



GAUTENG
LEGISLATURE
Your View ~ Our Vision
OFFICE OF THE SPEAKER

FINAL VOTING MANDATE

TO: The Chairperson of the National Council of Provinces.

Hon M J Mahlangu

NAME OF BILL: Rental Housing Amendment Bill


NUMBER OF BILL: [B56D-2013]

DATE OF DELIBERATION: 19 March 2014

VOTE OF THE LEGISLATURE:

The Gauteng Provincial Legislature supports the principle and detail of the bill and therefore votes in favour of-

- Rental Housing Amendment Bill



LINDIWE MASEKO

SPEAKER

GAUTENG PROVINCIAL LEGISLATURE

Date: 19 MARCH 2014



GAUTENG LEGISLATURE

LOCAL GOVERNMENT AND HOUSING PORTFOLIO COMMITTEE FINAL VOTING MANDATE ON

RENTAL HOUSING AMENDMENT BILL [B56D-2013] (Section 76)

1. INTRODUCTION

The Chairperson of the Local Government and Housing Portfolio Committee Hon. Errol Magerman, tables the Committee's Final Voting Mandate on the Rental Housing Amendment Bill [B56D-2013], Section 76, as follows:

2 PROCESS FOLLOWED

The Speaker, Hon. Lindiwe Maseko formally referred the Rental Housing Amendment Bill [B56D-2013], a Section 76 Bill to the Portfolio Committee on Local Government and Housing, in terms of GPL Rules 248 (1) read with 250 (1) and 251 for consideration and reporting

At meeting held on Wednesday, 19 March 2014, the committee having considered the Minutes of the NCOP Select Committee on Public Services, deliberated and adopted the Final Voting Mandates on the Rental Housing Amendment Bill [B56D-2013]

3. PRINCIPLE DETAILS AND OBJECTIVES OF THE BILL

3.1 OBJECTIVES OF THE BILL

The Rental Housing Amendment Bill, 2013, [B56 – 2013] seeks to:

- Further amend the Rental Housing Act, 2007 (Act No. 43 of 2007) (“the Act”) by inserting substitute and certain definitions;
- Clarify the responsibility of Government;
- Set out the rights and obligations of tenants and landlords in a coherent manner;
- Require that leases be in writing;
- Extend the application of Chapter 4 to all Provinces implying that all MEC’s should ensure the establishment of Rental Housing Tribunals with the first financial year after the promulgation of the amended Act;
- Extend the powers of the Rental Housing Tribunals;
- Increase the capacity and size of the Tribunals from the stipulated maximum of five (5) to seven (7);
- Provide for an appeal process;
- Require all Municipalities to have Rental Housing Information Offices;
- Provide for norms and standards related to rental housing; and
- Extend offences.

4. FINANCIAL IMPLICATIONS AND SOCIO ECONOMIC IMPACT ASSESSMENT OF THE BILL FOR THE PROVINCE

4.1. FINANCIAL IMPLICATIONS OF THE BILL

The Portfolio Committee noted that the Memorandum does indicate that the costs associated with the implementation of the of the Legislation such as Publication for Public Comments, Information Sessions, Translation and other incidental costs would be defrayed from the Departments’ budget.

Provincially, in terms of the establishment and operations of the Rental Tribunals the implication is that these would be incurred by the Provincial Department, as this has been the case in Gauteng as the Department of Human Settlements does

allocate funds to the Tribunal. There will be additional financial implications as due to the proposed increase in size of the Rental Tribunal.

In terms of the implications of the establishment of Rental Housing Offices within municipalities, it was noted that there are no envisaged additional costs as the municipalities are expected to make provisions for designating employees but training would be provided by the Department.

4.2. SOCIAL IMPACT ASSESSMENT

The Portfolio Committee noted that this Rental Housing Amendment Bill, 2013 would be welcome if it were to address the following issues that have direct socio-economic impact on communities in Gauteng:

- Ensuring awareness of Rights and Responsibilities of both the Tenants and Landlords and support in the drafting of the Lease Agreements, acknowledging the limitations that both parties might be faced with.
- The Bill proposes that the Minister should develop 'norms and standards' in terms of habitable, safe and healthy dwellings as well as affordable rental rates should be developed. Municipalities should be consulted in this regard as they interact directly and a regular basis with communities, not only by the Minister as proposed.
- The increase in size of the Rental Tribunal from five (5) members as stated in Chapter 4 should enable more meetings to be held on the same day in Gauteng to ensure speedy resolution of matters heard. The proposed number should take this into consideration.
- There should be ongoing training and monitoring of the performance of the Rental Tribunal by the MEC to ensure its effectiveness as per the aspirations of the Bill.
- The establishment of Rental Housing Offices within municipalities was welcome but was noted with concern that according to the Memorandum, on Financial Implication for the State, there is an expectation for municipalities to designate employees for the Rental Housing Offices and this would be a challenge where municipalities are already faced with internal capacity challenges and this could

result in additional costs as new employees might have to be employed; and that it was unclear as to which Department was expected to render training in this regard. Nonetheless, COGTA should form part of these deliberations and further discussions towards implementation of the Bill as they render municipal support.

- The Department should improve and expedite the transfer of pre-1994 Housing stock through sub-sub-programmes such as the Enhanced Extended Discount Benefit Scheme (EEDBS), RETRO and TORPS. Most of the Housing Stock to be transferred is within Flats, Hostels and semi Detached Houses, mostly in previously disadvantaged communities and townships.
- The Bill should adequately address the controversial clause of 'rent to buy' within Rental Stock such that there is harmony in the Landlord and Tenants relations.
- The Bill should ensure that Tenants are notified timeously in the event of rented premises being sold voluntarily or by a court order.
- The Bill should be compliant and consistent with provisions of the PIE Act.
- In conclusion, it has been noted that the State Law Advisers' opinion was that it was not necessary to refer the Bill to the National House of Traditional Leaders in terms of Section 18 (1)(a) of the Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003), since it does not contain provisions pertaining to customary law or customs of traditional communities. This being the case, it might disadvantage these communities as there are backyard rentals and shack rentals even within traditional communities and thus a need to ensure that the proposed Bill does benefit all affected by the practice of rental within Gauteng, including the Amandebele Ba Lebelo (ABL) and the Amandebele Nzunza Sokhulumi (ANS) traditional communities now residing in Gauteng since the merger of Tshwane and the Metsweding District Municipality.

4. FINAL POSITION ADOPTED BY COMMITTEE

In terms of Section 65 of Constitution, the Local Government and Housing Portfolio Committee confer authority on the Gauteng Provincial Delegate/s to National Council of Provinces to **vote in favour** on the Rental Housing Amendment Bill [B56D-2013].