

**The role of business support interventions in promoting spatial justice: A case study of informal economic development in a residential zone, eThekweni (Ward 68)**

Submitted in fulfilment of the requirements of the degree of Doctor of Philosophy in Town and Regional Planning in the Department of Engineering and the Built Environment, and the Urban Future Centre at the Durban University of Technology.

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## **Abstract**

The beginnings of apartheid initiated the manipulation of plans and policy to create cities which deeply entrenched segregation into the landscape of South Africa. This history of spatial exclusion is evident in the study area, Ward 68 in the South Durban Basin (SDB), with its diverse mix of industrial and residential land uses, with a proposed dug-out port planned for the area. In the three suburbs of Ward 68, some homes were spaces in which business was conducted. The diverse land uses, which has introduced formal and informal changes to space, have an impact on the people living and working in this area.

In efforts to address the injustices of apartheid, South African strategy and legislation have included support to informal businesses; the National Informal Business Upliftment Strategy (NIBUS) serves as an example. This study uses the term “Business support interventions” (BSI) to describe the diverse approaches to providing financial or non-financial support to businesses. These interventions enable and strengthen informal businesses in residential zones, that is, home-based enterprises (HBE). The appropriateness of BSI and their effect on the quality of local spaces needed to be explored.

Inadequate spatial orientation of BSI reduces the impact of HBE projects and programmes in townships. The mixed methods approach to this research includes a methodological design that uses qualitative and quantitative data. This research aims to contribute towards both practical methods for understanding the spatial-economic condition of local urban spaces, and towards providing more nuanced data and knowledge to BSI and urban management in the eThekweni Municipality (Durban). Distinctive challenges for the urban environment are related to the city’s spatial-economic disparities. A spatial justice lens and a case study approach have allowed for a critical investigation of how spatial logic can be applied to collaboratively address challenges of informality in urban spaces.

## Declaration



**The role of business support interventions in promoting spatial justice: A case study of informal economic development in a residential zone, eThekwini (Ward 68)**

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Submitted in the Faculty of Town Planning / Urban Futures Centre in Partial Fulfilment of the Requirements for the Dr of Phil in the built environment at the Durban University of Technology August 2021.

Signature of Student

04 November 2021

Signature of Supervisor

Date

### PLAGIARISM DECLARATION

1. I know and understand that plagiarism is using another person's work and pretending it is one's own, which is wrong.
2. This dissertation is my own work.
3. I have appropriately referenced the work of other people I have used.
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Signature

04 November 2021

Date

## **Dedication**

This dissertation is dedicated to my parents who encouraged my pursuit of knowledge.

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Tanya Dayaram (23 April 2021, Durban)

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**Table 1: List of acronyms and definitions of key terms**

<b>Acronym</b>	<b>Terminology</b>	<b>Description</b>
BBBEE	Broad-Based Black Economic Empowerment	Government policy to advance economic transformation and to enhance the participation of black people in the South African economy.
BDS	Business Development Support	According to the guidelines of the Informal Micro-Enterprise Development Programme (IMEDP) of the Department of Small Business Development, BDS is 'Business Development Services and refers to the interventions set out in clauses 4.1 (training programmes).
BEPP	Built Environment Performance Plan	A strategic planning document.
BNR	Bluff Nature Reserve	An area in Durban designated for environmental conservation.
BSI	Business Support Interventions	An all-encompassing term for any initiative supporting a business/enterprise (refer to Section 2.2 below).
DSBD	Department of Small Business Development	The Department of Small Business Development (DSBD) was established as a stand-alone national department, which was announced by the President in May 2014, following the national elections.
GIS	Geographic Information Systems	Software used for mapping and analysis of spatial information, for example, ArcGIS is a GIS developed by ESRI.
HBEs	Home-based enterprises	There are various understandings of HBEs, which generally refer to 'house shops' as defined in the SLF report. This abbreviation also refers to any economic activity taking place on residentially zoned properties.
HBW	Home-based workers	Persons who work in HBEs
IESP	Informal Economy Support Programme	A pilot project that was established to support micro and informal businesses, it was initially described as support to micro and informal business in eThekweni Municipality and later branded as IESP (co-funded by Jobs Fund and eThekweni Municipality).
IDP	Integrated Development Plan	Municipal strategic planning documents.

<b>Acronym</b>	<b>Terminology</b>	<b>Description</b>
ILO	International Labour Organisation	A tripartite UN agency, the ILO has brought together governments, employers, and workers of 187 member States to set labour standards, develop policies, and devise programmes promoting decent work for all women and men since 1919.
IMEDP	Informal and Micro Enterprise Development Programme	The Informal Micro-Enterprise Development Programme (IMEDP) that prioritises women, youth, and people with disabilities who own businesses and who are based in townships, in rural- and depressed areas in towns, and in cities. It is an all-inclusive package that includes training and infrastructure at a cost per enterprise.
IPAP	Industrial Policy Action Plan	A Department of Trade and Industry Strategic planning document.
IUDF	Integrated Urban Development Framework	Strategic South African policy document.
JF	Jobs Fund	The objective of the Jobs Fund is to co-finance projects by public, private, and non-governmental organisations that will significantly contribute to job creation. It was launched in 2011.
KZN	KwaZulu-Natal	A province on the eastern coast of South Africa.
LED	Local Economic Development	LED is a participatory and developmental process that encourages partnership arrangements with representatives from all sectors. It aims to provide a roadmap for the main private and public stakeholders in a defined territory that enables the joint design and implementation of a common development strategy (UNHABITAT, 2015).
LTDF	Long-term Development Framework	A strategic planning document.
M4P	Making Markets work for the Poor	An approach designed to support economic development.
MIEs	Micro-and Informal Enterprises	Project Preparation Trust (PPT) developed terminology for a niche-market, which forms an

<b>Acronym</b>	<b>Terminology</b>	<b>Description</b>
		underserved segment of the business community.
MSA	Municipal Systems Act (2000)	SA legislation that made IDP's mandatory for all municipalities.
NIBUS	National Informal Business Upliftment Strategy	An enabling policy, regulatory, and programming environment that promotes and supports a developmental continuum for the graduation of Informal Businesses into the mainstream of South Africa's formal economy (DSBD, 2016).
NDP	National Development Plan	A strategic planning document.
NGO	Non-governmental organization	A non-profit group of people who work independently from government. These organisations are also registered as not for profit organisations (NPO).
NGP	New Growth Path	The framework for economic policy and the driver of strategies for jobs in the country.
NPC	National Planning Commission	A South African government agency.
OHS	Operational Health and Safety Act	Based on labour legislation, the Occupational Health and Safety Act aims to provide for the health and safety of persons at work, for the health and safety of persons related to the activities of persons at work, and for the establishment of an advisory council for occupational health and safety.
PGDS	Provincial Growth and Development Strategy Guidelines	A strategic planning document.
PPT	Project Preparation Trust	Durban-based NPO / NGO.
PSEDS	Provincial Spatial Economic Development Strategy	A strategic planning document.
SARS	South African Revenue Services	The South African tax collecting authority.
SDG	Sustainable Development Goals	Developed by the UN, the SDG's can be defined as 17 goals that address global challenges. These are stated on the UN

<b>Acronym</b>	<b>Terminology</b>	<b>Description</b>
		website as ' <i>a blueprint to achieve a better and more sustainable future for all</i> '.
SDCEA	South Durban Community Environmental Alliance	Durban-based NPO / NGO.
SDF	Spatial Development Framework	A strategic planning document.
SLF	Sustainable Livelihoods Foundation	A non-profit organisation based in Cape Town.
SMMEs	Small, Medium and Micro Enterprises	There are a number of ways to categorise the size of an enterprise; in this study the unit of measurement was based on the number of employees in the business.
SPLUMA	Spatial Planning and Land Use Management Act	A legislature for planning practice.
UIP	Urban Improvement Precinct	Area-based collaborations between residents, businesses and the municipality for the improvement / maintenance of an area.
USA	United States of America	Country in North America.
WEIGO	Women in informal employment, globalising and organising (WEIGO).	A global network.

# 1. Chapter One: Introduction

*Human habitat,*

*Now planning with “chaos” to,*

*Imagine spaces! (Author, 2017)*

Business support is emerging in South African National programmes as a strategy for improving Small, Medium and Micro Enterprises (SMMEs), including enterprises that are informal and/or home-based (DSBD, 2020; eThekweni Municipality, 2001). Different types of supports are designed to address financial and non-financial challenges faced by business, for example entrepreneurial courses and micro-finance programmes. The support interventions, which enable local economic growth, are aimed at addressing historically and economically disadvantaged South Africans. Stakeholders in government, the private sector and non-governmental organizations (NGOs) have started to direct their investment initiatives for business support interventions (BSI) more strategically to deal with the limitations to economic development in “townships”<sup>1</sup>. Support to local economic development requires active engagement with the challenges and opportunities that are presented by increased informal work in South African cities.

Transformation of the economy, in this study, would be enabled by successfully supporting informal enterprises and informal workers. Informal businesses are often

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<sup>1</sup> “Township” must not be confused with the planning term “township establishment”. The study refers to the definition used by the SLF: “[Townships] Commonly refers to low-income urban suburbs with little or no formal economic developments. Specifically, the term refers to residential areas that during apartheid were reserved for non-whites Africans, Coloureds and Indians) who lived near or worked in areas that were designated ‘white only’. Townships are usually situated on the margins of urban settlements,” (Charman et al. 2017: 7).

perceived as street-trading, or more generally, as unspecialised trade. These ideas of informality show a lack of understanding about how informal home-based enterprises (HBEs) operate spatially. There are also knowledge gaps about whether BSI initiatives reach informal enterprises or SMMEs located in residential areas. If HBEs are supported by interventions, little is known about how they are received. The national state Department of Small Business Development (DSBD) claims:

The strategy [National Informal Business Upliftment Strategy] advances Government's priorities of speeding up growth and transforming the economy to create decent work and sustainable livelihoods through inclusive growth. The strategy specifically targets entrepreneurs in the informal economy. This sector has been identified as critical in addressing the key developmental goals of the Government (South Africa, 2017: para. 1 line 5).

If we are to use business support interventions to move towards inclusive growth as stated above, then it is imperative that we research the particular types of informal business practices such as HBEs which frequently occur in South African townships. Under apartheid, racist segregation laws forcibly removed people classified as black, indian and coloured from their homes into designated townships. These racially segregated and under-resourced areas were spatially positioned on the periphery of a city (eThekweni History Museums, 2018). HBEs are prevalent in township areas because they formed part of a livelihood strategy in response to the apartheid exclusions (Charman et al., 2017). These economic practices remain. However, customising BSI initiatives to best suit the needs of HBEs in townships would provide a mechanism to address the spatial injustices of South Africa's urban landscape.

Considering how spatial segregation has given material effect to many past injustices in South Africa (SA), it is unsurprising that a vision for a spatially just SA is reflected in numerous post-apartheid plans, policies, and legislation. National plans for SA recognise the importance of spatial transformation for economic growth. For example, the NDP states that:

A sustainable increase in employment will require a faster-growing economy and the removal of structural impediments, such as poor-quality education or spatial settlement patterns that exclude the majority (NPC, 2012: 27).

It is important to acknowledge that attempts to reverse the spatial effects of apartheid through the transformation of human settlements has been part of eThekweni Municipality's Integrated Development Plans (IDP) post-2016, which aligns with the National Development Plan (NPC, 2012). South Africa's population is increasing, but the stubborn structural constraints to transformation remain and continue to reproduce inequality in the South African landscape.

The country's employment rate in 2019 stood at 29.1%,<sup>2</sup> while the unemployment rate was 18.2% in Durban in the same year, with employment absorption decreasing by 0.6% from the previous year.<sup>3</sup> Strategies that encourage increased investment in townships, job creation, and economic empowerment would, supposedly, be a sustainable way in which development would transform townships. However, this vision is a particularly difficult one because SA's unemployment rate continues to grow while the fourth industrial revolution introduces technologies that are starting to change

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<sup>2</sup> StatsSA, 2019

<sup>3</sup> EDGE, 2019

the way in which we live, work, and relate to one another (World Economic Forum, 2019).

An important theory for assessing the spatial and economic disparities in the country, is the concept of spatial justice. The concept allows for understanding the township as a space which has remained relatively unchanged in many ways, even in the post-apartheid context. Using spatial justice as a lens to understand economic development contributes to developing knowledge which aligns with the principles of spatial planning and land use management, as stated in SPLUMA (2013:18): “(a) The principle of spatial justice, whereby – (i) past spatial and other development imbalances must be redressed through improved access to and use of land”.

Spatial justice in South Africa therefore requires a multipronged approach. Although BSIs are not viewed as direct planning interventions, they have connections and access to the local economy which provide important data for informing spatial practices at ward / suburb level. Contextual information is considered an important factor in urban development (SACN, 2015; Van Huyssteen, 2009). In this sense, reconceptualising BSI as part of a toolkit to address spatial justice would be useful for town and regional planners who are interested in transforming township spaces into better serviced and vibrant local economies.

### **1.1. Overview of the Case Study**

The study area is called Ward 68, it is found in eThekweni Metropolitan Municipality (herein referred to as either eThekweni or Durban). Ward 68 holds a diversity of socio-economic challenges and long-standing environmental concerns, which are associated with residential neighbourhoods that are located adjacent to large-scale

industry. The location of the study presents complexity in its existing mix of land uses. The case study encompasses different types of HBEs found within the ward boundary, which are useful in understanding the extent of the reach and impact of support interventions directed towards local economic development.

Personal experience of working and living in the community of this ward influenced the choice of this location for this study. Two influential work-related experiences included both volunteering and interning with Wildlife Environment Society South Africa (WESSA). The WESSA Groen Sebenza programme (SANBI, 2021) is a skills development and job creation initiative of the South African National Biodiversity Institute (SANBI). The topic of this doctoral research, however, is more directly influenced by working with the Project Preparation Trust (PPT). PPT has an Informal Economy Support Programme (IESP) which provides business support to informal businesses and which promotes developing micro and small enterprises (PPT, 2016).

Informality is often seen as chaos in the professional planning field and despite all the mechanisms to regulate and control the informal, it is something that continues to persist in the urban environment. This research is a process committed to the generation of ideas about new ways of thinking in an effort to thoroughly understand what is happening in the community. As such, the knowledge and methods developed are aimed at contributing towards state and non-state actions for local economic development. The implementation of strategic goals for the informal economy has become associated with the formalisation of informal businesses into formal businesses. However, the nature of informality is a challenge for enforcing any

regulatory framework. In this study, the importance of spatialising economic activities at ward level is demonstrated.

The areas that constitute Ward 68 were designated “indian” and “coloured” townships under apartheid. As will be discussed, apartheid segregation and separation continue to impact on the built environment in the study area. The production of space and the social relations in Ward 68 were based on a system which was designed, via urban layouts and regulations, to perpetuate long-term and unjust socio-economic patterns. The impact of large-scale development on material (geographic) space and on social processes in space influences spatial-economic land uses.

In the informal economy the spatial impact of informal businesses and SMMEs influences where and how goods and services are produced and sold (Brown and Kristiansen, 2009; eThekweni Municipality, 2001; WEIGO, 2017). The growth of informal and SMMEs impacts on the spatial-economic dynamics of the city, as does the growth of formally planned economic nodes and economic activities. The study area is affected by plans for a new port development that were initiated by Transnet in 2012 (Environmental Justice Atlas, 2020). It is often the case that large-scale developments such as ports and logistics hubs, promise economic growth for the area. These are afforded political and private interest support at the expense of local interests. Port infrastructure imposed onto marginalised areas typically affects communities’ health and safety, and shifts the type of economic activities that exist in and around the area: (United States, 2016; Hricko, 2008; Mpungose, 2017) (refer to Section 3.7).

In South Africa, these large-scale formal developments are termed catalytic projects<sup>4</sup>. The descriptions of catalytic projects are those of mixed-use land development initiatives that are strategic for integration. The projects are funded by a mix of public- and private income streams (South Africa, 2014). Municipal catalytic projects highlight cities' priorities for development; they use dense urban nodes and spatially represent economic activities like retail shopping nodes, port expansion, and office parks. Catalytic projects are developed with the intention of improving the spatial-economic opportunities across Durban and they are represented in the eThekweni Spatial Development Framework (SDF). For example, Figure 1 shows how the projects are distributed across the geographic area of the city in mapping the catalytic projects (eThekweni 2018: 373). In this study area, there were already large private sector influences, and the city plans showed prioritization for further investment in the back of port catalytic project.

These large-scale development decisions have had a direct influence on the case study area of Ward 68. In contrast to the focus on large-scale economic developments in the area, this research offers a detailed case study of micro-scale informal businesses run from homes within the ward. It is useful to illustrate how different forms of economic activity are equally important to generate livelihoods and economic development for local people and, as such, there is value in finding better ways to support and grow entrepreneurial initiatives. Economic development and business

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<sup>4</sup> *"The definition of catalytic urban development projects are land development initiatives that: are integrated, i.e., mixed and intensified land uses where the residential land use caters for people across various income bands and at increased densities that better support the viability of public transport systems; are strategically located within integration zones in cities; and are game changers in that the nature and scope of the projects are likely to have significant impact on spatial form. "Require major infrastructure investment; Require a blend of finance where a mix of public funds is able to leverage private sector investment as well as unlock household investment; Require specific skills across a number of professions and have multiple stakeholders"* (National Treasury, 2014).

support at a local level should align approaches with spatial justice, rather than focusing on large-scale developments that influence residential removals and which trap residents in homes next to noxious and other forms of polluting industries.

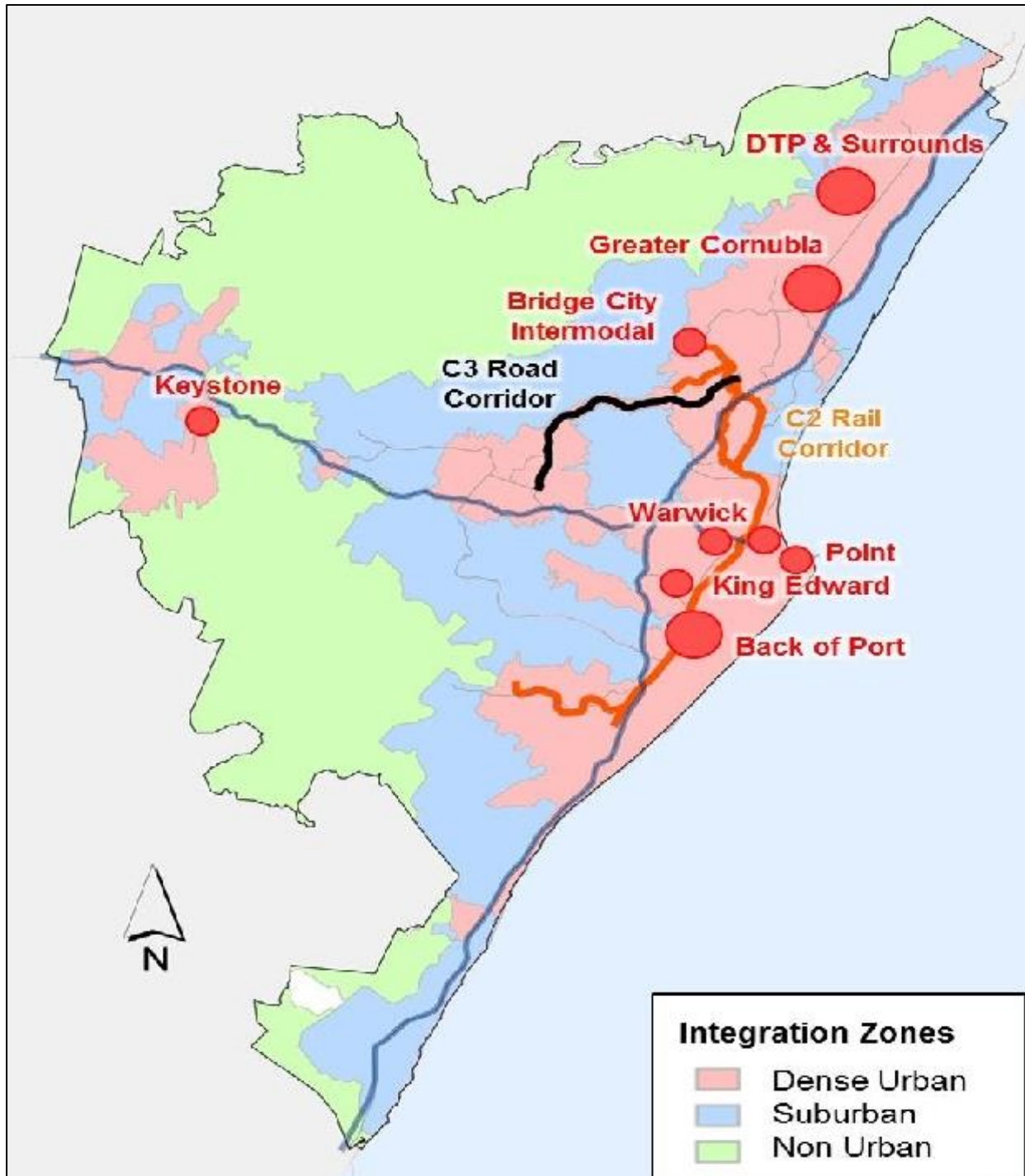


Figure 1: eThekweni Municipality catalytic projects 2018 map (eThekweni, 2018)

At a local level, Ward 68 offered a unique area in which to explore the uses of space to better understand why spatial-economic data would benefit BSI. Individuals have an impact on the quality of the urban environment when they adapt the use of public and private facilities and amenities. The participation and distribution of knowledge about development that strongly impacts on the ward needs to be strengthened which, in this case, was knowledge of local businesses and BSI. In addition, a better method to understand local place and space is needed, not only for strategic planning practitioners but for all stakeholders who work towards goals of sustainable development and spatial justice.

The selection of a ward area in eThekweni Municipality provides for a level of data that aligns with the city's urban precincts, which allow for more nuanced and local level data on BSI in the informal sector to align with the city's boundaries and plans. It is important to build knowledge at this level because of the rapidly changing use of space that requires granular data to support resilience strategies (Van den Berg, 2020). It is a study in which the researcher explores the association between existing businesses and the challenges or benefits identified with models of support, including the extent to which interventions (state and/or private) reach the residential businesses. A better spatial understanding of what qualifies informal businesses as Small, Micro and Medium Enterprises (SMMEs), particularly those in residential zones, would provide data for evidence-based strategies to support local economic development initiatives.

## **1.2. Problem Statement**

In the last decade there has been a concerted policy shift in informality and the need to understand this phenomenon, as well as provide support to informal businesses (South Africa, 2015a; South Africa 2017; eThekweni Municipality, 2001). Increasingly,

considerations of informal economic activities are accommodated in development, both in South Africa and elsewhere in the world. As Marx states:

What an economy is, what counts as growth and who contributes to this growth will shape previous, current and future possibilities for redistributing economic infrastructure. Consequently, bound up with specific understandings of poor people's economic agency are existing representations of 'the economy' and existing patterns of redistribution (2011: 1022).

Economic development models are becoming more inclusive of the informal sector in research and in the state's approaches to development. Spatial exclusion and issues of environmental injustice in townships remain pressing. In many townships, like the study area which is located in the South Durban Basin (SDB), there are numerous home-based enterprises. Yet, they are seldom researched as part of the broader informal sector, which tends to focus on street trading and/or on informal domestic work (Charman et al., 2017; Tokman 2006). This makes research about the access to and uptake of businesses' support services for this type of home-based informal enterprise all the more critical.

Interviews to examine BSI, which were held in 2018, indicated that public and private BSI services were provided to people living and working in township areas. This study uses the term "Business Support Interventions" (BSI), as an all-encompassing descriptive term to label the various forms of support provided to and between businesses<sup>5</sup>. BSI is a non-specific set of activities that improves and promotes growth

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<sup>5</sup> "Business development services" (BDS) was a more common term for enterprise support but it did not cover all the financial and non-financial products and services that were offered to develop business. BDS tended to have a growth-focus whereby success is determined by increase in jobs, size, or profits of individual businesses, whereas BSI seeks to understand growth from a more strategic perspective at a ward or neighborhood level which contributes more to inclusive growth.

in the informal and SMME sectors. Business support interventions (BSI) are focused initiatives for financial and non-financial support that aim to improve businesses and local economic conditions. Undoubtedly, this is the approach of local government that promotes incremental development practices via supportive policy interventions.<sup>6</sup> However, government is not the only stakeholder in economic development and more efforts to include the private sector in local economic development are starting to emerge.<sup>7</sup>

Business development support to informal enterprises, including home-based enterprises (HBEs), were being implemented in the eThekweni Metropolitan Municipality (PPT, 2019; eThekweni, 2016). BSI for informal and SMME's includes activities such as mentorship, urban layout for economic development, business forums, and government and private sector programmes (refer to Section 2.2 for more definitions and descriptions of BSI). In addition to the already contested terrain of what constitutes formal and informal business, SMMEs operating from home have altered how economic nodes are categorised by forming "new" spaces for servicing with economic development support.

The dynamics and needs of home-based business spaces are not well understood. This study advocates building spatial-economic data for HBEs at ward level. Local area plans could allow BSI to become a more strategic transformation tool in

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<sup>6</sup> Examples of interventions include the mandate for Informal and Micro Enterprise Development Programme (IMEDP), the KZN informal economy policy (EDTEA, 2001), and at a local policy level, the eThekweni Municipality's Economic Development Incentive Policy of 2016, as well as Durban's Informal Economy Policy of 2001.

<sup>7</sup> The Economic Decision Support Tool was launched in eThekweni Municipality on 14 November 2019 (EDGE, 2019b).

neighbourhoods, for to enable social justice through a more equitable distribution of support resources. A mixed methods approach is required to develop a better understanding of township businesses. There is a need to establish an understanding of how to effect practical changes in local spaces by using BSI for better quality urban environments. In doing so, more collaborative approaches can be advocated to address spatial change in the complex location of eThekweni Municipality's Ward 68.

The ability to improve the economy by creating jobs and by improving the quality of the urban environment relies to some extent on the successful implementation of projects and programmes that deliver support (eThekweni Municipality, 2001; Lund and Skinner, 2005; Tokman, 2006; PPT, 2016; Wilberforce et al., 2017; Williams, 2015). Multiple departments in the eThekweni municipality, the city where this case study took place, encourage policies and interventions to support the informal sector in the city, including: the eThekweni Municipality's Economic Development and Investment Promotions and Business Support, Marketing and Tourism, and Human Settlements Units. Considering the complexity of formal and informal practices in space and the knowledge gaps about residential SMMEs, the topics that motivate this research include the planning, implementation, and evaluation of business support in the context of spatial justice.

BSI, which is meant to support SMMEs, has to reduce the obstacles and inequalities found in different business sectors. The provision of relevant and responsive support requires datasets that promote understanding of how these support mechanisms and interventions reach, or could reach, informal SMMEs. Data on enterprises also uncover how spaces designed for economic activities do not only rely on the built

environment professionals of the city but are also designed by the actions of a city's residents. Residents' understanding of planning permissions and the varying levels of enforcement of planning regulations result in unplanned land uses in the city, which has an impact on the design, processes, and regulatory provisions of spaces (Charman et al., 2017; Roy, 2005). Therefore, BSI planning bylaws and regulations on the use of residential property are directly involved, and these should create a supportive policy and programmatic environment for this form of informal enterprise.

### **1.3. Research Questions**

This research aims to better understand the impact of Business Support Interventions (BSI) in spaces that were not designed for business activity. The first research question is therefore: Do interventions (state / private) reach SMMEs and informal businesses in residential areas?

The notions of the city based on designated zoning in urban plans are not the only representation of spatial-economic activities. The inherent approach to this study was to reject assumptions and preconceived notions of what the spatial geography of the economy should look like. It is important to understand the types of businesses which contribute to economic development in the city by using case-specific research to obtain different perceptions of existing BSI. The descriptions of informal businesses, SMMEs and HBEs may overlap in addressing the second research question: How do these businesses in residential areas perceive business support interventions, in terms of what challenges and/or benefits do they identify with support models?

The third research question considers the quality and typology of urban environments in relation to these informal HBEs: Do planning regulations play a role in how people

make choices about informal and SMMEs? How did regulations shape the local economy? The literature review in Chapter Three shows there was a shift after apartheid from normative design, which provided for appropriate infrastructure and services, to the incorporation of contextual design. The layout of urban space became less prescriptive and more about improving the quality of the urban environment for its inhabitants. Behrens and Watson (1996: iv) stated:

The layout planning task is not to simply optimise the provision of services, facilities and amenities sectorally, but to ensure that together these infrastructural elements operate in a developmental and systemic way – this often necessitates trade-offs and sometimes technical inefficiencies. In essence, it is less about what infrastructure is provided, than about how the infrastructure that is provided, is arranged in space, that initiates development of urban environments of quality.

The spatial layout and design of a city affect the economic activities and economic actors in a city. It is important that perspectives from a local level are considered when planning is done on different geographic scales. Hence, the fourth research question asks: What implications do these support interventions and planning regulations (state actions) have for thinking about spatial justice in the back of port area in Durban?

The research design, which is described in detail in Chapter 4, shows how these questions were approached in the study. In addition to answering the research question, the methodology used in this study aims to provide a foundational roadmap for knowledge building of spatial-economic data at a local level. In this way, it contributes new knowledge to the field of BSI by offering a detailed methodological process that can be used by other BSI practitioners and planners interested in local economic development to conduct future research on HBEs in other township areas.

## **1.4. Outline of the Thesis Chapters**

There are limited data and knowledge for the contextual understanding of residential informal businesses and SMMEs in townships. This introductory chapter is followed by the theoretical framework in Chapter Two. The framework elaborates on the relevance and use of spatial justice and on the concept of transformation in the context of researching informal businesses at ward area level. A spatial justice lens allows for a critical investigation of how spatial logic can be applied to collaboratively address challenges of informality in urban spaces. The levels of impact that home-based enterprises have on the broader development goals of the city are significant knowledge gaps which are particularly relevant to urban planning and to BSI.

Chapter Three offers a literature review; it presents an investigation into what has led to contemporary approaches to BSI and development in the South African context. The chapter provides detailed contextual history and theory which have influenced research into this case study. Iterative changes in policy and practice for urban development are theoretically aligned with transformation towards spatial justice. The urban economy has been categorised into formal and informal economy; this encompasses a spectrum of businesses and business networks. This complexity of informality in different business sectors creates divergent strategies to address the phenomena in policy and practice. A tabulated timeline shows the layering of legislation, policy / guidelines, and events / projects in economics and planning which shaped South African policy and practice (refer to Section 3.2).

The layered methodology of the research design and data analysis methods are described in Chapter Four. The design used quantitative and qualitative techniques

for data collection and the mixed methods approach to data collection generated data of 100 businesses in Ward 68. Purposeful sampling based on the survey was used to develop criteria for selecting key informant enterprises, these criteria included: participants who were working from home, had a desire to expand (i.e. increased production and/or job creation), and who had experienced regulatory challenges. Those participants were then filtered against types of support received in order to accommodate different types of experiences of BSI. The research design allowed for diverse types of data to be collected from surveys, observations, and interviews, which were then used to evaluate the role of BSI in promoting spatial justice. The spatial, content, and document analysis offer different types of perspectives and visions which drive spatial and economic changes. This study supports a more case-based approach towards the development of local spatial-economic data.

Chapters Five, Six, and Seven use texts, maps, figures, and tables to represent the analyses and findings. Chapter Five explores the area of Ward 68 and provides an urban analysis of the study area. Using spatial justice as a lens, the research study examines a predominantly residential zone to understand spatial-economic phenomena which arose from unplanned changes from informal and SMMEs on land uses.

Chapter Six provides an analysis and represents the findings of HBE SMMEs and informal businesses in Ward 68. The extent to which HBEs had an impact on space and how space had an impact on HBEs is relevant to understand how BSI could have made an impact on that space.

Chapter Seven looks at the role of BSI as a tool for spatial justice. The impact of development at different levels means that tools which aim to address injustices in space, considering the context of Durban's' back of port development, advocate local economic development. The scenarios for spatial justice are based on diverse perspectives of different stakeholders who contribute to development.

In Chapter Eight, the researcher concludes this study with an understanding that there is more work to be done to advance context-specific spatial-economic data and knowledge. Knowledge-building of area profiles on different geographic scales could better enable strategies for a more spatially just urban landscape. It is critical that evidence-based decision-making uses spatial-economic knowledge to inform collaborative BSI and urban management.

## **2. Chapter Two: Theoretical Framework**

### **2.1. Introduction**

South Africa is an example of a country which is fundamentally shaped by colonial control and dependency development (Soja, 2000). From the beginnings of apartheid spatial policy and plans were engineered toward segregation, the planning profession has moved from a technical and engineered prescriptive design of human settlements to more modernist theories of planning as a political process (Behrens and Watson, 1996; Scholz, Robinson and Dayaram, 2015). The design of the cities in South Africa was used to segregate population groups, those categorised as black, indian, and coloured, were discriminated against by physical and legal boundaries based on urban plans and rules. This oppressive spatial planning meant that inhabitants had to travel long distances to access work, goods, and services which were not easily available in designated black townships (eThekweni History Museums, 2018). In response, residents in these areas transformed residential homes into businesses, a practice that has continued to this day. Home-based Enterprises (HBEs) have had an impact on spatial and social relations in these neighbourhoods and they are therefore important factors to consider in urban planning and management.

The idea of business development is based on the premise that enterprises need different types of support to grow. Growth is determined by increases in production, in size, and/or in the number of new jobs that an enterprise can create (Mole, Baldock and North, 2013). Yet, how businesses develop, and grow is also shaped by means of urban planning in cities, particularly through discourses about what types of

business are desirable, and by means of bylaws and regulations on land use that influence economic activities (Charman et al., 2017).

Given the South African history of spatial segregation and the purposeful underdevelopment of township spaces, the social significance, and practices of HBEs necessitate a spatial justice lens to understand the potential of BSI tools as interventions towards transformation. This perspective requires looking at adaptation and the regenerative uses of space and how these fulfil neighbourhoods' needs. Doing so allows planners and urban professionals to address the challenges of both formal and informal businesses operating in previous township areas through diverse approaches. Importantly, a social justice lens enables BSI to work towards the broader national goal of inclusive economic development, which is part of the Integrated Urban Development Framework (IUDF).

This chapter elaborates on the relevance and use of spatial justice, and the concept of transformation in the context of researching informal businesses at ward area level. A spatial justice lens allows for a critical investigation of how spatial logic can be applied to collaboratively address challenges of informality in urban spaces. This thesis draws on Henri Lefebvre's triad and on David Harvey's interpretations of the right to the city to understand spatial-economic linkages in the human habitat (Harvey, 2006; Lefebvre, 1991). The alignment of urban planning and local economic development interventions through building spatial-economic data for evidence-based approaches to business support, is an important strategic element to address injustice in townships. Before tackling the theoretical concepts, which are relevant to this study, an overview of BSI in the South African context is first presented. This overview of BSI

is contextually focused on the city in which the study area is located, namely on eThekweni Municipality (Durban).

## **2.2. Business Support Interventions**

The growth of informality has an impact on the spatial-economic dynamics of an area. In international literature, informal housing and informal businesses, usually conceived of as street-trading, are frequently cited as examples of how informality is fundamentally reshaping cities (De Soto, 2000). Informal housing is a form of urbanisation which relies on micro-finance and on community networks; to some extent this self-built housing enables economic activities for, and of, the poor in the city (Roy, 2005). Informal work is notorious for labour exploitation and for low levels of social protection (Skinner, 2014). Conversely, there is also a growing recognition of the value which informal work brings to many people's livelihoods, both globally and mirrored in South Africa (WEIGO, 2017). The impact of informal and SMMEs' growth and their spatial-economic dynamics has resulted in more inclusive approaches to economic development (Fainstein, 2009; MIT Create, 2018; Tokman, 2006).

Tokman (2006) differentiates between informal businesses that are survivalist and enterprises that are "productive units" – a strategic focus on inclusion must be placed on the latter for business support. As this thesis will outline in Sections 3.3 and 3.4, there is a large body of literature on informal work in cities (De Soto, 2000; Charman et al., 2017; Lund and Skinner, 2005; Bayat, 1997; ILO, 2014). Even so, a current gap in the literature comprises local economic activity, SMMEs and/or informal businesses at a suburban level, that is, home-based enterprises located in residential zones. In other words, how and why informality and livelihood strategies operate in working and middle-class neighbourhoods in the city. In this sense, informal practices may also be

providing more stable jobs and incomes for families in previous township suburbs. As such, the HBEs (while different in many ways) should be viewed as part of the broader informal economic practice which is as prevalent as street-trading, spaza shops, and waste picking in the city.

The effects of supporting businesses and collating data for residential areas' spatial economic profiles could contribute to better advocacy in planning. It also enables planners to better represent the interests of the ward area based on the existing practices and needs of residents. According to Roy (2007), the relationship between informality and planners is complicated. On the one hand, planners exist to create order in the city and on the other hand, they increasingly aim to integrate and improve the quality of the environment for informal inhabitants. The different types of strategic urban planning aim to balance property, resource, and development conflicts (Campbell, 2012). As such, planners understand the spatial and economic relationships at a local level and are better able to advocate for or against HBEs.

Within SA policy and practice, development projects have processes which engage in participatory approaches to planning and show that all procedures must empower members of the public. The process of development planning allows for input from public participation, an excerpt of SPLUMA states:

the preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development applications, include transparent processes of public participation that afford all parties the opportunity to provide inputs on matters affecting them (South Africa. 2015b: 19).

At the "neighbourhood" level the process is undertaken by conducting meetings and consultation with residents about local development projects. However, these

approaches are often less about collaborative processes in the interests of all stakeholders. Often these meetings are flawed participatory processes which are focused on informing residents about development and mitigation of any matter that arises which would hinder development (Bond, 2015). This type of information-sharing process is not truly collaborative, and it results in contestation between the neighbourhood/s and the project. Section 3.6 shows how the community communicates these attempts at collaboration (Firmin, 2008). Both scholarly work and municipal planning initiatives often focus on “the poor” regarding informality in the urban landscape.

In South Africa, home-based work is often perceived as synonymous with informality<sup>8</sup> and survivalist enterprise (South Africa, 2020; eThekweni Municipality, 2016b: 7). However, emerging from the literature generated by large NGOs which have extensive experience in working in the informal sector, there is an increasing shift towards a more nuanced understanding of home-based enterprises. For example, WEIGO states:

Historically, home-based work has involved labour-intensive activities in textiles, garment, and footwear manufacturing industries as well as skilled artisan production. Today, home-based work is also found in high-end modern industries, including manufacturing of airline and automobile parts, assembly work in electronics, and packaging work in pharmaceuticals. In developed countries especially, clerical work and higher-skilled work in information technology, telecommunication, telemarketing and technical consulting may be home-based (WEIGO, 2017: para. 8 line 1).

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<sup>8</sup> Refer to “Understanding the “Informal Sector” for the spectrum of definitions on the informal sector (Swaminathan, 1991)

Home-based enterprises (HBEs) are located in areas designated as residential, and they are diverse in sector and form which includes a broad range of economic activities (Charman et al., 2017; Wariawa, 2014). Many types of home enterprise can be categorised into small, micro or medium enterprises (SMMEs) and may be considered informal or formal, or a mixture of both. Providing some form of support to small businesses is a key economic policy of many governments across the world. For example, Fainstein (2009: 10) states:

Economic development programs should give priority to the interests of employees and small business owners. All new commercial development should provide space for public use and to the extent feasible should facilitate the livelihood of independent and cooperatively owned businesses.

The formalisation of SMMEs is often seen as a means of inclusion in economic growth. Some HBEs, regardless of perceptions of informal or formal processes, may be included in these SMMEs' policy support frameworks but are not always that easy to reach, given their location in residential suburbs.

BSI is a non-specific set of activities that aims to improve and/or promote growth of the SMME sectors. As mentioned, the term "Business Support Interventions" (BSI) is an all-encompassing term which is used in this study to describe the various forms of support available to informal businesses and to SMMEs in South Africa and elsewhere. This term is used in the context of the study to refer to any initiative that aims to support business, irrespective of approach and funding.

The state recognized that there are a spectrum of businesses and the DSBD Programmes which informed SMMEs' development in the informal sector, was the IMEDP:

*“To target informal businesses and prioritizing women, youth and people with disabilities who own businesses based in townships, rural areas and depressed areas in towns and cities. Eligible activities: Skills development (technical, business and computer skills etc.) Marketing and branding (promotional material such as in construction, [Construction Industry Development Board] CIBD, brochures, signage etc.) Product improvements (standards, quality, recipes, manuals etc.) Technology support (software procurement, installation, point of sale etc.) Stock, raw materials, supplies etc. Tools, machinery and equipment (heavy, fixed and immovable) Basic compliance (Business Registration at municipalities or [Companies and Intellectual Property Commission] CIPC, Tax, [Unemployment Insurance Fund] UIF, PAYE, Accreditation, licensing etc.) Eligible activities” and, “Organisational development support Governance (memorandum and articles of association, constitution and training etc.) Management Training Operational systems and policy development (HR, finance, legal, compliance – SARS, [Pay As You Earn] PAYE, UIF, [Skills Development Levy] SDL, [Value-Added Tax] VAT, tax returns) IT (membership database system, website, etc.) Projects support (linked to the Department of Small Business Development's incentives, etc.) Basic office infrastructure and technology (computer, printer, software, internet and landline connectivity desk, storage, etc.).” (DSBD, 2017: online).*

**Figure 2: DSBD priorities and types of business support**

The main drivers of BSI funding are government and private sector programmes. Examples of support, which are defined by the South African DSBD, are listed in Figure 2 above. Civil society and NGO's collaborate to sustain funding streams to undertake BSI activities that support SMMEs. BSI can include state services to businesses, support between businesses, and/or support provided by NGO and community-based networks. BSI often includes mentorship of entrepreneurs, business forums, and financial support (PPT, 2016; Wilberforce, Gifty and Kofi, 2017). Although public and private sector interventions approach supporting businesses in different ways, BSI in South Africa aims to enable economic prosperity for all businesses while specifically directing economic upliftment strategies to local and previously

disadvantaged communities (South Africa, 2017). In this sense, the policy framework itself recognises the potential of BSI to assist with forms of social and economic justice. Given the spatially engineered disadvantages of township areas in the past and the reproductions of various inequalities in these spaces in the present, there is a need for more direct recognition of how a spatial justice lens may help BSI initiatives to better implement their objectives.

This research focusses on addressing the gap in spatial-economic data which affects BSI in servicing HBEs. Without a better understanding of, and an ability to reach HBEs in previous township areas, there is a reproduction of the economic exclusions (injustices) engineered by the spatial-economic discrepancies of apartheid planning. One of the objectives of this study is to generate micro-level knowledge at a local geographic level about how businesses in previously disadvantaged communities relate to BSI, this includes developing an understanding of what economic-spatial data could contribute towards supporting HBEs. Chapter Five: The Spaces of Ward 68 – Findings and Spatial Analysis presents more details about the case study of Ward 68, it is an interesting site to analyse how ward-level data for HBEs may assist in using BSI as a form of addressing spatial justice in the city. While spatial justice is not traditionally a theoretical lens for BSI, this thesis argues that it can provide a framework for state and non-state actors who are engaging in forms of BSI programmes in the urban environment.

### **2.3. Spatial Justice: Role for Spatial-Economic Knowledge and Data**

In many cities there are purposeful social and economic exclusions of the poor (Beall, 2002; De Soto, 2000). Given these injustices of contemporary urbanisation, many urban inhabitants have had to create alternative livelihood strategies. These economic

activities tend to operate outside the legal frameworks that govern cities (De Soto, 2000). In South Africa, spatial divides continue to affect cities; the location of well-maintained services, social infrastructure, and job opportunities is uneven across the country and within the cities. In addition, inequitable stratified resource distribution continues for different racial groups. This unequal distribution is partially a result of apartheid engineering. However, in many cities unequal distribution is also reproduced through global market processes that exacerbate class difference (Beall, 2002). In response to these inequalities, many people have reshaped their neighbourhoods to provide for social, cultural, and economic needs.

South African private and public sectors often regard the informal sector as something that must be changed – as part of a “transformation” agenda where informal enterprises are converted to formal enterprises based on levels of compliance with city policy and regulations (South Africa, 2015; 2017; 2020; eThekweni Municipality b, 2016). The language used to describe businesses and the informal economy in this study is based on the definitions and descriptions provided by DSBD, informal economy policy, and reports, which derive from work undertaken for the SA informal sector. However, it is acknowledged that there are challenges in using this language because there is a shift from thinking about a binary economy towards thinking more holistically about the “urban economy” (MIT Create, 2018). This shift in the perception of urban economy has led to mixed responses in accommodating informal businesses and SMMEs in residential zones, which depends on the local municipality’s views on informality as either something problematic, or something that must be transformed into formal businesses, or as innovative practices that create work which the state and the economy are unable to provide.

The increasing way in which informal processes override formal ones means that expansion is being driven without regulatory frameworks. According to Roy (2005: 149),

[i]n many parts of the world, the site of new informality is the rural/urban interface. Indeed, it can be argued that metropolitan expansion is being driven by informal urbanization . . . [including] the incorporations of small towns and rural peripheries in a dispersed metropolitan region.

The social contracts in place between informal businesses and their clients, which determine trade on a smaller scale, enable the growth of economic informality (De Soto, 2000). To a large extent, the legislature, which is designed to reduce informality, is weak in South Africa and there are poor processes to ensure SMMEs' compliance. Inhabitants are thus able to "hide" their activities from authorities. Understanding changes over time in the urban form is imperative in the process of conceptualising space and of accommodating shifts in urban development – not purely for control, but to develop cities according to strategic visions which include spatial justice goals.

The conceptual framing of informality as a key factor of urbanisation, as outlined in the quote from Roy above, enables a reconceptualization of informal and formal as distinctly spatial (2005: 149). The category of "informality" is an important one for measuring changes, especially if the changes measured are towards "formality". The reduction of strict regulatory frameworks controlling businesses and an increase in the free-market approach to urban development (which includes the phenomenon of increasing informality), infer a move towards increased exploitation of labour, of the natural environment, and of perpetuating poor quality urban environments. However, there needs to be a move towards a better understanding of these processes and how

they relate to thinking about urban upgrading, new settlements, and restructuring inefficiencies in the urban environment (McFarlane, 2012).

Governance can determine the definitions of and responses to informality. So far, the discourse ranges from informality as negative and unacceptable violations of development to a more positive acknowledgement of the solutions presented to address economic sector challenges. Terminology that attempts to clarify distinctions between different economic practices is challenging, considering that there are substantial forward and backward linkages between informal-formal sectors (Altman, 2008; Bohme and Thiele, 2012). However, constructed distinctions between formality and informality remain; these are still frequently used in critiquing and theorising about economic practices of cities as well as in local and national planning and policy development.

Informality is often problematically equated to poverty. Beyond some of the patronizing discourse in this view of informality, it also erroneously assumes that the urban environment can provide sufficient space for the entire population to move in a linear pattern from informal to formal work as a way of ending poverty. In addressing informal housing in the city, the erroneous belief that “physical upgrading can end informality” and that “ending informality can end poverty” has led Joe Nast (cited in Roy, 2005: 156) to say that: “the aestheticization of poverty is the pauperisation of informality”. Regardless of the accuracy of the terms that define informality, the urban spatial dynamic struggles with ideas of informality and how to incorporate inclusive approaches to informal practices.

Cities can be seen as open-ended spaces to explore transformative politics on land and institutions which shape the economy (Benjamin, 2008). Understanding the adaptation and regenerative uses of space allows for different approaches among planners and urban professionals to address urban challenges. “Regenerative-ability” is as significant as “sustainability” for urban development. Sustainability looks at how we can sustain ourselves on limited, finite resources. However, as paradigms start shifting, we need to recognise our capacity to regenerate and redefine growth so that more inclusive, equitable, and crisis mitigating measures can be produced. This study acknowledges that the local economic activities, which have been adapted to service residential zones in Ward 68, are forms of urban regeneration. This type of regeneration requires that local economic spaces are recognized as part of the urban economy. It requires accepting that local communities are not seen as separate from the economic improvement projects. While shifting to this more inclusive political and economic lens in planning, BSI offers a catalyst for imagining how HBEs can be supported as part of a broader spatial justice approach.

According to Taylor (1988), the free-market approach does not adequately address five key urban issues, namely ongoing urban economic decline, inequality, ecological degradation, degraded urban aesthetics, and land use governance issues. The demand and supply model of the free market is limited by the facilitation of resilient and just cities. This is where the public sector plays a role in creating a demand for goods and services. Hence, the role of collaborative, multi-disciplinary approaches with oversight and controls is essential towards addressing injustice, especially in cases where there is an interface between “mega” infrastructural projects developed in or adjacent to neighbourhoods with informal and SMMEs (Mpungose, 2017). These

enterprises, which exist in residential zones due to demand which is supplied by informal businesses, could influence the demand for positive, sustainable SMMEs for feasible skills needs and development as well as needs in infrastructure, energy, waste, and agricultural goods and services. The creation of economies at different levels, which are not in competition with global markets, needs to contribute to the overall supply chain.

Urban planning and management needs a more nuanced approach to the legislation of how land is used. The conceptual tools for urban planning and management have an impact on the study of space. However, the enforcement of broad legislation does not provide for context-specific solutions to issues of informality. Policy and practice continuously shift in focus, based on the way in which society operates and changes. In developing new approaches and processes for informal businesses, outdated processes would require a review and legal practices will be influenced.

Soja (2009) refers to an “urbanisation of injustice” in discussing Harvey’s work on how the city feeds capital where inequality grows despite the distribution of wealth and resources which favour the rich and which increase inequality. De Soto (2000) argues that capital is not money and that the class struggle is more about processes that are inadequate in acknowledging capital which is available to the poor when growth is viewed as the use of assets to produce surplus and to make financial gains. In both definitions, there must be work and a reward for work. The culture of working and selling time persists, even though the disparities between wealth and poverty are increasing. Inclusive and more equitable space requires a shift in cultural, social, and

economic paradigms which have accepted either the capitalistic motivation of wealth accumulation or dependency on the state.

