



Draft City of Johannesburg's Housing Allocation Policy

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DOCUMENT CONTROL

Responsible Unit: Policy, Planning & Research Directorate

Version number: 8.0

Document status: Working Document

Current review date: 31 August 2019

Approval date:

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1. Introduction

1.1 Policy objectives

- 1.1.1 The main objectives of this policy are:
- 1.1.2 To formulate comprehensive housing allocation policy that prioritise the poor, disadvantaged groups and special needs categories in the City of Johannesburg;
- 1.1.3 To set out a criteria, processes and procedure for the selection of qualifying beneficiaries through the fair, transparent and equitable allocation of housing opportunities to qualifying applicants; and
- 1.1.4 To prescribe a clear allocation criterion to ensure a more precise allocation process

1.2 Scope and application of the policy

The policy will apply to all applicants that require government assistance and fall within the qualifying criteria as set out in National Housing Code 2009, as outlined in section 7. Beneficiaries must comply with the Application Process in order to benefit from the opportunity. The Process is outlined in the Allocations Standard Operating Procedure (see Annexure).

2 The Legislative Framework

2.1 The following legislation and policy inform the guiding principles and implementation of this policy:

- 2.1.2 The Constitution of the Republic of South Africa, 1996;
- 2.1.3 The Housing Act No. 107 of 1997;
- 2.1.4 The Urban Development Framework, 2000;
- 2.1.5 The Breaking New Ground Strategy, 2004;
- 2.1.6 The Inclusionary Housing Policy, 2007;
- 2.1.7 National Social Housing Act, 2008;
- 2.1.8 The National Housing Code, 2009;
- 2.1.9 Spatial Development Framework, 2016 and
- 2.1.10 Special Process for the Relocation of Evictees 2016.
- 2.1.11 Protection of Personal Information Act No 4 of 2013

2.2 **The Housing Act, 107 of 1997** aims to establish and maintain habitable, stable and sustainable public and private residential environments to ensure viable households and communities in areas allowing convenient access to economic opportunities, health, education and social amenities (Republic of South Africa, 1997:141). The Act together with the Constitution further outlines the role of the national, provincial and local governments in relation to provision of housing (Republic of South Africa, 1997:139). The Act further accredits municipalities to manage national housing programmes through active housing development and addressing the issue of land, services and infrastructure provision with an intention of creating a conducive environment that is suitable for housing development within the area of their jurisdiction.

2.3 **The Urban Development Framework, 2000** gives the policy framework for planning and implementing all programmes undertaken in urban areas and for achieving coordinated and integrated budgeting. The Framework helps to achieve a consistent urban development

approach for effective urban reconstruction and the development of policies, strategies and actions of stakeholders in the urban development process (Department of Human Settlements, 2000:22).

- 2.4 **The Breaking New Ground, 2004** aims to promote the achievement of a non-racial, integrated society through development of sustainable human settlement and quality of housing. The key element of this framework includes public transport planning, integrating land use, mixed land-use development, facilitating higher densities and more compact urban forms that minimising congestion travelling distances. The Plan leverages for economic growth, in promoting social cohesion, combating the prevalence of crime, and in improving the quality of life for the poor (Department of Housing, 2004:7).
- 2.5 **The Inclusionary Housing Policy, 2007** strives to harness the private sector in the delivery of housing to middle- and higher-income households and ensure the delivery of affordable housing opportunities for low-income households. The key objective of inclusionary housing is to enhance greater social integration and to deplete highly segregated areas in the built environment – encouraging a socio-economic balance in residential developments and contributing to the provision of affordably priced housing (Department of Housing, 2007:9).
- 2.6 **The National Social Housing Act, 2008** defines the functions of national, provincial and local governments in respect of social housing and establishes the Social Housing Regulatory Authority as the regulator of all social housing institutions obtaining or having obtained public funds. It permits for the undertaking of approved projects by other delivery agents with the benefit of public money and gives statutory recognition to social housing institutions.
- 2.7 **The National Housing Code, 2009** outlines the fundamental policy principles, guidelines, norms and standards which apply to government's different housing assistance programmes (Department of Human Settlements, 2009:9). The Code echoes government's vision for housing development, providing an extensive description of existing housing programmes such as the Integrated Residential Development Programme, The Emergency Housing Programme and The Social Housing Programme.
- 2.8 **The Spatial Development Framework, 2016** defines the strategic spatial areas to be used in the City's capital investment prioritisation model (Johannesburg Strategic Infrastructure Platform – JSIP). This will ensure that infrastructure investment is directed to areas with the highest potential to positively impact on the development trajectory of the city. It addresses major issues in Johannesburg's spatial and social landscape, concerning pressure on the natural environment and green infrastructure, urban sprawl and fragmentation, spatial inequalities and the job-housing mismatch, exclusion and disconnection and inefficient residential densities and land use diversity.
- 2.9 **Special Process for the Relocation of Evictees Policy, 2016** aims to facilitate the provision of Temporary Emergency Accommodation (TEA) to Evictees who may find themselves in an emergency of exceptional housing need. The policy provides guidance to municipal officials,

