



GAUTENG PROVINCE

HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA

CUSTOMER SERVICE **BOOKLET**

HOUSING CONSUMER EDUCATIONAL MANUAL
FREQUENTLY ASKED QUESTIONS

Module One: Housing Policy and Legislation

Housing delivery is at the forefront of the national agenda. The government's goal is to create sustainable human settlements so that people can own their properties. The government is taking overall responsibility for providing land houses to all.

Since coming to power in 1994, the state has built 1,4 million housing units, providing more than 5 million people with secure homes. In the past 8 years, the percentage of homeowners has risen from 66 to 77 per cent of all household dwellers, despite the fact that the number of households has also increased by 1,5 million since then.

The Constitution says that everyone should own a home of their own. Am I going to be given my own home?

The Constitution in fact says that “Everyone has the right to have access to adequate housing”. Adequate housing does not necessarily mean owning a home. There is a range of government programmes to address housing needs in this country. This might include security of tenure (ownership), but there are other options such as rental. In addition, adequate housing needs to provide for infrastructure, services, facilities and affordability.

The Housing Act refers to ‘adequate shelter’. What does this mean?

Adequate shelter is measured in terms of certain core factors, including:

- Legal security of tenure - ownership
- Services such as water, sanitation, electricity and waste removal
- Access to facilities such as schools and infrastructure such as roads
- Affordability, accessibility and location

I applied for a house four years ago. I was told that it would only take a few months but nothing has happened and I don't know what is going on with my application.

All government departments are committed to Batho Pele, a programme that was established to improve service delivery. The Department of Human Settlements also complies with the principles of Batho Pele. This ensures that the Department sets delivery standards and complies with them.

Module Two: Current Housing Programmes

How do I get a government house?

First, you must make an application and have your name put on the waiting list. You can do this at the housing unit of the local authority office in your region. You can check if your name is on the list with the customer support centre or go to the local authority offices in your region. They will be able to check the database and tell you if you are on the list.

What is a housing subsidy?

A government Housing Subsidy is a grant by government to qualifying beneficiaries for housing purposes. The grant is not paid in cash to beneficiaries. The grant is either paid to a seller of a house or, in new developments, the grant is used to construct a house that complies with the minimum technical norms and standards, which is then transferred to the qualifying beneficiary.

Do I qualify for a housing subsidy?

To qualify you must be:

- **Competent to contract:** An applicant must be legally competent to contract (i.e. over 18 years of age)

- Married or single with dependants or living with a long-term partner
- Unemployed or earning not more than R3500 000 per month
- A South African citizen or a foreigner with a permanent residence permit
- A first-time homeowner
- Not have received any government housing assistance before

Where can I apply for a subsidy?

You can apply at the local authority offices in your region, at the housing unit or at the local government customer support centre.

If my spouse and I have a combined income of over R7 000 do I still qualify for a subsidy?

When your joint income is more than R7 000 you will not qualify – however, if you apply individually and are below R7 000 you do qualify.

Do I qualify for a housing subsidy?

Applicants for a housing subsidy must satisfy the following qualifying criteria:

- An applicant must be married or living together with any other person. A single person with proven financial dependants - such as children or other family members - may also apply.
- An applicant must be a citizen of the Republic of South Africa, or be in the possession of a permanent resident permit.
- An applicant must be legally competent to contract - over 18 years of age, or married or divorced, and be of sound mind.
- An applicant's gross monthly household income must not exceed R3 500. Adequate proof of income must be submitted.
- An applicant or anyone else in the household must not have received previous housing benefits from the government, except for the following:
 - An applicant that qualifies for a consolidation subsidy

- Disabled persons
- An applicant may not own or have owned a house previously, except for the following:
 - Disabled persons
 - Persons who own a vacant stand that was obtained through the Land Restitution Programme
 - Persons who acquired a residential property for the first time without government assistance and the house/dwelling on the property, if any, does not comply with the norms and standards in respect of Permanent Residential Structures. The property must be in possession and registered in the name of the applicant; and qualify for a consolidation subsidy.

What if I am disabled?