Capital is not purely about money, rather, it is the productive assets used to accumulate surpluses and wealth (Burns, 1978; De Soto, 2000); this wealth is unevenly distributed. Despite skilled and unskilled entrepreneurs and work-seekers' abilities to work and to produce, they have to struggle to find employment in the formal sector. Competing claims to space between formality and informality exist. There are limited formal opportunities available and, as shown in the following quotation from SA programmes and policies (South Africa, 2017), spatial change is a factor which enables economic prosperity:

Speeding up growth and transforming the economy to create decent work and sustainable livelihoods through inclusive growth . . . Spatial change that enables economic prosperity to those previously disadvantaged by the socio-spatial exclusionary planning practices.

The meaning of growth here includes accessibility, work, and spatial changes but not all of these are complementary for development in a city. The real worlds of informal businesses and their complex space/time geographies are poorly administrated. Therefore, the role of planning as a mode of regulation is compromised, but only if plans are ridged and without adequate public participation. Yonn Dierwechter (2004: 978) pointed to the conflict between projects and plan-led visions in stating that:

The diagram of power that projects a plan-led vision of the post-apartheid city demands and attempts to produce pre-entrepreneurial bodies, which are forged in the new marketplace nodes of informal sector development.

The argument here is that planners are no longer enforcers of a plan, but that participatory processes are part and parcel of planning work. Informal business and

all stakeholders need to participate and to have participated in different ways in the city, and this is starting to be more widely recognised (refer to Section 3.3).

Given the complexity of economic development, which fluctuates between the exploitative nature of free markets and the unregulated operations of the informal economy, this sector could be considered vulnerable. Economic development requires interventions which ensure that the workers, entrepreneurs, and spaces do not have an adverse impact on economic activities, and this produces competing views on what should be done about informality (refer to Section 3.4).

It may be stating the obvious to say that, in order to understand changes in physical space, an analysis of social processes within the space is required. An analysis of how social relations shape and are shaped by physical urban spaces, is particularly useful in South African areas that were known as townships in the apartheid era and presently. In these marginalised spaces, community networks and home-based enterprises or garage businesses have repurposed land for their own uses to make a living. Under apartheid, these informal businesses were a response to meeting economic and neighbourhood needs as a result of racist exclusion, due to the long distances to get to key goods and services in the city. This repurposing remains a common practice in many townships as, under democracy, people continue to struggle for economic opportunities in the context of declining job opportunities in the “formal economy” (refer to Section 3.4). HBEs in townships function as livelihood responses to past and present spatial exclusions of inhabitants from economic opportunities. These activities, while generated through racist and economic discrimination, created physical and/or procedural changes within the township space. The “repurposing” of

space heavily influences the form and use of the urban environment in ways which have a direct impact on people's experiences, both just and unjust, of living in the city (Babere, 2015).

This thesis argues that business support to townships may offer one programmatic mechanism for transformation towards a more just city in Durban. However, designing business support for these types of economic activities requires an analytic lens that understands how social and spatial processes shape formal or informal enterprises in former townships. Theoretically, spatial justice is an important framework for analysing the potential of BSI's strategic use in South Africa to address historic and contemporary injustice. The following section outlines spatial justice as a theoretical framework. In doing so, it describes what this framework has on offer towards transforming urban spaces into more just and equitable places in which to live and work, when BSI is considered as a possible set of knowledge-building tools.

Spatial justice, as a theoretical lens for urban planning, enables planners to reimagine how a study of geographical space lends itself to the "identification and evaluation of inequality" (Smith, 2005: 56). The concept of spatial justice brings to the fore the necessity of clear communication and engagement between built environment professionals and the diverse users of the spaces that planners attempt to plan for and to regulate. Spatial planning approaches that contribute to economic development in townships require practitioners to engage in alternative planning methods, one such alternative view should begin by acknowledging the home as a space of economic work. Spatial-economic data, monitoring, and impact assessments as well as planning legislation for land use management, needs to align more rapidly with the concepts of

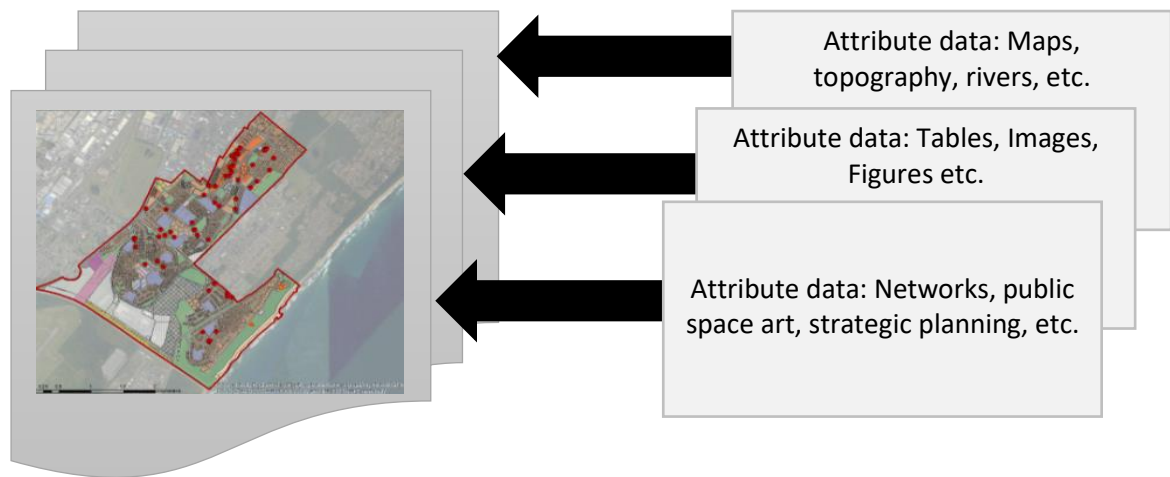
spatial justice and urban transformation. A spatial justice lens allows for this critical exploration of applying spatial logic to planning practice.

When the concepts of space and justice are brought together, the epistemological significance of space in enabling or disabling rights is highlighted. Harvey's (2006) interpretation of Lefebvre's triad of space provides a useful framework for this study.

According to Harvey (2006), Lefebvre's triad consists of:

- material space/experienced space, this represents the way in which different inhabitants experience physical space;
- spaces of representation, which describe lived space, in that these represent how every day users experience space; and
- representations of spaces/conceptualised space, which refers to the design of space that is represented in plans, mapping, and policy.

The conceptual triad engages with multiple intersections of space that do not rely on the physical / material existence of space. The triad shows that the interpretation of networks, experiences, and creative uses of space are factors in understanding territorial justice and injustice (Mabin, 2005). In this study, the image of the triad does not emerge as points on a triangle, but rather as the layering of diverse spatial data polygons and points onto a map (refer to Figure 3). Figure 3 shows how spatial information can be layered into a map of different geographic scales. The data for HBEs is also literally layered into a map on a geographic information system (GIS) which displays the economic information gathered in this case study in material space (the map is displayed at the end of Chapter 5).



**Figure 3: Layers of space for urban planning and management**

According to Lefebvre (1991), the fabric of space cannot purely be determined by Cartesian principles. In other words, simply mapping material space is inadequate to make sense of space in the world. The generation of local knowledge for spaces of representation contributes significantly to representations of space, i.e. local spatial-economic knowledge contributes to planning and policy. Examples of the spaces of representation include spatially grounded social processes that are more inclusive (Harvey, 2006 and 2016); the connection of “repurposed” social uses of space to spatial planning which would change how spaces are represented; and the creation of more advocacy about different production modes in the urban environment (Roy, 2007; Lefebvre, 1991).

Recognition of how the conceptual triad of space overlays and intersects in addition to the representation of spatial injustices at different levels and on different geographic scales, are critical insights which shape this study (Harvey, 2006; Lefebvre, 1991). Conceptual maps of the way in which development “should be” or abstractly calculated plans for urban layouts, can create inconsistencies in interpretation, representation, and communication of the environment for interested and affected stakeholders. In

this study of Ward 68, a stark disjuncture exists between represented space, which is based on land-use zones, and spaces of representation, which here include practices of home-based enterprise in repurposing the built environment through merging home and trading spaces in a residential neighbourhood.

There are a number of overlapping drivers for changes in land use. At a regional level, South African cities have to compete to gain national and international investments. Port development planning in Durban serves as an example. Development plans for a dug-out port aim to change the land use of an old airport site adjacent to Ward 68. In accordance with plans for this development, the surrounding areas will develop support activities for the port such as warehousing and logistics development (Mpungose, 2017). Indeed, there are already ongoing changes to property and to public space from individual and private actors in a bid to generate economic growth at a local level from this development in this ward.

Changes in land-use regulations and informal changes to the use of land can have both positive and negative impacts on the urban environment. Arguably, while HBEs provide livelihood mechanisms to entrepreneurs and their staff as well as goods and services to the community, they might also have a negative impact on the surroundings at local level. HBEs could create more pollution in a neighbourhood, for example, a panel beater could use public space along the road to park cars. This could also create noise pollution which would affect his neighbours. Larger developments also hold ambiguous, and possibly more dangerous, impacts for residents. The expanded development of a large port, for instance, suggests the provision of more jobs in particular sectors. However, it could also have a negative impact on the

environmental health of the surrounding residential areas and create tensions in the existing communities regarding competition for a few job opportunities (USA, 2016; Groom, 2018). Port development and local economic activity often create conflict and spaces of contestation (Groom, 2018; USA, 2016; Mpungose, 2017) (refer to Section 3.7). This contestation can be observed in the form of community protests and news articles which report how residents and local activists condemn the back of port plans.

A newsletter from the South Durban Community Environmental Alliance (SDCEA), a leading organisation which champions environmental justice, states that engagement processes with the community in this development were inadequate. In the newsletter, Firmin (2018: 3) states: “The EMC [Environmental Monitoring Committee], which officially started operating on 24 October 2018, was punted as an open and transparent channel for information to be filtered to all stakeholders, but this has not been the case. Many important stakeholders have also been left out of the process which they were initially involved in”. Hence, inconsistencies in the regulation and use of space becomes a social justice challenge when there are competing claims to space (refer to Section 5.3).

The management and “controls” of geographic boundaries in the city are based on the design of land uses and on associated regulations. Aesthetics, in the way in which land is used, play a role in the perception of different spaces. Strategic urban design has an impact on land uses, either directly or indirectly. Should the space not meet the needs of its inhabitants, then alternative land uses, and often unplanned / uncoordinated processes and structures are added. The informal businesses in the residentially zoned areas in this case study provide an example. The conceptualisation

of what urban space should strategically look like is represented by built environment practitioners to accommodate accessibility, opportunities, and social facilities, amongst other things. These criteria are predominantly based on the numbers and affordability of inhabitants in the space. Understanding how inhabitants use the spaces in which they live, and work is critically important for strategic planning.

When people produce alternative uses of space in the city while defying land-use zoning regulations and while effecting the practical use of spaces, urban planning and management of an area becomes directly affected. Historically, urban planning has taken a reductionist approach to planning and regulating the uses of land in the city (Soja, 2010). The reductionist logic in terms of urban planning means that the focus of urban development was on material spatial design, whereby land use regulations set out the rights and access to different areas. Berrisford and McAusian (2017: 8) stated that a characteristic of sub-Saharan Africa is: “The formal land market and land use rights are tightly constrained, resulting in high land prices in well-located enclaves”. However, this focus on material space was often at the expense of exploring social and economic processes that layer complexities within spaces. This approach to designing material spaces has come up against the lived reality in which claims to the city are multi-faceted and cannot be reduced to land rights. As Lefebvre states:

(Social) space is not a thing among other things, nor a product among other products: rather, it subsumes things produced and encompasses their interrelationships in their coexistence and simultaneity – their (relative) order and/or (relative) disorder (Lefebvre, 1991: 73).

Humans, as Soja (2010) argues, exist as spatial beings in constant interaction among one another and with the physical environment. Theoretically, the discipline of

planning has undergone an ontological restructuring to recognise this (Harrison, Todes and Watson, 2008; Moonsamy, 2017).

In practice, already from the 1990s, urban planning and management methods were becoming less prescriptive about how plans were produced in some cities and precincts to address these shortcomings (Behrens and Watson, 1996). These two authors outline the disjuncture between town planners and urban designers, who started to plan for social and economic implications, versus the engineering layout approach to city building. Hence, the layout planning design and communication about the design has shifted to include normative concerns in design. For example, in place-making there is consideration for scale, access, opportunity, efficiency, and choice. Though how this shift in understanding space translates into everyday planning tools and regulations in the city has been less clear (Behrens and Watson, 1996).

Political decisions and broader government structures, in terms of city spatial planning, also affect the way in which the urban environment operates. The processes and outcomes of strategic urban planning to reduce inequality are affected by the silos in which urban management is undertaken (Moonsamy, 2017). Different levels of government and departmental strategies have separate financial controls and they service different spaces. The municipality's lack of an integrated planning approach, particularly the lack of reimagining already established spaces such as townships, enables the growth of informal businesses to reproduce spaces that are more responsive and relevant to the people who live and work in the area. However, these informal activities simultaneously raise significant questions about the discipline of planning, and how it needs to be more flexible and responsive to the everyday

livelihoods of people in local contexts. This study explores how BSI may well be a relevant and new collaborative space for urban planning and management, and vice versa.

#### **2.4. Aligning BSI with Urban Planning and Management**

Globally scaling up monopoly capital with poor labour practices versus a more nuanced focus on local economies, creates competing claims to urban spaces. Different economic forms and development scales are also supported by competing public and private interests. In post-apartheid South Africa, there is a reduced government influence in economic development and more agency for markets to influence development (Bond et al., 2016). Exclusions from private developments have, to some extent, encouraged more informality among marginalized groups (Mpungose, 2017). Benjamin (2007; 2008) defines “occupancy urbanism”, where poor groups appropriate spaces and engage the state while remaining autonomous, as a “stringent resistance to neoliberal globalization”. While other scholars suggest that informal entrepreneurship, regardless of whether the formal economy is able to provide jobs for all work-seekers or not, are the result of either excessive state interference in the market, or inadequate levels of state intervention in work and welfare (Williams, 2015; Williams and Martinez, 2014). Informality is often defined by poor administration and bureaucracy, but it can also be described as inappropriate social processes that occur in urban spaces. In other words, the term “inappropriate” would indicate the changes to land uses which are not negotiated with authorities or with other inhabitants in the area.

The activity of planning cities also created an abstraction in the perceptions of land uses, the profession of urban planning and design was seen as the domain of qualified

planning experts only (Wallin et al., 2018; Lefebvre, 1991). Urban planning and management can be described as part of the political and economic system (Taylor, 1998). Urbanisation could be considered a “spatially grounded social process” which includes all individuals who make use of urban space. The form and transformation of the city can be better understood as social processes which impact infrastructure and development (Harvey, 1989).

The literature review has expanded on the shifts in planning over time, specifically on the changes in South Africa (refer to Section 3.2). The increasing reliance on the private sector as well as poor processes of community engagement or informality, limit the scale and mobilisation to drive systemic change. The role of entrepreneurs, the state, NPOs, CBOs, and civil society determines the use of urban structures and networks (refer to Section 3.4). eThekweni Municipality’s citizen-led and informed urban activism enables the state to determine its population demands and Area Based Managements (ABMs) and to promote public/private partnerships such as urban improvement precincts (UIPs) (eThekweni, 2019).

The South Durban Basin ABM supports the UIP, there is a levy for landowners which aims to improve residents’ living environment and businesses’ operating infrastructure (eThekweni, 2019). These UIPs are reliant on the private sector (businesses, landowners, etc.) and they allow property owners to invest in local urban management and development. Jones (2019) infers that property owners should not be deterred from contributing to improvements of local spaces, but that there are social and infrastructural concerns regarding UIPs in the SA context. While there are many urban issues at different levels, it is clear that area-based managements could provide

nanced data and approaches at local level; however, they are currently not capacitated to do this. Hence, the influences of planning regulations and policy in response to informality vary depending on the perspective of the planner or the urban practitioner, rather than on empirically and locally relevant data (Campbell, 2012).

Militant methods of policing and enforcing land uses, which are outdated and discriminatory, are no longer acceptable. As such, building more knowledge of local economic activities and actors, understandings of how spaces are planned and managed, and using participatory approaches in urban planning allow for more proactive and pre-emptive approaches to policy and planning. While land use management practices have been critiqued and redefined, these continue to be the major vehicle to drive development on the ground. According to the Sustainable Livelihoods Foundation, there were numerous challenges for urban planning with regard to micro-enterprises. This foundation concluded that:

land use management systems have intentionally (as well as unintentionally) reinforced apartheid-era town planning and spatial injustice in the township instead of nurturing economic growth (Charman et al., 2017: 1).

Listening to the experiences of residents, workers, and other users of an area and including users of spaces into strategic planning processes, reduce the potential for exclusionary practices.

While businesses and economic forces guide development, externalities brought on by larger business entering into local neighbourhoods and communities could have significant negative impacts. Some large-scale developments include socially-oriented public regeneration, while others are only focused on capital accumulation. These

investment decisions impact on the quality of life for residents in a neighbourhood (Zielenic, 2018). In the context of transformation in South Africa, low suburban densities, high levels of informality, and entrenched segregated social practices mean that the approach used for transformation was a transitioning/incremental practice to dismantle legislature and practices (Scholz et al., 2015). The National Development Plan (South Africa, 2012: 282) encourages transformation zones where municipal projects reshape settlements using vacant sites and large residential populations, and cement links between townships and urban cores. The potential of informed social and economic actions in developing urban spaces currently requires supporting tools that consider the spatialization of injustice. BSI is cross-cutting because support allows for monitoring and evaluating private and public actions in space.

In addition, decisions made by the private sector (including those that are informal) have an impact on the production of space. Processes of economic decision-making (formal and informal) and spatial representations of SMME's economic activities remain insufficiently captured and contextualized in strategic planning. This limitation of local spatial-economic knowledge affects how spaces are represented in decision-making at different governmental levels. In this context, the rights to the city are contested by local government actors who are implementing legal provisions and by city-users who are aiming to sustain their livelihoods. Creating plans with a deeper spatial awareness of SMMEs' economic activities, including HBEs, could yield different types of design strategies in planning.

Economic activities are not always easily delineated by space and businesses tend to operate across multiple spatialities. Informal businesses and home-based businesses

are particularly tricky to map in ways that capture their complex connections and relational practices. Roy (2007) refers to informality as a mode of metropolitan urbanisation, where neoliberal policies encourage the poor to undertake self-help mechanisms of poverty alleviation, including providing their own housing, micro-finance and community initiatives. These socially produced spaces, in the context of this study, are providing local goods and services to generate economic gains for inhabitants in residentially zoned areas. This unplanned activity supplements incomes or acts as survival mechanisms for inhabitants who do not have access to formal employment. The intersecting forms of exclusion, racism, and class exclusion amongst others, increase the complexity of urban planning and management to produce mechanisms that recognise economic diversity in spatial forms.

There are a number of examples across the world that illustrate the challenge of unplanned urban developments. For example, in Dar es Salaam there are cases of conflicting land uses and informal businesses in the Sinza and Sandali areas. These activities have both positive and negative effects on the neighbourhood. For example, some shops are tolerated while leisure businesses such as bars are less tolerated (Scholz et al., 2013). The social ideals and norms represented in spaces are also representative of how inhabitants use space.

In Dar es Salaam, the shops provide a service to the community and are not viewed as disruptive; hence, these are tolerated. However, the bars and leisure activities create noise and disturbances to some residents; these are therefore less tolerable. The land uses assigned to space determine the proximity between different uses of space. In suburbs, leisure and industry are not directly adjacent to residential units. According to the Merriam-Webster online dictionary, "justice" means "to be fair and/or

to impartially find a resolution to conflict” (Merriam-Webster Inc., 2021). Thereby, land uses provide a framework for justice because they provide a regulatory framework according to which inhabitants can live in an area. Hence, the reason why there are differing attitudes to changes in land uses, is because there is a lack of negotiations and agreements among inhabitants. An impact of large-scale projects in an area includes the contestation over land use which happens both at a neighbourhood- and city level (refer to Section 3.7).

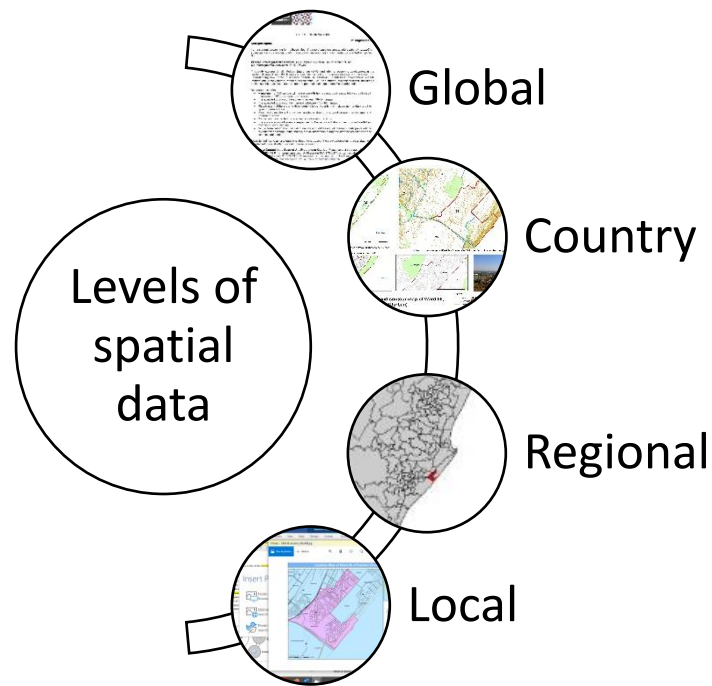
Other examples include growing informality and street trading in “first world” cities like New York, USA (Babere, 2015; MIT, 2018). In their research about the reconceptualization of urban economies, the Massachusetts Institute of Technology (MIT) refers to the informality in New York as the kinds of institutions and operating characteristics suited to today’s cities (MIT, 2018: 6-7). Primarily, this is through the key features of informality which offer “income generation for those locked out of the formal economy, food security and service provision for the urban poor, affordable commercial activity, creating ‘cushions’ during crisis, and efficient and dynamic uses of space” (ibid).

The examples above demonstrate the most visible type of spatial-economic representation. Usually this is conceived of as forms of street trading as in the New York case, where the designated use of public sidewalks and paths are repurposed for formal and informal micro-businesses. The city of Durban, where this case study is located, also experiences high levels of street trading, which provides livelihoods to the city’s poorest groupings (eThekweni Unicity Municipality, 2001). The Dar es Salaam

case illustrates another common spatial geography of informal business, namely those found in informal settlements in the city.

In this study, there is an emphasis on the less explored informal businesses in more established residential areas. These businesses are run by property owners who create informal economic spaces in their homes. These business owners are not necessarily “the poorest of the poor”; they would loosely be considered working to middle-class. However, in a contemporary context that has been deeply shaped by past oppressions, the continuous marginalization of township spaces impacts on the inhabitants and businesses operating in those spaces.

Approaches, projects, and programmes that attempt to impact on economic growth in the city, need to be spatially aligned in order to address historically entrenched spatial planning. In order for BSI to be a tool towards spatial justice and urban transformation, BSI for formal and informal SMMEs in township spaces such as Ward 68 must be responsive to, and effective for the local contextual needs. To develop responsive and effective tools, the knowledge and context-based spatial, social, and economic data are required to understand how these businesses are embedded in the social fabric of township spaces, refer to Figure 3. The incorporation of multi-layers of spatial information from documents to topography, allows for a deeper analysis of these township spaces. Further, the impact of spatial developments and changes need to be investigated at different levels which is diagrammatically shown in Figure 4.



**Figure 4: Broad levels of spatial data**

Urban development is based on trade-offs, where limited resources (specifically in the current financial structures and distribution of businesses) focus on gross production and mass consumption which create disparity in space. According to Harvey (1989; 2008), the logic of capitalism systematically reproduces exclusionary urban spaces. The relationship between capitalism and urbanism shapes experiences of justice and injustice in the city (De Soto, 2000; Harvey, 2008). Harvey (2008) emphasises the “right to the city” as an alternative to the dominance rights of property owners in urban spaces under capitalism. According to Harvey (2008: 37), the right to the city does not rely on capital claims to the city, but it means:

greater democratic control over the production and utilization of the surplus. Since the urban process is a major channel of surplus use, establishing democratic management over its urban deployment constitutes the right to the city.

In current practice, surplus-oriented thinking, that is, the paradigm of surplus used to the detriment of inhabitants and human rights, is an ongoing matter of contestation (Dikeç and Gilbert, 2002; Turok and Borel-Saladin, 2013).

There are competing interests in the arena of economic growth which range from large scale developments (e.g. shopping) or logistic nodes (e.g. the proposed port development in Durban) to local economic developments such as HBEs. The influence of financial/monetary capital is significant because it has the ability to alter the image of built form and to shift the economic activities in an area. The economic nodes offer employment but there are challenges in the extent to which the types of employment benefit local jobseekers. Since local, contextual knowledge, and data of township areas are limited, the larger city projects that are implemented in and around township areas continue to reproduce these residential areas as disadvantaged spaces. The incorporation of multiple layers of spatial information, from document to topography, allows for a deeper analysis of these township spaces, refer to Figure 5Figure . This data is critical in order to compare potentially negative and exclusionary impacts of spatial developments and changes at different levels in the city. For example, there would be trade-offs or conflicts if, at a local level, the provision of BSI to HBEs were to undermine the strategic outcomes for spatial plans or were to interrupt regional practices for business interventions (Zhao and Murayama, 2011). This micro-level data would also allow for local needs and concerns to be considered when large-scale developments, in which the benefits are not accrued locally, are being planned for previously excluded spaces.



**Figure 5: Diagram representing consolidated spatial knowledge**

Soja et al. (2011) indicate that the negative consequences of neoliberal globalism, where the state retreats and allows for private businesses and the markets to regulate economic activity have produced numerous inequalities and injustices over the years. The high levels of unemployment in South Africa indicate a failure of the free-market approach to accommodate all people seeking work. In addition, access to economic opportunities is inherently spatial:

the notion of justice as it relates to space and spatiality, to point to the ways in which various forms of injustice are manifest in the very process of spatialization, and the ways in which an increased awareness of the dialectical relationship between (in)justice and spatiality could make space a site of politics in fighting against injustice (Dikeç, 2001: 1785).

While talking about informal settlements in Brazil, Roy (2005) asks planners to reflect on what “physical improvements mean when the majority of the favela residents feel marginalised”? This question reflects the need for experiences of plans and policy to align to the contextual spaces of representation. Planning can only become participatory and inclusive once the representations of the use of space are better

communicated and understood in the technical and mapping logics of the discipline. It is therefore important to have knowledge of the context of micro-economic developments to understand the practical implications of supporting the informal segment of the urban economy.

## **2.5. Spatial Data, Planning and Justice**

Broadly, spatial justice must be negotiated by those representing space (planners and businesses investing in development projects) and by those who are representational of space (the everyday users of space). In thinking about justice as a legal process of zoning and its accompanying regulatory frameworks, the regulation of space over time shows that it does not necessarily promote justice. In South Africa, regulations have increasingly led to the production of inequality in marginalised spaces (refer to Chapter 5 for an example of how this was the case in the South Durban Basin). Therefore, strengthening societies' responses to urban development is important. It is equally important to note that the role of urban planning is to incorporate the public interest into the development of land by coordinating the processes of participatory planning rather than engaging in detached or abstracted actions (Fainstein, 2009).

The regulatory mechanisms in land use planning have frequently led to unfairness in addressing marginalization and especially the historically entrenched spatial injustice in South Africa. The flow of communications in a legal property system, networking, and fixed assets require roles for the public sector to maintain administrative records. Urban planning and management are important in enabling the legislative processes which determine justice. Philippopoulos-Mihalopoulos (2010) argues that there is under-theorization of spatial justice in law which will have an impact on how spatial justice operates, once regulatory processes are in place. Currently, the physical areas

that reproduce economic injustice are not well understood spatially. The regulatory systems have a serious impact on the role of BSI in promoting spatial justice, particularly in extensive bureaucracy for HBEs to be and remain compliant. Nevertheless, the focus of the research is to show how an understanding of contextual spaces, which is a critical aspect of spatial justice, has an impact on urban planning and on local economic development.

Urban mapping and planning projections of land use scenarios for the urban environment, even before geospatial software such as a geographic information system (GIS) was developed, are powerful tools for designing and regulating cities. De Soto (2000: 164) questions “the technicians” and GIS as surveying tools, he states:

Photographs and inventories only inform authorities of the physical state of the assets; they say nothing about who really owns those assets or how people have organized the rights that govern them.

In questioning the degree of essentiality for “the technicians”, De Soto discards the processes of recording data for assets and “capitalizing” property and businesses as insignificant for understanding space. This thesis argues that, while acknowledging the weakness and flaws of technologically and technically driven planning, there is a role for technology if extended to acquire better knowledge and data for more nuanced spatial analysis. Technological assets for designing methods with capabilities to store, manage, visualize, and analyse data are important components for knowledge-building and spatial analysis (Pettit, 2005). This spatial element, when captured and recorded, may be used in different disciplines to promote spatial justice goals.

Urban issues are not isolated events but systematic cumulative impacts of the way in which we create and use space (De Soto, 2000). Urban planning and technical

professionals cannot rely on check-box procedures to understand space. The incorporation of multi-layers of spatial information (from stories to topography) allows for a deeper analysis that integrates Lefebvre's triad. In order to better understand different areas and spatial processes, Lefebvre's triad of understanding space and of using a case study approach, allows for local data and knowledge to be captured. It is also important to recognise that "the technician" is also an inhabitant of the city, hence an active participant who can provide evidence-based responses to guide both private and public urban formations. To do this, a technical lens must incorporate obtaining granular analyses and relational spatial information (van Huyssteen, 2009).

The abilities of technology are not only significant to monitoring and surveillance capabilities, but the layering of data in a spatial format may also allow for more engagement with different stakeholders. Different scales of spatial information can be visualized and presented, particularly by different stakeholders, to move away from the exclusion of inhabitants from planning processes. Watson (2014) refers to co-production processes where planners facilitate and work with communities to understand the technical parts of planning and to initiate forms of co-production in space with communities. In the context of unplanned growth, actively working to understand and capture information in historically marginalised spaces can be used to pre-emptively re-orient the use of space. This pro-active approach to urban planning would have a relook at spaces of historical injustice to develop knowledge and data, and to tackle ongoing challenges that continue to reproduce inequalities and injustice.

Currently, a more reactive approach to land use changes is practised in the city of Durban. Here, reactive approaches are used to describe the response to challenges

arising from ongoing land use changes as businesses alter suburbs, and the lack of co-ordinating planning across these already established businesses. Reactive approaches to growth in South African planning and policies become problematic when the root causes of urban land use challenges are not addressed. The problems of not anticipating or planning for different scenarios reduce the strategic impact of interventions. Land use changes can dramatically shift the public access, safety, and health of a space. Large scale state or private-sector led urban development projects designed for cities, do not automatically bring wide-spread benefits to urban populations. Frequently, as can be seen in the discussion of greater South Durban Basin area, which is further described in Chapters Five and Seven, development projects can negatively impact on a neighbourhood and can create conflict.

Points of conflict regarding urban developments that have a negative impact on marginalised groups can, at times, be used as a transformative moment towards reorganising economic principles and urban structures to better accommodate local people (Harvey, 2020). Although the energy of local marginalised groups in fighting unjust developments should not be underestimated, this thesis suggests that what is needed in working towards spatial justice, is an exploration of new methods for proactive urban planning; rather than reacting to conflict about plans that have not taken into account how people make use of space to produce livelihoods and community networks. BSI tools, which are based on local contextual knowledge so that plans and programs can be responsive and inclusive in their development, offer one such alternative approach.

For BSI to play a role in promoting spatial justice goals, the built environment requires data at different levels to be able to generate knowledge that produces space which reduces vulnerability, not only in physical space, but also for better political, economic, environment, and social resilience. A spatial justice approach to transformation also considers spatially rooted injustices. In the past, urban planning used broad abstract concepts and technologies which did not accommodate all inhabitants of the city. The city is not a homogeneous entity, many rules and regulations are experienced or interpreted differently depending on local contexts. Spatial planning approaches to economic development in townships require practitioners to engage in different, or more appropriately diverse methods. These methods must allow for the adaptation of spaces, where the notion of “home” or residentially zoned areas in townships are planned and managed as spaces with economic activity. A better contextual understanding of space, role-players, and injustices can contribute to the improvement of urban environments in ways which may move towards Harvey’s (2006) call for the right to the city.

## **2.6. Conclusions**

In SA, urban planning and management insufficiently accommodate informality in existing legal frameworks. Moreover, the right to the city for informal and SMMEs is volatile. For example, there is a complaints-based approach to neighbourhood management, where officials intervene in response to complaints, but this means further unevenness in addressing businesses in residential zones. This holds true for other areas which are experiencing informal “development”, where people are using their limited “undercapitalized” resources to undertake business ventures when they are unable to perform in formal markets: “It is nearly as difficult to stay legal as it is to

become legal”.<sup>9</sup> (De Soto, 2000). Illegal is not an accurate way in which to explain informal business unless that business is purposely criminal in its products or services. Informality may be the leading unorganised but mobilised use of space in terms of settlements and businesses. According to Williams and Martinez (2014), there are two theoretical perspectives that explain informality: a result from too little or too much state intervention. There are activities that are illegal and “black market”, but as this study shows, the informal and SMMEs that sprout in residential areas fall into an extra-legal category, which operates at any point on a continuum of formal-informal processes (refer to section 3.4).

Creativity in urban planning and in management should not be associated with a lack of functionality or efficiency. Zieleniec (2018) refers to Lefebvre’s notion of the city as art “oeuvre”, not just for art’s sake, but as a functional part of human existence. Similarly, planners need to move away from a narrow approach to spatial policy and practice that focuses on technical or aesthetic benchmarks to a more inclusive approach. Collaborative approaches, which are inclusive of the diverse users of space, would contribute to designing programmes and projects at different levels which have input from all affected parties. The inclusion of all parties would contribute more towards seeking justice in different spaces. Informal businesses, which drive livelihoods and create support networks seemingly out of nothing, are important to understand and nourish. Hence, it is significant for planning professionals and urban environment practitioners to include informal practitioners, particularly in the alignment of economic activities to strategic plans.

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<sup>9</sup> The term extra-legal was used to represent the property, business, and persons which fall outside formality but are not necessarily illegal.

### **3. Chapter Three: Literature Review**

#### **3.1. Introduction**

This literature review considers journal articles, books, reports, and working papers to understand the historical context of urban development and current approaches to urban planning that take into account the potential of BSI to track local economic development.

Developmental approaches and tools are driven by various role-players. Interventions in urban spaces may be championed by the city administration, the private sector, inhabitants of different areas, or by various collaboratives. The people who live in different areas, produce spaces of representation in various ways through their lived experiences of engaging in social and economic relations in spaces (refer to Section 2.3). Ideally, the city's alignment of strategic imperatives for the equitable distribution of resources would encourage the residents and the private sector's contribution in working towards a common vision for urban development.

The social reproduction in and of spaces are shaped by all publics; key role-players in producing space are professionals of the built environment. Built environment professionals, such as professional planners, produce maps and statistical data on spaces that influence policy and decision making, these plans can be understood as Lefebvre's Representations of Space (De Soto, 2000 and Harvey, 2006). The strategic visions developed and used by planners for the city of Durban are the eThekweni Municipality's IDPs and SDFs (eThekweni Municipality, 2018). In practice, however, planners may specifically perpetuate old systems of enforcement, which are based on the regulatory environment, even while advocating for alternative approaches

(Campbell, 2012). Nevertheless, urban planning is a key consideration of strategic and organised responses to spatial urban challenges.

There are numerous livelihood strategies of inhabitants in urban spaces (Charman et al., 2017) shaped by global, national and local contexts. Understanding the local spatial economy is critically important to planners. This includes making sense of the influences of large industry, formal and informal businesses, and their relationship to the state in terms of service delivery at a local level as well as access to broader support resources (Allan, 1998). This case study is about understanding the reach of BSI and its role in promoting spatial justice. It is acknowledged that poor regulatory environments or poor implementation of policy and legislation could enable entrenched behaviours and patterns in the current spatial-economic form (refer to Section 3.6 which outlines the characteristics of port neighbourhoods and to Section 5.5 which shows how spatial design impacts on behaviour).

### **3.2. Timeline and Transformation: Global Context and Local Development**

The colonial and post-colonial planning concepts profoundly shaped South Africa's built environment. As described in Section 2.4, planning can be considered as part and parcel of the economic system. This is due to spatial representations of how the economic influences of urban development are rooted in urban planning management systems. Given how global changes shift local policy and practice, and how these shifts create possibilities for municipal projects, urban theorists predicted that the end of the racist apartheid legislation would go a long way to transforming urban landscapes into more just and equal space. The timeline below shows the legislation, policy / guidelines, and events / projects from 1947 to 2018, with a focus on National

and Municipal plans that have an impact on this case study. Using a timeline to understand the changes in these activities reveals how representations of space and spatial processes were formed (the table below is an expansion of Scholz et al., 2015: 77).

**Table 2: Timeline of legislation, policy and projects (expansion of Scholz et al. 2015: p77)**

	<b>Legislation</b>	<b>Policy/Guidelines</b>	<b>Event/Project</b>
1947–1951	UK Town and Country Planning Act (1947)		
	Natal Town Planning Ordinance 27 (1949)		Nationalist Party in power in SA (1948)
	Group Areas Act (1951)	T B Floyd's Guidelines for Township layout (1951)	
1952–1970			Building of large townships for black, coloured and indian citizens (1952 -1970s)
	Proclamation 293 (1962)		Informal settlements start emerging around most large cities and towns (from mid 1970s)
1971–1990		SAICE/SAITRP guidelines on the planning and design of township roads and stormwater drainage (1976)	Urban Foundation established (1976)
	Repeal of Group Areas Act (1986)	Blue Book (1983)	
		Green Book (1988)	Announcement of unbanning of ANC; Nelson Mandela released (1990)
1991–2000	Businesses Act (1991)		Independent Development Trust: Capital Subsidy Scheme
	KwaZulu Land Affairs Act (1992)	Red Book – combines Blue and Green books (1992)	Determined town planning standards (1992)
	Less Formal Township Establishment Act (1993)		ANC government elected (1994)
	Development Facilitation Act (DFA, 1995)		Wiggins Fast Track project (1994-1996 mainly a housing project)
	Transitional Local Government Act (1995)	Reconstruction and Development Programme (1994)	Mass housing programme for low-income groups: 1994 to present
	Growth, Employment and Redistribution Act (South Africa, 1996)		1st stage of Local Government reform: Transitional Local Councils (1995)
	Housing Act (1997)		Making Urban Places – Principles and guidelines for lay-out planning (1996)
	Municipal Demarcation Act (1999)		2nd stage of Local Government reform: Municipalities (1999)
	Municipal Systems Act (2000)	Revision of Red Book (2000)	IDP/SDF as development planning instruments

	<b>Legislation</b>	<b>Policy/Guidelines</b>	<b>Event/Project</b>
2001–2010		Durban's Informal Economy Policy (2001)	Welbedacht project (mainly housing) (2001)
		2005 by the Accelerated and Shared Growth Initiative for South Africa (ASGISA)	ILO develops a broad understanding of the 'informal economy' (2002)
		Housing Policy: Breaking New Ground (2004)	Global economic downturn (recession) 2007
		"Transforming our world: the 2030 Agenda for Sustainable Development". (NDP, 2015)	Global Economic Outlook published by the World Bank in November 2008
	KZN Planning and Development Act (2008)		World Bank, Reshaping Economic Geography: World Development Report, (Washington: The World Bank, 2009)
2011–2018			Catalytic projects <sup>10</sup>
	Spatial Planning and Land Use Management Act (SPLUMA, 2013)	Recommendation 204 by the ILO for "transitions informal to formal" (2016/17).	IESP Pilot Project (2013–2016)
		National Informal Business Upliftment Strategy (NIBUS, 2014).	National Department of Small Business Development (est. 2014)

The three seemingly divergent areas, namely BSI, planning and economics are, in fact, connected via various legislative, policy, and project processes as shown in the timeline above. In doing so, there is a focus on how economic phenomena represent themselves at different levels, particularly in their influences on local spaces and on spaces of injustice such as townships.

Over time, each item represented on the table overlaps or changes the way in which development is undertaken and these activities have extended consequences in the formation of urban space. As is clear from the timeline, the regulatory environment and approaches continually change, these changes also allow for adapting to informality in different ways. However, the remnants of structural spatial and economic conditions do present challenges for transformation throughout legislation and policy.

<sup>10</sup> Refer to eThekweni Municipality SDF 2017-2018 p384

The subsequent sections on policy, practices, and port development contextualizes informal residential businesses in cities within the policy landscape.

### **3.3. South African Policy and Practice**

The influences of shifting policy and practice on this case study are broadly addressed; firstly as thematic areas of shifts in urban planning and secondly as shifts in economic policy landscapes. A brief discussion follows on how shifts in policy and practice intersect and how they have influenced local development. The discussion concludes by looking at the extent to which policy and practice have been responsive to inhabitants' everyday use of space.

#### **3.3.1. Integrated plans, policy, and development**

Infrastructure, buildings, and facilities of South African cities are based on plans and on legislation that entrench spatial injustices in cities. The influence of colonial and apartheid regimes has lingering influences on the South African urban landscape; this history must be taken into account for forward-planning of urban development. In the period between 1947 and 1990, South African town and regional planning were heavily influenced by British laws and planning practices. Moonsamy (2017) summarises Durban's shared relationship with international planning by illustrating that the Garden City influence, along with technical engineering specifications, has created a physical built environment that continues to influence the use of space.

Rigid, planning-oriented approaches became synonymous with apartheid implementation of segregation (SACN, 2015). The impact of these urban designs extended beyond physical spatial planning and radically shaped economic and social power dynamics to create an oppressive racist regime in South Africa. Subsequently,

after the fall of apartheid and the move to democracy, and in recognition of the role of planning in segregating the city, the approach to land use planning changed. During the 1990s, urban planning shifted away from rigid and technical layouts towards non-prescriptive guidelines. Seminal works like Behrens and Watson's (1996) developed guidelines for SA urban development, offering more equitable solutions to urban design, including some flexibility in land use development in the context of South African cities (Scholz et al., 2015).

During the period of democratisation urbanization increased rapidly. Cronje (2014) stated that from 1990 to 2010 the proportion of South Africans living in urban areas increased by 10%. Despite the rising urbanization in the early period after democracy households living in "shacks" in the country decreased by 3% from 1996 to 2012 (ibid). These statistics indicate that the state was providing housing shelter as promised at the time<sup>11</sup>. However, the amount of people on welfare programmes had increased from 2.9 million in 1996 to 16.6 million in 2013, suggesting that there was a subsequent rise in urban poverty around the same time (Cronje, 2014).

The development of human settlements is therefore not only about the delivery of a house (top structure), which was rapidly supplied, but also about developing diversity in land uses to mitigate the exclusionary apartheid city model. The housing rollouts in SA have remained on the outskirts of cities or adjacent to previous townships. Urban planning in Durban aimed to have more compact cities but due to contestation and limitations to land available for low-cost housing, "the focus of town planning shifted

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<sup>11</sup> It is noted there is more recent literature about the housing backlog in Durban remaining steady despite the Reconstruction and Development Programme (RDP) housing rollout.

towards upgrading and improving townships at the periphery with better linkages to the core” (Godehart, 2008: 24). Overall, this strategy to provide housing has not significantly changed the apartheid design. While housing is not the focus of this study, the lack of other social and economic infrastructure in post-apartheid housing developments has meant that the layout of urban housing provides a system in which businesses either operate successfully, or disruptively, from home.

The SA landscape is founded on heavily regulated segregation as a result of apartheid planning with entrenched racism, uneven economic development, and socio-spatial prejudice that have an impact on all spheres of policy and practice. Skinner (2019: 417) stated: “The system purposely stripped black South Africans of access to the inputs needed to produce economic value and powerfully repressed entrepreneurship”. This apartheid spatial structuring of the urban environment and subsequent spatial processes present stubborn challenges to the city’s plans for transformation towards integrated and equitable development. South Africa’s National Development Plan (NDP), which was published in 2012, formed the foundation for policy and programmes to address these overarching challenges (NPC, 2012). In this national plan, as well as in numerous national and local government strategic planning documents<sup>12</sup>, economic growth and the development of SMMEs are presented as opportunities to address racial and class inequalities. Therefore, there is hope that support to SMMEs as part of local economic development, would address some social injustices in the country. Opportunities to enable local economic development provided the local state with a metaphorical key which should grant people the “right to the city”.

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<sup>12</sup> National plans: NDP, NGP, IDP, IPAP, SONA, Budget Speech, BEPP, Provincial plans: PDGS/P, PSEDS, SOPA, Local plans: LTDF and sector plans (refer to terminology list)

Strategic planning is operationalized at local levels through the process of creating an Integrated Development Plan (IDP). Laws, for example the Municipal Systems Act (2002), were set up to ensure that integrated plans started appearing on municipal agendas nationally. In accordance with the MSA (2002), IDPs include a Spatial Development Framework (SDF). Plans for the city are therefore situated in a spatial framework, which is based on legal requirements and on established interventions for socio-spatial impact.

Concurrently to these policy shifts, a move towards sustainable development was also taking place in the business environment. For example, the 1991 Businesses Act allowed for informal economic activity, mainly by removing barriers to street-trading (Lund and Skinner, 2005). Human settlement development in eThekweni embraced sustainable development plans, which aimed for a better quality of life. Sustainable development plans included services which provided for accessibility to employment, childcare, and adequate transport for communities. Recognising that a more flexible approach to development planning was needed to build a more just society, eThekweni municipality started incorporating ideas of supporting informality (eThekweni Municipality(b), 2016). More research and intervention in the informal space showed that informal work was an inherent part of the urban economy that required a re-think of policy on the informal sector.

Lefebvre (1991) critiques how plans and the coding of information limits our understanding of the uses of space. His critique, along with others in South Africa such as Watson and Agbola (2013), argues that spatial analysis fails to take into account human interaction; these views are now widely held by many scholars. This critique is

particularly cutting of land use management as a tool for urban management. Whereas these critiques have been important in developing new planning theory, there are examples of spatial-economic planning in the eThekweni Municipality's 2004/5 and 2007/8 IDPs, which show that job creation and economic development profoundly influence planning (eThekweni Municipality IDPs). Fundamentally, the notions which contributed to spatial justice already seemed part and parcel of the development of the city, but there is a need for more nuanced data for spatial analysis.

Contemporary approaches and tools contain normative principles that could align with the concept of spatial justice and have implications for support interventions as well as planning regulations (state actions). At national level, policy such as the Integrated Urban Development Framework (IUDF) and the Spatial Planning and Land Use Management Act (SPLUMA), provide guidelines and legislation to inform broad transformation objectives. The SPLUMA of 2013 contained a section on development principles, including the principle of spatial justice, whereby past spatial and other development imbalances had to be redressed through improved access to, and use of land. At local level, SDFs found in IDPs further aligned to the national objectives to plan for socio-spatial and economic transformation (SACN, 2015; SPLUMA, 2013).

Despite the strategic imperatives of the IDPs over time, there was a contradictory relationship between planning, economic development, and the market. Urban planning was considered a separate instrument from the economic sphere despite the impact of master planning on economic opportunities in townships. Segregated townships, which were established in the 1950s via the Group Areas Act, have changed little in terms of their socio-spatial profiles. Local Economic Development

(LED) initiatives aimed to address the economic challenges faced at municipal level and in “townships”. However, Harrison et al. (2008: 157–158) stated:

LED was an attempt to move beyond a market-driven approach to development but did not take on the working of the larger economy, and for the most part was confined to poverty-alleviation projects.

Hence, the challenges of socio-spatial development disengaged from aligning with, or reshaping, economic development initiatives. Urban plans became broad ideas for strategic development with little input on local economic development. The separation of space and economics poses a challenge in working effectively with informality.

### **3.3.2. Economic changes and the impact on space**

An overview of the geographic data of unemployment in SA indicated that unemployment literature does not assign a clear geography to unemployment trends in the country (Weir-Smith, 2014). This lack of spatial information creates a challenge for more detailed and effective BSI initiatives. Similarly, the extent of informal enterprises in residential zones, including their categories and capacities, could be considered “dead capital” (De Soto, 2000). The term “dead capital” in this context, refers to the lack of representation of the spatial and economic assets because HBEs are not “seen” to be able to plan for initiatives supporting their economic growth. Mabin (2005) accurately stated that “territorial transformation in South African cities is a stunted child, whose parents – the public and private sectors, not the rest of civil society – show little practical interest in its future growth”. Hence, the problem is not only in the approach to development, but in the strategic planning investment imperatives that often rely on inadequate data systems. The changes in the economic climate and the response to those changes affect uses of space and livelihood

strategies. This requires nuanced data that maps how these responses play out in local areas.

Macroeconomic policies such as GEAR (South Africa, 1996), were introduced to stimulate economic growth and provide resources for social investment. Despite achievements in bringing economic stability, GDP growth was low in the early years of the new democratic government; unemployment and uneven distribution of wealth remained (South African History Online, 2014). An example of changes in economic growth that have an impact on space, is the global economic crisis of 2007/2008, which had a spatial economic impact at different levels, both in the uses of space and in the processes operating in space.

In Africa, there were varying results from the global economic crisis. For example, some countries achieved a higher GDP during this time, however, there were still concerns about the growth rate, in which sectors growth occurs and, more prominently, about job creation (Léautier and Hanson, 2013). In South Africa, the economic crisis had a negative impact on local economic development (Gordhan, 2017). Local economies were affected by the volatile economic environment which, in turn, had social impacts on family and community life due to a drop or loss of earnings. Regardless of whether GDP had increased or not, urban-rural migration and urbanisation increased during this time in Africa. This is because city-oriented living provides a cost-effective spatial capsule to increase labour in spaces closer to employment opportunities (Lund and Skinner, 2005). Structural changes in the development of cities and the migration to cities impact on the national and local economy. Urbanisation and the desire to increase economic productivity requires

spatial and economic planning to accommodate city growth. Turok and Borel-Saladin (2013: 33) show that spatial-economic information is important when they compare the rate of economic growth based on levels of urbanisation:

Compared with many other countries in Asia and Latin America, South Africa appears to have derived only a limited economic dividend from urbanisation. The level of urbanisation increased from 49% in 1985 to 62% in 2012, but GDP per capita increased by only 19%. The country could probably have done much better if urbanisation had been planned more carefully with a view to improving efficiency and equity.

