this problem of load shedding could possible help combat issues such as high rates of unemployment, and high rates of crime which plague this small town, and

ultimately reduce informal living arrangements such as back yarding. Furthermore, it seems like the issue of common load shedding will possible lead to residents protesting against the municipality in the future. Many respondents during data collection expressed deep dissatisfaction concerning this issue. Protest often lead to damages on existing infrastructure, and this is a common phenomenon during protests in South Africa. Proper maintenance of existing power stations is also important for the safety of residents. Some of the respondents stated that it is not uncommon for electricity transformers burst into flames within townships like Ikwezi Township, and they feel that this is dangerous for them and their homes. Moreover, the issue of dysfunctional street lights also needs to be addressed. Respondents complained that they feel unsafe because of this issue, and some have been victims of crime because of the lack visibility and night. Furthermore, the KSDLM should focus on addressing issue of high pressure on infrastructure by investing in high capacitated infrastructure networks in areas that are already contributing to urban compaction, through the development of backyard accommodation. The municipality should not be focusing on directing more resources towards leapfrog housing developments. Which can be more expensive because of the need to start from scratch in terms funding new infrastructural networks, and social amenities.

### **6.3.3. The income generation function of a house**

The research findings from Ikwezi Township prove that income generated from backyard structures is vital for poor households, and that the sector can sustain itself. Therefore, the state should not try to intervene on how people choose to use their private properties, because they understand their needs, and livelihood strategies better. In new government subsidised housing projects there should be space provided for people to be able to build backyard structures. As it has been proven that many poor landlords struggle to pay municipal bills without the support they get from the income they generate from their backyard structures. The main structure in new government subsidised housing development projects should be positioned in such a way that they allows for future incremental developments on the property. Furthermore, in new housing projects infrastructure should be developed with understanding that additional structures will be added by the new residents. The infrastructure developed for them should be able to accommodate additional households

## **6.4. Concluding remarks**

In conclusion, the use of backyard structures to source additional income was found to be vital in sustaining livelihoods of low-income households who own township houses in South Africa. Moreover, the relationship between landlord and tenants of backyard accommodation was

found to be a positive one. This was evident by a number of factors that respondents and literature revealed. Which include the fact that backyard structures provides affordable and flexible accommodation that cannot be provided by the state or the formal private sector. They also provide vital income for landlords who are usually poor themselves. Furthermore, backyard accommodation also plays a vital role in preventing illegal land invasions, and urban sprawl by compacting already existing townships to accommodate more dwelling units and households at a much cheaper cost than developing new housing projects.

This study has also proven that backyard accommodation provided by the household sector contributes considerable in combating housing backlog in South African cities. The sector also bust local economies through creating demand for products from spaza shops, for construction materials, and creating jobs for local builders and construction companies. Moreover, the study has revealed that backyard accommodation fit both informal and formal housing categories, and that sometimes backyard structures can possess both formal, and informal characteristics simultaneously. Therefore, as suggested in the recommendations, policy makers and local authorities should not view backyard accommodation as a threat to their objectives in terms of housing, but they should study and better understand the phenomenon of backyard accommodation. This will help them design targeted strategies to support, and maintain this practise as it plays a vital role in providing rental housing affordable to the poor, at much more cost effective and efficient manner than state developed rental housing. This study is however open to critique, and further probe in order to develop more discussions concerning the backyard phenomenon in South African cities.



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# Appendices

## Appendix 1:

### Questioners for Property owners

- Please answer the questionnaire as honestly as you can
- Where necessary, you can mark each response by filling in, or marking with X, or by marking with a TICK
- Answer the questions you are comfortable with answering. If you do not feel comfortable to respond, you have the choice not to answer, and all responses will be kept confidential.

No.....

1.1. Tell me a bit about your background

1.2. Where were you born?

.....  
.....

1.3. Where did you live before you come to live here?

.....  
.....

1.4. What motivated you to leave the previous settlement? Please Explain

.....  
.....

