

Effects of depriving low-income employees housing scheme grants at Alfred Nzo  
District Municipality

by

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submitted in accordance with the requirements for  
the degree of

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In the subject

DEVELOPMENT STUDIES

at the

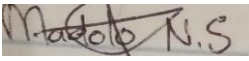
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## DECLARATION

I Namhla Stella Madolo declare that the thesis titled Effects of depriving low-income employees housing scheme grants at Alfred Nzo District Municipality is my own original work. This research study has been conducted to fulfil the requirements of the degree of Master of Arts in Development studies at the University of South Africa. The sources used have been cited and acknowledgement as not being mine. The referencing style used is the style that is required by UNISA in its guidelines.

Signature: 

Date: 7 October 2022

## **DEDICATION**

I dedicate this study to my late father who encouraged me to study and show to the world that what is impossible with man is possible with God, to my family who has been very supportive and understanding throughout the study and the Mnyaka family, my paternal side of the family, both of whom are my source of inspiration regarding education.

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Lord, you are worthy to be praised for your promises. They kept me going throughout the study. You reign from heaven above and your words do not change.

## **ABSTRACT**

This study investigated the effects of depriving low-income employees of housing scheme grants at Alfred Nzo District Municipality, where low-income employees are excluded from housing scheme grants by current development policies. Since these employees are not eligible for housing scheme grants, they struggle to build or buy houses. Depriving such employees of the benefit of housing scheme grants has caused them to become indebted, which in turn has made owning a house an ongoing struggle. Consequently, this deprivation has resulted in such workers experiencing a financial gap in their lives. The gap is not easy to close – workers find it impossible to bridge the gap, even by the time they retire from their positions.

The study used a qualitative research method and data were collected through face-to-face interviews. All COVID-19 regulations were observed. The study revealed that low-income employees are affected by being denied housing scheme grant benefits. It showed that low-income employees at Alfred Nzo District Municipality are indebted and therefore struggle to buy or build their own houses. It was also revealed that the policies that are followed when issuing housing scheme grants prevent low-income employees from benefiting from government subsidy housing (GSH).

The findings suggest alternative ways that can be explored to accommodate the low-income employees by means of housing scheme grants and bridging the financial gap in their earnings, thus lessening the risk of exposing them to debt and poverty. Policymakers need to amend existing policies on housing scheme grants in order to assist low-income employees who work in rural and remote areas.

**Key words:** Barriers, Deprived, Employees, Financial gaps, Housing scheme, Impact, Low-income, Mitigating, Policymakers, Socio-economic

## UMXHOLO

Olu phando luphonononga ifuthe lokuvinjwa kwezibonelelo zezindlu zabasebenzi abarhola kancinci kumasipala wesithili saseAlfred Nzo. Abasebenzi abafumana imivuzo ephantsi abaqukwa ekuxhamleni izibonelelo zenkqubo yezindlu ngokwemigaqo-nkqubo ekhoyo yophuhliso. Ngenxa yokuvinjwa isibonelelo sesibonelelo sezindlu, abasebenzi abafumana imivuzo ephantsi bayasokola ukwakha okanye ukuthenga izindlu. Ukuhluthwa kwabasebenzi abanjalo kwisibonelelo senkxaso yezindlu kuye kwakhokelela ekubeni babesematyaleni. Ukuba netyala kwabo kwenza ukuba nendlu kube ngumzabalazo oqhubekayo. Ngenxa yoko, oku kuvinjwa kubangele ukuba abasebenzi abanjalo bafumane umsantsa wemali ebomini babo. Isikhewu akengelula ukusivala, kwaye ngenxa yoko, naxa sele besidla umhlala-phantsi, abasebenzi baye bakufumanisa kunzima ukusivala.

Uphando lusebenzise indlela yophando olusemgangathweni kwaye idatha yaqokelelwa ngodliwano-ndlebe lobuso ngobuso. Yonke imimiselo ye-COVID-19 yaqwalaselwa. Uphononongo ludize ukuba abasebenzi abarhola imivuzo ephantsi bayachatshazelwa kukuvinjwa izibonelelo zesibonelelo sezindlu. Olu phando lubonise ukuba abasebenzi abarhola kancinci kumasipala wesithili saseAlfred Nzo basematyaleni kungoko, besokola ukuthenga okanye ukuzakhela izindlu. Ngaphaya koko, kukwadizwe ukuba imigaqo-nkqubo elandelwayo xa kukhutshwa izibonelelo zenkqubo yezindlu ithintela abasebenzi abarhola imivuzo ephantsi ekubeni baxhamle kwizindlu zeNkqubo yoKwakha noPhuhliso (RDP) kunye nenkxaso yezindlu.

Iziphumo zicebisa ezinye iindlela ezinokuphononongwa ukuze kuhlaliswe abasebenzi abafumana imivuzo ephantsi ngezibonelelo zenkqubo yezindlu kunye nangaphezulu; Ukuvala umsantsa kwezemali kwimivuzo yabo, ngaloo ndlela kunciphisa umngcipheko wokubachanaba ematyaleni nakwintlupheko. Abaqulunqi bemigaqo-nkqubo kufuneka babekhona kweli nyathelo, ngokulungisa imigaqo-nkqubo ekhoyo malunga nezibonelelo zenkqubo yezindlu, ukuze kuncedwe abo basebenzi banemivuzo ephantsi abasebenza emaphandleni nakwiindawo ezikude.

**Amagama angundoqo:** Izithintelo, ukuvinjwa, abaqeshwa, izikhewu zezeMali, iskimu sezindlu, impembelelo, umvuzo ophantsi, ukuncitshiswa, abaqulunqi bemigaqo-nkqubo, intlalo noqoqosho.

## MANWELEDZO

Ngudo iyi yo sengulusa mveledzwa dza u sa nea vhashumi vha holaho miholo ya fhasi mphomali dza dzinndu ngei kha Masipala wa Tshiriki tsha Alfred Nzo, hune vhashumi vha holaho miholo ya fhasi vha si katelwe kha mphomali dza tshikimu tsha dzinndu nga mbekanyamaitete dza zwino dza mveledziso. Saizwi vhashumi avha vha songo tea u wana mphomali dza tshikimu tsha dzinndu, vha a kondelwa u fhaṭa kana u renga ndu. U sa fha vhashumi mbuelo ya mphomali ya tshikimu tsha dzinndu zwi sia vhe na zwikolodo, zwine zwa fhedza zwo ita uri u koloda ndu zwi vhe vhukondi vhu sa gumi. Masiandaitwa a u sa fhiwa mphomali o bveledza uri vhashumi avho vha vhe na tshikhala tsha zwa masheleni kha matshilo avho. Tshikhala itshi u tshi vala a zwo ngo leluwa – saizwi vhashumi vha tshi wana zwi sa konadzei u tshi vala, na nga murahu ha u notha kha vhuimo havho.

Ngudo yo shumisa ngona ya thodisiso ya khwanthithethivi na data yo kuvhanganyiwa nga kha inthaviwu vhatu vho livhana zwifhatuwo. Ndaulo dzothe dza COVID-19 dzo tevhedzwa. Ngudo dzo bvisela khagala uri vhashumi vha miholo ya fhasi vha a kwamea nga u hanelwa mbuelo dza mphomali ya tshikimu tsha dzinndu. Zwi sumbedza uri vhashumi vha miholo ya fhasi ngei kha Masipala wa Tshiriki tsha Alfred Nzo vha na zwikolodo nahone vha khou kondelwa u renga kana u fhaṭa ndu dzavho vhone vhaṅe. Zwo dovha zwa bviselwa khagala uri mbekanyamaitete yo tevhedzwaho kha u nekedza mphomali dza tshikimu tsha dzinndu dzi thivhela vhashumi vha miholo ya fhasi u vhuvelwa nga kha mutikedzelo wa ndu wa muvhuso (GSH).

Mawanwa a sumbedza dziṅwe ndila dzine dza nga sedziwa u itela u katela vhashumi vha holaho miholo ya fhasi nga kha mphomali dza tshikimu tsha dzinndu na u fhungudza tshikhala tsha zwa masheleni kha mbuelo yavho, zwenezwo hu u fhungudza khohakhombo ya u nga didzhenisa kha zwikolodo na vhushai.

Vhaiti vha mbekanyamaitete vha tea u khwiṅisa mbekanyamaitete dzi re hone dza mphomali ya tshikimu tsha dzinndu u itela u thusa vhashumi vha miholo ya fhasi vha shumaho kha vhupo ha mahayani na ha kule.

**Maipfi a ndeme:** Zwithivheli, Dziṅwa, Vhashumi, Zwikhala zwa masheleni, Tshikimu tsha dzinṅu, Masiandaitwa, Muholo wa fhasi, Fhungudza/Lwa, Vhaiti vha mbekanyamaitele, Zwa ikonomi na matshilisano



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## **LIST OF ACRONYMS**

ANC	African National Congress
ANDM	Alfred Nzo District Municipality
COGTA	Cooperative Governance and Traditional Affairs.
COVID-19	Coronavirus 2019
CPI	Cost Performance Index
CRDP	Comprehensive Rural and Development Programme
DPSA	Department of Public Service and Administration
EPWP	Expanded Public Works Programme
EU	European Union
FLISP	Financial Linked Individual Subsidy Programme
GDP	Growth Domestic Product
GEAR	Growth, Economic and Redistribution
GEPF	Government Employees Pension Fund
GSH	Government Subsidy Housing
HIV	Human Immunodeficiency Virus
ID	Identity Document
Lipco	Legal Insurance Protection Cover
NDP	National Development Plan
NGO	Non-government Organisation
NHBRC	National Housing Builders Registration Council
PAYE	Pay As You Earn
PERSAL	Personnel Payroll System
PSC	Public Servant Commission



RSA	Republic of South Africa
SARS	South African Revenue Services
SES	Socio-Economic State

# **CHAPTER 1: INTRODUCTION**

## **1.1 Introduction**

South Africa has 1.3 million government employees (Daily Maverick, 2021:1). Many are not able to benefit from government housing scheme grants (GSH). Restrictions depend on an applicant's income; which in turn, determines access to government subsidy houses (GSH). If a household income is above R3,500, an applicant does not qualify for a GSH. Many low-income employees find themselves in categories that do not allow them to qualify for housing scheme grants (FLISP, 2022). Financial institutions consider such applicants a big risk regarding providing housing loans and funding for other needs. This then puts the applicant under considerable financial strain for the rest of their lives, especially in respect of housing. Many applicants earn above R3,500 per month and thus expect to have the right to own houses.

The reality is that usually, these employees continue renting, or struggle to build safe and reliable houses or do not own even own a house on retirement, while those who do not work receive free houses. Low-income employees struggle to sustain themselves as about 14 percent of their income is taxed (SARS 2022-PAYE-GEN-01-G16). This study aims to find out the effects of depriving low-income employees on housing scheme grants at the Alfred Nzo District Municipality (ANDM), in their living conditions. The study, among other things, is prompted by observing how many retired low-income employees start building houses on retirement. The study investigates what can be done by municipalities and government to improve employees housing situations. The study attempted to determine the effects on those who are still employed, of depriving low-income employees housing scheme grants.

## **1.2 Background of the study**

In 1994, the African National Congress (ANC) came into power as the leader of the new democratic government.

People had high hopes about the new era that had come into being; and they expected to see improvement in their lives; economically, socially and politically (South African History: 1996: 67). The expectations applied equally to low-income as well as high income employees. New policies were formulated to transform the country and its people. The Reconstruction and Development Programme (RDP) was introduced in South Africa after the 1994 elections. It is a socio-economic policy framework that was implemented by the ANC (Department of Human Settlement, 2020 ). Public servants (especially low-income) did not benefit from the RDP because the management housing subsidy scheme (commonly known as GSH) was intended for income earners below R3,500 (Sinai, 2001: 45). The policy excluded public servants from benefiting from housing scheme grants, especially those earning above R3,500 (Dixon et al., 2001:13).

The adopted and established policies in South Africa after 1994 with the aim of eradicating poverty, inequalities and building the economy faced challenges. One of those challenges was the creation of inequalities, which made things worse economically (Mosala et al., 2017: 329). Richard Knight (2001) stated that public servants only benefited from Growth, Economic and Redistribution (GEAR) by receiving housing subsidies. The Government Employees Pension Fund (GEPF) and Medical Aid also required a high contribution to be made by the beneficiary, to receive the benefits. Many public servants end up not benefiting from these grants. The reason why many employees do not apply for the grants is that they feel that the price to acquire them is too much for them to pay, considering their low salaries. They only benefit from GEPF because the government forces them to contribute to the scheme by deducting money from their salaries.

The Budget Speech of 2008/2009 by then Finance Minister Trevor Manuel revealed that the government was getting some of the money for the government's social grants from the taxes paid by public servants and businesses. But public servants earning above R3,500 according to development policies were barred from benefiting from housing scheme grants.

The 2016 Public Regulations provided for a transitional arrangement enabling public servants who were doing business with state organisations to either resign from the public service or relinquish their business interests by 31 January 2017 (Parliament, 2017: 3). Amendments and revision of policies are intended to provide good service delivery but also hinder public servants' economic growth. The truth is that often businesses do assist with funding for housing for their employees. Simba and Monana (2012) stated that most public servants were struggling financially. It was not easy for them to cover their needs while they were still working, because of financial constraints. Sometimes this forced them to resign or relinquish their interests, which then triggered more financial challenges. Having to live on one income after previously having a second income may cause a financial challenge.

The financial crisis of 2020 triggered concerns among public policy makers about the substantial and growing number of public servants who had become indebted (Sadie Brown, 2021). Because the salary threshold for public servants not benefiting from housing scheme grants was R3,500, they found it hard to make a living and cover their expenses with such a low salary. That becomes worse upon retirement because most of them had already spent their money on fulfilling dreams that they wished to enjoy while they were still working. These public servants spend most of their money on dreams, such as building or renovating houses. That exhausts their pension funds and exposed them to financial struggles after retirement (PSC, 2016:17). Some public servants were also tempted to resign earlier or delay their retirement; just to secure their dream financial levels (PSC, 2007: 10). However, despite retiring early, they still struggled financially regarding housing even after retirement (PSC, 2007:27).

### **1.3 Statement of the research problem**

Government employees are usually indebted, and many do not own houses (Sadie Brown, 2021). Low-income employees have been excluded from benefiting from housing scheme grants by the policies that are in place because they are employed (Dixon et al., 2001:13).

The housing scheme grants (GSH) refer to houses built by the government for South African citizens who require assistance, are not working and qualify for it. The housing subsidy is a financial assistance from the government for public servants to assist them with buying a house. Workers who earn less than R3,500 (as in 2022) per month qualify for an GSH (NDP, 2014:26). Such low-income employees are supposed to benefit from the Financial Linked Individual Subsidy Programme (FLISP) but they do not benefit in remote areas. As the government housing grant is funded by tax income, it entails stringent compliance and reporting measures to ensure that the money is well spent (Troy Segal as cited by Eric Estevez, 2020:r4). When employees earn R3,501.00 - R6,000 per month, they do not qualify for GSH, and yet their salary still does not cover all their costs, including their house (Gabrielle Kelly, 2017). On the other hand, these government employees are required to regularly comply with the rules regarding payment of tax to the South African Revenue Services (SARS). They also pay other taxes which are tied to the purchases they make, such as VAT.

Low-income employees struggle to own houses until retirement. Even such retirement income is not enough for them to afford the type of house they would like to live in. Often they die while still renting and leave their children stranded because they did not manage to earn enough to provide shelter for their children. Those who manage to build houses, are indebted for a very long time; which makes them struggle to meet other financial demands such as paying school fees for their children. It was interesting to investigate the effects of depriving low-income employees housing scheme grants under the socio-economic conditions they live under; as well as determining how they managed to bridge the financial gap they suffered from because the little they received monthly was insufficient for their needs and soon depleted.

However, the GSH are guaranteed benefits from the government that recipients continue to receive until they die. There was a need to determine the effects that low-income employees face when they are deprived of GSH and a housing subsidy; as well as it's effect on their living conditions and how they view and manage such deprivation. The study was narrowed-down to include only ANDM low-income employees.

#### **1.4 Justification of the study**

This research investigated the effects of depriving low-income employees housing scheme grants in their prevailing socio-economic state at the ANDM. The study also endeavoured to find out how the employees managed to bridge the financial gap they faced. Public servants in the ANDM, as in any other government department are central to a socio-economic development of the country. Studying the effects of depriving low-income employees of housing scheme grants was deemed significant because it is a socio-economic issue that particularly affects public servants.