Disabled beneficiaries may receive special additions (which come in a form of a subsidy) to their houses to enable them to live independently in normal residential areas. These additions are tailor-made to accommodate a variety of special housing needs. Such special additions include concrete aprons and ramps to facilitate access to houses, special grab rails in bathrooms, kick plates to doors, visible doorbells and special arrangements for access to toilets.

How do I apply for a housing subsidy?

You must correctly complete the application form, which must then be submitted to the relevant provincial housing department or municipality.

The following documents, where applicable, must accompany the application form:

- A certified copy of:
 - the page of the bar-coded RSA identity document containing photograph of applicant and that of his/her spouse
 - the page of the bar-coded Permanent Residence Permit containing the photograph of the applicant and that of his/her spouse
 - a marriage certificate (if applicable)

- a spouse's death certificate (if applicable)
- a divorce settlement (if applicable)
- birth certificates of all dependants (if applicable)
- most recent pay slip (applicant and spouse)
- Agreement of Sale
- Building Contract and Approved Building Plan
- Sale of Land and House Building Support Agreement in respect of the ePHP (if applicable)
- Proof of Disability (where applicable)
- Proof of loan granted by lender (if applicable)
- Application for exemption from capital contribution (if applicable)

Housing Subsidy Amounts: 11 March 2010 till 31 March 2011	
Subsidy Programme	Subsidy in Rand
Integrated Residential Development Programme (IRDP) Subsidies:	
R0 to R3 500	R55 706,00
Enhanced People's Housing Process:	
R0 to R3 500	R55 706,00
Rural Subsidies:	
R0 to R3 500	R54 906,00
Farm Resident Subsidies:	
R0 to R3 500	R54 50,00
Consolidation Subsidies:	
R0 to R3 500	R54 906,00
Institutional Subsidies:	
R0 to R3 500	R52 427,00
Individual Subsidies:	
R0 to R3 500	R84 000,00

What is the National Housing Subsidy Programme?

The National Housing Subsidy Programme (NHSP) aims to stimulate both rural and urban development. National housing policy specifies that all housing subsidies offered must be met with a contribution from the recipient – either in the form of funds or labour - to encourage a culture of responsibility and saving for housing. The Housing Subsidy Scheme gives four different funding options for those who are eligible and who earn R3 500 or less per month.

- Credit-linked Subsidy
- Non-credit Linked Subsidy
- Consolidation Subsidy
- Rural Housing Subsidy

Is government concerned with people living in cities?

More than half of the South African population live in urban areas. The Human Settlement Redevelopment Programme, initiated in 1999, aims to improve the quality of the urban environment and address the imbalances and backlogs inherited from the apartheid government. This involves yearly roll-on housing development plans spanning all three tiers of government.

What is Social Housing?

Social Housing is the development, ownership and management of affordable quality housing registered by Housing Institutions for residential accommodation purposes to people who receive State Housing Assistance.

What is the objective of Social Housing?

The strategic objective of the Social Housing Programme is to facilitate the delivery of affordable quality housing in partnership with the private sector through the Institutional Housing Subsidy Scheme. This is in respect of the development of housing units for a specific target market. Therefore,

the Social Housing Programme promotes urban integration, socio-economic development and the regeneration of urban infrastructure and the environment.

What is an Institutional Housing Subsidy?

An Institutional Housing Subsidy is a funding mechanism specifically focused on assisting people who qualify in terms of the set criteria to obtain security of tenure through a managed housing programme under the auspices of Housing Institutions.

What is the enhanced People's Housing Process (PHP)?

PHP is a housing programme that is aimed at supporting households who wish to enhance their subsidies by building or managing the building of their own houses. Beneficiaries should reside on serviced sites and have proof of ownership if they wish to benefit from PHP.

What is a serviced site?

A fully serviced site provides the family and community with:

- Drinking water
- Sanitation (toilet and sewage disposal)
- Storm water draining
- Road

What is a Support Organisation?

A Support Organisation is a legal entity that:

- Receives and administers subsidies
- Provides technical, financial and administrative support to families building their own homes

Who qualifies for a subsidy for PHP?

