

Breaking New Ground In Housing Delivery



human settlements

Department:
Human Settlements
REPUBLIC OF SOUTH AFRICA

BENEFICIARY OCCUPANCY AUDIT PROGRESS REPORT PORT FOLIO COMMITTEE 28 JULY 2010

houses, security and comfort

**VISION: A NATION HOUSED IN SUSTAINABLE HUMAN SETTLEMENTS
WITH ACCESS TO SOCIO-ECONOMIC INFRASTRUCTURE**

**MISSION: TO ESTABLISH & FACILITATE A SUSTAINABLE PROCESS
THAT PROVIDES EQUITABLE ACCESS TO ADEQUATE HOUSING FOR ALL
WITHIN THE CONTECT OF AFFORDABILITY OF HOUSING & SERVICES
& ACCESS TO SOCIAL AMENITIES & ECONOMIC OPPORTUNITIES**

BACKGROUND

- Announced during Budget Speech 2008
- Determine subsidised housing units occupied by approved beneficiaries
- Concerned allegations subsidised houses allocated to foreigners
- Beneficiaries not issued with title deeds
- Disparity between houses actually completed and official records
- Project outsourced to three successful service providers covering 7 provinces

Objectives of the study

- To **investigate beneficiary information** in terms of:
- The name and identify number of the occupant (Head of household) for verification purposes against the National Housing Subsidy System
 - If the occupant is not the approved beneficiary reflected on the National Housing Subsidy System, how was the relevant house acquired
 - If the house was sold to the current occupant, what acquiring method was utilized
 - The number of properties that have been erroneously allocated;
 - The number of properties that are owned by illegal occupants;
 - Number of properties that also host small business activities

Objectives of the study

To **investigate property information** in terms of:

- Location of property
- Physical address
- Street name if applicable;
- Township or village name
- District of location;
- Province of location;
- Recording of site as per Provincial Government register/ or HSS;
- Structure on property
- Physical or structural condition of the house, i.e. its habitability;
- If house/structure is severely defective, its conditions will be described, including digital pictures thereof.

Objectives of the study

It was anticipated that the report will reveal the following:

- Confirm or dispute HSS beneficiary information when matched against Deeds records of physical verification of actual residents in RDP/BNG houses
- Highlight the degree and extent of reliability and validity of HSS and Deeds records in respect to RDP/BNG houses and their allocation to beneficiaries
- Reveal the number and percentage of beneficiaries who are in HSS records with houses allocated to them, yet they have not yet been allocated the houses.
- Reveal the number and percentage of people who have houses without title deeds.

Objectives of the study

The findings should assist the Department to consider important decisions, including the following:

- Regularization process – match beneficiaries in the house and the title deeds
- Rectification – repairing of defective houses
- Rationalization – possibly relocating improperly allocated beneficiaries to their rightful houses
- Reliability – ensuring that National Housing records are reliable and dependable
- Replicability – ensuring that RSA housing allocation policy is marketed in other countries as best practice for possible replication and adaptation to these countries.

Methodology.....

- ❑ The study **population** comprised the total beneficiaries of houses constructed and completed between 1994 and June 2008 in 7 Provinces of North West; Mpumalanga, Free State, Western Cape, Gauteng, Limpopo, Kwa Zulu Natal.
- ❑ The **sample size consisted of** 10% of the total population representing 262 686 households
- ❑ **Data collection technique:** door to door visit to beneficiaries
- ❑ Structured **questionnaires** administered to all beneficiaries who acquired a subsidized house

Methodology.....