Furthermore, while undertaking the study, the researcher came up with supporting or disputing evidence of the concerns of the Public Servant Commission (PSC) when they raised serious concerns about depriving public servants of government grants (especially housing). The study aimed to add to the existing literature on the subject as well as indirectly promoting effective governance by the central government. The results of the study revealed how low-income employees are affected by being deprived housing scheme grants in their prevailing socio-economic state. The study also determined how they could manage to bridge the income gap they faced. The findings of the study should be of interest to the Department of Cooperative Governance and Traditional Affairs (COGTA), the Parliamentary Committee, Politicians, Trade Unions and the public. The PSC should also be interested in the findings of the research as a financial wellness protector of public servants.

#### **1.5 Objectives of the study**

The main objective of the research was to investigate the effects of depriving low-income employees on housing scheme grants in employees' prevailing socio-economic state in the Alfred District Municipality. The study is focused at Alfred Nzo District municipality although the effects may touch a broader scope of the people and areas.

### **1.5.1 Research objectives**

To investigate the effects of depriving low-income employees housing scheme grants and to discover how they manage to bridge the effects of the income gap while in their present economic state.

### **1.6 Research questions**

- What are the effects of depriving low-income employees housing scheme grants?
- How they manage to bridge the the effects of the income gap while in their present economic state?

### **1.7 Theoretical framework**

“Development Theory by itself has little value unless it is applied, unless it translates into results, and unless it improves people’s lives” (Todaro 2000: 77). The research comprised two theories, the world systems and the globalisation theory. World systems theory deals with different forms of capitalism world-wide (Reyes, 2001a). It thus takes a world-centric view and focuses on the relationship between countries. This relationship is directed by culture through social change. World system theory explains inequality by identifying different cultures and the role of the state in international connections.

This research investigates the effects of depriving low-income employees of housing scheme grants at the ANDM. World system theory explains inequalities directed by culture and social change, and how the capitalist approach in South Africa towards development created inequalities in social change and structures. Although housing schemes are meant for people who are incapable of acquiring shelter on their own, for low-income employees, owning a house in South Africa is a challenge which is viewed by them as unfair. The state is responsible for bridging the inequality gap between cultures and for encouraging a united social change that should benefit all citizens. Globalisation theory on the other hand; uses a global mechanism of greater integration; with particular emphasis on economic transactions.

Globalisation theory explains inequality by identifying cultural and economic factors that are in communication by utilising connections (Reyes, 2001, p.2). Globalisation theory focuses on how those who have not yet developed can benefit from those who have already developed.

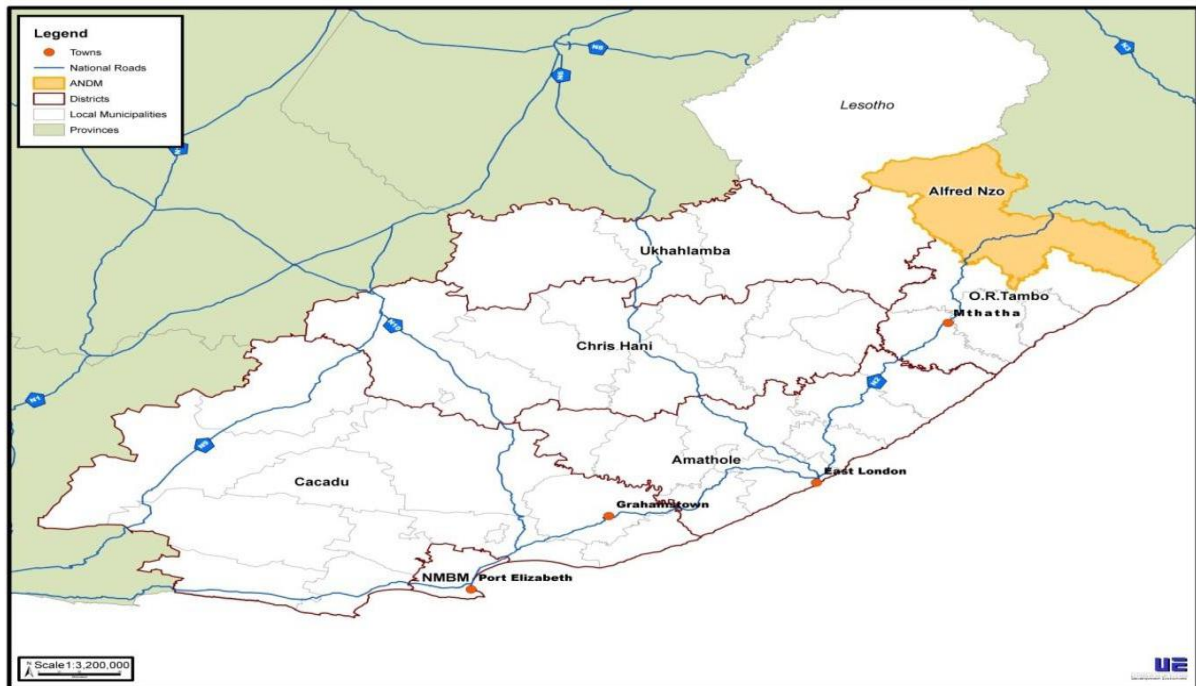
As the research was intended to investigate the impact of depriving low-income employees housing scheme grants, the impacts thus caused may also contribute to the employees' economic state. Globalisation theory seeks to bridge the inequalities and economic factors by means of cultures. If these theories could be implemented well; even in respect of housing scheme grants for low-income employees, development would become a dream in progress for many who have thus far not seen it.

### **1.8 The scope of this study**

The scope of the study refers to all participants who were likely to get a chance to participate in the study (Maluleke, 2007). The population for the study comprised workers in the ANDM of all ages, genders, education status, socio-economic status and residential areas. The ANDM is situated in the North Eastern corner of the Eastern Cape Province. It stretches from the Drakensberg Mountains, and it borders Lesotho in the West, Harry Gwala District Municipality to the North and O.R. Tambo District Municipality in the East and South. Population growth within the Alfred Nzo region has increased substantially over the years. This has been purely influenced by changes in the administrative boundaries of the district in 2006 and more recently in 2011. During the early 2000s, the district population comprised the Umzimvubu and Umzimkhulu Municipal Population. After the 2006 elections, the Alfred Nzo District increased in geographical space, to include Matatiele Local Municipality, which increased the area's population to 479 591 people. Umzimkhulu was increased to include the Harry Gwala District in KwaZulu-Natal. The recent demarcation following the 2011 local government elections resulted in the Alfred Nzo District obtaining two additional local municipalities (i.e. Ntabankulu and Mbizana). This has further increased the area's population to approximately 900 491 people.



The geographical area has also increased from 6858 km<sup>2</sup> to 11 119 km<sup>2</sup>.



**Figure 1.1: Map of the Alfred Nzo District showing the local municipalities**

**Source:** <https://micipalities.co.za/map/101/Alfred-nzo-district-municipality>

The municipality; as a result of the demarcation processes now shares jurisdiction with the Matatiele, Umzimvubu, Ntabankulu and Mbizana Local Municipalities.

The Alfred Nzo District comprises 11,119 km<sup>2</sup> and the sizes of four local municipalities are summarised below.

**Table 1.1: Geographic composition of the ANDM**

Municipality	Area km <sup>2</sup>	Percentage % of the District Area
Matatiele Local Municipality	4,352	39
Umzimvubu Local Municipality	2,506	23
Ntabankulu Local Municipality	1,455	13
Mbizana Local Municipality	2,806	25
Alfred Nzo District Municipality	11,119	100



**Picture 1.2: The Alfred Nzo District Municipality building**

**Source:** service Delivery Budget Implementation Plan (SDBIP) 2013/14  
<https://www.andm.gov.za>

## 1.9 Limitation and delimitation

Vithal (as cited by Naicker, 2011:55), stated that all studies are limited by time, resources, access and availability of data and credibility of data. The study was a small scale, in-depth study that occurred over a short period. The research findings might not be broadly applicable to different contexts. Also, the choice of the research design, and sampling techniques might also cause some limitations to the study. Participants were reluctant to participate because the research topic is a sensitive issue. As a result, only 22 participants availed themselves for the research. Employees were reluctant to take part for fear of being victimised or labelled. To make them feel more at ease about participating, employees were allowed not to sign consent forms and were unrecorded to guarantee utmost confidentiality of information and their names were not recorded in the research documentation.

Lastly, the researcher assured participants that the study was for study purposes only, with no hidden agenda. To comply strictly with confidentiality, participants were encouraged to participate freely and the researcher guaranteed that the information shared would be kept confidential. Also, Coronavirus 2019 (COVID-19) could have caused disturbances, which might have presented some limitations to the study. Fortunately; the COVID-19 regulations were adjusted to 50 percent indoor capacity. Therefore, face-to-face interviews were conducted and answering of questionnaire was deemed acceptable.

## 1.10 Duration of Data collection

The duration of data collection was six months.

## 1.11 Definitions of key concepts

- (i) **Dagga:** It is an indigenous plant smoked as a narcotic from the 1660s till today (Merriam-Webster's medical dictionary, 2007). Dagga comes from a hemp plant *cannabis sativa* (Drug Counselling Centre: 2018).
- (ii) **Deprived:** means not having the things that are necessary for a pleasant life (Cambridge Dictionary, 2016). Deprived means the state of being kept from possessing enjoying, or using something (Merriam Webster dictionary: 2018)

(iii) **Economic growth:** means an increase in the production of the quantity and quality of economic goods and services that a society produces. The income in a society corresponds to the total sum of goods and services. the society produces goods and services and everyone's spending contributes to someone else's income. It is not measured in terms of Growth Domestic Product (GDP).

It takes into consideration the following aspects; education, household income, standard of housing and access to vital elements such as clean water and breathable air (Better life index, 2012).

(iv) **Effects:** mean a change, reaction or impression that is caused by something or are the results of something (Collins Dictionary, 2017) Effects also means the results of a particular influence (Cambridge Dictionary, 2016)

(v) **Financial literacy:** is the ability to understand and effectively use various financial skills, including personal financial management, budgeting, and investing. It is the foundation of one's relationship with money, and it is a lifelong journey of learning (HSRC., 2009). Financial Literacy means understanding financial concepts and having the skills associated with money management that enable you to make smart decisions with your money (Standard bank financial literacy, 2021: 65)

(vi) **A Housing scheme grant:** is a grant provided by the South African government for housing purposes, to low-income earners who earn below R3500 per month and those who are not working. The government does not give cash to beneficiaries. It is useable for housing only (GroundUp Staff, 2017:1)

(vii) **A Housing subsidy:** is financial assistance from the government for public servants when they are buying a house. This is given in cash (NDP, 2014:26).

(viii) **Impact:** A strong effect on someone or something (Oxford advanced learner's dictionary, 2006) .

- (ix) **Inequalities:** are measured as the percentage loss in the Human Development Index value, due to inequality of three components: income, education and wealth. (Corak, 2013).
- (x) **Socio-economic state (SES):** is an economic and social combined total measure of a person's economic and social position, in relation to others, based on income, education and occupation. However, SES is more commonly used to depict an economic difference in society as a whole (Santiago et al, 2011). "Socio-economic status, neighbourhood disadvantage, and poverty-related stress: Prospective effects on psychological syndromes among diverse low-income families". Journal of Economic Psychology.

Public servant's economic state is varies according to what category and employee fits in. Example low-income employee's economic state is very low for some due to being deprived benefiting on housing scheme grants.

## **CHAPTER 2 LITERATURE REVIEW**

### **2.1 Introduction**

In this chapter what other researchers have said about the literature will be reviewed. The aim is to not repeat the literature but to add on the existing one. That will be only possible when what is discovered by other researchers is known. Different researches have been reviewed to gain more knowledge about the topic .

The literature review is the most important step of a research process because it gives a researcher an opportunity to determine what other researchers have said regarding the intended research topic (Onwuegbuzie, Leech et al., 2011). The purpose of reviewing literature is to avoid duplication of literature. Doing a literature review aims towards finding existing gaps in the literature on the topic he/she is investigating. Once a gap has been identified in the topic, the researcher can develop a researchable topic to bridge the identified gap. It also serves as an argument in favour of the study; so the problem can be properly analysed. The premise of literature reviews is the understanding that knowledge is an incremental exercise.

Reviewing the literature of every robust research whether qualitative, quantitative or mixed method study approaches is important. The researcher; through the literature review learns more about the history, origin and scope of the research problem (Grinnell & Unrau, 2014: 48–49). The literature review also identifies the area of knowledge that the study intends to expand. Creswell (2014), stated that a literature review also assists the researcher after data collection, in comparing the results of the study with the findings in the existing literature and in assessing the differences between the studies. Using a literature review also helps the researcher to support the existing knowledge and to showcase new ideas and information on the subject.

### **2.2 The Reconstruction and Development Programme (RDP)**

The RDP is a South African socio-economic policy framework that was implemented by the ANC in 1994 (Omalley, 1997). The White Paper described an RDP as an integrated coherent, socio-economic framework with its main priority being the creation of employment by means of economic growth. Other goals include the alleviation of poverty and extreme inequality, increasing manufactured exports and addressing the uneven development of different regions of the country (Anon., 1994).

The aim of this policy was to address the socio-economic problems that existed, due to the actions of the previous ruling party. The government wanted to alleviate poverty and provide better social services for previously disadvantaged South Africans by allocating tax money for development projects. They also looked at the bigger picture, by not only focusing on lightening the burden of poverty, but also by aiming at incorporating the RDP into the economy, so as to build a stronger macro-economic environment.

### **2.3 The benefits of South Africans through the RDP**

South Africans benefited from the RDP through social security, whereby the government established an extensive welfare system. A free health care system was also implemented for pregnant women and children. Free meals were provided to between three and a half million and five million school children (Cling, 2001:67). Five hundred new clinics were built, ensuring that five million additional people had medical services close to where they lived. GSH were built, scholar transport was provided, bursaries at university were provided, as well as social grants and food parcels were distributed. Furthermore, more than two million additional homes were connected to the electricity network, resulting in 63 percent of the population having electricity at home (Cling, 2001:67). From the outset, however, the implementation of the RDP proved to be far from plain sailing (Luiz, 2006).

### **2.4 Qualifying for the government housing scheme grant in South Africa**

According to the Department of Housing to qualify for a government subsidy house (GSH) you must possess the following characteristics.

- You must be married or living with a partner, or single and have dependents.
- Be aged 21 or older and declared mentally competent to sign a contract.
- You must be a first-time government subsidy recipient.
- You must earn less than R3,500 per household (you will not qualify if the family members earn a sum of R3,500 or more (DHS., 2020:12 ).

## **2.5 The start of government employees to be denied access to government's social grants**

The policies formulated for development excluded public servants from benefiting on government's social grants (Dixon et al., 2001:13). The adopted and established policies in South Africa after 1994 with the aim of eradicating poverty, inequalities and building the economy faced some challenges. One of those challenges was the creation of inequalities, which made things worse economically (Mosala et al., 2017:329). In 1996, GEAR policy was established. Its aim was to stimulate faster economic growth. Through GEAR policy, government social grants and housing scheme grants were introduced as well as a housing subsidy for public servants (Sahra ryklief, 2020:3). All public servants benefited from GEAR via a housing subsidy that also required a high contribution by the buyer to own a house after 20 years. Development has become a reality for the poor people by continuing to benefit from government's social grants in the form of bursaries, food parcels, free electricity, housing, outsourced jobs (Tender system), etc. So far, it seems as though low-income employees in remote areas will continue to struggle for housing because they fall between the poor and residents in big cities (Marry Baker, 2017:366).

The Budget Speech of 2008/2009 by then Finance Minister Trevor Manuel revealed that the government was getting some of the money for these government social grants from the taxes paid by public servants, paid workers and businesses. The revised code of conduct of public servants, which came into effect on 1 August 2016, sought to prohibit public servants from doing any form of business with organs of the state, whether in their own capacity as individuals or through companies in which they are directors. The 2016 Public Regulations provided for a transitional arrangement enabling public servants who were doing business with the state to either resign from the public service or relinquish their business interests by 31 January 2017 (Parliament, 2017:3). The amendments and revision of policies were intended to provide good service delivery but, unfortunately, it also restricted low-income employees' economic growth.



Being deprived of opportunities for self-enrichment economically and being deprived of housing scheme grants and housing subsidies may have caused financial struggles that went beyond beyond going on pension. That begs the question: “Does being deprived of housing scheme grants have an impact on the low-income employees; especially as as it is a basic human right? These and many other questions need to be probed”; hence the study.

