CDS RESEARCH REPORT

HOUSING & URBAN SETTLEMENT

Rental housing in Kimberley:
A market profile

CDS

Centre for Development Support
Sentrum vir Ontwikkelingsteun

Rental housing in Kimberley:
A market profile

Table of Contents

LIST OF TABLES

LIST OF FIGURES

EXECUTIVE SUMMARY

1. The aim of the report is to profile the current private rental market, determine the demand for rental housing and analyse affordability issues.

2. The report is based on census data as well as a survey of 408 respondents in private rentals in Kimberley. The results of the report are also compared with a similar report that focused on municipal housing stock.

3. Although economic growth has been fairly good between 1996 and 2006 the population growth has been stagnant while the mining industry has also declined rapidly since 2005. All of these factors should be taken into account when the future of rental accommodation is considered.

4. The census data show a rapid increase in the number and percentages of people residing in formal units. This reflects the fact that post-apartheid housing delivery has hitherto focused on ownership by means of the Housing Subsidy Programme. The main contribution in respect of rental accommodation came from formal backyard dwellings.

5. In general, the private rental respondents are characterized in terms of being young people (younger than 40 years), having approximately two dependents, having an average household income of R3500, not owning property and having resided in their current housing units for an average of eight years.

6. Most (nearly 40%) of the residents reside in their current housing because they have nowhere else to go.

7. Approximately 45% of residents are not satisfied with their current housing and 68% would consider other units. A further 63% of respondents suggested that they would like to see improvement in their housing situation.

8. The main reasons for not being satisfied are the generally poor living conditions, the negative evaluation of the neighbourhood, lack of choice, overcrowding, poor facilities, as well as a lack of security.

9. The current access to water and sanitation is fairly good, while the average number of bedrooms in these units is 1.8 per dwelling.

10. Only 14.3% of the respondents prefer rental accommodation, while 35.6% prefer to rent with the aim of later owning the unit.

11. The alternative sanitation and grey water system make the market smaller than the case would have been with a waterborne system. However, compared with the 2002 survey, there is an increasing percentage of people who would be satisfied with the alternative systems.

12. Households pay on average 17.2% of their household income towards rent. This is considerably lower than the 30% top norm for the industry. It is only in the income group earning less than R1500 per month that the percentage of household income is considerably higher than the 30% norm.

13. In general it seems as if respondents are able and willing to pay considerably more on condition that quality housing is provided, the infrastructure is adequate, and they are located closer to work.

14. The data reflects that non-payment of rent is a real problem and that effective management procedures should be put in place to address this reality.

15. Overall, an expected default rate of 20.7% can be expected.

16. The overall demand is estimated to be about 600 units, if the issue of alternative sanitation is taken into consideration. If alternative sanitation is excluded, the demand is above 1000 units.

1. Introduction

A study on the market profile for rental housing in Kimberley was completed in 2002. However, owning to a number of problems encountered after completion of the initial research, construction did not proceed as envisaged by Sol Plaatje Housing Company. Since the market study was conducted a number of external factors have changed. Some examples in this regard are:

- Building costs have escalated.
- The price of housing in Kimberley has increased by more than 100% during the last four years.
- The Sol Plaatje Local Municipality (SPLM) has changed its approach to its rental units. Essentially, the approach changed to a larger degree of cost recovery.
- At the same time, a new Social Housing Policy has became available which requires local partnerships between municipalities and social housing institutions. A report such as this should be able to inform a memorandum of agreement between these two entities.

Considering the above changes, as well as the time lapse between 2002 and 2006, it is necessary to ask a couple of questions:

- What is the size of this need?
- What specific needs do people have with regard to rental accommodation?
- Who are the individuals or households who are interested?
- How should marketing be branded?

These questions are more or less the same as those asked in 2002. However, in 2002 this report also dealt with the municipal rental stock. For purposes of the new investigation a distinction has been made between the market study and the analysis of rental housing units owned by the SPLM. A separate report deals with the SPLM rental units. Where necessary, this report will refer to the report on the rental units.

2. Aim and objectives

The purpose of the research is to examine the housing market in the Kimberly area and to gain insight into the demand for a social housing product. Both the risks and the ability of residents to afford such a product are simultaneously investigated.

The specific objectives of the research will be:

- to define the potential market demand for social housing in the Kimberly area in terms of the size of the market, the degree of awareness in the market, as well as the current and potential use of the proposed product and/or service of the housing association.
- to define the demographics of the potential residents for social housing in the area (i.e. age, gender, income, location, employment status, etc).
- to define the parameters of what the potential recipients of social housing in the area can afford.
- to define the nature of the product and/or service that the housing association should provide in the area in line with the outcomes emerging from Objectives 1 to 3.
- to determine the demand for rental housing in Kimberley.

3.   Methodology and conceptualisation
3.1   Methodology: an overview
The following methodological approaches were followed to complete the research:

- Extensive assessments of the 1996 and 2001 census data were conducted. In addition, a brief economic overview of the SPLM was also provided. There were basically three reasons for the above two assessments. Firstly, they provided a holistic view of housing in Kimberley. Secondly, they contributed important information to guide the way in which the sample for the survey was developed. Thirdly, it also provided information that could be compared with the results of the survey. Although it was not possible to compare all the data, essential comparisons were possible.
- Interviews were conducted with role players in the private sector. Specific attention was devoted to assessing the trends in the private rental market. Employers who might consider renting some of the units for their employees were also considered as a possibility.
- An extensive questionnaire survey was conducted with 408 respondents residing in private rental accommodation in Kimberley. A more detailed overview of the methodology follows below.

3.2:   Methodology: Survey
The methodology and structured questionnaire for the Kimberley rental survey were based on the 2002 Kimberley rental study. Accordingly, private rentals were divided proportionally between the various suburbs in Kimberley. These suburbs include the historically black areas (Galeshewe, Vergenoeg, Donkerhoek, Puthanang, Ipeleng), the historically coloured areas (Roodepan, Colville, Homevale, Homestead, Homelite, Gemdene, Square Hill park and Floors) and also the historically white suburbs (Albertynshof, Beaconsfield, Cassandra, City Centre, De Beers, Hadison, Kimberley North, Kirstenhof, New Park, Rhodesdene, Verwoerd Park and West End). In addition to the fieldwork in Kimberley, telephonic interviews with potential beneficiaries on existing waiting lists for rental housing (Kimberley, Hull Street and Roodepan waiting lists,) were done from the offices of the Centre for Development Support at the University of the Free State in Bloemfontein.

Ten fieldworkers were trained. The seven from Kimberley were responsible for the field work in respect of private rentals and the three from Bloemfontein were responsible for the telephonic interviews in respect of the waiting lists. Each fieldworker in Kimberley was provided with a map indicating the number of interviews required for the specific area. The maps were divided into smaller areas and the respondents were equally selected from these areas. The main focus was to interview households currently renting in Kimberley, with an income of between R1500 and R7000. Deviations from the original sample occurred in the historically white suburbs. The main reasons were that it was either to difficult to find households which fall within the required income bracket of less than R7000, or the fieldworkers had difficulty in gaining access to these properties. For these reasons 12.7% of private rental interviews were done telephonically by means of referrals. The fieldworkers collected data during October and November 2006. A total of 408 households were interviewed, 76 from the waiting lists and 332 from private rentals in Kimberley. Two methods of quality control were employed. Most of the respondents with contact numbers provided these numbers voluntarily, and it was therefore possible to contact them telephonically. The second method was to send a fieldworker to confirm with

the household that the interview had actually taken place. The data were entered in Microsoft Excel and statistics were mainly analysed by using the SPSS (Statistical Package for the Social Sciences) software.

The data was assessed in term of two subgroups, namely: respondents residing in rental units located in the formerly "white suburbs of Kimberley" and residents residing in the formerly "coloured or black areas of Kimberley". This was done to understand the private rental market in more detail. The two areas will be referred to as Area 1 (historically coloured and black) and Area 2 (historically white). However, it should be mentioned that the distinction was made irrespective of the race of the respondents in the survey.

3.2 Defining important concepts

A number of important concepts should be defined for the purposes of this study. Firstly, the geographical area of Kimberley should be defined. *Kimberley* in this study refers to the area of the former Kimberley Transitional Local Council. It should also be noted that the study concentrated on the rental demand in Kimberley and not in the Sol Plaatje Local Municipality. Therefore, the study did not include Ritchie and the commercial farming areas.

The term *Sol Plaatje Local Municipality* is used in the report, refers to two concepts. Firstly, it could be used in a geographical context. In terms of this geographical context it refers to the geographical area of the municipality which is geographically much bigger than Kimberley. However, it should be recognised that the vast majority of the population is located in Kimberley. The second context in which "Sol Plaatje" could be used is in respect of its institutional context, the Sol Plaatje Local Municipality.

The report makes a distinction between private and municipal rental housing. *Private rental housing* in this report refers to a rental agreement between two individuals. The term *Municipal rentals* refers to rental stock owned by the municipality. The term *Social Housing* refers to rental accommodation being provided in terms of the Social Housing policy.

4. Outline of the report

As already noted, this report does not deal with the municipal rental units. Reference will be made to these units where it is deemed applicable. The report is structured in the following manner:

It starts off with a discussion of the current housing situation in SPLM. Specific emphasis is laid on the economic and housing profiles of Kimberley, and, in some cases, the SPLM. The economic profile is especially important in that rental housing is highly dependent on affordability.

The report then turns to a socio-economic profile of the residents in private rentals in Kimberley. The socio-economic profile is compared with that of 2002, as well as with the current profile of residents in municipal rentals.

Following the socio-economic profile the paper addresses the current housing situation of residents in private rentals in Kimberley. This section provides a detailed

assessment of the current experiences in rental accommodation in Kimberley. Next, the report focuses on affordability issues in relation to rental accommodation. Finally a number of conclusions are made in respect of the size of the demand for rental housing in Kimberley.

5. An overview of the basic housing situation in Kimberley (SPLM)

This section provides an overview of the housing environment in Kimberley. First of all a brief economic profile is provided after which the emphasis shifts to housing-specific characteristics.

5.1 Economic growth

Economic growth is reflected for the Sol Plaatje Local Municipality. Figure 5.1 suggests that economic growth in Sol Plaatje was fairly high between 1996 and 2004 (4.05% per annum). These figures should, however, be viewed with caution.
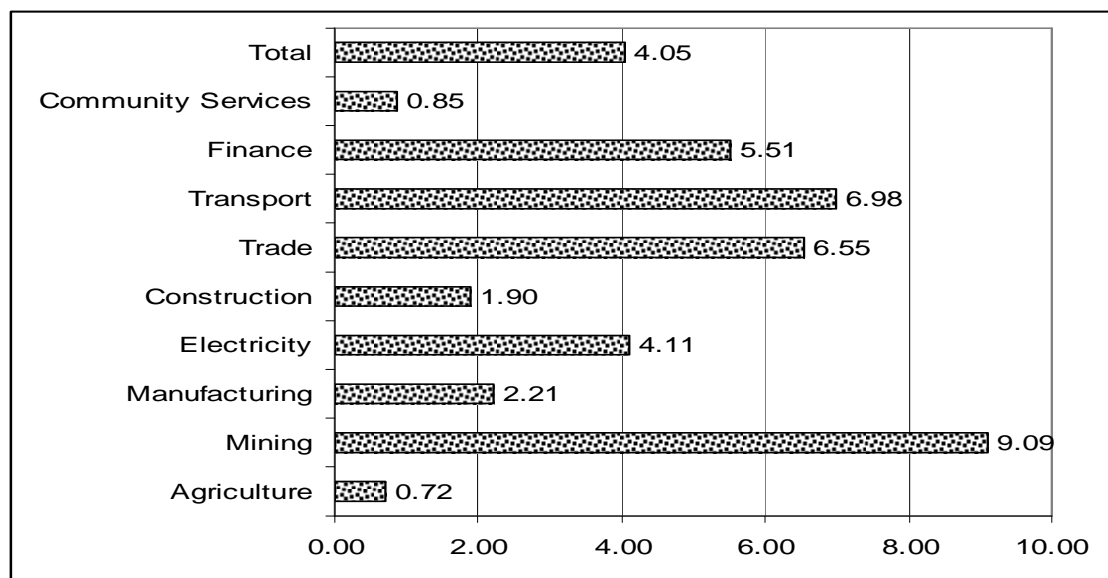
Figure 5.1: *Annual economic growth per sector in Sol Plaatje, 1996 – 2004 (source: Global Insight, 2006)*

The following should be noted in respect of the above table:
- It is significant that Mining grew by over 9% per annum.
- Other sectors which experienced high growth rates were Finance (5.5%), Transport (6.9%), Electricity (4.1%) and Trade (6.5%). The growth in Electricity was probably directly related to the growth in Mining.
- Sectors which showed moderate growth were Community Services (0.85%), Construction (1.9%), Manufacturing (2.21%) and Agriculture (0.72%).