- Data Analysis: SPSS data analysis software utilised
- Quality Control:
 - Training of field workers
 - Field supervisors
 - Data cleaning done on questionnaires and coded
- Limitations of study
 - Information obtained based on respondents self-declarations
 - Occupants reluctant to provide personal details
 - Councillors involved in elections

MAJOR FINDINGS

- Free State

ITEM	PERCENTAGE
Legal Occupant	30
Renting	4.2
Purchase	3.0
Registered title deed	69.2
Valid ID	99.8
Habitable (none or minor defects)	72.1
Not Habitable (major defects)	27.9

MAJOR FINDINGS

- North West

ITEM	PERCENTAGE
Legal Occupant	26
Renting	4.2
Purchase	3.0
Registered title deed	30.8
Valid ID	99.5
Habitable (none or minor defects)	78.1
Not Habitable (major defects)	19.5

MAJOR FINDINGS

- Mpumalanga

ITEM	PERCENTAGE
Legal Occupant	19
Renting	5.4
Purchase	2.6
Registered title deed	22.3
Valid ID	99.5
Habitable (none or minor defects)	69.0
Not Habitable (major defects)	26.6

MAJOR FINDINGS

- Gauteng

ITEM	PERCENTAGE
Legal Occupant	30.5
Renting	5.5
Purchase	3.9
Valid ID	97.5
Habitable (none or minor defects)	89.2
Not Habitable (major defects)	1.7

MAJOR FINDINGS

- Western Cape

ITEM	PERCENTAGE
Legal Occupant	23.8
Renting	8.4
Purchase	6.1
Valid ID	98.8
Habitable (none or minor defects)	97.8
Not Habitable (major defects)	0.2

MAJOR FINDINGS

- KwaZulu-Natal

ITEM	PERCENTAGE
Legal Occupant	52.5
Renting	5.3
Purchase	5.9
Valid ID	99.2
Habitable (none or minor defects)	97.1
Not Habitable (major defects)	2.9

MAJOR FINDINGS

- Limpopo

ITEM	PERCENTAGE
Legal Occupant	55.8
Care Taker Occupant	14.4
Dependant	9.7
Second Owner	11.9
Unoccupied	2.9
Not built	8.4
Habitable (none or minor defects)	82.9
Not Habitable (major defects)	17.1