## **2.6 The state of the lives of public servants**

Anecdotal evidence indicates that public servants in South Africa are over-indebted (Sadie Brown, 2021). The evidence on over-indebted public servants includes the press statement by the National Treasury (NT) on 31 August 2000, that there was rampant abuse of the government personnel payroll system (PERSAL) by financial service companies, which caused public servants to be over-indebted. Their salary level for not benefiting on government social grants is R3500 and above. What makes it even worse for low-income employees to make a proper living on their salary is because of the modern way of life. In some cases, people find it hard to even afford basic necessities like food. That then puts a strain on the worker’s salary as it does not cover all their demands; thus forcing them to resort to borrowing and leading them to financial constraints to cover the demands, especially shelter. Loans are a temporary solution that has a negative impact on their salaries and financial prospects.

The chairperson of a Non-Government Organisation (NGO), Consumer Fair, claimed that more than 60 percent of the public servants who had sought financial counselling from their organisation had more than two garnishee orders (Simba & Monana, 2012). There are so many government grants or financial boosts from the government intended for poor people (RDP Document, 1994:14). For low-income employees, receiving a housing subsidy could give relief. However, they do not receive the financial boost in the form of a housing subsidy. These statements make it clear that low-income employees are really struggling badly, financially. Being deprived of opportunities for self-enrichment and government social grants may impact the lives of low-income employees.

This study intends to explore the impact of depriving low-income employees housing scheme grants in their socio-economic state. Also to find out how they manage to bridge the gap of the impact. These and many other questions need to be probed; hence the study.

## **2.7 Summary**

According to all the literature reviewed, the government introduced policy after policy with the intension of eradicating poverty and growing the economy. But all these policies are working in favour of the poor people and creating a gap between them and public servants. This has become more visible to low-income employees. Also, the stringent part of the policies are the acts and units planned to ensure that public servants do not benefit from housing scheme grants and other social grants.

As the Budget Speech of 2008/2009 by the then Finance Minister Trevor Manuel revealed that the government is getting some of the money for these government's social grants from the taxes paid by the public servants and businesses, at least low-income employees should somehow benefit from the housing scheme grants. Because, according to PSC (2007:120), when public servants are deprived of social grants from the government, their ethics can be compromised, which can lead to financial misconduct. This may even be the case at the ANDM. The statement "There is a general belief that many public servants are found to be involved in corruption" confirms what PSC (2007:120) predicted. Furthermore, the PSC (2007:121) warned about the correlation between financial distresses and financial misconduct among public servants. This might be the reason why many RDP houses are occupied by illegally arranged beneficiaries. Therefore, according to PSC (2007:124) depriving public servants (low-income employees) of housing scheme grants could be causing erosion of ethics and a temptation to commit unethical practices.

Simba and Monana (2012) stated that most low-income earners are struggling financially which would make it difficult for them to own houses. At the time when the COVID-19 pandemic started it was really difficult for everyone financially.

That could be another reason for why low-income employees became indebted. There is an existing knowledge gap requiring investigation on the effects of depriving low-income employees of housing scheme grants.

## **CHAPTER 3: RESEARCH METHODOLOGY**

### **3.1 Introduction**

According to Crowe (as cited by Kekae, 2017: 23) research methodology is often (described) as the overall set supporting the research. It provides practical guidelines for the research. Silverman (2013:123-124) suggested that research methods to be used in research are based on either qualitative or quantitative methodologies. Krumar (2011:32-33) stated that a literature review makes the researcher aware of the methods that other researchers featured in the literature used, so that armed with that knowledge, and can go forward with planning the study. Also, the challenges previously experienced by other researchers can then be dealt with by the researcher. Once the researcher is aware of the methods used by other researchers, it becomes easier for him to select the right methodology that is appropriate for providing answers to the research questions.

### **3.2 The research design**

There are two types of research methods. The qualitative method and the quantitative method. A qualitative research design was chosen for this study because the researcher wanted participants not to be limited when answering the research questions. It also, allowed the participants to discuss and elaborate on the questions with the researcher, when answering the questions. The researcher believed that by allowing the participants to engage with the researcher regarding the research questions would allow more information to be discovered and a qualitative research design makes that possible. Qualitative research provides a richer experience when one is exploring, describing and interpreting reality (Kawulich, 2005).

### **3.3 The eligibility criteria**

Polit and Hungler (1999:278) stated that the participants had to exhibit certain characteristics, and that those characteristics should be in line with the interests of the researcher.

Participants had to be permanently employed at Alfred Nzo Municipality in the Eastern Cape to be eligible for the study. They had to be earning between R3501.00-R15000.00 Their salary band dictated that they were low-income employees.

### **3.4 The sampling procedure**

Lobido,et. al (1998:250) and Polit et. al (1999:95) stated that the process of choosing a group of people to represent the whole population is called sampling. Non-probability sampling was selected. Non-probability sampling implies that not every element of the population has an opportunity to be included in the sample (Burn & Grove, 2001: 804). The reason for choosing non-probability sampling was that it allowed for the convenience and volunteering of participants. Both the researcher and the participants needed convenience during the research process.

The sample comprised 28 participants who were low-income employees of the ANDM. The sample was made-up of: seven males between the ages 25–45 years, seven females between the ages 25–45 years, seven males from the ages 46–58 years and seven females from the ages 46–58. The reason for the selection was to get perspectives from both genders and from various ages. The intention was elicit data that was well balanced in terms of ages and gender. The ages between 18–24 were not sampled because many of them were still thinking about developing themselves career wise, so they were not in a position to provide valuable data.

### **3.5 The data collection**

The data collection for the research study was a systematic process wherein observations or measurements were gathered to assist with answering the research questions. Whether performing research for a business, or for governmental or academic purposes, data collection allows the researcher to gain first-hand knowledge and original insight into the research problem (Printha Bhandari, 2021:4).

### **3.5.1 Data collection methods**

The data collection method for the study was semi-structured interviews. The interviews were done face-to-face. The questionnaire was used to elicit answers from the participants. This data collection method was chosen in order to facilitate the collection of rich, thick descriptions by means of detailed exploration of relevant topics from a small sample. Communication had to be face-to-face because during the research COVID-19 regulations required a 50 percent indoor capacity.

Even though it was time consuming and expensive for the researcher and the participants, the knowledge gained was rich and right for the study. Participant's information was acquired by going to the ANDM to ask for the data on low-income employees; because permission to conduct the research was granted by the municipal manager. Less than 28 employees were approached and the aims of the research were explained to them. When the consent forms were produced for signing, they refused to sign, in order to protect themselves from municipality politics. Twenty-eight participants were needed, but only 20 agreed to participate in the research.

#### **3.5.1.1 The language for interviews**

The language used for the research was isiXhosa and Isimpondo. The reason for the use of these two languages was that the first language at the ANDM region is isiXhosa but Isixesibe, Isibhaca and Isimpondo are also used. For participants to be free to express themselves freely they were allowed to use the languages they were comfortable with. In this case isiXhosa and Isimpondo were used. The researcher then translated the information into English during the presentation of data stage.

#### **3.5.1.2 The advantages of face-to-face interviews**

Semi-structured interviews facilitated the collection of rich and thick descriptions and the detailed exploration of topics taken from a smaller sample. Participants were actively involved and provided direction to the interviews. Semi-structured interviews allowed for a follow-up on both verbal and non-verbal communication (Adler & Clarke, 2015:256).

Although the sample number of participants was less than the intended number a lot of information information was collected because it was easy to explore their answers by asking further questions that arose from the discussion.

### **3.5.1.3 The disadvantages of face-to-face interviews**

The primary disadvantage of semi-structured interviews is that they are time consuming for both researcher and participants (Braun & Clarke, 2013:80).

A lot of time was spent doing the interviews but it was worth it because the information needed was gathered successfully.

### **3.5.1.4 The testing tool of the research**

The research questionnaire was given to an employee whose salary band is R8000 per month, working for the Department of Education. The feedback on the questionnaire enabled changes to be made which led to improvement, before the actual research took place.

### **3.5.2 The data analysis**

Data analysis is the process of extracting meaning from collected data. In qualitative research according to Schurink and Fouche (2011:28) data analysis is messy, unclear and time consuming, but it is also a moment where the researcher can become creative. Creativity becomes visible when the data collected are arranged to be sensible and meaningful. The process is not simple and straightforward, but is rather a learning experience and a fruitful journey because it is where decisions about the data collected will be informed.

The study used a deductive approach because what the literature review had covered in terms of housing scheme grants and deprivation of low-income employees on the development policies was presented as an introduction. The aim was to move forward from that knowledge and then cover what was unknown about depriving low-income employees housing scheme grants. After the data had been collected, the answered questionnaires were reviewed and consolidated into tangible data about the topic.

The notes that were taken during the interviews by the researcher were read, together with information from the questionnaires and then consolidated into tangible research information. The findings were then interpreted and sorted into various themes.

### **3.6 The reliability and validity**

Social scientists rely on assessments of reliability and validity to evaluate the quality of their measurement methods or tools (Rymarchyk, n.d.). Ensuring the validity and reliability of the measurements used for the data collection phase of the research helps to ensure the overall quality of the research process and the end product.

#### **3.6.1 Reliability**

According to Key (1997) reliability estimates the consistency of the measurements taken. In other words it is the degree to which an instrument measures and is constructed the same way every time it is used under the same conditions, with the same correspondents. The researcher used test-retest reliability. Participants were given the same questions to answer, but at different times. The first was done by means of answering questions in a questionnaire and later; after working hours, they were interviewed again, using the same questions. By doing so, the researcher was able to test the reliability of the instrument used.

#### **3.6.2 Validity**

Validity is the degree to which what you are measuring agrees with what you say you are measuring (Gravetter & Forzano, 2006). In other words, is the researcher actually measuring what she says she is measuring? Because social science research involves human participants, it is always subject to human influence and error. Therefore, it is important to be aware of the threats to the validity of your research and make every effort to minimise them (Trochim, 2006a). The research study used criterion validity but because criterion validity has two criteria, concurrent validity was also used.



Concurrent validity refers to a measure's ability to accurately identify the current behaviour or status of an individual (Foxcroft & Roodt, 2009). Hence, the participants were first given a questionnaire and later they were interviewed. The results of both their answers were checked to see if they expressed their answers in the same way. After data collection, the completed questionnaires were read and consolidated. Secondly, the notes that were made by the researcher during the interview were reviewed in order to consolidate all of the information into tangible data concerning the topic. Later, the findings from both sources were compared and contrasted. The information on both the questionnaire form and on the interview notes was the same. The last stage of the data analysis was to consolidate the data into one document.

### **3.7 The ethical considerations**

Ethics comprises a set of moral principles that is suggested by a person or a group that is required to be accepted and adhered to during the research. All research involving human participants is governed by the National Health Act 61 of 2003 in South Africa. It mandates the Minister of Health to regulate all human services in research; regardless of whether such research is concerned with health or anything else that falls under the heading of human research (section 72 of the Act). The participants were briefed about ethical considerations and they were given consent forms to sign after the briefing; but they decided not to sign them. The briefing included the following:

#### **3.7.1 The principles of ethical considerations**

Leary (2012:314) states that the respect of participants is paramount. Participants and their views are respected throughout the research. All participants are of the important value in the research because they are the core-source of the research. Respecting them during the research process is the core of the research.

### **3.7.1.1 The consent forms**

Informed consent is a document that guides individual's personal rights to agree or not agree to participate in research (Christians, 2005:145). The consent forms were given to the participants to read. The form was also read-out and explained to them. It unpacked the aims of the research. It informed participants that taking part in the research was voluntary. Furthermore, the behaviour expected from the researcher and participants during the research was explained as requiring the researcher to be professional and respectful, considerate and to observe participants' constitutional rights. The form stated that if for any reason participants wished to no longer participate in the research they were free to withdraw with no consequences. Lastly it was explained that the study had received no funding from donors and did not have any conflict of interest beyond study purposes. The participants were allowed to participate in the research without signing the consent forms because they wanted to ensure confidentiality and they were told that they would be safe from municipality politics.

### **3.7.1.2 Anonymity**

According to Patton (2002) anonymity means that the researcher does not know the identities of the participants. As the research was in a form of a questionnaire and interviews the questionnaire form was answered by the same participants that were interviewed. The names of the participants were not written on the questionnaire form only P (standing for participant) and numbers were written on the form. The researcher could not discover the identity of the participants by looking through the forms.

### **3.7.1.3 Confidentiality**

Confidentiality means that the researcher knows, but will not tell (Patton, 2002). Pseudonyms are mostly used to ensure confidentiality. Where necessary, participants would be given false names to preserve confidentiality. Confidentiality was guaranteed to all participants as no names were used in the study and sources were not disclosed at all.

The research proposal was submitted to turnitin to make sure that any plagiarism fell within the minimum acceptance level of the university. The researcher also adheres to the principles of the university by obtaining ethical clearance. The study went through all the principles, rules and procedures of the university to conform to ethical principles. Participants were given time to ask questions before answering questions. The completed questionnaires and written notes taken down during the interviews were kept safe.

### **3. 8 Summary**

This chapter was giving a detailed information on which methodology will be used to collect data. Also how the principles of ethical consideration will be uphold. Lastly how the researcher is going to make sure that the data collected is valid and reliable.

## CHAPTER 4: DATA PRESENTATION

### 4.1 Introduction

This chapter presents a clear report and presentation of the data collected. To allow for social presentation during COVID-19 and to curb the spread of the disease, the municipality hall was used. There was enough space for social distancing. At this time the government had also lifted some of the COVID-19 restrictions and thus indoor gatherings were allowed provided that not more than 50 percent of the capacity was used. The interviews and answering of questionnaire were both done in the hall. Furthermore the researcher wrote down the responses of participants during the interview to confirm whether the data corresponded with the data from the written questionnaires. The data was collected and then analysed using thematic analysis. Thus, the level of trustworthiness was confirmed. Semi-structured interviews were used to collect data from the participants.

This chapter presents data that was collected from participants using semi-structured interviews and completed questionnaire. Some of the data was translated from vernacular (Isimpondo and Isixhosa) to English because the participants were more comfortable expressing themselves in the vernacular. A thematic approach was used to analyse the data.



**Picture 4.1: The participants answered research questionnaires**

Source: Own picture



**Picture 4.2: A road sign to Ntabankulu Local Municipality where data was collected**

Source: Own picture

There were 20 participants. The first group comprised six males and six females from the ages 25–45 who were working in the Ntabankulu Municipality. One male participant was a former ward councillor. Ntabankulu Municipality is a local municipality that falls under the ANDM. The employees work under the Expanded Public Works Programme (EPWP) as office bearers in the municipality. The remaining eight workers comprised five females and three males aged 46–51 years old, working as office bearers and EPWP. The EPWP workers were field workers. The workers views were important for the research because most of them verified the impact of depriving low-income employees housing scheme grants in the ANDM. All the participants were Black Africans working for the ANDM.

Eight of the employees at the Ntabanulu Municipality were office bearers and the 12 were field workers. They were labelled as participants 1 to 11.

The former ward councillor was labelled FWC and the participants who were office bearers were labelled FWC and the present office bearers were labelled POB (P1-P11, P20 FWC and POB 12-19).The primary themes, sub-themes and emerging themes were all given titles. The participants' responses necessitated the conclusions that were drawn from the research.

#### 4.2 The participants according to their demographic data

Identifier	Occupation	Gender	Age		Period working for the municipality
P1	EPWP	F	29		2
P2	EPWP	F	40		2
P3	EPWP	F	42		7
P4	EPWP	F	39		4
P5	EPWP	M	39		8
P6	EPWP	F	25		3
P7	EPWP	M	28		2
P8	EPWP	F	47		6
P9	EPWP	M	34		4
P10	EPWP	F	35		5
P11	EPWP	M	43		12
P12	OB	M	51		7
P13	OB	F	36		5
P14	OB	F	48		5
P15	OB	F	37		6
P16	OB	F	28		2
P17	OB	M	33		9
P18	OB	M	35		4
P19	OB	M	30		8
P20	FWC	M	46		6

### **Table 4.3: A Table of participant's demographic characteristics**

**Source:** (Field Survey 9 June 2022)

#### **4.3 Thematic presentation of the collected data**

The use of thematic analysis led to the identification of eight themes from the participants' responses. The themes are discussed below. They are: the period of working for the municipality, the challenges leading to not owning a house, The low-income employee's socio-economic state, Mitigating the Impacts, Compromising work ethics and production, Advice on securing financial returns as low-income employees and a plea to policy makers.

