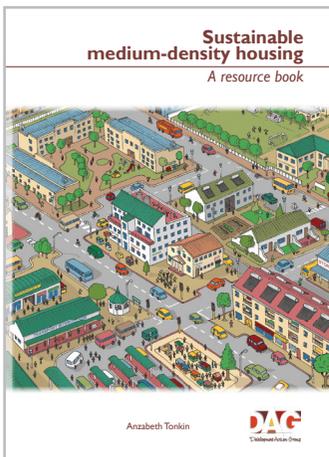


URBAN LAND MATTERS

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MEDIUM DENSITY



In 2008, the Development Action Group (DAG) published ***Sustainable medium-density housing: A resource book*** about sustainable and affordable medium-density housing.

This series, ***Urban Land Matters***, is adapted from the book to bring DAG's research to a wider audience, offering innovative and accessible planning ideas to government officials, practitioners and communities. If you would like more information on the concepts contained in these issues, please refer to the book. It's available on CD and on DAG's website: www.dag.org.za.

IN THIS ISSUE

1. How the 'livelihoods framework' can aid local economic development (LED) in low-income communities
2. How medium-density housing can be used to promote LED
3. Why regulatory frameworks are incongruous with the realities of the poor
4. How the livelihoods framework can identify the most strategic interventions for poverty reduction
5. How the livelihoods framework can identify what people do to cope with risk

OTHER TOPICAL ISSUES

The Household Triangle of sustainable livelihoods

Home-based Enterprises creating space in housing projects

Two Case Studies of sustainable economies

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WAIT! THERE'S MORE...



Learn what a 'sustainable livelihoods approach' is all about.

DON'T MISS...page 2



Understand what strengthens local economies.

CHECK OUT...page 6



Learn how legislation and regulatory frameworks can sometimes restrict local economic development.

EVEN MORE...page 7



Development Action Group

AfriSam
Build with Confidence

“Like slavery and apartheid, poverty is not natural. It is man-made and can be overcome and eradicated by the actions of human beings.”

Nelson Mandela

Did you know?

Livelihood defined:

“A livelihood comprises the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from shocks and stresses and maintain and enhance its capabilities and assets both now and in the future, whilst not undermining the natural resource base.”

*Gordon Conway and Robert Chambers,
Institute of Development studies*

What are sustainable livelihoods?

For most of human history, people have made their homes where they could make a living. Land was available to all as the primary means of survival, creating stable, accessible economies rooted in agricultural production. The introduction of private property, underpinning the development of the Western world, geographically fragmented people and their livelihoods. Through this process of development, the main principle of land, when viewed as capital, was no longer sustenance but accumulation. Those with resources could now exercise their power to buy property as spheres of their private will, displacing those less financially capable.

Modern cities bear testament to these successful accumulators and to those they have excluded. The neo-liberal project of GEAR in South Africa, informed by international examples of the last 30 years, is oriented towards privatising control over urban centres. By creating systems of government that integrate State and corporate interests, private capital becomes integral to city-building and the interests of the poor are excluded. Insidiously, ‘urban renewal’ or ‘urban upgrading’ programmes often serve as vehicles to displace marginalised citizens from well-located land, making it available for purchase by private enterprise. Through such programmes, wealthy interests consolidate their control over urban centres, while poor, underprivileged and marginalised residents are victims of expropriation and dislocation. Even low-income housing projects, targeting the poor, often dispossess vulnerable residents of their right to the city, by offering housing far from the urban core. In these cases, securing the constitutional right to housing is realised but securing a dignified livelihood is summarily overlooked.

Therefore, it is not only imperative to give poor people houses, but to give poor people houses in such a way that local economic opportunities are strengthened. This is called a ‘sustainable livelihoods approach’ and relies upon a ‘sustainable livelihoods framework’ to assess the survival strategies that families in a particular area rely upon.

As you can see from the diagram (page 3), the sustainable livelihoods framework is a useful tool for understanding how poor people support their families. It shows how **capabilities (the skills people have)** and **assets (the resources people have)** are used to decide upon certain **activities (the things people do)** to generate an income. It also examines the environmental factors (**shocks and stresses**) that influence economic security and reveals the connections between the local situation and the wider world. Understanding the local economies operating within a settlement is critical to strengthening the effectiveness of development initiatives for communities at risk.

In sustainable livelihoods theory, assets are divided into at least 5 or 6 different categories, as follows:

1. Environmental capital: land, water, minerals, wildlife, biodiversity and other natural resources.
2. Physical capital: basic infrastructure including water, sanitation, energy, transport, communications, housing and the means and equipment of production.
3. Human capital: health, knowledge, skills, information and the ability to labour.
4. Social capital: relationships of trust, membership of groups, networks and access to wider institutions.
5. Financial capital: remittances or pensions, savings, supplies of credit and other financial resources.
6. Other experts include additional assets, such as: institutional knowledge and political capital.