The South African approach to the economic crisis meant that more support was directed towards alleviating the impact of job losses and decreases in production. However, long before the economic crisis, there were already concerns of insufficient jobs in the market despite some growth (Altman, 2003; Léautier and Hanson, 2013). “Jobless growth” refers to a country’s ability to achieve economic growth despite high percentages of unemployment, whereas “job-creating growth” refers to increases in GDP with some growth in new jobs (Altman, 2003; Léautier and Hanson, 2013).

Jobless growth is a concern in developing countries with higher income disparities (Léautier and Hanson, 2013). This is a concern because there is significant unemployment in South Africa (26.7% - StatsSA, 2021: online). The changes to people’s livelihoods caused by shifts in the economy have an impact on how people use their resources. The increase in informal work is directly related to the need to generate income and to sustain livelihoods when formal jobs are not available (Charman et al., 2017; MIT Create 2018). Other economic-related factors such as decentralisation, technology, and increasing economic disparities, also increase the growth of informal businesses. Yet, it is also important to note McFarlane’s (2012: 105) argument that “framing informality and formality as practices means dispensing with

both the idea that informality belongs to the poor and formality to the better off, and the associated idea that informality and formality necessarily belong to different kinds of urban spaces". Livelihoods are not only associated with the destitute in society. There is a diverse network of actors who establish different practices in businesses, all of which have an impact on policymaking, on the use of space, and on the urban form. Informal businesses, not purely survivalist in nature, are recognised as strategies for people who cannot find work formally. As such, there was a push by government to develop informal businesses and SMMEs (South Africa, 1995; Development Policy Research Unit, 2006). In 2014, the Department of Trade and Industry established the DSBD - Department of Small Business Development specifically to drive support for these initiatives (PPT, 2016; Maloka, 2015).

State support to SMMEs via BSI was based on economic growth, growing business, and the employment of more people. In this way, BSI informs how the services and knowledge about growing businesses are transmitted to local people in different areas of the country. One of the main programmes of the national government is the National Informal Business Upliftment Strategy (NIBUS) which relies on local municipalities and implementing organisations to uplift informal business (South Africa, 2014; 2020).

Skinner (2019: 427) stated:

NIBUS presents a significant step forward. This is the first time in South Africa's history that there is a national government strategy on the informal sector in and of itself, rather than as a component of a broader category, whether SMMEs or the second economy.

The five pillars of the NIBUS strategy are: legal and regulatory frameworks; financial and non-financial enterprise development; inter-governmental relations to develop co-ordinated response to programmes and implementations; diverse and symbiotic

partnerships to support such upliftment; and good information management to build knowledge about the informal sector and to track initiatives. State intervention and actions strongly advocate support to informal businesses.

Regulations, plans and policies are representations of space influence, economic activity, and growth. In turn, economic opportunities influence migration towards cities and affect how cities grow to accommodate its population. To accommodate informal businesses in urban areas, the city is shaped by both these representations of space and by the way in which people use space for starting businesses, i.e. spaces of representation. Despite the growing support of informal work in the national policy frameworks, how informality is perceived by the formal business community, and in the practice of running the city remains contested.

### **3.3.3. Land use management and informal activity.**

Looking at the broader context of the city, development plans focused on economic nodes (eThekweni Municipality, 2018). Economic growth plans were part of the catalytic projects, which included: Warwick precinct, Back of Port and C2 Southern Rail Corridor City to uMlazi. Catalytic projects are long-term strategies underway to promote spatial justice and to densify the urban zone, principles in the SDF state that a catalytic plan:

brings to attention the need for the development of former townships and rural areas which have largely been neglected in planning historically. This plan advocates for the integration of rural and urban areas so there is equality in decision making associated with general planning and land use management across the entire Municipal area (eThekweni Municipality, 2015).

Under apartheid, regulations were frequently enforced, often violently, but enforcement of regulations and by-laws have declined under new governance. Zoning schemes are a means to support and legally enforce appropriate land use. The lack of monitoring and enforcement has contributed to the changes seen in Ward 68 both positively and negatively. The focus of the city's policy and urban plans is in contrast to private investors and developers who created, for example, more elite, segregated spaces to the North of Durban. Instead of rigidly enforcing zoning, it can also be used to distinguish the delineation of actual land use versus planned use to provide assessments on the transformation of space.

#### **3.3.4. Re-shaping cities**

. . . the question of what kind of city we want cannot be divorced from that of what kind of social ties, relationship to nature, lifestyles, technologies, and aesthetic values we desire. The right to the city is far more than the individual liberty to access urban resources: it is a right to change ourselves by changing the city . . . (Harvey, 2016).

Cities are not exclusively shaped by their policy frameworks. Cities are fundamentally reshaped and reclaimed through everyday practices of ordinary people (Ballard, 2012; Bayat, 1997; Wachsmuth and Brenner, 2014). Processes of daily activities reshape and reclaim the city over time through “a silent, patient, protracted and pervasive advancement of ordinary people on the propertied and powerful” (Bayat, 1997: 57). Survival strategies such as informal development (in property or businesses) where the poor appropriate land for their immediate economic needs, are very much part of what Bayat termed “quiet encroachment” (1997). The “quiet” growth of informal businesses, while not a form of land invasion such as Bayat describes, since the

encroachment is done by homeowners themselves, is changing the city and challenging powerful regulations and laws.

Unauthorized changes to land uses which shift the use and relationships within a neighbourhood space are done in direct response to being excluded from formal employment and restrictive business regulations for low-income entrepreneurs. However, the land use changes do have an impact in and around the property in terms of the use of space. Hence, there are gaps in understanding the impact of home-based businesses at neighbourhood or at city level. Informal and SMMEs are not necessarily reshaping the city in unstable ways; they are stakeholders with a right to city spaces (Diko, 2014). Nevertheless, it is important to understand the ramifications of this encroachment if planning is to be more contextually responsive in supporting these stakeholders.

In eThekweni Municipality, BSI aims to assist informal and formal SMMEs, thereby inherently encouraging business in residential zones. This presents contradictions in economic development policy and in urban management in terms of permissible land uses. The plans for the city's economic zones and business development at different scales do not integrate with how private and public spaces are changing in townships. Permissible land uses are designed to offer rights and recourse for using public and private space and for supporting businesses to grow. Without fully understanding the spatial changes made by the growth of informal businesses, there is a risk of ignoring the opportunities for spatial-economic strategies for different scales of development. The lack of spatial-economic data of informal businesses and SMMEs in residential zones weakens the municipality and local government's ability to support and resource

this sector's potential to contribute to economic development and its support for economic livelihoods in the city.

Approaches to development have moved away from “cities to invest in” towards “cities people can live in” (Harvey, 2016). An example of how this global discourse has moved into local policy frameworks can be found in eThekweni Municipality's vision:

By 2030 the eThekweni Municipality will enjoy the reputation of being Africa's most liveable city, where all citizens live in harmony. This vision will be achieved by growing its economy and meeting people's needs so that all citizens enjoy a high quality of life with equal opportunities, in a city that they are truly proud of (eThekweni Municipality, 2017: para. 1 line 1).

The challenge of spatially just economic development can be defined as the production of alternative uses of space with efficiency in its implementation, which is based on the political will required to achieve the systemic change. Political influences in SA outline “growth” as a means of redress for injustice. Yet, economic growth in terms of increasing GDP and creating new jobs is the usual focus of economic policy which, as experienced so far in South Africa, has not equated to just or equal cities. Hence, the “how” of economic growth has stimulated the core research questions for spatially oriented business support interventions.

The spatial dimension of informal businesses are predominantly, but not exclusively, characterized as township-based and associated with city trading districts (Charman et al., 2017). In the context of the post-apartheid period in eThekweni and elsewhere in South Africa, “the redistribution of social infrastructure [is] principally focused on adequate shelter” (Marx, 2011). The improvement of housing and infrastructure

remains essential, but the limitations of the transport network, employment opportunities, and lack of amenities in periphery areas, where housing stock has been built, have created more urban problems and exclusions. Major investments and transformation goals in urban areas are based on the delivery of sustainable human settlements, but the extent to which interventions (state / private) have reached the residential SMMEs and informal business sector is not clear. BSI promotes tangible and practical activities which can be implemented, and which are designed to promote local economic growth. Critical thinking about the interventions from a spatial perspective is a necessary process to challenge the current practices of urban planning and management to align with BSI objectives.

Informal and SMMEs exist in many townships (both older townships like Ward 68 and the newly built townships of RDP units). Under apartheid the right to the city was not available to all that inhabited it due to racist planning regulations (in section 3.2 the timeline and transformation is expanded). This process affected the geographic and cartographic distribution of resources which continues to skew the levels of access and opportunities available to society. Townships were developed with inadequate access to economic opportunities, deliberate design of services, and infrastructure to limit growth in those areas. The distances between work-and-home, facilities-and-home, and recreation-and-home meant that people had different experiences of the urban environment. Informal ways of generating goods and services thus contributed to providing shelter, basic services, and business to township. In most cases, these informal businesses are community-based responses which are a result of spatial exclusion from economic opportunities (Charman et al., 2017). In contemporary

townships and in new RDP settlements built on the periphery of the city, community-led responses continue to service under resourced neighbourhoods.

History shows that moments of change and crisis, the beginning of democracy, global economic downturns, and pandemics can lead to transformation of urban space and processes (Bond, 2015). Significant shifts in human behaviour, design, use, and conduct in the urban environment epitomise the adaptability and resilience of humans in their habitat. The necessity to adapt shows that it is possible to build alternative urbanism “leading to a new, and more nuanced appreciation of the production of urban space across the globe” (McFarlane, 2012).

The quality of mechanisms, processes, and systems established by government has an impact on transformation, in that the state has the ability to guide the development agenda, “specifically the extent to which the development principles are translated into achievable, contextualised spatial outcomes in each spatial impact area” (SACN, 2015: 9). Whereas street trading is a visible activity, professional services and other sectors that are informal but “unseen” are more challenging to identify. These “unseen” businesses may or may not be using the spaces which they occupy appropriately according to land use acts (Williams and Martinez, 2014). Informal and SMMEs respond to demand or see a niche in the market, which is how businesses form.

However, the settlement pattern and shape, including the services, infrastructure, and regulatory frameworks, often do not accommodate economic activity in these residential areas. The South African Constitution mandated local governments to promote economic development. Local economic policy was therefore grounded in the

overall strategic policy set by local governments. Already in 2001, the eThekweni municipality developed Durban's informal economy policy by recognising the potential impact of the informal sector for local economic growth. Again in 2016, the diversity and importance of these businesses have been tentatively recognized by the municipality:

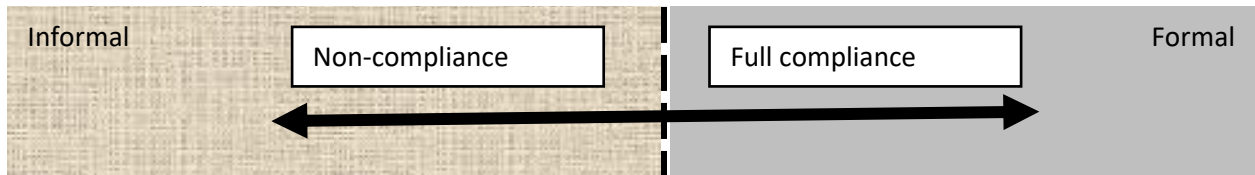
Historically, the informal economy has been viewed as a social ill, and has been perceived as being synonymous with informal traders. However, some are of the view that the modern or new informal sector is led by creative professionals such as artists, designers, musicians, and software developers. Although it is often stigmatised as problematic and unmanageable, it provides significant economic opportunities for the poor and the unemployed, and has been expanding rapidly in the last five decades (eThekweni Municipality, 2016: 7).

While these supportive frameworks for local economic development are most welcome, land use management and planning bylaws also influence informal and SMMEs in terms of what is considered permissible and legal activities. Therefore, inclusive policy approaches such as eThekweni's, which are aimed at supporting the informal economy, require spatially oriented support in terms of urban planning and management.

### **3.4. Regulating Informality: The Context of Informality and SMMEs**

Various contemporary literature on legislature and policy recognises that there are varying levels of formality and informality in most businesses, based on their levels of compliance (Altman, 2008; Bohme and Thiele, 2012; eThekweni Municipality(b), 2016). Informal Economy Policy in eThekweni Municipality, states that different sectors such as manufacturing, tourism, services, and construction, were on a continuum that has a formal and an informal end (eThekweni Municipality, 2001). Guha-Khasnobis et al.

(2006) further conceptualised the informal-formal continuum by linking it to the context-specific reach of governance mechanisms and by dispelling the association of “informal” with unstructured chaos.



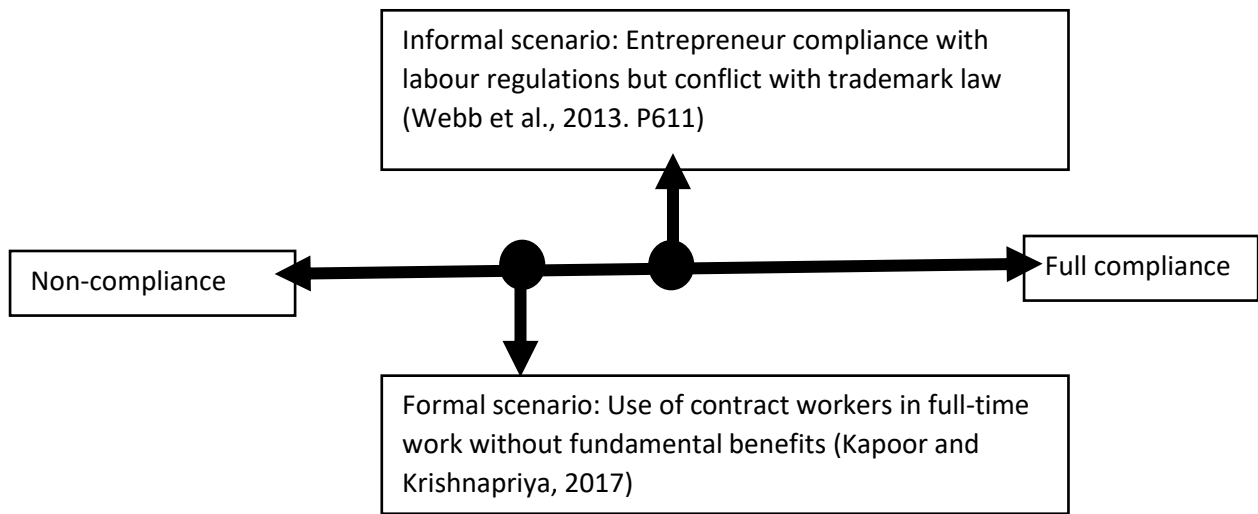
**Figure 6: Diagram representing the misconception of economic informality and formality**

In the scenarios of formality and informality, represented by Figures 6 and 7, the disconnection between what happens on the ground versus the structured way in which informality is approached is represented in the duality of policy language. The red tape of compliance requires administrative capacity that HBEs are constantly negotiating and navigating, in terms of what they should and are able to be compliant with. Often there are misnomers for complying with all the required compliance categories for businesses, as Webb (2013) states:

entrepreneurs can be fully compliant with certain legal definitions (i.e., labor regulations) while in conflict with others (i.e., trademark laws). Future studies examining institutional incongruence may adopt a finer-grained perspective in understanding how entrepreneurs are both formal and informal and why, from a strategic standpoint, an entrepreneur would choose to be compliant with certain prescriptions while intentionally conflicting with others (Webb et al., 2013: 611).

Therefore, considering the lack of precision in defining informality, it is emphasised here that an informal enterprise may also easily fit into the criteria used by the state to

describe small, micro or medium enterprises (SMMEs) in terms of the size of the business<sup>13</sup>.



**Figure 7: Diagram representing complexity for businesses compliance**

The term “informal economy” was coined by Keith Hart and adopted by the International Labour Organisation (ILO) in 2002. ILO defines “work” in developing countries as characterised by a high prevalence of informality, where informality is defined by either the lack of registration of firms, or by a lack of security in terms of employment contracts (ILO, 2014). A basic profile of an informal business in SA, as defined by DSBD (2017), includes the following: the enterprise may not be registered (with CIPC, SARS, no VAT compliance, no tax clearance certificate, or with the municipality, etc.); the enterprise may use personal accounts for banking, thus it does not have to produce financial statements of the business; and enterprises may also lack business skills, finance, tools of trade, etc. to grow the business. Another view of the informal economy focuses less on forms of compliance and regulation and more

<sup>13</sup> The size of a business can be measured by the number of employees in the enterprise, it can also be measured by the annual turnover of a business (DSBDb 2019; PPT, 2016; SEDA, 2011). SA Department of Small Business Development acknowledges that micro enterprises employ 5 or less people; very small enterprises employ between 5 and 20 people; small enterprises employ between 20 and 49; and medium enterprises between 50 and 250. Considering the lack of data available on informal enterprise income, the study defines the size of an SMME according to the number of employees.

on the declining relationship between work and state protections. For example, WIEGO describes the informal economy as:

the diversified set of economic activities, enterprises, jobs, and workers that are not regulated or protected by the state. The concept originally applied to self-employment in small, unregistered enterprises. It has been expanded to include wage employment in unprotected jobs (WIEGO, 2017: para. 1 line 1).

Descriptions of the informal economy and of informal businesses acknowledge that there are groupings of informal practices; these apply to business compliance, business operations, as well as to informal workers in businesses. The separation of informal sector enterprise from informal sector employment was a distinctive element in early definitions of informality (Swaminathan, 1991). There was also a focus on the working conditions in informal enterprise:

Informal work is now the norm in many developing country cities, but many informal workers suffer appalling conditions for very little reward. They too should have a claim within the right to the city. (Brown and Kristiansen, 2009: 8).

International research on the informal economy, which was conducted by ILO, have influenced national programmes such as the Informal and Micro Enterprise Development Programme (IMEDP) rolled out in South Africa. Aligned to international precedents, national frameworks, and local policy, the context of work in the informal economy aimed to ensure that there was “decent work”. This was largely imagined through transitioning the informal to the formal with a focus on economically empowering women, youth, and the differently-abled. According to ILO (2014), women outnumbered men in non-agricultural informal employment in SA. However, the country’s informal employment as a percentage of total employment in Durban is 26

% and there are similar rates of informal employment for women and men (Rogan, 2019: 2).

The legislation and policies show that national priorities in the DSBD were directly influenced by ILO around 2014. At the time of this research, however, South African approaches to informality in the business sector were only starting to emerge. For example, the DSBD was only established in 2014 and many of its mandated activities were not fully operational. The emerging support to informal and SMMEs has directly influenced the push for more research into accurately categorising informal enterprise to better inform policy and practice for their support.

The Institute for Economic Justice (IEJ) stated that Statistics South Africa defines the informal sector based on the description of the International Conference of Labour Statisticians. The informal sector includes enterprises, with fewer than five employees, who do not deduct income tax and who are household businesses not registered for tax (IEJ, 2008) (refer to Figure 8). While it is not ideal to establish categorisations that distort the economy; it is critical to better understand and unpack the reality of what is contained in the so-called informal economy.

### **BOX 1: INTERNATIONAL CONFERENCE OF LABOUR STATISTICIANS DEFINITIONS**

**Informal sector (enterprise-based definition)** refers to the production and employment that takes place in unincorporated, small or unregistered enterprises (1993 ICLS)

**Informal employment (worker-based definition)** refers to all workers not covered or insufficiently covered by formal arrangements through their work, including,

- Own-account workers and employers in informal sector enterprise
- Employees who do not have labour rights (such as not receiving social insurance through their job or the right to vacation or sick leave, whether they work in informal or formal enterprises or households.)
- Unpaid workers, including family workers, own use producers, volunteers and trainees (2003 ICLS)

**Informal economy** refers to all units, activities, and workers so defined and the output from them.

**Figure 8: ICLS definitions text box (IEJ, 2008)**

Space is an important component of understanding how to support and manage informal business. From the physical impact of land use to the policy implications for BSI “geography matters” (Babere 2015; Mabin, 2005). There are different ways of understanding businesses and their use of space. Examples of how Home-based Enterprises (HBEs) are understood are usually more related to the type of business or to the worker in the business.

In the Sustainable Livelihoods Foundation Report titled *Post-Apartheid Spatial Inequality: Obstacles of Land Use Management on Township Micro-enterprise Formalisation*, types of work from home include home industry; home occupation; house shop; and house tavern (Charman, et al., 2017: 8). Here again, the emphasis of HBEs is on the urban poor and work which are synonymous with informality<sup>14</sup> of

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<sup>14</sup> Refer to Understanding the "Informal Sector" for the spectrum of definitions on the informal sector (Swaminathan, 1991)

survivalist enterprise (South Africa, 2017; eThekweni Municipality, 2016: 7). Wariawa (2014) using a definition based on the type of home-based worker, described two broad categories, namely “self-employed home-based workers” and “sub-contracted home-based workers”. The former are essentially entrepreneurs who use their homes and other resources to develop a business and the latter are workers who are employed by someone outside their homes, although these persons work from their residential space.

The perception of HBEs in former townships as informal activities, whether accurate or not, deeply shapes how these business activities are perceived by the local government and by other interested BSI stakeholders. For this reason, any study on BSI in HBEs ought to unpack how issues of informality are addressed through city regulations, as well as the kinds of ideas that serve to support or prejudice informal work more broadly in the city.

The development of informal businesses and their changes over time have a direct impact on the urban environment. Urban planning and management are governed by land use management schemes which are rapidly becoming redundant due to growing informal businesses in residential areas. Informal businesses have become part of the spatial dynamics of the neighbourhood as more peoples’ livelihood strategies rely on HBEs. The perceived limitations or opportunities for SMMEs growth in the local spatial economy and the well-known lack of information about informal businesses, are ongoing challenges to agencies who are attempting to deliver support (Allan,1998).

While there is a notable shift from a language of eradication of informal business to one that guides urban informal development towards formality, it remains broadly considered as an unacceptable way of growth that requires transformation into formalising businesses (South Africa, 2017). A desire for formalization of informal business into formal SMMEs is understandable in some cases. In unregulated informal sectors, the potential to exploit labour and/or other resources, is high (McFarlane, 2012; Skinner 2019). McFarlane (2012: 91) used the example of outsourcing strategies for waste collection which allowed private firms to hire short-term and minimally paid labour. Skinner (2019: 434) also shows that the dynamics within the informal sector as well as between corporates and the informal sector, “often have an exploitative dimension that warrants government protection measures”. Options to transform the economy, which take informality into account, are affected by competing claims to space, development agendas, and the flexibility of labour rights.<sup>15</sup>

These perceptions of informality are shared by many states. For example, Williams (2015) identifies four policy approaches in the United Kingdom to address entrepreneurship in the informal economy. Here the government either takes no action, moves informal to formal businesses, eradicates informality, or aims to transform the sector through different policies. Overall, the nature of the perception of the informal sector and the approach to urban management in South Africa can be described as a contradictory mix of the following:

- *Dismissed:* The informal economy was not considered part of the urban environment and therefore needed to be eradicated. Regulations and approaches to development focus on the removal of the informal sector.

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<sup>15</sup> In terms of working hours, benefits and wages.

- *Transformed*: The informal economy is accepted as a socio-economic challenge, which needs to be helped towards transitioning from informal to formal. The informal becomes formal through regulation of informal activities.
- *Allowed*: The informal economy as part of the economy as it stands, inherently has a place in the urban fabric and it cannot be regulated according to formal standards. However, it is possible to allow for the basic protection of human rights with a focus on approaches while progressively making livelihoods more sustainable.

Many inconsistencies in the approaches to informality certainly remain in South African policy and practice. More recently, there have been calls for the approach to policy and practice on informality to align to alternative ways to measure economic gains, considering that informal sectors take on increasing significance in sustainable livelihoods and in the provision of unique economic opportunities (Project Preparation Trust, 2016; Bohme and Thiele, 2012). BSI is one such supportive approach which aims to support small businesses across the continuum of informality and formality.

Understanding and defining economic activities in residential zones by using the different definitions reveal a diverse range of enterprise challenges and needs. In terms of BSI for locally based businesses, there are compliance challenges regarding labour, workspace, and industry-related requirements for running a business from home. Contradictory representations of informal enterprises, which are founded on aesthetics or which only focus on one area of informal enterprise (i.e. street-trading), often create a biased approach towards support to informal businesses in the urban economy. Considering the concept of quiet encroachment and understanding the uses

of a localized space, including context-specific injustices in an area, offers a different representation of space. The nuances in and between informal businesses require a deeper investigation of the so-called informal economy. Hence, the study focusses on the informal nature of work, which is not generally visible, such as the SMMEs run from home in township residential zones.

### **3.5. Supportive Approaches to Economic Growth**

People always lecture the poor: “Take responsibility for yourself! Make something of yourself!” But with what raw materials are the poor to make something of themselves? People love to say, ‘Give a man a fish, and he’ll eat for a day. Teach a man to fish and he’ll eat for a lifetime.’ What they don’t say is, ‘and it would be nice if you gave him a fishing rod.” That’s the part of the analogy that’s missing. (Noah, 2016).

Business support interventions (BSI) aim to provide a system to address the “missing part of the analogy” for enterprise growth. Examples of state structures that conceptualise business support in SA are the DSBD and municipal departments such as the eThekweni Business Support Unit and the Marketing and Tourism Unit. NGOs also play an important role in this. In Durban, Project Preparation Trust’s Informal Economy Support Programme works with government to provide support to informal businesses. This section offers examples of BSI and related support that are relevant to eThekweni Municipality, South Africa. This provides a contextual background of BSI for the case study.

According to eThekweni business development strategy (2012), the life stages of a business are used to determine its development needs, these are based on characteristics determined by how long the business has been in existence (refer to

Figure 9). Determining forms of support for different business stages is also useful for local informal and SMME's business in townships, but it requires additional understanding of their different limitations in growth due to their physical capacity in space, both in comparison to larger industries and to SMMEs based in well-resourced and located urban areas.



**Figure 9: Life stage challenge characteristics (eThekwini, 2012)**

eThekwini's Integrated Development Plan (IDP) states that, as per the National Development Plan (NDP), the reversal of the spatial effects of apartheid will happen through the transformation of human settlement by means of increased investment in townships. This national and municipal objective has hoped to link economic

development to state housing development in townships. Yet, there is little evidence that housing development alone translates to economic development in these areas.

Government policy incentivises the private sector to assist the development of SMMEs. Additional approaches and tools developed by the state to support the SA informal economy include policy development, BDS programmes, and indirectly, planning guidelines. The main transformative approaches include Local Economic Development (LED), Making Markets Work for the Poor (M4P), Informal Economy Support Programme (IESP), National Programmes for business development, and the local Informal economy policy. However, this often does not include informal businesses. An example of informal business support is the Project Preparation Trust of KZN that developed a pilot initiative in 2013 with the Economic Development and Investment Promotions Unit of the eThekweni Municipality as well as the Jobs Fund (which forms part of SA's National Treasury).

The PPT pilot aimed to support micro- and informal business. While working on the follow-up from this initial programme on the Informal Economy Support Programme, which ran between 2014 and 2018, it became clear that towards the end of the Pilot Phase of the Project, the informal economic environment of the eThekweni Metro had serious challenges due to a gap in the knowledge resources available. Businesses in economically excluded areas in this pilot faced a number of challenges:

Economic actors in economically excluded areas (e.g. street / “down-town” trading, townships, and informal settlement precincts) are typically not able to optimise economic opportunities due to such factors as a lack of information, poor education and skills, limited local co-operation, restricted market access and a lack of appropriate external support (PPT, 2016).

In South Africa, many of the issues listed in the above quote are shaped by where you live in the city. In addition, the transformation agenda of the IUDF policy is clear in that four strategic goals need to be met, namely spatial integration, inclusion and access, inclusive growth, and effective governance (South Africa, 2016). Spatial integration is a pressing need in township areas. The following section outlines some of the BSI that have been rolled out at the local municipal level in eThekweni.

### **3.6. BSI in eThekweni**

Different local BSIs are led by the state through the eThekweni Municipality, the private sector as well as NGOs in the city.<sup>16</sup> “Business Support Services” is the term used for services provided ad hoc by government and by the private sector (South Africa, 2017; PPT, 2016). Whereas Business Development Support (BDS) and Local Economic Development (LED) are terms that describe state interventions to enable and/or support economic development at a local level. As introduced earlier, the term “Business Support Interventions” (BSI) refers to a more comprehensive description of business development resulting from structured interventions such as government and corporate programmes (the term also includes the interventions of SMMEs/community). In Table 3: Examples of business support interventions are listed which provide an indication of the types of support available to informal and SMMEs in the city.

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<sup>16</sup> The all-encompassing term, which I have used to describe the various forms of support provided to business and between businesses, is Business Support Interventions (BSI). BSI could include mentorship, business forums, government and/or private sector programmes. The support is a non-specific set of activities which improve and promote growth of the SMMEs sectors.

**Table 3: Examples of business support interventions**

<b>Description of BSI</b>	<b>Type of assistance (Financial/ Non-financial)</b>	<b>Source of BSI</b>
Programme 1: Business Support Programme	Financial and Non-financial	City <sup>17</sup>
Programme 2: IMEDP, DSBD (2017)	Financial and Non-financial	National government
Link1: Information distribution for other support	Non-financial	Internet
NGO programme: IESP	Financial and Non-financial	PPT
NGO programme: Five-day entrepreneurial training courses	Financial and Non-financial	SEDA <sup>18</sup>
NGO programme: Offers loans through direct and wholesale lending from R500 up to R5 million	Financial	SEFA <sup>19</sup>
Business network 1: Business forum for creches	Non-financial	Community and SMMEs mobilisation

As is seen in the table above, projects and programmes within the eThekweni Municipality use both financial and non-financial forms of support. Examples of non-financial forms include support in communication, proper selection, training, skills development, and specialized tailored services based on informal enterprises such as those offered in the PPT IESP (PPT, 2016; South Africa, 2017; Boter and Lundstrom, 2005).

The BSI approach to economic development is designed to enable economic prosperity for all businesses while uplifting local and previously disadvantaged communities. Some of these programmes already provide evidence of attempts at restorative justice. Usually this is through criteria that use Black Economic

<sup>17</sup> [http://www.durban.gov.za/City\\_Services/BST\\_MU/Pages/SMME-Development.aspx](http://www.durban.gov.za/City_Services/BST_MU/Pages/SMME-Development.aspx)

<sup>18</sup> <http://www.seda.org.za/ServicesOfferings/Training/Pages/Home.aspx>

<sup>19</sup> <https://www.sefa.org.za/>

Empowerment (BEE) or Affirmative Action (AA). For example, PPT's Informal Economy Support Programme indicates that "only enterprises which can create new jobs, are located within eThekweni and are black-owned, are eligible for IESP support" (PPT, 2019: para. 1 line 1). BSI is one tool in a toolbox of practical methods to incrementally address issues of socio-economic and environmental challenges. It is often considered a practical tool for individual enterprises and support that serves as a "conduit for knowledge, [in which] advisers can diffuse new methods, knowledge and best practice to SMEs" (Mole, et al., 2013). Since BSI supports a range of business activities it is unlikely to neatly fall into a categorical system; BSI cannot be structured as a one-size-fits-all. Considering that the piloting and mainstreaming of approaches to informal and SMMEs started in SA, the extent to which the interventions have reached the target market requires further research: "High quality evaluation is important to government, as it enables an understanding of what works, how, and for who, and whether programmes have met their objectives" (UK, 2019: 4). More research is certainly required in South Africa, if we are to better understand what support tools have reached the informal economy which is active in residential zones, and whether the recipients find these useful or not.

One of the reasons why the study area was selected, was because of the complexity and entanglement of space and economics with a high number of HBEs. The methodology used in this study aims to show how context-specific data would contribute to spatial transformation of eThekweni (refer to Chapter Four) and more responsive BSIs. The study uses political boundaries already established in the city to map the study area. The boundary lines influence decision-making on programmes and projects distributed to different areas in Durban. The layering of information about

how the development of large-scale infrastructure like the proposed port development relates to the local economic strategies, is important because it influences the types of development and development support. Urban practitioners involved in management should critically look at the application of policy and legislation in space, considering that the boundaries affect resource distribution as a fundamental role of urban planning and management to check that local development is aligned to provincial and national goals.

### **3.7. Port Development and the Neighbourhood**

Port development is regarded as catalytic economic infrastructure which promotes national growth, trade, and employment in SA. Yet, there are different outcomes of port expansion in developing and in developed countries (Lee, Lee and Chen, 2012). The global impact of neoliberalism in creating competitive cities influences the “necessity” of large-scale projects, i.e. the business activities which make a municipality more fiscally stable (Mpungose, 2017). Infrastructure projects labelled “mega” or “catalytic” projects in eThekweni Municipality, have the potential to attract investment and to provide economic infrastructure and opportunities on a national scale. Unfortunately, policies and practices with regard to location decisions can fail to adequately accommodate local communities in the processes of larger-scale projects:

Global contradictions are often amplified at lower scales, especially when intensified metabolisms of capitalist commerce and energy threaten widespread displacement, pollution, and community unrest (Bond, Garcia and Bai, 2016: 10).

The perpetuation of land uses that degrade areas of vulnerability persists in the location decisions for pollutive industry. The precedent evidence on port infrastructure

development from the United States (US) and from Clairwood in Durban, will be used to highlight the challenges of social and environmental exclusion.

In the context of the environmental health of local communities affected by ports and logistics, development is viewed as a contest between the concerns of local communities versus economic benefits – which does not automatically filter into the adjacent spaces of intermodal transportation and facilities (US, 2016; Hricko, 2008). The injustice of the location decisions for ports and their supporting infrastructure has an impact on vulnerable groups. The Environmental Protection Agency (EPA) in America states that:

[c]ommunities of color and low income and tribal communities have historically been home to many toxic and polluting facilities and land uses and that environmental movements have begun to seek justice for this and hence business cannot disproportionately impact vulnerable communities (US, 2016).

The EPA further continues to say that planning and policy are required to better engage with the community. However, considering the conditions and complexity of land uses, the overall location choices for port expansions and developments do not address issues of spatial injustice. In the US examples, the coalitions actioned a lawsuit against the city of Los Angeles and Long Beach Ports. These actions resulted in a settlement of 50 million dollars to mitigate the negative impacts on air quality. In Baltimore, alliances for ongoing environmental protection and community engagement were part of the port initiative (US, 2016). The communicative approach to development offered some collaborative approaches. Whereas both cases presented solutions to mitigate environmental hazards and negative impacts resulting from port

infrastructure, there were limitations for material spatial justice for the community and the environment resulting from these actions.

The degradation of neighbourhoods adjacent to port infrastructure is shown in studies and articles about Clairwood, Durban, South Africa. Clairwood is in the South Durban Basin (SDB) and there are ongoing protests based on environmental destruction, namely destruction of private property in residential areas where heavy transport and logistics creep into the neighbourhood, increased risks of accidents, and increased social problems (Gedye, 2012; Mpungose, 2017; Walford, 2016). The port expansion presents the same challenges to Ward 68.

According to the Environmental Justice Atlas (2020) there is an undecided court decision for the Durban port expansion with the project temporarily suspended, but investors are still funding the expansion. There are indications of plans pending the following:

- strengthening of participation;
- lack of negotiation;
- application of existing regulations; and
- new environmental impact assessment/study.

Ward 68 is a residential neighbourhood which is impacted by the ongoing environmental health hazards and by the changes to land uses from emerging businesses. These factors then change the spatial and economic dynamics of the area. Considering the fact that urban planning justifies new development based on existing land uses, the SDB is industrial and suited for port development. It is important to mitigate this assumption with better data on adjacent neighbourhoods. The ideas

for relocation of the port or affected communities or urban regeneration are all important in considering the transformation goals of the city.

The negative impacts on the social and economic environment of the SDB contribute to the entrenched spatial injustice whereby, when development is underway, the protection of neighbourhoods and the quality of the environment is largely excluded in favour of large-scale projects. The mitigation of harmful effects of large-scale projects and their ongoing operations as well as the regeneration of local spaces, should be mandated for any developments in such areas. If the location of neighbourhoods is spaces of vulnerability for human habitation, then community engagement and collaborative planning is important to address the potential impact of projects to be located in the area. There needs to be a balance between the long-term visions of attracting investment to the city and the long-term costs to its affected communities. Outdated information and inadequate understanding of local contexts weaken the participatory approach and shows a need to establish stronger participation and local contextual knowledge.

Global competition shows that space, with its processes of movement via designed corridors and restrictive “barriers”, are based on political boundaries. These boundaries are lines on a map that may be manipulated to accommodate different modes of economic activity. Whereas neoliberal urban development may have influenced and continues to have an impact on the city, there is potential in transformation to develop an understanding of the actual costs and benefits to the region, which is based on more nuanced spatial and economic data to allow for more inclusive and collaborative approaches to development.

### **3.8. Conclusions**

The drive for globalization and economic growth is not necessarily in competition with local economic development. However, the demand and supply models need further attention to determine the needs of communities, job creation, and impact of SMMEs to create strategies that are more oriented to local needs. In writing this literature review the difficulties in disentangling entrenched historical concepts of urban land use from the context of informal economy was not likely. The arguments often categorised the economy into a dualistic dialect of formal and informal, whereby transformation means moving from the informal economy to the formal one. In South Africa, there are frequent examples of this insistence on a linear move to formality; for example when post-1994 informal enterprises were being re-categorized as Small Business/SMME (Harrison et al., 2008: 227). Additionally, informality in SA businesses was intrinsically linked to survivalist enterprises which does not portray the complete picture of the diversity of the informal economy.

There is a trend in the literature to link informality to survivalists with low levels of formal education and economically to those who operate as informal street traders. The challenges faced by these survivalists' businesses such as access to finance, markets, skills, and supportive institutional arrangements, may not be an accurate assumption for all BSI in this sector. The ability to regulate, manage, and enhance the quality of life in urban spaces requires a better understanding of what contributes to the economy as a whole.

Changing perceptions of what constituted informality and how best to respond to growing the local economy while alleviating poverty was a national priority, as shown

on the DSBD website<sup>20</sup>. At a local level, the changes in perspective towards informality started influencing policy and practice. The perspectives of informality are shifting to embrace the positive livelihood impacts of the informal economy. These plans, processes, policy, and legislation require attention and shifts in perspectives from all stakeholders to implement projects and programmes more effectively for spatial justice.

South African legislation enables local governments to promote economic development at municipal level. This is useful to strategically ground local economic policy within the local context. Recognising the potential impact of the informal sector, the eThekweni municipality developed Durban's informal economy policy in 2001. The overall timeline is important to strategically understand the changes in legislation, spatial dynamics, and the influencing factors that have led to the supporting policy for informal and SMMEs. South Africa's history of enforced structural inequality and segregation demands that the injustice of the past be addressed in the way forward for local economic projects and programmes. However, the reactive responses to past injustices, including post-apartheid political promises, need to better account for how more integrated, just approaches could be practically achieved within the allocated resources.

Under apartheid, the right to the city was not available to all that inhabited it due to racist planning regulations. This process affected the geographic and cartographic

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<sup>20</sup> The state recognized that there is a spectrum of businesses. The DSBD Programme which informed SMMEs development in the informal sector was the IMEDP: "To target informal businesses and prioritizing women, youth and people with disabilities who own businesses based in townships, rural areas and depressed areas in towns and cities" (DSBD, 2017: online).

distribution of resources which continues to skew the levels of access and opportunities available to society. Townships were developed with inadequate access to economic opportunities, deliberate design of services, and infrastructure to limit growth in those areas. The distances between work-and-home, facilities-and-home, and recreation-and-home meant that people have had different experiences of the urban environment than residents and business owners in the better resourced designated white areas. The collaborative implementation of politics, space, and infrastructure ensured that structural divisions would continue to perpetuate segregated settlements.

The settlement pattern and regulatory frameworks still do not easily accommodate economic activity in residential areas. Growing Informal and SMMEs in townships alter the shapes of existing settlements, including the load on services and infrastructure. The transformation relies on recognising and adapting faster to the changes in land uses because, regardless of the approaches to the management of informal enterprises (i.e. “dismissed, transformed or allowed”), townships are rapidly changing.

Subjectivity should be inherent in working with the informal sector and, therefore, requires more case-based approaches. Alternative perspectives of the informal sector were unpacked regarding other informal players such as professionals, artists, etc. (eThekweni Municipality, 2016). This segment of the informal economy looked like the formal sector; hence, it was often overlooked. The study questioned whether the informal economy was purely a survival mechanism; it aimed to contribute further knowledge of informality in the urban economy to better understand the appropriateness of the approaches towards the informal economy.

## **4. Chapter Four: Methodology**

It is common sense to give up wars that cannot be won, like the methods war over quantitative versus qualitative methods, or the science wars, which pit social science against natural science. It is also common sense to finally acknowledge that case studies and statistical methods are not conflicting but complementary (Flyvbjerg, 2011: 313).

### **4.1. Introduction**

To build knowledge of the social world, an understanding of how the social world is understood, experienced, and interpreted is required (Kumar, 2011). In following an interpretivist paradigm, this study explores the relationships between business support interventions (BSI), urban planning, and spatial justice. There is a knowledge-gap in understanding the rapid growth of informal businesses in residential suburban areas, which were not designed to accommodate such activities. When informal businesses repurpose space, the types of changes for land uses have an impact on the broader neighbourhood, and on the city region. Individual land use applications to change homes into businesses, as well as businesses that arise in neighbourhoods without consent, cumulatively shift how space is represented. The knowledge gained from this research focuses on a particular ward area to better understand how urban planning and management hinders or promotes economic development, specifically in the context of township informal and SMMEs.

This case-based approach sought to build ward-level knowledge of local economic development. This case study approach plays a role as a research strategy in exploring interventions implemented by actors in a real-life context. As Watson and Agbola (2013: 9) explain:

case study research generates invaluable, nuanced teaching material – as well as important contributions to our knowledge of African cities. The lamentable deficiency of good data to assist planning practice and policy development in Africa needs to be overcome.

Yin (2013) describes case studies as a distinctive strategy for evaluation. Contextualized knowledge of urban complexities, spatial-economic characteristics, and multi-stakeholder involvement affect the process and outcomes of BSI. Using an inductive and mixed methods approach to understand the case of Ward 68 in eThekweni, demonstrated the gaps in data and understanding of how to strategically intervene when supporting HBEs. The study aimed to identify home-based businesses that were “hidden”, that is, the businesses referred to might not be hiding but they have little or no signage, no aesthetic appearances of a business, and little interaction with the surrounding environment. Some examples include catering, early childhood development (ECD), or information technology (IT) businesses that have low traffic and can operate from home. The study developed much-needed data and evidence-based approaches to BSI. The research addresses the following questions:

- Do interventions (state / private) reach informal businesses in residential areas?
- How do residential business owners perceive business support interventions, in terms of what challenges and/or benefits do they identify with support models?
- Do planning regulations play a role in how people make choices about SMME/informal businesses? How did these regulations shape the local economy?
- What implications do these support interventions and planning regulations (state actions) have for thinking about spatial justice in Ward 68 in Durban?

Considering the conceptual framework of promoting spatial justice and of enabling transformation, the construction of knowledge on how spaces are used is essential to support businesses and to reduce inequalities. While case studies are known for their limitations in terms of extrapolating the findings and results, the design of the methods and approaches herein have relevance to the development of BSI that align to broader spatial-economic goals of the city. This chapter describes the research design, participant sampling and methods of data analysis, including the criteria for spatial analysis in the case study that investigates informal and SMMEs.

## **4.2. Research Design**

There are three generic phases in the research design, namely data collection; data representation; and data analysis with more specific steps defined in those categories (refer to Figure 10). An introduction to the selection of the study area will precede the description of the research design rationale, resources, and procedures.

The selection of the study area was based on a number of criteria, which included: prior knowledge of the informal and SMMEs in the study area (as a resident in the ward area, refer to the positionality Section 4.2.2); the intensity of mixed land uses in the South Durban Basin (SDB); and the stubborn effects of environmental racism left-over from apartheid (refer to Section 5.2.1). These criteria contribute towards an in-depth understanding of the complexities of the local area and demonstrate the necessity for contextualised approaches to economic development. Both informal development and spatial injustices are common throughout townships in SA, where informal and SMMEs appear in public spaces and in residential areas (Skinner, 2009). Personal familiarity of the study area in this case study assisted with the identification

of informal and SMMEs when data was collected (refer to Sections 4.2.2 and 4.3 for continued discussion).

A ward area presents a unique geographic location to study the relationship between BSI and issues of spatial justice in the municipality. Ward 68 in eThekweni Municipality is made up of three suburbs with land uses ranging from residential properties to major industry (refer to Chapter 5 for detail). The area itself has a history of environmental racism where separate residential neighbourhoods and schools for particular race groups were created for Indian and coloured people. These neighbourhoods and infrastructure were built in spaces adjoining toxic industries. To a large extent this segregation remains observable in the ward. The SDB area continues to house residential neighbourhoods as well as light and heavy toxic industries which range, for example, from large refineries to smaller paint manufacturing industries. The transformation of this space has not been adequately addressed (SDCEA, 2016; Charman et al., 2017).

Current and particular concerns for environmental justice remain rife as further plans to extend areas in, or next to, the ward for port expansion and port-related businesses are on the city's planning agenda. The impacts of these urban developments would inevitably change the existing neighbourhoods (Gedye, 2012). Given that there are increasing numbers of informal and SMMEs observed which are operating in residential areas in this ward, it has provided an ideal case study to explore the effects of poor spatial knowledge linked to the inefficiencies of BSI. The data collection and representation are designed to provide information relating to the study area, to the

access and uptake of business support available, and to the identification of the spatial-economic challenges faced by practitioners and businesses.

The methodology was designed as a layered approach to data collection and analysis, where the initial analysis from the first phase of the research is used to inform the design of the second data collection stage.

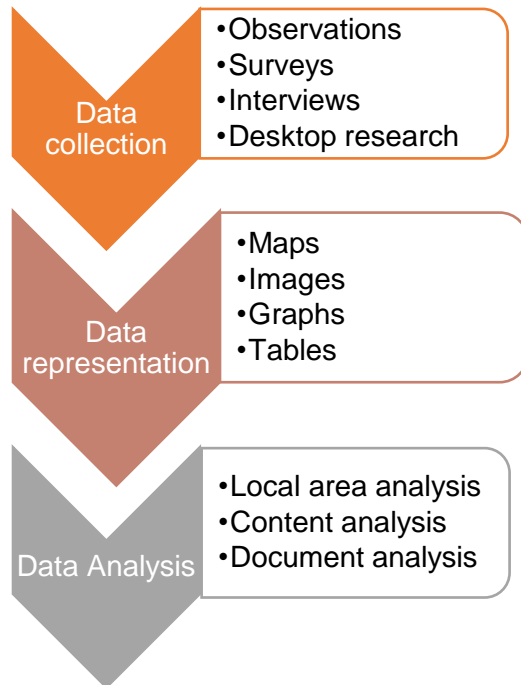
First, there was a phase of data collection that used desktop research to collect and reflect on secondary data sources. The desktop research phase included reviewing the literature and obtaining information from diverse resources to respond to the research problem. Literature on topics ranging from business support to urban development were reviewed using available resources. The secondary resources and tools included books, journals, maps, eThekweni Municipal shapefiles for ArcGIS,<sup>21</sup> and the internet. The review of secondary resources provided a valuable foundation of knowledge which structured the research process, and which refined the focus of the data collection tools (Yin, 2013). The findings in the literature influenced data collection in terms of the questions asked in both the survey and in key informant interviews. The resources provided contextual literature, a critical context of policy and regulations, and knowledge on the extent of business support interventions and strategy in BSI delivery.

Second, primary data collection was designed to address the gap in knowledge posed by the research problem in addition to examining secondary data. Qualitative and quantitative research tools were designed with consideration for the unique

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<sup>21</sup> ArcGIS is a geographic information system. The software was developed by ESRI.

characteristics of the study area (refer to Section 4.2.3). Data was collected by means of three methods, namely observations in the field, surveys, and key informant interviews.



**Figure 10: Simplified diagram of the research design**

The above simplified diagrammatic representation of the research illustrates the research activities. The detailed descriptions in the data collection procedures in this mixed methods and layered process lends transferability to the research design. The methodology demonstrates how data can be collected to address the research questions on BSI in township areas. The detailed steps for data collection and the questionnaires with guidance notes are attached to assist with future research (refer to Annexures B, C, D, and E).

The level of detail in outlining the methods enables the adaptability and transferability of this method to other case studies. The research questions were designed to examine topics which show how BSI could influence spatial justice, provided that

contextual localized data is known about HBEs in areas that were economically and socially oppressed under apartheid. The questions on the reach of interventions, challenges, and benefits of residentially based businesses, on regulatory concerns, and on contextual notions of spatial justice in this case study were addressed from perspectives of professionals (both in the private and public sector) and resident-businesses in Ward 68.

Data collection, analysis and storage can be described as a process of:

editing/scrutinising the completed research instruments to identify and minimise, as far as possible, errors, incompleteness, misclassification and gaps in the information obtained from the respondents (Kumar, 2011: 228).

Data analysis included processes that triangulated quantitative and qualitative responses from different data types and sources. The primary research tools included: surveys, key informant interviews, participant observations, field notes and photographs. A layered approach to data collection and analysis allowed for data from observation to inform and help identify potential participants in the survey. Additionally, the data from the survey shaped some of the key informant interview questions, which are further elaborated on later in this chapter. Themes emerged within and across the data collected from these different methods.