##### **4.3.1 The period working for the municipality**

The theme clarifies the number of years participants had been working for the municipality. It further indicates how difficult it is for the low-income employees to own or purchase houses regardless of how many years they have been working for the municipality. Getting a job for many people means to being able to fulfil their desired dreams when growing up, especially when one gets a job in the municipality because everyone perceives the sector as one of the higher paying sectors. In support of this statement P3 said "*Ndagcoya nendiva uba ndiwuthole umsebenzi kwamasipala*" meaning she was super excited to receive the news that she has got the job in the municipality. She knew that her dreams were being fulfilled because she was about to build a house for herself and her children. Little did she know that it was the beginning of her financial problems to build or buy a house.

"As being born in a big family and only one working, to me the years that I have worked in the municipality does not even qualify what I have in terms of asserts". At his age according to the culture and norms or societal expectations he should be married and owning his own house or home. But that is not yet possible, stated P5.

P11 stated "I wanted to further my studies but the challenge was not having money." Getting a job at the municipality was seen as a blessing when he received the news.



He did not know about any benefits or 'whatsoever'. All he knew at the time was that the salary was enough to further his studies and become educated. Sadly, even after 12 years working at the municipality, he had not been able to pursue his dream because he had not been aware of UIF, tax and policies that are depleting his salary. As the years went by, his responsibilities continued to grow, he said. Now, his main aim was just to have a house of his own.

P3 agreed with P11 saying that for seven years she had worked for the municipality. But she still did not have her own house as she had hoped for, when she got the job. These workers' years working for the municipality should have given them a stable life with a house of their own. They were working in a high pay sector, as perceived by many people. They said that having benefits like other employees, should have assisted them in supplementing their shortfall and should have eased the financial burden, especially due to owning their own homes.

P15 further added that most of them had been working for the municipality for many years. Therefore, that suggested that at least they should be owning their own homes. Unfortunately, that was the hardest journey to achieve financially. The testimonies revealed that many low-income employees are having financial problems. It also reveals that working for many years in the municipality as low-income employees does not reduce their financial problems. Instead it causes them to increase. If there were incentives in the form of benefits that should have benefited them financially, and should have allowed them to build or buy houses.

#### **4.3.2 The policies are a barrier to acquiring a GSH**

The policies formulated in trying to curb poverty and existing inequalities in South Africa were successful in very few cases, and presented huge challenges.

P8 said; "I literally applied for an GSH." She said she had believed that the burden of building a house would be relieved, thus allowing her to concentrate on educating her children. Surprisingly she was denied that privilege the authorities said that because she was working she did not qualify.

P13 also explained that she had applied for a GSH. The correspondence she received indicated that she did not qualify for the house because she was working.

“I was told that I do not qualify since I am working. According to the policy that is followed when issuing GSH,” explained P7.

P13 Also added that she got the same response when she applied for an GSH; “My heart was torn apart since I had high hopes of owning a proper house”. Houses at her home are built with “izitena zodaka” (mud bricks). The current disaster made it hard to maintain the houses. Her wish was to renovate her home, but financially the process has become very slow because she was the only one working.

P12 explained that he only learnt this year January 2022, that as low-income employees they did not benefit from housing scheme grants at the bank. A house was on the market for R50,000. Because he did not have cash to buy it, he thought that borrowing the money from a bank to buy that bargain would make life easier than starting afresh. Unfortunately, he only qualified for R10,000. He was told that if he had a housing subsidy he could use the R10,000 to top up his loan. That meant that he was still not able to buy a house because of affordability issues. Even today, it still breaks his heart that he could not afford the house because if he had access to a housing subsidy, he could have bought a house for his mother.

P19 also supported P12 because he also felt that the policies had failed him because he had lost an opportunity to benefit from a housing deal and thus become a homeowner. Unfortunately, he could not get the loan he needed.

The policies that are in place make it hard for the low-income employees to acquire housing grants. Although the municipality and other sectors are aware of the disadvantages for low-income employees, rectifying this error goes back to the original policy formulation by the policy makers. Since policies cannot be removed or amended overnight the pain continues, explained P20.

Mosala et al. (2017:329) stated that public servants benefit from housing subsidies due to the GEAR policy. Low-income employees are also public servants but earn between R3,501.00 and R15,000.00 Therefore, these employees do not qualify for an RDP house as they earn above R3,500; as stipulated by the GEAR policy. Also, financial institutions consider them high risk for loans to build or buy houses. (Baker, 2017:366–369). Low-income employees can only own a house or build one if they have sufficient earnings to pay for it without state assistance.

“I did not even know that the reason for not benefiting from GSH is that of the policies” reported P6. She assumed that it was the municipality’s fault because she works for them. She said; working for the municipality meant that all the municipal workers could not receive GSH because they are a project that is driven by the municipality.

P7 also said that he was not aware that not qualifying for loans was because of government policies. He said that not qualifying for loans was assumed as he was already indebted and thus was not able to pay the banks back.



**Picture 4.3: The GSH of Siphundu in Ntabankulu (Free housing scheme employees are deprived of)**

**Source:** Own Picture

### **4.3.3 Challenges leading to not owning a house**

Low-income employees earn between R3,500 and R15,000. Some of them have been working for the municipality for years but are still not permanently employed. The salary they earn has to cover all their financial needs. That includes rent, and buying food and clothing. The salary is used-up even before it covers all the worker's needs. That is where the challenge begins because the salary does not cover everything. Also, during the month there are financial needs that just crop-up and need to be paid for.

P11 said "I am the first born at home, therefore once, you start working as the first born you inherit all the responsibilities of the homestead." She is a breadwinner for 11 people. Imagine how her salary is depleted even before it covers the owner's and her dependents' needs.

P15, a bubbly person said "I live a champagne life on a budget of beer" meaning living a fake life. The statement means that she saw that she could not afford to buy the designer clothes she wanted, so she opted for faking it. Consequently, she doesn't buy enough food and turns a blind eye to her family responsibilities, so she can afford weaves and designer labels.

P10 explained; "My mother died and left me with three siblings". She left them at her home with her uncles and aunts. As they grow older they were told that they do not belong to the homestead. They had to find their own place to live. She then found a place in town to rent with her siblings. Her main aim at that moment was to pay for their studies, so that they get better jobs to earn enough money and build or buy a house. Renting and paying for their education has become very costly to the extent that having her own home is only a dream because of the way things turned out financially.

P9 responded saying "I wanted to build a three room house that I felt it would be manageable on my salary because I have no responsibilities yet." He said that he had only managed to buy bricks in the two years since he started to plan building a house. "The building materials are expensive and the cost of living is very high. A salary does not grow since even with increments, there are no changes because everything else goes up as well," he said.

"Since it became clear to me that buying building material would be expensive, I decided to use mud bricks. I prepared for 'ilima' to assist in making the bricks". Ilima is when a group of men and women would come and help you with whatever you want. In return, you cook a delicious meal with drinks and umqombothi (traditional beer) for them.

Ilima facilitated the process of receiving many mud bricks in a short space of time. In two occasions of ilima, she managed to have '*iwaka lezitena*' (1000 mud bricks). She spent R800 on both ilimas and the blocks were enough to build a three room house. You have to wait at least for a month for the bricks to dry-out sufficiently for them to be used. In the third week of drying them, a storm attacked the area and all the bricks were damaged. Up to now, she has still not yet recovered from the incident financially reported P14.

The area of Ntabankulu local municipality at the ANDM is always troubled by natural disasters like floods and strong winds. Building a house using mud bricks is very risky because every year the area experiences those disasters, sometimes four times in a single year. The people who are affected most are those who used mud bricks and wood to build their houses. The disaster management office at the ANDM always warns and cautions the local people not to use these types of materials when building houses. Because of the 39.73 percent unemployment rate; according to the 2018 report, and the 83.8 percent of poverty in the Alfred Nzo District region, it is not easy for large numbers of people to use bricks because they are expensive. Even for highly paid people, building is not easy because bricks are expensive and they take forever to buy. Shelter is a basic need but it requires a lot of money to have one. Therefore, most people still use mud bricks and wood for building houses, regardless of the warnings they are given.

P20 said; that the main challenge was not being able to budget. He had witnessed workers making drastic financial decisions that they were not be able to maintain. The truth is that one cannot dispute the fact that they earn very little, but budgeting properly would decrease their financial burden. Even though effective budgeting would not allow them to build big houses; the small houses they could afford, even if it took a long time would assist them financially. Owning or buying a house requires you to plan and budget for a very long time, according to financial experts. Building materials are not cheap.

What the participants said about their challenges they faced by not owning a house made it clear that an intervention to assist them needs to be considered. The question is; by whom and how?

#### **4.3.4 The low-income employees' socio-economic state**

The SES (socio-economic state) of low-income employees is very bad. There is a fine line between someone who is working and those who are not working because most of them are indebted. P1 stated that they could not blame everything on the housing issue because there are many “streams” that together left them financially impeded. Not being able to budget was the worst scenario; which led to their poor financial state, she added.

P2 also supported P1, explaining that when she started working she had not budgeted at all. She would spend the whole salary on anything she wanted when she had money. This habit landed her in debt. “It is only now that ‘I am drowning in debt’ that I sees the value of budgeting,” she explained.

“In 2020, I suffered with depression,” elaborated P19, saying during the lock-down everyone was at home and the only salary that provided food was his. He could not pay for his other expenses and needs. Because he was already indebted, he could not afford to pay all his debt. He then started to receive calls demanding payments that he had failed to make. “When you are indebted you start lying’, he said. Because of the lies he said the ‘mashonisa’ came to his workplace. She shouted and harassed him. The scene not only embarrassed him but all the colleagues as well. P7 continued, saying; “I have become an alcoholic because the only thing that numbs my mind into not thinking about my financial problems is alcohol.” He then contradicted himself by saying that eventually, it did not numb the pain any more. It made things worse. When asked to explain what he meant, he said; you drink because there is no enough money to solve your financial problems, and the drinking also requires more money. Therefore, drinking continuously does not solve anything and instead, it makes the socio-economic-state worse.

He continued, saying that the situation he has landed himself in had not only destroyed him but was also hurting other people around him. Lastly, even his work was suffering because he sometimes absconded from work.

P6 said she found comfort in alcohol. The increase in her alcohol intake was due to her inability to control her financial state. "Not being able to achieve your dreams because of financial constraints makes you feel useless," she said. The situation was getting worse. Only alcohol numbed her sorrows.

P11 explained that when he started working, he promised his nephew that if, he continued to study hard as he was doing, would pay for his tertiary education. His current financial situation made him unable to fulfil his promise. Consequently, to avoid facing his nephew, he decided to stay away from his home. "This gesture is haunting me," he concluded.

P18 said; "I approached my girl-friend to cohabit with me so we could share the rent and groceries" He suggested that course because of his debt. He was suffocating with debt and couldn't even afford transport money.

P12 reported that he had destroyed his relationship with his two children because he could not afford to support them. He was renting in town and assisting his family financially. It became difficult to keep up with the needs of the toddlers. "Today I don't know where to begin mending fences with the mother of my kids because I have been an absent father." The gesture is haunting him because he loves his kids but messed-up his opportunity to be with them.

P9 said that his bank card was with a popular mashonisa in the area. He had many unpaid loans. The loan shark decided to keep his bank and identity document (ID). He said, "I save 50 percent of my salary for the bigger dreams that I plan to achieve in the next 5 years". P17 said that saving money was helping him a lot. He did not have financial stress or any other financial challenges. But he was unhappy with his current life because his social life was limited.



He avoided many things like buying clothing brands he liked, studying and even getting a driver's licence. His life was stagnant, he explained. He was even labelled 'I Para' (a drug addict who has nothing except the clothes on his body) because of his dress sense and the food he ate at lunchtime. "I am not enjoying my life because of my financial limitations," explained P17, tearing-up.

When comparing low-income employee's SES with other public servants and people who were not working, they are perceived as the most oppressed people (poor in terms of their SES) because middle-class public servants have subsidies from their employer that assist in improving their SES. People who are not working are entitled to many government grants. These grants assisted them to improve their SES. Having been low-income employees for years, their poor economic state was perpetuated by many things; the main issue that plagued them was being bread winners with very small salaries and having no other benefits to supplement their income, reported P20.

Sadie Brown (2021) stated that government employees are usually indebted and most of them do not own houses. These workers situations were usually entrenched because they received minimal benefits and had to struggle for everything, especially housing.

#### **4.3.5 Mitigating the effects**

P8 said, "I have tried various business ventures that became failures and left me indebted." Before the lock-down, she has been buying continental pillows in Durban to sell. People took the stock and did not pay for it. She lost the money she had put aside for ordering the stock because the payments from her customers were mostly paid in instalments and sometimes they did not pay at all. Recently, she had been selling Avon products, Tupperware, Forever products, Justine and Pres Les. Despite the mitigation strategies she had tried, she had not managed to rebuild her financial state or fulfil her dreams financially. Her dream of owning a house had been buried due to the financial burdens she had. She also stated that she suspected that she suffered from depression because she had lost interest in developing herself. P18 said that he was selling dagga as a way of mitigating the impact of his debt.

Macwerheni is an area where dagga grows well and one can earn good money from it. (Macwerheni is the rural area in the ANDM). "I have a garden of Aden in the mountain so as to not to get into trouble with the law enforcement agencies." Apparently most men grow dagga in the mountain. They call their 'fields' a garden of Aden because they give them wealth. According to him, during the harvesting season many customers from various far-flung areas like Lesotho, Cape Town, Gauteng and many other places come and buy it. He said; "I don't want to lie. I make a lot of money during the season". He usually triples his earnings when he receives good quality produce in a month. However, the business is risky and seasonal and one cannot depend on it full-time since it is illegal to sell it.

P10, in response to the question said she has '*Isirhoxo*' (a shebeen). She makes *isiqatha* (African beer made from bread, yeast and pineapple) every day so that her sister can continue selling it while she is at work. She said that it is cheap to make it; but it is dangerous and addictive. Therefore it has limited customers. She sells it to those who always want to be intoxicated and cannot afford better liquor, she said. It gives her only temporary financial relief, especially because of the cost of travelling to and from work every day. It is risky because when the law enforcement agencies visit the area, they take her beer and pour it on the ground and fine her. When that happens, she loses money and must then start afresh. It took her a month to re-start the business when that happens because it is a hand to mouth business, she explained.

P1 said, " I bake muffins and cakes for funerals, feasts, birthdays and baby showers. It is not a stable business because I don't get orders every month." Secondly, sometimes it happens that when she gets an order she does not have enough money for the ingredients. She then has to borrow money from the mashonisa. These days no one lends you money without interest. She then has to pay her back until the order is fully paid.

P15 said that she started 'Imbongolo' (cash loan business) in 2019. The business is good but changes the owners' character because when people do not pay as promised you have to shout at them or even take assets equivalent to the money owed.

Take note of the contradiction she is doing the business to get money, when she takes a kettle and TV for example she has still not achieved her purpose of running successful transactions with people. She even explained that she does not like the person she has turned out to be because of the business. "But what can I do?" she says - life is not easy at all." One needs to do something to try and meet costs half - way in order to survive."

P12 told the research that, a stokvel had assisted him with his financial difficulties. Thirty percent of his salary goes to the stokvel. There are only four members. That means three times a year he receives R12,000 which amounts to R36,000 in a year. That is the money he saves for his desired dreams, he concluded.

P5 said that as she had learnt about weaving and plaiting hair at an early age, even today she still continues to practise those skills as a side-hustle. "I have customers and I also learnt to do make-up". These skills assist P5 because for big events like school farewells. She does make-up and hair for learners who are leaving school.

The money assists her a lot because she manages in some months to keep up with her daily costs. Thus, due to her busy schedule, her clients find it worth their while to wait their turn.

P7 said; "I have learnt that I am good with my hands in terms of creating things." She developed her skills while studying technology and creative arts at school. To make extra cash, she designs toys for boys and sells them. She says that she does not make enough money at it, but that makes a difference because she is able to cover some of her financial needs.

P2 blew the researcher's mind when she said that because she was not good at business, so she decided to have '*two sugar daddies*'.

They supported her financially. When asked about the dangers that came with what she was doing, she defended herself by saying that although having two sugar daddies is risky, she believed that it was better than having a cheating or an abusive boyfriend. The low-income employees try to mitigate the negative impacts, so most of them have side hustles that earn them some money stated P20.