However, despite the growth in Mining between 1996 and 2004 three of the four main Mining sites of De Beers closed during 2005 and 2006. Although Mining only contributed approximately 10% to Sol Plaatje's economy, the impact of these mine closures will be felt (see Figure 5.2). Closures has also reduced the possibility of an agreement on housing provision between a social housing institution and a dominant private sector industry.
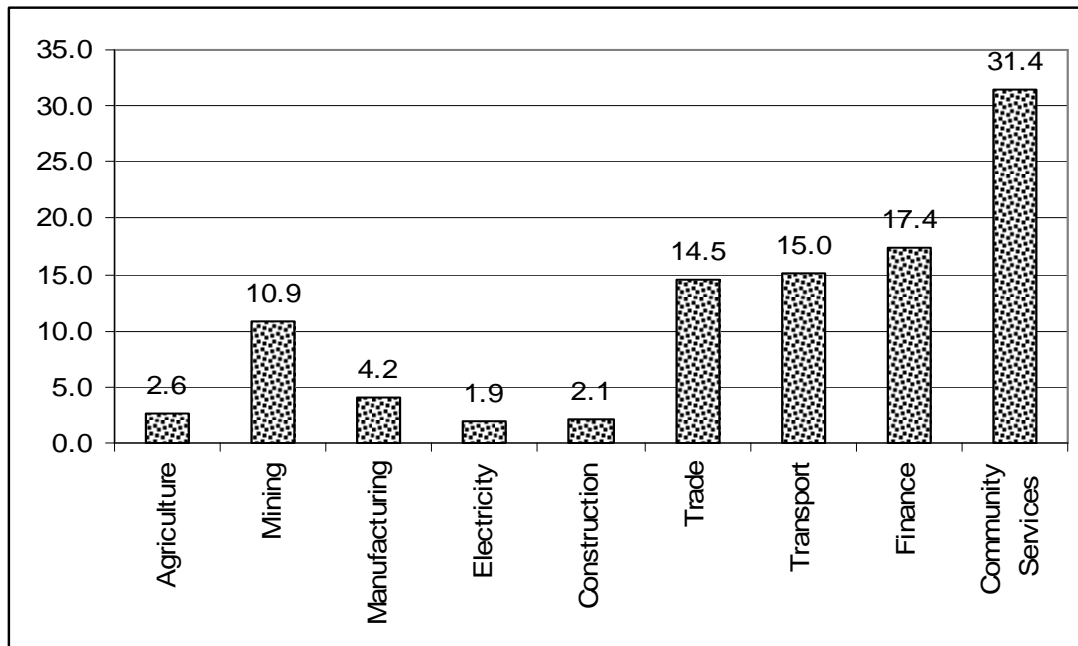
Figure 5.2: ***Proportional contribution per sector to the economy of Sol Plaatje, 2004 (Global Insight, 2006)***

In addition to the small contribution of Mining the following points should also be made:

- The largest proportional contribution came from Community Services (31.4%). The high percentage in respect of community services is related to the fact that Kimberley is the capital of the Northern Cape. The result is that the head offices of all provincial departments, as well as the provincial offices of national departments, are located in the city. This probably suggests that any employer arrangement around housing should be made with the various government departments and the various spheres of government.
- The initial idea in the 2002 report of considering a housing-related agreement with De Beers seems now to be inappropriate when one takes into account the downscaling in the mining industry.

5.2 Formal employment per sector

The previous sector focused on the economic output per sector in Sol Plaatje. This section will provide a brief overview of formal employment per sector and of the changes that occurred between 1996 and 2004 (see Figure 5.3).
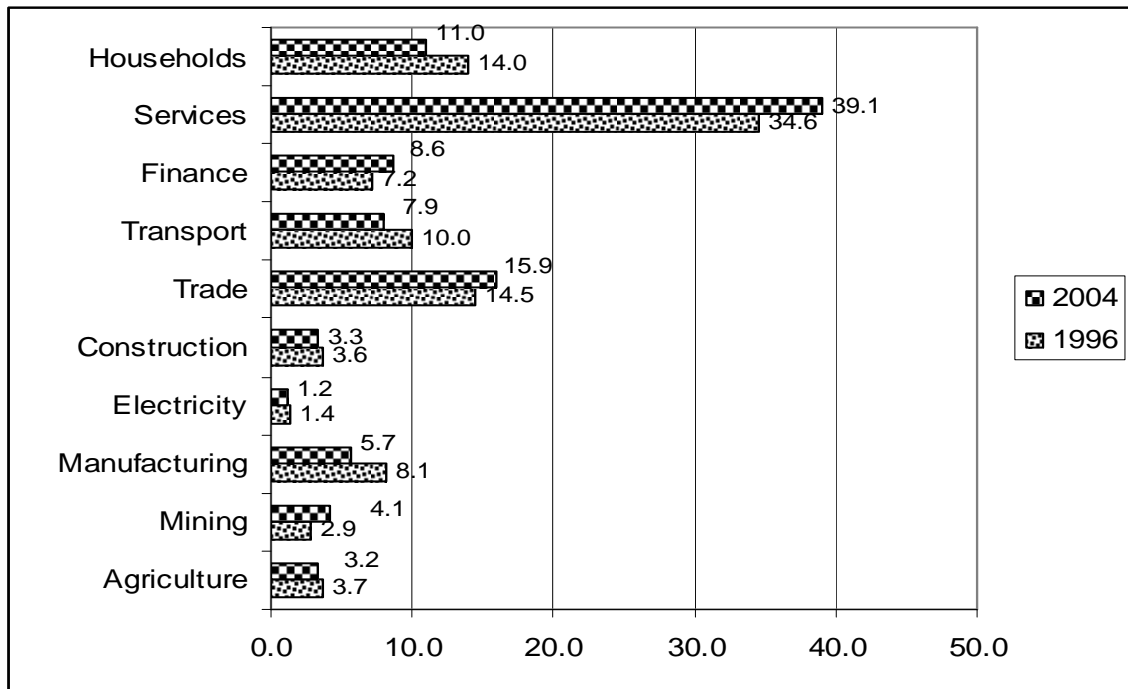
Figure 5.3: *Proportional contribution per economic sector to employment in Sol Plaatje, 1996 – 2004 (Source: Global Insight, 2006)*

The following pertinent observation should be made:

- The share of employment declined in respect of Agriculture, Manufacturing, Electricity, Construction, and Transport.
- Employment increased in Mining, Trade and Finance and Services. The growth in Mining should be viewed with care as this has probably declined in the last two years, for which data is not available.
- Real increases in employment occurred in Agriculture, Mining, Construction, Trade, Finance and Service between 1996 and 2004.

As already noted in the previous section the declining mining economy since 2005 should also be taken into account. Secondly, also confirming the previous conclusions consideration should be given to possible agreements with the government institutions in respect of housing arrangements.

5.3   Population trends

This section specifically considers growth in Kimberley and not in Sol Plaatje (see Table 5.1). The main reason is to consider the urban area of Kimberley and ignore the rural areas as well as Ritchie.

Table 5.1:   *Population growth in Kimberley, 1991 - 2001*

Category	1991	1996	2001
Population	151200	187 037	185 222
Households	n.a	45 636	46 844
Population growth	n.a	4.3	-0.2
Household growth	n.a	n.a	0.5
Household size	n.a	4.10	3.95

Source: Statistics South Africa, 2004

In contrast with an above-average economic growth rate between 1996 and 2004 population growth in Kimberley virtually stagnated. The population growth between 1991 and 1996 was approximately 4.3% per annum. However, between 1996 and 2001 annual declines of -0.2% were reported. At the same time it should be acknowledged that the number of households grew by 0.5% per annum between 1996 and 2001. This trend of households growing faster than the population was a general trend visible in South Africa between the 1996 and 2001. A number of reasons contributed to this trend yet fall beyond the scope of this report. What is important is to consider both the population growth trend and the growth in households.

5.4   The types of housing and the housing backlog

Having considered the economic and population trends, the focus now shifts to the housing profile in Kimberley. Once again the Kimberley profile and not the profile for Sol Plaatje is considered (see Table 5.2) and a comparison is made between the 1996 and 2001 data.

Table 5.2:   Types of housing in Kimberley, 1996 and 2001

Type of housing	1996 (n)	1996 (%)	2001 (n)	2001 (%)
House or brick structure on a separate stand or yard	28750	63.0	34472	73.6
Traditional dwelling/hut/structure made of traditional materials	346	0.8	452	1.0
Flat in block of flats	1532	3.4	1431	3.1
Town/cluster/semi-detached house (simplex; duplex; triplex)	2755	6.0	714	1.5
House/flat/room in backyard	1070	2.3	1451	3.1
Informal dwelling/shack in backyard	1292	2.8	1581	3.4
Informal dwelling/shack NOT in backyard	8968	19.7	5486	11.7
Other	923	2.0	1257	2.7
Total	45636	100	46844	100.0

Source: Statistics South Africa, 2004

The following should be noted in respect of the above table:
- In terms of real numbers and percentages there was a rapid increase in the number of people residing in formal housing structures. The percentage of households with such housing increased from 63% in 1996 to 73.6% in 2001. This can be attributed to the fact that the Kimberley TLC and later the Sol Plaatje Local Municipality were instrumental in providing housing to lower-income households. Most of the houses provided were owner housing for low-income people according to the Housing Subsidy Programme.
- In confirmation of the above statistics, both the number of people and the percentage of people residing in informal settlements (not informal backyard shacks) decreased between 1996 and 2004. The percentage of people residing in informal settlements decreased from 19.7% to 11.7% of all households in 2001. The fact that the population growth declined over this period probably contributed to this positive scenario.
- The percentage of people residing in flats declined from 3.4% in 1996 to 3.1% in 2001.
- The percentage of people residing in informal backyard shacks has increased from 2.8% to 3.4%. This is indicative not only of increased household formation, but also of a specific housing market segment.

Overall, the above picture of housing change in Kimberley suggests that a fair amount of attention had been given to addressing the housing needs of people in informal housing. However, except for the approximately 100 units made available by the Sol Plaatje Housing Company, and an increase in the number of formal units in backyards (approximately 300), no large-scale provision of rental housing has occurred.

5.5   Types of housing and income

This section provides a brief analysis of the type of housing units and the income of residents in relation to these housing units (see Table 5.3).

Table 5.3:   Housing type and income in Kimberley, 2001

Type of house / income	No income	%	R1-R19200	%	R19201-R38400	%	R38400-R76800	%	R76800-R153600	%	Above R153600	%
House or brick structure on a separate stand or yard	4721	61.8	12274	67.8	5905	77.3	4879	83.6	3850	86.8	2843	88.8
Traditional dwelling/hut/structure made of traditional materials	64	0.8	197	1.1	67	0.9	55	0.9	37	0.8	33	1.0
Flat in block of flats	156	2.0	503	2.8	280	3.7	255	4.4	160	3.6	76	2.4
Town/cluster/semi-detached house (simplex; duplex; triplex)	72	0.9	229	1.3	102	1.3	133	2.3	105	2.4	72	2.2
House/flat/room in backyard	138	1.8	615	3.4	278	3.6	178	3.1	136	3.1	108	3.4
Informal dwelling/shack in backyard	425	5.6	863	4.8	198	2.6	61	1.0	18	0.4	15	0.5
Informal dwelling/shack NOT in backyard	1956	25.6	2808	15.5	553	7.2	109	1.9	36	0.8	24	0.7
Room/flatlet not in backyard but on shared property	63	0.8	189	1.0	111	1.5	79	1.4	35	0.8	12	0.4
Caravan or tent	9	0.1	40	0.2	15	0.2	3	0.1	9	0.2	3	0.1
Private ship/boat	3	0.0	3	0.0	3	0.0	3	0.1	0	0.0	0	0.0
Not applicable (living quarters is not housing unit)	32	0.4	378	2.1	126	1.6	79	1.4	48	1.1	15	0.5
Total	7639	100.0	18099	100.0	7638	100.0	5834	100.0	4434	100.0	3201	100.0

Source: Statistics South Africa, 2004

The following main comments should be made:
- The higher income categories had a larger percentage of people residing in a formal unit on a separate stand. The opposite applied in respect of informal dwellings (excluding backyard rentals).
- In terms of flats, the highest percentage in any of the categories was in the R38 400 – R76 800 category.

The above analysis suggests that a specific segment of the population between R3000 and R6000 monthly income should be the target market. This assessment is taken further in terms of a comparison between the income groups of those renting in Kimberley and the income groups of all households (see Table 5.4).

Table 5.4: A comparison of the income categories of rental housing and the total household population in Kimberley, 2001

Income	Total	%	Rentals	%
No income	7641	16.3	909	14.3
R1 - R4 800	2268	4.8	257	4.0
R4 801 - R 9 600	8140	17.4	992	15.6
R9 601 - R 19 200	7692	16.4	980	15.4
R19 201 - R 38 400	7637	16.3	1086	17.1
R38 401 - R 76 800	5833	12.5	1006	15.8
R76 801 - R153 600	4435	9.5	683	10.7
R153 601 - R307 200	2312	4.9	332	5.2
R307 201 - R614 400	560	1.2	81	1.3
R614 401 - R1 228 800	154	0.3	15	0.2
R1 228 801 - R2 457 600	114	0.2	18	0.3
R2 457 601 and more	61	0.1	9	0.1
Total	46847	100.0	6368	100.0

Source: Statistics South Africa, 2004

Note in the above table that in the at no-income and the two lower income categories the percentages for the total population were higher than for the rental categories. This suggests that these income categories received most attention in respect of housing. The percentages for the income groups of R19201 – R38 400 as well as R38401 - R76 000 800 suggest that the percentages of people renting in those categories was higher than the percentages for the total population. This confirms the importance of rental housing for people in income categories of R1500 – R10 000 per month.

5.6   Housing type and ownership
Earlier an overview of housing type was provided. Table 5.5 provides an overview of housing type in respect of type of tenure. Specific emphasis is on gaining an understanding of the types of units that are part of the rental market.