The research teams reflections were recorded from team meetings and from observations in their survey notes. The perceptions and experiences which survey participants shared were captured in the survey, including how the community members perceived “township” and what constituted work and employment. The key informant interviews showed that informal businesses were perceived either as illegal

work / extra-legal work or as entrepreneurship, but these businesses were not generally understood as a source of employment on their own (businesses had to be formalized or growing to be considered sources of new jobs).

The data was used to interpret and respond to the research questions by means of local area analysis and mapping, content analysis, and document analysis. This chapter provides a detailed description of the rationale of the method, positionality, data collection procedures, assumptions, limitations, and assurance of strong ethical procedures.

#### **4.2.1. Rationale of the method**

Cohen and Crabtree (2006) state:

A single method can never adequately shed light on a phenomenon.  
Using multiple methods can help facilitate deeper understanding.

This case study shows how the mixed methods approach sought understanding of the roles of BSI in promoting spatial justice, as outlined in Table 4. The research investigated the role of BSI in the area, the challenges faced by BSI practitioners and recipients, and importantly, the issues of space and justice in the area. The transformation of space and the enablement of spatial justice require representations of the spatial patterns and dynamics of informal and SMMEs.

**Table 4: Mixed methods approach of statistical and case study methods are complementary**

(Based on comparing the following strengths and weaknesses from Flyvbjerg, 2011)

	<b>Case studies</b>	<b>Statistical methods</b>
<b>Strengths</b>	<ul style="list-style-type: none"> <li>▪ Depth</li> </ul>	<ul style="list-style-type: none"> <li>▪ Breadth</li> </ul>
	<ul style="list-style-type: none"> <li>▪ High conceptual validity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Understanding how widespread a phenomenon is across a population</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Understanding of context and process</li> </ul>	<ul style="list-style-type: none"> <li>▪ Measures of correlation for population of cases</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Understanding of what causes a phenomenon, linking causes and outcomes</li> </ul>	<ul style="list-style-type: none"> <li>▪ Establishment of probabilistic levels of confidence</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Fostering new hypotheses and new research questions</li> </ul>	
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>▪ Selection bias may overstate or understate relationships</li> </ul>	<ul style="list-style-type: none"> <li>▪ Conceptual stretching, by grouping together dissimilar cases to get larger samples</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Weak understanding of occurrence in population of phenomena under study</li> </ul>	<ul style="list-style-type: none"> <li>▪ Weak understanding of context, process, and causal mechanisms</li> </ul>
	<ul style="list-style-type: none"> <li>▪ Statistical significance unknown or unclear</li> </ul>	<ul style="list-style-type: none"> <li>▪ Correlation does not imply causation</li> </ul>
		<ul style="list-style-type: none"> <li>▪ Weak mechanisms for fostering new hypotheses</li> </ul>

The value of qualitative methods was that they provided an understanding of the complexities of the social world, processes and how things work in particular contexts (Charlton and Meth, 2017; Kumar, 2011; Yin, 2013). The use of qualitative responses based on observations, surveys, and interviews showed SMMEs' and BSI practitioners' spatial understanding and their perspectives of spatial justice (refer to chapters 5, 6, and 7).

The contextualised understanding of the population and the geography of the study area was based on triangulated responses. Data for triangulation from quantitative data in the survey, population statistics based on the ward area, and GIS data informed the mixed method approach. For the purposes of this study, there was less concern for aggregate data to determine the extent of informal and SMMEs and the reach of

BSI in the area. Drawing across disciplinary methods made for better mapping practices (Murayama and Thapa, 2011). Spatialising where businesses were located brought about more nuanced information which allowed for mapping new knowledge in this thesis.

#### **4.2.2. Positionality**

There are personal experiences that influenced the research topic. I grew up and I have lived in this ward for most of my life, as have the research assistants who helped with the survey data collection. I have early childhood memories of going into local businesses, which included obtaining services and products from street vendors or visiting an “aunt’s” house to buy clothes. Of course, as a child the notion that these might have been informal was non-existent. After I had left university, I worked with an NGO to create jobs for informal and SMMEs in township areas. I was immersed in BSI initiatives through NGO project work for four years, noting that none of these projects focused directly on this ward area. This background knowledge enabled me to identify a knowledge-gap about home-based SMME businesses (formal and informal) which reduced the positive impact of BSI and its wider potential to address issues of spatial justice. The experience of working in a civil society capacity in this field sparked a sense of responsibility to acquire more knowledge through research that may assist in developing better strategies with stronger BSI monitoring and evaluation techniques.

Building detailed knowledge about local businesses, networks, and the spatial-economic dynamics benefits from insider insight. The assumption is that a long-term resident in a neighbourhood would be more familiar with unseen businesses and networks or could gain access more easily. Living in the ward certainly provided easier access to informal business and SMMEs in the area. Whereas this research was

undertaken from the perspective of a participant-observer in terms of the interviews and survey because the main researcher and research assistants lived, and to some extent worked, in Ward 68; the journal log of site observations consisted of non-participant observations (Kumar, 2011; refer to Section 4.2.3).

Members of the research team (which consisted of myself and two local fieldworkers) and who may all be considered “insiders” of the area, understood that informal and SMMEs were perceived in the ward as members of the community, rather than problematic or illegal activities (as they are sometimes perceived by “outsiders”, like formal businesses). Even so, there were some built-in perceptions regarding the work undertaken by HBEs and a local understanding of space. Two members of the research team had tertiary level training on urban planning and management. This training and knowledge of the city introduce an important bias in developing an understanding of how informal land uses integrate into an area. Hence, living in an area does not automatically assign acceptance or understanding of the perspectives between the researchers and the people who live and use the spaces of Ward 68 (refer to Section 4.5.1). Land use zones set out the rights and rules to better manage the city and a diversion from the intended uses has an impact on the triad of space. The land use changes are key challenges for urban planning and management; whereas it is important to adhere to regulations and planning practices, it is not always possible for home-based enterprises to comply.

The need to understand spaces and to strategically position BSI within a spatial framework, which I experienced in my role as urban practitioner, may be considered as “bias”. However, while acknowledging that there is a fine line between bias and

subjectivity, Kumar (2011) and Bengtsson (2016) point out that they are also different processes. Preconceived knowledge that affects the interpretation of results should not be completely avoided but should be understood as part of a contribution to understand the challenges facing a study. This is particularly relevant in professions which influence different roles in urban development.

#### **4.2.3. Data collection procedures**

The development of context-specific knowledge about the spatial-economic dynamics of the area as part of the research design, was considered critical for an in-depth understanding of the space and place. The data collection methods and tools aim to deepen contextualised knowledge about the businesses in the ward, the types, and the distribution of BSI. The rationale and description explain the process of selecting participants. The tools used to inform, connect with and record responses of participants included letters of information, questionnaires, recorded interviews, calls, emails, and SMS's. The planned activities followed a chronological order, namely observations, mapping, survey, informant interviews, and analysis. However, in the process of collecting data, this order changed to observations, preliminary mapping, conducting a survey, analysis of the survey, informant interviews (including observations), GIS mapping, and analysis of all data.

##### **4.2.3.1 Journal log of site observations**

Observations are qualitative processes that are designed to provide descriptive explanations of the study area and of the interaction of people in space (Kumar, 2011). This descriptive non-participative process, while ongoing throughout the data collection period, initially provided an understanding of the unique local context and a basis to plan for survey data collection. There were random observations based on regular travelling through the area and more detailed fieldnotes recorded in July 2018

and in January 2019. The observation tools included field notes, maps and municipal ward profiles of Ward 68.

A preliminary mapping exercise was undertaken in July 2018; descriptive data of the locations as well as the types of businesses and surrounding land uses were collected and recorded upon return from the walk. Logging observations helped to build a dataset of some of the businesses located in the area that could be approached for the survey. In January 2019, further walks and driving through parts of Ward 68 identified more HBEs in the area. The observation process included walking, driving, and stopping to take photographs of the urban features in the study area. Ethical processes for privacy and consent were considered when photographs were taken in the study area (refer to Section 4.5.3). This data was beneficial for constructing a dataset with multiple sources of information for triangulation, and for promoting credibility by building explanations for the database to inform data analysis.

Descriptive notes were recorded in a research log and in the minutes of meetings with the research assistants. The field notes recorded what was seen and heard. The data was then interpreted in notes and in descriptions of thoughts and feelings associated with the observations. The identification of home-based businesses in the study area was recorded by the researcher and the fieldworkers during the survey (refer to Section 4.2.3). The survey was informed by observations from the early journal entries, the process of data collection for the survey itself also created more journal logs as research assistants wrote up any observations that occurred during the survey taking. The observations supported a mixed methods approach to data collection, to better understand the study area and to identify the “unseen” HBEs. Journaling site

observations served several purposes; the preliminary mapping and ongoing observations aided in sampling, informed the questions in both the survey and key informant interviews, and provided data for the analysis of the case study.

#### 4.2.3.2 Survey of HBEs in Ward 68

A questionnaire was designed as the survey tool to collect information about home-based enterprises (HBEs) and business support interventions in the study area. The procedure for this survey consisted of developing questions; designing the questionnaire; identifying the sample of participants; and capturing and storing participant data. This survey design included closed- and open-ended questions, which were available for both online and offline data collection methods. The data collection processes were designed to be adaptable and replicable.

A pilot study was undertaken as a process to align the questions from BSI forms into a survey tool for this study (BSI forms refer to the business development support applications that were available from NGOs, banks and local authorities who offered BSI). After the survey tool had been tested and when there were no further changes to the survey questions, the survey was digitised. The online survey form was created using Google Forms. The surveys could be sent and collected via email or by fieldworkers who used devices such as cell phones, tablets, or laptops. Participants could give their consent to participate in the online survey before submission. Alternatively, participants could sign a letter of consent that accompanied the printed survey. In this study, the online survey process was affected by participants' access to internet, data, and devices (refer to Sections 4.5.1 and 4.5.2). Therefore, the fieldworkers conducted the survey in person and then uploaded the completed forms online.

The survey questionnaire contained 54 questions; it mainly consisted of closed questions which were then followed by open-ended questions. The closed questions required the participant to select from multiple-choice options and the open-ended questions provided a space to probe those choices or to discuss any deviations (refer to Questions 36 and 37 in Figure 11 for relevant examples). The first question aimed to use knowledge already available about BSI, whereas the open-ended question allowed for a more descriptive response and for an opportunity to deviate in the conversation if the participant identified with other types of support. According to Kumar (2011), there are advantages and disadvantages to open- and close-ended questions. The mixed-method and layered approach allows for triangulation which provided some measure of resolving researcher bias.

The survey was designed with questions based on existing BSI application forms (such as SPARK Ventures, 2020). Whilst survey questions were influenced by pre-existing notions of BSI and informal SMMEs, which might have introduced some bias, it also enables comparative work in BSI research. To enable the possibility of future comparative research with the findings in this study, it is important to have consistency in the language and data used to understand the perceptions of the different economic actors.

In addition, using a questionnaire as the survey tool was selected for the learnings in the practice of BSI. The procedure of surveying businesses is a frequent tool in BSI practice, in other words, for businesses to access BSI they usually have to respond to questionnaires. For example, online questionnaires are available at different intervals

for business support from organisations like PPT, SPARK and GROW. Hence, the methods in this study offer useful learnings for BSI practitioners in two ways. First, in understanding some of the limitations in using online surveys to reach informal and HBEs for BSI support. Second, the study findings provide comparable data to those used by banks and established organisations that offer BSI and other enterprise support.

**36. Have you received the following types of Business development services (BDS)?**  
 In this section, you will be required to respond with yes or no to examples of business support (and if you answer yes, describe the assistance in the section below.)  
 Mark only one oval per row.

	Yes	No
Funding/Capital:	<input type="radio"/>	<input type="radio"/>
Land:	<input type="radio"/>	<input type="radio"/>
Business space:	<input type="radio"/>	<input type="radio"/>
Equipment:	<input type="radio"/>	<input type="radio"/>
Technical skills training	<input type="radio"/>	<input type="radio"/>
Literacy	<input type="radio"/>	<input type="radio"/>
Numeracy	<input type="radio"/>	<input type="radio"/>
Bookkeeping	<input type="radio"/>	<input type="radio"/>
Marketing	<input type="radio"/>	<input type="radio"/>
Human resource management	<input type="radio"/>	<input type="radio"/>
Product Development	<input type="radio"/>	<input type="radio"/>
Other? (please specify in the next description section))	<input type="radio"/>	<input type="radio"/>

**37. If you have responded with yes to any examples of business support above please describe the type of assistance received here:**  
 e.g. source of the assistance, date, duration, and was it useful

**Figure 11: Excerpt from the survey questionnaire**

It was not practical or theoretically sensible to do random sampling for case-specific research (Trochim, 2006). Survey participants were purposefully sampled by using a non-probability snowball sampling technique. This sampling method avoided generalisation of the data and focused on the social complexity of Ward 68. The journal log on observations from the field provided a starting point for identifying HBEs and for using snowball sampling during the survey. The sampling method assisted in selecting diverse informal and SMME participants. Purposive sampling in the study

area entailed a process of using local fieldworkers and observations, word-of-mouth, and distributing letters of information via local shops.

“Visible” businesses were those with signage and the “invisible” businesses were those that had an online internet presence. For example, businesses found on websites or on social media were visible and businesses found via word-of-mouth were invisible. In addition, survey data were collected in batches; fieldworkers were briefed to purposively find different types of businesses, run by different age groups, and on different types of premises.

Considering the size of the study area, the time constraints of the PhD process, and the number of surveys to be completed, two fieldworkers were hired to facilitate the survey procedures. The development of relationships and networking were considered when fieldworkers were hired. This process included contacting different people at the university and at local NPOs for recommendations. Criteria for fieldworkers were identified during the pilot testing of the survey tool. Three main criteria included having existing knowledge and networks in the area, strong people skills, and previous survey experience. This was important because the study sought to understand business in Ward 68. There were two main reasons for choosing to have assistance with the surveys. First, the fieldworkers were chosen because they lived in Ward 68 and the pace of data collection in the project would move significantly faster. Second, capacitating and hiring fieldworkers as a method of this study helped to understand how to contribute to building more nuanced, local knowledge of the area. Detailed agreements, plans, and survey assignments culminated in the completion of 100 surveys in one month.

The challenges that affected resourcing the survey included a limited budget for hiring fieldworkers, time-constraints, and candidate compatibility for the activity. Despite being local, the fieldworkers struggled to access participants who were from different suburbs to those in which they lived (three suburbs formed part of the study area). The reason for this discrepancy concerned racial divisions that persisted between neighbourhoods designated by the apartheid legislated Group Areas Act (GAA). Merewent and Merebank are still considered “indian areas” and Austerville a “coloured area”. The fact that these areas continue to be associated with apartheid racial groups is testimony to the stubborn nature of apartheid spatial planning. This mixed methods approach to data collection facilitated a better understanding of the participants. While not a focus of the study, it emerged that there were ongoing challenges related to race relationships between local communities.

The survey questions were designed to be completed online, which would reduce the risk of illegibility. The first five surveys conducted by the fieldworkers provided an opportunity for a review meeting, where concerns about the survey questions could be addressed, the quality of the data could be assessed, and the fieldworker could be better equipped for the next batch. Thereafter, survey forms were distributed in batches of fifteen per fieldworker. The plan included that the batches correspond to in-person meetings for submissions to review the surveys, take notes, and agree on payment schedules. Verification of the survey included reviewing the forms, ensuring that there was a signed letter of consent, that the important fields were filled in, and that they appeared on the Google drive so that they could be considered as resources for this study. Once surveys were submitted, the verification of field data was an important, ongoing, and useful task.

Data processing during different stages of the survey identified repetitive types of informal and SMMEs for the purpose of selecting more diverse participants. Undertaking the survey in batches, reviewing the data and subsequent discussions with fieldworkers (recorded in the journal log), provided more qualitative data and strengthened the purposive sampling technique. The survey provided both quantitative and qualitative data on perspectives across varied business sectors that were HBEs in Ward 68.

The types of questions, the duration, and the accessibility of the survey were considered. In this study, the survey questionnaire and letters of consent were printed, and fieldworkers collected data from participants to reduce the risk of delayed or poor responses. The duration of each survey was between 30 and 45 minutes. Each survey form had to be submitted electronically, either by the participant who pressed “submit” after having completed the Google form or by the fieldworkers who entered the data from completed hand-written printouts of the survey forms.

### **4.3. Surveyed Participants**

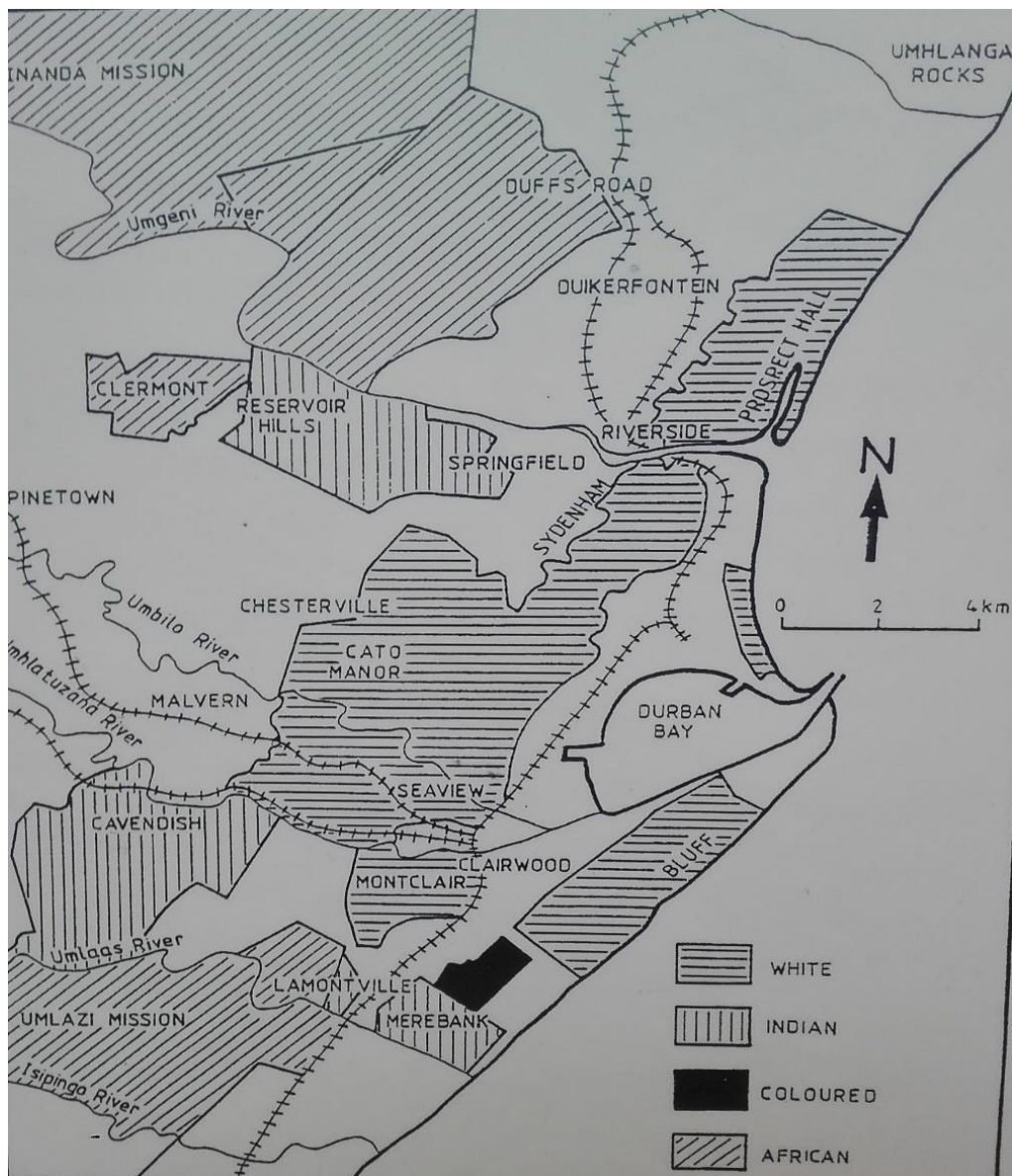
There were two factors that influenced the sample size, namely snowball sampling and the data saturation point (Kumar, 2011). The sample size provided enough data to look more closely at how BSI could be a transformation tool and to inform methods for developing knowledge of local spaces. Instead of a comprehensive representation of all informal and SMMEs, 100 HBEs were surveyed to identify the characteristics of informal and SMMEs for investigating the realities of the local economy.

The selection of survey participants was not based on education, gender, or race. The demographics are relevant to explain the status quo of the survey participants, but the

complexity of issues directly attributed to these factors was not a focus of this study. When participants were asked to identify gender, the disaggregation of those surveyed was 54% female and 46% male. When participants were asked to self-identify race, 75% selected coloured, 24% selected indian and 1% selected black. A structural systematic process involving legislation, policy, and implementation of urban plans had separated groups by race. According to the Proclamation 73 exhibit, the Figure 12 which is a map of “The LTAB’s 1954 Recommendations”<sup>22</sup> shows the racially planned spaces of Durban (eThekweni History Museums, 2018; Chari, 2009). The population of Ward 68 broadly continues to develop according to the racial segregation. In the ward, the population groups included 13% black African, 52% coloured, and 32% indian. The racial dynamics of Ward 68 largely remain unchanged, it is populated by a largely indian population in Merebank and in Merewent, and by a coloured population in Austerville as designated by the GAA (refer to Figure 12).

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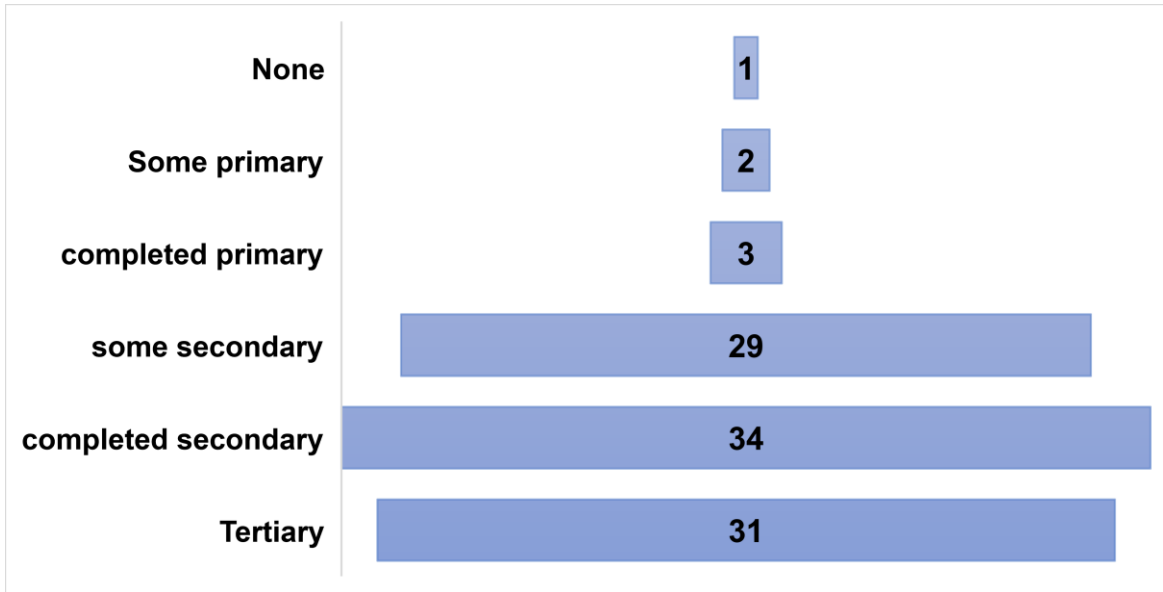
<sup>22</sup> LTAB was the Land Tenure Advisory Board



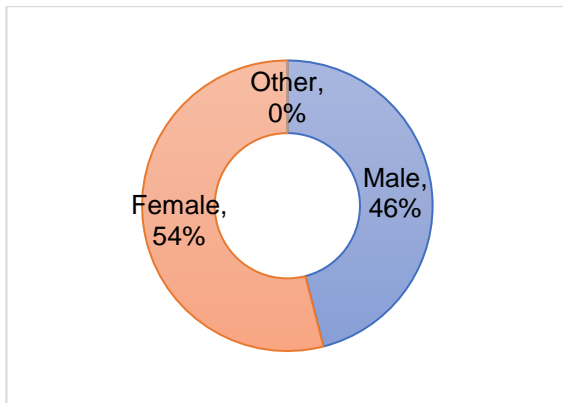
**Figure 12: LTAB's 1954 Recommendations (eThekweni History Museums, 2018)**

According to the 2016 Community Survey and the 2011 census data, unemployment in the ward was high; 38.4% of the population were employed and the majority of the population in the ward were of working age; 64% of the population were between 18 and 64 years (Stats SA, 2016). In the study survey business owners with varying levels of education were surveyed<sup>23</sup> (refer to Figure 13).

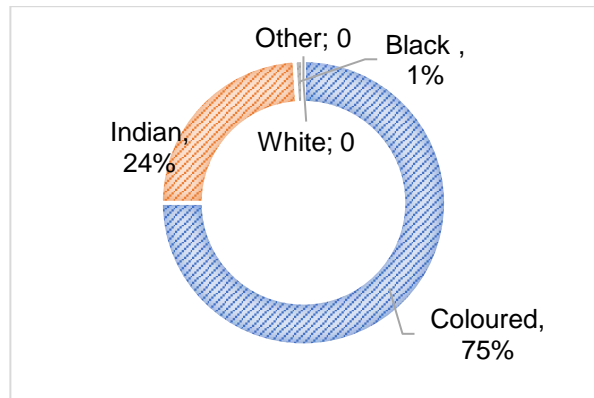
<sup>23</sup> A total of 96 business owners were surveyed. Out of the four that were not owners, one entrepreneurs' spouse and one entrepreneurs' parent responded on their behalf. It was assumed that the remaining two survey participants worked at the enterprise where one was a relative as they worked from home. The other was not, as the participant did not work from the interview site.



**Figure 13: The highest level of education achieved**



**Figure 14: Pie chart of survey participant gender**



**Figure 15: Pie chart of survey participant race**

There are no assumptions that this sample comprehensively describes all businesses in the Ward. The survey was designed as a resource for qualitative and quantitative data of HBEs in Ward 68 to provide insight into the challenges and opportunities of informal and SMMEs in residential areas (refer to Section 6.2.1). It was also the data set from which to identify some key informants.

#### **4.4. Key Informant Interviews**

The selection of key informants was based on primary and secondary sources. All participants were purposefully sampled, however, there were differences in the methods used for interviews and surveys. Judgement and purposive sampling were based on an information-oriented selection of participants (Kumar, 2011; Flyvbjerg, 2011). The BSI practitioners were sampled from work undertaken in eThekweni at the time of the study. The sampling was based on working with professionals/officials on BSI between 2014 and 2018. Previous methods of observations, survey data, and identification of BSI practitioners and professionals actively working in the business support field assisted to identify the sample of key informant interviews as a final layer of qualitative data. BSI practitioners/professionals were identified in the public and private sector from the eThekweni database. They were then contacted to schedule semi-structured interviews. Informal and SMMEs in Ward 68 were surveyed, listed, and some analyses of the HBEs' characteristics were considered before contacting key informants.

The sample size of key informant interviews was based on two factors: first, a review of the data collected from surveys and second, a consideration of the different types of BSI practitioners. Data saturation from BSI practitioners and from informal and SMMEs informed the sample size, noting that data was also collected from secondary sources and surveys (Kumar, 2011). A total number of seven key informant interviews were completed and transcribed. Table 5: Participant descriptions of key informant interviews are presented in Table 5, it shows the types of participants, their affiliations, and the date when they were interviewed.

Consent to be interviewed was obtained from all key informants. Interviews were then conducted and recorded using semi-structured questions (refer to Annexure B for the letter of consent form and to Annexures D and E for the interview schedules). Interviews took approximately one hour each. They were based on two interview schedules; one was used to guide the conversations with BSI practitioners and one guided the interviews with informal and SMMEs.

**Table 5: Participant descriptions of key informant interviews**

<b>Participant type</b>	<b>Organisation</b>	<b>Date interviewed</b>	<b>In-text reference</b>
Government	eThekwini Municipality	20 July 2018	KII Participant: eThekwini Municipality, 20.07.2018
BSI practitioner	eThekwini NGO	13 November 2018	KII Participant: eThekwini NGO, 13.11.2018
Environmentalist	eThekwini NGO	23 November 2018	KII Participant: eThekwini NGO, 23.11.2018
Informal and SMME	eThekwini HBE	05 September 2018	KII Participant: eThekwini HBE, 05.09.2018
Informal and SMME	eThekwini HBE	26 July 2018	KII Participant: eThekwini HBE, 26.07.2018
BSI practitioner – private sector SMME	eThekwini Private sector	12 September 2018	KII Participant: eThekwini Private sector, 12.09.2018
BSI practitioner – private sector SMME	eThekwini Private sector	19 September 2018	KII Participant: eThekwini Private sector, 19.09.2018

The semi-structured, open-ended questions for government officials and professionals working on business support interventions provided useful qualitative data. Key informants from the public and private sector of BSI practitioners responded to the research questions about regulatory challenges, the role of professionals in informal development, consequences of providing support to informal and SMMEs, and about information on the BSI provided by the individual or by their organisation.

The sampling procedure included filtering the surveyed data to identify HBEs with entrepreneurs that had experienced BSI, that planned to expand, that had regulatory challenges, and that were between 15 and 64 (working-age population). These businesses were purposively sampled using Ms Excel to filter, list, and contact businesses to schedule semi-structured interviews.

An initial selection of 14 business owners was derived from the survey for key informant interviews. The list was created by filtering survey data to screen HBEs that planned to create jobs (expand) and those that were affected by either, or both business and planning regulations. The list was further filtered to identify HBEs that received some support from one or more sources in the private sector, the NGOs, the government, and the community or family. The limitations reveal why only two of the 14 initially selected business owners chose to participate in the in-depth interview (refer to Section 4.5.2).

The aim of interviewing HBEs was to explore the responses from the survey in more depth. The semi-structured, open-ended questions for informal and SMMEs contained three overarching topics. The first part of the conversation was about the enterprise, its requirements, and ideas about “growth”. The second part was focused on how a home-based business experienced planning regulations. Lastly, the interview looked at the challenges and benefits that the enterprise associated with BSI.

The strategy of collecting quantitative and qualitative data as a layered process meant that different data was analysed at different intervals throughout the study, which served to shape the subsequent data collection stage. For example, the spatial

analysis assisted in selecting the survey participants and the data analysis of the survey assisted in shaping the questions in the key informant interviews in order to dig deeper into specific issues that emerged from the surveys. The collection of surveys, spatial data, and interviews also enabled triangulation during the data analysis. The data was analysed using spatial analysis, content analysis, and document analysis (refer to Figure 16). The analysis of the data collected is represented using descriptions and visuals (graphs, images, tables, and mapping). After describing the different processes used for analysis, subsequent sections show the validity of tools, data processing, assumptions, limitations, and ethical considerations of this study.

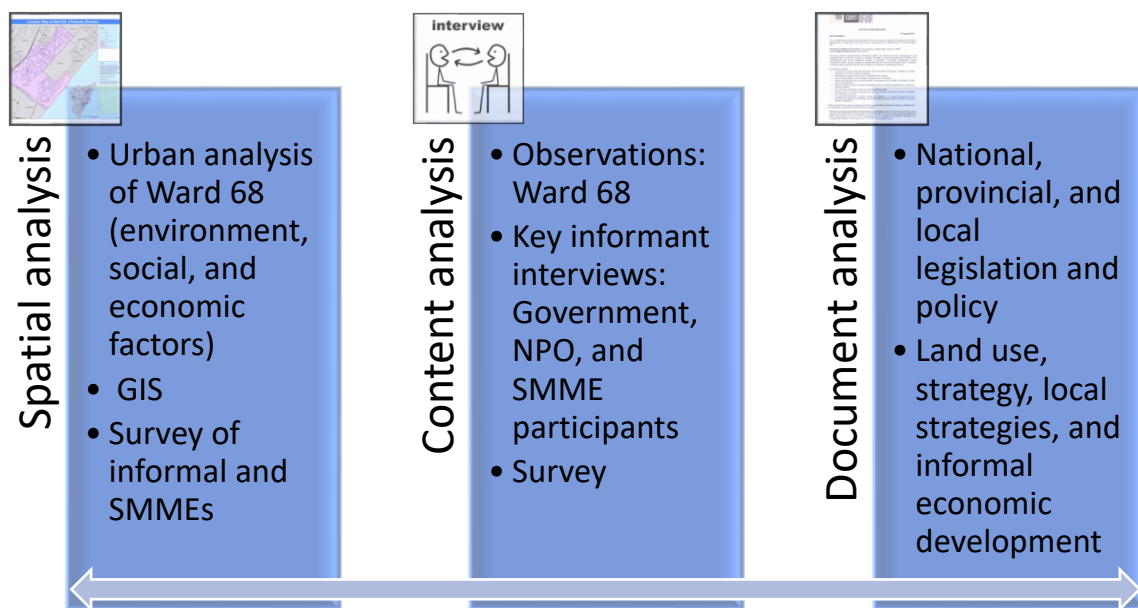


Figure 16: Diagram showing the data analysis framework

#### 4.4.1 Data processing

Data from interviews and documents were organised, transcribed, and tabulated where applicable. The methods of data analysis, presented in Figure 16 above, describe the handling of different datasets in this thesis. In summary, the content analysis identified recurring themes from the survey and from the interview

participants' understanding of either obtaining support or supporting informal or SMME businesses. The theoretical framework contributed to the assessment of relationships, patterns, trends, and contradictions found in the data. Responses to the research questions derived from the qualitative data were both descriptive and explanatory. Maps, tables, graphs, and narrative explanations were used to display the findings presented in this illustrated dissertation.

#### **4.4.2 Spatial analysis**

Local spatial-economic data is not easily available at ward level in Durban. The economic activities of the study area were interpreted by looking at the design of physical space. Elements for the responsiveness of the urban environment were used to understand how physical space is designed to accommodate different land uses (Bentley, 1985; Lynch 1960) (refer to Chapter 5). Data from Ward 68 was analysed to provide an idea of the quality of the physical, experienced, and planned human habitat. ArcGIS maps and google maps, including data from the survey and interviews, were used to identify and analyse Ward 68.

Geographical Information Systems (GIS) is a tool for spatial analysis, and it was used to make sense of data as part of the urban form. Developing an understanding of the built environment in the study area provided insight into the roles that BSI could play in encouraging spatially just practices. GIS mapping enables data layers to identify multiple urban variables and where they might overlap. For example, later in Figure 26 more spatial knowledge of the distribution of businesses in the residential zone is displayed.

GIS was selected as a tool for representing an analysis of spatial-economic data, because it was already used by eThekweni Municipality, and datasets could continue to be built to inform plans and policy. In this way, the study offers a useful GIS resource for further policy and planning in Ward 68 undertaken by the municipality, civil society, and NGOs interested in BSI and in spatial justice. It is also a useful tool for assessing site suitability of businesses in residential zones. In this study, GIS was used for visualisation, creating spatial data on businesses, and for mapping the study area. The following features were identified on the maps:

- demarcation boundaries such as Ward 68;
- adjacent ward areas and suburbs;
- cadastral parcel boundaries;
- Durban Municipal Open Space - DMOSS (areas which are designed to protect natural ecosystems and are “green lungs” to the urban environment);
- zoning;
- contour lines which provide an idea of the gradient of the study area;
- informal settlement areas;
- roads;
- coastal zone;
- rivers;
- photographs; and
- informal and SMME business.

GIS has many useful applications for visualizing space in order to analyse the quality of urban environments. In addition to mapping using software (ArcGIS), Earth observation (EO) of Google satellite images and Google maps were also used to analyse the study area because they are practical tools which could be used to

incorporate spatial analysis into this study. More broadly, there is growing recognition that mapping is:

an effective alternative source of geo-information for urban management and planning [8–10] and proved capable of enriching scientific knowledge with the spatial information needed to implement urban planning initiatives (Chyrsooulakis, et al., 2014: 981).

The map layout was created using a standard map format that include a title, scale, legend, and the North direction (depicted by an arrow). An analysis of the ward area using ArcGIS for geoprocessing (attributing data collected to real space) and representing spatial data (overlays on a map), looked at site suitability and facilities for spatial decision-making. The features and information appearing on the maps were consistent with observations made in the study area (refer to Chapter 5).

#### **4.4.3 Content analysis**

There were several options available for processing the data, namely different computer-assisted qualitative data analysis software (CAQDAS) and MS Excel capabilities. The use of computer software technology to represent data was a key consideration as a method of data analysis because of the capability of these tools to process large amounts of information faster than manual methods. Despite the longer duration, the data collected was manually processed using MS Excel instead of CAQDAS, as St. John and Johnson (2000) stated: “The intelligence and integrity that a researcher brings to the research process must also be brought to the choice and use of tools and analytical processes”. Qualitative data arising from the surveys and interviews were transcribed, cleaned, and tabulated.

The method of content analysis included creating a database of all the information which was collected and coded. Reports and figures were created from the database. The themes were sorted according to issues related to the research questions which then became part of the write-up (Kumar, 2011; Atkinson, 2002) (Refer to Chapters Five to Seven).

The analysis of the content identified themes and patterns, as well as their frequency or absence, in response to questions of reach and perceptions of BSI. Descriptive responses were derived from the qualitative data in the survey and from interviews in response to the implications which BSI and regulations have for considering spatial justice in the study area. The generalisation of data for the purpose of scaling the problem or for inferring causation from the case study was largely avoided. However, it is emphasised that the methods used in this study could be adapted and applied to obtain increased levels of economic-spatial knowledge required to support BSI at larger urban scales.

#### **4.4.4 Document analysis**

The document analysis that used different written sources contributed to triangulating data which either supported or contradicted the findings. This type of analysis strengthens the method because it is a layer of qualitative data which lends further credibility to the evidence found from observations, interviews, and surveys (Bowen, 2009). Since this study makes the case that BSI and spatial justice should be linked in the formation of plans and policy, the documents used included national, provincial, and local legislation and policy documents. Additionally, the reports from organisations undertaking BSI, media, news articles, maps, and event material were also used for descriptive and triangulation purposes. Similar to the content analysis, the methods

used for analysis were to identify and then to code themes from the documents and literature (Bowen, 2009).

#### **4.5. Transferability**

The methods and analysis tools communicated and represented information using a credible and dependable process (Remenyi, 2012: 21). According to Yin (2013), the logic of a case study research design is tested by its ability to construct validity and reliability. However, the relevance of validity in terms of the qualitative mixed methods approach is inadequate for this study because it does not seek statistical or scientific replicability of the findings by applying this method to different areas. The study places emphasis on understanding the nuances of spatial-economic land uses in residential zones; it requires methods that can evolve where the results may not always be identical (Kumar, 2011). This emphasis is not necessarily a weakness, given the contextual specificities of various urban areas in a city. The shift from static ways of understanding urban spatial design towards data which reflect on the development and changing uses of land is an important process for representing space. Therefore, rather than replicability and validity, the dependability and transferability of the methods and tools are more appropriate for this study.

The impact of changes in land uses in Ward 68 needs to be understood to better provide services to residential business. The impact of spatial changes that result from business support services and/or informal businesses needs to be investigated across the city. The municipality places emphasis on the revitalisation of townships, of which there is evidence in tender documentation circulating to develop precinct plans for wards where unplanned economic activity is increasing (eThekweni Municipality (b), 2001; 2016).

This study contributes to methods for understanding and interpreting how activities in the area are affected by professional subjectivity. Subjectivity is demonstrated in the analysis by considering the professional opinions of key informants, semi-structured discussions about interventions to improve local business, and descriptions of how interventions are implemented, including the question of spatial justice. Key informants confirmed their interest and curiosity about fostering more understanding about the spatial dynamics of informal business to better provide services. Allowing for the subjectivity of urban and city planners could allow for more collaborative approaches to the development of urban spaces because there is an interest in promoting spatial justice and in creating economic opportunities. It is through interdisciplinary research that professionals can improve on their methods to enact better practices across different disciplines and address the complexities of diverse urban spaces.

#### **4.5.1. Assumptions**

The design of the study sought to investigate informal economic development in a residential zone by using mixed methods. There were three main assumptions about the methods and outcomes, namely that an important contributor towards developing BSI practices involves access to information; more nuanced methods for context-specific information; and that BSI has a role in promoting goals for spatial justice.

Data categories and terminology were derived from existing policy, legislation, and practices in eThekweni Municipality. The exception in terminology was the grouping of business support from all sources into one term, namely BSI. The duality of the terms “formal” and “informal”, set boundaries and limitations to the approach to this study and the existing descriptions reduced the flexibility in describing ideas about informal residential businesses in this study (Yin, 2013). Access to spatial plans and data were

obtained from the municipality, but the study did not investigate whether there were private sector spatial plans for BSI. The literature, data obtained, and discussions with practitioners did not indicate that there were any such spatial plans for BSI. The overall assumption, based on existing practices and visions for the city, was that understanding of the spatial layout of informal business in a ward area would enable a more interdisciplinary approach to planning interventions which, in turn, could contribute to goals of spatial justice.

The study area was the neighbourhood of Ward 68 in eThekweni Municipality's South Durban Basin (SDB), adjacent to diverse industries and to the new port development. The literature and findings showed that planning interventions to develop the local economy of Ward 68 are not adequately spatially oriented and that informal businesses increasingly change the urban landscape. This case study is atypical because it sought to understand the "unseen" informal and SMME businesses in the context of their spatial impact in an area with heavily conflicted land uses.

The assumptions about the challenges for this study included the unwillingness of illegal businesses to participate in the study. As an insider, that is, being both a resident and a researcher in this study, a more purposive sampling method was included as an approach in order to reach a more diverse set of informants. The mixed methods approach to data collection facilitated the search for participants because the process of observation, surveys, and snowball sampling were complementary in finding different types of HBEs.

It is hypothesised that citizens are informally or formally making valuable contributions to the economy at a local level and that they are not reached by formal support interventions. The outcomes of the study included mapping local business in Ward 68 to provide a visual representation of the local informal economy. The contribution of new knowledge to the relation between spatial justice and informal business support provides a methodological process to gain knowledge and understanding of activities at a local spatial-economic level and to provide recommendations for further research projects.

#### **4.5.2. Limitations and Strengths**

The limitations encompass the selection of data collection methods and analysis as well as the physical boundaries of the study area. The research area is based on institutionally demarcated boundaries called a “ward” (refer to Chapter 5). The spatial analysis of Ward 68 with an emphasis that space in its theoretical multiplicity, is a key element in determining justice, had to merge the understanding of physical/geographic spatial elements with the transient economic activities taking place in the area.

There are numerous challenges in making sense of and mapping processes and practices as opposed to the more static and structured approaches used for urban land use management. Hence, the study focused on providing visual representations of land uses from 2017 to 2018 with descriptions, photographs, maps, and figures to triangulate responses to the research questions.

Another limitation in the use of this boundary is the challenge of scale. There are different geographic scales of analysis. The focus on one ward limits the understanding of the regional impact of informal and SMMEs to residential zones. This

study is interpreted at a local ward level and so the case-specific findings cannot be extrapolated to the entire region. The design of this study includes different types of HBEs in one ward area. The advantage of this approach is the ability to access more nuanced data for spatial and economic subjects of this study. Building this level of information for different wards would have had a stronger impact on policy and strategy in the city.

The geographic boundary set limitations to the study for understanding cases of HBEs in the study area. BSI was broadly defined, and this led to the assumption that HBEs would have knowledge of or access to some forms of business support. As the findings show, many businesses were observed in the study area but few of them identified with BSI. The results of the purposive sampling were designed to obtain data from diverse types of HBEs to assess what support (regulatory, spatially, or business development) is necessary for businesses in the residential zone of Ward 68. However, due to the limited reach of BSI for those in the sample, it became necessary to understand the challenges faced by HBEs from regulatory, spatial, and business development perspectives.

The study looked at the perceived benefits and challenges of BSI experienced by informal and SMMEs. However, since many of the HBEs did not know about business support available, the findings focused more on the benefits of having HBEs and the challenges that those businesses experience (refer to Section 6.2.3). The spatial orientation of BSI was broad; the city ensured that there was a broad focus across the South, West, and Northern parts of the Municipality, whereas the private sector tended to focus on their supply chains. Hence, despite the focus on Ward 68, interviews with

BSI practitioners focused more on the perspective of understanding the benefits and challenges of informal and SMMEs in South Durban.

The claims to space at household level have an impact on the ward because permissible changes in individual zoning accumulates to affect the neighbourhood. The impact of HBEs has both positive and negative consequences in the area which was not assessed as either good or bad. The importance of the study is to build knowledge to improve the monitoring and evaluation of HBEs in residential zones, whereas BSI focusses on the spatial and economic dynamics of the local economy at ward level. The implications for business interventions that arise from the proposed dig-out port are significant in their potential to change the dynamics of the area. Consequently, more questions arose than could be answered by this thesis.

There were also limits to the analysis and interpretation of data about the types of HBEs that participated in surveys and about electronic modes of data collection and analysis. The research design was created to monitor and purposively sample the diverse participation of BSI practitioners and multi-sector HBE participants. However, the willingness and availability of HBEs and professionals to contribute to the study influenced the findings. The study took into account the limitations of online data collection due to data expenses and connectivity. The survey questionnaire was made available in different formats and the HBE participants had choices about how they could participate in the survey. Despite assurances of anonymity, there were many HBEs that opted to participate in the survey, but they were less inclined to participate in interviews.

In terms of the analysis, no structured computer-assisted qualitative data analysis was used, instead, familiar tools of Microsoft Office Excel and Word were used to process the information. Using familiar tools saved time and avoided undertaking training. However, while there were benefits to manually sorting the data, it did not make the process more time efficient. Mapping on ArcGIS was a useful outcome of this study, the HBEs could be spatially represented and attributed. Nonetheless, there were limitations to what could be achieved in this thesis. There is huge potential for transferring all data collected into spatial data for deeper spatial analysis.

Overall, the limitations did not obstruct the process of compiling the thesis and, in acknowledging the limitations to this research, recommendations were made for further work on this topic.

#### **4.5.3. Ethical assurance**

Ethical conduct throughout the research process was an important factor in this study. The use, collection, and storage of data in the research followed protocols designed to ensure good communication with everyone involved in the research process and to ensure the privacy and anonymity of participants. Three areas for ensuring ethical practices that relate to the electronic control of data management, privacy, and the forward planning designed to mitigate any vulnerability of informants as a result of this study, will be discussed here.

There were two categories of informants, those working in the BSI field and HBEs (owners or employees). The informal and SMMEs were vulnerable because, through their participation in the study, they could be exposed or seen to be contravening regulations and they could face punitive measures by city departments. There were

ethical assurances towards methods that protect the vulnerability of research participants. This risk to participants influenced the protocols for data collection and storage. The findings showed that recognition and the formation of business forums often played a role in helping businesses to address regulatory, planning, and other challenges (refer to Section 2.4). The fears and concerns about informality, in terms of enterprises being involuntarily found out, was not a common perception of participants in this study. However, there were also many businesses that did have concerns and hence chose to participate partially (only to be surveyed and not interviewed), or not at all. Therefore, signed consent for surveys, mapping, and interviews, as well as the privacy of personal information, was an important aspect of the research design.

There were also ethical considerations for the safety of the researcher and the fieldworkers. This study used voluntary participation and in more uncertain circumstances, for example if the researcher or fieldworkers felt unsafe to pursue a survey/interview, there were options to either cancel or to collaborate in pairs. The actions taken in the field impart a code of conduct that allows for all participants to proceed or to cancel at any time, should they no longer want to contribute throughout the study.

In this case study, the survey was used to obtain qualitative data from the participants to address the research questions. Measures to guarantee ethical procedure and processes when communicating with participants, were formulated into a letter of information and consent which communicated the research intentions and processes. Participants signed the letter to acknowledge that they agreed to share their stories or

to be surveyed (refer to Annexure B). Clear expectations were provided to participants both verbally and in the letter to ensure that they understood the undertakings for participation.

Online platforms for data collection were also useful in that these provided user-friendly formats and prompts in preparing the survey. Using Google Forms ensured that the data was saved in a password-protected account and that data of each completed survey could be downloaded directly by the researcher in an MS Excel or in pdf. format. A printout of the survey was made available to participants if they preferred to respond manually or did not have access to email (refer to Annexure C). The data was digitally stored and password-protected online and the hardcopies stored at the Urban Futures Centre at DUT.

The privacy of personal information was further considered in the process of visually mapping informal and SMMEs. Some business owners preferred that their addresses should not be revealed. Therefore, the location of the businesses was only made available on maps and, in this thesis, with the consent of the participant. Further, confidentiality of the participants was covered by using pseudonyms and coding throughout the study.

In terms of data storage, only the researcher had access to all un-coded data. The project aimed to disseminate findings beyond the academic institution and ensured that all the necessary precautions were taken so that no harm could occur to any of the participants. Additional security of data was assured for the purposes of the study because all survey forms were printed and filed for a paper record of individual

surveys. The COVID-19 pandemic, which initiated a sequence of events that prevented people from meeting, showed that data collection procedures need to be more accessible in different circumstances, especially considering the costs and access to data and devices. There was no imposition of costs on participants in this study due to the availability of the research tools in different formats.

#### **4.6. Conclusions**

The methods allowed for the collection of diverse types of data which were used to evaluate the role of BSI in promoting spatial justice. The segregated spatial design of SA that systematically ties people to spaces, without accessible and formal modes of economic development, indicates that planning knowledge is an important contribution to BSI. The study offers insight into multi-disciplinary approaches to urban management that can influence practice in cities, particularly in eThekweni, South Africa.

This study looked at the representation of BSI across both public and private sectors, with a focus on surveying HBE and interviewing BSI practitioners. The representation and the analysis of the data provided a body of knowledge that contributed to addressing the research questions. The representation of those surveyed and interviewed in the study was set up to be relayed as authentic to the voices of participants as much as possible. The recorded interviews were transcribed, and the surveys provided brief responses to multiple-choice questions. Based on the databases created from the data collected, themes, challenges, and common threads were identified for further analysis.