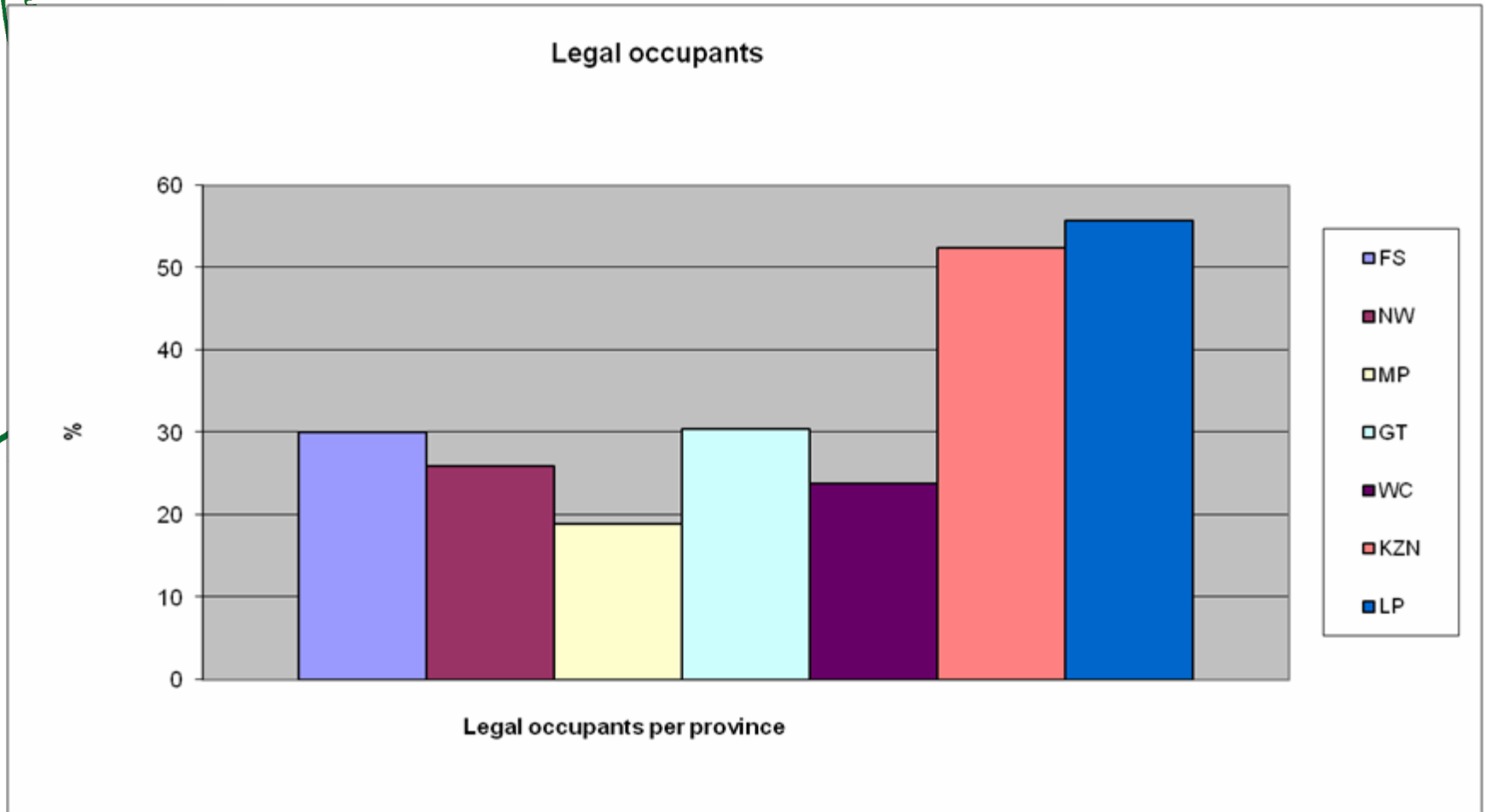
COMPARISON OF PROVINCES

ITEM	FS	NW	MP	GT	WC	KZN	LP
Legal Occupant	30.3	26.0	19.0	30.5	23.8	52.5	55.8
Renting	4.2	4.2	5.4	5.5	8.4	5.3	0
Purchase	3.0	3.0	2.6	3.9	6.1	5.9	0.0045
Registered title deed	69.2	30.8	22.3	N/A	N/A	N/A	N/A
Valid ID	99.8	99.5	99.5	97.5	98.8	99.2	97.1
Habitable	72.1	78.1	69.0	89.2	97.8	97.1	82.9
Not Habitable	27.9	19.5	26.6	1.7	0.2	2.9	17.1

