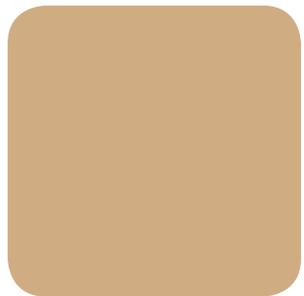


Unit 2

Looking for a Home



National Housing Assistance Programmes in South Africa

Government and human settlements stakeholders have committed to deliver 1,5 million housing opportunities by 2019. The commitment by banks, developers, mining companies and big employers officially declared South Africa the biggest construction site in Africa and the developing world. Section 26 of the Constitution of the Republic of South Africa, 1996, states that everyone has the right to have “access to adequate housing”. The State must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. As a large portion of South Africa’s population can’t afford housing finance, government has put in place a number of housing programmes to help people to provide themselves and their families with housing, security and comfort.

The primary goal of the comprehensive plan for the development of sustainable human settlements is to develop human settlements which are economically, socially and environmentally sustainable.

The National Housing Programmes implemented by the government are combined into four key interventions and are included in The National Housing Code:

Incremental Interventions

- Consolidation Subsidy Programme
- Integrated Residential Development Programme (IRDP)
- Enhanced People’s Housing Process Grants (ePHP)
- Informal Settlement Upgrading Programme
- Emergency Housing Assistance Programme

Rural Interventions

- Farm Residents Programme
- Informal Land Rights Programme

Social and Rental Interventions

- Social Housing Programme
- Institutional Housing Programme
- Community Residential Units Programme (CRU)

Financial Interventions

- Finance Linked Individual Subsidy Programme (FLISP)
- Enhanced Extended Discount Benefit Scheme (EEDBS)
- Operational Capital Budget Programme
- Rectification of pre 1994 housing stock
- Social and Economic Amenities Programme
- Housing Chapters of IDPs
- Accreditation of Municipalities

Who qualifies for housing assistance?

The qualifying criteria varies depending on the specific housing programme being applied for. You will need to contact your local Municipality to find out the qualifying criteria specific to your needs.

The general qualifying criteria are:

Housing Programme Qualifying Criteria

- You (the applicant) must be a lawful resident of South Africa. (i.e. citizen of RSA or in possession of a permanent residence permit).
- You must be legally competent to contract (i.e. over 18 years of age or legally married or legally divorced or declared competent by a court of law and sound mind).
- You or your spouse may not have previously benefitted from government housing assistance.
- Have not owned fixed residential property.
- Have previously owned fixed residential property but such a person may only qualify for the purchase of a vacant serviced site.
- Persons must be married or habitually cohabit.
- Single persons must have financial dependants.
- Single aged persons, disabled persons and military veterans without financial dependants may be assisted.
- Vulnerable groups e.g. child-headed households, aged persons, disabled persons.
- Households must earn a monthly income in the range as annually approved.
- Persons who have benefited from the Land Restitution Programme and who satisfy all other relevant criteria may also be assisted.

AGED PERSONS

Aged persons refer to, must comply with the criteria on the aged as defined by the Department of Social Development.





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 registered in the name of the beneficiary in the Deeds Office.

- Housing grants are also used to finance the provision of rental accommodation. Rental housing units are provided by approved housing institutions.
- These institutions also manage and maintain the units.



Documents required when applying for housing assistance?

The following documents, where applicable, must accompany your Housing Application Form.

Documents Required

A certified copy of:

- the page of the bar-coded RSA Identity Document containing your photograph (the applicant) and that of your spouse
- the page of the bar-coded Permanent Residence Permit containing your photograph (the applicant) and that of your spouse
- your marriage certificate (where applicable)
- your spouse's death certificate (where applicable)
- your divorce settlement (where applicable)
- birth certificates of all your dependants (where applicable)
- Military Veterans will need to provide proof of their force number.
- your most recent payslip (and that of your spouse)
- an Agreement of Sale (where applicable)
- building contract and approved building plan (where applicable)
- sale of Land and House Building Support Agreement in respect of the People's Housing process (ePHP) (if applicable)
- proof of disability (where applicable)
- proof of loan granted by lender (where applicable)
- application for exemption from capital contribution (where applicable)

How much do I qualify for?

The Housing Department at your local municipal office will be able to give you advice on:

- which housing assistance programme you qualify for
- if any subsidy amounts apply
- whether you will have to pay anything.

Housing subsidy amounts change from time to time; it would be best to keep abreast of these amounts at least once a year.

Housing Assistance

You have been briefly introduced to the various housing assistance instruments available to low income households to enable access to adequate housing. Let's have a more in-depth look at how you apply for housing assistance and what housing assistance programmes are available to beneficiaries that meet the qualifying criteria.

NOTE:

The National Housing Code should always be consulted for a more detailed description of policy principles, guidelines, qualification criteria, norms and standards.

Where do I want to live?

One of the most crucial factors you will need to consider when buying your first home is the type of house you need. When buying a house, it is vital to consider your individual housing needs, as well as those of your family or future family. Is the home centrally located, or at least within manageable distance of your work, grocery stores, doctors, school? Most importantly, is the area relatively safe and secure?

Location and choice of tenure type is also very important, in terms of weighing the opportunities and challenges of alternate tenure types, like rental or institutional housing, and the environment you choose to raise your children in. You must consider if you are able to afford property within an area where you have better access to safety and security, transport, schools, economic and social opportunities, or if rental is an option for you in order to ensure access to these opportunities.

What can I afford?

Before you set your sights on buying the home of your dreams, it is important to establish whether you are ready to make such a big, ongoing financial commitment – in other words, is your income stable and sufficient to support a first time bond payment, regular maintenance of your property, rates and taxes, applicable levies, etc., while balancing this with other family financial requirements, like school fees, transport costs, food, municipal service payments, etc.?

It is also important to bear in mind the costs and fees associated with purchasing your home. You will need to have money saved to place a deposit on the home, you will also have to consider moving costs, home-owner's insurance expenses and those involved in buying your first home.

You will need a good credit record to access a bond with a financial institution, or to access a rental opportunity with a Social Housing Institution (SHI). It is important to evaluate your debt, make regular payments, establish your financial priorities, budget and understand the importance of banking and savings.



How do I apply for housing assistance?

Persons requiring housing assistance are required to:

- complete a standard Housing Application Form (these forms are available at no cost from the housing department at your local municipality)
- provide any supporting documents necessary with your application form:
 - certified copies of the applicants and spouse's identity documents
 - birth certificates of children
 - proof of income if working (salary slip)

Your completed application will then be captured on the Housing Needs Register:

- You will receive written confirmation that your application has been captured. This will include:
 - The date of your application
 - Registration number

You must retain this information as proof of your registration on the Housing Needs Register.

- The address recorded on the Housing Needs Register will be used as the residential address of the applicant for allocation purposes. You may change your area of choice with the municipality and still retain your application date
- Update your details with your municipality regularly so that you can be contacted if your application has been approved
- Selected beneficiaries will be notified, for a set period of time, through:
 - a list made available on notice boards at your municipality
 - a designated venue in the community
 - your local newspaper
 - your local library
 - the project site office
 - other media channels

NOTE:

Young people who are not married or do not have children, will not qualify for subsidies but they can still rent municipal houses.



NOTE:

Remember to advise your municipality of any changes to your personal information and circumstances so that they can contact you.