The contribution to knowledge from this thesis details the method and procedures because, while one focus of the study is the analysis of the findings, it also aims for transferability to further develop methods for more nuanced spatial and economic information in order to support evidence-based approaches which contribute to BSI strategies. The spatial, content, and document analysis offer different types of perspectives and visions which drive spatial and economic changes. Detailed methods, ethical practices, and acknowledging flexible approaches are required when looking at qualitative case-sensitive data. Triangulating responses and mapping businesses indicated the issues that have an impact on spatial justice with some focus on the implications for the back of port area of the SDB.

The spatial consequences of businesses in areas zoned for residential purposes have an impact on the way in which different stakeholders access space in the suburbs. The methods and tools provide a means to address context-specific gaps in support of businesses, and to make sense of how planning and BSI contribute to spatial justice in Ward 68. The research strategy carefully sequenced and layered the processes of data collection and analysis. The research design, methods, study area, and context are atypical in the topic and in the context of the study area. This focus entails the development of an understanding of informal business in terms of interventions for support, or lack thereof, in order to capture the spatial implications of ignoring home-based enterprises (HBEs) in the context of strategic development which will affect Ward 68.

The reduction of poverty and unemployment in the current political context and the use of a spatial justice lens require further development of BSI strategies. The

contention about land use, rights, and injustice in Ward 68 provided a unique setting in which to explore the challenges and benefits of BSI. Improving evaluations of BSI, which include spatial-economic elements, determine the various ways in which HBEs have an impact on the local environment which can be positive or negative.

Spatial-economic data was derived from identifying and mapping businesses in Ward 68 from different sectors, in different types of housing, and with varying levels of business support. Google Maps and GIS visualisations and analysis contributed to understanding the realities of the study area. The mapping contributed in a twofold way; it firstly provided representation of local businesses in plans, which allowed for strategic support interventions to clearly identify the types of informal and SMMEs for BSI. The mapping secondly allowed businesses to represent themselves in space so as to advocate more clearly for the processes in spaces and for types of support that they would find useful. Spatially oriented data is emphasized as an important contribution towards more informed planning, monitoring, and implementation of BSI towards achieving spatial justice goals. In Chapters Five to Eight, the analysis provides insight into the unrealized potential of business support systems as a multi-purpose tool to monitor, evaluate, and have an impact on the changing landscape of Ward 68.

## **5. Chapter Five: The Spaces of Ward 68 – Findings and Spatial Analysis**

### **5.1. Introduction**

This chapter contributes to knowledge of the local economy with an outcome of visually representing the study area and businesses on GIS maps. Information and data about space was thus far not optimised for understanding BSI strategies. This case study collated knowledge about a specific township to understand how space is used in relation to BSI. Different maps show the location and zoning of the informal and SMMEs surveyed who permitted their location to be shared. An iterative process of mapping is able to depict economic and social processes spatially to examine informal and SMMEs. As argued previously, an understanding of the local economy in a more nuanced spatial way would establish better strategic goals for BSI in places like Ward 68 (refer to Section 2.4).

This chapter aims to do two things: to represent the spatial findings in the study area and to provide a spatial analysis of informal and SMMEs in the area. The conceptual framework of ideas of space, spatial justice, and land within Ward 68 are consolidated. The findings represented and analysed in this chapter are based on the primary and secondary data sources discussed in the methodology. The tools for visualisation were images and mapping, which culminated towards deepening the spatial knowledge of the urban economy. Ten maps were produced. In addition to the list of four maps in the table of contents, six more maps were produced, namely a locational map (refer to Annexure F); two maps to show the urban and natural environment (refer to Annexure G and H); and three zoning maps (refer to Annexures I–K). This level of mapping detail is the most important decision-making tool for planners.

The spatial analysis draws on urban planning methods such as local area analysis, situational analysis, and responsive environmental analysis. It aims to show the connections between spatial understanding and how urban analysis, inclusive of BSI, influences local economic development.

There are several tools that urban practitioners use for designing space. Lynch's (1960) elements of a city's physical space, namely paths, edges, districts, nodes, and landmarks were used for mapping in this case study. In addition, Bentley's (1985) manual of design principles for more responsive environments (including permeability, legibility, variety, robustness, visual appropriateness, richness, and personalisation) influenced this research because they are also applicable to re-thinking urban spaces. Planners and urban professionals are required to be accountable for the spaces of human habitation in the private and public sector and to revive the art of pre-empting land use changes to develop more diverse and dynamic spaces. The findings from the physical space of Ward 68 will be described using Lynch's (1960) five elements. The definitions of each element are as follows:

- Nodes occur where paths intersect, there are numerous paths (in terms of roads and footpaths). Therefore, there are many nodes in the study area. Hence, owing to the size of the study area and the limited availability of map data on the informal footpaths, more focus was placed on road paths and on parking spaces that hinder or facilitate HBEs. However, descriptive data from observations will be included for both footpaths and roads.
- Edges are defined as using patterns. For example, different land uses form polygons or points in space. This area had strong built and natural

demarcations around the residential suburbs. The delineations in the suburb included public and semi-public spaces.

- Paths in the study area were defined by the road network and routes.
- Landmarks are key features of an area. The example landmarks found in this study were largely public recreational spaces.
- Corridors were used to describe existing and emerging economic activities along different nodes of the study area.

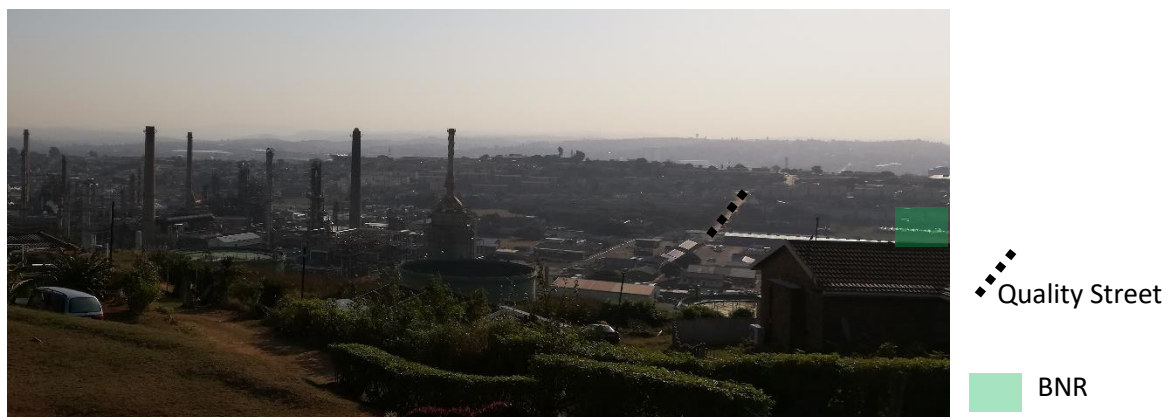
The first part of this chapter represents the spatial findings of Ward 68 using Lynch's (1960) five elements to describe each suburb. The findings from the spatial data of Ward 68 were analysed to understand the legibility of the ward area. The descriptions and maps of each suburb in the study area are followed by further analysis of how space has an impact on HBEs and how HBEs have an impact on space.

The analysis looks at social facilities, the natural environment, and land use management because economic activities affect different spaces. This is relevant to uncovering the roles for BSI in Ward 68; determining the spatial impacts of economic activities would provide information for interventions at different levels.

## **5.2. Location of the Study Area**

The study area is located on the East Coast of South Africa, in the province of KwaZulu-Natal, in the eThekweni Metropolitan Municipality (Durban). Ward 68 describes a politically constructed boundary for local level area management (refer to Annexure F for the Location Map). The boundary encompasses 6.1 square kilometres which include three suburbs, namely Merewent, Merebank East and Austerville (refer to Sections 5.2.1 to 5.2.3) for a detailed description and maps of the study area).

The ward boundary that informs this research is drawn on the Location Map (refer to Annexure F). The Location Map shows where Durban is located in the context of South Africa; where the study area is located in the context of the eThekweni Metropolitan Municipality; and where the ward area is located in the context of its adjacent wards. The study area is bordered by a coastal zone on the eastern boundary of Ward 68 which has a steep, sloping, coastal dune forest, whereas the western boundary aligns to the M4 freeway. The M4 is a Metropolitan route that intersects to the north of the ward boundary with a busy main route called “Quality Street”. South of, and partially within the ward boundary, there is the uMlazi river and canal which leads into the Indian Ocean. The study area has entrances and exits from four directions, namely two exists from the freeway and two entrances from the neighbouring Ward 66, from Tara Road or from Marine Drive.



**Figure 17: Photograph of Quality Street and the southern buffer of the Bluff Nature Reserve (BNR) (Author, 2018)**



■ ■ ■  
Basil February Road  
(Duranta Road)  
=====  
M4 (Southern freeway)

**Figure 18: Photograph of Basil February Road (previously Duranta Road) and adjacent industrial development in Clairwood (edited, Dealcore, 2019)**

The description of the routes in-and-out of the area was explained in detail because the use of infrastructural barriers, implemented in apartheid, continue to divide space in a way that prevents integration of physical places. Under apartheid, Merebank East and Merewent were predominantly inhabited by indians, and Austerville which was commonly called Wentworth or Wenties, was predominantly inhabited by coloureds. The photographs depict the conservation space and road that separated different racial groups between the wards (refer to Figure 17 and between neighbourhoods in the ward (refer to Figure 18).

### **5.2.1. Background: Ward 68 in profile**

The South Durban Basin (SDB) is an example of how apartheid planning created socially unjust spaces and environmental racism. The population groups living in Ward 68 were typically those who had no other options but to work and live in environmentally unsafe conditions. The suburbs in the ward area can be defined as

“townships”,<sup>24</sup> which were areas designated to the black<sup>25</sup> population under the 1950s Group Areas Act. In addition, the planning and design of the SDB perpetuated the injustices of land use because of the limitations of the built typology, restricted land use system, and its dated regulatory frameworks. Therefore, consideration of the spatial elements of Ward 68 for BSI initiatives is necessary to optimise the services, facilities, and amenities that may enable more inclusive and socially just spaces.

When the ward area is viewed in isolation from its surroundings, the study area looks as though it is a residential suburb. However, the area has a complex mix of land uses, which includes residential units adjacent to large-scale industry. Merebank East in particular, directly borders the city’s proposed back of port development. The suburbs are all next to an oil refinery, while Austerville borders the Jacobs industrial zone and the Mondi Paper Mill neighbours Merewent and Merebank East. In addition, at the time of the study, the construction of a logistics park was being developed in what was previously the Clairwood Racecourse which also neighbours Ward 68 (refer to Figures 17 and 18 above).

A legacy of entrenched spatial fragmentation and segregation inform eThekweni’s spatial dynamics (Scholz et al., 2013; 2015; Robinson, 2014). According to the 2016

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<sup>24</sup> A reminder that “Township” as referred corresponds to the following definition of the SLF: “*Commonly refers to low-income urban suburbs with little or no formal economic developments. Specifically, the term refers to residential areas that during apartheid were reserved for non-whites (Africans, Coloureds and Indians) who lived near or worked in areas that were designated ‘white only’.* Townships are usually situated on the margins of urban settlements,” (Charman et al, 2017: 7). This statement infers the official categories of race during apartheid, which were: “White”, “Coloured”, “Indian” and “Black”.

<sup>25</sup> Lund and Skinner (2005) acknowledged that the non-white groups were commonly referred to as black, but stated that the distinction had to be made as Apartheid government had differently imposed legislation on and resource allocation to four groups. The study found that residents chose to self-identify into those four groups and to “use terminology such as ‘our people’ in describing a race-based sense of space”. Therefore, the racial distinctions were still relevant to the research.

Community Survey and census data for 2011, the demographic profile of this ward has barely shifted, and it was noted that there was a large working-age population and a high unemployment rate in the ward, the statistics are outlined in Table 6 below.

**Table 6: Ward statistics and data**

**Population statistics and data**

Population:		39 355
Population female:		52%
Population male:		48%
Population groups:	Black African	13%,
	Coloured	52%
	Indian	32%
	Other	3%
Population Aged 18 to 64 years old:		64%
Households which were informal dwellings (shacks):		0.9%
Average annual household income:		R57300.00
Employed:		38.4%

Numerous home-based businesses were observed in this area. The study area is influenced by political and geographic boundaries that determine urban management practices for the area, the case study includes both the space of the study area and the spatial processes of HBEs.

**5.2.2. Austerville**

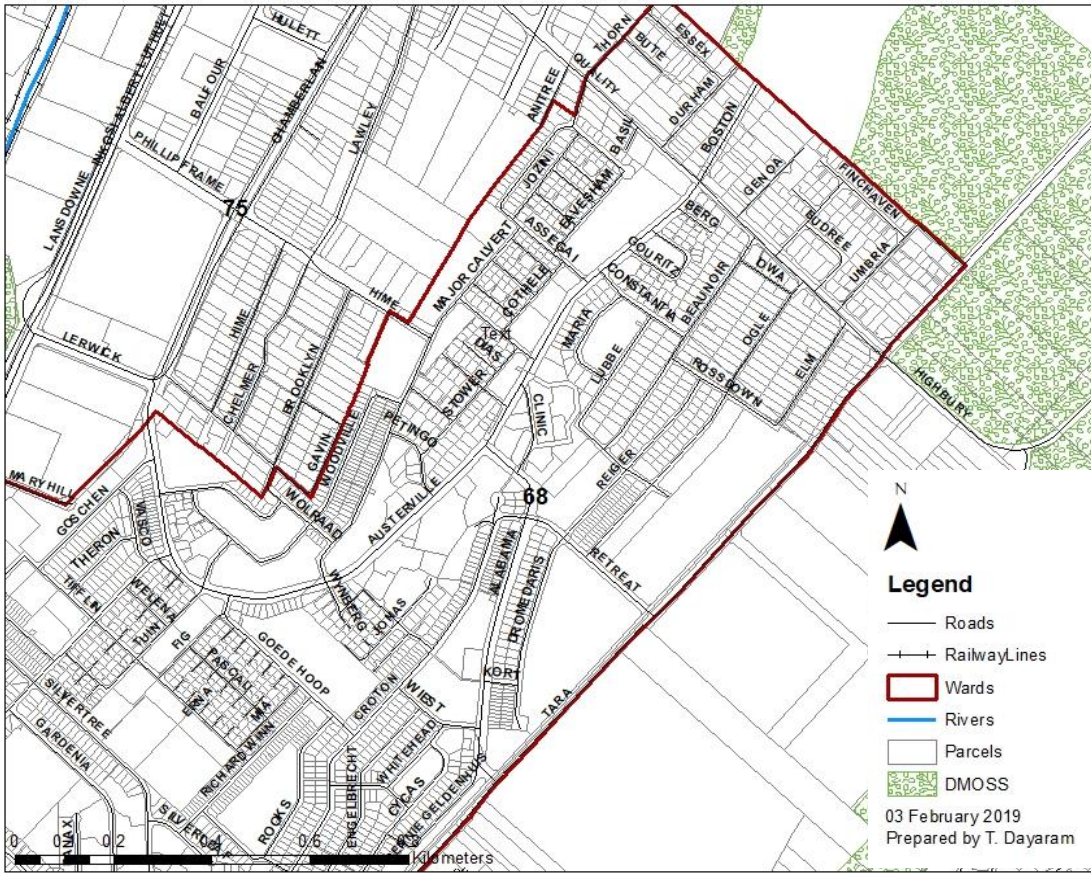
Austerville is a rectangular-shaped area west of the coastline and the largest suburb of Ward 68. Figure 19 shows overlays of the road network, parcels of land within the ward boundary, and the Durban Municipal Open Space System (DMOSS – noting that

DMOSS does not refer to the parks or playgrounds). Based on Figure 19 and on Annexure H: the urban features map, the area is described as follows:

- The road network consists of a grid-like structure with a system of branched hierarchal road networks that branch out of edges of the suburb (CSIR, 2000: 5).
- The Engen Refinery and road routes, namely Basil February Road, Quality Street and Tara Road) created a strong urban edge in that it separated Austerville from neighbouring suburbs in the ward.
- In this suburb, the green spaces were sports fields and parks with playgrounds for children. Adjacent to the suburb, in Ward 68, the Bluff Nature Reserve is adjacent to the site. Considering the heavy industry in the area, green spaces like DMOSS are important parts of the human habitat because they act as “green lungs”<sup>26</sup> in urban spaces, and they are designed to be inclusive of pedestrian movement systems.
- The public facilities, namely those described as nodes on Austerville road, have become landmarks. Additionally, the visibility and size of the public sports field also defines it as a landmark in the area.
- The nodes along Austerville Road form a corridor of economic and social activities due to the community hall, places of worship, and shopping facilities.

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<sup>26</sup> “green lung” refers to parks, reserves, or other green open spaces because they produce oxygen for the urban environment



**Figure 19: Map of Austerville, Ward 68**

The design of housing units and flats has direct and indirect impacts on how spaces are used. These impacts can be described differently depending on the scale, which is discussed, for example at household or neighbourhood level versus regional level. The survey data from this area included 56 businesses, the majority of the enterprises surveyed was based in Austerville (more details are available in Section 4.3). In the case of higher density properties, there were many sites in Austerville with limited capacity for parking and for the movement of vehicles. The challenge for businesses and residents is the increasing congestion and disturbances for neighbours.



**Figure 20: An example of HBE typology and layout in Austerville (Image created by author using aerial view from Google Maps, 2019)**

The way in which Austerville was designed influences how businesses operate in the area. There are both positive and negative consequences for economic activities in the management space. It was often easier to identify businesses from observation when they had signage or operated from informal structures on residential properties. Different typologies of residential units such as semi-detached units, free-standing units, and council flats are in this area (refer to Figure 20). Informal and SMMEs as well as the HBEs occupied specific types of built form.

### 5.2.3. Merebank East

This suburb is the “right angle” of the L-shaped ward area. Figure 21 is a map that shows the overlays of the road network, parcels of land in the ward boundary, and the Durban Municipal Open Space System. Based on Figure 21 and on the urban features map, the area is described as follows:

- Merebank East has a looped hierarchal road network (CSIR, 2000: 5). There are three entrances and exits into the suburb. These are from Basil February, off Krishna Rabilal Road and Travencore Drive adjacent to Mondi (refer to Figure 21).
- Edges separate this suburb from surrounding areas, these edges are infrastructural elements, namely a railway line between Mondi and Merewent that curves around the cadastral parcels and Basil February Road which is an edge between Merebank East and Austerville. Basil February Road is a wide, busy route with heavy and light motor vehicle traffic
- Designated footpaths and parking were well-located in the suburb in terms of access to the mall as well as wider sidewalks for parking (refer to Figure 22). It is noted that people have created new routes by jaywalking across Basil February Road and by creating footpaths through parks for more pedestrian access between suburbs.
- A landmark in the area is the mall. The mall consists of three rectangular buildings with residential units above the shops.
- The area between two of the mall buildings contains a marketplace where traders sell fresh fruit and vegetables, food, and other trading items. This area is part of a node of economic activity and social facilities.



businesses in this area were easier to identify from observation because they had signage on the boundary or house walls. An example of an inconsistency from looking at how land uses are zoned compared to what inhabitants are doing on the site, was a business that looked as though it was located in a government and municipal zone but it was a trader who lived in the area (refer to Annexure J of the zoning map).



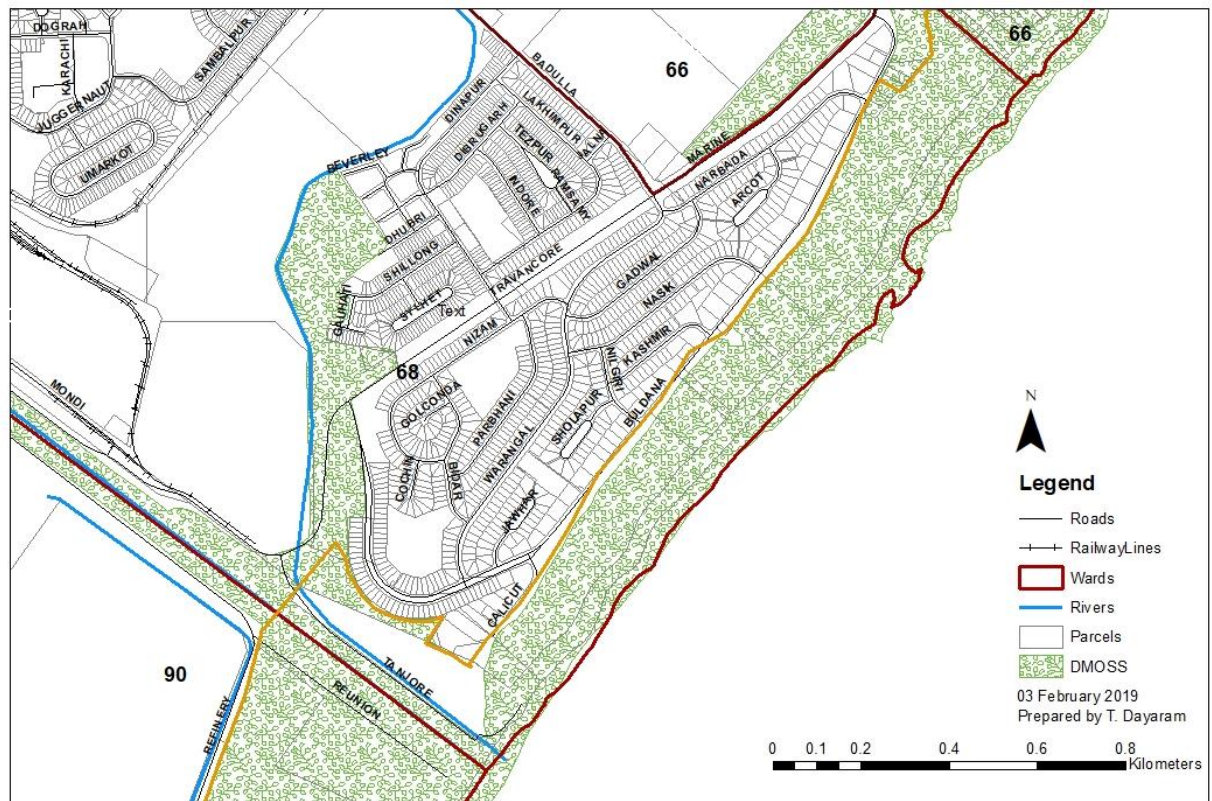
**Figure 22: Google Map images showing social facilities in Merebank East (Image created by author using aerial view from Google Maps, 2017)**

This suburb did not have DMOSS, the parks and fields were open spaces that created a buffer between the residential zones and the Mondi industrial site. The DMOSS area visible at the top of Figure 21 has changed from the Clairwood Racecourse to a logistics park. The zoning map shows the diverse land uses within a boundary of infrastructural edges, which is indicative of the challenges of integrating physical space across the suburbs.

#### **5.2.4. Merewent**

Merewent is relatively smaller when compared to the size and density of other suburbs in Ward 68. Based on the map of Merewent (Figure 23) and on the map showing the urban features of the ward area (Annexure H: urban features map), this area is described as follows:

- Merewent has a looped hierarchic road network (CSIR, 2000: 5).
- The edges of this suburb include coastal dune forest, canal, and an Engen refinery (refer to Figure 23).
- Protected conservation land shown by DMOSS surround the suburb, however, footpaths were created by informal dwellers to access the settlements and by fishermen to access the beach. Figure 23 and the zoning map omits the two established informal settlements located on the coastal dune. The images of this suburb also show land uses encompassed by a boundary of infrastructural and environmental edges that divide physical space between the suburbs.
- The landmarks of this area are the DMOSS (coast and canal), Mosque on Badulla Road, and Mondri Merebank.
- Examples of formal economic corridors, which provide small shops and services, are on Nasik Road, on Warangal Road and at the corner of Dubri Road and Dinapur Road (refer to Figure 24).



**Figure 23: Map of Merewent, Ward 68**

There are mixed housing typologies in Merewent; the smaller cadastral parcels, including semi-detached units and council flats, are located in the valley and larger free-standing cadastral parcels are on the ridge overlooking the Indian Ocean. HBEs in this area were much less visually accessible, however, they are well-known in the area. Further observations and discussions with residents revealed that they were prominent in the area. For example, during initial scoping of the area, six HBEs were identified within 250m in one street.



**Figure 24: Street view of Merewent (Google Maps, 2019)**

### **5.3. Social and Spatial Analysis of Ward 68**

The built environment of Ward 68 includes social facilities and services; these are physically defining features of the design of the suburbs that form nodal points for economic activities. The types of social facilities that characterise the area include schools, churches, community halls, swimming pools, backpackers, and medical clinics, the map of urban features is listed in Table below (also refer to Annexure H). Inhabitants access goods and services in the areas which are located in and around the social infrastructure of Ward 68. The findings represent the social facilities in the area and the analysis looks at the social environment, including the influence of social facilities on economic activities.

**Table 7: Counting the community facilities in Ward 68**

<b>Main community facilities located in the ward</b>	<b>Number of facilities</b>	<b>Suburbs in which facilities are located</b>
Library	2	Merebank East and Austerville
Education / Schools	15	Merebank East, Merewent, and Austerville
Places of Worship	33	Merebank East, Merewent, and Austerville
Police stations	1	Austerville
Hospital	0	Noting that there is one adjacent to Austerville and that there are clinics in the ward area

<b>Main community facilities located in the ward</b>	<b>Number of facilities</b>	<b>Suburbs in which facilities are located</b>
Fire Station	0	Noting that the closest stations are in Jacobs and in Moberi
Park	15	Merebank East, Merewent, and Austerville (excluding DMOSS)
Sporting facility (pool, field, etc.)	6	4 fields in Merebank East, Merewent, and Austerville, 2 pools in Merebank East and Austerville

Retail such as supermarkets and clothing stores, are the main formal economic nodes of Ward 68 and they are located near the social infrastructure (refer to Annexure H which shows the urban features of Ward 68). The map shows that the classification of social infrastructure refers to structures such as community halls or worship sites with churches, mosques, etc. Formal workplaces in the area were largely in schools, libraries, places of worship, adjacent industries, and in local retail shops. For example, in Merebank East the social facilities were near the mall, in Merewent there were shops near sports fields, and in Austerville the library and sports fields were also close to petrol stations and to the shops.

The structure of these suburban nodes, observably, did not accommodate the pedestrian and vehicular traffic at the nodes. Numerous informal businesses were present in areas designed for formal economic activity. Hence, it can be inferred that the spaces designated for businesses are well-located for economic activity (refer to Figure 26). However, there is either not enough capacity for formal jobs in the area or there are not enough types of goods and services which are demanded in the area.

Another type of social facility in the study area is open spaces. Some open spaces allowed more permeability into different areas in the suburbs (e.g. parks) which were

near libraries, places of worship, and the economic nodes, whereas other types of open space reduced permeability and created edges in the suburb (e.g. pavements/sidewalks and fenced public pools). Permeability is an important factor of the urban layout because it makes a space more accessible; it defines clear paths to maintain privacy between public and private spaces; and it increases the safety of an area by having more social surveillance. In delivering BSI, the connections in a community and the network created for demand and supply outside the boundaries of urban management, rely on permeability.

For the purposes of this study, 100 businesses were surveyed to uncover the diversity of informal businesses in the area and to discover the impacts that from BSI (if there were any). BSI was not strongly identified by the businesses surveyed since 76 did not know about the services, therefore the data provided information that would contribute to better understanding economic activities in space in order to explore for roles that BSI could play. The distribution of the surveyed businesses infers the increasing informality in the study area. Many business owners were operating their informal businesses openly from their homes. Whereas the definitions of informality in the literature often link informal enterprise to illegality, the findings of the study area do not clearly indicate concerns for rights violations. The exception to business-as-usual depends on what residents' report as nuisances, that is, public disturbances which are based on complaints. This is a measure of which enterprises are tolerated in the neighbourhood. However, without a more comprehensive understanding of the social impact of the increasing land use changes, individual complaints against some uses may deepen injustices at neighbourhood level. The current zoning tends to

maintain the status quo of the township as purely residential; this may perpetuate exclusion and segregation in space at local level.

There are opportunities for the revitalisation of the spaces in Ward 68 to overcome the low permeability between suburbs and to boost local business growth. Considering the environmental racism and subsequent poor quality of the urban environment, any intervention to develop the area should be strategic and should accommodate economic prosperity at different scales. Robustness in the market, social spaces, and underutilized open space has the potential to contribute to improving the local economy. In collaboration with urban planning and management, the information that is available from BSI could build knowledge to influence the types of development in Ward 68. This spatial and economic information builds understanding and evidence to support processes which may shift towards collaborative development, and which may address spatial injustice in the area. The built form does have an impact and it determines the ways in which people are able to interact. Both built form and the natural environment contribute to the quality of the human habitat, and both can be used to influence the social and economic processes which occur in space.

#### **5.4. Spatial Analysis of the Natural Environment of Ward 68**

The focus on incorporating the natural environment into a spatial analysis is to address how the design and form of space affects the choices available in a community. Natural features of a landscape influence the built environment. For example, the topography, vegetation, and flood lines have an impact on the design of an area. The landscape of Ward 68 and adjacent areas include water bodies, open space systems, parks, roads, cadastral parcels, informal settlements, and varied topography. In SA, these features were incorporated as buffer zones between different racial groups during apartheid

segregation planning. These routes, rivers, and open space systems remain clearly observable and to a large extent, they continue to create buffers between areas and among people living in these spaces.

Under apartheid planning, unjust spaces were produced by using built and natural features to create spaces of separation and contention. The South Durban Basin (SDB) in which this study is located, was one of those spaces. Constructed apartheid buffer zones like the Bluff Nature Reserve and roads between previously segregated suburbs are arguably spaces of contention. Nature reserves are an important part of the urban environment. However, in a place like Ward 68, the use of the reserves as buffer zones is visible in the division of Austerville, a previously designated “coloured” suburb and from the Bluff, a previously designated “white” suburb. The other major contestation is between residents in the SDB and the industrial emissions, trucking, and degradation of spaces due to industrial activity between neighbouring suburbs. Hence, to be more inclusive, the city and other stakeholders who aim to implement interventions, are required to develop knowledge about material spaces. Moreover, they should ensure that there is clear communication and information for communities to engage with, to better represent space, and to develop BSI. Hence the necessity to spatially analyse the natural environment in relation to its significance for both economic development and urban management.

DMOSS defines the nature spaces in the study area, which includes beaches adjacent to the ward and public open spaces such as parks and sports fields. Ideas and businesses which enhance responses to educate and protect the environment and people could transform spaces and should be incentivized. There is potential for eco-

tourism, sport, and spaces for developing the mitigation of the pollutive activities that already exist in order to have a positive impact on an area like Ward 68. Yet, the interventions and initiatives for urban renewal are not included in development plans.

The access and opportunities for land use in the city for local businesses are as impactful as developing ports. Both types of development contribute towards spatial justice goals in different ways. Hence, strategic BSI that could offer services to provide interventions for businesses that are contributing to the well-being of the area and BSI could contribute to advocacy by building context-specific knowledge of economic investment opportunities to develop Ward 68. SPLUMA (2013) guides spatial and economic policy, it aims to address injustice and transformation of space with collaborative interventions (Charman, et al., 2017). BSI has potential to be applied as a tool for collaborative approaches towards systemic change by using greener technologies and improved spatial designs of space.

### **5.5. Investigation of the Spatial Elements Impacting Informal and SMMEs in Ward 68**

The broad opportunities for and limitations of economic activities in Ward 68 will be reviewed before looking at the detailed outcomes of surveys and interviews of BSI in Ward 68 in Chapter Six.

Spatial patterns identified in maps looked at the opportunities and constraints of the layout and zoning of Ward 68. The conceptualized space, i.e. the local spatial plan, is enforced by a zoning scheme whereby the rules for managing the land use according to its land use zone are intended to create order. What worked and did not work in the layout of the area provided markers for understanding the quality of the urban

environment. Further analysis of the urban environment, with a focus on HBEs and on potential areas of support intervention, used elements which inform responsive environments<sup>27</sup> and guidelines on place-making to review the layout of Ward 68 (Bentley, 1985; Behrens and Watson, 1996).

### **5.5.1. Land use management of HBEs**

The zoning map indicates that businesses do not conform to designated zones of the city. The businesses surveyed were spatially referenced and were then overlaid onto eThekweni Municipality's zoning layer in GIS (refer to Annexures H–J for the zoning maps). The findings from the zoning map and the maps of the urban features aligned to the observations made on site visits. Hence, how people reshape areas to enable their social and economic needs affects space and decisions for overall appropriate uses of space; this requires increased collaborative re-design and decision-making.

The suburbs contain similar urban features, the main use of land in Ward 68 can be defined according to four categories: recreational, residential, educational, and conservational. The aim of this section is to describe the various land uses of the study area, specifically those identified on the zoning maps.

- Recreational spaces are here defined as places that people use to socialise and for entertainment; these are the sports fields and pools in the suburb. The activities regarding the use of commercial establishments, particularly shopping and places of worship for events, may also be considered recreational. There are a number of parks that are accessible to the neighbourhood via the pedestrian and transport routes, but these are largely not used as intended.

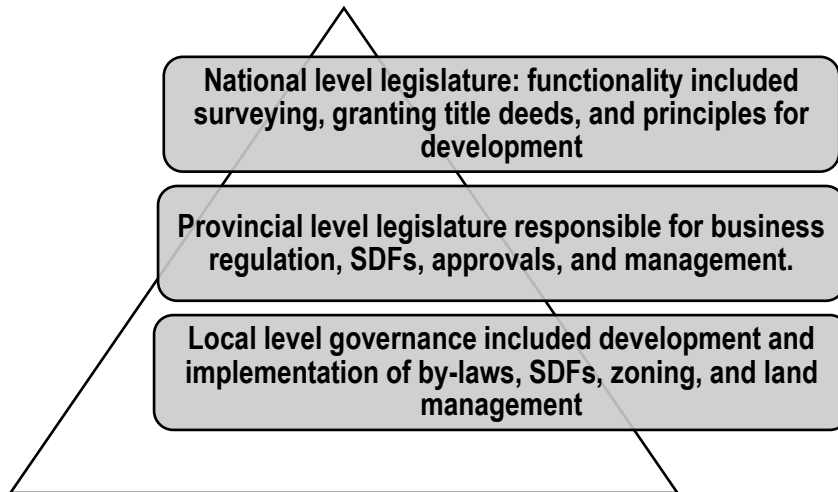
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<sup>27</sup> Permeability, legibility, variety, robustness, visual appropriateness, richness, personalisation.

- There are many green spaces, consisting of the public open space and the Durban Metropolitan Open Space System (DMOSS), but these spaces are underutilised. The industry, pollution, and legibility of the area contribute towards unattractive aesthetics of the area.
- There are many types of residential zones in Ward 68. From observations, the typologies consist of free-standing housing, duplexes, flats, and mixed-use sites.
- Education zones are primary and secondary schools.

It is emphasised that noxious industrial zones, light industrial zones, and more commercial activities such as logistics, are land uses directly adjacent to the ward. The land uses mentioned above are based on the collected observations of the site and they describe the variety which the area offers. The comprehensive list of the land uses is classified in the zoning maps which can be obtained from the eThekweni Municipal database because these maps can provide more detail on specific classifications per site.

Land management across tiers of government influences informal and SMMEs because space is influenced by legislation, refer to Figure 25 of the simplified diagram of governance roles in land use management. At municipal level, by-laws are in place to enforce rights while SDFs, zoning, and oversight are functions of the municipality. Individual applications for special consent or changes to zoning is a short-term strategy that affects a neighbourhood when many individuals start to alter their premises with regard to informality, these changes are not recognised if they are not reported.



(Summarised from the SLF, Charman et al., 2017: 21)

**Figure 25: Governance roles for land use management**

The findings showed that, for various reasons, many business owners would not choose to rezone their properties, a survey participant stated that:

eThekwini wants me to rezone, sent in a request to say I don't want to. They want you to have a drive through parking. I don't have the space for that. (Survey participant 11).

(Refer to Chapter 6 for more details about the challenges that HBEs experience with regulatory compliance).

Changes in land uses influence urban management systems and BSI has potential to contribute as a tool for improving the quality and livelihoods of residents. Business Support Interventions are unique in that they are designed to improve, monitor, and evaluate SMMEs. Hence, growth of informal businesses in residential areas can be monitored and addressed more holistically.

Spatial data about informal and SMMEs in residential zones would better contribute to empowering communities and business, not only for state actions but with the capacity

to mobilise and to inform their spaces or to make better use of locally available goods and services.

### **5.5.2. Reviewing the adaptability of public and private spaces**

A focus on the spatial structure and design elements of an area reveals the inequities and injustices, which were not accidental, but systematically designed to prohibit and control access to space during apartheid – many of which stubbornly remain today. However, the same principles have the ability to shift the paradigm and to transform space. The production of space is an ongoing process as inhabitants change how they operate in space. For example, HBEs and cities are implementing development plans such as the plans for a new Port. Maps and mapping observations provide data to visualise movement behaviour in the study area. The maps that show the urban features of the study area contain detailed views of the road network (referring to section 5.2.2 to 5.2.4), whereas the zoning maps of Ward 68 show the businesses surveyed and their neighbouring land uses (refer to Annexures H–J).

The principles of design that apply to understanding adaptability are permeability, variety, legibility, and personalization (Bentley, 1985). These are necessary for development, both formal and informal, because development changes how people interact and move through space. The plans to redesign space affect economic activities differently at different scales. The design principles helped to understand the shifts already occurring in Ward 68 and the potential for the transformation of spaces. This is an important component in understanding the role that BSI could adopt to address issues of injustice against informal businesses in Ward 68. There were three main areas for exploring the adaptability of suburbs in the study area for business activities, namely open space, accessibility, and economic opportunities. These focal

points have significance in developing infrastructure for both economic development and for urban management.

There are numerous infrastructure requirements for lighting, surfaces, and considerations for safety which factor into the production of accessible space. eThekweni Municipality and linked companies such as Eskom are the public service providers to the community who plan access to different spaces. The suburbs met the technical specifications for urban planning and management: At the time of the research, the road network had storm water drains, there was electricity in the area, sanitation was waterborne, and DSW provided refuse removal. However, the conceptualised plan and infrastructure for “access to dwellings” did not take into account that homeowners were using their properties as business premises at the time of this study.

Technically, accessibility refers to the routes that create different ways to move through space, whereas the action of creating access in urban planning was defined as a road network with prioritisation of facilitating pedestrian and public transport movements to integrate movement systems (Behrens and Watson, 1996). The Red Book states that:

Access to dwelling units should be provided for in such a way that adequate sight distances and a smooth entry are provided, but the access ways should at the same time keep stormwater on the street from running into adjacent properties. At pedestrian crossings special sloped openings in the kerbs should be provided to accommodate the handicapped and hand-pushed carts (CSIR, 2000: p32).

There were distinctly different road networks in the suburbs of Ward 68. The streets in Merebank East and in Austerville have higher levels of traffic due to concentrations of recreational and economic activities. It was observed that the location of economic and social facilities was areas which were prone to congestion due to car traffic, where the capacity for movement was limited by the number of parking spaces. Traffic circulation is determined by the road network and by activities in the area that generate push and pull factors into the area.

Strategies of people using their homes to optimise their resources by starting businesses started creating changes in the neighbourhood. Visual and contextual clues in the urban spaces to find HBEs were limited to signage or to social networking. Online marketing and advertising via WhatsApp and Facebook groups were accessed in 2019. Retail or trucking businesses observably cause more traffic when people visit or park vehicles in public spaces, whereas more technical professional services or driving schools do not shift the dynamics in a residential area in any obvious way:

The street is the fundamental 'city' element, the building block of cities . . . From commercial exchange, arranged entertainment, accidental meeting, to people watching, the use of streets for social interaction and the importance of streets in creating a vital community (Routledge, undated).

In terms of safety, weak integration of movement systems means environments of poorer quality. For example, informal paths across the main roads, which school children frequently use to get to public transport, create traffic and safety issues for the area. There is a mix of pedestrian and vehicle routes in the study area, but the road infrastructure is not pedestrian-focused as many streets have narrow pavements,

in some cases the dwellings do not have parking spaces and some of the road reserve is used for parking.

The way in which infrastructure and amenities are arranged has an impact on BSI. At the time of the study, public spaces functioned as meeting points or spaces of access to businesses in terms of networks and open spaces. One BSI participant explained that

to meet with me as a coach, we couldn't meet at their homes, because invariably if it was inside their house there were complications, it was not convenient so we would meet in a café or public place (KII Participant: eThekwini Private sector, 19.09.2018).

The location and assessment of spatial injustice using “analytical cartography” are significant because these activities provide for layering different information onto space and for the visualisation of issues in space. An investigation of changes in land use requires exploring both static and dynamic geographies of an area (Murayama and Thapa, 2011). At different scales, the aggregate and non-aggregate data have an impact on the urban environment in different ways. This study focused on a local area analysis. However, it is noted that, when looking at the area from different perspectives, for example from a national perspective, the concepts and principles used to record the observations and descriptions were concepts that would have alternate meaning on a larger scale. For example, on a metropolitan scale, the edges and nodes at local level would be less noticeable and described from the perspective of larger boundaries and economic centres.

The association between the location of businesses and Business Support Interventions (BSI) was determined by the factors of physical, conceptual, and people's experience of space. The methods used for a survey, observations, and interviews can be adjusted and transferred to acquire more knowledge about Ward 68 or to extend the knowledge to other areas to increase data points for context-specific knowledge of different areas. Strategic BSI can be a tool to address many socio-economic challenges faced by townships. In Ward 68, design-related support for HBEs could be addressed by assessing routes, lighting, and signage to provide for the safety of the community and to contribute to more effective solutions for HBEs to operate from residential spaces without causing disturbances. The monitoring and oversight that urban planning can provide would also offer a mechanism for assessment and controls where business sectors are not contributing to the sustainable development of the community.

The land-use and scale of development appropriate to large industrial sites contrast with the adjacent residential neighbourhoods in the following ways: consistent problems with pollution, poor pedestrian paths in the suburb, and challenges with vehicle traffic and congestion. This contributed to a lower quality of the urban environment for residents, with further reduction of the green space from the development of the logistics park which replaced the Clairwood Racecourse. Considering the shifting uses of space in the SDB, the approach to address emerging informal business in the residential areas of Ward 68 requires attention.

### **5.5.3. Re-thinking spaces of economic activity: home-based, informal, and SMMEs**

Business Support Interventions (BSI) aim to assist diverse businesses for the purpose of economic growth and job creation. These businesses are located in different spatial contexts. The city policy and programmes indicate more than just tolerance with a vision to improve the quality of urban environments and to help informal enterprises in the city. Hence, there are practical land use and urban management concerns emerging for urban planning in order to establish appropriate plans in townships (refer to Section 3.4). BSI are unique and although they are not a direct planning intervention, they have the connection and access to the local economy which provides important data for informing spatial practices at ward or suburb level. The stakeholders involved in this process include the community, non-profit organisations, businesses (both formal and informal) as well as different levels of government which contribute to the re-thinking of space. This section aims to show how spatial logic informs such thinking.

The city has established plans which are inclusive and flexible to address the issues of informality. This offers an alternative approach to working with informal workers in the form of transforming business from informal to formal (eThekweni Municipality, 2001). This process is contentious in the context of residential areas because of the red tape, perceived expenses, and lack of buy-in from all stakeholders. These kinds of conflict of interest are explored further in Chapters Six and Seven to understand the responses of key informants and those that appeared in the survey data. There are trust issues between government and communities which were indicated in the responses received from both interviews and surveys. Government interventions to

support businesses contribute to policy and plans for local areas. They encourage local economic development, but state actions are only part of the puzzle of transformation.

The study found that BSI practitioners are uncertain about how to access different sectors of HBEs in township spaces (KII Participant: eThekweni NGO, 13.11.2018). The city's local spatial plans need to incorporate more diverse economic activities so that there can be proactive "cross-pollination" of regenerative plans between planning strategy and economic development which uses business development support. It should also inform private and community-based strategies for BSI. More participation facilitates transformation towards spatial justice goals. The reach and connectivity to businesses for BSI in the community is low due to the lack of spatial awareness of different economic activities in space.

A complaint-based approach about individuals who disturb a neighbourhood due to business activity, is one mechanism that is used to mitigate the negative impact of informal businesses. However, this approach to neighbourhood "nuisances", obscures the broader impact of economic opportunities in the area. Another failing is that whereas an HBE may close-down, or experience penalties based on complaints, there are limitations in addressing the same actions for larger-scale industry.

Collaborative approaches to spatial change must include the interlinkages of spatial elements that produce systems and processes. The issues of segregation in the ward due to spatial configurations were discussed earlier in this chapter. Similarly, challenges are presented in the legibility of space in Ward 68 for social and economic

activities. Urban planners play a role in creating the infrastructure and layout of the city to enable more inclusive, participatory approaches that are advocated by city planning. Behrens and Watson's (1996) place-making principles acknowledged the collaborative and individual actions that take place over time to create a place as opposed to layout design as an end-product of planning. There are multiple role players who collaborate in space and provide services such as BSI; these role players would benefit from contextual spatial knowledge.

## **5.6. Conclusions**

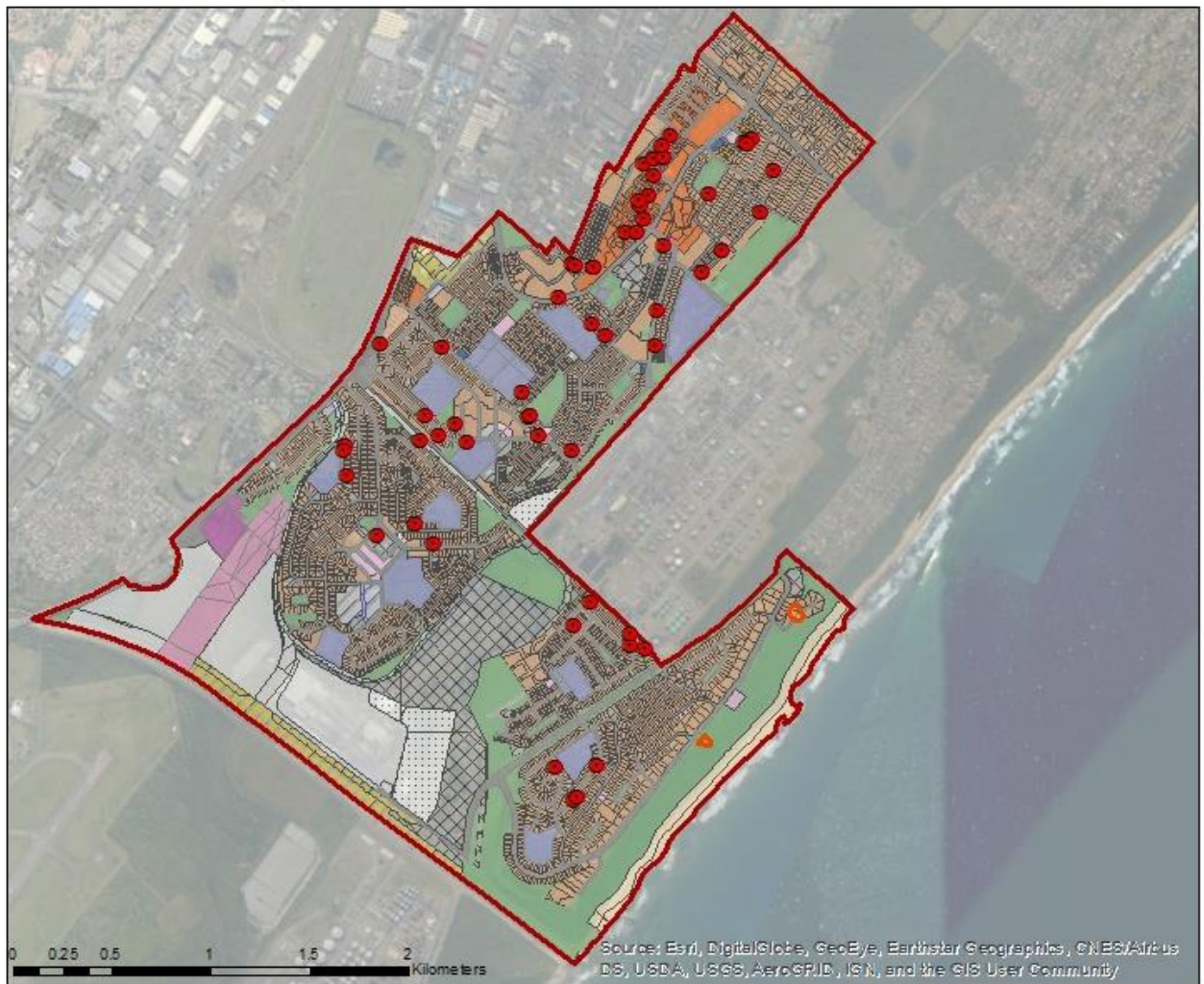
Representations of the spaces of Ward 68 have shown the complex dynamics of the area, which has strong physical boundaries and zoning restrictions, that would inhibit economic activity. The concerns and challenges resulting from the impact of business, both spatially and in terms of meeting demand and supply, require more focused assessment. There is a disjuncture between the representation of spaces versus experienced spaces in this area.

Collaborative planning for urban renewal and management is a missing element in the process of supporting HBEs. In general, informal and SMME businesses, which were home-based, required changes in land use or special consent in order to operate legally or within zoning regulations, this will be further explored in Chapter 6. However, continuing to enforce land use management via the zoning and bylaws is not consistent with goals for spatial justice. Deeper analysis and thought are required to challenge current practices, for example, to advocate inclusion, new housing options, and to integrate suburbs. The capacity and structure of the area to accommodate economic activity require more research. More strategic BSI could play a role in ensuring that economic developments in suburbs are monitored and thriving.

Priorities for BSI in Ward 68 would be less about constructing support around existing infrastructure; they should focus more on enabling skills development and/or job creation which focuses on greening, reducing pollution, and providing services to the community that would benefit the neighbourhood. Currently, the ambiguous nature of the informal economy in local spaces does not allow for strategic interventions. However, this indicates that a wealth of spatial knowledge is available for further research.