evictees and owners to engage with each other and provide a plan to reach a mutually beneficial outcome.

2.10 **Protection of Personal Information Act No 4, 2013** This Act regulates the way information may be processed by establishing conditions that prescribe the minimum threshold requirements for the lawful processing of personal information. Through this act the beneficiaries and applicants' information will be protected.

3 Problem Statement/Rationale

3.1 The demand for affordable housing surpasses supply of suitable housing for the poor in the City of Johannesburg. Housing allocation becomes one of the key components in the housing provision value chain in the reduction of the housing backlog for the City. Housing delivery backlogs remain the City's greatest challenge, with illegal subletting, hijacked buildings and dilapidated buildings occupying the Johannesburg skyline. Equally, allocation has been barred with various issues ranging from illegal subletting, lack of transparency, inadequate facilities and property maintenance, outdated tenant records, infrastructure theft and vandalism, "queue jumping" phenomena in informal settlements, infrastructure theft and vandalism and low income generated from insufficient rentals are the greatest challenges for the City. Whilst concerted focus is put on responding to the increased demand for housing against the severely slow housing supply for those in need, there needs to be a clear, fair and transparent process to allocate all provided housing solutions to the deserving qualifying beneficiaries.

4 Definitions:

In this policy –

1996 / 1997 waiting list	refers to beneficiaries who registered with the City for a housing need in 1996/1997
Affordable (Gap) Housing	means housing opportunities created and promoted by government, in partnership with the private sector, for first-time South African home owners earning a combined monthly income of between R3500 and R15 000 as governed by the Finance Linked Individual Subsidy Programme (FLISP).
Aged persons	mean a person who is 60 years and older in terms of the South African Social Services Social Grants directives.
Backyard dwellers	means people who live in both formal and informal structures within formal and informal developed areas.
Beneficiary	means a person who will be benefiting from any government housing programmes.
Community Residential Unit	are state rental units consisting of existing and newly developed refurbished public housing rental stock created for low income persons and households whose monthly income is from R750 to

	R3500 (or as amended by the National Department of Human Settlements).
Department of Housing	refers to the Housing Directorate in the City of Johannesburg Municipality which administers and manages the City's Housing Programmes.
Dependant	means a person who relies on the beneficiary for financial support.
Exceptional Housing Need	means a situation where an applicant is assisted on a priority basis as recommended by the Housing Allocation Oversight Committee and approved by the MMC for Housing.
Family member	means the owner, a relative of the tenant or a relative of the tenant's spouse or partner, such as a child, grandchild, mother, father, brother or sister.
Greenfields Project	means a project component occupying a greenfield site (undeveloped land) on which there are no pre-existing legal occupants, and for which the municipality has discretion to select beneficiaries, provided they are eligible for the subsidy.
Household Income	means a combined income of the applicant and spouse to be considered for eligibility of a housing opportunity.
Housing Database	means the municipality's housing database comprising of persons who have registered a need of housing assistance
Housing Opportunity	means access by qualifying beneficiaries to a serviced site or living units in any government housing programme as amended by the relevant authority. They include:
Housing Programmes	means the range of housing programmes provided for in the National Housing Code.
Housing Subsidy	means a grant paid by government to qualifying beneficiaries to be used for housing purposes. The subsidy is either paid to a seller of a house or, in new developments, it is used to finance the construction of a house that complies with the ministerial minimum norms and standards.
Informal Settlements	means a group of housing units that have been constructed on land that the occupants have no legal claim to or occupy illegally. They are unplanned settlements and areas where housing is not in compliance with current national planning and building regulations.
Lease Agreement	means the legal agreement between the lessor (The City of Johannesburg Municipality or its partners) and lessee.
Lessee	means the tenant renting the property.

