

**AGENDA of the
Portfolio Committee: Community Services
04 October 2023
(Also the agenda for the Mayoral Committee Meeting: 11 October 2023)**

Infrastructure in relations with amended Western Cape Provincial Framework Policy for the Selection of Housing Beneficiaries in Ownership-based Subsidy Projects dated March 2022. The last-mentioned framework policy explains the implementation of the Western Cape: Department of Human Settlements, Circular C2/2019 regarding the split of 50/50. The following is an extract from the framework policy, section 4.1(e) paragraph 5:

“One option is to accommodate the households in formal overcrowded conditions on the relocation greenfield site linked to the UISP project together with those from the targeted informal settlement on a 50/50 basis.”

The last-mentioned framework policy ruled out Paragraph 3 of the Provincial Circular C2/2019 regarding the split of 50/50 beneficiaries when it comes to the Stanford housing project. The housing project under discussion is IRDP project not linked to the UISP project. The Stanford informal settlements are not regarded as overcrowded.

Qualifying criteria for IRDP housing:

Formal houses will be constructed for residents that qualify for housing subsidy in terms of the National Housing Code 2009 criteria namely:

- *Lawfully reside in South Africa (i.e citizen of the Republic of South Africa or in possession of a permanent residence permit). Certified copies of the relevant documents must be submitted with the application;*
- *Are 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 of mind);*
- *Neither the applicant nor his or her spouse has previously benefited from government housing assistance;*
- *Have not yet owned fixed residential property; and*
- *Have previously owned fixed residential property but such a person may only qualify for the purchase of a vacant serviced site.*

In addition to the above, the following criteria must also be satisfied:

- *Persons must be married or habitually cohabit;*
- *Single persons must have financial dependants;*
- *Single aged person, disabled persons and military veterans without financial dependant may be assisted. Aged persons must comply with the criteria on the aged as defined by the Department of Social Development;*
- *Households must earn a monthly income in the range as annually approved; and*
- *Persons who have benefited from the Land Restitution programme and who satisfy all other relevant criteria may also be assisted.*

**AGENDA of the
Portfolio Committee: Community Services
04 October 2023
(Also the agenda for the Mayoral Committee Meeting: 11 October 2023)**

In terms of Provincial Circular 10/2015, as amended, the following criterion must also be satisfied:

An applicant must be registered on the housing demand database for a minimum period of three (3) years.

Relevant Definitions:

Farm residents: Person whose ordinary residence is a farm, including a farm worker with ordinary residence on the farm.

Permanent Disability:

The following characteristics apply to households affected by **permanent disability**:

A household with at least one adult member (in the core household) having a permanent disability or a financial dependant with a permanent disability.

Discussion

Selection of beneficiaries

Potential beneficiaries

The selection of potential beneficiaries will be done in the following order:

- *The application of the 90/10 rule with regard to the catchment area (project town) and the surrounding areas;*
- *selection according to the registration date of the households;*
- *selection of households containing an adult member of 60 years and older (quota 15%);*
- *selection of households who are affected by disabilities (quota 5%);*
- *selection of households according to registration as a farmworker (quota 5%).*

The application of the 90/10% rule:

The following criteria, based on the Housing Selection Policy for Beneficiaries in BNG Subsidy Project, approved by Council on 29 April 2015, will apply for the project (refer to Table1):

- housing opportunities reserved for potential beneficiaries that reside in the catchment area (Stanford) of the development = 90%
- housing opportunities reserved for potential beneficiaries

**AGENDA of the
Portfolio Committee: Community Services
04 October 2023
(Also the agenda for the Mayoral Committee Meeting: 11 October 2023)**

across the other catchment areas of the Municipality,
which includes Bettys Bay, Kleinmond, Hawston, Mount
Pleasant, Zwelihle and Gansbaai = 10%
TOTAL = 100%

Potential beneficiaries will be requested via formal written communication to consider the opportunity to participate in the IRDP housing project in Stanford. Potential beneficiaries selected from the other catchment areas and in terms of the quota allocation above must indicate a preference to locate to the catchment area (Stanford) within a period of 30 days. Those potential beneficiaries that decline the opportunity will be replaced by potential beneficiaries that are registered on the WCHDD for Stanford.

