

**MINISTRY**

**HUMAN SETTLEMENTS**

**REPUBLIC OF SOUTH AFRICA**

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**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN**

**QUESTION NUMBER: PQ 3696**

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**Mr T Mogale (EFF) to ask the Minister of Human Settlements:**

1. What total (a) amount of the budget was allocated for the residential relief programme for tenants affected by COVID-19 lockdowns and (b) number of tenants (i) benefitted from the relief programme nationally and (ii) from Thembelihle in Tshwane were beneficiaries of the programme;
2. whether she has been informed of the hostile relationship between the managing agency and the tenants in Thembelihle; if not, what is the position in this regard; if so, what steps have been taken to resolve issues raised by the tenants in relation to excessive billing by the private metering companies?

(NW 4524E)

**REPLY:**

1. **(a)** A total of R300 million was allocated for the rent relief programme for tenants affected by the impact of the National State of Disaster on COVID-19.

**(b**) Based on information received from the Social Housing Regulatory Authority (SHRA), two hundred and one (201) households have benefitted nationally from the programme. In addition, post-March 2022 applications havebeen reassessed based on further revisions to the policy in February 2022, based on representations to the Minister. Thus, an additional two hundred and eight (208) households have been approved to benefit from the programme, subject to the approval of the retention of the surplus by the National Treasury**.**

**(2)** A Memorandum was submitted in June 2020 to Yeast City Housing which developed and managed the Thembelihle Village Social Rental Project and these required several interventions, which are in various stages of agreement and resolution. This included cancelling the contract Sand’s several interventions were actioned. This included cancelling the contract of a utility billing service provider, procuring the prepaid metering systems, installation of biometric access systems, and instituting legal process cases for non-payers and instigators of violence in the Thembelihle Village Social Rental Housing project.

**Additional Information on the Thebelihle Village and Landlord Dispute**

The current hostility is caused by some tenants who do want to comply with the provisions of their lease agreements signed with the Social Housing Institution, namely Yeast City Housing, when they rented the units at Thembelihle Village in the City of Tshwane between 2018 and 2020 the billing of utilities was outsourced. Yeast City Housing did not have the resources and capabilities to undertake the billing function. The rates charged aligned with the charges by the City of Tshwane to its residential customers (although this was challenged).

From October to December 2020 some tenants boycotted the project and destroyed equipment, intimidated staff, and tampered with the meters. The service provider was forced to resign, and some tenants were found by the Court to have caused the violence and tampered with the meters and given five (5) year suspended prison sentences.

Yeast City Housing staff now undertake meter readings, and the calculations of the amount payable is outsourced and currently, tenants appear to be satisfied as the billing is done in accordance with the rates per unit prescribed by the Municipality (City of Tshwane). However, as at 31 March 2022 the tenants owe Yeast City Housing R17 million (rental arrears) and also did not pay for utilities, which results in the City of Tshwane being owed R9, 9 million. The City disconnected water and electricity due to non-payment of the arrears and tenants again became agitated damaging the company’s property and intimidating the staff.

Tenants requested prepaid electricity meters (at a cost of approximately R5 million) and Yeast City Housing agreed to this. However, the equipment is held by the supplier, which is the City of Tshwane and cannot be installed before payment of 60% of outstanding arrears of 9, 9 million (which is approximately 5, 5 million) of the municipal arrears and payment arrangements for the remainder.

This was communicated to the tenants on 31 March 2022, but tenants remain unwilling to pay and legal action has been initiated against the tenants who refuse to pay their rentals and the outstanding utilities. The Local Ward Councillor, Cllr. Conride Ngoveni, is fully aware of the situation and was also involved in the negotiations for the tenants to pay their arrears.