Table 5.5: *Housing type and ownership in Kimberley, 2001*

Type of housing / type of tenure	Owned and fully paid off	%	Owned but not yet paid off	%	Rented	%	Occupied rentfree	%	Not applicable	%
House or brick structure on a separate stand or yard	18327	83.48	11391	89.71	3523	55.31	1230	23.90	0	0.00
Traditional dwelling/hut/structure made of traditional materials	212	0.97	110	0.87	70	1.10	60	1.17	0	0.00
Flat in block of flats	179	0.82	40	0.32	1181	18.54	30	0.58	0	0.00
Town/cluster/semi-detached house (simplex; duplex; triplex)	404	1.84	131	1.03	148	2.32	30	0.58	0	0.00
House/flat/room in backyard	392	1.79	313	2.47	410	6.44	337	6.55	0	0.00
Informal dwelling/shack in backyard	620	2.82	152	1.20	469	7.36	340	6.61	0	0.00
Informal dwelling/shack NOT in backyard	1653	7.53	517	4.07	291	4.57	3025	58.78	0	0.00
Room/flatlet not in backyard but on shared property	136	0.62	40	0.32	261	4.10	52	1.01	0	0.00
Caravan or tent	24	0.11	3	0.02	16	0.25	36	0.70	0	0.00
Private ship/boat	6	0.03	0	0.00	0	0.00	6	0.12	0	0.00
Not applicable (living quarters is not a housing unit)	0	0.00	0	0.00	0	0.00	0	0.00	677	100.00
Total	21953	100	12697	100	6369	100	5146	100	677	100

Source: Statistics South Africa, 2004

More than 55% of the rental units in Kimberley were formal units on separate stands. A further 18% of the rental units were flats. Informal backyard rentals made up a further (7.4%). Just over 6% of the rental units were formal dwellings in backyards. The fact that a fairly high percentage of rental units were single dwellings probably has some implications in terms of the number of storeys which could be constructed for rental housing (an aspect that will be returned to later).

5.7   Housing and size
This section provides a brief overview of the number of rooms attached to each of the different types of housing units in Kimberley.
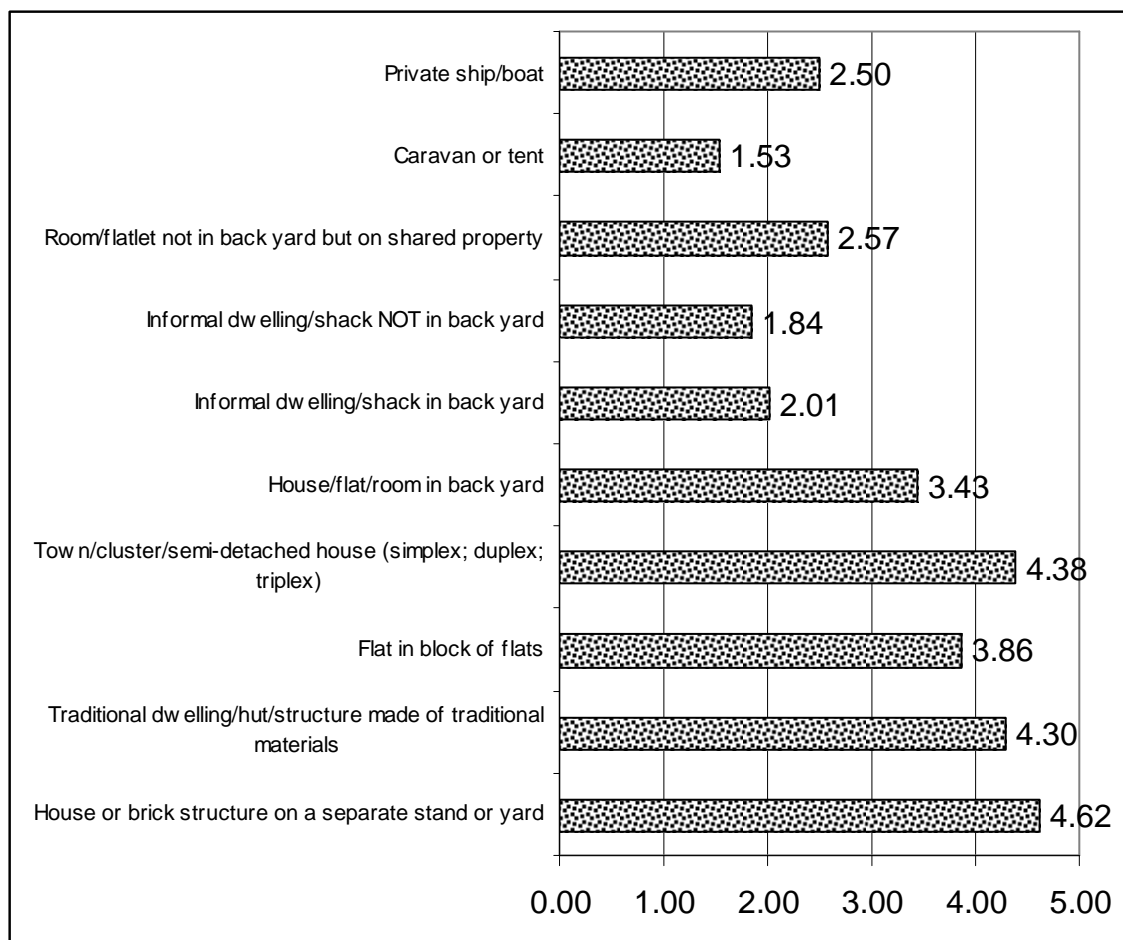
Figure 5.4:   Housing size per housing type in Kimberley, 2001

On average, the largest housing units were those formal units on a separate stand (4.62 rooms per house). Although one could have thought that these units would be the largest, the large number of housing units constructed in terms of the Housing Subsidy Programme could have been instrumental in keeping the number of rooms for formal units on separate stands low. The number of rooms in traditional units was fairly high, while the average number of rooms for town houses and flats were 4.38 and 3.86 respectively.

5.8   Tenure and gender

The final part of this assessment of census data reflects on the relationship between tenure and gender. Figure 5.5 provides more evidence in this regard.
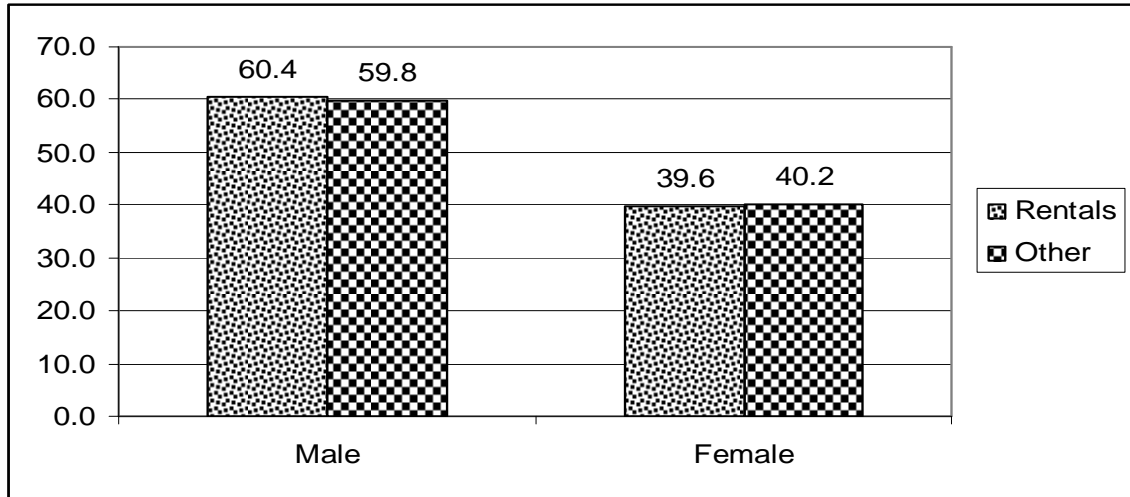
Figure 5.5:   A comparison of gender of the head of households and tenure issues in respect of housing in Kimberley, 2001

Figure 5.5 suggests that there were virtually no gender differences in respect of the type of tenure of households in Kimberley. These figures will again be compared with the results from the survey. However, male-headed households constituted proportionally approximately 60% of the households in the area.

6.   Socio-economic profile

The main aim of this section is to provide a brief background in respect of the socio-economic characteristics of people residing in private rental accommodation in Kimberley. As already mentioned in the overview of the methodology, a distinction is drawn between the two areas. Area 1 refers to areas outside the historically white group areas while Area 2 refers specifically to the historically white group area of Kimberley. It is important to note that although this geographical distinction is made for the two geographical areas, no distinction was made in respect of the race of respondents. Furthermore, some comparisons will be made both with the 2002 information and with report that deals with the municipal housing stock. Table 6.1 provides an overview of the socio-economic attributes of respondents occupying private rentals.

Table 6.1: ***An overview of the main socio-economic attributes of the***
respondents in private sector rentals in Kimberley, 2006

Criteria	Area 1	Area 2	Total
Male / female ratio	45.8:54.2	54.2:45.8	48.3:51.7
Average age	30.8	27.1	29.7
Median age	30	29	30
Percentage non-South African citizens	1.1	0.8	1.0
Current employment	90.3%	90.8%	90.4%
Percentage of respondents with at least a Grade 11 or Grade 12 certificate	68.6%	80.2%	72%
Percentage of one-person households	21.9%	31.7%	24.8%
Average household size	3.00	2.78	2.94
Median household size	2	2	2
Average monthly income (Rand)	3158	3940	3383
Percentage currently paying rent	85.1	95.8	88.2
Percentage currently receiving government grants	19.4%	12.5%	17.4%
Percentage having received a housing subsidy	4.9%	0.8%	3.7%
Percentage having previously owned property	5.2	10.0	6.6
Average household size	3	2.78	2.94
Number of years in current housing unit	9.8	3.7	8.1

The following important points should be made concerning the socio-economic
profile of people currently renting units:

- The female percentage of the private rental population is somewhat higher
  (51.7%) than the male percentage. Significant differences exist between Area
  1 and Area 2. In Area 1 females comprise 54.2% of the population. In area 2
  females only account for 45.8% of the population. This is in contrast with the
  fact that the female / male ratio was 21:79 in the municipal flats. This reflects
  the first difference between those households in municipal rental stock and
  those in private stock. Area 1 has historically tended to cater for lower income
  whites at below-market prices. It should also be noted that the percentage of
  females in rental accommodation in this survey is also higher than what the
  census data would suggest.

- The average age of the respondents in these private sector rentals is 29.7 years.
  It is somewhat higher in Area 1 (30.8) than in Area 2 (27.1). This might be an
  indication of people in Area 1 being more forced into their current housing
  situation and that they have limited alternatives compared with the people in
  Area 2. The average ages for respondents in the 2002 survey were marginally
  higher. In 2006. the average age of respondents in the municipal housing
  stock is over 42 years. The average median age is recorded as 30 in the
  private rentals, compared with 39 for the municipal rentals. Once again, the
  private rentals reflect more of a transitional housing scenario commonly
  associated with rentals than is the case with the municipal rental stock.

- As in 2002, more than 99% of the respondents in 2006 are South African
  citizens.

- The percentage of respondents with at least a Grade 11 or a Grade 12
  qualification is 72%. This is considerably higher than in the Municipal units
  (39.4%). The same trend was found in the 2002 survey.

- Overall, 24.8% of the respondents are single households. The percentage is
  higher in Area 2 where 31.7% of the respondents fall within this category. In
  Area 1 the percentage is 21.9%. It is significant that in the case of the
  municipal units only 15.1% of the respondents fall into this category.

- The average household size (3) in Area 1 is somewhat bigger than in Area 2 (2.78). This is considerably lower than the average of 3.6 for the respondents in municipal stock. In line with trends in the census data, the household sizes also seem smaller than in 2002.
- The average monthly income is recorded as R3 383. This average is somewhat higher in Area 2 (R3 940) compared with R3158 in Area 1. Note also that this amount is considerably higher than the averages for the municipal respondents (R2543). It is also higher than the incomes of respondents in municipal housing stock in both New Park (R2706) and in Beaconsfield (R2981).
- The percentage of those who have indicated that they are currently paying rent is 88.2%. This is lower than the percentage recorded for municipal units (98%), but probably higher than the real payment rates in the municipal units. As noted in the report on the municipal stock, the 98% is probably an overestimation.
- The percentage of people currently receiving some form of government grant has increased rapidly from 2002. In 2002 the figure stood at 9.7%. It has currently risen to 17.4%. The percentage of respondents with access to government grants is higher in Area 1 than in Area 2. This percentage seems also much higher in respect of municipal stock than in respect of private rentals. In the municipal stock 22.5% receive some form of grant and a further 22.5% receive old-age pensions.
- Overall, 3.7% have previously received a housing subsidy and 6.6% own some form of property.
- Residents have on average been residing in their current houses for 8.1 years. This is about two years less than the 9.9 years, on average, for respondents in municipal housing units. Only in Beaconsfield is this figure lower at 7.3 years.

Having provided a broad overview a more detailed overview of the age structure of respondents provides a more in-depth analysis of the situation (see Table 6.2).

Table 6.2:   The age distribution of respondent in private rentals in Kimberley, 2006

Age categories	Area 1 (n)	Area 1 (%)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
< 30 years and younger	147	52.7	53	53.0	200	52.8
31-40	99	35.5	35	35.0	134	35.4
41-50	23	8.2	6	6.0	29	7.7
Above 50	10	3.6	6	6.0	16	4.2
Total	279	100.0	100	100.0	379	100.0

Missing values: 29

Overall, 88.1% of the respondents are younger than 40 years, and 52.8% younger than 30 years. To summarise: it seems as if the average respondent in private rentals has the following characteristics:
- Young (under 40 years)
- Has approximately two dependants
- Earns just under R3500 per month
- Has resided in the current housing unit for an average of 8 years.

- Does not own property and has not benefited from a housing subsidy.