CONCLUSIONS

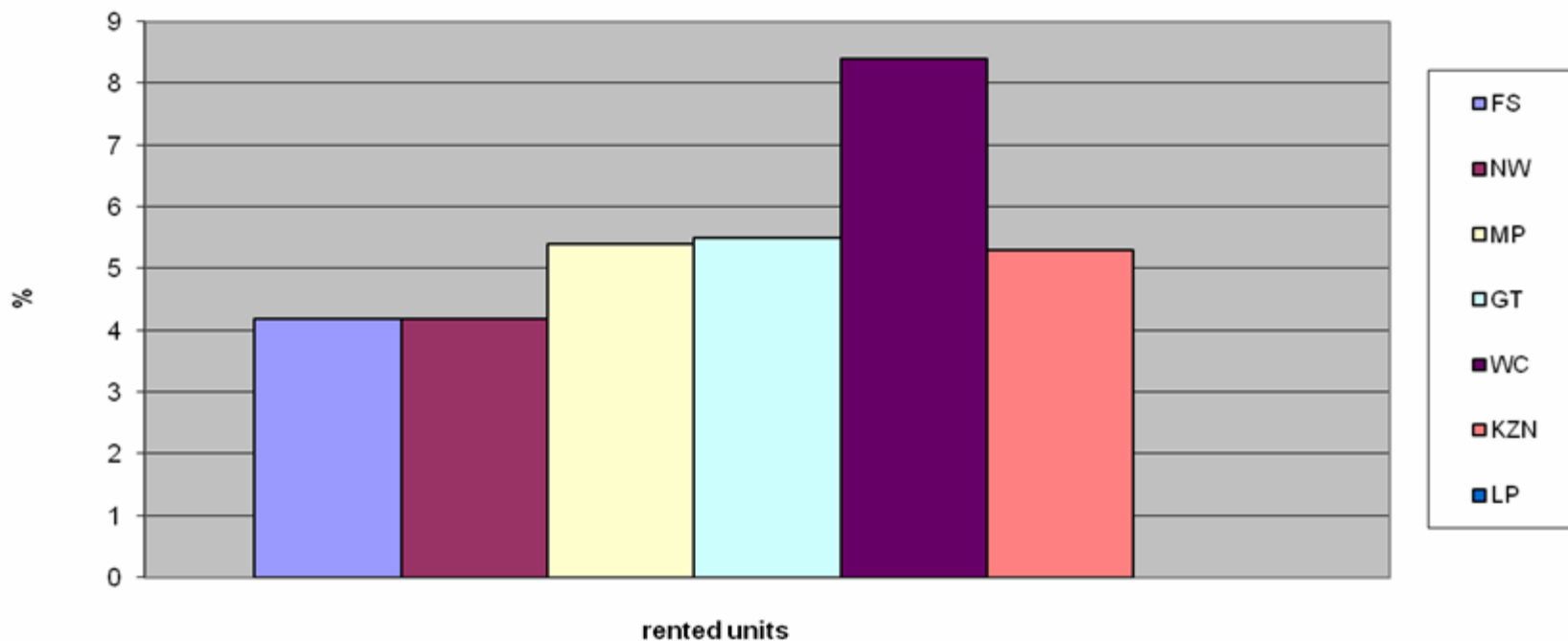
- Beneficiary Administration Process:
 - Not performing as expected
 - High percentage illegal beneficiaries in FS, MP and NW
 - Not sound, impartial allocation of houses
 - Official waiting list crucial
 - Important application of waiting list fair and above suspicion
 - Important traditional leadership part of process