Persons who are:

- South African citizens or have permanent residence permits
- Married or living with a long-term partner
- Single, over 21 years and have dependants
- Earn R1 500 per month or less
- Have not previously owned property and are currently the owner of a serviced site
- Knowledgeable of what a contract means and of the responsibility that goes with it

Module Three: Understanding Contracts

What is a title deed?

A title deed is a legal document that reflects the particulars of the owner of the property, the description of the property and the conditions attached to the property. A title deed conveys entitlement and ownership of the property.

What is a deed of sale?

A deed of sale is a legally binding contract in which the buyer places an offer to purchase the house from the seller who put it up for sale. The written deed of sale must reflect all of the terms of the agreement, such as the purchase price, the erf number/address of the house, the size of the house, the date of occupation, etc.

Is a deed of sale the same thing as a title deed?

No. A deed of sale is the contract between a buyer and a seller. A title deed, on the other hand, is a legal document that identifies the owner of the property, the description of the property and the conditions attached to the property. It is the proof of ownership, and should be kept in a safe place, or

placed with the bank for safekeeping.

What is a lease agreement?

You need a lease agreement if you are renting a property. It is the agreement between the tenant and the owner (also called the landlord or landlady). This should protect the owner's rights but also protects the tenant. The **agreement should specify the following:**

- What deposit is required.
- Monthly rent and date of payment.
- How long the lease is for.
- What happens if you do not pay the rent.
- What the owner is responsible for (for instance maintenance in good order).
- Payment for services such as electricity.

What is the National Home Builders' Registration Council (NHBRC)?

The NHBRC is an organ of state established in terms of the Housing Consumers Protection Measures Act, Act 95 of 1998.

The NHBRC protects the interests of homeowners and regulates the home building industry. All homebuilders must register with the NHBRC and all homes must be enrolled 15 days prior to the commencement of building.

What Is the National Housing Finance Corporation (NHFC)?

The NHFC was set up by the Department of Housing in 1996 to ensure that every South African with a regular source of income is able to gain access to finance to acquire and improve a home of their own.

The NHFC enables home-seekers to access finance to buy, build, rent or improve their homes. It does not finance construction companies.

Any home-seeker from a household with an income of between R1 500 and R7 500 can apply for finance from an NHFC-accredited lender.

Can I apply for a housing subsidy through the NHFC?

No. Applications for housing subsidies must be made direct to government through the local and provincial government housing offices.

How can I access finance?

Access to finance is one of the most restraining issues in housing. The NHFC was set up in 1996 to give banks access to capital for subsidy-linked and lower-income housing. So far, the NHFC has given out R1,5-billion to finance institutions for housing.

May I sell my subsidised house?

If a house has been purchased or built with state funds then there are restrictions on the sale of the house. These restrictions prevent you from selling your house within a certain time period.

I am HIV positive. Can I still apply for a house?

Government has special provisions for people living with HIV & AIDS. Owning a decent home may provide a healthier environment and thus prolong lives. No one may be denied access to housing because they are HIV positive.

Module 4: You and your home

What is the National Home Builders' Registration Council (NHBRC)?

The NHBRC is an organ of state established in terms of the Housing Consumers Protection Measures Act, Act 95 of 1998.

The NHBRC protects the interests of homeowners and regulates the home building industry. All homebuilders must register with the NHBRC and all homes must be enrolled 15 days prior to the commencement of building.

What can I do if I discover the roof is leaking six months after taking occupation?

The homebuilder will be responsible to repair this. You will need to put your complaint in writing and take it to your homebuilder or the institution who allocated your house to you.

I received a subsidy for my home a few years ago. Now it needs to be repainted. Who is responsible for this?

If you are the owner of the home, then you are responsible for its maintenance. It is in your interests to try to keep up the maintenance every year, as your home is a valuable asset worth a lot of money. It can fall into disrepair if you do not keep up with the maintenance.

Do I need to keep an extinguisher in my own home?

A fire is a very real risk in any home, particularly in the kitchen area. If you use candles and paraffin, there is also a higher risk. Take precautions by never leaving a candle or open flame unattended. Also repair any electrical faults straight away. It is recommended that every home should have a fire extinguisher as a preventative measure.