7. An overview of the current housing situation

Essential to an understanding the current market for rental housing in Kimberley is a thorough understanding of the current housing situation of respondents in rental units. Not only does this give one an understanding of the current dynamics, but it also provides suggestions in respect of future marketing.

7.1. Reasons why residents reside in their current housing

Residents were asked what the main reason for their current location was and also whether they were considering locating permanently in the area. The answers per area are represented in Table 7.1 below.

Table 7.1: Reasons for private rental respondents' locating at current location in Kimberley, 2006

Reason for locating in current housing	Area 1 (n)	Area 1 (n)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
Close to work opportunities	56	19.5	56	47.9	112	27.7
Family living here	100	34.8	15	12.8	115	28.5
Nowhere else to go	119	41.5	38	32.5	157	38.9
Other	12	4.2	8	6.8	20	5.0
Total	287	100.0	117	100.0	404	100.0

Missing values: 4

The largest percentage of respondents has indicated that they had nowhere else to go (38.9%). It should also be noted that this percentage in Area 1 is somewhat larger. However, the percentage is lower for the municipal units where 66% of the respondents indicated that they had nowhere else to go. Although not totally comparable it also seems as though fewer people opted for this option of "nowhere else to go" in 2002 than in 2006. The overall percentage for the 2002 study was 60%.

The importance of proximity to work is also indicated in the above table. Overall, 27.7% of the respondent opted for this reason as the main reasons for their current location. In Area 2 the percentage was even higher at 47.9%. These results suggest the importance of proximity to work should always be high on the agenda of new housing provision. The option of proximity to family received 28.5% of the responses. Nearly 35% of the respondents in Area 1 indicated this option.

Overall, the above results have the following consequences for the provision of rental housing in Kimberley:
- The fact that nearly 40% of the respondents stated that they had nowhere else to go, is an indication of need in respect of quality rental units in Kimberley.
- Proximity to work could be a classic phrase in marketing the Hull Street project. It could also be associated with a reduction in respect of transport costs.
- Other marketing slogans could include aspects such as "quality housing" or the "quality alternative" considering the fact that nearly 40% indicated that they had "nowhere else to go."

7.2 Evaluating the current housing situation

In conjunction with the above assessment of the main reasons for settling in their current location, respondents were also asked to evaluate their current housing situation. Respondents were asked to evaluate their current housing situation in one of the following ways (see Figure 7.1):

- Happy
- Satisfied
- Unhappy
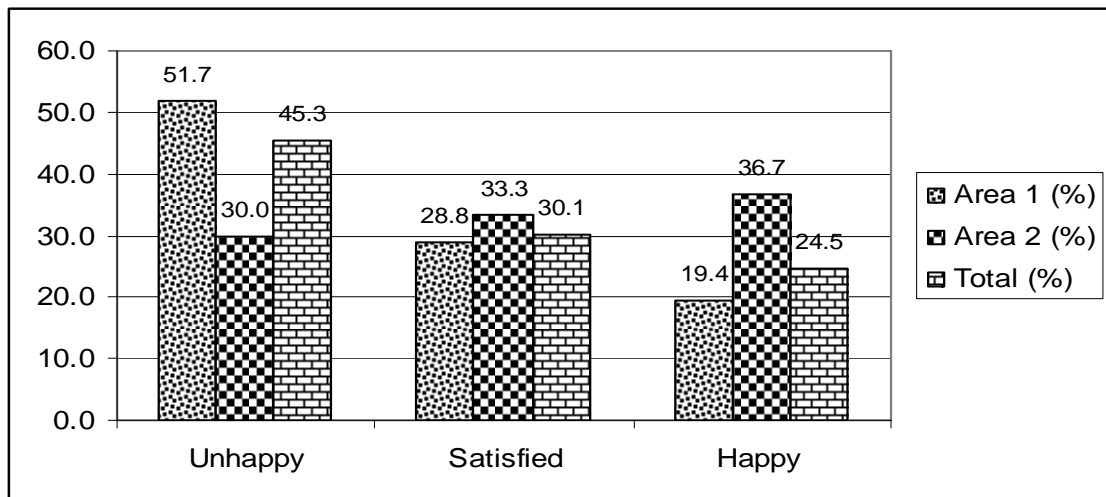
Figure 7.1: ***Respondent's evaluation of their housing situation in private rentals in Kimberley, 2006***

Overall, 45.3% of the respondents suggested that they were unhappy. It should be noted that the percentage of unhappy respondents in Area 1 is much higher (51.7%) than in Area 2 (30%). The percentage of respondents being unhappy is somewhat lower than the percentage recorded for the municipal units in Roodepan (61.1%) but higher than the percentage of respondents being unhappy in the other municipal units. The percentages of respondents being unhappy also seem somewhat higher than the 37% in 2002. A more detailed assessment of the reasons for being unhappy will be provided later in the report.

Nearly one-third of the respondents (30.1%) indicated that they were satisfied with approximately one out of ever four respondents suggesting that they were happy. The percentage of respondents indicating that they were happy is 36.7% in the case of Area 2, which is considerably higher than the 19.4% recorded in Area 1.

In terms of a number of other variables, the following main results should be noted:

- Slightly more male respondents than females indicated that they were unhappy. However, the difference is so marginal that no significant conclusions can be made in this regard.
- It also seems that the younger the respondents are, the unhappier they are. The survey results indicate that 49% of those under the age of 30 years, 47% of those between 31-40 years, 44.9% of those between 41-50 years and 19.8% of those older than 50 stated that they were unhappy.
- No specific trend was visible in respect of education level.

In addition to the above questions respondents were asked whether they would like to reside permanently in their current housing unit. Nearly two-thirds (62.3%) indicated "no" in response to this question. In Area 2 the percentage was even higher at 68.3%. In Area 1, 59.7% gave this response. This percentage of people that do not want to reside permanently in their current housing is more than in the municipal rentals. Yet, compared with the municipal rentals (excluding Roodepan), this percentage for those people currently in private rentals is larger. This is once again an indication of the need for quality housing in these lower income-categories.

7.3   Reasons for being unhappy and happy

In a follow-up to the question on the level of satisfaction respondents were asked to justify their answers. The following reasons were provided as to why respondents were unhappy:

- Living conditions - poor (19.6%)
- Negative social environment / neighbourhood (16.8%).
- No other choice / prefer other house (14.7%)
- Not enough privacy / overcrowded (12.5%)
- Facilities not up to standard (11.9%)
- Lack of security (10.3%)
- Rent too high (6.5%).

Some of the specific comments made by residents were:

- Almost everything broken
- Area rough.
- A lot of crime and noise.
- Landlord lives with me and treats me like working for him.
- Conditions in the room are not very pleasant. The roof is leaking.
- I do not have a good relationship with the owner of the house. He recently told me to look for another place.
- I don't want to raise kids in these circumstances.
- Electricity is a problem.
- I want a comfortable house and it should be near work.
- No electricity and water.
- Tavern next door makes a lot of noise. I cannot sleep.
- It is too far from town and fuel prices are too expensive.

The following reasons were provided by those respondents who had indicated that they were happy:

- Positive social environment / neighbourhood (22.7%)
- Quiet, peaceful and private (17.5%)
- Safe and secure (17.5%)
- Positive overall evaluation (15.5%)
- Proximity to facilities (15.5%)

The above reasons for being happy or unhappy provide a number of clues for future marketing. Considering the above situation, the following aspects could receive attention in marketing of new rental housing units:

- Quality housing and infrastructure

- Safe (specifically for children)
- Proximity to the CBD

7.4 Current housing, type size and infrastructure access

The above two sections suggested that a large number of people are fairly unhappy with their housing environment. In this section, an overview is provided of the type of house, the number of bedrooms, the type of sanitation available, as well as the type of water access available. Figure 7.2 provides an overview of the housing type.
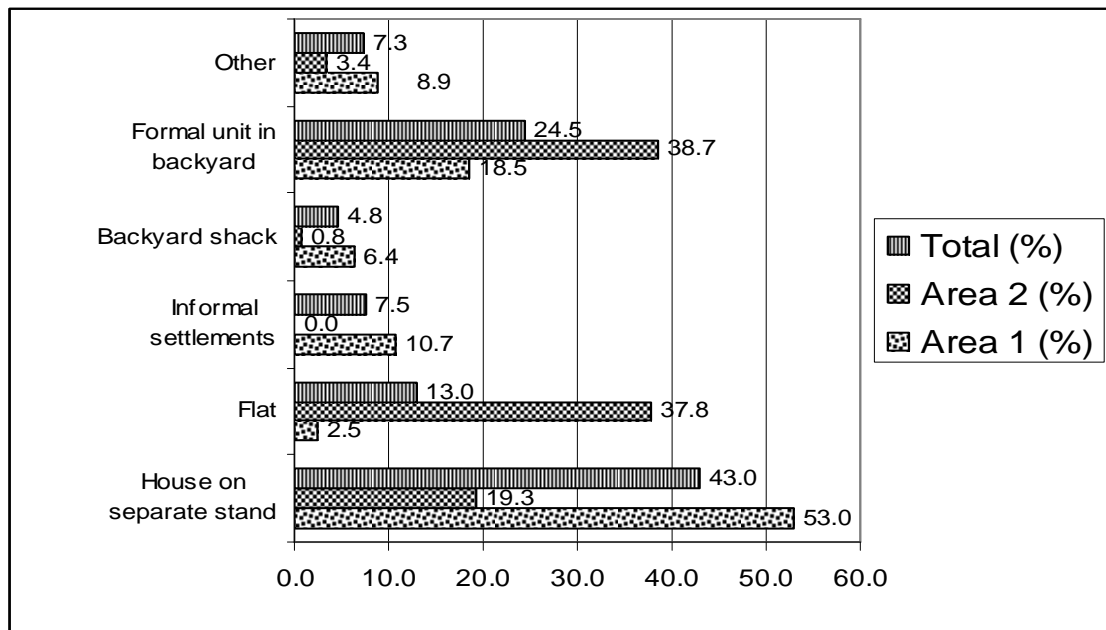
Figure 7.2: The housing type for private rentals in Kimberley, 2006

Some of the methodological procedures contributed to the profile in Figure 7.2. For example, a specific attempt was made to capture data relating to some residents in informal settlements. Despite this, the following aspects should be noted:
- The largest percentage of private renters reside in houses on separate stands (43%). It should be noted that the percentage in Area 1 (53%) is considerably higher than the percentage in Area 2. There is thus no long history of people residing in high-density double-storey units.
- The second major type of housing unit is a formal unit in the backyard. Overall, nearly one out of every four respondents resides in this type of housing. In Area 2 38.7% of the respondents reside in such housing. This form of housing represents the private sector contribution, over the past 15 years, towards private rental provision.
- The third largest proportion of private renters reside in flats (13%). In Area 2 this percentage is the second highest (37.8%).

Table 7.2 provides an overview of the current housing size in the private rentals in Kimberley.

Table 7.2: ***Number of bedrooms of current housing for respondents in private rentals in Kimberley, 2006***

Number of bedrooms	Area 1 (n)	Area 1 (n)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
1	94	35.6	61	60.4	155	42.5
2	122	46.2	20	19.8	142	38.9
3	34	12.9	19	18.8	53	14.5
4	12	4.5	1	1.0	13	3.6
5	1	0.4	0	0.0	1	0.3
6	1	0.4	0	0.0	1	0.3
Total	264	100.0	101	100.0	365	100.0
Average number of bedrooms	1.9		1.6		1.8	

On average the private rental units have 1.8 bedrooms per unit. The number of bedrooms in Area 1 is 1.9, compared with 1.6 in Area 2. In comparison with the municipal rentals the average size is somewhat smaller that the 2.2 recorded for the municipal rentals. The percentage of one-bedroom units for these private rentals is also considerably higher than the percentage in the municipal units. Although the report will later consider preferences in respect of housing size, the above reality might suggest that consideration could be given to the construction of a small percentage of one-bedroom units.

The report has already indicated that poor levels of infrastructure are one of the reasons why respondents are "unhappy". In the following two tables a profile of access to water and sanitation is provided (see Table 7.3 and Table 7.4).

Table 7.3: ***Type of sanitation for residents in private rentals in Kimberley, 2006***

Type of sanitation	Area 1 (n)	Area 1 (n)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
Waterborne in house	137	47.9	98	81.7	235	57.9
Waterborne outside house	133	46.5	20	16.7	153	37.7
Bucket	14	4.9	0	0.0	14	3.4
VIP system	0	0.0	2	1.7	2	0.5
None	1	0.3	0	0.0	1	0.2
Other	1	0.3	0	0.0	1	0.2
Total	286	100.0	120	100.0	406	100.0

Missing values: 2

Generally, access to sanitation is currently fairly good. Waterborne sanitation is available to 57.9% of the respondents in their houses. In the case of Area 2 this percentage is 81.7%. In Area 1 the percentage is somewhat lower at 47.9%. Waterborne sanitation is available to 95.6%. However, in 37.7% of the cases the waterborne sanitation is not available in the house. A small percentage of respondents use a bucket system (3.4%). The fact that over 95% of the respondents are used to a waterborne system makes the current emphasis on alternative sanitation at the Sol Plaatje Housing Company a major risk. Ensuring acceptability will be dependent on extensive education. Table 7.4 reflects water access in private rentals.

Table 7.4: **Water access for residents in private rentals in Kimberley, 2006**

Type of water access	Area 1 (n)	Area 1 (n)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
In house	151	53.2	104	87.4	255	63.3
On stand	99	34.9	15	12.6	114	28.3
Public tap	34	12.0	0	0.0	34	8.4
Total	284	100.0	119	100	403	100.0

Missing values: 5

Access to water in the house is available to 63.3% of the respondents. The percentage is significantly higher in Area 2, with 87.4% of the respondents having access to water in the house. A further 28.3% of the total respondents have water on the stand. Finally, 8.4% of the respondents have indicated that they use a public tap – all of these respondents are in Area 1 and most of them come from the informal settlement area which formed part of the survey..

