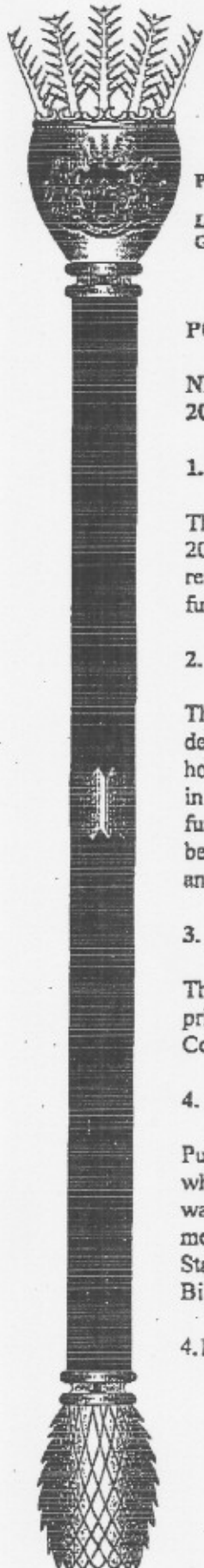


Rec: 07/05/08

# Limpopo Legislature

## OFFICE OF THE SECRETARY



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Polokwane  
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### PORTFOLIO COMMITTEE ON LOCAL GOVERNMENT AND HOUSING

#### NEGOTIATING MANDATE ON SOCIAL HOUSING BILL, 2007 [B 29B - 2007]

##### 1. INTRODUCTION

The National Council of Provinces referred the Social Housing Bill, 2007 [B 29B-2007) to the Limpopo Legislature. Upon receipt by the Legislature, the Bill was referred to the Portfolio Committee on Local Government and Housing to make further inputs for consideration by the NCOP.

##### 2. PURPOSE OF THE BILL

The Bill seeks to establish and promote a sustainable social housing environment; to define the functions of national, provincial and local government in respect of social housing; to provide for the establishment of the Social Housing Regulatory Authority in order to regulate all social housing institutions obtaining or having obtained public funds; to allow for undertaking of approved projects by other delivery agents with the benefit of public money; to give statutory recognition to social housing institutions; and to provide for matters connected therewith.

##### 3. BRIEFING BY THE NCOP DELEGATES

The Portfolio Committee on Local Government and Housing was briefed on the principle and provisions of the Bill by the NCOP Permanent Delegates during a Committee meeting held on 07 March 2008.

##### 4. PUBLIC HEARINGS

Public hearings were preceded by the workshop on the Bill held on 01 April 2008 in which municipalities and other stakeholders attended and gave inputs. The hearing was conducted on 05 May 2008 to solicit inputs from various stakeholders including members of the public. Participants came from all the five districts of the province. Stakeholders and the general public raised the following inputs and concerns on the Bill and these were agreed upon by the Committee:

4.1 Accessibility of social housing by members of the previously disadvantaged groups must be given a priority.

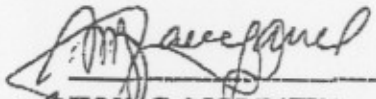
- 4.2 The process of implementing the Bill should take consideration of land claims on the land in which the houses are to be built.
- 4.3 Social housing should be extended to rural areas where there is vast amount of land that is not as expensive as land in urban areas. However, mechanisms should be sought to make property in rural areas marketable and investible.
- 4.4 Notwithstanding the provisions of rental or co-operative housing option for low to medium income households, the Bill should provide for measures to avoid people from renting more than one house - *guidelines & regulations*
- 4.5 The Bill is silent on the problems experienced by municipalities in as far as privately owned land is concerned, taking into account the role of municipalities on the issue of identification of land for rezoning.
- 4.6 Considering that the would-be accredited Social Institutions are people who are financially stable, the Bill should also take on board Previously Disadvantaged Individuals in this sector, who cannot afford to provide any surety in the event a Bank has been approached for financial assistance.
- 4.7 The Bill is silent on the question of eligibility and beneficiaries in this sector. How is the Minister going to regulate the issue of foreigners as well as the youth (i.e. in terms of age)
- 4.8 Regional offices should be established for this purpose in all the nine (09) provinces other than those which will be operational in Pretoria for expedient intervention should the circumstances so warrant.
- 4.9 Areas identified as nodal points should be given priority on social housing

## 5. FINDINGS

With the concerns raised above, the provisions of the Bill were well supported by the stakeholders and the general public.

## 6. NEGOTIATING MANDATE

The Committee, having supported the provisions of the Bill recommends to the NCOP Delegates to negotiate in favour of the Bill with the concerns and inputs raised in paragraph 4 above.