#### **4.3.6 Compromising work ethics and production**

Not having enough money to cover your responsibilities, especially building your own home is a big challenge. It makes you vulnerable and may tempt a person to practise corruption and theft of the municipality's resources. There is always a grocery store near the municipality offices. It is intended for poor people or those who are affected by disasters. Also the groceries came-in handy as a relief aid for poverty during the COVID-19 pandemic. Some of the residents go and help themselves by using that grocery store. They are aware that the goods are not intended for them but they are tempted to 'take something,' they do so to provide groceries for their families; so that for a certain period they are covered grocery wise. The money they save on groceries is then be used to pay-off outstanding debts. Even if it is a uniform or something else, they take it to make extra cash out of it," explained P12.

P17 said that; according to his experience as he had worked at the municipality for many years, even those who earned more than the low-income employees; including some in high positions sometimes steal municipal resources. People steal out of greed and there is a lack of policing of rules that are stated in policies encourages fraud, theft and corruption. They know that nothing will be done about it because so many people are stealing and nothing has been done about it so far. When low-income employees have access that allows them to practise theft and corruption, they do so to better their lives.

P7 reported "As I am an alcoholic, which everyone knows about at my workplace, I sometimes don't go to work because of a hangover or sometimes, although I am at work physically, I do not work according to my ability".

Definitely such actions have an impact on work production at the end of the day (He says “please do not write this one because my bosses will give me a warning if they find out that I come to work nursing a hangover. It is against their policies”).

P14 also added that compromising work ethics in terms of stealing is costing the municipality a lot. A lot of money has been spent to assist those in need with groceries, blankets and uniforms. Only discovering thefts when products must be distributed to the intended beneficiaries is not enough. This type of corruption tarnishes the municipality’s name and reputation.

P20 said; “I have personally witnessed work ethics and production being compromised by low-income employees.” The first incident was with a municipality water lorry. He caught it delivering water to houses that it was not sent to, in his ward. The second incident occurred with the fixing of water leaks. The material was taken from the municipality to his ward. On arrival, the councillor was there and surprisingly, there were also some plumbing materials. He said; “I tricked them into telling the truth.” The material was then used to support side hustles. In all these incidents, the side businesses were a priority and the side hustle work was done during council working hours. The last of many incidents was with food parcels being delivered for poor and vulnerable people in his wards during lock-down. The groceries that had been promised were not all there. When asked what he had done to prevent the stealing by an official, he responded by saying; “You know as an official, you always have to defend and uphold municipal policies. On the other hand, I sympathised with them because they were likely to lose their jobs.” In mitigation of his lapses, it must be said that, in both incidents that were within his jurisdiction, he talked to those who he caught committing such wrongs. He reminded them of the damage that their acts caused to the municipality. He explained the procedure that would be followed when their actions were reported to the managers. Then, a document of what happened was written down. The culprits were instructed to read and sign the document. After they finished working, he informed them that the incident would remain between them and him.

However, should another such incident happen, it would be reported to the managers with the documents, to make a solid case against them. Until his term as a councillor was over, he never witnessed any such dodgy acts again.

#### **4.3.7 Advice on securing financial returns as low-income employees**

“To save for the future and for our retirement, I would advise that we join stokvels because they discipline you in managing finances.” advised P17. The money saved could then be used to assist with the building of houses.

P15 said that those who are good at running a business should continue with their side businesses and save the money they make for a future house and their retirement.

“To me funeral policies are very expensive for covering the whole family, especially when it is large,” P3 said. She mentioned other cheaper ways of covering the whole family.

To save costs, it is wise to join a burial stokvel in the community (local area). Stokvels are affordable and they cover one’s whole household. For instance, they contribute R30.00 per household when someone passed away. The overall amount to be sent to the bereaved family per funeral is R45,000. The contribution is affordable and cover funeral costs. P5 advised saying that saving money was where they were still lacking. “Most of us were never taught about saving money for rainy days.” That is the main reason why they are drowning in debt and cannot afford to build their own houses today. He also advised that they should take as little as R300.00 out of their salaries monthly, and save it for future purposes, especially retirement. He had witnessed retired low-income employees having to struggling even more when they reached retirement because they had not saved enough money to buy a pension and had not built themselves houses. When they receive their pension, they get a lump sum and half their salary from GEPF monthly. Their salary was not sufficient even when it was a full salary. Building their houses with pension money is what he observes as depleting their finances dangerously and making them vulnerable to severe poverty.

Saving, according to him would be the best way enjoy a peaceful retirement. “Looking at my financial state, I am scared of retirement because that’s when I should be enjoying the fruits of my hard work. It’s a pity that if I continue living as I am now; I wont have any money to retire on.

P16 interjected saying that most of the debt she incurred was caused by spending money on unnecessary things, rather than to meet basic needs like building a house. She blames a lack of financial knowledge. “If I had known better then I would be in a better financial state today.” Since she is now on the verge of fixing her life financially she took out a savings plan with an investment company. She encouraged all low-income employees to budget and save for every goal they want to achieve.

P12 also intervened saying that they had to save money. They had to learn not to pressurise themselves into things they could not afford. The pressure sometimes originated even from working for the District Municipality. “We must refrain from that,” she shouted.

P20 said; People perceive working for the municipality as being secured financially or as enabling workers to become rich because they say that the ANDM pays too much. They judge the ANDM by the materialistic things they see that these workers have while forgetting the most important thing, which is owning a house. The truth is that they do not earn enough money to maintain their status. If they can live with the reality of their situation, they can manage to plan and use their salaries to cover basic needs like shelter.

#### **4.3.8 A plea to policy makers**

P10 had a request for policy makers. He said; “I request that the people who are responsible for developing policies should review the policies that are in place every five years”. Doing so would be a way to check the effectiveness of the policies in force. Reviewing the policies would also create room for improvement on finding ways to deal with challenges and problems that are encountered. Furthermore, that would minimise some of the financial problems that low-income employees have to endure.

If the municipality could build bonded houses intended for low-income employees where they would pay monthly for the full term of the bond; that would at least provide relief from the housing burden presently impacting low-income employees. Job opportunities would also be created and the municipality would be in a better position to increase revenues; in order to function better and not be so dependent on grants from the national and provincial government. There is a lot of arable land available in the Alfred Nzo region for such projects. Policy makers should conduct research even in the most remote areas, where jobs are scarce and mostly people work as low-income employees. The research would force them to be aware of the hardships that low-income employees are going through in rural areas and therefore plan better. Policies are developed to apply to everyone, even residents at Macwerheni location. The problems of someone at Macwerheni are completely different from those of someone in a township or a big city. Furthermore, although the municipality is creating job opportunities to alleviate poverty, it is also creating dependency of people on the municipality forever, argued P3.

P19 said; "I request that policy makers conduct workshops to address people on all levels of life (Urban and Rural)". The process can be done through the local municipalities. If they do so, the officials may be able to balance the rights of all citizens when planning policies. Despite the influx of people into big cities, he believes that problems can be curbed because the same benefits that attract people in the cities would be extended to everyone, even at local level.

P15 agreed with what P19 said, saying that policy makers when conducting workshops should also organise experts on finance who could stress the importance of financial literacy. She believed that that would ease the pressure and blame on policy makers for the lack of financial literacy in the country. She assumed that most of the problems the country faces today are aggravated by a lack of financial literacy.

Furthermore, even some of the high earning employees have financial problems that are caused by insufficient knowledge concerning finances which leads to poor planning.



Conducting workshops and educating workers about finance will help policy makers understand the lack of financial knowledge existing at grass roots level. Lastly that would give an opportunity to low-income employees as well as policy makers to be part of solving problems at the local level, in remote areas. In that way, the creation of a better life for all people, regardless of where they are and how much they earn can begin.

P20 suggested that policy makers should reconsider the issue of the low-income employees not benefiting from housing scheme grants. Even if houses could be built for low-income employees that would be the same as the RDP houses, but would be paid as a bond by the beneficiaries; that would greatly assist them.

The bond payment could be made manageable according to individual family's affordability. There is plenty of land available for such projects in the ANDM as P10 said. Furthermore, the influx of people and the rapid growth of shacks, despite the RDP houses in towns and cities would be curbed. Lastly, building those houses would allow low-income employees to benefit from the scheme and have shelter, just like everybody else.

#### **4.4 Summary**

This chapter presented the data collected in this study. It was collected from 20 participants by means of semi-structured interviews. The interviews were done face-face with participants and they were required to answer a questionnaire. Participants comprised 12 EPWP field workers, of which one was a former ward councillor and eight were office bearers. These employees were chosen by the researcher because they work in the ANDM. The data gathered presents that these employees are impacted by being deprived housing scheme grants.

## **CHAPTER 5: DATA ANALYSIS**

### **5.1 Introduction**

The chapter shows how the information collected from the participants was analysed. Some of the views of the participants are depicted with the aim of strengthening the argument.

### **5.2 The struggle to own houses by the low-income employees**

Public servants are struggling financially (Simba & Manana, 2012). Most of these public servants cannot afford to build or buy their own houses because they are over-indebted. It is even worse for the low-income employees because they can only rely on their salaries to give them a chance to build or buy houses. Since they do not even qualify for government free houses generally known as GSH, their incomes are severely affected and thus usually, they are unable to cover even the most basic needs of participants and their families; never mind budgeting for building or buying a house.

P10 said that she and her siblings had to move from where their mother had left them since she had passed away. She had to rent a place in town and pay for her siblings' education. Her financial obligations made it impossible for her to even think about owning or building her own house. The death of her dream of owning a house is due to the fact that her salary is barely enough to survive on due to living expenses.

The findings reveal that low-income employees are financially impacted by being deprived housing scheme grants. If they were also included in a scheme whereby they could benefit from owning or building a GSH, P10 would be in a position to own her own home, where she could raise her siblings and then focus on paying school fees and basic living expenses.

As the research statement stated, there is a need to find out the impact that comes as a result of low-income employees being deprived housing scheme grants, given their living conditions and how they view and manage this deprivation.

The research findings revealed that being deprived housing scheme grants causes a challenge in their lives even on and after retirement age. This is because despite working for many years in a municipality like P11, P17 and others; owning a house is still not an easy journey to travel. Despite several intervening strategies by low-income employees such as having side-hustle businesses, and saving and using mud blocks to build with. Many such attempts so far have failed. These strategies have landed some residents into severe debt. Saving helped P17 a lot, although he had to deal with being called names. He was called names because he wasn't able to balance his life financially. As long as the GEAR policy of 1996 remains in place and is not amended to accommodate the low-income employees to benefit from it, they will still find it hard to build or buy houses. Because of the economic crisis that is happening in South Africa currently, these employees will struggle not only for housing but also for food. Many of these employees, according to the research findings are already indebted. Salary increases are like a drop in the ocean because even though one's salary might be adjusted, the costs of funeral policies, food and the inflation rate also increase.

2022 has become the worst year ever in 13 years with the extreme increases in bread and cereal products which recorded an annual rate increase of 11.2 percent in June 2022. Maize meal increased by 5.2 percent, the meat price increased by 9.5 percent, fuel increased by 45 percent, oils and fats increased by 32.5 percent, electricity increased by 14.5 percent, public transport increased by 14,3 percent, beer increased by 8 percent, wine increased by 7.9 percent (Staff Write, 2022). All these food items are things that the participants touched on during the research as costs that are rapidly depleting their salaries and making it hard for them to build or buy houses. The statistics show why low-income employees continue to struggle; thus, over time, they will become even less able to buy or build houses. The current economic state will affect them more than housing problems because their salaries were grossly insufficient even before the current economic state hit us. Owning or building a house will continue to be a very hard and painful road to travel.

The current economic situation will also affect production at work; particularly because the municipality might experience increased absenteeism by workers because of high travelling costs, especially affecting low-income employees; given their current economic state. Financial problems have led some low-income employees to fall into depression and others became alcoholics. The economic situation might aggravate that problem.

As the participants are struggling to own houses at present; simultaneously their dreams of owning their own homes are also lost. Years pass with no change in their chances to build or buy houses. Amending the policies to accommodate these workers on housing scheme grants may be the only solution to bringing back hope for that dream. Owning a shelter is a priority that most employees works toward achieving; and according to our constitution, that is a right; not merely a privilege that should be achievable for all. If giving citizens that right is not achieved then retirement will more and more be seen as a recipe for increasing exposure to poverty and unending debt.

### **5.3 The existing inequalities between the low-income employees and those who are unemployed**

The fact that low-income employees do not benefit from housing scheme grants has created huge inequalities between them and those who are not even working. Low-income employees pay tax like any other public servant. These employees do not receive benefits because they are working. People who are not working benefit far more from government issued benefits because of the policies that are in place. Unemployed people benefit from receiving free GSH, food parcels, social grants and many other once off benefits. Many people who benefited from the GSH are working and earn even more than the low-income employees; but because they work where they are not registered as employees, they are safe from any punitive action by the government or individuals because they have benefited unfairly from a loophole in the government's policies. The government simply turns a blind eye towards this blatantly unfair situation.

The low-income employees pay taxes that form part of the assistance money that goes into assisting with paying for costs incurred when GSH are built. These employees qualify for the FLISP and it should be ensured that they are benefiting, regardless of the area they reside in. The policy makers should have ensured that the FLISP had options that suited those living in remote areas. Applying for an RDP house when you are not employed by the government is easy. That gives unemployed people an advantage over those who are employed; and they are given free guaranteed houses by the government. The only challenge they have is delay, but when their time comes, their right to a house is guaranteed. For those who pay taxes building or buying a house becomes very difficult.

#### **5.4 The policies as barriers on acquiring houses**

The GEAR policy of 1996 stated that low-income employees earning R3500.00 or more did not benefit from GSH. The houses were meant for people who are earning less than R3500. They must be above 18 years of age and be South African citizens. P6 was told that she did not qualify for a GSH house when she applied for it because she earned too much – how laughable is that?

The FLISP of 2005 was approved as a programme developed to assist South Africans who earn between R3,501.00 – R22,000.00 per month and are over the age of 18. The FLISP subsidy is based on the income that an applicant earns. The subsidy ranges between R27,960.00 to R121,626.00 (FLISP, 2022:13). The low-income employees qualify for the FLISP but there are terms and conditions that come with applying for the FLISP.

These conditions are:

- You must be purchasing an existing house on a residential property, but you must first be approved for a home loan. If you are buying cash, the FLISP can be used for a top up of your bond balance.
- If you are purchasing in a new residential property. The FLISP will be used as a down payment on the price of the house.

- Furthermore, the subsidy will be based on how much you earn.
- Purchase of a vacant property.

The FLISP subsidy can only be used for purchasing land if that vacant property is linked to a National Housing Builders Registration Council (NHBRC) registration or a building contract. The FLISP is accessible in formal residential areas in towns. These FLISP conditions make it hard for low-income employees who are at the ANDM jurisdiction to access these benefits because they are in remote areas with small towns.

P12 and P19 were disadvantaged by the policies that became barriers that blocked them from acquiring houses they intended to buy. Being informed that they qualified for less than what they had hoped for, meant that their dreams were shattered. What made it worse was that, according to the FLISP, these employees qualified for a housing subsidy. However, a remote area like the ANDM does not have houses built on new residential land that falls under the NHBRC.

The vacant properties do not comply with the municipality standards that allow them to buy a property with FLISP assistance. For low-income employees in remote areas such as the ANDM, that means that even though they qualify for FLISP benefits, the area does not allow them to have access to such benefits. Thus, they do not qualify for a housing subsidy. The FLISP does not encourage or support those who want to build on land in rural areas. If the FLISP was offered in respect of rural areas, that would be better because the low-income employees would then apply for it and would be able to access loans to build in those areas.

Building a house in those rural areas under the auspices of the FLISP scheme would help them financially. In that way the government policies would be seen to be more flexible and encouraging for the low-income employees to own houses, instead of being seen as a barrier. Low-income employees should benefit from RDP houses. Especially in remote areas where the FLISP is presently not available.

To make use of the FLISP service, at least it should be converted to facilitate low-income earners accessing RDP houses.

However, these workers should pay for the GSH like a bond. The payment should be an amount that is affordable for such workers. Regulation 13 © of Public Service Regulations, 2016, prohibits public service employees from conducting business with an organ of the state. This act criminalises the act of conducting business with the state for public administration employees and for special advisers (DPSA, 2021:12). This act deprives low-income employees from having other sources of income that could assist them with generating an income. The extra income would assist in covering other needs that they are currently unable to pay with their meagre salaries. P5 is weaving, plaiting and doing make-up. If she could register and run her side-hustle business while still working for the municipality, she would be able to earn a decent income. P7 who designs boy toys, if he could also register his business and market it, it can grow and earn him money. It's a pity that is not allowed.