The overview of the current housing situation in private rental accommodation suggests that housing units are smaller than municipal rentals, residents have a fair amount of complaints with specific shortcomings in respect of the public environment. This report has already indicated that some of these shortcomings can be used effectively in respect of a marketing strategy.

7.5   Means of transport to work

The report has already mentioned the importance of proximity to work with a view to reducing transport costs. This section reflects the main form of transport that respondents use besides walking (see Table 7.5).

Table 7.5: **Main form of transport for respondents in municipal rentals in Kimberley, 2006**

Main form of transport besides walking	Area 1 (n)	Area 1 (%)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
Taxi	223	77.7	51	44.0	274	68.0
Bicycle	6	2.1	3	2.6	9	2.2
Personal car	49	17.1	46	39.7	95	23.6
Bus	7	2.4	5	4.3	12	3.0
Do not use transport	2	0.7	11	9.5	13	3.2
Total	287	100	116	100	403	100

Missing values: 5

It is evident that 68% of the respondents are using taxis as main form of transport – besides walking. Nearly one-quarter of the respondents do have access to a personal car. What is evident is the fact that taxi use is higher in Area 1. Although a number of reasons could contribute to this, the most prominent reason using taxis is probably the lack of proximity to the CBD and also to the main areas of employment in Kimberley. Once again proximity to work and the CBD should be emphasised in marketing materials.

7.6   Suggestion to improve current situation

Considering the above reality and also the levels of satisfaction, respondents were asked whether they would like to improve their situation (see Figure 7.3).
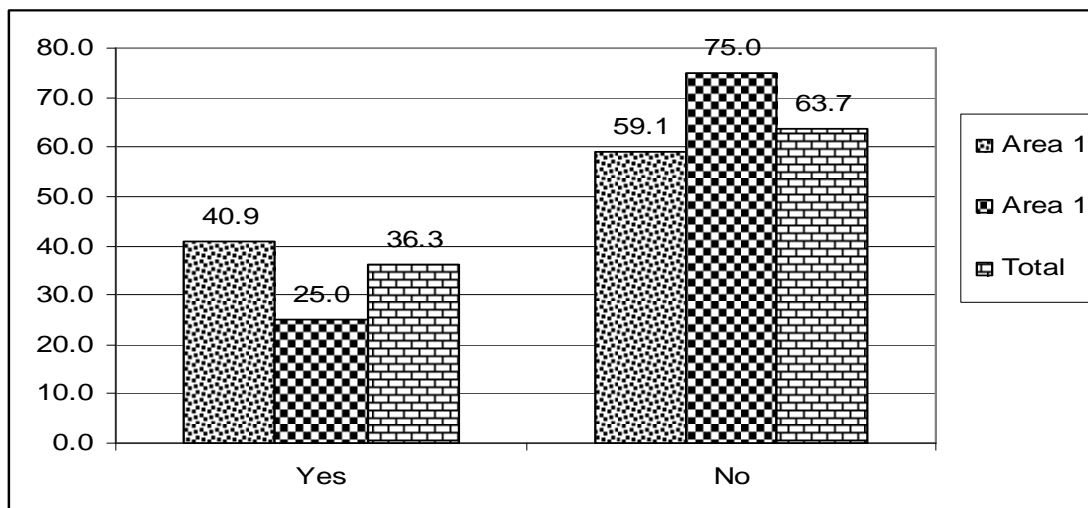
Figure 7.3:   *Percentage of respondents suggesting that they would like to improve their current housing environment in rental units in Kimberley, 2006*

Overall, over one-third of the respondents (36.3%) indicated that they would like to improve their current housing situation. The largest percentage in this regard came from Area 1 where two in every five respondents responded positively to improvements. More importantly the question is: What kinds of improvements are suggested by the respondents (see Table 7.6).

Table 7.6:   *Improvement suggested by the respondents in private rentals in Kimberley, 2006*

Suggestions to improve housing situation	Area 1 (n)	Area 1 (%)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
Need a bigger / better place	25	21.7	9	31.0	34	23.6
Improved road conditions	17	14.8	1	3.4	18	12.5
Improved Security	13	11.3	5	17.2	18	12.5
Better water access	16	13.9	0	0.0	16	11.1
Improved sanitation	9	7.8	5	17.2	14	9.7
Improved social environment	10	8.7	3	10.3	13	9.0
Improved living conditions	7	6.1	3	10.3	10	6.9
Basic maintenance of general municipal infrastructure	5	4.3	1	3.4	6	4.2
Better electricity / street lights	4	3.5	0	0.0	4	2.8
Other	9	7.8	2	6.9	11	7.6
Total	115	100.0	29	100.0	144	100.0

Nearly one in every four respondents suggested that they needed a bigger or better place to reside in. A further 12.5% suggested that a better road network would improve their situation, while the same percentage suggested an improvement in security. Except for roads, other concerns about municipal infrastructure were also expressed. For example, 11.1% indicated the desire for improved water access, and 9.7% indicated that improved sanitation access would be helpful. The implications of the above suggestions for improved private rental housing are that the emphasis on quality housing, infrastructure and safety should form part of the marketing strategy. However, the situation in respect of basic municipal infrastructure also suggests to the

municipality that the maintenance of basic infrastructure is important to maintain a vibrant private rental market.

7.7 Alternatives to current housing situation

Respondents were also asked whether they would have an alternative should they find themselves in conflict with their landlord. In this regard 31.8% indicated that they would have an alternative and the remainder responded that no alternative was available. The percentage was somewhat higher in the case of Area 2, where 40.8% of the respondents gave this response. The comparative percentage for Area 1 was 28%.

7.8 Future housing preferences

The sections above has provided an overview of the current housing situation, respondents' evaluation of the situation and suggested improvements. In this section the focus changes to an assessment.

7.8.1 Tenure

Respondents were requested to indicate their future tenure preferences in respect of rental, ownership or the option of rent to buy later (see Table 7.7).

Table 7.7: Tenure preference of respondents in private rental housing in Kimberley, 2006

Type of tenure preferred	Area 1 (n)	Area 1 (n)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
Rental	27	9.4	31	26.1	58	14.3
Owning a house	152	52.8	52	43.7	204	50.1
Renting with the aim of owning later	109	37.8	36	30.3	145	35.6
Total	288	100.0	119	100	407	100.0

Missing value: 1

Only 14.3% indicated that they would prefer rental housing. A further 35.6% stated that they would rent now with the aim of owning later. Thus, overall nearly 50% indicated that they would prefer some form of rental housing at the moment. It should also be mentioned that the rental options received more favourable attention from respondents in Area 2. Although these preferences should be noted, it should also be understood that owning a house could be unaffordable to many of the residents who would like to own houses.

7.8.2 Preference in respect of number of rooms required

Earlier, in Section 7.4, the report provided an overview of the current number of bedrooms. In this section the emphasis shifts to determining the preferences in respect of housing size (see Table 7.8).

Table 7.8: Preferences in respect of housing size by respondents in private rental housing in Kimberley, 2006

Type of housing preferred	Area 1 (n)	Area 1 (n)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
1-bedroom	24	8.8	9	7.9	33	8.5
2-bedroom	89	32.7	41	36.0	130	33.7
3-bedroom	159	58.5	64	56.1	223	57.8
Total	272	100.0	114	100	386	100.0

Missing values: 22

The largest preference was for 3-bedroom units. Approximately 57% of the respondents indicated that they would prefer 3-bedroom units, compared with 33.7% for 2-bedroom units and 8.5% for 1-bedroom units. The average expected number of bedrooms per house was 2.5. This average is considerably bigger than the current units. These preference should, however, be assessed against affordability levels – something which will be addressed later in the report.

7.8.3   Other housing preferences

A number of questions also considered the general housing preferences of respondents. These preferences are summarised below in Table 7.9.

Table 7.9:   General housing preference of respondents in private rental housing in Kimberley, 2006

Preference indicator	Yes (%)
Prefer housing unit on top floor?	31,1
Prefer housing unit on ground floor?	68.9
Should space for gardening be provided?	87.7
Do you often receive visitors?	72.8
Should space be provided for trading from home?	59.5
Should space be provided for children to play?	88.5
Should space be provided for cultural activities?	71.1

It should be noted that most residents would prefer units on the ground floor. This is probably the result of their current experiences. The need for gardening (87.7%), as well as the high percentage receiving visitors, should also be noted (72.8%).

7.8.4   Alternative sanitation and electricity

Sol Plaatje Housing Company is currently making use of an alternative sanitation and grey water system. As these systems are usually met with some resistance, respondents were asked to indicate whether they would accept such systems. Just more than 62% of the respondents indicated that they would. This response is also considerably higher than the preference expressed in 2002, when 47% of the respondent found alternative sanitation acceptable. Three notes should be made in this regard:

- The emphasis on alternative sanitation considerably reduces the market size (something which will later be outlined in more detail).
- The fact that there has been an increase in the percentage of people considering the option should be viewed positively. This is probably related to the fact that something new always takes some time to become acceptable.
- At the same time, continued education should take place in respect of alternative sanitation.

8.   Affordability

The above sections considered the current housing situation, the evaluation thereof by respondents, as well as their housing and tenure preferences. Although this information is crucial, the question of affordability should also be considered. Affordability is not only a related to income, but to an overall understanding of income, employment profile, expenditure, savings, credit access, willingness to pay, ability to pay, current payments and payment culture are all aspects to be considered in respect of affordability. An overview of these aspects follows below.

8.1   Income levels of respondents

Some comments have already been made in respect of average income.   More importantly, income distribution should also be assessed (see Table 8.1).   The table should be understood against the methodology that was followed.   In principle, respondents were selected on the basis of their income profile.   Essentially, households with monthly incomes of between R1500 and R7000 were targeted. However, a very small percentage of respondents fell outside this income bracket. Therefore, the percentages reflected in Table 8.1 should not be seen as a normal distribution of private rentals in Kimberley.   It should rather be viewed as a distribution of the income levels of respondents earning between R1500 and R7500 per month.

Table 8.1:   The distribution of monthly income for respondents in private rentals in Kimberley, 2006

Income categories	Area 1 (n)	Area 1 (n)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
< R1500	6	2.1	4	3.4	10	2.5
R1501-R2500	131	45.8	26	22.4	157	39.1
R2501 – R3500	61	21.3	26	22.4	87	21.6
R3501 – R5250	52	18.2	27	23.3	79	19.7
R5251-R7000	33	11.5	31	26.7	64	15.9
Above R7000	3	1.0	2	1.7	5	1.2
Total	286	100.0	116	100.0	402	100.0
Average income (R)		3 158		3 940		3 383

Missing values: 6

Nearly 40% of the respondents currently earn monthly incomes of between R1500 and R2500.   This percentage is considerably higher in Area 1 (45.8%) compared with Area 2 (22.4%).   A further 21.6% of the respondents earn between R2501 and R3500 per month.   For the remaining categories the percentages are 19.7% for R3501-R5250 and 15.9% for those between R5251 and R7000.   Compared with the income levels in the municipal rental units the percentage of households earning more than R3500 is considerably larger in the private rentals.   In the case of the municipal rentals this percentage is 19.7% compared with the 36.8% in the case of the private rentals. Overall, this suggests that the affordability levels might be higher in the case of private rentals. Furthermore, effective ways should be investigated to cross-subsidise smaller units and lower-income households by means of the rentals of higher income residents.

8.2   Employment profile

The employment profile of the respondents in the private rentals is provided below in Table 8.2 and Table 8.3.   The sectoral overview has not followed the basic economic sectors. A more detailed overview has been provided.

Table 8.2: ***Employment profile for respondents in private rentals in Kimberley, 2006***

Type of employment	Area 1 (n)	Area 1 (%)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
Elementary	74	25.8	20	16.7	94	23.1
Administration	44	15.3	19	15.8	63	15.5
Professional	29	10.1	25	20.8	54	13.3
Security	36	12.5	14	11.7	50	12.3
Merchandiser	36	12.5	12	10.0	48	11.8
Artisan	28	9.8	9	7.5	37	9.1
Food industry	10	3.5	5	4.2	15	3.7
Driver	11	3.8	2	1.7	13	3.2
Pensioner	7	2.4	5	4.2	12	2.9
Unemployment	8	2.8	3	2.5	11	2.7
Student	1	0.3	6	5.0	7	1.7
Self-employment	3	1.0	0	0.0	3	0.7
Total	287	100	120	100	407	100

Missing value: 1

Table 8.3: ***An overview of sector of employment of respondents in private rentals in Kimberley, 2006***

Type of employment	Area 1 (n)	Area 1 (%)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
Employed in private sector	153	54.8	41	35.0	194	49.0
State	70	25.1	48	41.0	118	29.8
Self-employment	17	6.1	6	5.1	23	5.8
Mine	7	2.5	10	8.5	17	4.3
Municipality	12	4.3	2	1.7	14	3.5
Pensioner	7	2.5	5	4.3	12	3.0
Parastatals	7	2.5	3	2.6	10	2.5
Financial institutions	5	1.8	1	0.9	6	1.5
NGO/CBO	1	0.4	1	0.9	2	0.5
Total	279	100	117	100	396	100

Missing values: 12

A number of things should be noted in respect of the above two tables as well as on the report on the municipal rentals:

- Compared with municipal rentals (28.6%), the percentage of pensioners in the private rentals (2.9%) is virtually non-existent.
- The second important conclusion relates to the fact that the percentage of respondents employed in the private sector and residing in the private rental market is markedly bigger than that for municipal rentals. For example, 49% of the private rental respondents are employed in the private sector, compared with 39% in the municipal units.
- It should also be noted that except for a small percentage of professionals (13.3%) the largest number of people are employed in elementary or administrative jobs.