Quotas:

According to the Housing Selection Policy for beneficiaries in Ownership-based Subsidy Project, the following quotas will apply to this project and will be spread across the 621 available housing opportunities (90% and 10% split):

Quota residents including farm workers = 5%
Quota for households containing adults of 60 years and more
in the core of the household = 15%
Quota for households affected by disabilities = 5%
TOTAL = 25%

TABLE 1: 90/10% RULE AND QUOTA SPLIT PER 559 ERVEN

TOWN	TOTAL (PROPOSED)	DISABLED 5%	AGED 15%	FARM WORKERS 5%
Stanford: 90% opportunities	559	28	84	28
Surrounding areas: 10% opportunities	62	0	0	0
Kleinmond & Betty's Bay	5			
Hawston	4	0	0	0
Mount Pleasant & Hermanus	5	0	0	0
Zwelihle	28	0	0	0
Gansbaai:	20	0	0	0
TOTAL POTENTIAL BENEFICIARIES	621	28	98	28
ADDITIONAL POTENTIAL BENEFICIARIES (Replacements)	280	0	5	0

**AGENDA of the
Portfolio Committee: Community Services
04 October 2023
(Also the agenda for the Mayoral Committee Meeting: 11 October 2023)**

TOTAL POTENTIAL BENEFICIARIES	839	28	103	28
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NOTE: In terms of the 90/10 split, 559 housing opportunities are reserved for people of Stanford and 62 opportunities for the people in the surrounding areas. In the event of housing opportunities declined by potential beneficiaries outside the catchment areas, the opportunities will be included in the housing opportunities for Stanford.

Beneficiaries including the reserved quotas:

A total percentage of 25% represents the reserved quotas, whilst the balance represents the 75% of beneficiaries and which is spread between the catchment and the surrounding areas, including farm workers residing in Ward 1.

Public Participation:

The WCHDD for Stanford was placed at the Stanford Community Hall from 3 to 31 May 2021. Representatives from the Department of Housing Administration were also stationed at the Stanford Community Hall on the same period on Mondays to Fridays for the public to view the WCHDD for Stanford and report any concerns.

Invitation to participate in the housing project in Stanford for potential beneficiaries resident outside the catchment area.

A total of 62 invitations, which represent the 10% of the participants in the surrounding areas, will be given 30 days whether or not they will be registering for the housing opportunity in the above project. Thereafter, the list will be brought before the Mayoral Committee.

Processing of Applications:

After successful consideration by the Executive Mayor, the list of potential beneficiaries will be communicated to MCape Overstrand for the completion of subsidy applications of potential beneficiaries per the indicated ranking order. Potential beneficiaries will be formally invited to complete subsidy application forms. It is recommended that, in the event of no response after the first written notice of 30 days, a second and final written notice of 7 days be issued.

Approval by Provincial Department of Human Settlements:

After this report is considered by the Executive Mayor, the lists of potential beneficiaries will be referred to the Provincial Department of Human

**AGENDA of the
Portfolio Committee: Community Services
04 October 2023
(Also the agenda for the Mayoral Committee Meeting: 11 October 2023)**

Settlements for notification. Completed subsidy applications will be submitted by MCape Overstrand to the mentioned housing department for approval.

7. Financial Implications

None

8. Staff Implications

None

9. Comments from Departments, Divisions and Administrations

None

10. Annexures

Annexure A: List of Potential Beneficiaries: 559

Annexure B: Replacement list of potential beneficiaries: 280

Total: 839

(Annexures are not attached as it contains personal information)

RECOMMENDATION:

1. that the lists of potential beneficiaries from the housing demand database, Stanford **be noted**;
2. that the 10% of housing opportunities reserved for potential beneficiaries residing outside the catchment area of Stanford be allocated to potential beneficiaries on the housing demand database for Bettys Bay, Kleinmond, Hawston, Mount Pleasant, Zwelihle and Gansbaai;
3. that the following procedure for potential beneficiaries to finalise subsidy applications, **be approved**:
 - (a) that potential beneficiaries be given 30 days written notice to complete their subsidy application documentation; and
 - (b) that potential beneficiaries that do not respond to the first notice (30 days) be given a final written notice of 7 days.

**AGENDA of the
Portfolio Committee: Community Services
04 October 2023
(Also the agenda for the Mayoral Committee Meeting: 11 October 2023)**

4. that, in the event of any applicants not responding within the mentioned period of 7 days, the available housing opportunities be given to identified additional beneficiaries (replacements).

RESPONSIBLE OFFICIAL :

TA GCOTYELWA

TARGET DATE FOR IMPLEMENTATION :

01 NOVEMBER 2023