SHOCKS & STRESSES

The factors in the environment that make people vulnerable

ASSETS

All resources used for gaining a livelihood: social, financial, environmental, and physical



ACCESS

The ability, right or permission to approach, possess or use assets and capabilities to create a livelihood



CAPABILITIES

All information, skills, and abilities necessary to labour or control labour

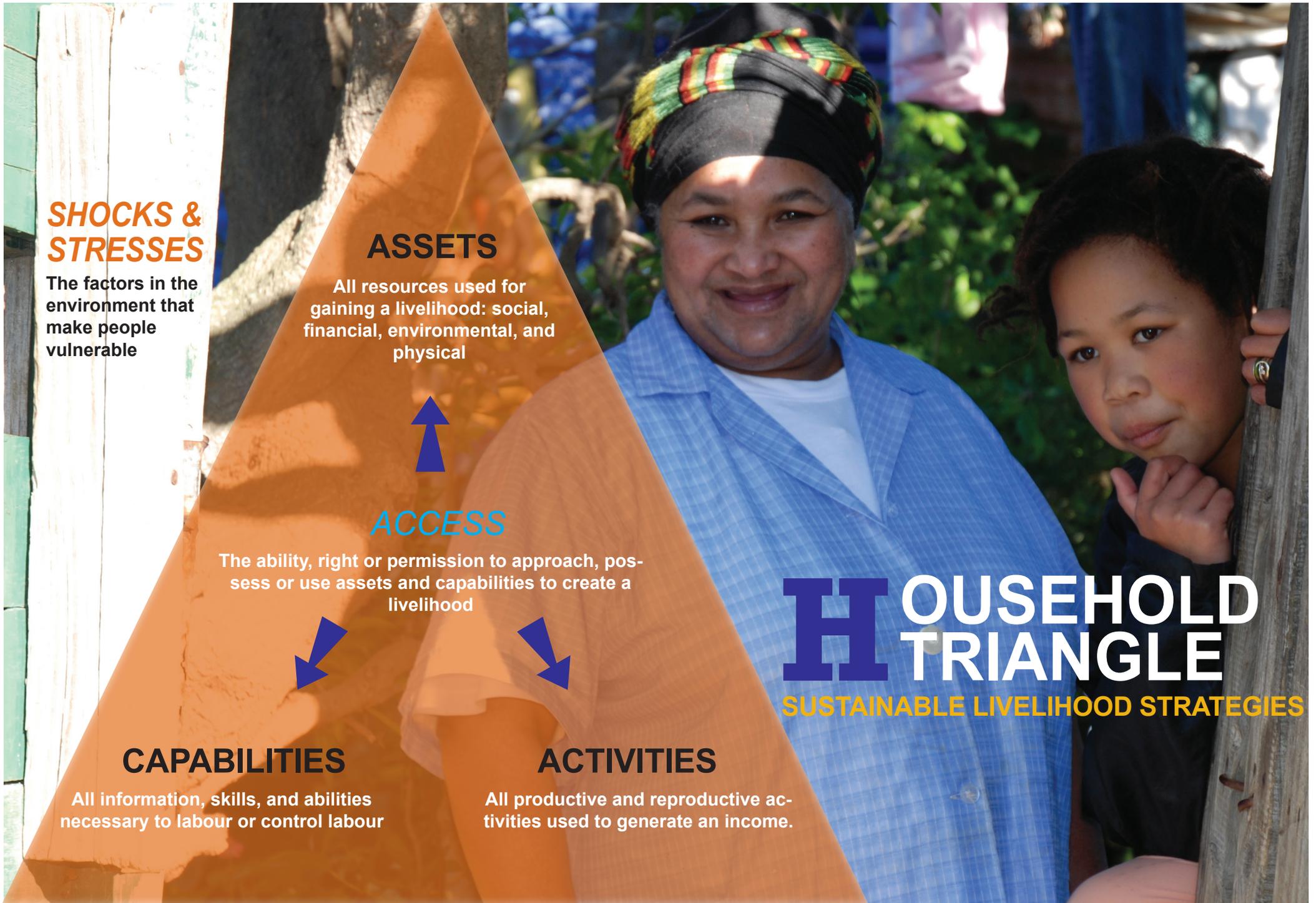


ACTIVITIES

All productive and reproductive activities used to generate an income.