Lessor	means the City or partner leasing the property.
National Housing Code	means the document containing national housing policy, guidelines, norms and standards in terms of Section 4 of the Housing Act, No. 107 of 1997.
National Housing Needs Register	is a national government database of individuals seeking various housing opportunities and subsidies.
Non-Qualifiers	mean those applicants who do not meet the national criteria for a housing subsidy as outlined in the National Housing Code.
Public record	means a record that is accessible in the public domain and which is in the possession of or under the control of a public body, whether or not it was created by that public body (as per POPI Act 2013);
Qualifying Criteria	means the criteria set out in the National Housing Code specifying the requirements for applicants to qualify as beneficiaries for various housing opportunities.
Rightsizing	means the placing of a household in accommodation that is appropriate for their needs and income.
Social Housing	means rental housing constructed and managed by the City's social housing partners in terms of the National Social Housing Act, 2008 i. Social Housing means a rental or co-operative housing option for low to medium income households at a level and scale which requires institutionalized management which is provided by social housing institutions or delivery agents.
Special Needs Category	refers to individuals who are disabled, the aged, child-headed households and military veterans.
Stay Application Buildings	refers to the priority list of the City's problem buildings which might require Temporary Alternative Accommodation as listed in the Stay Applications made to the Southern Gauteng High Court.
Tenure	means the condition

5 Abbreviations and Acronyms

BNG	Breaking New Ground previously termed RDP Housing
CoJ	City of Johannesburg
CRU	Community Residential Unit
DSD	Department of Social Development
ED	Executive Director
FLISP	Finance Linked Individual Subsidy Programme
HSS	Housing Subsidy System
JDA	Johannesburg Development Agency
JSIP	Johannesburg Strategic Infrastructure Platform
JOSCHO	Johannesburg Social Housing Company
JPC	Johannesburg Property Company
MEC	Member of the Executive Council
MMC	Member of the Mayoral Committee
NHNR	National Housing Needs Register
POPI Act	Protection of Personal Information Act, No 4 of 2013
SASSA	South African Social Security Agency
SHI	Social Housing Institutions
SPRE	Special Process for the Relocation
TEA	Temporary Emergency Accommodation
The City	the City of Johannesburg Municipality

6 Allocations Policy

6.1 Roles and Responsibilities

6.1.1 The implementation of this policy requires interventions by several City Departments and entities. The respective responsibilities of those involved are summarised below:

6.2 The National Department of Human Settlements

6.2.1 **The national Department of Human Settlements is the custodian of allocations policy in the country. All policies should be aligned to the National Department of Human Settlements with local circumstances.**

6.2.2 Responsible for administering the Housing Subsidy System (HSS) and the National Housing Needs Register (NHNR).

6.2.3 The Department may appoint external auditors to investigate an allocation process, to ensure there was compliance with selection criteria and application and screening process. Once this has been established to be in order the Auditors will then return the applications for the committee to submit for final approval by council.

6.3 The Provincial Department of Human Settlements

6.3.1 Participate in the Joint Housing Allocation Committee (JHAC);

6.3.2 Upload applications on HSS for verification once the committee has made the selection

6.3.3 Refer the rejected applications to the JHAC for further deliberation;

6.3.4 Submit complying applications for approval & subsidy allocation

6.3.5 Provide the City with the necessary support required

6.4 **The City of Johannesburg will be the implementing agent of this policy and ensure adherence by its officials.**

6.5 The Joint Housing Allocations Committee (JHAC)

6.5.1 Be responsible for a transparent allocation of all developed units in the city to ensure transparency & proper coordination between both the City and the Province

6.6 **The Housing Allocation Oversight Committee will monitor the implementation of the policy & compliance with its prescript. (Section 79 comment: the oversight is the political function as the Department cannot monitor itself).**

6.7 Project Manager

6.7.1 Inform the beneficiaries of the outcome of the applications, and proceed with the process to transfer the properties to the name of the beneficiaries;

6.8 **MMC for Housing shall endorse the targeted areas and percentage beneficiary splits as in line with the approved criteria by the Council, in line with this policy.**

6.9 **The Allocations Sub-Directorate in the Housing Department will be responsible for the efficient and effective implementation of this policy. The Head of the Unit will be responsible for ensuring**

adherence with the provisions of the allocation policy and to establish task teams to efficiently execute the prescript.