Overall, as can be expected from the fact that the survey focused on specific income brackets, the employment profile suggests lower-income workers. However, these people are mostly also beyond the main focus of the ownership subsidy. Hence, the

opportunity exists to provide some housing options to people with these employment profiles. It should also be remembered that an improvement in the housing conditions of these people would probably lead to higher levels of productivity. The fact that a large percentage of people are employed in the formal sector also reduces some risk. Furthermore, it also makes the possibility of rental payments through stop orders or pay- slip reductions a strong possibility. It seems as if more than 80% of the possible clients could be contracted in this way.

8.3 Savings

The availability of savings is important in respect of two aspects. It firstly relates to the ability to absorb shocks. Secondly, the Sol Plaatje Housing Company requires a fairly substantial deposit. The availability of savings might help towards paying such a deposit. Overall, 112 respondents (27%) indicated that they had savings in a savings account. The average amount saved was R2500. In addition, 26 respondents (5.3%) said that they had savings as part of a Stokvel. The average amount of money in the Stokvel is R3545. A further 57 respondents (14%) indicated that they had other savings in the bank. The average amount for these savings was R8 800. Generally, it seems that on average respondents would have an amount equal to one months rental available in terms of savings.

8.4 Access to credit

A profile of credit access and repayment is pivotal for the following reasons:
- It provides some indication of the levels of debt that respondents have.
- It also tells one something of the creditworthiness of potential clients.

Table 8.4 provides an overview in this regard.

Table 8.4: *An overview of credit access and repayment of respondents in private rentals in Kimberley, 2006*

Type of credit	Area 1 : Monthly repayment per household	Area 1: % of respondents with this type of credit	Area 2: Monthly repayment per household	Area 2: % of respondents with this type of credit	Monthly repayment per household	% of respondents with this type of credit
Hire purchase	138.12	22.6	212.92	27.9	160.12	24.3
Credit card	43.10	13.3	119.63	12.7	69.88	13.1
Loan	79.28	12.7	164.49	13.9	104.34	13.1
Clothing account	178.98	47.0	261.58	42.4	203.27	45.4
Vehicle	75.03	3.9	61.67	1.8	71.10	3.2
Other	2.92	0.6	9.58	1.2	4.88	1.0
TOTAL	517.42	100.00	829.87	100.00	613.60	100.00
Average income		3 158		3 940		3 383
% spent on credit repayment		16.4		21.1		18.1

On average, respondents in the private rentals were paying 18.1% of their monthly income on repayments of debt. In Area 1 this was slightly lower at 16.4% while the percentage in Area 2 was 21.1%. The largest percentage of repayment went towards clothing accounts (45.4%). The second highest repayments were in respect of hire purchases. In general, it would seem as if the credit worthiness of these respondents

is higher than that for respondents in the municipal flats. Obviously, the higher levels of creditworthiness also require a greater sense of responsibility.

8.5 Current payment culture

Nearly 90% of the respondents indicated that they were paying their monthly rent. It should be noted that this percentage is lower than in the case of the municipal rentals, but that it is probably far more accurate and trustworthy. Figure 8.1 provides an overview of the monthly rentals payable by the respondents.
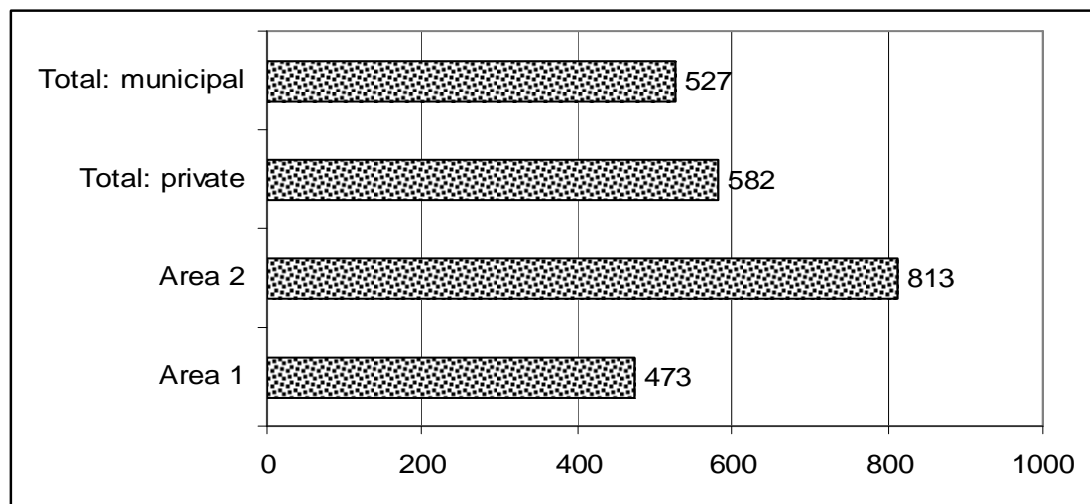
Figure 8.1: ***Monthly rental payable by respondents in the private and municipal rental units in Kimberley, 2006 (Rands)***

A number of observations should be made in respect of Figure 8.1:

- The average private rentals are approximately 10% more than the average municipal rentals.
- The average rentals in Area 1 are, however, 10% lower than the average rentals for the municipality. However, this amount is still about 7.5% higher than the rentals in the Roodepan units.
- The average rental amounts per month in Area 2 (R813) are approximately 90% higher than those in Area 1 (R473). This is the case despite the fact that income levels are only marginally lower (10%) in Area 1 than in Area 2. This reality probably suggests that people are willing to pay substantially more if a quality living environment is provided.

A more detailed analysis of the relationship between income and rentals is provided below in Table 8.5.

Table 8.5: ***A comparison of rentals and income for respondents in private rentals in Kimberley, 2006***

Area	Average monthly rentals (Rand)	Average monthly income (Rand)	% of income - 2006
Area 1	473	3158	15.0
Area 2	813	3940	20.6
Total	582	3383	17.2

Taking into consideration the norm that households should not pay more than 30% of their income on rentals the following comments should be made in respect of Table 8.5 above:
- The average monthly payment for rentals is 17.2% of household income.
- This percentage is somewhat higher in Area 2 (20.6%) than in Area 1 (15%). However, these percentages in Area 3 are consistently lower than those in municipal units in the former "white" group areas of Kimberley. The 15% in Area 1 is also 3% lower than the percentage paid for rentals in Roodepan.

It generally seems as if there is enough indication from practice that people are prepared to pay substantially more for housing units on two conditions: firstly, if they provide a substantially better quality environment – both in respect of the condition of the houses, as well as access to infrastructure; secondly, proximity to places of employment also reduces transport costs and helps the household to pay more towards housing.

8.6 Able to pay
The above argument was that respondents are able to pay more than they are currently paying. The focus in this section is then on what respondents are able to pay (see Table 8.6).

Table 8.6: An indication of what respondents in private rentals in Kimberley are able to pay for rental housing, 2006

Amount able to pay	Area 1 (n)	Area 1 (%)	Area 2 (n)	Area 2 (%)	Total (n)	Total (%)
R0-R100	1	0.3	0	0.0	1	0.2
R101-R200	22	7.6	0	0.0	22	5.4
R201-R300	21	7.3	4	3.4	25	6.1
R301-R400	50	17.4	12	10.1	62	15.2
R401-R500	31	10.8	15	12.6	46	11.3
R501-R600	84	29.2	25	21.0	109	26.8
R601-R700	17	5.9	5	4.2	22	5.4
R701-R800	20	6.9	14	11.8	34	8.4
R801-R1000	16	5.6	16	13.4	32	7.9
R1000-R1200	8	2.8	6	5.0	14	3.4
R1201-R1400	2	0.7	7	5.9	9	2.2
R1400-R1600	10	3.5	5	4.2	15	3.7
R1601-R1800	1	0.3	3	2.5	4	1.0
R1801-R2000	2	0.7	6	5.0	8	2.0
Above R200	3	1.0	1	0.8	4	1.0
Total	288	100	119	100	407	100
Average rental able to pay		571		802		639
Average income		3 158		3940		3384
Percentage of rentals in terms of income		18.1		20.4		18.9

Missing value: 1

The following should be noted in respect of the above table:
- There is nearly a 20% difference in what respondents are willing to pay and what they are currently paying in Area 1. The respondents indicated that they

were paying R473 per month currently, while they were actually able to pay R571 per month on average.

- Yet, in the case of Area 2 there is virtually no difference in respect of what they are currently paying and what they are able to pay.

Overall, the percentages are still far below the highest norm for the industry (30%). It seems as if only the top 30-40% of the respondents will be able to afford a market-related rental.

8.7   Comparative payment for different sizes

The purpose of this assessment is to investigate whether there is an increase payment between different housing sizes. Figure 8.2 compares the amount that employed respondents are willing to pay for a bachelor unit and a one-bedroom unit. Figure 8.3 compares the amounts that respondents are willing to pay for a one-bedroom unit compared with a two-bedroom unit. Figure 8.4 compares the amounts respondents are willing to pay for a two-bedroom unit and a three-bedroom unit. It should be noted that there were some outliers, and they were excluded from the figures.
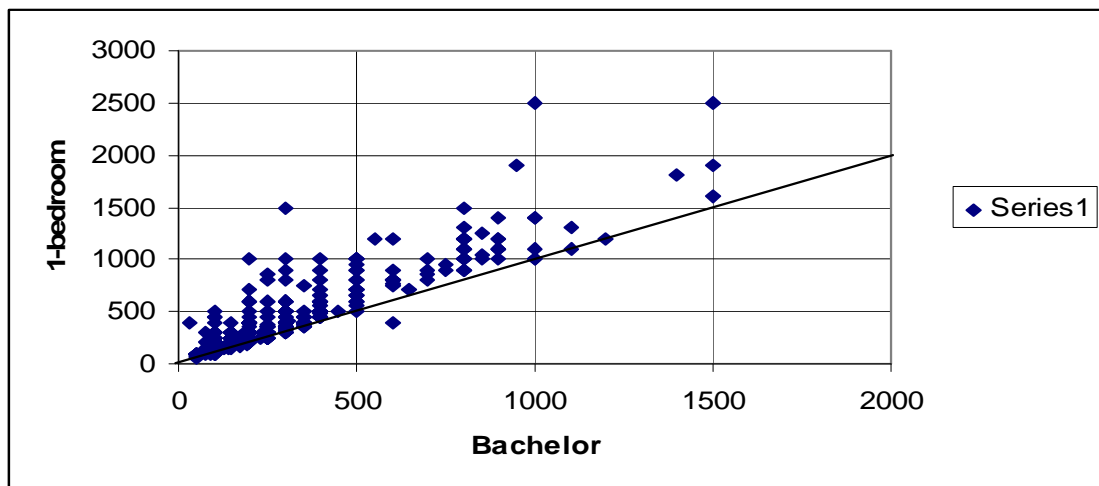
Figure 8.2:   A comparison of payment for one-bedroom and bachelor units for respondents in private rental housing stock in Kimberley, 2006
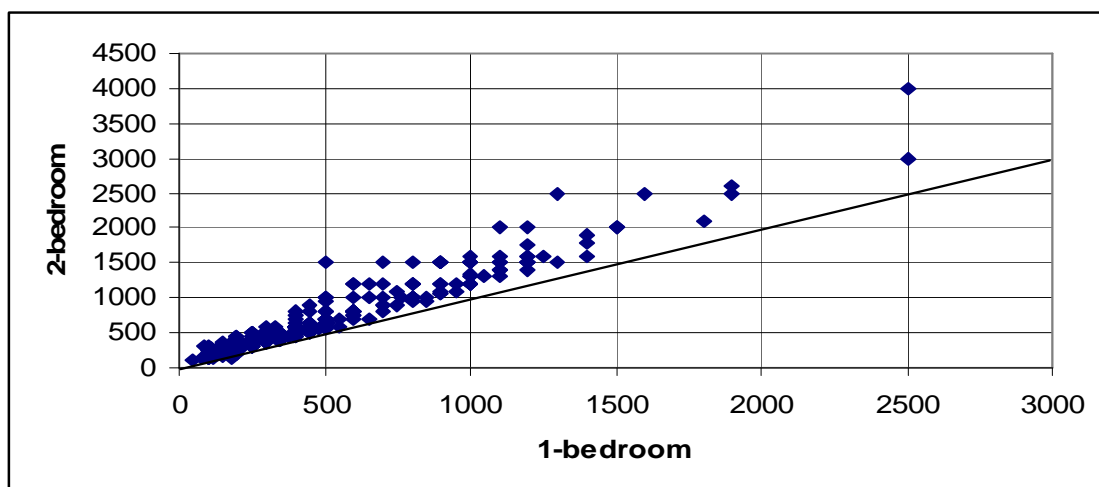
Figure 8.3:   A comparison of payment for one-bedroom and two-bedroom units for respondents in private rental housing stock in Kimberley, 2006
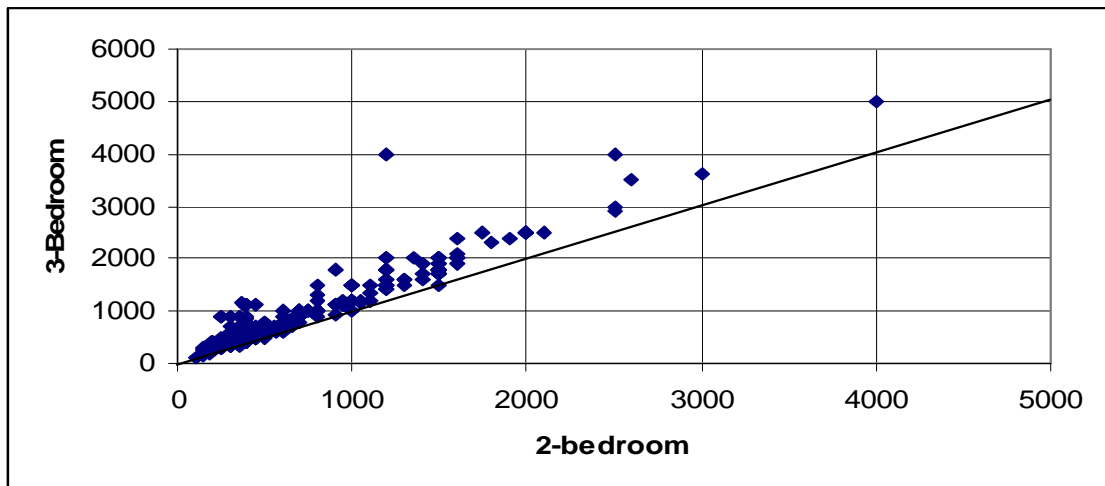
Figure 8.4:   A comparison of payment for one-bedroom and bachelor units for respondents in private rental housing stock in Kimberley, 2006

Figures 8.2 – 8.4 suggest that most of the residents in the municipal rental units recognise that large units require an increase in rentals. For example, according to Figure 8.4, the vast majority of residents suggested that the rentals for three-bedroom units should be more than for two-bedroom units. The same trends are visible in Figure 8.4 reflecting a comparison of two-bedroom and one-bedroom units and in Figure 8.3 comparing bachelor units and one-bedroom units. Considering the fact that their current units are smaller than they would like to have, the results probably suggest that respondents would consider paying higher rentals for larger units.