HOUSEHOLD TRIANGLE

SUSTAINABLE LIVELIHOOD STRATEGIES



Did you know?

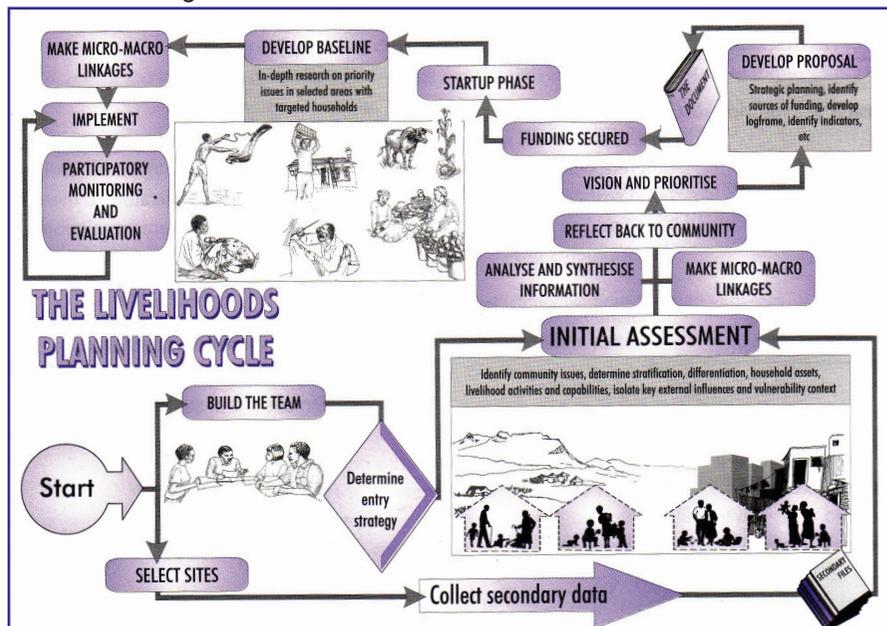
The livelihoods framework helps:

- identify (and value) what people are already doing to cope with risk and uncertainty
- make the connections between factors that constrain or enhance their livelihoods, and policies and institutions in the wider environment
- identify measures that can strengthen assets, enhance capabilities and reduce vulnerability

See pages 90-91 in the Resource Book

The Livelihoods Planning Cycle

Source: de Satgè et al. 2002.



What makes local economies strong?

Poor people's capacity to generate and maintain their means of living, enhances their well-being and that of future generations. These capacities are contingent upon the accessibility of ecologically, economically, socially and politically sustainable options. The livelihoods approach advocated in this issue of *Urban Land Matters* enables communities to be at the centre of their development. Here is some of the information that a livelihoods assessment should uncover in order to positively inform the planning and delivery of affordable housing.

Household relationships: The livelihoods framework seeks to understand each household, how households differ from one another and how they relate to each other (inter and intra-household relations). It facilitates an understanding of different ideas about well-being and different levels of vulnerability and resilience.

Household bargaining: Household livelihood strategies involve making decisions about who does which type of work, who is prioritised for education, how household income is spent and so on. The household is a bargaining space where members negotiate important decisions that affect their economic security. The livelihoods framework explores the power, control and influence that different members of the household have over the assets, activities and capabilities of the household.

Diversified income: Household livelihood security is often affected by the ability to diversify livelihood sources. The more diverse a family's livelihood strategies, the more secure the household; the more homogeneous a family's livelihood strategies, the more vulnerable the household. A family with few livelihood strategies and a small asset base will have far less ability to cope with shocks and stresses like retrenchment and inflation.

Shocks and stresses: A livelihoods framework is able to identify strategies to reduce disaster risk and promote livelihood security. A household's livelihood options are enhanced or restricted by factors outside of their control. It is important to monitor the changing external environment to understand the pressures that inform local economies.

Institutional environment: Policies, institutions and processes (at a household, national and even international level) determine options for livelihood strategies. Organisations, in both the public and private sectors, decide and implement policies, legislation and regulations that affect the livelihoods of poor people.

Monitoring and evaluation: A livelihoods framework always includes assessment criteria and indicators of economic sustainability. In this way, progress towards more sustainable development can be monitored.

Using a sustainable livelihoods framework for housing delivery can result in a range of positive by-products such as higher levels of community cohesion, economic stability and 'custodianship' of the local housing environment. Unfortunately, the contrary is likely to have negative implications for sustainability at the household, community and city-wide level. Ultimately, the livelihoods framework can give valuable information about how a housing development can either extend or reduce opportunities.