6.10 Applicants are required to register their need for housing on the National Housing Database through the City. All applicants registered must inform the City's Housing Department on any changes in personal information such as address, marital status, income, or special needs and disabilities. Applicants must always ensure they are contactable by updating their contact details with the Housing Directorate.

6.2 Policy Principles

The following principles guide this Housing Allocation Policy:

- 6.2.1 Pro-poor:** initiatives aimed at the development of the City's most underprivileged and indigent; ensuring that their circumstances are proactively addressed.
- 6.2.2 Redress:** the active engagement in addressing the legacy of unequal development in the City that has resulted in dire living circumstances of people residing in inhumane circumstances; those existing in condemned and overcrowded buildings; and those facing unlawful evictions from land and structures.
- 6.2.3 Fairness:** all persons to be treated impartially and just, without favouritism or discrimination during the application and allocation process.
- 6.2.4 First-Come-First-Serve:** establish a queuing system where qualifying applicants are ranked based on their order of registration with **the National Needs Register & City of Johannesburg's** waiting list register, considering the year, date & day (where possible) in which they were registered.
- 6.2.5 Equity:** all persons have equal opportunity in applying for housing assistance in accordance with the applicable National Housing Subsidy Programme.
- 6.2.6 Transparency: ensure all processes are clear and** any person has reasonable access to the processes followed in selecting and ranking applicants for a housing opportunity.
- 6.2.7 Administrative Independence:** No Councillor or City Official may get involved in any allocation process or make any commitment on behalf of the City regarding beneficiation.
- 6.2.8 Integration:** this policy is implemented in a manner that promotes collaboration, social cohesion and integration in the City.
- 6.2.9 Right of first refusal:** Where a beneficiary who is next in line is unable or unwilling to accept the offer of the housing opportunity, such a person shall advise in writing the City & the housing opportunity will be allocated to the next in line. The beneficiary will be re-instilled on the housing database without prejudicing their position.

6.3 Housing Delivery Programmes

Programme	Description	Responsibility
Delivery Programme 1: Temporary Emergency Accommodation (TEA) Transitional Units	<ul style="list-style-type: none"> Accommodation solutions for temporary assistance provided to evictees and individuals displaced as a result of natural disasters and emergencies; who may find themselves in crisis situations requiring exceptional housing need. 	Department of Housing (Inner City Precinct) (Municipal Boundary)
Delivery Programme 2: Upgrading of Informal Settlements	<ul style="list-style-type: none"> The process whereby informal settlements are incrementally improved and incorporated into the City, the inhabitants are either relocated or <i>in situ</i> upgrading is undertaken. 	Department of Housing Department of Development Planning & Development Department of Environment and Infrastructure Services
Delivery Programme 3: Greenfields and Mixed Developments	<ul style="list-style-type: none"> Greenfield and Mixed Developments cater for the relocation of households from informal settlements, those residing in overcrowded conditions, such as backyard dwellers and for individuals seeking assistance from the NHNR and City's Housing Database. 	Department of Housing Department of Development Planning & Development

Programme	Description	Responsibility
Delivery Programme 4: Economic Rental Units	<ul style="list-style-type: none"> The establishments are partially subsidised by the Municipality and are designated for poorer households. They include flats, semi and detached homes and duplexes that are leased out to beneficiaries and the contract is renewed by applicants every year. 	Department of Housing
Delivery Programme 5: Social Housing & Community Residential units	<ul style="list-style-type: none"> This is rental housing constructed and managed by the City's Social Housing Institutions and partners. It assists in the provision of affordable rental housing for households in the missing middle gap, that earn too much to qualify for free housing yet too little to afford a mortgage. Provision of rental through Social Housing Institutions to the open market at affordable rate, in areas that are not constrained to restructuring zones 	JOSHCO
Delivery Programme 6: Senior Citizens Accommodation	<ul style="list-style-type: none"> These facilities are reserved to accommodate senior citizens, who are persons aged from 60 years and older. Older persons on the database and existing older tenants qualify to reside in these units. 	Department of Housing
Delivery Programme 7: Community Hostels	<ul style="list-style-type: none"> These are the previously single sex Hostels which have been converted into self-contained family units. 	Department of Housing