1.5. Age of respondent

30-39	30-39	40-49	50-59	
-------	-------	-------	-------	--

1.6. Gender

Male	Female
------	--------

1.7. Nationality .....

1.8. Home language

IsiXhosa	IsiZulu	Other
----------	---------	-------

1.9. How many years have you been a residing in this here?

0-5	6-14	15-30	Over 31
-----	------	-------	---------

1.10. Occupation

Employed	
Self-employed	
Unemployed	
Other	

2.11. Around what amount are your earnings from you occupation a month?

R 0- R 2000	
R 2100- R4000	
R 4100- R 6000	
R 6100- R 8000	
>R 8000	

1.12. Marital status

Single	
Married	
Widowed	

## 2. Tell me more about the area

2.1. What motivated you to reside here?

.....  
.....

2.2. What are the advantages of living here?

.....  
.....

2.3. What are the challenges of living here?

.....  
.....

2.4. Why motivated you to build your backyard structure?

.....  
.....

2.5. Do you use it to accommodate tenants or you running other business activities from it?

.....  
.....

2.6. How many tenants do you have on your backyard structures?

.....  
.....

2.7. How many structures do you have on your backyard?

.....  
.....

2.8. How much income do you generate from your backyard structure(s) per month?

R 65 - R 149	
R 150 -R 249	
R 250- R 449	
R 450- R 745	
R 750- 1000	
> R 1100	

2.9. Household members of the main structure.

Total Number					
Male/			Number		
0-16	1	2	3	4	>4 explain
17-25					
26-48					
49-59					
>60					
Female/			Number		
0-16	1	2	3	4	>4 explain
17-25					
26-48					
49-59					
>60					

2.10. How much do you spend on transport when commuting to your place of employment or self-employment a month?

R100 - R5000	
R 550- R 750	
R 800- R1400	
> R 1500	

2.11. How much transport money do you pay for children to get to school a month?

R100 - R5000	
R 550- R 750	
R 800- R1400	
> R 1500	

2.12. How would you describe your relationship with your tenants?

.....  
 .....

2.13. What challenges come with this business?

.....  
.....

2.14. What are the advantages that come with the business or renting out your backyard?

.....  
.....

2.15. What services do you pay for?

.....  
.....

2.16. What social facilities can you access easily?

.....  
.....

2.17. Would you say the facilities are adequate? Please Explain.

yes	No
-----	----

.....  
.....

2.18. If not what facilities are inadequate

.....  
.....

2.19. Which services would you improve to make your life better?

.....  
.....

2.20. Would you say Mthatha is generally better in terms of accessing economic opportunities than your previous town?

.....  
.....

2.21. Would you say staying in Ikwezi makes it easier to access those economic opportunities found around the Central Business District of Mthatha?

.....  
.....

2.22. Do you own a property elsewhere?

Yes	No
-----	----

2.20. If yes please state the location of the property.

.....  
.....

2.2.21. Is the property adequately serviced (i.e. Infrastructure)?

Yes	No
-----	----

2.22. Please state what infrastructure is available and what infrastructure is lacking from the answer above?

.....  
.....

## **Appendix 2:**

### **Questioners with backyard Tenants**

- Please answer the questionnaire as honestly as you can
- Where necessary, you can mark each response by filling in, or marking with X, or by marking with a TICK
- Answer the questions you are comfortable with answering. If you do not feel comfortable to respond, you have the choice not to answer, and all responses will be kept confidential.

**No.....**

#### **1.1. Tell me a bit about your background**

1.2. Where were you born?



.....  
.....  
1.3. Where did you live before you come to live here?

.....  
.....

1.4. What motivated you to leave the previous settlement? Please Explain.

.....  
.....

1.5. Age of respondent

30-39	30-39	40-49	50-59	Over 60
-------	-------	-------	-------	---------

1.6. Gender

Male	Female
------	--------

1.7. Nationality .....

1.8. Home language

IsiXhosa	IsiZulu	Other
----------	---------	-------

1.9. How many years have you been a residing in this here?

0-5	6-14	15-30	Over 31
-----	------	-------	---------

1.10. How many years have you been living in this yard?

0-10	6-14	15-30	Over 31
------	------	-------	---------

1.10. Occupation

Employed	
Self-employed	
Unemployed	
Other	

2.11. Around what amount are your earnings from you occupation a month?

R 0- R 2000	
R 2100- R4000	
R 4100- R 6000	
R 6100- R 8000	
>R 8000	

1.12. Marital status

Single	
Married	
Widowed	

**2. Tell me more about the area.**

2.1 What motivated you to reside in this area?

.....  
 .....