The survey data will show that the HBEs were largely service-based, and the maps show that the location of businesses is spatially random (refer to Figure 26). Investment into structural and regulatory changes would require that all economic activities be identified and that local spatial plans contribute to a more robust IDP process which would better inform BSI. In Chapter Six the analysis and findings of the informal and SMMEs, which were surveyed, look at the potential of Ward 68 to accommodate more appropriate land-use changes for business, commercial expansion, or growth.

# Aerial photograph showing an overview of zoning and surveyed businesses in Ward 68, eThekweni



## Legend

●	Surveyed businesses	□	General Industrial	□	New Street
□	Ward 68	□	General Residential 2	▨	Noxious Industrial
□	Informal settlements	□	General Residential 3	▨	Place of Worship
<b>Zoning in Ward 68</b>		□	General Shopping	□	Public Open Space
<b>Zones</b>		▨	Government and Municipal	□	Special Residential 180
□	Airport	□	Residential	□	Special Residential 400
□	Beach	▨	Institutional 1	□	Special Residential 650
□	Cemetery	▨	Institutional 2	□	Special Residential 900
□	Creche	▨	Institutional 3	□	Special Shopping
□	Educational 1	▨	Light Industrial	□	Special Zone
□	Existing Street	□	Maisonette 650	□	Transport Zone
		□	Minor Shopping		



11 August 2019

Prepared by T. Dayaram

Figure 26: Aerial photograph overlaid with zoning and surveyed businesses

## **6. Chapter Six: Analysis and Findings of Home-Based SMMEs and Informal Businesses in Ward 68**

### **6.1. Introduction**

How stakeholders strategically plan interventions and interact to develop BSI, directly determine the effectiveness of BSI as a mechanism for enabling spatial justice. If Business Support Interventions (BSI) are to play a role in promoting spatial justice, then different stakeholders in government, private sector, NGOs, and the community would need to ensure that interventions towards enabling businesses development are responsive to local needs and to spatial contexts. A useful tool for considering how local contexts influence BSI frameworks are case studies such as this one. Case studies, as argued previously in this dissertation (refer to Chapter Four), provide a framework of indicators to map and analyse local dynamics within these broader policy objectives to support informal and SMMEs.

This chapter outlines the findings from the survey of enterprises in the ward, mainly HBEs. It explores the type of BSI which those businesses received, and the challenges and benefits of BSI at local level as perceived by the business owners. In addition to the survey, the key informant interviews provide data from the perspective of ECD business owners and from BSI practitioners. Based on the diverse perspectives from the data collected, this chapter responds to the following research questions: How do residential business owners perceive business support interventions, in terms of what challenges and/or benefits do they identify with support models? Do planning regulations play a role in how people make choices for informal and SMMEs? How did regulations shape the local economy?

If spatial justice is envisioned, it is critical to recognise the context of local spaces and how they have been shaped by apartheid planning and by contemporary forms of inequality for decision-making towards inclusive urban policies and plans. Context-specific conditions directly impact on the implementation of both BSI and urban planning objectives. Although local level structures and social relations can be hard to predict and write into broad national policy on business support mechanisms, moving towards more just policies and plans requires that decision-making processes become more inclusive in planning for local development contexts (SACN, 2015; SPLUMA, 2013). Locally designed public and private BSIs are, potentially, in the best position to address these micro-level contexts in the urban fabric.

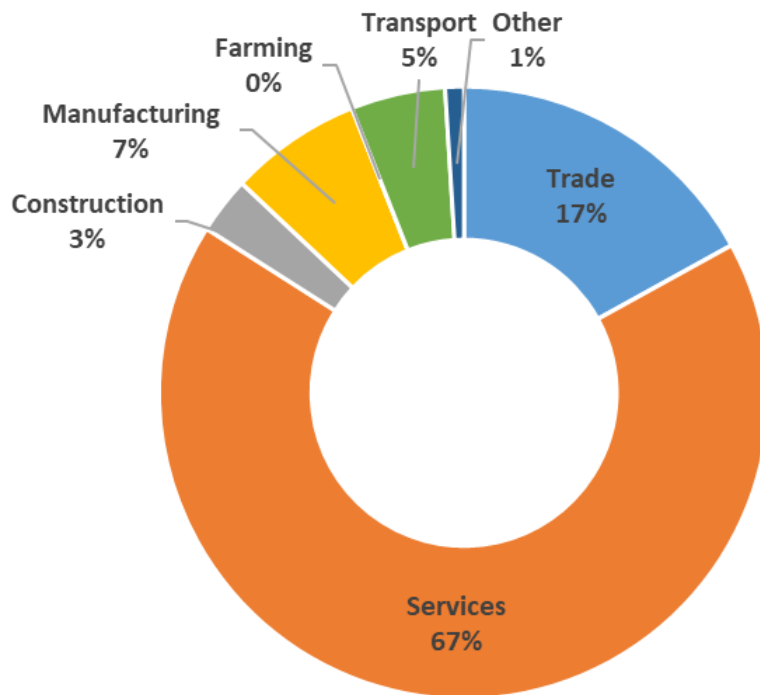
## **6.2. Enterprise Descriptions**

The ward had a diverse range of business activities in different sectors (refer to Figure 26). The majority of surveyed businesses in Ward 68 were informal and, in keeping with the classification frameworks of number of employees in SMMEs<sup>28</sup>, they employed from one to five people (refer to Figure 28). The sample of participants surveyed in Ward 68 contained mainly service-oriented businesses, followed by trading and manufacturing enterprises. Services encompass the types of businesses that do not produce or sell products/goods. The surveyed sample contained the following types of business activities: hair salons, plumbing, beauty products, Spaza / tuck shops, specialized retail (e.g. selling spices), caterers, taverns, repair services, car repairs/panel beaters, medical services, clothing alterations, professional services (medical, IT, accounting, construction, and engineering), care centres, and transport/

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<sup>28</sup> As described earlier in the document; micro enterprises employ five or less people; very small enterprises employ between five and 20 people; small enterprises employ between 20 and 49; and medium enterprises between 50 and 250. Considering the lack of data available on informal enterprise income, the study defines the size of an SMME according to the number of employees (DSBDb 2019; PPT, 2016; SEDA, 2011).

taxi services. The data showed diverse products and services offered in the residential spaces of Ward 68.



**Figure 27: Pie chart showing business sectors surveyed in Ward 68.**

In this study, the survey participants provided diverse reasons for choosing to work from home. For some participants this was because of sudden changes in life circumstances and family commitments. For one business owner who is a mother, her decision is influenced by the need to get her child to and from school after being retrenched, she explained:

I decided to run my business from home because the man, Mr King, who would take my son to school [Brighton Beach Senior Primary School] passed away, and there was nobody to take my son to school. I was also retrenched at the time. There was also nobody doing Bluff/Wentworth schools (survey participant 4).

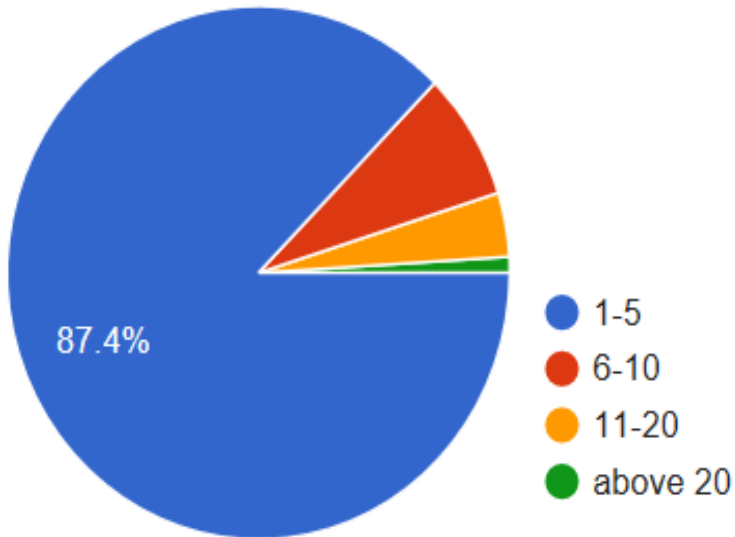
For others there are more business-related influences to run a business from home such as aiming to reduce start-up costs and requiring adequate and affordable workspace. Survey Participant 7 explained:

I left where I was renting and moved my business to my home where I didn't have to pay anything, also space was limited and therefore stifled the growth of my business and chances of employing people (survey participant 7).

Influential factors of HBEs were varied and not all participants were sure that home-based businesses offered them what they needed, for example when Survey Participant 6 told us:

I was just starting off my business and my vision was not developed at the time. I would also like to sell outside factories. Working from home can become a distraction (survey participant 6).

Most participants selected for the survey were business owners and of the four who were not owners, two were employees, one was an entrepreneurs' spouse, and one was an entrepreneurs' parent (later, in section 6.2, the findings describe the survey data). The total number of business owners surveyed were 96 and from their responses 72 of them have no other sources of income. Given that 28 of these entrepreneurs were over age 55, it is assumed that the business owners who were not close to retirement age, were using their available resources to develop their businesses in which they were potentially invested for the foreseeable future.



**Figure 28: Pie chart showing numbers of employees in surveyed businesses**

In addition, 72 surveyed participants stated that they had no other sources of income, while some business owners had other sources of income, which means that they relied on their HBEs for income. Those that had other sources of income used their HBEs to supplement their income. Examples whereby business owners identified as having additional sources of income included those that directly related to their core business models, for example, by offering make-up and nail beauty treatments in a hair salon or by providing nutrition consulting in a home-based gym (survey participants 5 and 7). There were also examples of additional products that did not necessarily relate to the core business, which were run from home, for example, a crèche owner who sold beading and mosaics (survey participant 1).

**Table 8: Findings derived from surveying 100 businesses in Ward 68**

Description	Number
Business owners surveyed	96
Workers* surveyed	4
Home-based businesses	100
Business owners with other sources of income	24
Businesses planning to create new jobs in 1–3 years	60

Description	Number
Businesses that identified with BSI models	24
Business owners who would pay for BSI	49
Business owners registered with SARS	32
Business location choices affected by regulations	22
Business owners who were aware of land use planning regulations	27
* two non-family employees, one entrepreneurs' spouse and one entrepreneurs' parent	

Thirty-three HBEs aimed to create between one and five new jobs while nine businesses aimed to create more than ten jobs in Ward 68 by 2020, the number of jobs per sector is displayed in Table 9 below. Seventeen businesses did not specify their job creation goals, nevertheless, this data is indicative that there are growth goals in HBEs.<sup>29</sup> It also shows that while the businesses may be mostly informal at this stage, there is potential for some of the businesses to expand with possibilities for formalising. The analysis will show the impact of regulatory and spatial implications for the growth of these businesses. While it is not assumed that these businesses will grow in their current location, the potential for commercialisation nodes between suburbs and connecting regions to transform the city will be further deliberated in the analysis.

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<sup>29</sup> The COVID-19 pandemic has changed our world. These spatial impacts affect economics, the natural environment, and social processes in the urban environment. In an article from WEIGO, *Women in informal employment: globalising and organising*, Harvey<sup>29</sup> (2020) reflected on the perspective of informal work and on exclusionary planning. The event is not unprecedented; the disruptions to human habitats range from global pandemics to enforced legislation for segregation which have lingering impacts in different spaces. COVID-19 impacts all spheres of our habitat, from how we will re-use space to how we design new space and processes. The effects of the pandemic on job creation are beyond the scope of this study.

**Table 9: Number of businesses that plan to create jobs by 2020**

Business sectors	No. of Businesses surveyed with planned new job creation by 2020		
	1–5 jobs	5–10 jobs	10+ Jobs
Construction	1	0	1
Education	0	0	1
Manufacturing	2	0	2
Services	26	1	4
Trade	3	0	1
Transport	1	0	0
Total No. of jobs per category	33	1	9

Visibility and access to businesses are important for planning and implementing BSI because needs of different businesses vary. Working with the IESP, a business support programme in 2016 showed that businesses are identified by visible markers such as signage. Therefore, a lack of visible appearance to indicate a business may result in exclusion from strategic BSI. However, the lack of signage also shows that businesses are communicating with clients differently. There are other means of communication that should be explored, such as online tools which are being used by HBEs.

Online and word-of-mouth advertising, even in informal business, is frequently utilised and often by means of low data platforms such as WhatsApp. An example of a local network which supports local business is the “MBK ADVERTS and NOTICES” group on WhatsApp, which was created on 15 February 2019. The group had six administrators and 246 participants in 2020; this group became too large and a second group of 256 participants was created on 20 January 2020. Further evidence that not

all HBEs necessarily rely on visibility in physical space, could be found in the following explanation of one BSI practitioner:

if you are a business that relies on visibility of your premises then residential [area] is a problem – either you are going to struggle or you are going to annoy all your neighbours by putting up big signs. Most of the businesses that run from home, because I run my business from home . . . So if you run your business that doesn't have a lot of that sort of thing and you do not have a lot of people coming to see you, then you can run any business from home (KII Participant: eThekwini Private sector, 12.09.2018).

The use of online communication is strategic, it has provided an increasing audience for informal and SMME's networking and marketing. Any business that does not create traffic issues or noise can be home-based and are less likely to be seen, many different types of businesses were operating in residential spaces, and BSI needed to be more inclusive of informal and SMMEs in residential zones. Using mixed methods and a case study approach, BSI can overcome the challenges which make the informal sector invisible from online and on-the-ground searches.

The invisibility of SMMEs and informal businesses remain a challenge for delivering BSI via traditional methods of identifying businesses. Practitioners are well aware of these challenges, one of the participants working in an NGO who provides BSI confirmed that:

for now we have not yet identified businesses that are operating at the backyard at home of which that one is informal, we haven't gone to that level (KII Participant: eThekwini NGO, 13.11.2018).

HBEs have set up networks, support structures, and communications with clients as well as other local businesses. Factors that hindered effective BSI were attributed to

businesses that did not want to be found owing to evasive tactics or misinformation as well as businesses that remained invisible to BSI because they were not looking for support. Nevertheless, the case study revealed these limitations in contemporary spatial-economic knowledge.

### **6.2.1. Unpacking BSI in Ward 68**

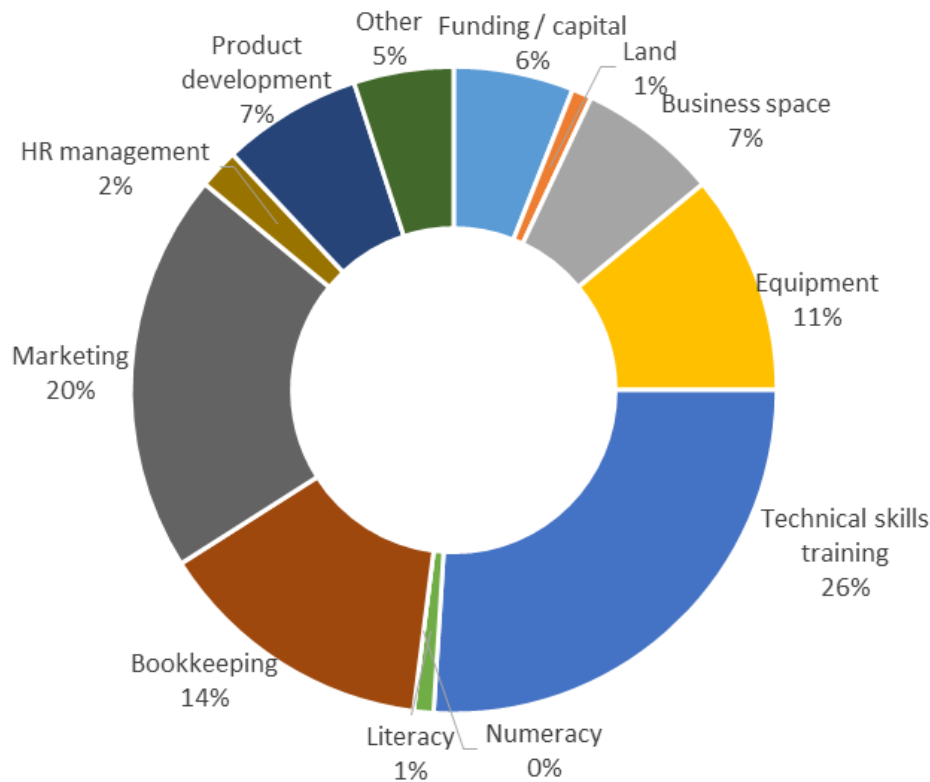
There are a number of BSI options available in the city. The first research question in this study intended to understand the uptake of services/interventions being offered. As such, the BSI activities included in the survey questionnaire were derived from online applications for business support with PPT, Spark, and Grow as reference organisations. This section unpacks the interventions, perceptions, and uptake of BSI in the study area. There were two types of role-players who were questioned to unpack their support to businesses; the practitioners, who were working to provide BSI and the entrepreneurs, some of whom applied for external BSI or collaborated to support their businesses. The findings reveal the challenges and benefits of BSI to assess the weaknesses and opportunities for policy and practice in supporting informal and SMMEs in the area.

The survey showed that, from the perspective of informal and SMMEs, low levels of services were provided to the area, with 76 participants stating that they did not know of any BSI. In addition, many entrepreneurs were not familiar with the business support offered. In the survey, 33% of the participants received help but did not attribute it to formal BSI and only 24% of those who received help stated that they were aware of private sector and government BSI. Nevertheless, in this study, the local networks mentioned are included in the category of BSI because those networks are community-based initiatives that play a role in providing business support to HBEs.

Apart from local business networks, which included business forums and community-based support, SMME and informal businesses were less likely to access BSI.

In the course of working with the city, it was observed that political information channels were using the ward council as key communication strategy to distribute information to the public. This study's data confirmed the statement from one BSI practitioner that "distribution of information affect reach, [where] the onus of support tends to rely on applicants/support-seekers" (KII Participant: eThekwini NGO, 13.11.2018). This type of communication strategy is only one of the many ways in which information can be distributed to the public, yet at the time, it was the main system that was used to inform people about BSI.

Work with the city on support to informal businesses showed that information about BSI and public services in general, was distributed to communities via ward councillors. There are pros and cons to this method of communication. The pros include a wide distribution network via ward area offices. The cons include the implication that programmes become politicised and reach persons affiliated to political parties.

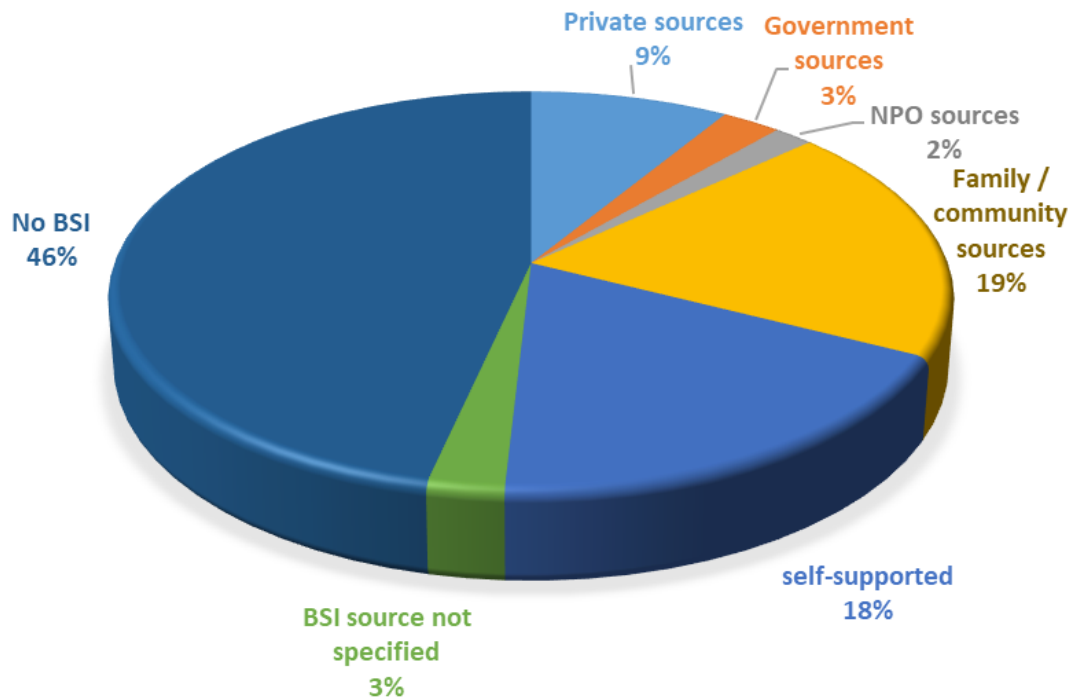


**Figure 29: Pie chart showing surveyed HBEs awareness of various BSI**

The businesses which obtained BSI, received different types of assistance for technical skills training, marketing, and equipment from different sources (refer to Figure 29). Interventions that focused on a sector-based approach to support businesses were prominent in the data collected. For example, there were sector-specific franchises and organisations that assisted local businesses in this area. The findings from subsequent key informant interviews with two ECD HBEs show that informal ECD was supported by many NGOs and government departments. The survey and interview data described programmes and projects that provided financial and non-financial support to ECD centres.

Although the local networks were not often recognised as a type of BSI, they were strongly represented in the findings as a valuable resource to businesses in Ward 68. The survey showed that 19% identified community, family, and friends as invaluable

owing to their roles in supporting the HBEs (refer to Figure 30). The types of support provided by local networks of family and community sources included: labour, workspace, transport, start-up finance / stock, book-keeping, and referrals / marketing.



**Figure 30: Pie chart of BSI sources in Ward 68**

The autonomous nature of entrepreneurs who use their own resources to create economic opportunities, despite numerous challenges, is an important factor for BSI. A key benefit of BSI helping residential SMMEs and informal businesses was that there were goods and services that were locally available, whereas previously, people would have to incur costs to travel to the city for the same goods and services. The depth of the research into BSI access and uptake in the local area provided insights to better develop approaches for business support interventions.

A challenge identified from the surveyed participants' responses was that the majority of participants did not have any experience in accessing BSI models. Therefore, there

were limitations in the study to understand the challenges that enterprises faced regarding current BSI programmes. However, the business challenges identified by HBE participants, and the BSI practitioners were useful for discussions about access and the uptake of potential future support interventions. The findings showed that there were numerous challenges and opportunities to support businesses and for the survival, sustainability, and growth of informal and SMMEs.

### **6.2.2 HBEs' access to and interest in BSI**

There were high levels of interest in BSI from owners of HBEs despite very few engaging with BSI in the study sample. Many of the HBEs surveyed showed a willingness to seek BSI support and to also pay for support. There were, however, two main concerns regarding the accessibility of business support in Ward 68, namely challenges faced by BSI practitioners in finding HBEs due to the lack of economic and spatial data on HBEs to inform strategic investment opportunities and, as discussed in 6.2.1, the lack of awareness of BSI from business owners. The focus of this section is on the former challenge.

The ability to access BSI was a common challenge for participants in this study, both in the support sector and for the businesses that were trying to access support. It was particularly difficult for NGOs working in the sector to access home-based enterprises, as one of the participants explained:

It's quite a challenge [to find businesses]. I can tell you it will never be easier, because most of these people who may either have these businesses are located in the township where there [sic] are not compliant with our administrative processes and these businesses, they are 6 or 4 in one street in a township, and for us to find those businesses is not easy (KII Participant: eThekweni NGO, 13.11.2018).

In terms of home-based SMMEs and informal businesses, the business owners had to meet a number of criteria before accessing BSI. There were also different categories of support in the provision of equipment required, which depended on the life stage of a business, for example technical skills levels, marketing, and human resources management (which was shown earlier in section 3.5). Yet, as this study shows, an awareness of these services was low in Ward 68. The support intervention criteria were usually determined by an application for support; the specifications for support differed depending on the organisation providing the intervention. For example, Banks required SMMEs to be registered as businesses to access support, including start-up businesses:

You've drafted a killer business plan and you are ready to venture into the world of business. Your next step is to register your business in accordance with South African legal and statutory requirements (ABSA, 2019).

The different and specific types of support interventions offered many diverse services, but this diversity made it challenging for BSI practitioners to find viable businesses to support. There were diverse business sectors in the study area and while the survey did not aim to comprehensively determine the quantity and size of residential informal and SMMEs, it did provide an indication that there is insufficient knowledge about the different types of businesses in residential zones.

Online searches and interviews with eThekweni and their partners in BSI confirmed that no spatial data was used for BSI planning and management, instead, Excel databases were used to manage information and to plan interventions. On 14 November 2019, the Economic Decision Support Tool, an online portal, was launched

in eThekweni Municipality. There were moves to make economic planning and decision-making more evidence-based and accessible to more people across the city, but the spatial-economic knowledge was still weak (EDGE, 2019). The impact of space for economic growth was of concern to the city, but the concern was not directly linked to how BSI was planned. For example, a government official explained that:

[t]he ward area is considered the unit of political reach that distributes information to local people. Sizakala centres are regional sources. The degree of reach however was based on the degree of search by individuals (KII Participant: eThekweni Municipality, 20.07.2018).

Hence, a limited degree of spatial planning was included in policy for economic development as part of government-managed programmes, while no spatial orientation for BSI was found in NGO and private sector practices. The mapping requirements for the latter organisations focused more on the service or product provided than on the area in which it was located.

The spatial distribution of businesses and the subsequent influence of their operations in the space required further investigation to determine the impact which they have in Ward 68. The impact of BSI as a tool to enforce compliance and formalisation would further dissuade development and would likely initiate further evasive measures from the business community. Reach and access of BSI has to be made more effective in considering appropriate scales of development, in approaches to grow the economy in large developments and in HBEs, and in understanding the context of local spaces.

### **6.2.3 Challenges associated with BSI**

Concerns regarding time constraints, accessing funding, and accessing land or business space were expressed by surveyed participants and during interviews with

HBEs. SMMEs and informal businesses, specifically those that were unregistered or not on municipal databases, were not able to obtain work in government and in corporate spaces. BSI practitioners aim to assist in addressing these challenges but, in order to do this, the practitioners and the businesses have to connect; this is where there are gaps in spatial-economic data. The challenges will be discussed in two parts, first those that have an impact on informal and SMMEs and second those that BSI practitioners have identified.

The interviews emphasized that there are challenges in understanding what business support is required for the informal sector, which subsequently have an impact on the provision of adequate support. In-depth interviews with BSI professionals were useful for understanding the challenges and benefits associated with BSI. Broadly, BSI practitioners found that the businesses were technically good in their product or service but that they lacked business skills to track finance and marketing themselves. In the study, the financial challenges regarding red tape, access to finance, and networking to grow a business were prominent because of the restrictions in establishing SMMEs. During an interview with a participant who had started a small business before working in an NGO, it became apparent that the shift from apartheid changed the way in which economic activities were regulated:

I remember getting hugely excited in 1994 when the Nats<sup>30</sup> were going out and the ANC were [sic] coming in and there was a loosening of restrictions for small businesses to open and function because the National Party government was terrible, there were so many and I know because I started a small business, there were so many things you had to comply with to even . . . you know apart from the normal hard work of starting a small business (KII Participant: eThekweni NGO, 23.11.2018).

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<sup>30</sup> National Party during apartheid

According to a key informant, despite the changes since apartheid and the emergence of many more SMMEs, formal businesses do not work well with informal and SMMEs (KII Participant: eThekweni Private sector, 12.09.2018). An example of the challenge to link formal and informal business supply chains, is the requirement of paying suppliers. Invoices from a formal business cannot be directly sent to, or received, from informal suppliers who are not registered, or who do not have the required documentation. A participant stated that they:

paid for a lot of the smaller suppliers of the conference, because for the company to do it, they weren't on the database so they cannot pay them. It becomes bureaucratic. Big business are [sic] helping SMMEs but they can't help informal business (KII Participant: eThekweni Private sector, 12.09.2018).

The processes of invoicing and contractual obligations between enterprises are indicative of the complexity in the relationships and networks among different businesses. Business support is usually provided on the basis that SMMEs feed into the formal system and/or supply larger businesses.

The term, "red tape" was used to describe intensive administrative processes for SMMEs' businesses to operate and the processes to access BSI:

There is a lot of admin, lots and lots of admin, the admin is a huge challenge because as much as the business grows so does the paperwork. If you want to be compliant (Interview with SMME participant: 26 July 2018).

Issues of "red tape" often overlapped with the financial and structural constraints. There were two main financial concerns; one was to meet the compliance requirements for financial services and the other was the lack of access to finance, including low levels of income.

Surveyed businesses identified finance as their main constraint, where low levels of income and increasing input prices are seriously affecting the performance of their businesses (refer to Figure 31). Additionally, SMMEs' expectations for funding were low and there tended to be apathy towards dealing with the public and private sector to obtain funding. An SMME participant expressed frustration about not being able to access government funding as a home-based business:

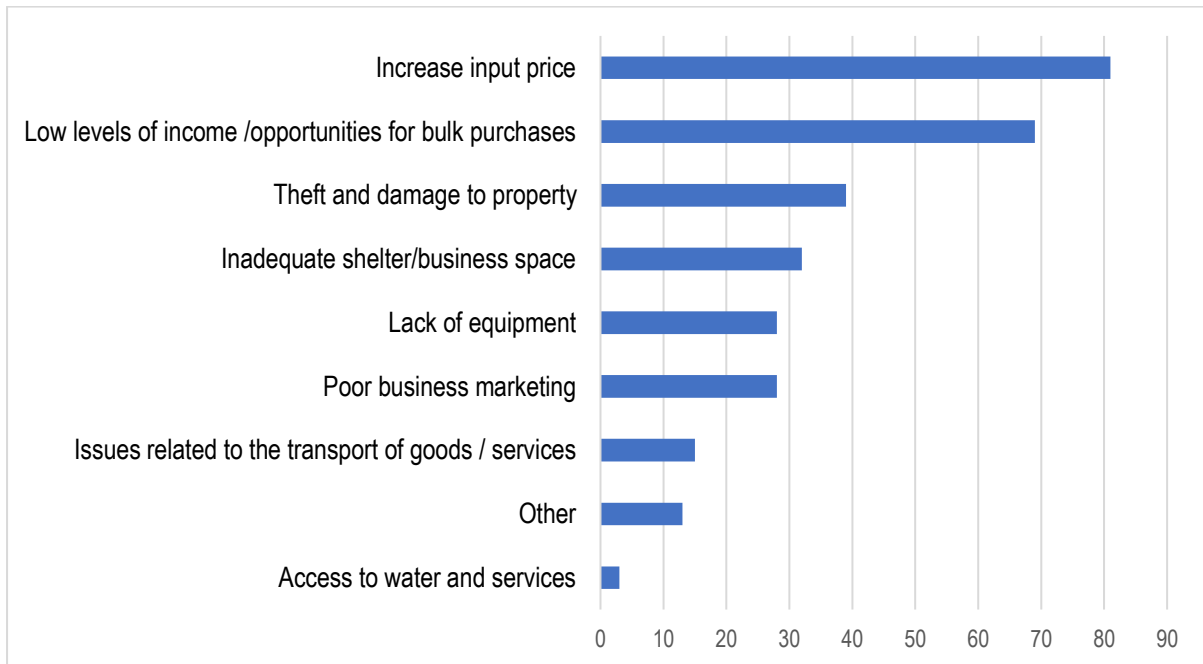
It has its pros and cons, working from home you are home-based therefore when it comes to government funding and all that they [sic] like 'no, no' they assume 'ok, you earning your keep' which is not necessarily the truth because depending on your community. We here in Wentworth . . . What comes in is what you put back, so you [sic] continually doing that (KII Participant: eThekweni HBE, 05.09.2018).

BSI practitioners agreed that challenges regarding the access and management of SMMEs finance were core concerns, an SMME participant that provides BSI services stated:

They know how to do their jobs so they will open up a plumbing business or whatever it might be, carpentry business or something and they will sell their product and do quite well, but they don't know how to control their expenses because they don't know what their expenses are. They don't know how to separate business and personal expenses; they don't know the basis of running a business. (KII Participant: eThekweni Private sector, 12.09.2018).

Challenges experienced by businesses may be directly addressed through BSI offered by the city and affiliated NGOs. It is noted that the challenges referred to in the data collection tools were based on existing surveys from organisations working in the BSI sector to align with the BSI offered. The study design is more concerned with the impact of BSI on what is offered as opposed to offering what residential and informal

SMMEs would want in BSI, although some results may have those findings. For example, BSI is available to assist with access to funding and capital including skills development to help businesses in managing their accounts better in order to address the problem of increasing input prices for informal and SMMEs.



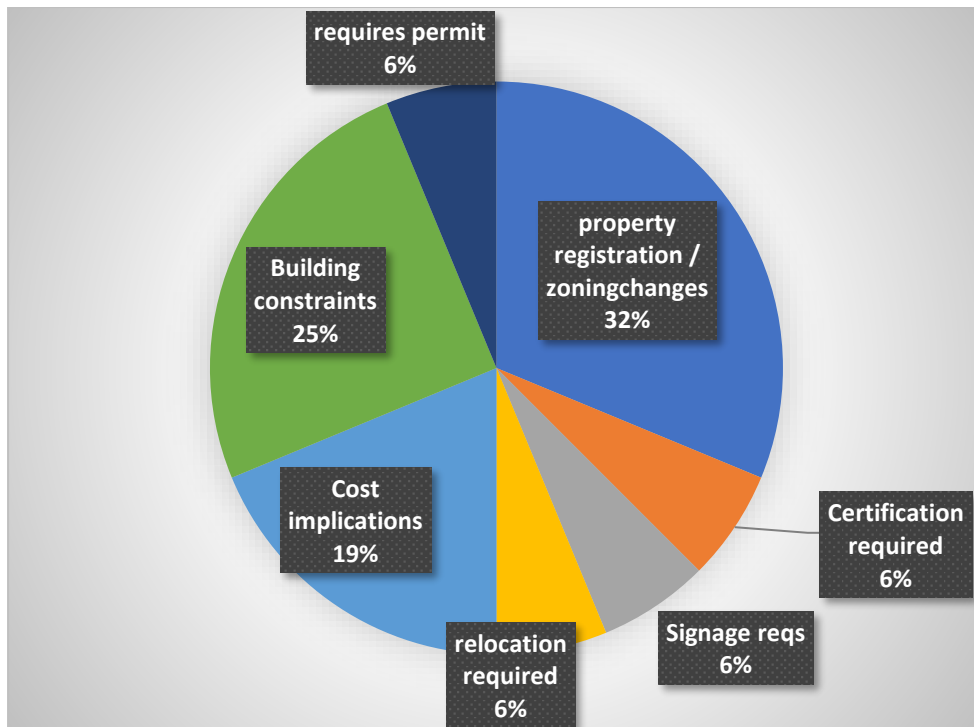
**Figure 31: Challenges experienced by Ward 68's informal businesses and SMMEs**

Structural challenges for informal businesses and SMMEs include the physical space and structures in which businesses operate. These challenges are also related to zoning, permits, and building constraints (refer to Figure 32). Other challenges include the limited ability of informal and SMMEs to access more work and the limited ability to access BSI. There are a few reasons for these challenges. For example, low computer literacy levels would limit their capacity to create applications for work and BSI, since access to information and applications were often internet-based. Further, the graph showed that increasing input prices and lack of opportunities to bulk purchase was a concern of local businesses (refer to Figure 31).

The city started to recognise the significance of open data for economic decision-making and that more collaborative approaches should focus on SMMEs' development as part of the larger economic strategy. The understanding of changes in spatial-economic land uses requires that more data and knowledge-building are required to incorporate the SMMEs sectors in economic strategy (EDGE, 2019b). Despite the terms, "formal economy" and "informal economy/sector", the literature established that there is one economy and that it should be referred to as the urban economy (refer to Section 3.4). The urban economy consists of stratified layers which are indicative of the way in which human habitats operate, whereby experiences are unique, despite occurring in the same place (Certeau, 1988). The challenges of datasets were highlighted by an NGO participant working with informal SMMEs:

data that will be very difficult to manage, collecting may not be the challenge, however it may be expensive. . . There are a number of these small businesses that are located in our townships its only that they change, there are some that change weekly or after 6 months. Some close down some either [sic] change offerings. However, if they are all registered, to say this is what is happening and you have a monitoring system that you can use to track in terms of what business activity is taking place in those areas (KII Participant: eThekwini NGO, 13.11.2018).

The responsibility of contributing to economic growth involved both the public and the private sectors. The private sector includes home-based and informal businesses, whereby more collaborative and inclusive approaches to get stakeholders involved are challenging. Hence, the findings have identified a key reason to develop spatial data for local-level planning and management.



**Figure 32: Pie chart showing % of participants with planning-related challenges**

The types of businesses that are found in the study area are diverse, the informal nature of businesses creates a situation where they may be prone to sudden changes and there is added complexity along the continuum in which formal and informal practices fluctuate. This complexity can be rooted in structural compliance and in business registrations or reflected in their operations. This poses challenges for developing and maintaining evidence of HBEs in the area.

Some businesses work from informal structures, but they are registered with SARS and make efforts to be compliant with regulations, whereas some businesses are aesthetically formal but are not registered with SARS, and they purposely remain “unseen”. BSI practitioners experienced challenges in terms of assisting businesses in residential zones because, aside from being unable to find them, the push towards formalisation and regulatory compliance often creates a blockage as the capacity in informal and SMMEs to accommodate for formal practices is lower. Three challenges

for BSI models were derived from a statement made by a participant from local government:

There has always been a move toward formalising business rather than leaving them like that because I think in the bigger scheme of things they look at people graduating in their enterprises, you accumulate assets over time so that you don't remain a micro business for a long time or you don't become a small business for a long time (KII Participant: eThekweni Municipality, 20.07.2018).

The requirements for business support are based on 1) businesses growth; 2) the process of "graduation", and 3) the accumulation of assets in order to move up from the level of a micro/small business to a larger business. These assumptions mean that HBEs who need help but who are not looking to expand will not receive BSI. Examples from business owners include:

- "I started working from home because I am able to look after my daughters and work from home at the same time. My daughters are 3 and 6 years old" (survey participant 29).
- "My boss died, and the son put us all off from work. Going [sic] to be 50 and couldn't find a job that I was doing. So, I decided to start my business from home as I could sew. I had to make money as I was a widow" (survey participant 18).
- "I chose to run my business from home to be with my family as the [sic] were growing up. I'm a stay-at-home wife. The business is not registered, but it makes an income for me" (survey participant 30).

Growth-focussed approaches to BSI in the cases where entrepreneurs have to generate a sustainable income and choose to work from home due to family-related and childcare commitments, would be detrimental to spatial justice.

There are HBEs which start up to support themselves and their families while being able to have flexible operating hours to be with their children (Interviews with SMME participants: 26 July 2018; 05 November 2018 and 23 November 2018). These examples represent a portion of the local economy which contradicts the idea that business must grow in a way that makes it larger in job size or by means of increased production, to be of value.

#### **6.2.4 Participants' perceived benefits associated with BSI**

BSI is defined using a wide range of support activities from different service providers and it includes the different ways in which businesses collaborate to support each other (i.e. business networks). The participants provided a range of responses to the benefits of BSI. Those who did not know about BSI were interested to find out more about how to access services, while those who received support actively sought ways to grow and invest in their businesses. In the survey, 49 participants were willing to pay for BSI. Distinct benefits of business support were identified by the SMMEs / informal businesses and by the BSI practitioners interviewed. The interviews provided data that described the positive impacts of BSI on Ward 68. With further strategic implementation there is potential for BSI to have increased positive impacts in the area.

Benefits associated with BSI were directly attributed to the types of assistance provided to businesses, which were categorised as financial or non-financial, refer to Table 10. The study found that there was a mix of both financial and non-financial business support to the 24 surveyed participants who self-identified as receiving business support. In cases of programmatic support from government-funded programmes, businesses often received a combination of the two. In addition to the

BSI identified by surveyed participants, there were some responses which indicated that the use of private consultants for activities such as book-keeping, self-funding/obtaining private investment, and improving education was important for business owners in establishing and growing their HBEs.

One of the key benefits of BSI was that informal and SMMEs could learn from more experienced and skilled professionals; business mentors helped to develop better habits and improve skills, levels of service, and/or business growth. Table 10 below illustrates some of the diverse support mechanisms and networks identified by participants of the survey, both non-financial and financial.

**Table 10: Direct quotes about BSI from survey participants**

<b>Direct examples of support outlined by survey participants:</b>
<p><b><u>Non-financial</u></b></p> <ul style="list-style-type: none"> <li>• Coca-Cola and Coo-ee provide fridges to the business at no charge on condition that they are stocked up with only the respective products. They do repairs and maintenance to the fridges. Coca-Cola also provided me with signage (survey participant 2).</li> <li>• My marketing is done through word of mouth or Facebook shares (of things I post about the business) by people in the community or my clients (survey participant 5).</li> <li>• The distributor provides us with catalogues. They also provide us with the necessary training on how to sell products and salesmen skills (survey participant 6).</li> <li>• Equipment was supplied by Unlimited Child. They also provided me with training and the Department of Education also gave me training (survey participant 9).</li> <li>• The clothing bank they develop women in skills to sell for 2 years. Go to classes and voluntary work in warehouse. You buy the stuff from them and sell it (Survey participant 19).</li> <li>• Family has assisted me with storage space (survey participant 24).</li> <li>• I paid rent to use the basement of the church for the 1st 3 months, however since the end of 2016, I have been using it rent free with no duration of how long I may make use of the space (survey participant 33).</li> <li>• My brother made my signage (survey participant 96).</li> </ul>
<p><b><u>Financial</u></b></p> <ul style="list-style-type: none"> <li>• My husband assisted me with finance to start my business. My husband started building the salon at home, which still needs to be completed (survey participant 7).</li> <li>• Assistance from husband finance (survey participant 11).</li> <li>• Daughter financed (survey participant 13).</li> <li>• Husband gave me finance and sons (survey participant 22).</li> <li>• A grant from the DTI (survey participant 31).</li> <li>• I have received seed funding to register the business and apply for the IP of the business (survey participant 90).</li> </ul>

Survey and interview participants mentioned that registration with the eThekweni Municipal business support database enabled them to benefit from monitoring, evaluation, and BSI services. For example, the relevant authorities that monitor health and safety conduct inspections on businesses (KII Participant: eThekweni HBE, 26.07.2018). In another example, a crèche was able to access clinic and social development support because of being a part of a business network that was registered with the city (KII Participant: eThekweni HBE, 05.09.2018). Businesses identified that having officials approve their business provided additional credibility to their HBEs and helped them to improve, either via mentorship or by identifying and providing additional BSI.

SMME participants made a strong distinction between empowerment and dependency in terms of support models for BSI. Businesses appreciated the capital and resource inputs that some types of BSI delivered, however, they were not impressed by short-term dependency models (KII Participant: eThekweni HBE, 26.07.2018). Models of dependency were created by support interventions which assisted businesses in ways that made them reliant on the BSI for access to work, or to equipment, and/or to additional skilled hands. Whereas BSI that provided practical and financial stimulus and that allowed for the business owner to be able to learn and grow without reliance on the supporter, were preferred (KII Participant: eThekweni HBE, 26.07.2018).

In Ward 68, the data showed that business networks were often effective in addressing common issues with relevant authorities. In an interview with a member of the business network for ECD centres, the Wentworth Creche Forum, an example showing operative challenges of home-based businesses was identified. This

interviewee highlighted the benefits of proactively developing support to address common challenges (KII Participant: eThekwini HBE, 05.09.2018). This particular case within the case study is the narrative of crèches in Ward 68.

The role players who mobilised businesses that faced similar challenges in land-use zoning, business registrations, equipment, and skills development, decided to formalise a network to communicate with the city during a five-year period. The HBE ECD centres could not meet some of the requirements typically assigned to operating an ECD centre, which included spatial elements of access points, separation of property, and land use rezoning. The network advocated for a special consent for their properties from the municipality and were successful in getting this granted (KII Participant: eThekwini HBE, 26.07.2018). The special consent from the municipality has to be renewed every two years; it only applies to those businesses that are part of the network and not to all ECD centres.

Some of the benefits identified were that the pressure coming from multiple voices as part of a network, produced changes in the form of special zoning permissions for businesses from local authorities. The local authorities who enforced business registrations and the monitoring of ECD centres on the network were welcomed by the centres. The registration and support from the city were perceived as benefits which included previously informal businesses being recognised as a legitimate part of the business community (KII Participant: eThekwini HBE, 05.09.2018 and KII Participant: eThekwini HBE, 26.07.2018).



**Figure 33: Images of home-based ECD centres in Ward 68 (Author, 2018)**

Similar to the ECD centres, the majority of businesses surveyed at with different levels of formal and informal practices, made efforts to follow the correct procedures in establishing and operating their enterprises. Working from home was not free from financial/regulatory challenges. Registration and/or licensing with appropriate regulatory bodies indicated that informal and SMMEs were making efforts to understand and comply with regulations. While some SMMEs were more administratively competent, others were focused on their skill and business, they therefore struggled with administrative processes. One participant said:

they say that we must be fully registered, which is a battle because we have been trying for so many years to get registered. We have been up-and-down to social development and the files get lost or the files are . . . [pause] . . . so it's just we [sic] been fighting (KII Participant: eThekwini HBE, 26.07.2018).

The disdain for bureaucracy presented itself in different ways across the interviews with key informants. There was also frustration associated with paperwork requirements across the spectrum of businesses sampled in the survey. While compliance itself was not rejected, the methods and time required to follow the processes involved were onerous and the relevance of the administration was questioned by SMMEs and BSI practitioners. Some of the obstacles to compliance were requests for building plans (for fences and additional structures to property), rezoning, low finances, and expected expenses of compliance, uncertainty of continuing to work from home, and time pressure of entrepreneurs who do not factor in additional time to compile applications/registrations that are not directly part of their business operations. The lack of knowledge about regulations and requirements for business to operate was very apparent in the survey responses, one participant stated:

Not sure of what regulations I am not complying with, but I would be interested to know what I need to comply with. We would like the property to remain residential instead of rezoning it. This is my house as well (survey participant 67).

This is a significant finding of this study, and it suggests one area of support that could be better conceptualised under the BSI umbrella for SMMEs and informal businesses.

A business support initiative that emerges from local business networks such as the example of ECD centres, is able to apply pressure and shift the dynamics of what is usually considered the right way of doing business. This means that the spaces that are being “changed” have found alternatives to support business use and that similar protocol can be developed to apply to those affected by similar challenges. However, this type of BSI is not strategically placed and, so far, only has influence on those that were part of the network at the time of application for special consent. The concerns

for spatial impact that resulted from a range of business actions, support, and city planning need more attention.

### **6.3 An Analysis of Intervention and Regulation in the Informal Context**

The extent to which regulations played a role in how people selected choices for SMMEs, and informal business were based on the following levels of understanding: regulations, willingness to comply, and commitment to the regulations. Based on the literature and the findings of this study, this section offers an analysis of how business and zoning regulations impact on HBEs. The analysis compares the access and interest of HBEs to BSI; assesses the potential growth of “unseen” businesses and their impact on the area; reviews the regulatory implications for informal businesses in the area; and finally, looks at the implications of businesses on space in South Durban. The process of accumulating data towards contextual spatial knowledge contributes to the purpose of more effectively enabling the spatialization of support interventions.

#### **6.3.1 Assessing growth and the economic impact of HBEs**

The historical regulatory frameworks developed as part of apartheid segregation have contributed to the challenges faced by informal and SMMEs in township residential zones. HBEs in Ward 68 face a number of regulatory frameworks; registration and compliance of businesses, for some registration with additional government departments such as the Department of Social Work (DSW) for home-based creches, as well as zoning and planning regulations. HBEs face challenges across these regulatory frameworks. As explored in the previous section, challenges regarding business registration include issues of “red tape” which, to a large extent, is bureaucratic administration. A participant elaborated on the difficulties of registering a business with SARS, as follows:

There was an issue with registering the business. They wanted all my information dating back to 2001, from the bank and this has been difficult to get as the documents were lost. My business is registered but getting the statements from the bank has been an issue and I have chosen not to get the documents and am running my business as is (survey participant 31).

Many HBEs aimed for compliance but were frustrated by the process which made compliance and management of businesses challenging for all informal businesses and SMMEs. In addition, HBEs faced spatial planning challenges which included housing typologies and layouts that did not easily accommodate changes in the use of built spaces.

Some HBEs used business networks to address collective compliance issues. In the findings about creches, crèche owners made independent efforts through creating a network to negotiate compliance. The main compliance challenges for home based ECD's were registration with the DSD and land use re-zoning requests. One participant who runs a creche stated:

Rezoning of the property is a requirement for the registration of the school and must receive approval from Land Use Management. The cost is too expensive, and the use is not only business but is a home as well for me and my family so it has a residential use as well. . . Rezoning the property would be an inconvenience, it would also cause my rates to go up. The new by-laws are limiting. I will not rezone my property (KII Participant: eThekweni HBE, 26.07.2018).

Any development, either economic or infrastructural, which is in and around ward areas needs to draw on the layered data for spatial decision-making. The notions of spatial justice became more tangible through the use of the case study approach

because it builds stories of local businesses that offers spatial understanding and just how integrated these economic activities are in the family lives of business owners.

In the literature on BSI, its primary role is perceived as a tool to support businesses, to enable job creation, and to promote economic growth. There is a rigidity in which economic development is understood both in terms of spatial design of nodes and corridors for economic activity, as well as the desire for continuous growth and profit. However, as evidenced in Section 6.2.3, this type of support may reduce the impact of these interventions towards social justice.

The physical boundaries of areas that are designated for economic activity can be considered ridged because it places limitations on the spatial-economic use of land. In the interviews and surveys a few participants stated outright that rezoning their properties would be a burden and that they would not consider rezoning their homes (Survey participants 1, 10, and 31). Considering the impact of HBEs on material space, in terms of the exchange of goods and services on the property, the finance and income that businesses generate, and that HBEs have limited space in which growth or expansion may occur, this represents challenges to contemporary BSI models. This challenge, specific to cases of HBEs, is the limitations to growth in terms of business size and/or new jobs which is what BSI aims to achieve.

