



Human Settlements

The right to adequate housing is one of the most important basic human rights. It speaks to the restoration of dignity to the millions of South Africans who have been marginalised for centuries and who still suffer from the legacy of apartheid's selective development.

The Department of Human Settlements (DHS) is committed to the National Development Plan's 2030 vision of transforming human settlements and the spatial economy to create more functionally integrated, balanced and vibrant urban settlements.

By May 2016, government had delivered more than 4,3 million houses and subsidies since 1994, benefiting more than 20 million South Africans.

The DHS's goal is to deliver over 1,5 million housing opportunities by 2019, as set out in the 2014-2019 Medium Term Strategic Framework. It also seeks to ensure, among other things, that poor households have access to adequate housing in better living environments.

Catalytic human settlement projects aim to initiate more spatially, socially and economically integrated communities. New non-racial towns and cities are being developed to fulfil the principle of a united people in non-racial residential areas.

Human Settlements Vision 2030

Housing the poor was an ingredient of the department's three-part response to the State's Vision 2030 Strategy. "Gap housing" is a term that describes the shortfall or gap in the market between residential units supplied by the State and houses delivered by the private sector. The gap housing market comprises people who typically earn between R3 500 and R15 000 per month, which is too little to enable them to participate in the private property market, yet too much to qualify for state assistance.

Gap housing is a policy that addresses the housing aspirations of people such as nurses, firefighters, teachers and members of the armed forces, who earn between R3 000 and R15 000 per month and therefore do not qualify for RDP houses and do not earn enough to obtain home loans.

Nationally the houses were financially assisted by the National Housing Finance Corporation (NHFC) through an intervention called Finance Linked Individual Subsidy Programme (FLISP), which gives all qualifying beneficiaries the certainty of being granted loans, bonds or mortgages by banks and other financial institutions.

Social housing

A key model for the delivery of affordable housing is social housing, which provides medium density, affordable, rental housing to low and middle income households. Social housing contributes to transforming urban spatial patterns as it promotes integration and densification in close proximity to economic and social amenities.

The DHS's social housing programme is largely funded through the restructuring capital grant, which is transferred from the Housing Development Finance programme to be administered by the Social Housing Regulatory Authority (SHRA).

The grant was expected to reach R1 billion by 2018/19 to fund the delivery of 17 333 social housing units, contributing to achieving the target of an additional 27 000 social housing units by 2019.

Housing entities

The department's housing entities include the:

- **National Home Builders Registration Council (NHBCRC)**, which represents the interests of housing consumers by providing warranty protection against defined defects in new homes and to regulate the home building industry. The NHBCRC also provides training and capacity building to promote and ensure compliance with technical standards in the home-building environment.
- **Community Schemes Ombud Service**, which provides a dispute-resolution service for community schemes; monitor and control the quality of all governance documentation relating to sectional title schemes; and take custody of, preserve and provide public access to scheme governance documentation.
- **Estate Agency Affairs Board**, which regulates, maintains and promotes the conduct of estate agents; issues certificates from the Estate Agents Fidelity Fund; prescribes the standard of education and training for estate agents; investigates complaints lodged against estate agents, and manages and controls the Estate Agents Fidelity Fund.
- **Housing Development Agency**, which identifies, acquires, holds, develops and releases state-owned and privately owned land for residential and community purposes; and project manages housing developments for the creation of sustainable human settlements.
- **National Housing Finance Corporation**, which broadens and deepens access to affordable housing finance for

low- to middle-income households by facilitating private-sector lending for housing purposes.

- **National Urban Reconstruction and Housing Agency**, which provides bridging finance to contractors building low to moderate income housing, infrastructure and community facilities.
- **Rural Housing Loan Fund**, which facilitates access to housing credit to low income rural households by providing wholesale finance through a network of retail intermediaries and community-based organisations.
- **Social Housing Regulatory Authority**, which regulates the social housing sector, and ensures a sustainable and regulated flow of investment into the social housing sector in order to support the restructuring of urban spaces by providing capital grant to accredited social housing institutions.

Subsidies

A housing subsidy is a grant by government to qualifying beneficiaries for housing purposes. One of the DHS areas of responsibility in the delivery of human settlements relates to the bottom-most end of the market, where it provides housing subsidies to the poor. This is where the bulk of the housing backlog exists, affecting mainly those who earn below R3 500 a month.

Government Employees Housing Scheme (GEHS)

The Department of Public Service and Administration has partnered with the Public Investment Corporation (PIC) in terms of which the PIC, through its Developmental Investment Policy, has invested R11 billion in support of the GEHS Housing Finance Access Service to promote and increase home-ownership among public service employees.

Prior to the GEHS, over 954 000 employees received housing allowance of R900 per month, which increased to R1 200 with effect from 1 July 2015.

The scheme was established in response to the housing finance and access gap that exists with households in the monthly bracket of R3 500 and R15 000, who continue to remain underserved and excluded from accessing home loans in spite of their regular income and relatively secure employment.

Marikana Housing Project

In January 2016, government handed over the R700-million Marikana Housing Project in Rustenburg, North West. The housing project is part of government's plan to revitalise distressed mining communities across the country. A total of 22 mining towns in distress are expected to benefit from this commitment.



The Marikana Housing Project was expected to yield 2 600 units upon completion. By January 2016, some 544 housing units had been completed. The project will also cater for beneficiaries of the FLISP and bonded houses.