  
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HON. G. MOLEKWA  
COMMITTEE CHAIRPERSON

Rec: 06/05/08  
16:00



## Office of the Secretary

Eng: Dimakatso Mashego  
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### NEGOTIATING MANDATE

### SOCIAL HOUSING BILL [B 29B-2007]

The Portfolio Committee on Local Government and Housing met on the 13 March 2008 for the briefing by the Legal Advisor of the Legislature on the Social Housing Bill [B29B-2007] (the Bill).

After consideration of the Bill and the public inputs made at the Public Hearings conducted on 29 April 2008, the Committee agreed to the proposed Bill and supports it subject to the views and inputs of the public as indicated in the attached Portfolio Committee Report.

The delegation representing the Province of Mpumalanga in the National Council of Provinces are hereby conferred with authority and mandated to negotiate in favour of the Bill, taking into account the views and inputs of the public as contained in the attached Portfolio Committee Report.

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**HON. M. MAHLANGU**  
**CHAIRPERSON: PORTFOLIO COMMITTEE**  
**ON LOCAL GOVERNMENT AND HOUSING**

  
DATE

**PUBLIC HEARING REPORT OF THE PORTFOLIO COMMITTEE ON  
LOCAL GOVERNMENT AND HOUSING ABOUT THE SOCIAL  
HOUSING BILL [B 29B-2007]**

### **1. INTRODUCTION**

The Legislature is, in terms of s 118 (1) of the Constitution of 1996, compelled to facilitate public involvement in the legislative and other processes of the Legislature and its Committees. In line with this provision, the Portfolio Committee on Local Government and Housing conducted public hearings on the Social Housing Bill [B 29B - 2007], to solicit views, inputs and/or comments from the members of the public and stakeholders.

### **2. OBJECTIVES OF THE BILL**

To establish and promote a sustainable social housing environment; to define the functions of National, Provincial and Local Governments in respect of social housing; to provide for the establishment of the Social Housing Regulatory Authority in order to regulate all social housing institutions obtaining or having obtained public funds; to allow for the undertaking of approved projects by other delivery agents with the benefit of public money; to give statutory recognition to social housing institutions; and to provide for matters connected therewith.

### **3. METHOD OF WORK**

The Speaker referred the Bill to the Portfolio Committee for consideration and report back to the House. On 13 March 2008 the



Legal Advisor briefed the Committee on the Bill. Subsequently, the public hearings were conducted as follows:

DATE & TIME	VENUE	LOCAL MUNICIPALITY	ATTENDANTS
29/04/2008 09h00 - 13h00	Kabokweni Comm. Hall	Mbombela Local Municipality	<b>95</b>
29/04/2008 14h00 - 16h00	Matsulu Comm. Hall	Mbombela Local Municipality	<b>80</b>
29/04/2008 09h00 - 13h00	Emalahleni Council Chamber	Emalahleni Local Municipality	<b>26</b>
29/04/2008 14h00-18h00	Steve Tshwete Council Chamber	Steve Tshwete Local Municipality	<b>46</b>
29/04/2008 09h00-12h00	Msukaligwa Council Chamber	Msukaligwa Local Municipality	<b>38</b>
29/04/2008 14h00-16h00	Albert Luthuli Council Chamber	Albert Luthuli Local Municipality	<b>64</b>

#### 4. INPUTS AND COMMENTS

The following are the inputs and comments made by members of the public during the public hearings in the respective venues:

##### 4.1 Emalahleni Municipality

Participants proposed that:

- Every District should have its own Social Housing Regulatory Authority.
- The Bill should provide for an option to buy the rented property after lodging therein for a specific period (i.e. after 5 years).

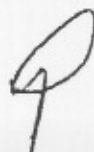
- The Bill should provide for a proper screening of prospective tenants/lodgers.
- Section 13 (4) of the Bill should compel the Municipalities to establish a social housing institution because there is a dire demand for housing especially in areas where there are no organisations that can form social housing institutions.
- Foreigners should also be allowed to rent as long as they comply with all the legal requirements.
- Section 9 (11) should read as follows: The quorum for any meeting of the Council is at least **50 % plus 1** of the members.

The people of Emalahleni Municipality accepted the Bill with the proposed recommendations.

#### **4. 2 Steve Tshwete**

In Steve Tshwete Municipality the participants accepted the Bill with the following proposals:

- That the Municipality should conduct the **"restructuring zone"** without the concurrence of the Provincial Government for purposes of social housing.
- That the Municipality should be empowered to manage the process of the Social Housing Bill without the assistance of the Provincial Government.
- That the power to appoint the Council/Board and the Regulatory Authority should be conferred on every Local Municipality. In the event this creates some budgetary constraints that power should be devolved to the District Municipalities.