A focus on “growth” does not directly relate to sustainability in businesses and in local development (PPT, 2016). Growth-focused models fail to address issues of spatial justice because, in the informal context to be able to expand in production and size of organisations / or an increase in jobs may exacerbate unjust labour practices. Or, as

shown in this study force owners into situation which they feel may negatively impact on their family. Notwithstanding that those changes to accommodate growth in HBEs may not be appropriate from a spatial perspective.

This study demonstrates that residential zones were often overlooked as areas of business because of preconceptions that result from space being accepted as permissible land use zones. In the suburbs of Ward 68, the level of unemployment is growing and there are limited formal jobs available. According to the survey, over a quarter of participants were straightforward that finance was a key factor in their business location choices. Responses, from 30 out of 100 survey participants, included choosing to work from home because they could not afford overheads, or needed to cut costs, or that they were retrenched and had to open a business at home.

As outlined in Chapter Three the historical segregation of this ward into designated coloured and indian areas still shapes to some extent both who lives in the ward and how the area is perceived by residents. For example, there is an underlying tension that support is still unevenly distributed, and that these areas under the ANC-led government are not really seen as areas that require support when compared to areas that were designated under apartheid as “black” townships. A conversation with one participant showed restraint in mentioning how their perception of resources distribution is still influenced by race:

funding is so hard to come our way because they say we are not an underprivileged area . . . You find even other NGO’s are resorting more to the rural areas or the black areas (KII Participant: eThekwini HBE, 05.09.2018).

The apartheid design of urban spaces, such as the South Durban Basin, were designed to both segregate and insulate township inhabitants from other areas in the city. Often, as in this ward, industry adjacent to townships drew on these cheap labour pools. Ashwin Desai shows that even today formal work in the study area was perceived as limited to adjacent industry and black people were trained in activities to support industry (Desai, 2019). The perpetuation of apartheid design is distinct in how material space, in conjunction with economic disparities, tend to confine populations to their designated township areas. As the economic landscape is changing, with rising unemployment, the views of how people benefit or not from adjacent industries is also shifting. More attention is required at ward level towards understanding changes in the spaces of the township which are altering land uses and creating alternative forms of work and livelihoods. The map of surveyed businesses assisted to visualize the activities in space and to understand that the design of space needed to accommodate for these activities (refer to Figure 26).

### **6.3.2 Reviewing regulatory implications for increasing informal business**

Both the HBE participants and the BSI practitioners in this study did not have prejudiced views on the legitimacy of businesses. There was also an understanding that these SMMEs and informal businesses were not “hiding”, rather, they were “unseen”. Some HBE owners are proud of their compliance to business regulations, for example one participant stated that “everything is legitimate here, come and see the work come and see what we are doing come help us work with us for the betterment of our community” (KII Participant: eThekweni HBE, 05.09.2018). Yet despite these perceptions and attempts at business compliance, most home-based businesses would be considered informal, or outside of regulations, when looked at

through the urban zoning lens (refer to Annexures for zoning maps). Charman et al. (2017: 1) highlight that there are many regulatory challenges from township businesses:

township micro-enterprises do not adhere to the land use management system in terms of: Zoning rights or consent use rights; The proportion of floor space utilised by business activities; The absence of a separation between business and residential activities; The absence of approved building plans; The failure to adhere to municipal by-laws relating to environmental health, food safety and the use of business signage; and the failure to adhere to informal trading by-laws and restrictions on trading activities within roads (Charman et al., 2017: 1).

Regulations have an impact on the shape of the local economy. The bylaws and rules that are enforced determine how businesses operate in space. In Ward 68, business owners recognised that there was a discrepancy in changing the use of property, an ECD business owner said:

I could drop dead tomorrow, [the business] is my passion it does not have to be my family's passion, but I have rezoned the property. Also considering that we are taking risks, we don't know if we are going to get paid. You are now being billed as a commercial property, which will automatically put you out [of] the game, where we [are] supposed to be promoting [small] business (KII Participant: eThekweni HBE, 26.07.2018).

This statement indicated that while working from home rezoning the property may help the entrepreneur to sustain the business financially initially through being compliant, the changing in the land use may have an impact on the sustainability of the business given the higher rates paid by commercial property. Of more concern is that this burden may well be unfairly carried by the family in residential home in the long term if the business was not sustained. The mobilisation of businesses to acquire rights to

operate differently from regulatory provisions may have positive and negative impacts on a community. More attention to generating systemic research from these types of scenarios is required. On the one hand, they illustrate innovative contributions to local level development in terms of how people shift decisions about space; on the other hand, these shifts may not always create immediate or long-term benefits for residents as owners move to comply with current regulations.

Lack of registration with SARS was one factor that made a business 'informal'. In this study, only 32 out of the 100 businesses surveyed were registered with SARS. When asked to expand on sections of the questionnaire relating to how HBEs work is perceived, the survey data inferred that formal employment meant having "a job", i.e. a full time or part-time position located in a workplace/office building. However, according to business support practitioners, the way in which a business operated determined if it was formal or informal. Defining informal versus formal business from a BSI perspective was less about compliance with regulatory bodies and typologies of built form, and more about how a business operated. The business coach, who operated a small business, also provided BSI to informal businesses. The coach stated that:

[formal businesses] have a structure so they have an organogram of their business, they have a structure of who looks after sales, who looks after admin, production if they have production. So business structure, the way they actually conduct their business is in a formal structured way, so I see formal business not just as if its registered as Pty. Ltd., but because it is run in a formal structured way. We had businesses that were registered but they were still really informal, from a point of view that they didn't have structure as to how they actually ran the business. They had no business training or experience (KII Participant: eThekwini Private sector, 12.09.2018).

The complexity of informality influenced the built environment at many levels; this complexity ranged from registration, to typology, to operational elements. The business owners were not always aware of bylaws and rules but, those who have made a career working from home were clearly willing to comply.

Regulations can have both a positive and a negative impact on businesses at an individual and at a neighbourhood level. The common reasons provided by 22 participants for regulations that had an impact on location choices, were somewhat obscure and answered the question of locational choices more than the regulatory influences. For example, the requirements for business premises were too onerous, in particular, not having to rent a business space was considered a benefit of working from home.

Regulations played a role in how people made choices, firstly by following regulations for legitimacy and good reputations, survey participant 19 stated that, “I have to keep to the regulation people will report me and I will get charged”. Ignorance, or feigned ignorance, secondly prevented compliance, survey participants stated:

- “I am not interested in complying with planning regulations. Also not aware of the planning regulations and I am worried about the cost factor” (survey participant 9).
- “I would like to know what regulations exist therefore I can comply with the regulations” (survey participant 8).
- “No I have never applied to have it rezoned because I felt it would cause complications” (survey participant 43).

The data also shows that people made assumptions that regulations have no impact if businesses are run from home, “Regulations do not impact on the business. No, I do not need to comply as well as I have not been asked to do anything” (survey participant 30).

In the study area, the dynamics of SMMEs and formal businesses are made more complex because large-scale industry dominates Ward 68. Environmental health is a serious challenge in Ward 68. Hence, allowing residents to make a livelihood from their homes should not be negated if they comply with the rules of their industry. BSI practitioners acknowledge that the location of businesses have an impact on the environment. They stated that

though we do not promote exploitation of the environment or the health of the people, but regulations at times, for example if I say don't paint in the corner of this and this area in the township, it's the routes you are not allowed to take at the robots, maybe that's where your customers are, because that's where your customers are. Your customers may not know where your house [is], for panel beaters their place would be their yards but however regulation don't permit that they may have spray painting there. They can panel beat and do the body work but not paint because of the environmental health (KII Participant: eThekwini NGO, 13.11.2018).

In an area notorious for pollution, the idea that informal and SMMEs would have a more negative impact on the environment is unclear. However, more industry that will be more pollutive, is not what is being recommended here. Rather, the study begins to address the changing land uses and the possibility of 'green' business types that may be promoted using BSI. The approach to aligning needs-based growth by

communities as opposed to a laissez-faire<sup>31</sup> approach to the types of businesses in residential zones should be supported. Strategic business support interventions (BSI) are arguably necessary tools to enable the spatial justice agenda in the South African context because case-based circumstances which inform development require a transdisciplinary approach. However, there is shared responsibility for all stakeholders in the area to be more environmentally conscious due to the climate crisis.

## **6.4 Conclusions**

This chapter addressed questions of the impact of the reach of the residential SMMEs and informal businesses sector. The perceptions of business support interventions from residential business owners were vague, based on the survey and the owners of HBEs had low access to business development support. The study uncovered challenges and benefits of HBEs to better understand the responsiveness of BSI towards informal and SMMEs operating from home. It started to consider the implications of support interventions and planning regulations (state actions) for spatial justice in the back of port area in Durban, which are further interpreted in the next chapter.

Governance has a role in planning, namely the creation of policy and legislature. This role is significant because it influences the direction of transformation. However, the government was not the only role-player accountable for ensuring spatial justice and inclusive development. The impact of businesses in space affected movement patterns such as the transport of goods and services as well as the use of the environment. Stakeholders in the community, including those operating informal and

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<sup>31</sup> Economic system free from government intervention

SMMEs, should have a responsibility towards identifying challenges in the environment and collaborating to resolve those challenges.

Contemporary economic growth in the city includes the informal businesses in residentially zoned areas. Increasingly, informal businesses and SMMEs are acknowledged for their job creation potential. The shift from understanding informal businesses as purely livelihood strategies to becoming an important part of the urban economy is significant, because it allows for enterprises to be categorised and responded to differently in policy approaches to support economic development.

There are a few concerns about the spatial and economic development of Ward 68 which were introduced in Chapter Five. As mentioned, the SDB is an area of contention with neighbouring suburbs having racial divisions; environmental health hazards from neighbouring industry, including ongoing development of logistics in anticipation of a new port; and growing informal business. Looking at the local economy provided insight into the needs of the area and how economic changes require infrastructure and spatial change. There are further spatial challenges when businesses cannot be permitted to grow in the already confined conditions of residential plot sizes. The appearance of residential businesses are deceptive. The appearance of formality is often based on structure/building on a site. The structures which appear more formal in terms of a building on a site may not raise concerns, but businesses in mobile structures, or additions to property that use metal sheets/wood structures appear informal, and it could be inferred that these businesses are less formal.

There is insufficient research and evidence-based projections of economic growth outlook scenarios which looks at recession, depression, recovery, expansion, and peak, and which takes HBEs into account. This oversight and its spatial implications for economic activities in Ward 68 means that when larger commercial “mega-projects” are established, as has been proposed in the area with the back of port plans, there is often a disregard for community-led economic development. The large-scale port and logistics creeping into the study area alters the urban fabric because the new dynamic does not assimilate the current practices of local businesses into planning for these developments. Examples of these changes are seen in precedent cases of port development in areas of historical injustice which range from increased heavy motor vehicle disruptions to a reduction of air quality in neighbourhoods (refer to Chapter Five).

There was a disjuncture between the city plans and private business development in terms of spatial transformation that addressed injustice. With more nuanced spatial data and understanding of the local economy and context, the ability to demand/design large-scale development with collaborative and positive action from the community would be a more inclusive process. Transforming township spaces that are represented by rapidly emerging informal or formal business, which changes the land use of corridors and nodes, are not representational of fair or appropriate responses to all affected parties.

Literature and interviews indicated that NGOs and local government had difficulties in finding informal and SMMEs in residential areas to support. Remember that the

method included preliminary observation, where numerous HBEs were observed in the study area. However, this observation was made as a resident in the ward, and it is acknowledged that it may be difficult to identify informal businesses and SMMEs because they do not usually have signage or other aesthetic appearances of a business. Whereas the study initially aimed to understand the challenges and opportunities of BSI in the area, considering that, largely, business owners did not identify with business support, the study sought to express more about the challenges and opportunities that businesses bring to the area to inform recommendations for BSI.

There are pros and cons in using a case study approach to understand the regulatory implications of both urban planning and business regulations. The focus at local level, is important for the contemporary understanding of the growing SMMEs in townships. The long-term results of implementing large-scale projects should accommodate for shorter-term impacts on local economic development and address issues that arise at different scales. At one end of the spectrum, the stakeholders providing BSI require more support in terms of the spatial aspects of businesses to distribute their interventions more effectively. At the other end of the spectrum, businesses require better understanding of and access to BSI.

Understanding business challenges provides a basis to determine the strategic role of BSI in a local context. A diverse number of individual challenges from business owners and BSI practitioners were identified, but they were mainly categorised under the topics: “red tape”, financial constraints, and structural constraints. The emphasis in

this study is the challenges of home-based, informal businesses and SMMEs which influence provision of BSI.

There was an indication from people who were working to provide BSI, that finding out more about the locations of where businesses were and what businesses were doing, would be important towards providing effective business support to changes over time in both the private and public sectors. Therefore, larger impact and systemic changes would be created, should spatial-economic planning incorporate more data businesses in residential areas. Supporting SMMEs and informal businesses has positive impacts for those who have received support. The city-level goals of job creation and local economic growth, as well as tracking the BSI, are also considered in the positive impacts of BSI. Urban management, which relies on data and knowledge to inform decision-making, has more potential to have an impact on the ground.

## **7. Chapter Seven: BSI as a Tool for Spatial Justice**

### **7.1. Introduction**

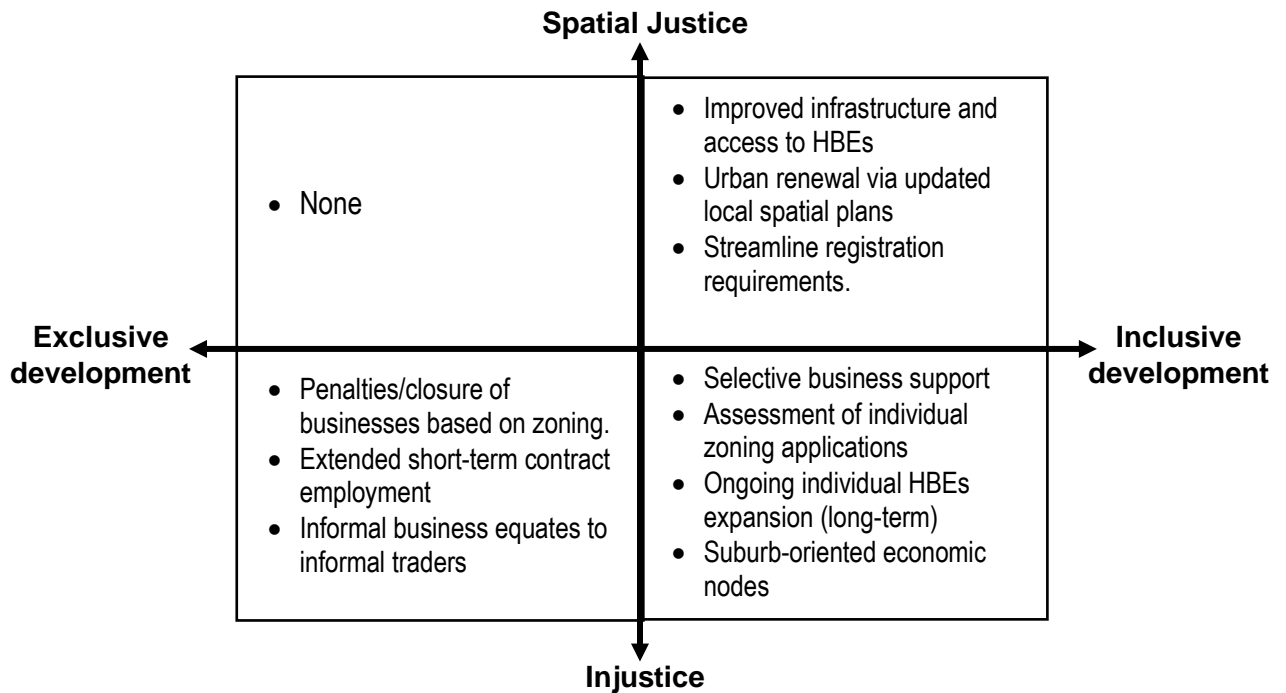
This chapter uses the findings based on interviews and documents (policy, reports, and legislation) to understand scenarios for spatial justice and BSI. The chapter reviews the network of role-players that affects space at different scales and how these influence the ward; it looks at the conflicting representations of space and the impact of those plans on experiences of space. Finally, it highlights the potential and importance of interventions for HBEs as part of a collaborative approach to achieve spatial justice in urban planning and management.

In an interview with a local government official, it was noted that there were weaknesses in contemporary business support in eThekweni. The city Planning Commission report was cited as follows: “Informal economy and small business support has been identified to be weak and of poor quality” (KII Participant: eThekweni Municipality, 20.07.2018). This quote was seen by the interviewee as an indictment of the city’s effort to support informal businesses which ignored the positive impact of state BSI. Nevertheless, the comment has confirmed two issues. First, whereas the evidence of BSI programmes and interventions for informal and SMMEs shows positive results, the work done to support businesses is not appropriately monitored and evaluated. Second, there remains a need to improve the quality of support to the informal economy. For the latter, the quality of BSI as mechanism for local economic development may improve significantly, provided that informal economic activities in townships are better understood.

Structured support provided to informal and SMMEs is relatively new in South Africa. The programmes for business support to informal and SMMEs only became a national priority with the establishment of the Department of Small Business Development (DSBD) in 2014. At the time of this study, the focus of city-led support for informal work was largely focused on street trading and on markets. Survivalist enterprises, which are based in the trading sector, are the more visible aspects of the informal economy. Whereas these are important foci and certainly require support, the new national programmes indicate that they are not the only priority (eThekweni Unicity Municipality, 2001; Skinner, 2009; Skinner, 2014). The study found that these programmes considered that a more diverse range of informal businesses were on the radar for support to improve the economy.

## **7.2. Scenarios for Spatial Justice**

Spatial justice and development do not easily align at different scales of intervention. An example of this misalignment is that the business support goals for assisting informal businesses in the national strategy do not equitably reach different sectors of local businesses in township areas. The findings about Ward 68 were used to develop scenarios based on the strategic documents, interviews, and observations, to develop scenarios in the study. Scenarios are used in urban planning to tell plausible stories that make sense of the future and to develop strategy (Robinson, 2009). The usage of scenario quadrants is a method which allows for the analysis of key uncertainties and is represented in Figure 34 below.



**Figure 34: Scenarios of BSI representing the key uncertainties for spatial justice in eThekweni**

The key uncertainties demonstrate that the limited knowledge of the spatial configuration of the local economy leads to state plans that have a misaligned approach to informal and SMMEs in a confining linear growth model. These uncertainties represent descriptions of development scenarios; they explore the exclusive and inclusive strategies for BSI which may either promote spatial justice or contribute further to injustices. The quadrant diagram represents how different strategies of supporting businesses result in diverse scenarios. The scenarios and uncertainties, which will be explained in more detail below, are summarized and represented in Figure 34. The overall perspectives from the data show that there are uncertainties and potential for development of both informal and formal businesses that need to be understood.

### **7.2.1. Injustice and inclusive development**

The association between informality and legality was not clear in the case of HBEs, where legal provisions were made for certain structures, activities, and practices to support some home-based businesses. For example, special consent for zoning or compliance with SARS was given. However, these extra-legal leniencies have an impact on the broader social and spatial dynamics in the Ward (Soja, 2000).

Complex relationships / networks are present within the informal sector of the Ward. Informal businesses were not always legal, but neither were the segment of informal and SMMEs in this study completely beyond the legal and formal. Durban's policy for the informal economy has shown an understanding of the divergent approaches in stating that:

The informal economy contains great diversity . . . The most visible workers in the central city – the street traders – are far outnumbered by the many home-based and outside workers (eThekweni Unicity Municipality, 2001: 4).

The term “formal” was generally accepted and associated with legal compliance, whereas the term “informal” was less accepted; it was often associated with illegality (Bayat, 1997: 9, 20). The regulations and compliance are not the focus of businesses in Ward 68; matters of space and land use were informally agreed upon by residents. Regulations that shaped the local economy, which created the segregated environments of SA cities, have influenced how people interact with or avoid administration. Nevertheless, informal businesses and SMMEs bear the brunt of enforcement on aged zoning and legislative frameworks when there are arbitrary complaints against their operations from the neighbourhood.

The survey showed that neighbours' complaints initiated the social conflicts or enforcement of regulations by the city, for example:

- “My neighbours are jealous, and the competition arises where they will sell the exact same products I'm selling” (survey participant 6).
- “Health inspectors give fines and [I] was asked to close down because my neighbours complained” (survey participant 78).

This selective type of enforcement of the regulations on local businesses contributes to injustice. As mentioned, the zoning and legislative procedures are becoming more flexible. However, the understanding of the economic environment of SA townships is poor. Hence, the implications of undertaking BSI and piecemeal enforcement of planning regulations in Ward 68 create a certain disorder in the environment. The requirements for HBEs to rezone, register, or alter their properties is often regarded as bureaucratic ‘red tape’.

The proposed new port, which is planned for the area adjacent to Ward 68, is another example of the challenges for urban development (refer to Figure 35: Site for port expansion indicating the study area of ). As discussed in the literature review, prioritizing the development of the port expansion at a city scale aims to bring in more investment. However, the impact of this proposed development on a local suburb scale within the city has competing and often conflicting interests. These types of conflicts between a diverse number of stakeholders who are operating at different spatial scales, render ideas of spatial justice challenging to conceptualise. Whereas there is some focus on the strategic potential of informal and SMMEs for economic development, the

dominant drive for big investment and industry remains overall. For example, an interview participant in the municipality sums up this development aspiration:

We work toward making sure that we are a more desirable, attractable, first choice location for big investors coming from overseas and we have gone some way in attracting them (KII Participant: eThekwini Municipality, 20.07.2018).

However, the strategies for large scale investment often did not correspond to knowledge and skills development to accommodate priorities at a local level, for instance, the development of better environmental health and capacity building to support local job creation in relation to these larger developments.

The conflict that arises from shifting land uses, where businesses are to some extent limited by the urban environment, produces spaces of tension. At a neighbourhood level, there is adaptability in the market which allows for informal businesses to change. A participant explained this adaptability as follows:

There are a number of these small businesses that are located in our townships its only that they change, there are some that change weekly or after 6 months. Some close down some either change offerings. However, if they are all registered, to say this is what is happening and you have a monitoring system that you can use to track in terms of what business activity is taking place in those areas, I think it may help (KII Participant: eThekwini NGO, 13.11.2018).

It is also important that businesses mobilise around challenges and opportunities to strengthen their claim to space and to access support. However, the stability of these enterprises is based on market fluctuations and development at larger scales. The production of space becomes more antagonistic when new developments are

proposed at scale such as the port. The contestation with the notions of economic benefit despite local health hazards and the invasion of port-related land uses (due to large-scale development in the area), highlights the need for more strategic intervention at ward level (Gedye, 2012; Mpungose, 2017; Walford, 2016).

Measures that aim to limit the spatial, economic, and environmental degradation that result from the types of infrastructure, which develop ports and areas around the port, require forward planning to mitigate the negative impacts of such development. However, there is often more focus on the social context of neighbourhoods and environmental health in both international and local precedent cases. That focus does not account for the impact of expansions on the local economy as part of the neighbourhood (US, 2016; Mpungose, 2017).



Edited image, source: (Transnet. 2014).

**Figure 35: Site for port expansion indicating the study area of Ward 68**

In Ward 68, the businesses which arose from opportunities in port-related development, and which invaded the urban space in the suburbs, were largely considered separate from the community (Gedye, 2012; SDCEA, 2016). The complex nature of land use in Ward 68 would require more broad-based participation for solutions. Within this context, questions on how to ensure that the community is not further marginalised need to look at investment towards the residential business community to prevent port activities from creeping into suburban space.

As mentioned earlier (refer to Section 3.3.1), the spatial development frameworks (SDF) are mandated as part of municipal IDPs. The eThekweni IDP review 2019/20 showed that plans had to include all aspects of sustainable development, in other words the plans needed to spatialize the integration of social, economic, and environmental development. However, whereas the social aspects are clear – economic growth would create jobs that would contribute towards social justice goals – there is less clarity on how the strategic priorities for informal and SMMEs are to be implemented in the context of different development scales.

Whereas the integration of SMMEs into planned large-scale development remains unclear, the overall approach of the city towards informal HBEs is more accommodating because of past injustice. The sentiments expressed by one municipal official who was interviewed, were widely held by other participants:

If you look at the apartheid city again, everything was in the city, those are the ones who were almost cut out and where most people are doing informal type [sic] activities because they can't either get jobs in the city or can't physically travel to the city (KII Participant: eThekweni Municipality, 20.07.2018).

In addition to the challenges of the apartheid city design, those who cannot travel to the city also require goods and services closer to their spaces. There is a need for more connectivity between all aspects of development. Moonsamy (2017) provides further understanding that there is a disjuncture between the role of the planner and politics in the context of eThekweni Municipality, which renders it challenging to coordinate programmes and address competition for space and business growth in the ward.

The city subscribed to approaches for inclusion and radical economic transformation, but differing priorities meant that the approaches guiding BSI were diverse and had limited spatial consideration apart from the SDFs' economic nodes. The assumptions of the state and private sector which inform supporting businesses, have shown an inclination towards formalizing and growing businesses. The collaboration between the city, informal businesses, and the private sector for business support interventions is an important strategy to address injustice at a neighbourhood level. BSI should be spatially oriented to establish the pros and cons of the types, size, and activities of businesses and how they have an impact on the local area. This is envisioned as a case-based approach which provides alternative indicators to measure economic activities in different spatial-economic contexts.

Whereas economic activities are not restricted to operate within political boundaries, namely ward boundaries, cross-boundary management, and the integration of businesses, which are influenced by the infrastructure and management networks of the state, affect local businesses. Further, the layout of space in SA has an impact on

how the workforce can move between work and home. An example of the spatial challenges that townships have was highlighted by a business coach in this narrative:

the only point I can make was when I worked with a young guy who stayed in the township, but for him even to get access to internet he had to come to an internet café in town and that's where I had my meetings with him and that is wrong because now he has to incur a lot of expense [sic] and he wanted to work with schools, now he could have been working with schools in his area but the schools that were responding to him were completely out of his area and he had to travel and that's another expense before he even starts earning so those become inhibitors (KII Participant: eThekwini Private sector, 19.09.2018).

Sectoral approaches to the conceptualisation of spaces in the Spatial Development Framework (SDF) influenced the spatial priorities for development by allocating land to certain activities. The ideas of growth and job creation for SMMEs were dealt with separately from larger corporate development. In discussing the silos, in the way the city undertakes developing economic zones, a participant confirmed that economic development and planning had little overlap in navigating spatial-economic development:

Designers and planners do their own work saying this is what I have designed, and you will find economic intervention or planning comes with ideas, they then have to engage the planning guys of which [sic] have already developed something to say how we can configure some of what [sic] they have already designed (KII Participant: eThekwini NGO, 13.11.2018).

This separation of ideas also separates economic development strategies. There is a trade-off between large corporate investment and local economic development. This has a negative impact on collaboration or participation at local level. It was recognised

across all participants in the key informant interviews that better processes and methods were required to establish knowledge and resources to improve the economic-spatial data of HBEs.

### **7.2.2. Spatial justice and inclusive development**

The quadrant diagram, which is based on examples from the data, shows that spatial justice does not align in any way with exclusive development. The control of urban spaces and planning regulations is a contested subject because apartheid legislation and policy in SA were based on an unjust agenda that led to mistrust in legal processes (refer to Section 6.3.2). Restrictions, relocations, and the brutal manipulation of social dynamics enforced by legal provisions, subsequently contributed to the informal nature of post-apartheid development. While it is not considered ideal to relocate people away from their existing networks, the urban layout continues to displace people in terms of the spatial fragmentation which separates work and home, as well as the regulatory frameworks which challenge home as a space of work. According to one participant:

People will ask you what's the benefit of being registered, would you get money? I didn't want money, I honestly didn't want money, but what I did want was a registered business because if anything happens to any child on this site, the first negative headline that will come up is 'unregistered centre' 'illegal' whatever ugly word you want to use, happened on that site. For [sic] me it was important that my site is registered (KII Participant: eThekweni HBE, 26.07.2018).

The assumptions about growth and business expansion cannot easily align to social justice in terms of local businesses such as ECD centres which have a strong tie to family obligations, and which sustain an income while providing a service to the

community. The contribution of business support interventions to improve livelihoods is acknowledged, as stated:

If we support this lot of people, these number [sic] of small businesses and then they make so much money it means they provide for their families, they are able to pay for government services – water and electricity, government is able to generate revenue, and importantly they are able to send their kids to school so the nation is getting educated, and they are able to contribute to the informal economy through products and services that they are providing of which [sic] that's a huge contribution into that space because that is the benefit it provides to government (KII Participant: eThekwini NGO, 13.11.2018).

Similarly, supporting HBEs require understanding of the family contexts in which these businesses operate and how current regulations may impact on these. One area for further consideration that has emerged from this study, is that an important contribution of BSI would allow for home-based businesses to be sustainable without being pressurised to meet linear growth objectives. An example in 6.3. described an ECD owner who worried that her compliance with registering as a business will impact on the rates and taxes which she pays, and what this may mean for her family's future sustainability once she no longer runs her business from home. Given that BSI practitioners acknowledge how some HBEs change rapidly or close after a short while, these concerns are very real. Pushing HBEs into formalised growth models may well create unexpected difficulties for these entrepreneurs.

Urban planning no longer defines the use of space in the rigid, controlled manner of the apartheid era. However, there needs to be mechanisms that prevent further exploitation of vulnerable groups in townships. Scholars have suggested the reformation of urban laws based on the African context in noting that:

Urban legal change is a slow, complicated process. African cities do not have time on their side. The current paths of urban expansion and governance are cementing patterns that will endure for decades . . . Improving legislation will not, on its own, address any urban problem. But if we start to make laws that work in practical terms, actually changing the ways that cities are growing and developing, then we stand a chance of rising to the challenges (Berrisford and McAusian, 2017: 55).

Strategic spatial planning is an important aspect of mitigating spatial injustice. However, much of the regulatory framework and controls for technical planning at a local level are slow to shift processes in line with strategic intentions. The innovation is lost in the financial and regulatory control of development. New insight into the changing land uses is essential as the formal economy deteriorates and unemployment increases. Hence, support to businesses that is more spatially aware and oriented would shift the *status quo* and account for spatial inequality, thereby contributing towards spatial justice.

During apartheid, the edges of the suburbs, which were created by the roads and industrial zones, were built as buffer zones for a segregated city. This apartheid urban design created trade-offs that favoured the availability of exploited labour and racial segregation to environmental health and social cohesion (eThekweni History Museums et al., 2018). More serious consideration for the health and safety of residents in industrial areas require a re-think about notions of relocation, or at least about better resilience and management as part of the policy and legislative processes. The SDB in which Ward 68 is located, was mainly a place of manufacturing and commercial production that had multiple influences on the urban environment as discussed in

Chapter Five. In contrast, the spatial footprints of informal and SMMEs are less known in the area.

There are many sources that reveal positive impacts of small business on increasing job creation (refer to Section 3.5). The growth of informal economy, when regarded holistically as part of the urban economy, included more than micro and small businesses. The Ward potential for new jobs showed that, from the survey, 60 HBEs planned to create new jobs within three years. This potential for work and improved livelihoods in a small sample of the ward area, indicates the urgency of developing a spatial understanding of these businesses.

According to an SMME participant, spatial justice is seen as “an area is being used for the benefit of everyone and not to the disadvantage of anyone”. (KII Participant: eThekweni HBE, 26.07.2018). The inclusion of looking at businesses through the SMMEs lens and not as informal entities played a role in motivating support to the informal home-based sectors. Townships did not have access to goods and services; the areas designated as black townships were primarily residential with minor service nodes in the form of local supermarkets. As Godehart (2008) states:

development model for townships . . . acknowledges informality as a major force in urban development and a mean(s) of poor residents to ascertain their citizenship.

According to Godehart’s (2008) research based in KwaMashu, there was contestation among residents and among professionals in terms of which land uses were appropriate in the townships. Hence, urban management requires more spatial-economic information to assess the impact of business and to respond accordingly.

The ideas of inclusivity in urban planning and management are no longer prescriptive, that is, urban plans are less about acts of state control over land uses and much more collaboratively produced (Behrens and Watson, 1996). The concepts of spatial justice and inclusive development are not intended to over-regulate spaces, but rather to understand the impact of local economic activities and to develop better quality environments in collaboration with the stakeholders in the community. The categorisation of the economy extends to form a separation of support initiatives. The economy differentiates into “informal economy”, “formal economy”, “green economy”, and “blue economy”, when these modes of production and distribution of resources are fundamentally inseparable (Altman, 2008; MIT Create, 2018). Relevant economic data for informing BSI strategy includes obtaining spatial data. The production of goods and services, their distribution, and their consumption all take place in geographic space. Understanding the location and context of HBEs would contribute to a more holistic database of informality in the city.

The renewal of urban habitats to become more responsive environments is an investment that is being made by the city through its implementation of BSI in approving individual applications for special consent and in allowing businesses to operate from home. These actions are considered inclusive and the goals of policy and legislation are intent on social and spatial justice (MIT, 2018) (refer to Section 3.3.4). However, similar to large-scale changes like the port, informal and SMMEs can present both threats and opportunities for economic development in the area.

### **7.2.3. Injustice and exclusive development**

A substantial finding from this study is the uncertainty about the levels of informality in formal business practices. Earlier in Figure 34, the example that best represented how

informal practices are prevalent in formal enterprises, is located in the quadrant of injustice and exclusive development. The feedback is based on interviews with key informants who indicated that legal entities (ie formal businesses) employed workers without formal contracts (KII Participant: eThekwini NGO, 13.11.2018). Similarly, a business coach stated that:

There is a question of what is informal business and what is informality, and it's difficult to say because some private formal businesses also have informal practices so it can be a strange subject to navigate when talking about informality (KII Participant: eThekwini Private sector, 19.09.2018).

The professionals involved in business support, in both NGOs and in government, all mentioned the inconsistencies of ideas between formal and informal enterprises. While this is not considered as a norm for obtaining work in the formal sector, the practice was discussed in the interviews as types of work which critique the notions of informality. This also presents inconsistencies to the approach for supporting different businesses.

Another area of uncertainty in the development of BSI strategy is the informal and SMMEs that operate in residential zones. These HBEs represent informal businesses; some comply with industry standards of practice, and some seek solutions for areas where compliance with policy and regulations is not practical or achievable. This scenario builds on the example of home-based ECD centres in the case study (KII Participant: eThekwini HBE, 05.09.2018; 26.07.2018).

In the interviews and surveys, there were varied findings regarding the ECD centres which showed that the levels of infrastructure and access to BSI all depended on the

pro-activeness and commitment of the entrepreneur. The ECD centres show tangible challenges in dealing with spatial and business regulations (refer to Section 6.3.2). As stated in Chapter Six, the mobilisation of ECD centres in Ward 68 facilitated better relationships with the city and ensured that the informal HBEs' practices were compliant with ECD regulations despite the lag, or lack of, business registrations. For example, there were differences in the stages of completing registration with the Department of Social Development (DSD); these depended on the persistence and time available to the business owner.

Additionally, while there were 22 centres in the HBE business network, not all centres were aware of, or applied for, formal BSI programmes that were available at the time. There was no evidence that state or private sector interventions available for businesses in Ward 68 had any local level spatial-economic planning. This example of what Bayat describes as survival strategies, is the organic growth of the HBE network for ECD to meet their economic and social needs in the community (Bayat, 1997). The mobilisation from the HBEs for assistance with ECD centres ensured that the challenges for the businesses were addressed more holistically in the ward area (KII Participant: eThekweni HBE, 26.07.2018).

The scaling of development interventions requires case-based approaches that consider the diversity of spatial-economic contexts in the city. Three focus areas have been identified to understand the contextual, spatial knowledge required for development of interventions, namely representations of the competition for economic space at a local level (demonstrated in this study as a ward area); understanding how

assumptions informing BSI affect businesses, and lastly, the impact of formalization of businesses at a household level.

#### **7.2.4. Lefebvre's Triad: layers of Ward 68**

The focus areas described above can be directly linked to the triad of space. An analysis of the research data through development scenarios in the context of spatial justice has identified key uncertainties. Material space is affected by the competition for economic space. There is a need to collaborate to better align urban management with business interventions in order to narrow the distortions between the representations of space and spaces of representation.

The way in which different inhabitants experience and adapt physical space is interconnected. It is imperative to consider the impact of the layout of urban spaces for economic development on different scales. The impact of industry on the community of Ward 68 continues to generate tensions in terms of environmental health; it is historically linked to a form of environmental racism. Furthermore, the proposed mega-project of the port has brought about protests about the health, environment, and safety of SDB neighbourhoods – all of which affect the physical spaces and land uses of Ward 68.

The contestation of economic activities in the South Durban Basin includes both formal and informal businesses, whereby more focus and energy are directed towards initiatives that enable economic growth, without the contextual understanding of the social and environmental processes in what Lefebvre theorises as material space (Groom, 2018; Gedye, 2012; SDCEA, 2016). Using a spatial justice lens, the criteria for BSI would require different indicators of success. The indicators to determine the

strength and quality of business support needed to be more accommodating towards the diversity of activities which encompasses informal and SMMEs in different places. Overall, BSI should be more responsive to the contextual needs of HBEs rather than attempt to force them into a preconceived growth model.

A significant discourse throughout much of the literature argues that the transformation of informal businesses should be measured by formalization, as well as by their growth in size and/or ability to create new jobs (South Africa, 2017; eThekweni Municipality(b), 2016; PPT, 2016). Whereas these indicators are relevant to improve the local economy, they are limited in their capacity to develop BSI strategies for home-based work. The spaces of representation have to adapt more systematically to how every day users experience space.

Developmental perspectives which focus on economic growth and job creation, are dominant policy drivers aimed at transforming South Africa into a more just and equal society. Yet, the requisite eThekweni Municipality departments to enact this development, such as the departments of social development, economic development, and environmental conservation, often work in silos. This limits integration among these government departments which is needed at programmatic levels to develop and implement BSI. HBEs continue to emerge, create jobs, and change the land uses in townships. These spaces of representation affect the layout of townships, where the current physical constraints are often counterproductive in response to the needs of local business (refer to Section 5.5). Examples of this discrepancy can be seen in Ward 68, where there are home-based businesses

operating in areas that are zoned for residential use (refer to Annexures I–K). Spaces of representation are key factors for BSI to address.

The transformation of the ward areas in the city are attributed to area-based management, ward offices, local business nodes, and in some cases, urban improvement precincts (UIPs). The challenges of competing interests among a diverse number of stakeholders, who are operating on different spatial scales, require more strategic planning and orientation of BSI. Transformation is based on diverse stakeholder perspectives. As discussed in Chapter Two, transformation refers to both societal changes, which move away from apartheid racial segregation to more integrated development, and to the BSI field, where it indicates an increase in compliance when informal businesses move towards formalization (refer to Sections 2.3 and 2.4). The motivation for transformation is an ongoing negotiation of representing space and processes in space. The integration of local level spatial-economic data into scenarios for business support offer one way of conceptualizing how BSI could work towards broader spatial justice objectives.

The segregation engineered during apartheid has created a forced separation of people and economic activities, this history and how it continues to shape township areas have implications for any interventions aiming to provide support services to enterprises. Representations of space incorporated by urban planning in developing BSI strategy would allow for more flexible and diverse BSI to respond to the different spatial-economic contexts at a local level (Robinson, 2009). Economic development has distinctive spatial challenges which affect the response of BSI. If businesses are

to be supported as per policy objectives, then how they are supported in different geographic areas requires important strategic decisions.

The vision and plans for the city aim to be inclusive in practice, but a lack of integration between scales of business is also a challenge. As the participant from the municipality describes:

The vision is supposed to have the integration where you are not catering for big businesses only but its integrated with the community people who will find jobs in that space, for the community businesses to be suppliers of the economic activity that is dominant in that node (KII Participant: eThekweni Municipality, 20.07.2018).

Poor strategic planning, which does not incorporate the local context for economic development, is also hampered by the limited information on the city's local level spatial economy. At national, provincial, and local levels of government there are common, broad development goals, for example, poverty reduction. Nevertheless, how those concepts are implemented across different development scales is crucial; currently, they are insufficiently coordinated spatially.

In Figure 34, between the axis of injustice (entrenched segregation) and spatial justice (scenarios for a future of equitable development), there are a number of alternative scenarios to align planning and economic development. The responsibilities to address the challenges of conflicts in the uses of space overlap with a variety of different state sectors and with private businesses. In this study, the stakeholders include the HBEs, social development, urban management, and economic development (refer to Sections 3.5 and 7.3). This requires multiple approaches, and it

necessitates that the onus of the interventions is distributed to all relevant stakeholders.

### **7.3. Collaborative Capacity of Strategic Economic and Urban Planning**

In the context of this study, the term “business support interventions” is used in a broad sense to include public role-players and the private sector. Several questions arose from this research about the role of the state, including questions about the direction of the city’s support interventions, or rather, whether business support is provided in a way that contributes to the spatial justice goals of the city. Business support interventions in eThekweni that are undertaken by the DSBD; municipal departments such as the eThekweni Business Support, Marketing and Tourism Unit; and NGOs such as PPTs and the Informal Economy Support Programme (IESP) provided examples of how the state responded to inequality. One participant stated:

The planning guys do a lot of nice work if it comes from there and it should really, they say where should [sic] development take place within the city and [that] we should all align. Sometimes you find that the misalignment is driven by what my mandate is, and what my targets are for my particular department. Where I’m sitting and I am going to develop my project plans and my work where [it] is not aligned to the city development, that’s where you get the misalignment and sectoral work (KII Participant: eThekweni Municipality, 20.07.2018).

There are a number of management and urban planning structures at local level. Ward 68 is one of 108 wards in eThekweni and each area has political oversight from the ward offices led by a councillor. The city’s ward offices and area-based management (ABM) offices are used to manage local areas. The ABM is involved with the community in establishing UIPs. The contribution to spatial change from local and

private sector involvement relies heavily on more investment from businesses and property owners in local precincts.

The individual land use applications, or lack thereof, with land uses changing without strategic oversight, cumulatively shift the use of space. The private actions of individuals that are transforming land uses change the processes in space. Cities are shaped by the process of everyday activities of ordinary people. In this case, HBEs are changing the social, spatial, and economic environment of this urban area (Bayat, 1997). This shift has an impact on their neighbours and, while there are HBEs which serve the community, the port allows for elements of a more invasive nature to creep into the neighbourhood. The changes to home-based businesses to accommodate port-related activities, show precedents of creating less responsive environments in other case studies (Bond, et, al., 2016 and US, 2016). Examples of these changes are reflected in the literature review which showed the changes to neighbourhoods' traffic and safety and the deterioration of the aesthetic appearance of the neighbourhood as ongoing invasion of logistics took over the areas (refer to 3.7).

Vulnerable areas such as Ward 68 have to build financial and competitive profiles and coalitions to inform development or there will likely be emerging shifts in business invasions which change the types of HBEs and their potential to improve the community. The invasion refers to port-related activities which include logistics, trucking, and storage facilities (large-scale warehousing). There should be more collaborative, planned approaches to reshape innovatively urban spaces that take into account different scales of impact on business/infrastructure and investment. Hence, there are roles for BSI to strategically engage with HBEs at a local level.

Using spatial justice as a lens, the study looked at informal and SMMEs in a residential zone to understand spatial-economic phenomena that arose from unplanned changes in land uses. Historical and unplanned land uses had an impact on the injustice present in South Durban (refer to Chapter Three: Literature Review). Conflicting land uses dominate the spatial layout of Ward 68 and the study area provided atypical suburbs in which to address concerns for spatial justice. Regulatory provisions, which conform to the zoning and bylaws of the city, shape the local economy of the study area. The consequences of over-regulating land uses include more conflicted spaces. Informal businesses and SMMEs re-use space and this produces changes to the order of the suburban layout. Hence, stakeholders who implement BSI, the community, and the HBEs all have different ideas of what would constitute justice in the SDB. The practical elements of BSI which render it a useful tool for more multi-disciplinary approaches include improved data and knowledge to contribute towards policy and practice by using technology to map and support local economic development; mechanisms to monitor and support job creation; and the proactive mobilisation of interested and affected groups about decision-making which has an impact on land uses in the SDB.

#### **7.4. Concluding Comments**

The businesses surveyed and interviewed in Ward 68 are evidence of growing informality and HBEs. The use of space for residential and business purposes, the changes in routes due to changes in land uses, and the broader perception of the complexity of surrounding land uses showed that economic activities in Ward 68 have ongoing spatial implications, which could have a positive and negative impact on the area. The benefits of BSI as a necessary tool for systemic changes, are based on targets of job creation, sustainable businesses, and improving support services to more businesses (South Africa, 2015; PPT, 2016). However, while the spatial impact

is acknowledged, there is limited forward-thinking about how to adapt the BSI in addressing the issues that would contribute to better urban planning and management at ward level.

This chapter reviewed how local development integrated with national imperatives. In the context of residential areas adjacent to the proposed port, the large investment project has potential to support local businesses in the study area. The provision of interventions for business support, which have an impact on the economic activity in the city, can support the development and management practices of ward areas.

BSI offers an opportunity to stakeholders to engage in a more collaborative way in the state and in the private sector because of the partnerships, which have developed, and which have potential to develop. These relationships and the resulting data have the potential to inform policy and more inclusive practices because of the diverse stakeholders who participate in development processes; they have the potential to process and feed data into different channels. While this is idealistic, the efficacy of types of BSI and their monitoring and impact evaluation will determine the feasibility of this approach to transformation.

It is short-sighted to assume that entrepreneurship in a community may create trickle-down benefits within the community (Allan, 1998; Beall, 2002). The enablement of informal and SMMEs to diversify supply chains requires economic-spatial knowledge to unlock the opportunities for networking widely. The contribution of knowledge for this study included maps and data with input from multiple stakeholders involved in the public and private sector. Ultimately, the knowledge gained from collecting and

analysing spatial economic information at ward level can be used by all stakeholders in local spaces, with regional oversight, to more pro-actively address their urban renewal goals.

The links between the network of BSI, patterns of consumption, and space have an impact on the quality of the urban environment. These connections can be made by creatively collaborating, by working with NGOs and businesses in the area, and by thoroughly understanding the micro-economic environment, inclusive of community and large industry. In Ward 68, there are a number of competing interests and judgements relative to the positions of the people who occupy and use the space, for example, interests in industry, community, and environmental activism. In this case, racial, environmental, and economic factors contribute to social injustice, all of which require better services and distribution of information to residents. The economic system may not shift its paradigm instantly, but as a starting point, suburbs that are able to sustain themselves, to diversify the property market, and to build networks would start contributing towards models for a more spatially just approach to development.

## **8. Chapter Eight: Conclusions, Recommendations and Suggestions for Future Research**

The origin of this study was based on a personal commitment to generate ideas for new ways of thinking for state and non-state actors about local economic development. Questions arose about enabling the spatialisation of business support from work experience in the BSI sector and from observing the efforts to undertake collaborative work which influences different types of urban development (between different state departments, civil society, and the private sector). The subject of business support interventions (BSI), which are intertwined with urban planning and management, were particularly relevant towards addressing social and spatial injustice. The conceptualisation of space explained by Lefebvre's triad is applicable to the role of BSI in promoting spatial justice. The way in which enterprises and the business development support to those enterprises is implemented has an impact on the three layers of space, namely physical space, spaces of representation and representations of spaces. This research is based on a sense of responsibility to acquire more knowledge and understanding towards enabling collaborative work at a local level and to investigate a reconceptualization of BSI as a possible contribution to spatial justice.

Ward 68 was selected from the South Durban Basin (SDB) as a study area because it already faced challenges of environmental racism and conflicting land uses that showed the impact of historical planning practices on its three suburbs. The representation of the local economy in the area enables an understanding of space, regardless of perceptions of informality and formality. This data can be mapped on different scales to better determine how to address spatial injustices through a

business support lens. Urban development professionals in all spheres of state / public sectors must be encouraged to align their work with spatial justice goals that are incorporated in policy and practice, like SPLUMA, and requires granular data and methods of collaboration. In this regard, more research is required to better establish the impact of strategic BSI in enabling spatial justice and development goals. A commitment to a process of collecting more finer-grained local economic data with a view to linking HBEs with suitable BSI programmes within previously excluded areas such as townships, would be a step towards spatial justice.

This study argues that the theoretical framework for spatial justice aligns with BSI as a transformation tool to better understand and build knowledge about spatial-economic urban development at a local level. BSI can directly support the forms of businesses that many marginalised people in South Africa have created in response to historic and contemporary exclusion.

The mapping, knowledge-building, and monitoring of HBEs in eThekweni is currently weak. At the time of this study, there were no spatial-economic datasets available to HBEs in Ward 68. Therefore, an important research question was whether interventions, state or private, reach the residential SMMEs and informal businesses sector. The relationships between the location of businesses and planned business support interventions (BSI) were not well aligned in the city. The sample of businesses surveyed in this study reflected the trend in the literature that BSI are not reaching the residential SMMEs and informal businesses. More awareness and promotion of BSI is required for different types of businesses to understand what is available and how to access support.

Information and data derived from the study were used to build contextual knowledge of a ward area for the, thus far, unseen economic activities. Economic growth, in terms of new job creation and increased production, would not only come from informal street traders, but from different role-players such as HBEs in the informal economy. Data captured at ward or precinct level have the potential to inform city strategies for the SDF and IDP processes. If integrated into the planning processes, BSI could contribute towards more collaborative engagement in urban planning and management.

It is essential to understand the strengths and weaknesses of BSI, as well as the opportunities and costs available in the local economy. The survey was adapted to seek information about emerging tensions for businesses which align BSI and urban management. Hence, the following questions needed to be answered: How do these businesses in residential areas perceive business support interventions? Which challenges and/or benefits do they identify with support models? The research design included the perspectives of different types of participants who work to provide support to informal businesses, as well as from the informal and SMMEs in the residential zones of Ward 68. Mapping, surveying, and interviewing different types of role-players involved in local economic spaces further contributed towards an understanding of the implications of HBEs in the ward area, the implications of spatial design for HBEs, and the uptake and access of BSI in the area. This information is relevant to the provision of BSI because it identifies the benefits and challenges of HBEs at a local level.