According to Regulations 13©, that is a criminal offence. Some participants stated that their side-hustle businesses are seasonal. Therefore they cannot rely on them. The low-income employees are the ones who are most oppressed by inadequate policies because politicians have private businesses and still work for the government. If these employees could be permitted to register their businesses and run those businesses, as long as they undertake not to interfere with their jobs; that would be fair. Because of such policies, low-income employees are tied-up and cannot roll up their sleeves and develop their businesses to earn extra money. The businesses would assist the employees, as they could use the profits to assist with building costs. The employees then have to choose between being employed by the government or running their businesses. The salaries from the government should not materially conflict with the modest earnings from their sideline businesses.

Policies formulated in South Africa usually favour one side and oppress the other side. Usually policies that are meant for development favour the urban areas. People in remote areas are usually sidelined by such policies. All the low-income employees are supposed to benefit from the FLISP scheme. In practice, employees who reside in remote areas are sidelined.

They are sidelined because the three FLISP conditions do not apply in remote and rural areas. Nothing has been put in place to make sure that those who are in the areas that the FLISP does not operate in can be offered something else to substitute the FLIPS, to make sure that everyone benefits.

The RDP policy introduced the building of GSH, but when one looks at the number of houses that are built in urban areas compared with those built in remote areas, there is a huge difference. Hence, residents in rural areas feel that the policies favour certain parts of the country more than others, which creates inequalities and probably resentment. These policies oppresses low-income employees in rural areas, especially regarding the housing subsidy because the money that should benefit the ANDM low-income employees is not accessed and it creates vast inequalities between the low-income employees in remote areas and those in urban areas. Unfortunately, the gap is never bridged, even at retirement.

#### **5.5 The government subsidy houses (GSH) versus using a subsidy**

The housing subsidy is an amount of money an employee receives when buying a house in town. The money is benefited according to how much an employee earns and what loan he/she qualifies for. Furthermore the money is available for topping up when he/she buys a house cash. The indebted low-income employees do not always qualify for home loans nor the FLIPS scheme.

The condition then forces low-income employees to struggle to benefit from all the FLISP conditions although according to the policy they qualify. Those who qualify for an GSH are sure to get it, unlike those qualifying for the FLISP who may not qualify. The low-income employees will struggle throughout their lives to own a house. Since the current financial situation of the low-income employees is bad, it means that even buying a house cash is sometimes impossible. It is easy to apply and get a GSH when you are not working for the government or you are not registered as working.



The low-income employees who pay tax that also contributes to the building of GSH, it is not easy to access the housing subsidy, due to the conditions stipulated regarding FLISP. The government spends about R150.000 per GSH beneficiary and spends about between R 63,345 - R120,000 per low-income employee and he/she is also required to pay tax. Some GSH are occupied by legal or illegal foreigners. These foreigners find it easy to own GSH because they bribe officials at the human settlement offices and get the houses. As the low-income employees are indebted and struggling financially, it is then not possible for them to bribe because of the financial constraints. The bribery money for the GSH is very expensive. These employees do not even afford food, the bribe price for them is unreachable. Again not benefiting on the FLISP, for them owning a house is impossible. Although those who are not working and not meant to benefit on the GSH and not even paying tax, it is easy for them to get the houses.

#### **5.6 The effects of being deprived on low-income employees housing scheme grants**

According to Sadie Brown (2021) the low-income employees are indebted. These employees are enduring in debt for most of their lives. This also makes it hard for them to own valuable assets like houses and cars while working. P19 revealed that he suffered from depression in 2020. The cause was that he could not keep up with the daily needs of his whole family. He found himself asking for financial help from the source that complicated his life worse. If P19 was living in his own house, things would not have turned out as they did. The financial challenges that these employees experience do not end because they continue to impact them even on retirement and beyond.

The low-income employees remain poor throughout their working lives and this trend goes on even beyond retirement. It becomes difficult for them to save for retirement because they are unable to even keep up with their day to day expenses.

According to psychologists when there is something bothering a human being and she or he does not have the means or power to solve the problem, she or he will find coping strategies. These strategies will either help or destroy the person. The research findings revealed that P6 and P7 have turned to alcohol to numb them against their financial sorrows. Using alcohol as a coping strategy for financial problems does not make the problem vanish. It will recur and affect not only the employee but also his or her work, social life and retirement life (which becomes the whole individual's life). Therefore, employees should learn to solve their problems in a sober state or seek help from professionals.

"I save 50 percent of my salary for bigger dreams that I plan to achieve in the next 5 years. But I am called 'iPara'," stated P17 tearing-up. The statement by P17 really indicates how hard it is for the low-income employees to achieve their goals. Although he is doing the right thing by saving money and planning ahead for his dreams; the pressure from his colleagues may tempt him to give up on his way of life. Even though he is doing the right things financially, he has to endure being called names, which is an unbearable thing emotionally and psychologically.

Being deprived of benefiting from housing scheme grants has changed the way some low-income employees think and do things. P11 lied to his nephew and P18 had to compromise by cohabiting to reduce his monthly costs. All these measures were adopted in order to survive the effects of these employees being deprived of housing scheme grants.

P5 stated that low-income employees are impacted by being deprived housing scheme grants, even after retirement. He said that he had seen how some retired low-income workers used their pension to build houses that they had failed to build while working. Building materials and labour costs are very expensive. However, using pension payouts to build your dream home is a guaranteed recipe for poverty. As the pensions earned are only of what he had saved while working, it is probable that the money will run out even before he finishes building his house.

Sadie Brown, (2021:17) was supported by other participants when they agreed that public servants are indebted and that most of them use their pension money to build houses. Building with retirement money exposes them to increasing financial struggles and poverty.

Children are also impacted by the fact that their parents are deprived of benefiting from housing scheme grants. P12 lost custody of his children. Even though kids do not know how financial problems damage their relationship with their father, they find themselves suffering the consequences of their father being deprived of housing benefits. It is quite possible that if things do not improve financially, that their harmonious relationship with their father will not survive. He feels guilty for not contributing financially to their lives. His financial woes take precedence over his relationship with his children.

Performance at work is also negatively affected by the fact that low-income employees are deprived housing scheme grants. P6 who is an alcoholic said he sometimes does not go to work because of having a hangover or he stays away from work or sometimes stops working altogether. When workers do not go to work, production and work performance automatically decreases. Therefore, the municipality and the government are always under-staffed because vacant positions are not filled due to poor financial circumstances or employment technicalities. As there was already poor performance and decrease in production, having absenteeism due to alcohol complicates the situation even more. The municipality serves a large population. Even with sufficient staff, the demand for services is always high. Absenteeism or not doing the job properly while at work adds to poor performance by municipalities. Production at work is also affected by depriving low-income employees housing scheme grants.

P19 stated that he suffered depression in 2020. For him to be absent at work due to sickness or being admitted to hospital means that his office was not functioning well. Therefore there was a backlog of work. That then led to complaints and poor service delivery by the municipality.

The indebtedness of workers can also be the reason for poor performance because not only do P19 and P7 have financial problems but some problems employees have are not revealed. The effects on the low-income employees of being deprived benefiting on housing scheme grants have been an ongoing struggle. Some low-income employees have retired, and have never benefited from the FLIPS scheme. These workers have struggled to build houses. Even today their retirement benefit is not enjoyed because they have to cover all the gaps in their lives that were not covered while still working financially, building houses is one of those. Their lives have staggered forever because the gap created by not receiving housing subsidy will never be bridged.

Although the low-income employees are impacted by being deprived of benefiting from housing scheme grants, they should not have to rely on the municipality or the government for building or buying their houses. Even though they are struggling financially, Working hard and determination can still enable them to build and own houses. If they continue waiting for a change in policies, they may even die without ever owning a house.

### **5.7 The economic challenges of the low-income employees**

The low-income employees have many challenges economically. The main challenge is being unable to budget and use money sparingly. What made things even worse is that when they were being employed they were never given any lessons or advice on how to budget and use money wisely. This does not only apply to low-income employees. According to financial institutions, workers are not skilled when it comes to financial literacy and using their finances wisely and taking sound financial decisions. Participants were told that no matter how many years they had been working for the municipality, they have minimal assets or progress to show for it. It became clear that they have challenges economically.

The fact that they earn a low salary cannot be disputed but nevertheless, they could still acquire assets, if they manage their finances sensibly.

It goes back to being unskilled at handling finances. Not being able to budget has led them to many financial challenges. To list a few; P9 has a bank card and ID that is being held by a loan shark. P2 used her money on anything she saw and wanted, whenever she had money. That landed her in debt and she had nothing valuable to show for it. Overcoming the economic challenges that they have landed themselves in will take time many and effort to correct. Starting with budgeting will be the place to start in order to improve such people's financial position. The current global economic position does not help this process.

The low-income employees revealed that they are careless when it comes to managing finances. Their financial situation requires them to revisit their financial decisions in order for them to recover financially. Also they must understand that for that to be achieved will take many years.

### **5.8 Alternative plans to manage living conditions**

P18 stated that dagga grows very well in their area and sells very well. The area has an enormous population, many of whom are unemployed and many people wallow in poverty. P18 said that he has customers from many far-flung areas and when conditions are right he can triple his earnings. If the government and policy makers can create laws and policies that can develop that business, it could attract many more customers and create job opportunities. Many factories could be opened to produce products made from dagga. There is a high demand for it and the government has partially legalised it. If it could be fully legalised it would create many job opportunities and boost the economy of the country; especially that of remote areas like the ANDM. Currently, legalisation is still restricted and hinders the growth of the business. It is only legal to grow it for private use and only on private land. The legality of dagga growing, distributing and selling is still unclear (Lipco-LAW FOR ALL, 2022). The municipality should put more pressure on politicians and policy makers to finally legalise dagga to be used as an economic asset.

South Africa is infested with drugs everywhere and the law enforcement agencies are unable to control the drug pandemic fully. However, developing dagga for business purposes would offer many benefits to the country. However, stricter measures would have to be put in place to make the industry more effective and controlled legally.

Eucalyptus business has been developed and used in South Africa for over 30 years (Eucalyptus: 2020:8). The company saw its sales increasing during the outbreak of COVID-19. It was believed that it was effective for preventing Covid 19 in the period before the drugs to prevent it were established. Although it was not scientifically approved, people used it and they believed it worked for them. Busyby Oils Natal (Pty) Ltd has been creating such useful products for some time; that are exported and also sold locally. If the dagga plant can be developed as a business in a similar way to that of the Eucalyptus business, the industry could grow economically and create many job opportunities very fast.

According to News24. (2010: 19) dagga is very effective for healing damaged skin, preventing nausea, and preventing weight loss in patients suffering from cancer and HIV. That indicates how broadly the dagga plant could be applied in our country. Since the government is still battling to control drugs, guns and crime; all of which are largely perpetuated by poverty and unemployment in the country, why can't the government take a chance on allowing people to grow the dagga plant for business purposes and to improve the nation's health; because it is already a well-known product and would be financially viable. As the country is battling to combat the unemployment rate and stimulate economic growth, developing the dagga industry would also assist greatly in achieving these aims.

P18 and others residing at the ANDM who are in the business would have big fields of Aden and grow in the business. The fact that dagga is allowed only for private purposes affects P18 because it means he still has to continue ploughing his garden of Aden in the mountain. Also, they are always on the look-out for the law enforcement agencies to protect their produce. Again as much as the dagga plant has a potential for the business but the policies in place are prohibiting its growth.

If the plant can be developed for the business, these employees would not limit themselves in ploughing their fields. Also even the customers would not come in disguise, they would be free and buy as much as their finances permit. They would not be limiting themselves for in case they get caught. Fear of the law enforcement agencies limits the revenues that may be earned.

The government and policy makers are limiting business that has a potential growth at the ANDM and many other areas that dagga grows well. The remote areas have no factories and industries therefore nothing serves as a source of income except for few businesses. Growing the local economy should be given much attention. Because the unemployment rate is so high in the ANDM and other district municipalities in remote areas; establishing businesses that have a potential for growth like growing and selling dagga would assist greatly. These business adventures would serve as a source of the local economy. Looking at dagga, it does not require much money to grow it, yet it grows and be rich and is on demand from various countries and provinces. Growing it publicly would grow the economy and local revenues.

### **5.9 Life after retirement**

Looking at the life of the low-income employees after retirement these employees struggle still. As they struggle now financially, even their retirement will be comprised of financial struggles still because of being indebted. These workers had to devise ways of building their houses. The building material is expensive and requires a lot of money which these workers do not have. Somewhere somehow these employees will loan for them to be able to build proper structures. This is going to be a long process because most of these employees are bread winners. Not only building a house is their financial dream and desire. Plus they are already in their late 30s some of them.

It is possible that their lives on retirement will be filled by debt because a lot has not been achieved financially yet. If the policy makers do not amend housing policies to accommodate these workers to benefit on housing scheme grants, these employees will struggle in their lives even post retirement.

When that happens it will mean that development has failed these employees. Again the GEAR policy aims will have failed, as it intended to bridge the inequalities of the past. Instead it would have created them more. When comparing the RDP beneficiaries and the low-income employees, those who benefited on the RDP houses will have a peaceful retirement and the low-income employees will not be at peace because of the financial burden over them.

### **5.10 Advice to policy makers**

Jordan Ann ( as cited by Markus Goldstein, 2019) defines the term policy makers as all the people involved in formulating policies, especially in politics. It is someone who sets the plan pursued by a government or business. It is therefore relevant to reach out to them with suggestions from the remote areas, since these people are governed by the same policies formulated by them. As suggested by P3 policy makers should consider doing the research even in the most remote areas like or even worse than the ANDM before making policies. The policies in force especially on housing to people living in rural areas are depriving. Because the FLISP in remote areas is unimplementable. Yet even people living in rural areas do need to benefit on the FLISP. The structures that are built in rural areas are very unreliable. This is due to the affordability issues. If policy makers can reach rural areas when drafting policies, it is guaranteed that they will be able to consider rural people or the low-income employees when formulating policies. Again people living in rural areas and the low-income employees feel isolated or deprived opportunities. Because even when they have managed to build a house using blocks in rural areas according to the existing policies from the tribal authorities the house cannot be sold for the same value the house in town and cities would be sold for.

Segregation of people according to their residential areas still exists even after 28 years of democracy in South Africa. People who live in towns and cities still receive first preference from government because policies still favour them. Those who reside in remote areas like the low-income employees still have a challenge as policies do not favour them.



Even the GSH that are built in rural areas are few compared to the GSH built in towns and cities. It is urgent that policy makers consider reviewing the policies after five years the policy has been implemented, to curb the effects on these employees and people living in rural areas that the policies has on them. Even P10 also suggested the same notion. Reviewing will allow them to reassess the effectiveness of the policies to see if they perform as intended. If not, further research would need to be done on what has to be amended for the policy to be acceptable to everybody. The policy makers are aloof and inconsiderate when it comes to formulating policies that will even benefit people residing in remote areas like the ANDM and worse areas. That is because development in such areas is very slow compared to that in urban areas.

As P15 stated, policy makers can make a difference when creating policies that will encourage the creation of a platform where people can learn about finance, even when working. Policy makers can learn from Europe. Rural areas in Europe are a substantial source of employment and potential growth (Jordan Ann cited by Alan Mathews, 2019). They play a vital role in managing environmental assets and make an important contribution to the recreational options and cultural heritage of their citizens. For these reasons, the European Union (EU) has developed its rural development policies over time, to help overcome the structural disadvantages, promote rural jobs and growth, and preserve the environmental quality of these regions.

A drastic change has been observed since the new approach of rural revitalisation. If South Africa can invest in rural development as it does with urban development, many opportunities for economic growth can rise and remain sustainable. Rural development and job opportunities can increase the GDP and the CPI of the country. Yes there are rural development plans such as the Comprehensive Rural and Development Programme (CRDP) of 12 August 2019, but they do not get too much attention from policy makers and politicians as they should. Furthermore, youth empowerment in rural areas is almost non-existent because developmental opportunities for youth are scarce, due to a lack of funding.

Policy makers have an important role to play to transform the lives of low-income employees and rural people..

### **5.11 Suggestions on sustaining the salary and side businesses**

Participants are using various business opportunities to sustain their financial demands. Their strategies provide only temporary relief P18 and P10 can attest to that. The only reason why their side businesses provide only temporary relief is their lack of financial knowledge. Even if these employees make a lot of money, they can lose it very fast due to their lack of financial knowledge. Low income employees should seek financial advice in order to keep their sideline businesses on track. The banking industry offers such information free of charge.