2.2. What are the advantages of living a backyard structure compared?

.....  
 .....

2.3. What are the challenges of living in a backyard structure?

.....  
 .....

2.4. What kind of building material is the structure constructed with? Please list below.

.....  
 .....  
 2.5. Would you say this structure is adequately safe and it can protect the household against the outside weather?

Yes	No
-----	----

2.6. Please give an explanation for your answer.

.....  
 .....

2.7. How would the space of the structure able to adequately support indoors activities of your household?

Yes	No
-----	----

2.8. Number of household members living in the backyard structure.

Total Number					
Male/			Number		
0-16	1	2	3	4	>4 explain
17-25					
26-48					
49-59					
>60					
Female			Number		
0-16	1	2	3	4	>4 explain
17-25					
26-48					
49-59					
>60					

2.9. How much do you pay for rent?

R 65 - R 149	
R 150 -R 249	
R 250- R 449	
R 450- R 745	
R 750- 1000	
> R 1100	

2.10. How much do you spend on transport when commuting to your place of employment or self-employment a month?

R100 – R 449	
R 450 - R 600	
R 750 – R 1000	
> R1100	

2.11. How much transport money do you pay for children to get to school a month?

R100 – R 449	
R 450 - R 600	
R 750 – R 1000	
> R1100	

2.12. What services do you pay for and how much do you pay for them (i.e. Electricity water)?

.....  
 .....

2.13. What social facilities can you access in close proximity to your where you reside?

.....  
 .....

2.13. Please list the facilities and services you can access.

.....  
 .....

2.14. Would you say the facilities are adequate? If yes please explain.

yes	No
-----	----

.....  
.....

2.15. If not what facilities are inadequate.

.....  
.....

2.16. Which services would like to see improved to make your life better?

.....  
.....

2.16. Would you say Mthatha is generally better in terms of accessing economic opportunities than your previous town? Please explain.

.....  
.....

2.17. Would you say staying in Ikwezi Township makes it easier to access those economic opportunities found around the Central Business District of Mthatha? Please explain.

.....  
.....

2.18. Do you own a property elsewhere?

Yes	No
-----	----

2.19. If yes where?

.....  
.....

2.20. Is that property adequately serviced (i.e. Infrastructure)?

Yes	No
-----	----

2.21. Please state what infrastructure is available, and what infrastructure is lacking from the answer above?

.....  
.....

2.22. How would you describe your relationship with your landlord?

.....  
.....

2.23. Are you register for a government-subsidised housing, or have you ever benefited from the government individual housing subsidy before? Please explain.

.....  
.....

2.24. What do you think the municipality should do to improve living conditions of backyard dwellers, besides relocation to RDP housing? Please explain.

.....  
.....

**Appendix 3:**

**Semi structured interview with key informants**

1. What initiatives is the municipality engaging on to reduce the housing backlog?

.....  
.....

2. How is the Municipality responding to the practice of informal backyard dwelling and structure?

.....  
.....

3. Are backyard tenants and backyard landlord incorporated in the municipalities Integrated Development Plan?

.....  
.....

4. Are backyard dwellers equally represented and recognised as informal settlement dwellers in the selection of beneficiaries for informal settlements upgrading projects within the municipality? Please explain.

.....  
.....

5. Do Backyard dwellers have formal representatives that the municipality engages with when dealing with issues facing informal settlement dwellers?

.....  
.....  
.....

6. What municipal initiatives have been there to make sure that backyard dwellers also access services in a safe manner?

.....  
.....

7. What is the municipality doing about backyards in terms of regulations and support?

.....  
.....

8. What challenges do backyard structures pose for the municipality?

.....  
.....

10. Are there any reports of forceful evictions by landlords that the municipality normally has to deal with?

.....  
.....

11. Does the Town Planning Scheme of Mthatha allow the construction of backyard structures in Ikwezi Township?

.....  
.....

12. If yes what are the regulations governing the practise of backyard renting or operating other businesses on backyard structures in Ikwezi Township?

.....  
.....