A collection of case studies on areas designated as townships during apartheid may offer useful comparisons to develop a guideline for BSI practitioners, the state, NGOs

and the private sector, to more accurately understand which support HBEs require, especially informal ones, and the impact of this support on both local economic development and on spatial justice in South Africa.

Regulations have influence over how people interact with or avoid administration. Whereas businesses in this study indicated that they would align to regulatory frameworks, HBEs did not regard compliance to both urban planning and business regulations as a priority. Regulations prominently shaped the local economy in the segregated environments of SA cities. The research question enquired whether planning regulations played a role in how people make choices about informal and SMMEs and how regulations shaped the local economy. At local level, the ward exhibits the structural remnants of social divisions in its suburbs. Evidence of the impact of post-apartheid restructuring of urban space to collaboratively develop business spaces is less evidenced in the area. Hence, there is a need to develop strategies to make a shift in the economic environment of the area.

Informal and SMMEs, which are based in residential zones, have unique challenges and they consequently require different kinds of support. In support of more inclusive and collaborative approaches to development, the methodology specifically aimed to contribute to developing local spatial-economic knowledge. There was little evidence of cross-pollination in work between economic development and urban planning at local level, apart from national strategic documents. The influence of past legislation, policy, and practices meant that utopian ideals in both planning and economic development agendas were propagated in response to address historical discrimination. The subsequent implementation of BSI and the length of time taken to

see results from interventions, leave people doubtful about state services. This breakdown in trust often leaves communities to rely on private sector responses and, due to affordability, there are limited options available to informal and SMMEs. Many challenges hinder a more spatially just urban environment, for example, enabling and supporting various types of economic development in previously marginalised spaces (Gordhan, 2017; Robbins, 2015).

A more equitable distribution of services and resources for development should rely on evidence-based planning on different geographic scales. BSI tools and processes have potential to contribute towards those social processes by building spatial-economic knowledge at local level. An exploration of ward-level BSI research in Chapter Seven raises important questions about local development assumptions and how planning regulations and design impact on these HBEs. Despite progress made by the eThekweni Municipality in developing and actioning policy for the informal economy since 2001, there are still large data gaps that could hinder informed decision-making about HBEs in township spaces.

The use of infrastructure and urban layout of the environment in SA was structurally designed to segregate and oppress different population groups. Urban transformation towards spatial justice requires an understanding of the challenges faced in different local areas for more responsive approaches to policy and practice. If the eThekweni Municipality's vision is indeed to be more caring and liveable, then urban planning and management, including practitioners of BSI, require spatial-economic information to assist in understanding and developing the emerging new markets – particularly

economic activities that enable the agency of inhabitants in local spaces to contribute more effectively to spatial decision-making.

While race and gender demographics were not a focal point of this study, the policies, and the inconsistencies in the distribution of services is a matter of concern to BSI. The development of more spatial and economic knowledge about women, youth, and disabled people working in HBEs and the provision of ward level data would contribute to the development of better strategies for national imperatives such as NIBUS and the IMEDP. Therefore, the importance of developing case-based knowledge at local level is reiterated; it will assist in influencing appropriate changes to policy and to regulatory frameworks.

Finally, the question about linkages between different scales of development and how it linked to this topic was considered. The ideas of the proposed port, the neighbourhood and its HBEs, and how regulations played a role in supporting development were incorporated to ask what implications these support interventions and planning regulations (state actions) have for thinking about spatial justice in the back of port area in Durban. HBEs in areas such as Ward 68 are a result of economic demand and supply in townships based on informal negotiations and agreements of changing land uses in communities. These negotiations and encroachments were frequently driven by historic spatial segregation and oppression and continue under contemporary urban exclusions. Since BSI and SMME policy aim to support black entrepreneurs, many of whom live in or run businesses from township locations (spaces purposefully underdeveloped during apartheid), BSI have potential to contribute towards strategies for social and spatial justice.

The rights to the city and to economic opportunities should not only be conceptualised as the prioritization of increased production or growth of SMMEs' size, rather, it should accommodate the context-specific challenges that arise in different areas because these small businesses work to provide livelihoods for their families and to provide employment for others. The literature shows that a system for spatialising economic information mainly occurs at national and city levels and not at ward level.

If state and private resources, which are distributed either through financial or non-financial interventions, are to have a positive impact on a more spatially just urban form, then developing knowledge and spatially enumerating local economies is essential. An important part of the argument advanced in this thesis, is the value of a BSI research method that draws on the participation of businesses at local ward level. Ward level economic data and knowledge can contribute to more strategic BSI and assist in reaching more businesses that would otherwise not have received assistance.

The case study approach provided contextualised local knowledge which was identified as a gap in planning for BSI. This study looked at the role of BSI in spatial justice; the insight in what work was undertaken in the city and in ward areas for informal and SMMEs provided useful data to critique theory and practice. Since 1994, policy and legislation in the city started shifting towards a more inclusive approach to economic development, which is reflected in the following statement:

In eThekweni there is a so-called 'radical economic transformation'. The initiatives aim to provide employment opportunities for labor within the city whereby local employment equates to an economic right and contributes to social justice. (eThekweni Municipality, 2016).

Given the spatial segregation engineered under apartheid, much of which remains today, economic rights and social justice is inevitably spatial.

The scenarios of spatial justice and development for Ward 68 and the South Durban Basin are influenced by the city region and national priorities. The economic assets of a city such as the proposed port development in the area, drive investment in more logistics activity and increased capacity for port-related formal businesses in South Durban. An example of port-related development is that the Clairwood Racecourse was transformed into a warehouse facility (Dealcore, 2019; SDCEA, 2016). This development was heavily contested because of the environmental degradation (Walford, 2016). The city-level influence on the ward has an impact on the changing land uses and development.

The politics entrenched in physical and spatial elements of the ward area have yet to be addressed. BSI, political will, and urban planning and management have transdisciplinary stakes in spatial changes for social and economic transformation. Some of the questions that need further investigation are: Do emerging policies, plans, concepts, and projected goals for BSI which have entered the market address challenges of informal businesses? Are they achieving targets that contribute to spatial justice? Is this happening within budgets? Are these outcomes realistic? Is corruption infiltrating support systems? What measures are in place to ensure that the people and places affected by injustice are benefitting and growing from this type of resource distribution?

The key informants (BSI practitioners and business owners) and the survey data provided quantitative and qualitative responses to address the research questions about the reach, uptake, challenges, and benefits of BSI. The impact of BSI in Ward 68 was low for two reasons: first, the HBE owners' uncertainty when non-strategic and poorly communicated types of BSI were presented to them; second, the BSI practitioners' challenges in finding home-based informal and SMMEs to support. Both reasons have reduced the ability of BSI to provide services in the area. In addition, if BSI are to live up to their potential, whereby policy is trying to achieve spatial justice *via* support mechanisms, then we need to establish alternative methods of engagement to support informal and SMMEs. During this study, some business owners had already established support networks in the area by word-of-mouth and in social media. To reach and understand the local economic activities in Ward 68, it is worthwhile for BSI practitioners to note how useful platforms like WhatsApp groups, business networks, and online maps may be as forms of communication.

This thesis has offered a detailed description of a research method for collecting and analysing spatial-economic data. Along with contextualised spatial data of the study area, it offers new learnings about a mixed methods approach which contributes knowledge at ward-level. The challenges identified for informal and SMMEs in Ward 68 are specific to this case study. This mixed methods approach gathers information through observations in the field, mapping, interviews with key stakeholders, and a survey of HBEs in the area. Building on this methodological approach, more case study exploration across the city is needed to develop an understanding of the spatial-economic profile of township areas. Whereas the mixed methods approach is innovative, the HBEs survey used questions that were comparable to those used

broadly by BSI practitioners in this sector. It is important to place the ward data within the broader context of the city and to make spatial comparisons across the urban fabric. Case-based approaches are important to develop knowledge of local space, which is essential for the effective provision of BSI.

Methodologies that overlay socio-economic data at this scale into GIS maps currently used by town and regional planning, for local area plans, and for other forms of development, offer additional possibilities for spatial transformation. The integration of BSI data into planning processes may well assist in thinking how planners can re-design or adjust regulations to support or build capacity for SMMEs and HBEs in township areas. Likewise, BSI research could then provide nuanced data that directly feed into planning processes. This case study has illustrated an expansion of the current GIS ward-mapping to show that stratified layers of space enable inclusivity of micro level economic activities, which operate within households, and which contribute to urban development in eThekweni. Important work still needs to be done to address the current social and economic inequalities in South African cities such as Durban, by reconceptualizing the collaborative work between BSI and urban management at ward level, as a method to drive spatial justice.

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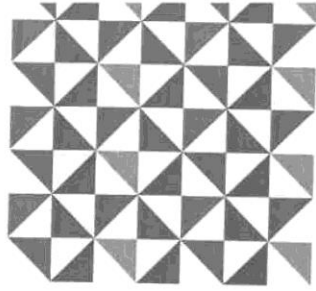
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## Annexure A: IREC Letter of Approval



**Institutional Research Ethics Committee**  
Research and Postgraduate Support Directorate  
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Durban University of Technology

P O Box 1334, Durban, South Africa, 4001

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[www.dut.ac.za](http://www.dut.ac.za)

6 February 2018

IREC Reference Number: **REC 67/17**

Ms T Dayaram  
39 Nasik Road  
Merewent  
Durban  
4052

Dear Ms Dayaram

**The role of business support interventions in promoting spatial justice: A case study of informal economic development in a residential zone, eThekweni (Ward 68).**

The Institutional Research Ethics Committee acknowledges receipt of your final data collection tool for review.

We are pleased to inform you that the data collection tool has been approved. Kindly ensure that participants used for the pilot study are not part of the main study.

Please note that FULL APPROVAL is granted to your research proposal. You may proceed with data collection.

Any adverse events [serious or minor] which occur in connection with this study and/or which may alter its ethical consideration must be reported to the IREC according to the IREC SOP's.

Please note that any deviations from the approved proposal require the approval of the IREC as outlined in the IREC SOP's.

Yours Sincerely,

\_\_\_\_\_  
Professor J K Adam  
Chairperson: IREC



## Annexure B: Letter of Information and Consent



### LETTER OF INFORMATION

20 March 2018

Dear participant,

I am a student researching for my thesis titled: The role of business support interventions in promoting spatial justice: A case study of informal economic development in a residential zone, eThekweni (Ward 68).

Principal Investigator/s/researcher: Tanya Dayaram, Candidate PhD researcher, MTRP  
Co-Investigator/s/supervisor/s: Dr Kira Erwin

This study explores Small, Medium Enterprises (SME) and informal economic development in the residential area of ward 68. It seeks to evaluate the reality of business development initiatives from understanding how home businesses operate in eThekweni. If business development support interventions (state / private) reaches the residential SME and informal businesses sector, including if businesses have accessed support, and the personal challenges / benefits experienced.

The research includes:

- A maximum of 100 surveys will take place with home-based businesses, followed by in-depth interviews of 10/100 surveyed businesses.
- The expected duration of the survey is between 30-45 minutes
- The expected duration of the interview is between 45 – 90 minutes
- Please note that there are no direct benefits to participants, this includes no monetary or other types of remuneration.
- Potential indirect benefit to include knowledge sharing of support programmes for small and informal business.
- You will not be expected to cover any costs towards the study.
- There are also no adverse consequences for the participant should they choose to withdraw from the study at any time.
- No personal information, including names and addresses, of research participants will be revealed when writing up the findings, and all information during and after the project has ended remains confidential.

Please do feel free to ask any questions about the purpose of the study before signing; a translator will be contacted to assist with this should one be required.

**Persons to Contact in the Event of Any Problems or Queries:** Please contact the researcher Tanya Dayaram (083 448 6440), or my supervisor Dr Kira Erwin (031 373 2017), or the Institutional Research Ethics Administrator on 031 373 2375. Complaints can be reported to the Director: Research and Postgraduate Support, Prof S Moyo on 031 373 2577 or [moyos@dut.ac.za](mailto:moyos@dut.ac.za)

(Please turn over this page and sign the consent form)

Page1 of 2



**CONSENT**

**Statement of Agreement to Participate in the Research Study:**

- I hereby confirm that I have been informed by the researcher Tanya Dayaram about the nature, conduct, benefits and risks of this study - Research Ethics Clearance Number: REC 67/17
- I have also received, read and understood the above written information (Participant Letter of Information) regarding the study.
- I am aware that the results of the study, including personal details regarding my sex, age, date of birth, initials and diagnosis will be anonymously processed into a study report.
- In view of the requirements of research, I agree that the data collected during this study can be processed in a computerised system by the researcher.
- I may, at any stage, without prejudice, withdraw my consent and participation in the study.
- I have had sufficient opportunity to ask questions and (of my own free will) declare myself prepared to participate in the study.
- I understand that significant new findings developed during the course of this research which may relate to my participation will be made available to me.

_____	_____	_____	_____
<b>Full Name of Participant</b>	<b>Date</b>	<b>Time</b>	<b>Signature</b>

I, \_\_\_\_\_(name of fieldworker/ researcher) herewith confirm that the above participant has been fully informed about the nature, conduct and risks of the above study.

_____	_____	_____
<b>Full Name of Fieldworker/Researcher</b>	<b>Date</b>	<b>Signature</b>

_____	_____	_____
<b>Full Name of Witness (If applicable)</b>	<b>Date</b>	<b>Signature</b>

_____	_____	_____
<b>Full Name of Legal Guardian (If applicable)</b>	<b>Date</b>	<b>Signature</b>

# Annexure C: Survey Questionnaire

Survey of Businesses operating in Ward 68

<https://docs.google.com/forms/d/1FwnAvbsyCdaJLbWH9agXsrSIGdA...>

## Survey of Businesses operating in Ward 68

There are 4 short sections in this survey. Please refer to the letter of information below for details of the study and complete all sections of this survey. Submission of the online survey is considered as consent and your information will be kept confidential.

\* Required

### 1. **Date surveyed**

---

*Example: December 15, 2012 11:03 AM*

### 2. **Full name of interviewer**

If you completed this over email then please state 'online survey'

---

## Letter of information

**Appendix B****LETTER OF INFORMATION**

21 August 2017

Dear participant,

I am a student researching for my thesis titled: *The role of business support interventions in promoting spatial justice: A case study of informal economic development in a residential zone, eThekweni (Ward 68)*.

**Principal Investigator/s/researcher:** Tanya Dayaram, Candidate PhD researcher, MTRP  
**Co-Investigator/s/supervisor/s:** Dr Kira Erwin

This study explores Small, Medium Enterprises (SME) and informal economic development in the residential area of ward 68. It seeks to evaluate the reality of business development initiatives from understanding how home businesses operate in eThekweni. If business development support interventions (state / private) reaches the residential SME and informal businesses sector, including if businesses have accessed support, and the personal challenges / benefits experienced.

The research includes:

- A maximum of 100 surveys will take place with home-based businesses, followed by in-depth interviews of 10/100 surveyed businesses.
- The expected duration of the survey is between 30-45 minutes
- The expected duration of the interview is between 45 – 90 minutes
- Please note that there are no direct benefits to participants, this includes no monetary or other types of remuneration.
- Potential indirect benefit to include knowledge sharing of support programmes for small and informal business.
- You will not be expected to cover any costs towards the study.
- There are also no adverse consequences for the participant should they choose to withdraw from the study at any time.
- No personal information, including names and addresses, of research participants will be revealed when writing up the findings, and all information during and after the project has ended remains confidential.

Please do feel free to ask any questions about the purpose of the study before signing; a translator will be contacted to assist with this should one be required.

**Persons to Contact in the Event of Any Problems or Queries:** Please contact the researcher Tanya Dayaram (083 448 6440), or my supervisor Dr Kira Erwin (031 373 2017), or the Institutional Research Ethics Administrator on 031 373 2375. Complaints can be reported to the Director: Research and Postgraduate Support, Prof S Moyo on 031 373 2577 or [moyos@dut.ac.za](mailto:moyos@dut.ac.za)

**Section 2 (Participant Information)**

Reminder: No personal information, including names and addresses, of research participants will be revealed when writing up the findings, and all information during and after the project has ended remains confidential.

**3. Surname and First name**


---

**4. ID number (optional)**

---

**5. Contact information (cellphone / landline)**

---

---

---

---

---

**6. Contact information (email address)**

---

**7. Please select a category that corresponds to your age:**

*Mark only one oval.*

- Under 18
- 18 to 25
- 26 to 35
- 35 to 55
- over 55

**8. Nationality**

*Mark only one oval.*

- South African
- Other African
- Outside Africa

**9. Gender**

*Mark only one oval.*

- Male
- Female
- Other

**10. If other gender, please specify**

---

**11. What race group do you classify yourself as?**

*Mark only one oval.*

- Black
- Colored
- Indian / Asian
- White
- Prefer not to specify
- Other

**12. If other, please specify**

---

**13. Please select the highest level of education you have achieved from the following categories:**

*Mark only one oval.*

- None
- Some primary
- completed primary
- some secondary
- completed secondary
- Tertiary

**14. Are you the business owner? \***

*Mark only one oval.*

- Yes
- No

**15. Do you have other forms of employment / own multiple business entities? Y/N and if yes, please describe what else you do:**

---

## **Enterprise Information**

**16. Enterprise name(s) \***

---

17. **What is your enterprise(s) address \***

---

---

---

---

---

18. **If possible, please provide a GPS point:**

e.g. from a GPS device. From the google maps app click on your location and the GPS point appears on the search bar.

---

19. **Would you be interested on being added to maps showing where your business is located or would you like to remain anonymous? \***

*Mark only one oval.*

- Please add me to maps
- I would like to remain anonymous

20. **What date did the enterprise start (dd/mm/yyyy)?**

---

21. **Please select which sector you classify as from the following categories:**

*Check all that apply.*

- Trade
- Services
- Construction
- Manufacturing
- Farming
- Transport
- Other: \_\_\_\_\_

22. **If you selected 'other', please specify which other sector(s) you classify with**

---

23. **Do you work from home?**

Select Yes if part / all of your business activities are undertaken from your residential address.

*Mark only one oval.*

- Yes
- No

**24. Please choose from the following options to describe the type of business: \***

*Check all that apply.*

- self-employed (home-based worker)
- sub-contracted (home-based worker)
- entrepreneur
- Unregistered co-operative
- Registered co-operative
- Closed corporation
- Sole proprietor
- Other: \_\_\_\_\_

**25. If other, please specify the type of business**

\_\_\_\_\_

**26. Do you offer a product or services or both? \***

*Mark only one oval.*

- product/s
- service/s
- Product/s and service/s

**27. Please provide a description of your product/service(s) \***

(If you own multiple lease state each business and provide a short description)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**28. Please select where you service / supply? \***

*Mark only one oval.*

- in the community
- outside the community
- both in and outside the community

29. **Please provide the locations (suburb/towns) of services/ products distributed outside the community:**

---

---

---

---

---

30. **Please select the range that represents the current number of employees in the business: \***

(if there are more than one business entity please provide the responses per enterprise in the available space below)

*Mark only one oval.*

- 1-5
- 6-10
- 11-20
- above 20

31. **additional space to specify the businesses and range of current number of employees in those entities:**

---

---

---

---

---

32. **Do you plan to create new jobs within a short-term period of 1-3years? \***

*Mark only one oval.*

- Yes
- No

33. **If yes, how many new jobs do you plan to create?**

---

34. **Additionally, for what are the planned positions for those new jobs?**

---

---

---

---

---

**35. Please select the type of employment you aim to offer**

*Check all that apply.*

- Permanent short time
- Permanent full time
- Temporary / short-term
- Other: \_\_\_\_\_

**36. What sort of help, either financial or with operating the business, do you receive? \***

i.e. What kind of support do you receive for your business from family, other businesses, or the government

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**37. Are you aware of any state or private sector initiatives which help to develop businesses? \***

*Mark only one oval.*

- Yes
- No

**38. Have you received the following types of Business development services (BDS)?**

In this section, you will be required to respond with yes or no to examples of business support (and if you answer yes, describe the assistance in the section below.)

*Mark only one oval per row.*

	Yes	No
Funding/Capital:	<input type="radio"/>	<input type="radio"/>
Land:	<input type="radio"/>	<input type="radio"/>
Business space:	<input type="radio"/>	<input type="radio"/>
Equipment:	<input type="radio"/>	<input type="radio"/>
Technical skills training	<input type="radio"/>	<input type="radio"/>
Literacy	<input type="radio"/>	<input type="radio"/>
Numeracy	<input type="radio"/>	<input type="radio"/>
Bookkeeping	<input type="radio"/>	<input type="radio"/>
Marketing	<input type="radio"/>	<input type="radio"/>
Human resource managent	<input type="radio"/>	<input type="radio"/>
Product Development	<input type="radio"/>	<input type="radio"/>
Other? (please specify in the next description section)	<input type="radio"/>	<input type="radio"/>

39. **If you have responded with yes to any examples of business support above please describe the type of assistance received here:**

e.g. source of the assistance, date, duration, and was it useful

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40. **Would you be prepared to pay towards the cost of business support services?**

(such as the business support examples provided in the previous question)

Mark only one oval.

- Yes  
 No

41. **Is the enterprise registered with SARS for tax?**

Mark only one oval.

- Yes  
 No

42. **In terms of municipal services, do you receive water, electricity and refuse removal?**

Mark only one oval.

- Yes  
 No

43. **On a scale of 1 (= poor) and 5 (= excellent) are you satisfied with municipal services?**

Mark only one oval.

1    2    3    4    5

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Poor                  Excellent

### Enterprise Challenges and Opportunities

44. **Did any business/ planning regulations affect / influence your choices in business location?**

Mark only one oval.

- Yes  
 No

45. **Please explain why business/ planning regulations did / did not affect your business location choices?**

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46. **Are you aware of any land use planning regulations e.g. land use management, zoning restrictions or municipal bylaws?**

*Mark only one oval.*

- Yes  
 No

47. **If yes, how do my land use planning regulations impact on your business? If no, please advise on if you would be interested to find out and comply with the regulations?**

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48. **Which of the following challenges do you face in your business?**

The following question requires you to select yes/no for each challenge. There is space in the last question to provide more details on these challenges.

*Mark only one oval per row.*

	Yes	No
Increasing input prices	<input type="radio"/>	<input type="radio"/>
Low levels of income & lack of opportunities for bulk purchases	<input type="radio"/>	<input type="radio"/>
Theft and damage to property	<input type="radio"/>	<input type="radio"/>
Lack of equipment	<input type="radio"/>	<input type="radio"/>
Access to water and services	<input type="radio"/>	<input type="radio"/>
Issues related to the transport of goods / services	<input type="radio"/>	<input type="radio"/>
Poor business marketing	<input type="radio"/>	<input type="radio"/>
Inadequate shelter/business space	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>

49. Please specify other business challenges that you face:

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50. The following section requires you to rate the intensity of the impact of the challenges to your business 1= low impact to 5= high impact

(noting that if it was not a challenge please select 1 for low impact)  
 Mark only one oval per row.

	1	2	3	4	5
Increasing input prices	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Low levels of income & lack of opportunities for bulk purchases	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Theft and damage to property	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of equipment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Access to water and services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Issues related to the transport of goods / services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Poor business marketing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inadequate shelter/business space	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

51. The last two challenges refer to compliance, please select yes or no if you have the following challenges:

Mark only one oval per row.

	Yes	No
Compliance with business regulations (legal form=registration and compliance with SARS, municipal business forms)	<input type="radio"/>	<input type="radio"/>
Compliance with planning regulations (for example: Land use management system including rules for zoning / consent /separation between business and residence /food safety/ signage)	<input type="radio"/>	<input type="radio"/>

**52. Please rate the level of difficulty of compliance between 1=no problems to 5=serious challenges for compliance**

Mark only one oval per row.

	1	2	3	4	5
Compliance with business regulations (legal form=registration and compliance with SARS, municipal business forms)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Compliance with planning regulations (for example: Land use management system including rules for zoning / consent /separation between business and residence /food safety/ signage)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**53. Please describe the impact of the challenges identified in the above sections, specifically in regard to compliance and regulations:**

Please use this space if you would like to provide more details on the challenges faced by your enterprise (s)

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**54. Thank you for your time!**

Please provide the current time as at the end of your survey.

Example: 8:30 AM



# Annexure D: Enterprise Interview Questionnaire

## Annexure D.

### Key Informant interview schedule (semi-structured interview): to enterprises



Opening:

**(Establish Rapport)** [Shake hands] My name is Tanya Dayaram and I am the principle researcher, you have already met Bryce/ Desiree and from your survey I thought it would be ideal to interview you.

**(Purpose)** The questions included in this interview addresses aspects surrounding Business Support Initiatives (BSI) in terms of accessibility, impact and learning about support programmes. **(Motivation)** I hope to use this information to complete my research and contribute to learning and knowledge for urban planning and Business Support initiatives (BSI).

**(Obtaining permission)** Written consent has been provided by you (participant) that you voluntarily took part in the survey and this includes any follow-up interviews. All interviews will be recorded with a voice recorder to ensure that the correct version of your interview is recorded. After completion of the interview I will transcribe the interview and your consent means that I may use this information in the study. Please verbally confirm your consent to participate in this study. At any time after this study is completed you have the opportunity to enquire about the results and findings of this study. **(Time Line)** The interview should take about 45-90 minutes.

No of sections: 3

Estimated Duration: 45 - 90mins

#### Section 1: Administration

1. Date
2. Time
3. Questionnaire no.
4. Name, Surname of interviewer

#### Section 2: Personal / contact information

Surname

First name

DOB / select a category for your age?

Gender (Male, Female)

What race group do you classify yourself as:

Contact details

Cell number

Work number

Email address

The above information was pre-filled in from the survey, please confirm that this information is correct?  
y/n (if no, please advise on the correction)

#### Section 3A: Enterprise growth and requirements

1. Tell me about your business, why you started,
2. What influenced your decision to work from home?
3. What it is like to do business at home?
4. What support you rely on?
5. What are your working hours?
6. What sort of skills do you need for running this type of business?

7. What sort of skills would you like to develop / attain to improve your business?



**Section 3B: Enterprise experience of regulations (with reference to survey)**

8. What was the process you followed to open your business (Was there a process in which you had to follow to get approval in order to open up this business? If so, what process did you follow?)  
9. Explain planning/ building regulations which impact on your business?

**Section 3C: Enterprise experience of BSI (challenges and benefits -with reference to survey)**

10. Based on your experiences, what benefits do you experience with the support interventions mentioned.  
11. Based on your experiences, what challenges do you experience with the support interventions mentioned  
12. How did business/ planning regulations affect your choice to work from home?  
13. What types of support would be most beneficial for your business?  
14. Who should provide business support?

**Do you have any additional comments?**

**Thank you for taking the time to talk to me.**

## Annexure E: Officials / BSI Questionnaire

### Annexure E

#### Key Informant Questions (semi-structured interview): to officials / professionals / BSI specialists



No of sections: 3

Estimated Duration: 45 - 90mins

#### Section 1: Administration

Date  
Time  
Questionnaire no.  
Name, Surname of interviewer

#### Section 2: Personal / contact information

Surname  
First name  
Contact details  
    Cell number  
    Work number  
    Email address

#### Section 3: Business support interventions

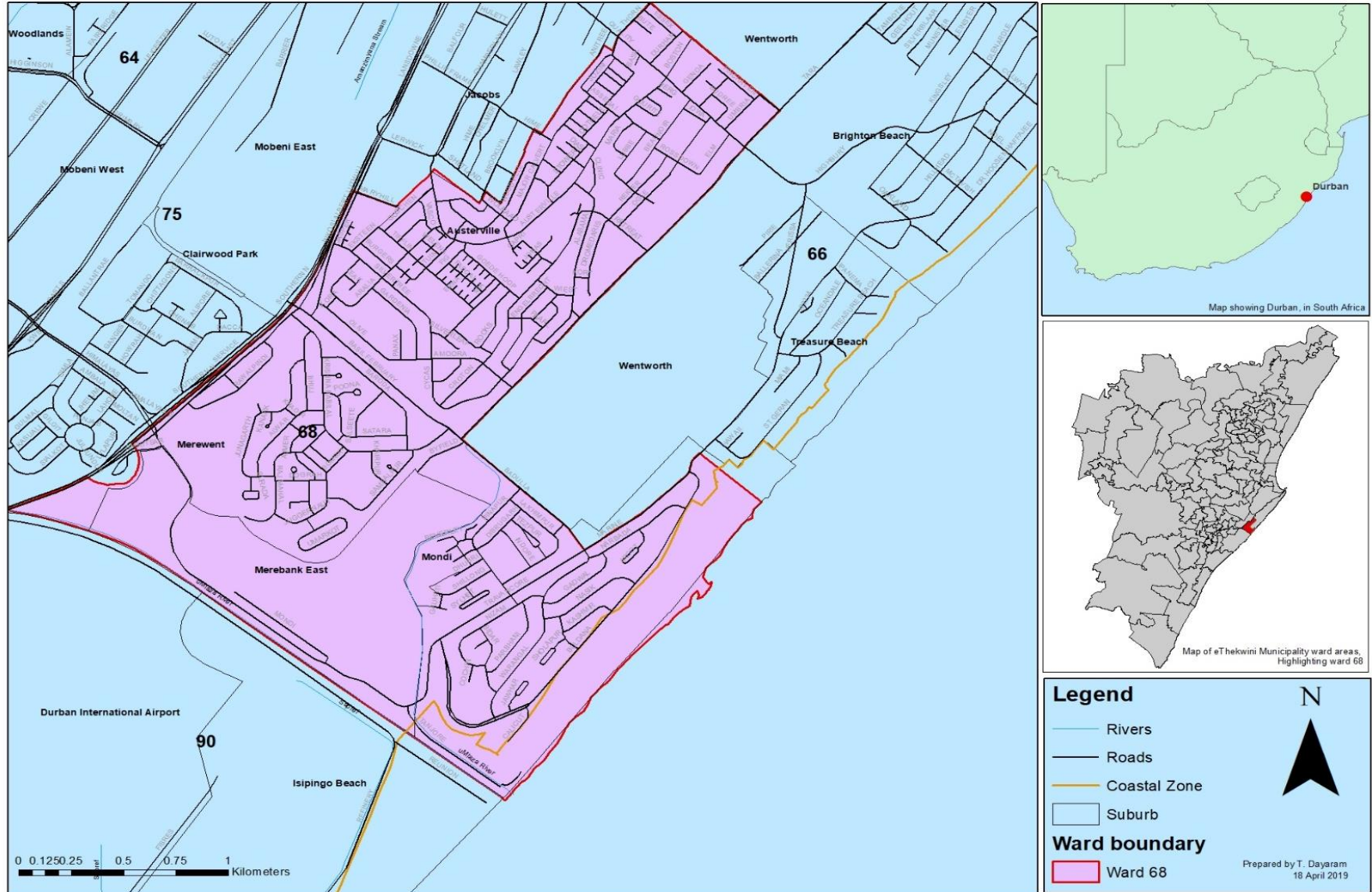
1. Please describe the business support interventions your organisation provides.
2. What is your role in planning / implementing BSI?
3. What is the focus of your interventions
4. How do the interventions improve local business?
5. Are there any stakeholders you are collaborating with to support SMMEs?
6. Does this support reach businesses run from households? And if so, to what extent?
7. How do you find and select businesses to support?
8. Can you comment on residential business owner's perceptions of SMMEs / informal enterprise business support interventions, what challenges / benefits they identify with in these models?
9. Are you aware of any problems regarding economic activities taking place in the South Durban area? If so, what kind of problems?
10. What planning regulations do you believe affect SMMEs and please describe the impact on business / service delivery
11. What experiences have you had whereby you have seen how regulations shape the local economy?
12. What is your understanding when you hear the term spatial justice?
13. What implications do your support interventions have for thinking about spatial justice? And what about in the context of the back of port area in Durban?

Do you have any additional comments?

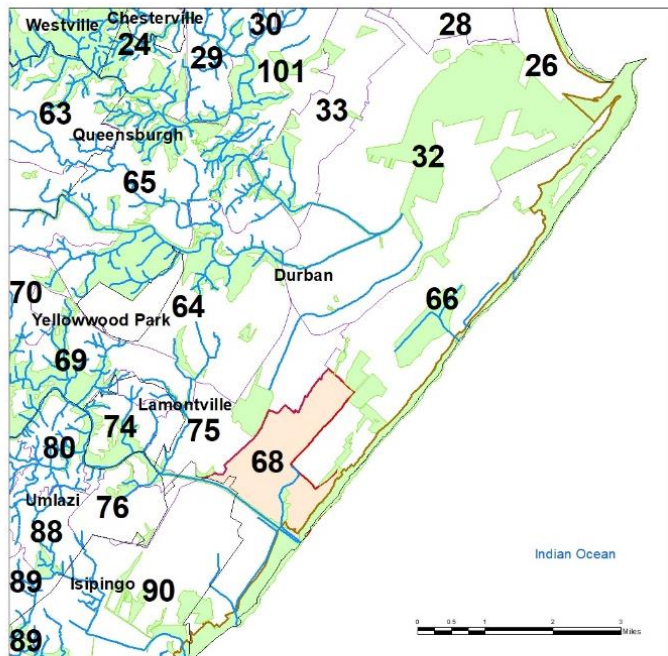
Thank you for taking the time to talk to me.

# Annexure F: Location Map

## Location Map of Ward 68, eThekweni (Durban)

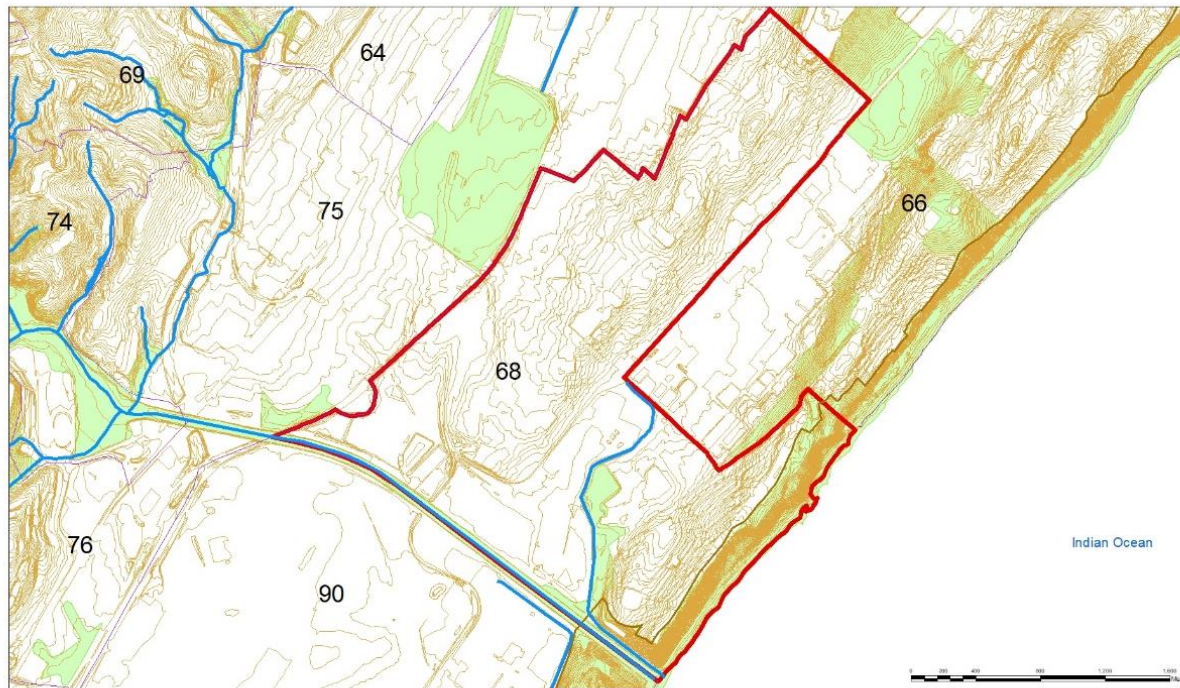
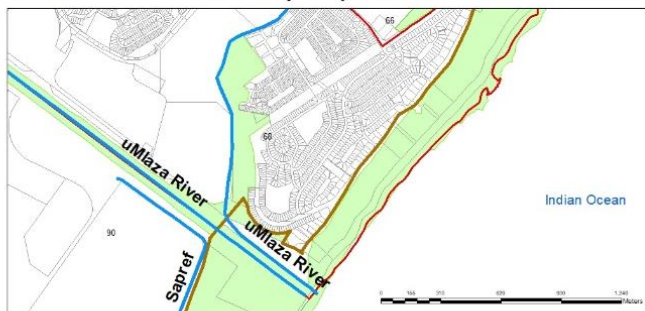


# Annexure G: Environmental Features of Ward 68

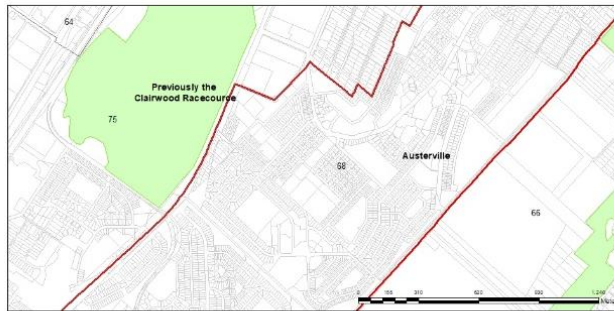


Above: Overview of the environment: Ward 68 and adjacent areas

Below: Detailed views of the open spaces in Ward 68



Above: Contour map of Ward 68 showing DMOSS and rivers. Below: Photograph of Ward 68 and uMlazi River



## Environmental features and contour map of Ward 68, eThekweni (Durban)

### Legend

- Rivers
- Contours2m
- CoastalZone
- All wards
- Study area
- Ward 68
- DMOSS

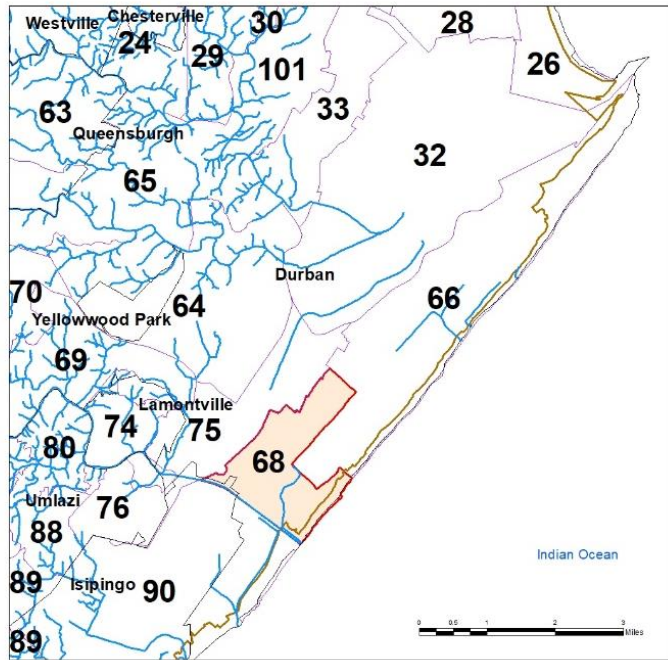


A case study of Ward 68, eThekweni (Durban)

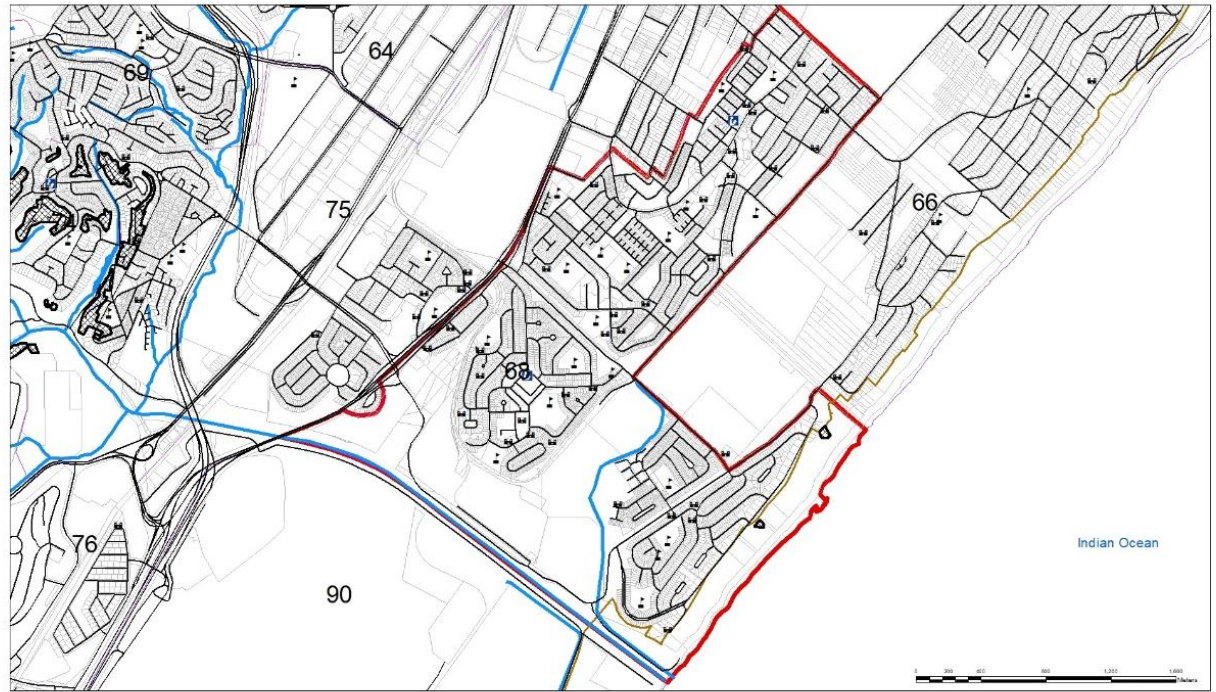
Prepared by T. Dayaram

Date: 21 April 2019

# Annexure H: Urban features of Ward 68



Above: Ward 68 and adjacent areas



Above: Layout map showing road network

Below: Detailed views of the road networks per suburb in Ward 68 (Austerville - Merebank East - Merewent)



## Urban features of Ward 68, eThekweni (Durban)

- Legend**
- Roads
  - Coastal Zone
  - Parcels
  - Ward boundaries
- Study area**
- 68
  - ✠ Places of Worship
  - 📖 Libraries
  - 🎓 Educational institutions

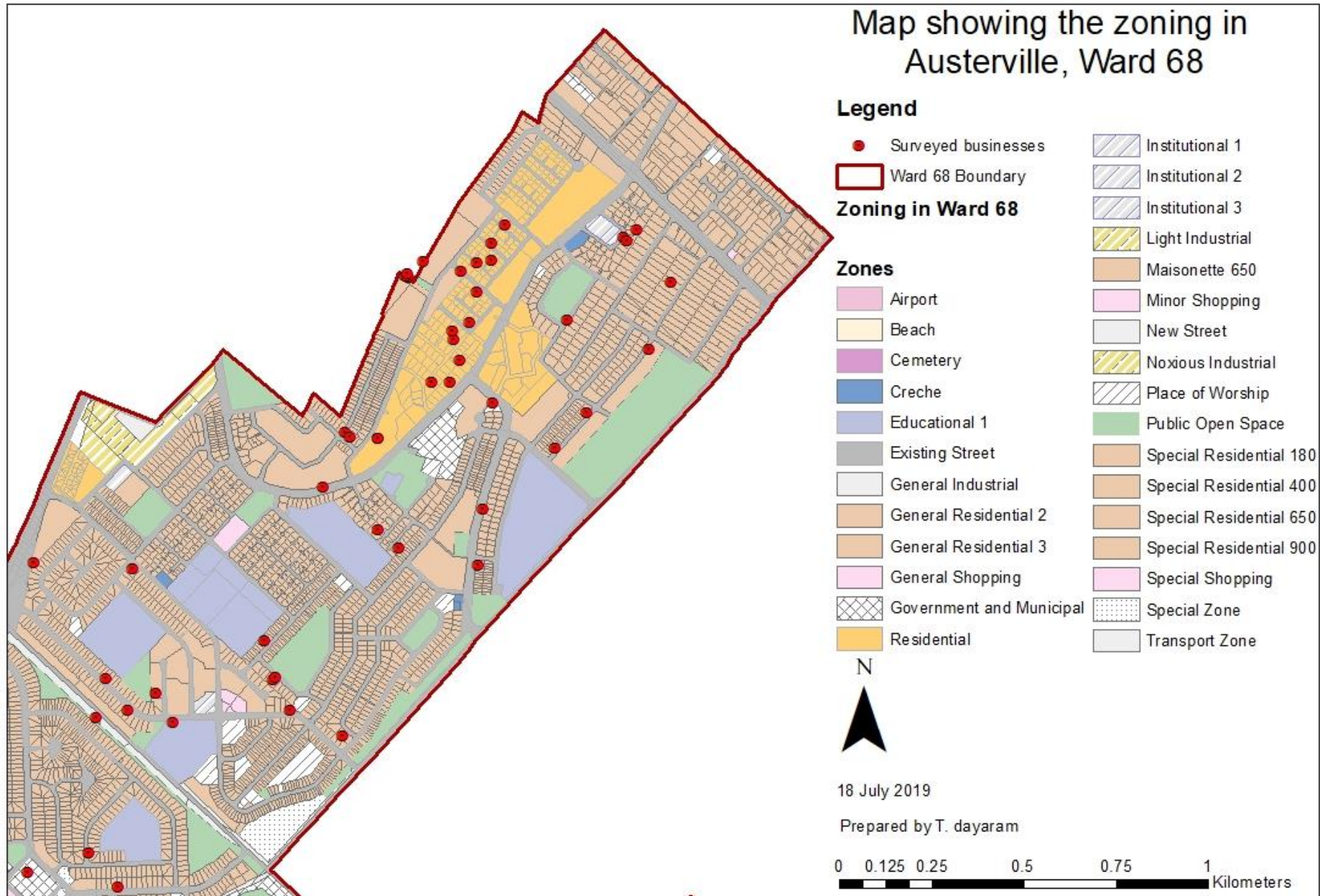


A case study of Ward 68, eThekweni (Durban)

Prepared by T. Dayaram

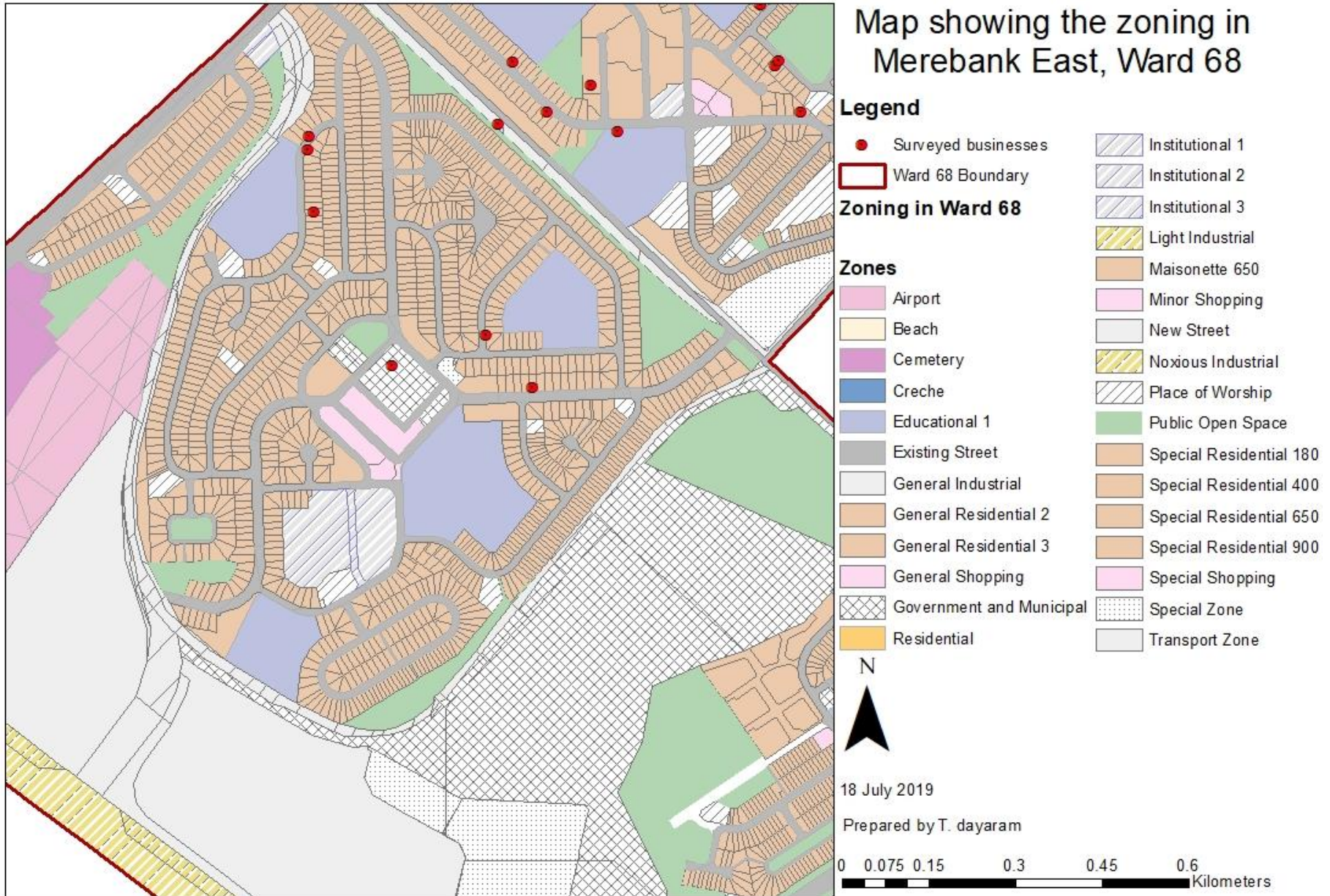
Date: 21 April 2019

Annexure I: Zoning map of Austerville



**Annexure J: Zoning map of Merebank East**

**Map showing the zoning in Merebank East, Ward 68**



**Annexure K: Zoning Map Merewent**