LEGAL OCCUPANTS



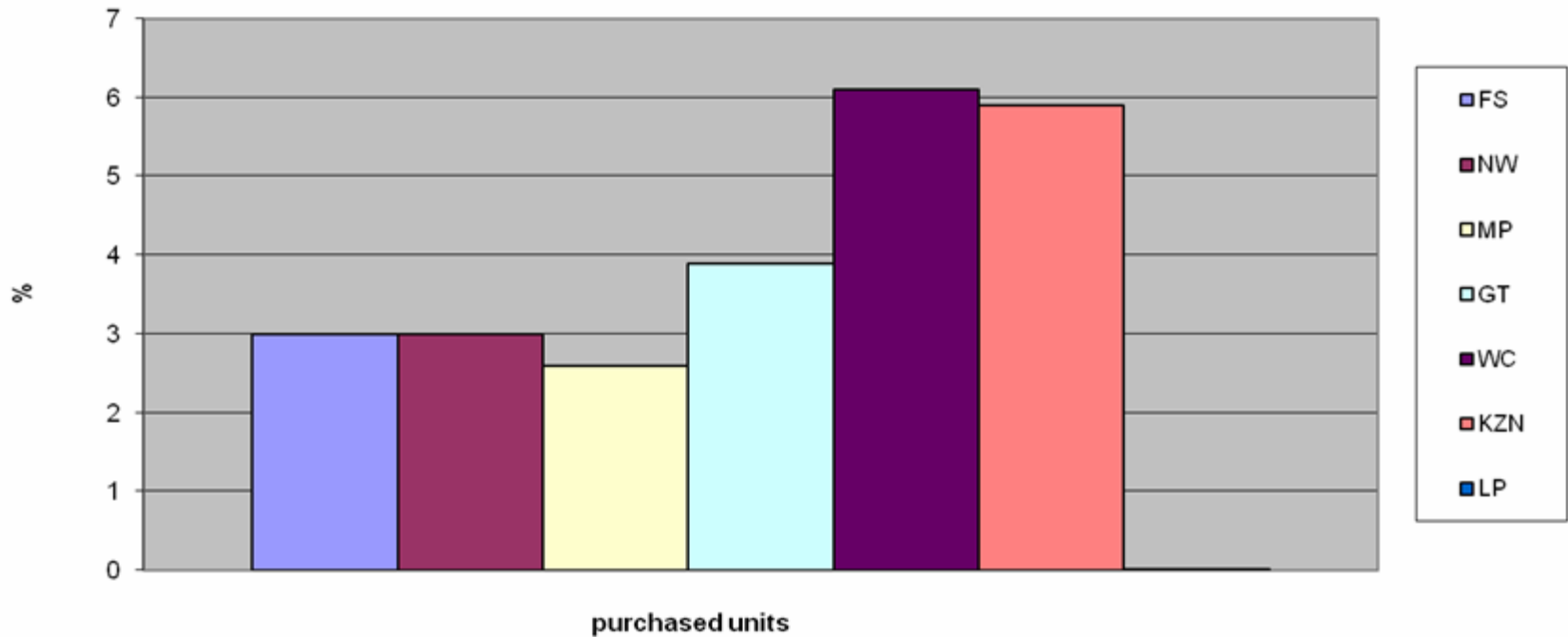
RENTING

Rental



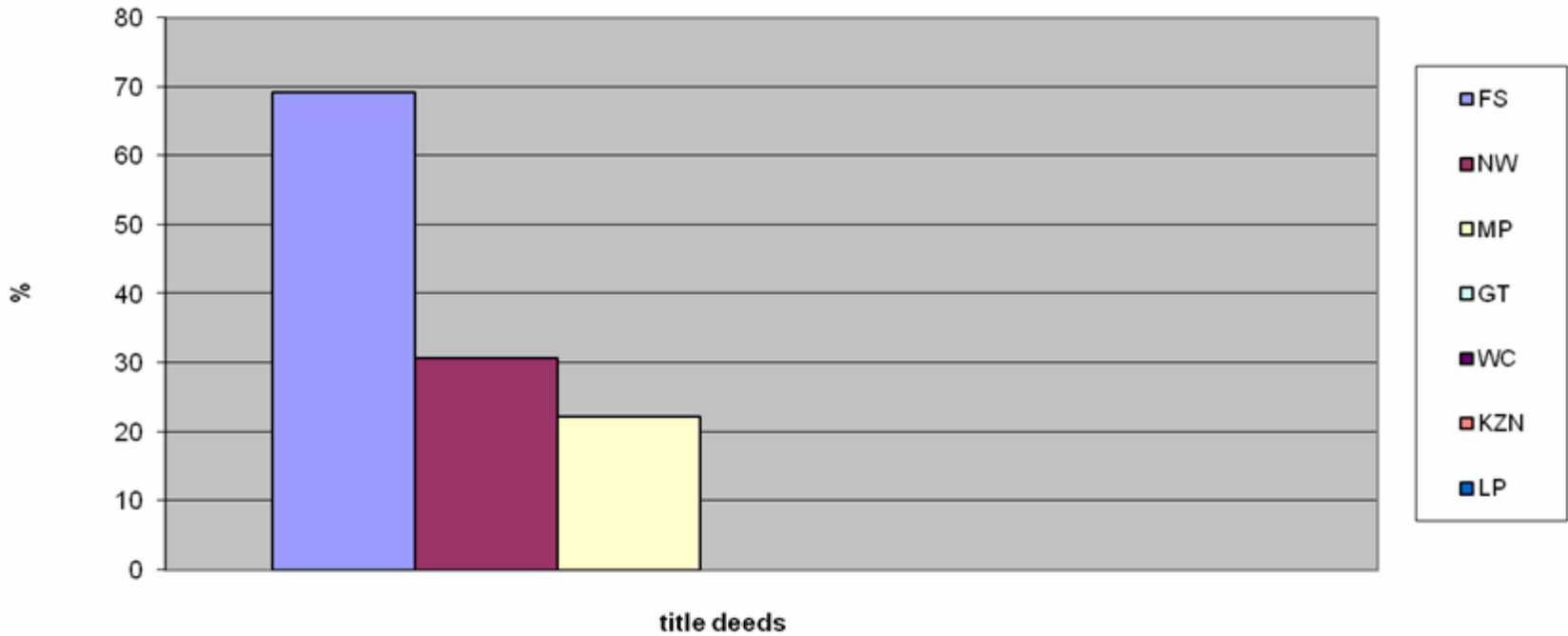
PURCHASE

Purchased



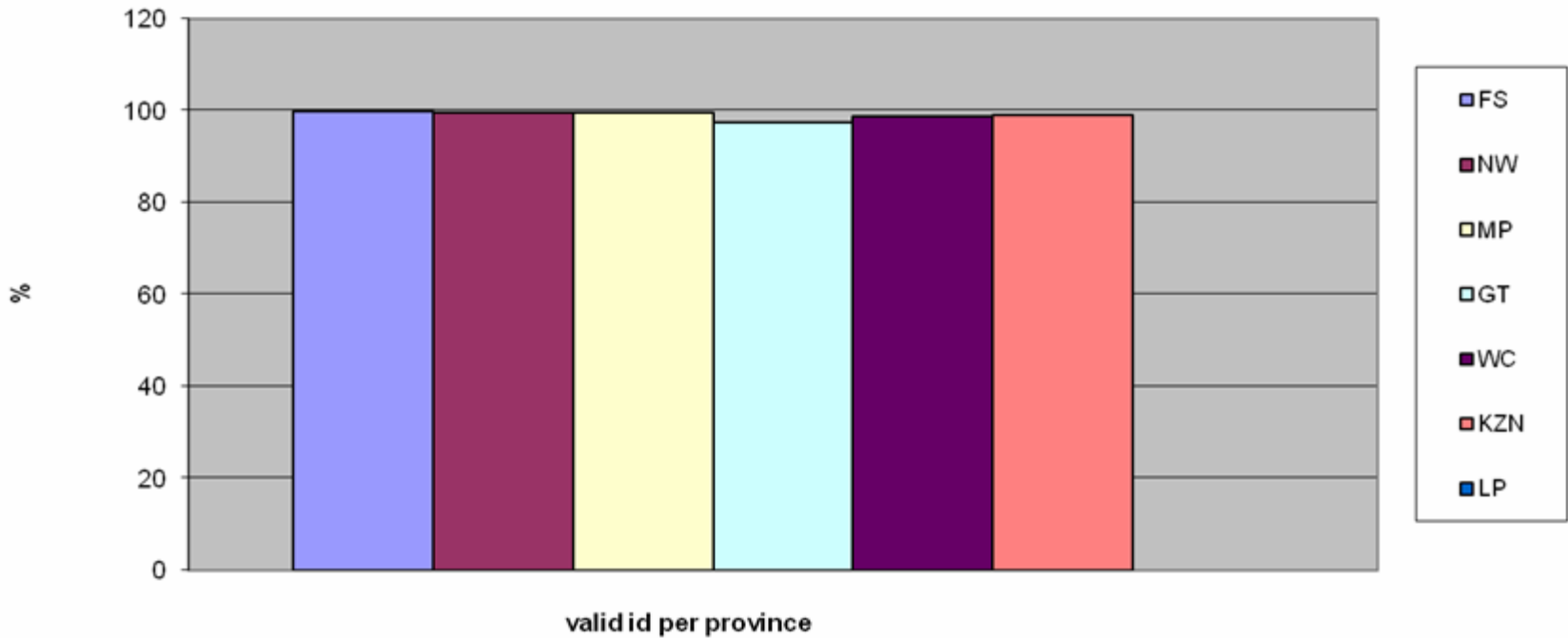
REGISTERED TITLE

Registered title deeds

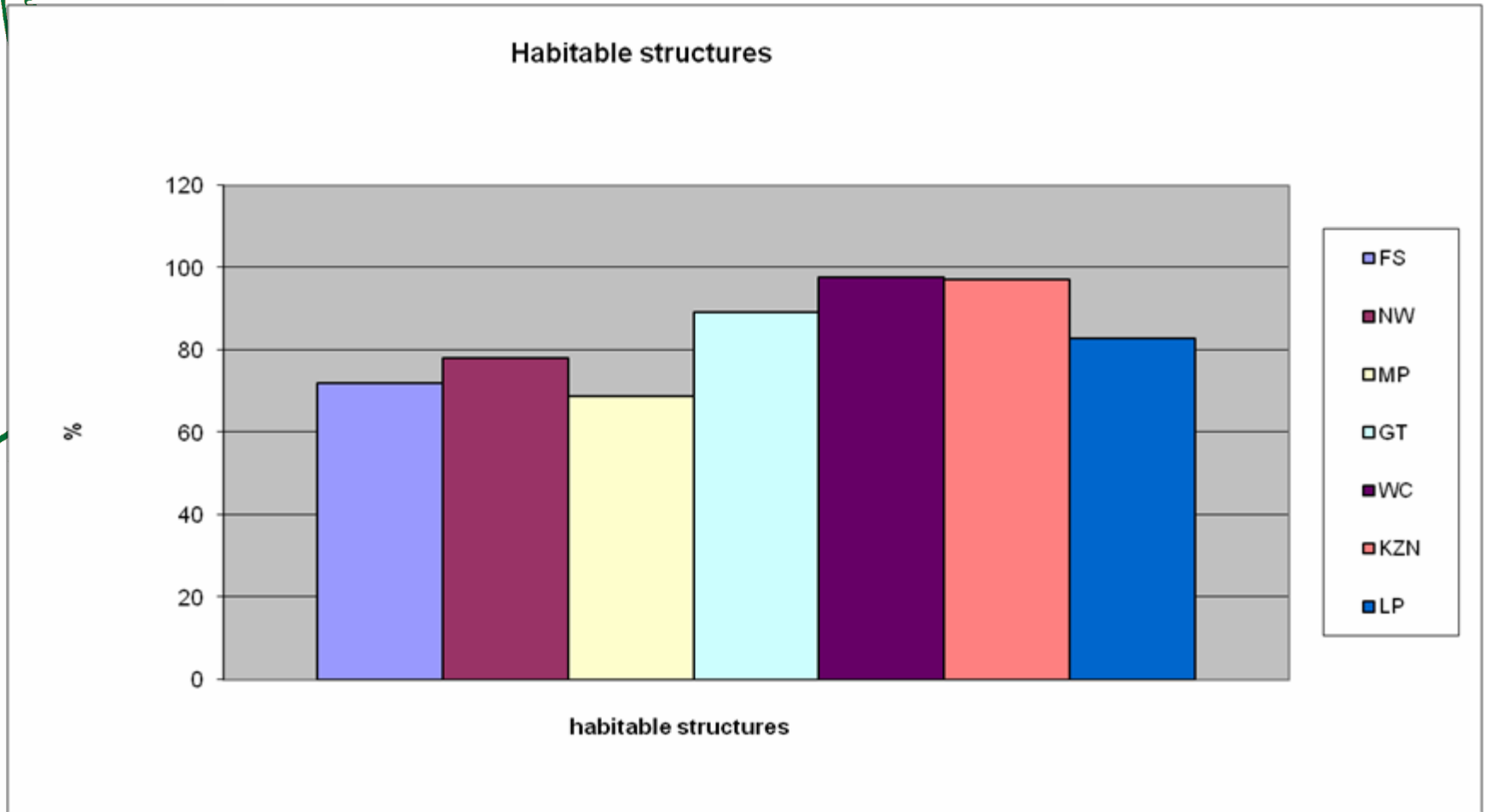


VALID ID

Valid IDs

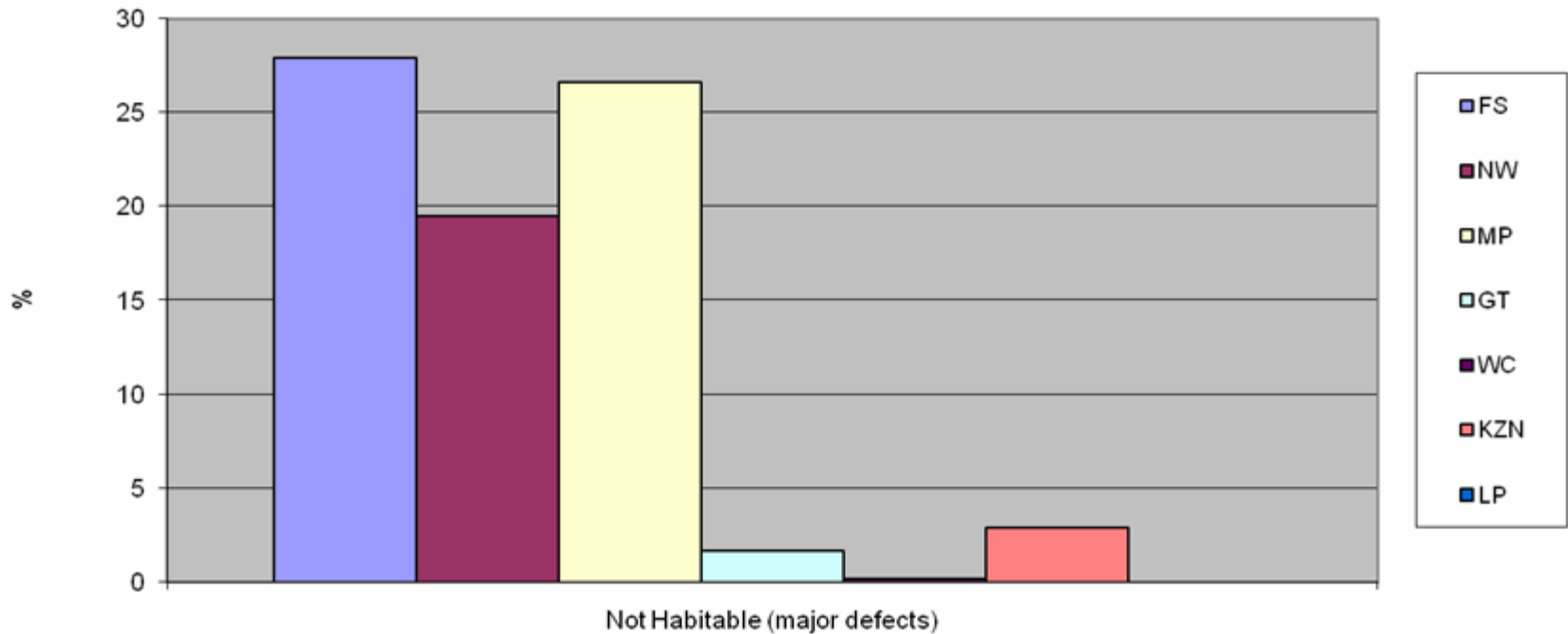


HABITABLE (None or minor defects)



NOT HABITABLE (Major defects)

Uninhabitable structures



CONCLUSIONS/ continues.....

- Quality of subsidised houses:
 - FS highest percentage of houses with major defects