H HOME-BASED ENTERPRISES

CREATING SPACE IN HOUSING PROJECTS

INFORMAL



Hangberg, Cape Town
Sustained by local fishing industry
Requires **space** to store small boats



Netreg, Cape Town
Subsidy housing project
Provided **space** to keep horses



Manenberg, Cape Town
Sustained by food gardening
Requires open space for **gardening**



Sakhasonke Village, Port Elizabeth
Subsidy housing project
Facilitated a food **garden** project



Hangberg, Cape Town
Sustained by **small spaza** shop
Requires additions to houses



Hostels Upgrade, Cape Town
Subsidy housing project
Provided space for **spaza shop**



Lavender Hill, Cape Town
Sustained by rental accommodation
Requires **additions** to houses



Marconi Beam, Cape Town
Subsidy housing project
Provided space for home **additions**

Some families that live in informal areas have secure livelihoods because they have plenty of space to run home-based enterprises. This often changes when they move into formal housing developments. Here are some ways to maintain businesses from informality to formality...

TWO CASE STUDIES

OF SUSTAINABLE ECONOMIES

Although many changes have occurred in South Africa since 1994, poverty is still rife and many households struggle to sustain themselves. An adult earning less than R354 per month is considered to live below the national poverty line; according to the 2001 Census figures, approximately 16% of people between 15 and 65 years earn below R400 per month. Housing development presents a critical opportunity to decrease poverty by supporting local economic development. The following case studies provide some insights as to how projects might be better planned to provide and support income-generation for the poor. For full case studies, see pages 192-217 and 264-287 in the Resource Book.



1. SPRINGFIELD TERRACE

Project type: Inner-city sectional title housing project

Location: Cape Town city bowl

Developer: Headstart Developments

Size: 133 units, in three to four-storey blocks

Funding: Subsidies and private sector funding

Local Economic Development (LED): Springfield Terrace does not provide opportunities for people to set up small businesses from their homes or elsewhere on the premises. This is primarily as a result of the project's good location: at the time of building, it was argued that future residents would be living in close proximity to jobs in the city of Cape Town and consequently would not need to start up home-based enterprises. Now, however, community representatives want designated trading areas to accommodate tuck shops, vegetable sellers and electricity outlets.

Current businesses operating: Out of necessity, ten residents have established and operate informal commercial activities from their homes. Small businesses in Springfield Terrace's residential units include several tuck shops, a video outlet, a bakery and a leather workshop (see photo). Most of these businesses are sustained by the surrounding community. The possibility of setting up stalls in containers on the premises is currently being investigated by community representatives.

Improvements: Although no additions and extensions to buildings are allowed, some owners have added formal structures to the back of their units. These additions infringe on the common property and often cause disputes between residents.

Satisfaction: About 80% of residents believe that provision for small business activities was inadequate, and 95% stated that their housing units could not be used for small business activities. Almost everyone felt local economic development activities should be considered in all new housing projects.



2. STOCK ROAD

Project type: Social housing project

Location: Philippi East

Developer: Cape Town Community Housing Company

Size: 605 semi-detached double and single-storey units

Funding: Subsidies, NHFC loan, end-user finance

Local Economic Development (LED): According to the Standard Terms and Conditions, the property may be used for residential purposes only (although some exceptions were made that enabled families to take on renters). Beneficiaries have to apply for permission to run small businesses. The CTCHC tries to prevent many types of activities, such as panel beating. The project does not offer any common space for setting up small businesses, but a need for such space was identified.

Current businesses operating: All commercial activities currently operating are informal, and include hair salons, sewing, shoe repairs and electrical repairs. A few home owners have made extensions to their units to accommodate businesses, but this has invariably caused problems between neighbours due to ambiguities over erf boundaries (see photo). Plans indicating site boundaries were not available to beneficiaries until the end of 2006. Shebeens operate in the area but are obliged to close at 9pm and are patrolled by the SAPS and the Community Police Forum.

Impact: According to community representatives, the project had no impact on the local economy. Tenants do most of their shopping at wholesalers in Philippi East, at Shoprite on the Investec site, at the Promenade in Mitchell's Plain and in the Mitchell's Plain CBD. There is little economic activity operating within the settlement.

Satisfaction: Most (95%) responded that their units were not used for small business activities. This was primarily because the housing project did not make adequate provision for home-based enterprises.

SURVEY EXAMPLE

ON SUSTAINABLE LIVELIHOODS

1. Household demographic data for each resident:

Initial and surname:

Relationship to head of household:

Gender, age, marital status, education:

Number of years lived here:

Other residences:

Primary / secondary jobs / grants:

2. Housing type:

Are you the owner or a renter?

How many rooms do you have?

Do you have dedicated sleeping space?