Once these workers become financially literate, they will be more aware of their financial mistakes, improve their methods and build better financial growth. Jordan Ann (as cited by Alan Mathew, 2019) stated that debt is a form of bondage. "It is a financial termite." she said. Low-income employees should try to cut-off any things that are unnecessary expenditure to avoid becoming debt slaves. The business adventures these employees have started should be continued, but only the legal operations and in that way, they will be able to save money to build their own houses, meanwhile they have no chance of getting assistance from the government. It is understandable that they are indebted but they should talk to experts about how to run their financial affairs.

Depending on the municipality to facilitate such employees to own houses should not be the only plan. Moving forward, every employee should examine their plan to own a house and not give up. When their dreams are re-invigorated, there has to be a realistic plan in place as to how they will achieve that aim. Low-income employees should refrain from hit or miss tactics, using municipal resources, because that will mean putting themselves and their families at risk of being rendered financially bankrupt and thus forfeiting their pensions. As P3 advised, community burial schemes and funeral policies are among things that take a big portion of the employees' salary.

Downgrading to community burial schemes would release some money, which could then be used to paying up debt or save for buying building materials.

## **5.12 Summary**

Relevant information is collected from the participants and it revealed relevant information on how they are impacted by being deprived housing scheme grants at the ANDM. The strategies that are used by these participants to mitigate those impacts indicated that the employees are feeling the pinch. However, how they handle their finances remains a problem. Although they do try to find other financial sources to earn extra money to be able to build their houses, they still end up not using the money for what was intended.

These employees need financial advice, which will help them to use their money wisely so they can eventually own their own houses. Most participants revealed that they needed to reconsider how they could use their money most effectively. Because most of them had landed themselves in situations that could put their lives in danger, others could lose their jobs and forfeit their hard earned pensions.

Children may become victims of the financial situation that their parents find themselves in. Reaching retirement age, while still being deprived of scheme grants can simply perpetuate poverty. Policy makers need to take a closer look into issues of housing scheme grants with the intention of amending them, to include the low-income employees working in small towns and remote areas where the FLISP is not accessible, due to planning restrictions in such areas.

The next chapter will then be concluding the thesis and provide some recommendations from the data collected.

## **CHAPTER 6 CONCLUSION AND THE RECOMMENDATIONS**

### **6.1 Introduction**

The chapter summarises the research findings. The value and contributions of the research will be explained. Future research opportunities are being reviewed. The study was conducted to respond to negative impacts on low-income employees and the challenges they face. Savelsberg, Pignata and Weckert (2017) stated that the purpose of research is to inform action. Furthermore, the study provides conclusion and recommendations developed after analysing the data collected. The recommendations should be practical and achievable (Mugenda & Mugenda, 2017). They are intended to assist policy makers, the COGTA, the parliament committee, the politicians, the trade unions, the general public and the PSC.

### **6.2 Objectives of the research**

The research objectives were to explore the impact of depriving low-income employees of housing scheme grants in their SES (socio-economic state) at the ANDM, and also to check how they manage to bridge the financial gap created by that deprivation.

#### **6.2.1 The effects of being deprived housing grants**

The research study found out that low-income employees are negatively impacted by being deprived housing scheme grants at the ANDM. Because these employees do not own houses, they are either renting or sharing a home with their parents and/or siblings. The FLISP subsidy that is meant for them is not benefited in the ANDM because it is a remote area where the FLISP conditions do not apply. Not benefiting from housing scheme grants has created a financial gap in their lives which has a negative impact on their SES, because it indirectly landed them on debt. These employees are indebted to an extent that they are unable to buy or build their own houses.

P2 and P19 tried to buy houses, only to find out that they did not qualify. P14 tried to build a house with mud bricks but climatic conditions destroyed the mud bricks and she was left stranded. Being deprived of benefiting housing scheme grants has a negative impact on these employees because they struggle to afford many things. Their financial struggles have a negative impact even on their retirement because they are observed using retirement money to build houses.

P5 said he witnessed retired low-income employees drowning on debt even after they had retired because they used their pension money to build houses. Building a house is very expensive. Using retirement money to build drains the pocket of the potential home owners, because the monthly pension is half of what an employee received when still working. They are then exposed to increasing on poverty and worse financial struggles than before.

### **6.2.2 The effects on children and families**

Children and families of the low-income employees are affected by the financial state their parents or family members are left in. P12 lost the custody of his children because he could not afford to contribute to the financial needs of his children. He over-committed himself financially since he is the sole breadwinner for his family. He had failed to prioritise his children's needs. The financial gap created by not benefiting from a housing scheme grant affected his relationship with his children.

P 11 decided to move away from his home because he could not carry-out the financial promise he had made to his nephew. Leaving home created cracks in his relationship with his family. What was worse was that he did not communicate his problem but instead, decided to just vanish. It is possible that at his home they had their own perceptions regarding his disappearance. The root cause of his action is the financial gap he could no longer manage to bridge. If he were able to benefit from a housing scheme grant the situation would improve.

### **6.2.3 The effects on the health of low-income employees**

P19 suffered from depression because he could not keep up with all his financial obligations during the 2020 hard lock-down. He is the family's breadwinner. Everything depends on his salary. He borrowed money from a loan shark and that caused him embarrassment at work when he could not pay back as he had promised. He defaulted on paying his debts and paying the loan shark. The financial burden affected him so badly that he became sick from depression. P6 and P7 became alcoholics. The cause of their alcoholism was that they became indebted and then started drinking alcohol to numb their thoughts and pain.

### **6.2.4 The effects on work production**

Production at the ANDM is affected by the fact that the low-income employees are being deprived benefiting from housing scheme grants. Because the low-income employees are indebted, those who travel daily sometimes are not able to get to work because of their lack of finances. The ones who became alcoholics mostly did not go to work on Mondays or if they went, they had hangovers and couldnot work properly. The employee who suffered from depression was sometimes sick and had to take sick leave. The municipality experiences absenteeism of workers; which often leads to poor production because the municipality usually does not have full worker capacity for full production.

### **6.2.5 The management of the financial gap after being deprived of housing scheme grants**

Many low-income employees tried to bridge the impacts of being deprived housing scheme grants by running businesses on the side to generate extra cash. As they are indebted the side businesses are intended to close the financial shortfalls that are left because of their low salaries. Unfortunately, because they are indebted, the businesses do not help them enough to allow them to buy or build their own houses. For some even the side businesses contributed to their indebtedness because the businesses failed.

As long as these employees remain indebted and the employees still did not own their own houses, that meant that the shortfalls were not bridged. Thus the side businesses did not achieve their objective of bridging the financial gap.

### **6.3 Recommendations**

Having established what the low-income employees experienced and their perceptions of the impact of depriving low-income employees housing scheme grants, the following recommendations are imperative for further studies.

#### **6.3.1 The review of the FLISP**

The FLISP according to the government is responsible for subsidising low-income employees when they buy houses. This policy should be reviewed so as to be able to meet the needs of the low-income employees in remote areas whom this subsidy is not benefited. This will allow all the low-income employees to benefit regardless of where they are geographically or economically. In its present form, the FLISP can only benefit those who are buying houses or land in urban areas. Amending the FLISP to accommodate those intending to build their own houses in rural areas would decrease the influx of people into urban areas. Doing that would also encourage building properly built houses. The houses in rural areas would have the same value as those in towns when they are sold. The registration of construction companies and increased job creation in the construction industry would increase the municipality's revenues.

### 6.3.2 The use of arable land in rural areas



**Picture 6.1: Arable land in Ntabankulu that can be used for developing new residential areas**

**Source:** Own Picture

The rural areas have a large amount of unused land. The ANDM should consult with tribal authorities and communities about the land that is not being used for development purposes. Development at the ANDM is slow because the municipality depends solely on financial grants from the national and provincial governments.

Changing the usage of the available arable land for development purposes would allow the area to even build new residential areas. The area is unsuitable for planting crops as it is not fertile because it is a semi-desert with extremely cold weather in winter and very hot with little rain in summer. Dedicating the land to crops has mostly failed as shown by previous projects such as the peach project at Msukeni location, the orange and lemon projects at Lower BrooksNeck (popularly known as Phakade) and many fields, where the municipality has assisted communities with attempting to grow maize. Some of these projects were cancelled but those for mealies are still running but with no produce as projected. Developing new residential areas in these lands would be a better investment for the area.



### **6.3.3 Workshopping newly employed workers about finances**

The findings showed that the low-income employees are indebted. Their situation is perpetuated by a lack of financial knowledge and management. Conducting financial workshops even if it's only for one or two days would make a difference to the employees' lives. Workshopping an employee before he/she even earns anything will equip the employee for making sound and realistic financial decisions. Workers will be able to budget and stick to the budget. It will be shown clearly even before receiving any earnings how the money is depleted and what basic needs an employee should prioritise on.

### **6.3.4 Legalising dagga for pharmaceutical and cosmetics use**

Dagga grows well and is very profitable in the ANDM district. If the municipality, community leaders and politicians pressurises the government to legalise the planting of dagga for pharmaceutical and cosmetic use, the economy of the ANDM could improve rapidly. This area is currently stagnant in terms of economic growth. There is nothing there to attract investors. Legalising dagga production and sales would create many job opportunities and attract investors who would develop the area. Factories and laboratories could be developed which would become the source of economic growth in the ANDM district. When the area starts developing, a chain reaction would take place and job opportunities, residential growth and sustainable development would follow.

### **6.3.5 Strengthening the laws in the boarder gates of South Africa**

South Africa has five neighbouring countries surrounding it. Therefore it has five borders that these countries use when entering or leaving South Africa. The South African borders are very porous. As a result the country is flooded with foreigners. Many are in the country legally but others are here illegally. Some of the foreigners use corruption to access the resources of the country. Accessing GSH is one of those resources. Corruption deprives South Africans of their right to own GSH because they buy them by means of corruption in collaboration with local officials.

The government has to put stricter measures in the borders to curb the influx of the foreign nationals into South Africa. The government is allegedly trying to fight corruption. It must do so at all government levels. Furthermore, law enforcement agencies to be often on the streets looking for illegal foreigners and sending them to jail or back to their own countries. These measures may help with trying to curb their influx into the country. These foreign nationals manipulate their way-up through the use of corruption. When stricter measures are put in place at the borders the situation can improve for the better for everyone.

### **6.3.6 Further research studies**

Many research studies can still be done on this subject. Such studies could focus on the following issues: How policies have become a barrier on economic development in remote areas. The lack of financial knowledge among workers could be investigated if it leads to poor performance at work or poor productivity. Low-income employees are indebted and attributions to their debt could be further investigated. There must be a better understanding of the existing policies on housing scheme grants, so they can be amended. Such amendments need to be done to balance the rights of all human beings regardless of where the person lives.

Balancing inequalities among workers needs to be thoroughly researched. Therefore a study on housing subsidies should be undertaken. Other attributions to financial literacy and barriers facing policies to foster economic development need to be prioritised, which will bridge the gap that has been opened by the current study.

## **6.4 Summary**

This study made critical investigations into the effects of depriving low-income employees housing scheme grants at the ANDM. The intention of the study was to explore how these employees are impacted by being prevented from benefiting from housing scheme grants and how they manage to bridge the impact.

The results discovered that these employees are seriously impacted because most are unable to own houses. The policies have created inequalities among workers because not all low-income employees benefit from the FLISP which is the only housing subsidy that is meant to assist low-income employees. This has resulted in a difficult struggle to buy or build their own houses.

Mitigation strategies to bridge financial gap caused by such impacts are not fulfilling the intended aim of easing the financial burden on employees, because of a lack of financial literacy. The effects of being deprived not only affect low-income employees but also their families, children, work, health and retirement. The recommendations should be considered seriously because they have the potential for future improvements to the lives of low-income employees.

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## **PPENDIX A: INTERVIEW QUESTIONS**

1. How long have you been working in the municipality?

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2. Do low-income employees receive housing scheme grants (RDP houses) at Alfred Nzo district municipality?

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3. Why are they not receiving them?

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4. How do you perceive the fact that low-income employees do not receive housing scheme grants? Motivate your answer.

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5. What impact do you think the practice has on low-income employees?

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6. How have the low-income employees been impacted by not receiving housing scheme grants?

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7. Is there a gap created by the practice on their socio-economic state? Substantiate your answer.

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8. Do you think low-income employees should also receive housing scheme grants? Substantiate your response.

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9. If they should benefit how do you think they should benefit? If they should not benefit why do you think they should not benefit?

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10. Does being deprived have an impact on work ethics and production?

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11. How is the gap of the impact bridged? Motivate your answer.

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12. Is there a relationship between the deprivation, corruption and theft of municipalities' resources? Justify your answer.

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13. What advice would you give low-income employees, to assist them when they retire?

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14. What advice would you give policy makers in this regard (deprivation of low-income employees on housing scheme grants?)

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## **Appendix B: PARTICIPANTS INFORMATION SHEET**

**Research title: Impact of depriving low-income employees housing scheme grants at Alfred Nzo District Municipality**

**Researcher: Madolo Namhla Stella**

Ethics clearance reference number: **35583479\_CREC\_CHS\_2022**

Research permission reference number: **ANDM/CPS/4/4**

<date>

**Title: Impact of depriving low-income employees benefiting from housing scheme grants at Alfred Nzo District Municipality**

**Dear Prospective Participant**

My name is Namhla Stella Madolo and I am doing research with DR B.N Rasila, a director in Limpopo in the Department of Education; towards an MA degree at the University of South Africa. We have no funding. We are inviting you to participate in a study entitled "The impact of depriving public servants of government issued social grants".

### **WHAT IS THE PURPOSE OF THE STUDY?**

I am conducting this research to explore the impact of depriving low-income employees of housing scheme grants at Alfred Nzo District Municipality. The research will be focused on public servants (low-income employees) and their socio-economic state; since they do not receive housing scheme grants.

OR

This study is expected to collect important information that could assist in knowing the impact of depriving low-income employees housing scheme grants on their socio-economic status. Also how do they manage the impact in their socio-economic state.

### **WHY AM I BEING INVITED TO PARTICIPATE?**

I chose the Alfred Nzo District Municipality workers because they are public servants who work for the municipality that provides services to the broader community of the region. Also, since they work for the District Municipality, people perceive them as being financially viable and stable. Lastly, the researcher also resides in the Alfred Nzo West region. After receiving permission to do the research in the municipality, consent forms are sent with the research questions, explaining the research aims, process, confidentiality and gains expected to come from the research. After this process, those who are interested in participating in the research will be given consent forms to sign. Personal contacts will be taken from the consent forms. *[the Protection of Personal Information Act, nr 4 of 2013, necessitates the disclosure of how access was gained to the personal information of prospective participants]*. The research requires 28 participants of different age groups, gender and departments. *[This is useful information to assist the participant to make an informed choice whether or not to participate in the proposed study – potential breaches of confidentiality increase with a smaller sample size]*.

### **WHAT IS THE NATURE OF MY PARTICIPATION IN THIS STUDY?**

The role of the participant in this study is to answer research questions telephonically, and also to answer the same questions on the questionnaire form. Their answers should be sincerely given, according to their experiences. The study involves face-to-face interviews *and questionnaires*. The research will take about 40 to 80 minutes face-to-face. The reason for that number of minutes is that open-ended questions will need explanation and discussion. Participants will be given one day to fill in the questionnaires. This whole research process at the ANDM will take about 6 weeks. *[Be realistic in your approximation]*.

## **CAN I WITHDRAW FROM THIS STUDY EVEN AFTER HAVING AGREED TO PARTICIPATE?**

Participation is voluntary and there is no penalty or loss of benefit for non-participation. Participating in this study is voluntary and you are under no obligation to consent to participation. If you do decide to take part, you will be given this information sheet to keep and you will be asked to sign a written consent form.

You are free to withdraw at any time without giving a reason. Once you participant has signed the consent form, had a face-to-face interview or answered the questionnaire form, withdrawing is not possible. When there is a need to write the names of participants the researcher will anonymise participants' names.

## **WHAT ARE THE POTENTIAL BENEFITS OF TAKING PART IN THIS STUDY?**

There are no immediate potential benefits for the participant, but the information shared by them may assist policy planners and the government in their strategic planning for the country. In the future, the participants may benefit from changes influenced by research results they participated in obtaining.

## **ARE THERE ANY NEGATIVE CONSEQUENCES FOR ME IF I PARTICIPATE IN THE RESEARCH PROJECT?**

With the intended research there are no foreseen negative consequences. There may be some inconvenience or discomfort when a participant has to talk about his/ her finances and financial situations. However, the researchers will uphold the principles of confidentiality and the university's ethical clearance principles. Therefore, the information shared by the participants will be treated confidentially. The research will be done face-to-face and there will be a written questionnaire. Therefore the research does not pose any threats that will endanger participants and there is no indemnity or insurance cover for participants.

