

**MINISTRY**

**HUMAN SETTLEMENTS**

**REPUBLIC OF SOUTH AFRICA**

Private Bag X645, Pretoria, 0001. Tel: (012) 421 1309, Fax: (012) 341 8513

Private Bag X9029, Cape Town, 8000. Tel (021) 466 7603, Fax: (021) 466 3610

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 2214**

# DATE OF PUBLICATION: 10 September 2021

**DATE OF REPLY: 20 October 2021**

**Ms E L Powell (DA) to ask the Minister of Human Settlements:**

Whether her department has distributed the money allocated to the Residential Rental Relief Scheme, which was announced on 21 July 2020, to tenants of affordable rental housing; if not (a) why not and (b) by what date will the specified measure be implemented; if so (i) what (aa) total number of tenants have benefited from the specified scheme to date and (bb) criteria were used to identify the qualifying tenants and (ii) who have been the recipients?

NW2517E

**Reply:**

Based on the provisions of the Residential Rent Relief Programme (RRRP), the Social Housing Regulatory Authority (SHRA), an entity of the National Department, has been appointed as the designated programme manager for the RRRP. The SHRA utilises applicable accredited Social Housing Institutions (SHI’s) or Other Development Agents (ODA’s), as the conduits to receive and submit applications on behalf and for the benefit of tenants. An SHI and/or ODA are the landlords for units regulated by the SHRA. The successful applicants are then notified, and approved payments are then made to the landlord in favour of the tenant’s account.

The National Department of Human Settlements has transferred the RRRP funds to the SHRA in the 2020/21 financial year. The SHRA has advised the Department that it has not distributed the money to the tenants of the affordable housing. However, SHRA has since procured the required resources to assist with implementation of the RRRP. To date, the SHRA has considered applications received in two rounds of requests to tenants, in the months of July 2021 and August 2021.

A total of 144 applications were received and assessed. Of these 144 applications, 54 tenants (37.5%) have been approved and are to receive a rent relief award to a total value of R324 118.53 The table below provides the details.

Table 1: Applications Rent Relief for Social Housing Tenants by province and institution - 31 August 2021

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Province / Project** | **No. of Approved** | **Value of Grant Award Approved** | **No. of Pending Application** | **No. of Pending Application** | **Total No. of Tenant Applications** |
| **Eastern Cape** | **1** | **9 500.00** | **1** | **1** | **3** |
| Housing Authority of East London | 1 | 9 500.00 | 1 |  | 2 |
| SOHCO Property Investment NPC: |  |  |  | 1 | 1 |
| **Gauteng** | **22** | **142 641.25** | **51** | **19** | **92** |
| Johannesburg Housing Company | 3 | 26 600.00 | 22 | 8 | 33 |
| Madulammoho Housing Association | 13 | 80 771.25 | 28 | 8 | 49 |
| Norvena Property Consortium | 6 | 35 270.00 | 1 | 3 | 10 |
| **Kwazulu-Natal** | **6** | **31 567.42** | **1** |  | **7** |
| KwaZulu Natal Social Housing | 1 | 5 700.00 | 1 |  | 2 |
| SOHCO Property Investment NPC: | 5 | 25 867.42 |  |  | 5 |
| **Western Cape** | **25** | **140 409.86** | **9** | **8** | **42** |
| Madulammoho Housing Association | 19 | 119 559.82 | 8 | 7 | 34 |
| SOHCO Property Investment NPC | 6 | 20 850.04 | 1 | 1 | 8 |
| **Total** | **54** | **324 118.53** | **62** | **28** | **144** |

(a) Based on the provisions of the RRRP no funds have been disbursed in favour of the tenants to date for the following reasons:

1. The waiting period for National Treasury approval for the roll-over of funds allocated in the prior financial year is required; and

2. Lower than anticipated number of applications have been received due to lack of general awareness of the programme, and qualification criteria in terms of eligibility as per the qualification criterion which includes:

a) A tenant in good standing requirement and;

b) The period of application being 01st April 2020 to 30 September 2020

c) Many tenants were not in good standing at the start of the hard lock

down or the impacts of the COVID-19 pandemic manifesting post

September 2020

(b) **Duration of the Programme**

This Programme is a temporary relief measure based on the impact of the various state of disasters declared to combat the COVID-19 pandemic. Applications will only be considered until funds in terms of the funding allocation made by National Treasury in terms of reprioritised grant funding are exhausted. No expectation must be created that the Residential Rental Relief Programme will be extended beyond the approved stipulated time period, and/or exhaustion of the available funds allocated by the National Treasury

Given the intent of the programme to provide for those impacted by the state of disaster hard lockdowns in 2020, the Programme is to be rolled out within the 2021/22 year and the intention is not to extend the RRRP beyond March 2022.

(bb) **Qualification Criteria**

The following tenants qualify to apply for rent relief: -

* + 1. The tenant must be a South African citizen or in possession of a valid South African permanent residence permit.
    2. The tenant must have been renting the property for his/her private and primary residential use since 31 March 2020 (or before), in terms of a valid lease agreement.
    3. The tenant must have been in good standing at the date of the commencement of the state of disaster and level 5 lockdown, as at 31 March 2020.
    4. The tenant's combined gross household income must be R15 000 per month or less.
    5. The tenant must submit proof that her/his household income reduced by at least 50% due to the state of disaster resulting from the Covid - 19 pandemic - the material period for determinations of loss of income is the period for which relief is sought (and not income at the time of applications).
    6. The tenant must not have been in rental arrears, as of 29 February 2020, OR have been less than 30 days in arrears by end of March 2020.
    7. The tenant must have a repayment agreement in place.
    8. The tenant must display that she/he has been unable to pay full rental during the lockdown because of loss of income caused by the economic downturn associated with the state of disaster on the COVID-19 pandemic.
    9. The tenant must be over 18 years of age on the date of lodging an application for rent relief.
    10. The tenant must not currently own any residential property in full ownership, leasehold or deed of grant.
    11. Special Provisions:
        - The fact that a lessee may have previously benefitted from any form of housing assistance from the Government of the Republic of South Africa, shall not disqualify him/her from receiving a rent relief grant. Being a beneficiary of the Rent Relief Programme in no way whatsoever will disqualify a qualifying lessee from future participation in another National Housing Programme.
        - Preferential treatment will be given in cases of tenants who are pensioners and or disabled, or who have pensioners and/or disabled persons as part of their household