- That the authority to accredit the social housing institutions should be vested in the Local Municipalities.
- That the Bill should provide that the money for the social housing should be allocated directly to the Local Municipalities and Municipalities should be categorized according to their individual performances.
- That all matters raised in the Social Housing Bill should be decentralized to the Local Municipalities.
- That the autonomy of the Local Municipalities should be maintained in line with the 1996 Constitution of the Republic of South Africa.

**The Steve Tshwete Municipality proposed that the Municipality must continue with the existing roles in the sense that the National Government and Provincial Governments must devolve more powers to the Municipalities.**

The Portfolio Committee requested the Municipality to be more specific about those roles/powers.

In response the Steve Tshwete Municipality argued that if the concurrence was changed, it would also affect the roles. Nevertheless, they promised that they would submit detailed written recommendations about the content of the Bill under discussion.

However the public was cautioned that they should not lose sight of the fact that the Social Housing Bill is not a Provincial but a National Bill.



They were further cautioned that while they preferred the Bill to devolve more powers to every Local Municipality, they should not lose sight of the financial implications that accompanied such a preference.

Nonetheless, the Members of the Municipality asserted that they were of the opinion that the National Government seemed to be bent on abrogating the Municipal Councils' authority/ autonomy. In this regard they cited as an example the powers of the Municipal Council in relation to the control of supply of electricity and housing provision.

Furthermore, many of the participants also asserted that they were informed that the Portfolio Committee would be addressing the housing needs of those who were in the waiting lists. They further indicated that each time when they applied for an RDP house they were told that there is no money and/or land where RDP houses could be built. Therefore, they found it strange that the Government is now talking about houses for renting.

In response the Portfolio Committee noted their concerns about apparent corrosion of their autonomy. However it advised the public not be emotional when engaging with the Bill.

#### **4.3 MBOMBELA MUNICIPALITY**

##### **4.3.1 Kabokweni**

In Kabokweni the participants accepted the Bill and made the following comments and inputs:





- That the public sees the project as a dire need in localities, but the concern is the availability of land.
- That the public felt there should be a system in place that will efficiently and effectively administer the allocation of such houses to deserving individuals to avoid the current scenario experienced with regard to RDP Housing units where non-deserving public employees occupy them.
- That the bill should make provision for an insurance fund as tenure security for such houses to avoid removal of dependants should the breadwinner pass on or lose his/her source of income.
- That Section 5 should be reviewed to ensure that it accommodates all future challenges; for example the rights and participation of Traditional Councils.
- That Government should ensure the fast tracking of land availability for such projects.
- That ownership of land by service providers, and consequently ultimate ownership of such units by occupants must be guaranteed.
- That Section 4 No. 3 and Section 5 must be reviewed in such a way that responsibilities are taken away from municipalities to avoid the long chain of protocol.



- That in section 11 the responsibility must be taken back to Provincial Governments.
- That role playing in **sec 3 (1) (j); sec 4 (1) (a)** and 4.2 should be well defined.
- That water availability and electrification must first be ensured before commencement of such projects.
- That capacity must be built among emerging contractors so that they can also benefit from these projects.

#### **4.3.2 Matsulu**

In Matsulu, the public was in support of the Bill, though their comments or inputs focused much on their day to day housing problems which were noted for the Portfolio Committees' consideration, as follows:

- That Government must put in place proper channels for the community to raise or forward their housing problems.
- That the Department of Local Government and Housing and Municipalities must convene an urgent meeting for communities affected by problems relating to ownership, disaster, incomplete and complete but defective and damaged RDP units.

NB: The participants also submitted a list of houses that require the urgent attention of the Department of Local Government & Housing during the public hearings and this will be forwarded to the Department for follow-up purposes.



**4.4 MSUKALIGWA AND ALBERT LOCAL MUNICIPALITIES**

In Msukaligwa and Albert Luthuli Local Municipalities the majority of the participants generally raised grievances about lack of RDP houses and the fact that people have been in the waiting lists for a long period.

The following constitute their inputs:

- That the minister should appoint the council in consultation with the provinces.
- That the working relationship between National and Provincial structures must be strengthened.

**Chapter 4**

- That the relevant provincial structures must ensure that municipalities are consulted
- That it must be clarified where the lease agreement should be submitted too.



**5. RECOMMENDATION**

The Portfolio Committee recommends that the permanent delegate representing the Province of Mpumalanga in the NCOP should be conferred with authority to negotiate in favor of the Bill taking into account the inputs of the Public as captured above.

  
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**Hon. N.J. MAHLANGU****CHAIRPERSON OF THE PORTFOLIO****COMMITTEE ON LOCAL GOVERNMENT AND HOUSING****DATE**  
04/05/2008