8.8   A comparison of what respondents are willing and able to pay
Payment behaviour is of the utmost importance in respect of rental housing. Respondents were asked to reflect on the amount that they are able to pay and that which they are willing to pay. Figure 8.5 provides a comparison in this regard.
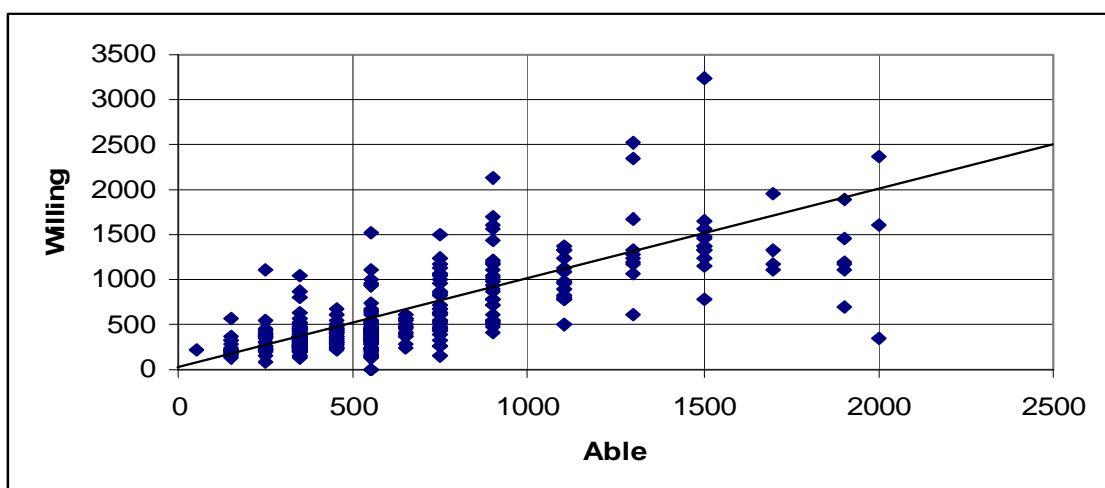
Figure 8.5:   A comparison between what respondents in private rental units are willing to pay and what they are actually able to pay in Kimberley, 2006

Figure 8.6 reveals that 50% of the respondents are willing to pay more than they are actually able to pay. The opposite seems also to be true in that 50% of the respondents are able to pay more than they are willing to pay. Overall, it again suggests that, should a better form of housing be provided, a substantial number of people would be willing to increase their rental payment.

8.9 The relationship between what respondents are willing to pay and what they are actually paying

Taking the analysis further, the relation between what residents are willing to pay and what they are actually currently paying is outlined in Figure 8.6.
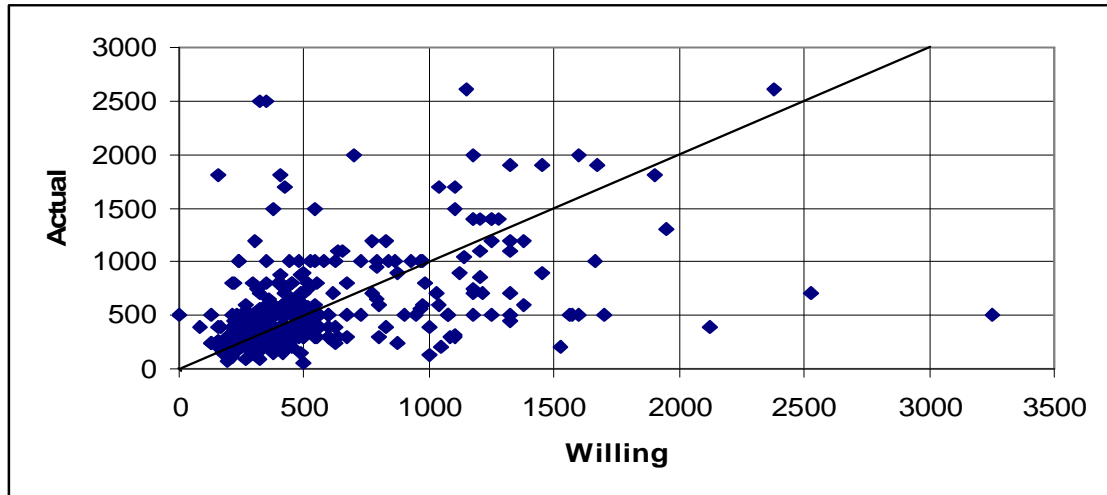
Figure 8.6: **A comparison between what respondents in private rental units are willing to pay and what they are able to pay in Kimberley, 2006**

The above figure again suggests that about 50% of the respondents are willing to pay more than they are currently paying. At the same time 50% are also currently paying more than they are willing to pay.

8.10 Discussing affordability
8.10.1 Income and affordability
Table 8.7 provides an overview of the average rentals paid in each of the income categories under consideration. The average rentals were determined by making use of the middle of the income category. For example, if the income category was between R1 500 and R2 500 the average income was taken as R2000.

Table 8.7: **A comparison of rentals paid and income per income category for respondents in private rentals in Kimberley, 2006**

Income categories	Percentage in income category	Average rental for income category	% of income spent on rentals
<R1500	2.5	545	45.4
R1501-R2500	39.1	385	19.3
R2501-R3500	21.6	533	17.8
R3501-R5250	19.7	671	15.4
R5251-R7000	15.9	935	15.3
Above R7000	1.2	1375	16.2

If the above percentages of income paid towards rentals are compared with the municipal situation a number of points should be noted:

- The averages remain constant at between 16% and 20% for those categories beyond R1500 per month.
- This is in direct contrast to the situation in municipal units.
- The percentage for the category below R1500 is fairly high yet difficult to determine in that the real income is not available.

The above figures generally confirm that the current percentage paid towards rent is fairly small in these private rentals.

8.10.2 Disposable income

The emphasis now shifts to determining the disposable income of the different income groups. The disposable income for each income group is presented in Annexure B by means of a stems and leaves presentation. The following methodological procedures should be noted:

- It was calculated at the bottom and the top end of each category.
- Calculations include neither credit repayments nor rent as stated in the database.
- The database includes only employed participants.
- Disposable income totalling zero has been excluded.
- No distinction was made between Area 1 and Area 2.

The data contained in Annexure B Table 8.8 summarises

Table 8.8: *Summary of affordability indicators per income category for respondents in municipal owned rentals in Kimberley (Moghul Park, Beaconsfield and New Park), 2006*

Indicators	R1500 and lower		R1501-R2500		2501-3500		R3501-R5250		R5250 – R7000	
	Below	High	Below	High	Below	High	Below	High	Below	High
Median disposable income	-687	-87	-51	809	229	1228	703	2452	1600	3349
No of respondents in category	10	10	155	155	86	86	78	78	64	64
Number of households overspending	8	2	83	16	29	4	15	3	3	0
% of households overspending	80.0	20.0	53.5	10.3	33.7	4.7	19.2	3.8	4.7	0.0
Estimated default percentage		50.0		31.9		19.2		11.5		2.3

Overall an expected default rate of 20.7% can be expected. However, if the basic systems are in place this could manage to lower levels. The highest levels of defaults can be expected in those households earning less than R1500 (50%) followed by R1501-R2500 (31.9%), R3501-R5250 (11.5%) and R5250-R7000 (2.3%) categories. What also seems evident from the above figures above is that the higher the income, the lower the risk for non-payment. The possible default rate is also lower than in the municipal units.

9. Considering demand

One of the main objectives of the research was to determine the demand for rental housing in Kimberley. The process is explained in the Table below (see Table 9.1). In order to understand Table 9.1 the following comments should be made in respect of the methodology employed:

- The household growth up to 2010 was taken into consideration.
- The average number of households renting a unit in 2001 the basis for the 2010 household projection (13.5).
- The 50% preference for rent or renting to buy later was taken as a basis. This is arbitrary in that it immediately excludes the other 50% of households who are currently renting. Thus theoretically, the methodology can be argued not necessarily to exclude this group.
- Then, too, the percentage of households who own property and also those who have previously received a housing subsidy are excluded.
- The 75% of the total was taken, as only 25% of the respondents indicated that they were happy in their current housing.
- As rental housing is usually occupied by younger people, the 12% of households older than 40 years were excluded.
- The affordability levels were determined by assuming that 10% of the residents owning below R2500 would be able to afford the units, 80% of those between R2501 and R3500, and 98% of those between R5250 and R7000.
- Then it was considered that about 10% of the respondents from Roodepan would also be clients.
- Finally, the acceptability of alternative sanitation was considered.

Table 9.1:   An overview of rental housing demand in Kimberley, 2006

Criteria used	2001	2010	Justification
Current households	46844	49100	Growth rate of 0.5% p.a. used
Current rentals		6629	13.5% according to census data
Preference for renting		3314	50% prefer rental and rent to buy
Own property		3096	6.6% own property
Qualifying for subsidy		2981	3.7% have received subsidy
Employment stability		2683	10% self-employment and mining-related employment
Currently satisfied or unhappy		2012	75% chose this option
Age 40 and below		1775	88.2% are below 40 years
Affordability		985	10% of those below R2500; 80.8% of those R2500-R3500; 88.7% of those R3500-R5250; 97.7% of those R5251-R7000 and 100% of those above (calculated proportionally)
Plus 10% from Roodepan municipal rentals		1025	
Taking into account alter native sanitation		635	62% acceptability

The overall demand is considered at about 600 units, if the issue of alternative sanitation is taken into consideration. If alternative sanitation is excluded, the demand is above 1000 units.

10.   Conclusion

Finally, a number of conclusions should be made in respect of the report:

- Although Kimberley's economy grew in the period between 1996 and 2004, the population did not. The mining industry has moreover declined considerably since 2005.

- Hitherto housing provision in Kimberley has focused explicitly on ownership housing for the lower-income households.

- A large percentage of people residing in private rentals are not satisfied with the ir current housing situation and would consider other options. Aspects which they will specifically consider are a larger house, a better-quality house, an appropriate infrastructural environment and closer proximity to work.

- The current rental amounts paid by respondents in private rentals are smaller than the percentage in the municipal units. It generally seems that a fair percentage of people would be able to pay considerably more for accommodation than is currently the case.

- The data show that non-payment of rent is a real problem. Effective management procedures should be put in place to address this reality.

- Overall, it seems as if a need of between 600 and 1200 units exists in Kimberley. Yet, it is suggested that the second phase of 370 units should be completed and that the market demand for these units should then determine the extent of further expansion.

NEEDS ASSESSMENT & AFFORDABILITY

QUESTIONNAIRE

All fieldworker instructions are in italics

Please fill in the following before starting the interview

Fieldworker name:		
Fieldworker supervisor:		
Date:		
Interview type	*Beneficiary list*	*0*
	Private rentals: Historically Coloured	*1*
	Private rentals: Historically White	*2*
	Private rentals: Historically Black	*3*
	Private rentals: Mixed	*4*
	Roodepan: Municipal rentals	*5*
	Kimberley: Municipal rentals	*6*
	Roodepan: Waiting list	*7*
	Kimberley: Waiting list	*8*
	Informal settlements	*9*

This paragraph should be read as an introduction.

Hello, my name is ……….……….…….. (*fieldworker name)* and I am working for the Sol Plaatjie Municipality (Kimberley). I would like to find out more about your housing situation and needs. We are trying to find out what people need and what they are prepared to pay for housing.

We would like to interview you if you have the time. Will you please answer the following questions to the best of your ability and as honestly as possible. All the information will remain confidential and anonymous, and you do not need to answer any questions that you are not comfortable with. The more information you provide, the better it will serve to advise and inform the housing project planned for the area.

Thank you for your participation and assistance.