## **WILL THE INFORMATION THAT I CONVEY TO THE RESEARCHER AND MY IDENTITY BE KEPT CONFIDENTIAL?**

You have the right to insist that your name must not be recorded anywhere and that no one, apart from the researcher and identified members of the research team, will know about your involvement in this research *[this measure refers to confidentiality]* OR your name will not be recorded anywhere and no one will be able to connect you regarding the answers that you give *[this measure refers to anonymity]*.

Your answers will be given a code number or a pseudonym and you will be referred to in that way in the data, or in any publications, or other research reporting methods, such as conference proceedings *[this measure refers to confidentiality]*. People who will have access in the information shared during the research process is the researcher, the supervisor and the company will be editing the whole research study.

The researcher and the supervisor have signed the ethical clearance of the university. The company that will be editing the work will sign a confidentiality agreement. The research report will be published, or may be on a journal, but even during all those processes, privacy, confidentiality and anonymity will be protected. The answers may be reviewed by people responsible for making sure that research is done properly, including the transcriber, the external coder, and members of the Research Ethics Review Committee. Otherwise, records that identify you will be available only to people working on the study, unless you give permission for other people to see the records. *While every effort will be made by the researcher to ensure that you will not be connected to the information you share during the focus group, I cannot guarantee that other participants in the focus group will treat the information confidentially. I shall, however, encourage all participants to do so. For this reason, I advise you not to disclose personally sensitive information in the focus group.*



### **HOW WILL THE RESEARCHER(S) PROTECT THE SECURITY OF DATA?**

Hard copies of your answers will be stored by the researcher for a minimum period of five years in a locked cupboard/filing cabinet at Msukeni Administrative area for future research or academic purposes; electronic information will be stored on a password protected computer. Future use of the stored data will be subject to further Research Ethics Review and approval if applicable. Information will be destroyed if necessary *[hard copies will be shredded and/or electronic copies will be permanently deleted from the hard drive of the computer through the use of a relevant software programme].*

### **WILL I RECEIVE PAYMENT OR ANY INCENTIVES FOR PARTICIPATING IN THIS STUDY?**

The research has no payment or reward or any financial gains. The participants will not incur any financial costs for the research. The researcher will submit and collect questionnaires at the ANDM. Even with face-to-face interviews; the researcher will be conducting them with the participants.

### **HAS THE STUDY RECEIVED ETHICS APPROVAL**

This study has received written approval from the Research Ethics Review Committee of the *[identify the relevant ERC]*, UNISA. A copy of the approval letter can be obtained from the researcher if you so wish.

### **HOW WILL I BE INFORMED OF THE FINDINGS/RESULTS OF THE RESEARCH?**

If you would like to be informed of the final research findings, please contact Namhla Stella Madolo on 071 737 4472 / 063 619 1374 or email to [namhlamadolo2@gmail.com](mailto:namhlamadolo2@gmail.com). The findings are accessible for a period of 3 months. Should you require any further information or want to contact the researcher about any aspect of this study, please contact Namhla Stella Madolo on 071 737 4472 / 063 619 1374 or email to [namhlamadolo2@gmail.com](mailto:namhlamadolo2@gmail.com). Should you have concerns about the way in which the research has been conducted, you may contact DR B.N Rasila on 072 747 3078 / 083 241 0772 or email to [Rasilabn@edu.limpopo.gov.za](mailto:Rasilabn@edu.limpopo.gov.za).

Contact the research ethics chairperson of the <insert name of the committee, the name of the research ethics chairperson and contact details here, including email, internal phone number and fax number> if you have any ethical concerns.

Thank you for taking time to read this information sheet and for participating in this study.

Thank you.

Madolo N.S.

A small rectangular image showing a handwritten signature in black ink on a light-colored background. The signature reads "Madolo N.S." in a cursive, slightly slanted script.

## Appendix C: CONSENT FORM

**Research title: Impact of depriving low-income employees housing scheme grants at Alfred Nzo District**

**Researcher: Madolo Namhla Stella**

I, \_\_\_\_\_ (participant name), confirm that the person asking my consent to take part in this research has told me about the nature, procedure, potential benefits and anticipated inconvenience of participation.

I have read (or had explained to me) and understood the study, as explained in the information sheet.

I have had sufficient opportunity to ask questions and I am prepared to participate in the study. I understand that my participation is voluntary and that I am free to withdraw at any time without penalty (if applicable). I am aware that the findings of this study will be processed into a research report, journal publications and/or conference proceedings, but that my participation will be kept confidential unless otherwise specified.

I agree to a face-to-face interview and an answered questionnaire form to be completed by me.

I have received a signed copy of the informed consent agreement.

Participant Name & Surname..... (please print)

Participant Signature..... Date.....

Researcher's Name & Surname: Namhla Stella Madolo.....

Researcher's signature



Date 12 May 2022

## **Appendix D: REQUEST TO CONDUCT AN ACADEMIC RESEARCH**

**Research title: Impact of depriving low-income employees housing scheme grants at Alfred Nzo District Municipality**

**Researcher: Namhla Stella Madolo**

### **Request for Permission to Conduct Research at Alfred Nzo District Municipality**

“Impact of depriving low-income employees housing scheme grants at Alfred Nzo District Municipality”

<insert date>

MR Z SIKHUNDLA  
ERF 1400 NTSIZWA STREET  
PRIVATE BAG X511  
MUNICIPAL MANAGER: ALFRED NZO DISTRICT MUNICIPALITY  
039 254 5190 / 076 364 1380  
email: sikhundlaz@andm.gov.za

Dear Municipal manager: Z Sikhundla

I, Namhla Stella Madolo am doing research with DR B.N. Rasila a director in Limpopo in the Department of Education towards a MA degree in Development Studies at the University of South Africa. We have no funding. We are inviting you to participate in a study entitled “Impact of depriving low-income employees of housing scheme grants at Alfred Nzo District Municipality”.

The aim of the study is to probe the impact on low-income employees on being deprived of housing scheme grants.

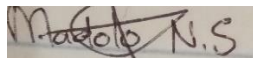
Your municipality has been selected as our study area because it is delivering services to a larger community within the jurisdictions where the researcher resides. The study will entail the answering of research questions by participants telephonically and also writing the same questions on a questionnaire for verification of answers.

The study has a potential of causing emotional discomfort among participants, but the information shared by participants in the research may assist policy makers and the government in the future, when doing strategic planning for the country. That is when participants may benefit when there is a change in the government system concerning public servants and government social grants.

There are no foreseen potential risks in the study. The research will be done telephonically and questionnaires will be written down individually. The information shared will be kept in private with great protection and confidentiality.

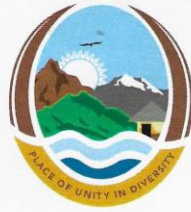
Feedback procedure will be that the information will be requested from the researcher through making a request of a copy telephonically or writing an email. The numbers to be called when making a request for feedback are 071 737 4472 / 063 619 1374 email [namhlamadolo2@gmail.com](mailto:namhlamadolo2@gmail.com)

Yours sincerely  
Madolo N.S

A handwritten signature in black ink that reads "Madolo N.S". The signature is written in a cursive style and is placed over a light grey rectangular background.

The researcher

## APPENDIX E: ACCEPTANCE LETTER TO CONDUCT A RESEARCH



### **ALFRED NZO** DISTRICT MUNICIPALITY

Enquiries: M. Kohli

05 October 2021

Ref: ANDM/CPS/4/4

Dear Ms. Namhla Madolo

#### **PERMISSION LETTER TO CONDUCT RESEARCH STUDY AT ALFRED NZO DISTRICT MUNICIPALITY**

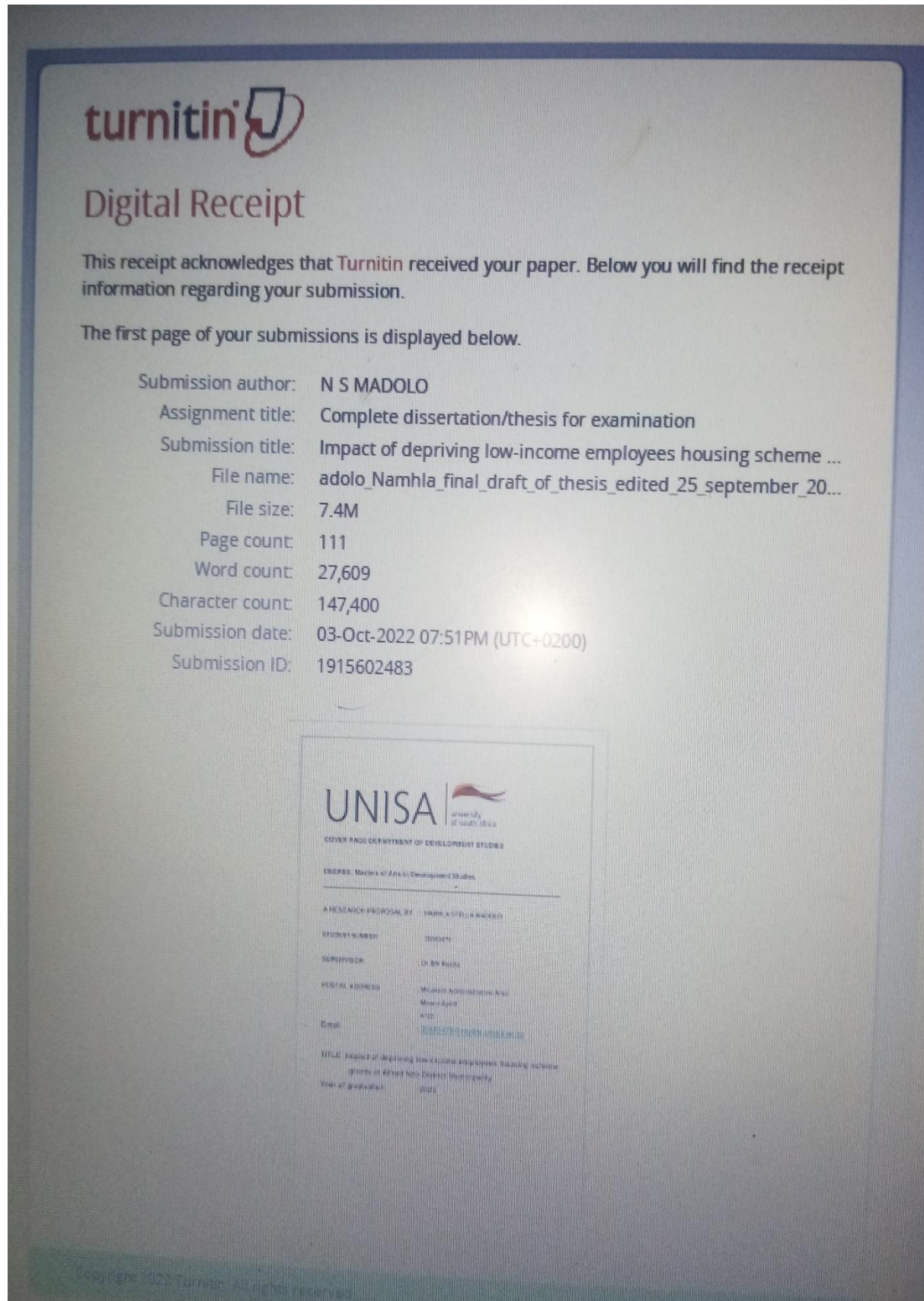
Permission to conduct a research study at Alfred Nzo District Municipality is hereby granted.

Yours in effective and efficient local Municipality.

**MR ZH SIKHUNDLA**  
**MUNICIPAL MANAGER**



APPENDIX F: TURNITIN DIGITAL RECEIPT



The image shows a digital receipt from Turnitin. At the top left is the Turnitin logo. Below it is the heading "Digital Receipt". A paragraph of text explains that the receipt acknowledges the submission of a paper and that submission information is provided below. Another paragraph states that the first page of the submission is displayed below. A list of submission details follows, including author name, assignment title, submission title, file name, file size, page count, word count, character count, submission date, and submission ID. At the bottom, a preview of the first page of the submission is shown, which is a cover page from UNISA (University of South Africa) for the Department of Development Studies. The cover page includes the university logo, department name, degree name, student name, supervisor, postal address, email, title, and year of graduation.

**turnitin**

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Assignment title: Complete dissertation/thesis for examination  
Submission title: Impact of depriving low-income employees housing scheme ...  
File name: adolo\_Namhla\_final\_draft\_of\_thesis\_edited\_25\_september\_20...  
File size: 7.4M  
Page count: 111  
Word count: 27,609  
Character count: 147,400  
Submission date: 03-Oct-2022 07:51PM (UTC+0200)  
Submission ID: 1915602483

**UNISA** university of south africa  
COVER PAGE DEPARTMENT OF DEVELOPMENT STUDIES  
DEGREE: Masters of Arts in Development Studies

A RESEARCH PROPOSAL BY: NAMHLA OTLOKHEKHEKO

STUDENT NAME: 2020271  
SUPERVISOR: DR BN PHEKO  
POSTAL ADDRESS: Mafeni, North West University  
Mafeni  
ATD  
Email: 2020271@NWU.ac.za

TITLE: Impact of depriving low-income employees housing scheme grants in Alford Nto District Municipality  
Year of graduation: 2021

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## APPENDIX G: AN ETHICAL CLEARANCE CERTIFICATE



### COLLEGE OF HUMAN SCIENCES RESEARCH ETHICS REVIEW COMMITTEE

29 March 2022

Dear Ms. Namhla Stella Madolo

**Decision:**  
Ethics Approval from 29 March  
2022 to 29 March 2025

NHREC Registration # :  
Rec-240816-052  
CREC Reference # :  
35583479\_CREC\_CHS\_2022

**Researcher(s): Name: Ms. Namhla Stella Madolo**  
Contact details: [35583479@mylife.unisa.ac.za](mailto:35583479@mylife.unisa.ac.za)  
**Supervisor(s): Name: Dr. B.N Rasila**  
Contact details: [0832410772](tel:0832410772)

**Title: THE IMPACT OF DEPRIVING PUBLIC SERVANTS GOVERNMENT SOCIAL GRANTS**

**Degree Purpose: MA**

Thank you for the application for research ethics clearance by the Unisa College of Human Science Ethics Committee. Ethics approval is granted for three years.

*The low risk application was reviewed by College of Human Sciences Research Ethics Committee, in compliance with the Unisa Policy on Research Ethics and the Standard Operating Procedure on Research Ethics Risk Assessment.*

The proposed research may now commence with the provisions that:

1. The researcher(s) will ensure that the research project adheres to the values and principles expressed in the UNISA Policy on Research Ethics.
2. Any adverse circumstance arising in the undertaking of the research project that is relevant to the ethicality of the study should be communicated in writing to the College Ethics Review Committee.
3. The researcher(s) will conduct the study according to the methods and procedures set out in the approved application.
4. Any changes that can affect the study-related risks for the research participants, particularly in terms of assurances made with regards to the protection of participants' privacy and the







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Cell: +27 (0)72 244 4363 or +27 (0)82 807 0134

Email: [info@busybeediting.co.za](mailto:info@busybeediting.co.za) /  
[brendavanrensburg2@gmail.com](mailto:brendavanrensburg2@gmail.com) Website:  
[www.busybeediting.co.za](http://www.busybeediting.co.za)

## PROOFREADING AND EDITING CERTIFICATE

Busy Bee Editing have completed the proofreading, editing, syntax, consistency in spelling, hyphenation, numerals, fonts and capitalization, maintaining internal consistency, correcting spelling, grammar punctuation, syntax, altering sentence structure, creating a cohesive flow, ensuring appropriate paraphrasing, ensuring that formatting and layout is correct, resizing tables and figures, updating existing Table of Contents, List of Figures and Tables to the best of their ability at short notice on a 26,731-word Research Proposal for **Namhla Stella Madolo**, titled **Impact of depriving low-income employees housing scheme grants at Alfred Nzo District Municipality** in the Department of Development Studies at the University of South Africa (UNISA).

Any amendments or alterations done to this Research Proposal by **Namhla Stella Madolo** hereafter are not covered by this proofreading and editing confirmation/certificate. It is up to **Namhla Stella Madolo** to ultimately decide whether to accept or decline any amendments done by Busy Bee Editing. It remains **Namhla Stella Madolo's** responsibility to confirm the accuracy and originality of the completed Research Proposal.

Hugo Chandler

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For Busy Bee Editing: Hugo Chandler

Brenda van Rensburg

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For Busy Bee Editing: Brenda van Rensburg

Date: 14 October 2022