3. Do you have / own any of the following possessions (working order) in your house?

(Circle) Radio, TV, VCR, DVD player, cell phone, four-plate stove, two-plate stove, car, bicycle, bed, refrigerator, washing machine.

4. Do you use any of the following to prepare meals?

(Circle) Electricity, paraffin, gas, wood.

5. Do you do any of the following?

(Circle) Share kitchen facility with other households, share stove and refrigerator with other households, prepare meals with other households.

6. If you use electricity to prepare meals, where do you get it from?

(Circle) Neighbours, electricity poles, own electricity box.

7. How do you get water?

(Circle) Indoor tap, outdoor tap, communal tap, neighbour.

8. What kind of a toilet do you have?

(Circle) Flush, long drop, communal.

9. In which area did you live before moving here?

(Circle) Mitchell's Plain, Cape Town, Western Cape, other.

10. What did you live in before moving here?

(Circle) Room, brick house, backyard, informal settlement, car, caravan, tent.

11. Why did you decide to live here?

(Circle) Wanted a place of my own, needed more space, experienced conflict with people living with me, could not afford rent, evicted by landlord, wanted to be closer to work.

12. Does your household receive income from any of the following activities? If yes, how much per week?

(Circle) Factory, harbor, domestic, gardener, security guard, neighbourhood watch, taxi guard, driver, painter, builder, plumber, engineering company, soup kitchen assistant, refuse collector, home-based crèche, recycling, NGO / CBO worker, childminder.

13. Does your household receive income from any of the following activities? If yes, how much per week?

(Circle) Sell meat / chicken, sell cigarettes, sell bread, sell milk, sell plants, sell horse manure, own spaza shop, own shebeen, moneylender, collect empty bottles and resell them, car-park attendant, skarrel.

14. Does your household receive income from any of the following activities? If yes, how much per week?

(Circle) Lodgers, grants, money from family / friends.

15. What is your household's weekly expenditure on the following items:

(Circle) Money to family, rent, electricity, food, funeral scheme, savings, water, telephone, school fees.

16. Household vulnerability.

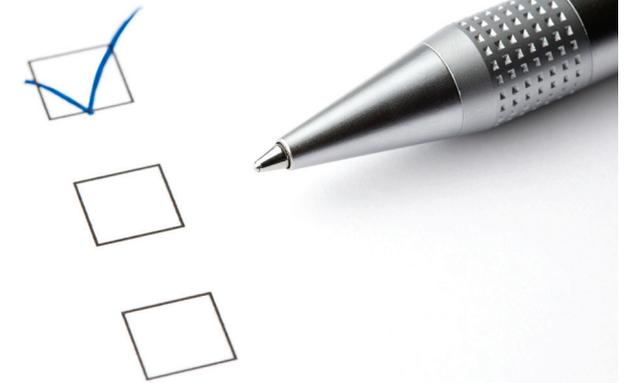
Are there times when your family goes without food to bed? What time of the year / month does this happen? Did you ever not have money to go to work? School fees?

17. What are the major causes of vulnerability experienced by your household?

(Circle) Health, TB, AIDS, diarrhea, alcohol, drugs, domestic violence, single-parent household, old age, lack of family in area, imprisonment, little education.

18. Do you experience financial vulnerability?

(Circle) No job, no savings, no credit, no grants, no lodgers.



19. Do you experience environmental vulnerability?

(Circle) Fires, sandstorms, wind, heat, rainstorms.

20. Do you experience physical vulnerability?

(Circle) Lack of private toilet, lack of own sanitation, communal tap, poor visibility at night, shebeens, garbage dump in area, gangsters, surrounding communities' attitude toward people living here.

21. Have you or anyone in your household ever been robbed, stabbed or a victim of any other crime?

22. What do you do to prepare yourself for bad times?

(Circle) Nothing, saving, food hampers, pray.

23. What does your household do differently when things are very difficult compared to normal times?

(Circle) Ask family for help, ask friends for help, ask help from religious organisation, ask help from political organisation, send children to live with other family, use less electricity, eat less, skip meals, eat cheaper meals, bake food to sell, make things to sell, turn to illegal activities, take loan from moneylender, take loan from employer, buy food on credit, remove children from school to work, look for additional work, work for food, sell furniture / appliances, take in lodgers, increase lodgers' rent, skarrel.

24. The people (friend and family) you obtain help from, are they all living here?

25. If you or one of your family members is ill, which of the following do you go to for help?

(Circle) Day hospital, clinic, local general practitioner, sangoma, faith healer, religious leader.

COMING UP NEXT: Next month's issue will be about Community Participation with 4 Case Studies.