Please note the following before starting the interview with the respondent

Tick (✔) the applicable blocks

Gender: Male   ☐   Female   ☐   ☐ ☐ ☐

- *In the questionnaire tick the applicable blocks or fill in information where necessary.*
- *Be careful when filling in the table questions.*
- *If you encounter any problems, call your supervisor.*

Contact number:

For office use only

A.   PROFILE OF THE RESIDENT

I would like to ask you some questions about yourself.

1. What is your age (in years)? [ ]   **Date of birth**: [ ]   [ ][ ]

2. Are you a South African citizen with a valid ID document or passport?   Yes [1]   No [2]   [ ]

3. Are you a religious person?   Yes [1]   No [2]   [ ]

4. Are you currently employed?   Yes [1]   No [2]   [ ]

If NO, are you currently seeking employment?   Yes [1]   No [2]   [ ][ ]

If NO, why not? _____

5. What is the highest school grade you passed?

Standard 5 and below (Grade 7) [1]   Standard 6 - 7 (Grade 8 & 9) [2]   Standard 8 (Grade 10) [3]   Standard 9 - 10 (Grade 11 & 12) [4]   [ ]

6. Do you have any formal after school training?   Yes [1]   No [2]   [ ]

7. Do you have any <u>informal</u> training?   Yes [1]   No [2]   [ ]

8. How long have you been staying in the area (years)? (current location   [ ]   [ ][ ]

9. Why have you been staying in the area? (current location)

Close to work opportunities [1]   Family living here [2]   Nowhere else to go [3]   [ ]

Other reason-please specify: _____

_____   [ ][ ]

10. Do you want to reside in the area permanently?   Yes [1]   No [2]   [ ]

11. What form of transport do you have to use most often besides walking?								
Taxi	1	Bicycle	2	Personal car	3	Bus	4	
12. Have you ever received a government housing subsidy?					Yes	1	No	2
13. Do you own any property or housing?					Yes	1	No	2
14. What is your current marital status?								
Married	1	Single / Never married		2	Widowed	3	Divorced	4

Yes [1]   No [ ]

36

15. If married, is your spouse currently working? ☐ [2]

INFORMATION ON THE RESPONDENT'S FAMILY AND DEPENDANTS

I would like to ask you about your immediate family or dependants.

1. Do you have any dependents? Yes [1] No [2] ☐

　　If YES, please specify how many (number): ☐☐

2. Have any of your dependants/family ever received a government housing subsidy? Yes [1] No [2] ☐

3. Do any of your dependants/ family own any property or housing? Yes [1] No [2] ☐

C.　　THE NEED AND DEMAND FOR HOUSING

I would like to ask you about the type of housing that should be provided.

1. In what type of housing would you be interested in the area?

Rental housing [1] Owning a house [2] Renting with the aim of owning later [3] ☐

If renting or renting to own is selected, respondent must answer 1.1 to 1.3.

1.1 How much rent do you think should be charged for the following per month?

A rental amount must be provided for each type of unit below

Bachelor unit/room	R
1-bedroom unit	R
2-bedroom unit	R
3-bedroom unit	R

　　Would you be willing to pay these kinds of rentals for housing? Yes [1] No [2] ☐

1.2 What form of housing would you choose to rent in the area?

1-bedroom unit [1] 2-bedroom unit [2] 3-bedroom unit [3] ☐

1.3　Which would you prefer?

Unit on ground floor [1] Unit on top floor [2] ☐

If the unit were <u>on the top floor</u>, would you like a balcony? Yes [1] No [2] ☐

1.4 Should space be allowed for a garden at the housing unit? Yes [1] No [2] ☐

1.5 Do you currently receive visitors often? Yes [1] No [2] ☐

1.6 Should space be allowed for working/trading at your home? Yes [1] No [2] ☐

1.7 Should specific space be provided where children can play?   Yes [1] No [2]   ☐

1.8 Should space be provided for cultural/traditional activities?   Yes [1] No [2]   ☐

1.9. How much rent will you be able to pay per month for housing?

Rent per month	(✓)
R0 - R100	1
R101 - R200	2
R201 - R300	3
R301 - R400	4
R401- R500	5
R501 - R600	6
R501 - R600	7
R601 – R700	8
R701 – R800	9

Rent per month	(✓)
R801 – R1000	10
R1001 – R1200	11
R1201 – R1400	12
R1401 – R1600	13
R1601 – R1800	14
R1801 – R2000	15
More than R 2001	16

☐☐

D.   AFFORDABILITY TO THE RESIDENT

I need to ask you about your income and expenses to determine what kind of housing product you will be able to afford.

1. Are you currently paying rent for where you are staying?   Yes [1] No [2]   ☐

If YES, how much (in Rands)?   R _____   How often?   _____

2. Are you currently paying for any municipal services (water, electricity)?   Yes [1] No [2]   ☐

If YES, how much (in Rands)?   R _____   How often?   _____

3. What is your and your wife's estimated monthly and/or weekly income? *(indicate by ticking the applicable block)*

Income	Weekly (✓)	Monthly (✓)
R 1500 - R2500		1
R 2501 – R3500		2
R 3501 – R 5250		3
R 5251 – R7000		4

4. I am working as _____(type of job) at _____(company)

4. Do you receive any government financial help / support?   Yes [1] No [2]   ☐

If YES, what type of financial help / support?

38

| Pension | 1 | Disability | 2 | Foster grant | 3 | Child maintenance | 4 | Other government grants | 5 | | |

5. Do you currently receive any financial help from your family?   Yes | 1 | No | 2 |

If YES, how much (in Rands)?   R _____   How often? _____

6. Do you currently have any credit?   Yes | 1 | No | 2 |

6.1 Do you currently have any savings?   Yes | 1 | No | 2 |

If YES, what type of credit or what type of savings?

a) Type of credit	✓	Repayment per month?	b) Type of savings	✓	Current amount saved
1.Hire purchase	1	**R**	1. Savings account	1	**R**
2.Credit card	2	**R**	2. Stokvel	2	**R**
3. Loan	3	**R**	3. Saving scheme at bank or financial institution	3	**R**
4. Clothing account	4	**R**	4. Housing institution	4	**R**
5. Other:	5	**R**	5. Other:	5	**R**
6. Other:	6	**R**	6. Other:	6	**R**

7. What are your estimated weekly expenses on the following: *(fill in other expenses not specifically listed)*

Expenses	Weekly	*Monthly*	Other expenses	Weekly	*Monthly*
1. Rent	R	R	17. Church	R	R
2. Water	R	R	18. Burial society	R	R
3. Electricity	R	R	19. Union	R	R
4. Food	R	R	20. Social activities	R	R
5. Transportation	R	R	21. Stokvel	R	R
6. Liquor / Alcohol	R	R	22. Cash for household	R	R
7. Clothing	R	R	23. Furniture	R	R
8. Shoes	R	R	24. Appliances	R	R
9. Shoe repair	R	R	25. Cash sent to family elsewhere	R	R
10. Dry cleaning	R	R	26. Amount towards savings in bank / financial institution	R	R
11. Cigarettes	R	R	27.	R	R
12. Household items	R	R	28.	R	R
13. Lotto / gambling	R	R	29.	R	R
14. Telephone	R	R	30.	R	R
15. Gardening	R	R	31.	R	R
16. Animal feeding	R	R	32.	R	R

E. *GENERAL*

Lastly, some general questions to finish off the interview.

1. How do you feel about staying in the area where you are staying now? (✓)

Unhappy [1]   Satisfied [2]   Happy [3]

Why do you feel this way? _____

_____

2. What is the name of the suburb you are residing in?

_____

3. Explain the nature of your current housing unit:

House on separate stand	1	Informal settlement	3	Formal unit in backyard e.g. garage	5
Flat	2	Backyard shack	4	Other	6

4. How many bedrooms in your current house?

_____

5. Explain your current access to sanitation

None	1	Waterborne in house	3	VIP system	5
Bucket	2	Waterborne outside house	4	Other	6

6. Explain your current access to water:

In house	1	On stand	2	Public tap	3

7. Would you like to change anything in the area to improve your situation?   Yes [1] No 2

If YES, please specify what: _____

_____

Are you willing to accept alternative forms of… (fieldworker to explain)

8. Sanitation	Yes	1	No	2

9. Electricity	Yes	1	No	2

10. If you came into conflict with your landlord and had to relocate, would you have a place to relocate to?   Yes [1]   No [2]

Explain: _____

_____

11. Do you have any comments that you would like to add:

_____

Thank you for participating in the research.

Annexure B:

```
Disposable income-LOW without savings Stem-and-Leaf
Plot for
D3.Estimated household income= Less than R1500 per
month

 Frequency    Stem &  Leaf

     1.00 Extremes    (=<-3750)
     1.00        -1 .  8
      .00        -1 .
     1.00        -0 .  8
     5.00        -0 .  00113
     2.00         0 .  02

 Stem width:   1000.00
 Each leaf:       1 case(s)

Disposable income-LOW without savings Stem-and-Leaf Plot
for
D3.Estimated household income= R1500-R2500

 Frequency    Stem &  Leaf

     2.00 Extremes    (=<-2906)
     4.00        -2 .  0223
     1.00        -1 .  8
     9.00        -1 .  000001223
    29.00        -0 .  55555556666667777778888899999
    38.00        -0 .
00000001111111222222333333333444444444
    29.00         0 .  00000111111111222233333333444
    23.00         0 .  55556666777888888888999
    22.00         1 .  0000011122222222333333

 Stem width:   1000.00
 Each leaf:       1 case(s)

Disposable income-LOW without savings Stem-and-
Leaf Plot for
D3.Estimated household income= R2501-R3500

 Frequency    Stem &  Leaf

     3.00 Extremes    (=<-1639)
     1.00        -1 .  0
     7.00        -0 .  5577799
    18.00        -0 .  000001111123334444
    30.00         0 .
000000000000111111122222233334
     9.00         0 .  556777777
    11.00         1 .  00001224444
```

```
    4.00         1 .  5668
    3.00 Extremes    (>=2001)


 Stem width:   1000.00
 Each leaf:       1 case(s)


Disposable income-LOW without savings
Stem-and-Leaf Plot for
D3.Estimated household income= R3501-
R5250


 Frequency    Stem &  Leaf


    3.00 Extremes    (=<-1819)
    6.00        -0 .  556788
    6.00        -0 .  011122
   15.00         0 .  000112223333344
   14.00         0 .  55555666667789
   19.00         1 .
0000111111112223344
    7.00         1 .  5667899
    5.00         2 .  00134
    2.00         2 .  55
    1.00 Extremes    (>=3301)


 Stem width:   1000.00
 Each leaf:       1 case(s)


Disposable income-LOW without savings
Stem-and-Leaf Plot for
D3.Estimated household income= R5251-
R7000


 Frequency    Stem &  Leaf


    4.00 Extremes    (=<-1427)
    2.00        -0 .  45
   11.00         0 .  12334789999
   20.00         1 .
00111112233345677777
   16.00         2 .  0001123333444688
    9.00         3 .  002335588
    2.00         4 .  11


 Stem width:   1000.00
 Each leaf:       1 case(s)
Disposable income-HIGH without savings
Stem-and-Leaf Plot for
D3.Estimated household income= Less than
R1500 per month


 Frequency    Stem &  Leaf


    1.00 Extremes    (=<-3150)
```

```
    1.00        -1 .  2
     .00        -0 .
    1.00        -0 .  2
    3.00         0 .  244
    4.00         0 .  5568


 Stem width:   1000.00
 Each leaf:        1 case(s)


Disposable income-HIGH without savings Stem-and-Leaf Plot
for
D3.Estimated household income= R1500-R2500


 Frequency     Stem &  Leaf


     2.00 Extremes    (=<-1906)
     4.00        -1 .  0223
     1.00        -0 .  8
     9.00        -0 .  000001223
    29.00         0 .  00011111122222223333334444444
    38.00         0 .
5555555556666666677778888888889999999
    29.00         1 .  00000111111111222233333333444
    23.00         1 .  55556666777888888888999
    22.00         2 .  0000011122222222333333


 Stem width:   1000.00
 Each leaf:        1 case(s)


Disposable income-HIGH without savings Stem-and-
Leaf Plot for
D3.Estimated household income= R2501-R3500


 Frequency     Stem &  Leaf


     3.00 Extremes    (=<-640)
     1.00        -0 .  0
     7.00         0 .  0022244
    18.00         0 .  555566678888899999
    30.00         1 .
000000000000111111122222233334
     9.00         1 .  556777777
    11.00         2 .  00001224444
     4.00         2 .  5668
     3.00 Extremes    (>=3000)


 Stem width:   1000.00
 Each leaf:        1 case(s)


Disposable income-HIGH without savings
Stem-and-Leaf Plot for
D3.Estimated household income= R3501-
R5250
```

```
 Frequency     Stem &  Leaf

     3.00 Extremes     (=<-70)
     2.00        0 .  88
     4.00        1 .  0111
    13.00        1 .  5556667788899
    18.00        2 .
000011122233333344
    17.00        2 .
55677888888889999
    10.00        3 .  0011123344
     6.00        3 .  667788
     4.00        4 .  0123
     1.00 Extremes     (>=5050)


 Stem width:   1000.00
 Each leaf:       1 case(s)

Disposable income-HIGH without savings
Stem-and-Leaf Plot for
D3.Estimated household income= R5251-
R7000


 Frequency     Stem &  Leaf

     4.00 Extremes     (=<322)
     2.00        1 .  23
     2.00        1 .  89
     4.00        2 .  0014
    14.00        2 .  66777788889999
     9.00        3 .  011134444
     8.00        3 .  55778889
     8.00        4 .  01111224
     5.00        4 .  66789
     4.00        5 .  0033
     4.00        5 .  5699
```