 - Inspection of construction crucial
 - NHBRC ability questioned
 - Inspection capacity to be enhanced with necessary skills
 - Effective enforcement of norms and standards
 - National Department in process to investigate feasibility of National Inspectorate
 - Conveyance process to be revisited
 - Provincial planning processes to be enhanced
- Profile of Beneficiaries:
 - Female and single with dependents
 - SA Citizens

LESSONS LEARNED

- Introductory meetings with councilors crucial
- Planning to be done carefully – community to be informed
- Households mainly available over weekends
- Perception of interviewees can distort outcome

RECOMMENDATIONS

- Initiate a process to match occupants and properties on National Housing Subsidy Database
- Coordinates to be incorporated in GIS System
- Occupants that acquire properties through inheritance to be regularise
- Task Team to be appointed to investigate beneficiary allocation process and draft implementation guidelines to ensure completed units are allocated to correct beneficiaries
- Determine progress with compilation of official waiting lists in Municipalities
- Possible legislation for implementation of waiting list
- Home ownership course as pre-requisite for housing subsidy – rights in terms of property ownership

CURRENT STATUS

- Verification of data collected by Service Providers
Meetings being arranged with Provincial Human Settlements Departments to compare records and identify problem areas beneficiary administration process
- Service providers to be appointed to conduct beneficiary occupancy audit in the EC and NC



THANK YOU!