Table 1: Housing Delivery Programme

6.4 National Qualifying Criteria for Housing Assistance

The qualifying criteria will be in line with the National Housing Code 2009¹ and will be reviewed in line with the subsequent amendments to the code, in order to be eligible for a housing subsidy. The applicant must:

- (a) Lawfully reside in South Africa - as a citizen of the Republic of South Africa or in possession of a permanent residence permit. Certified copies of the relevant documents must be submitted with the application;
- (b) Be legally competent to contract i.e. over 18 years of age; legally married or divorced; single with dependants and of a sound mind;
- (c) Be married with financial dependents: He or she must be married (in terms of civil law or customary union) or habitually cohabits with a partner, or single and has proven financial dependents;
- (d) Earn a monthly income: Gross monthly income does not exceed R3 500 per month in the case of a BNG² house, and R7000 per month in the case of FLISP, as approved by the National Department of Human Settlements;
- (e) Not have previously benefited from government housing assistance directly or indirectly through a spouse;
- (f) Be a first-time property owner: He or she is acquiring property for the first time, and does not have fixed residential property
 - i. except in the case of relocation assistance or where property is acquired through the Land Restitution programme
- (g) Special needs categories such as disabled³, the aged, child-headed households and military veterans⁴;
- (h) The above criteria will be adjusted in terms of amendments which may be made by the National Department of Human Settlements from time to time.

6.4.1 Selection Criteria

The following criteria will serve as a guideline for selection of beneficiaries for allocation purposes:

- a) **Up to 50 per cent** of the units in all Greenfield and Mixed Development sites (inclusive of any households from informal settlements) should be allocated to qualifying applicants provided they are on the NHNR database & City's & City's waiting list, from the primary level from all regions in the City. However, the City reserves the right to alter the percentage allocated where stipulated by a resolution of Council.

¹ Department of Human Settlements. 2009. National Housing Code. Pretoria, South Africa

² Department of Housing. 2004. *Breaking New Ground: A Comprehensive Plan for the Development of Sustainable Human Settlements*. Pretoria, South Africa.

³ Disabled persons must comply with the criteria as defined by the Department of Social Development (DSD)

⁴ In line with the provisions of Military Veterans Act 18 of 2011

- a) The **remaining 50 per cent** of housing opportunities must be allocated to applicants from outside the targeted primary level. Within the reserved 50%:
 - i. **A minimum of 10%** of the units will be reserved for the aged and people with disabilities
 - ii. **The remaining percentage** will cater for other households who meet the qualifying criteria on a *first come, first serve basis* from the City's Housing Database, as well as third level criterion group

6.4.2 Primary level criterion for selection

- a) Households on the 1996 / 1997 waiting list if applicable or the City's Housing
- b) Informal Settlements residents

6.4.3 Secondary level criterion for selection

- a) Special needs categories; People living with disabilities, Child headed households, elderly and any other special case categories as defined by council where necessary

6.4.4 The Third Level criterion for selection

- a) People residing in public hostel who meet the National qualifying criteria. The prioritization is based on the hostel eradication programme and a need to fast-track the improved conditions in these establishments. This will also assist to achieve integration of these households onto a bigger society.

6.5 Temporary Emergency Accommodation

6.5.1 Policy Intent

- a) The City of Johannesburg is required to meet its constitutional and statutory obligations in the provision of Temporary Emergency Accommodation (TEA) in Emergencies as indicated in Chapter 12 of the Housing Code and in line with the City's Temporary Emergency Accommodation Provision Policy (currently in draft format), which is guided by the Emergency Housing programme in the National Housing Code (2009). The policy addresses circumstances where all affected households have suffered due to an emergency, disaster, eviction and crises leaving them homeless and destitute. It provides temporary relief to all households in a state of exceptional housing need -those living in unsafe conditions or rendered homeless are assisted through the provision of secure access to land, infrastructure services and shelter.

6.5.2 Allocation Guidelines

- a) All allocation processes in into TEA will be addressed in the City's Temporary Emergency Accommodation Provision Policy, the Policy is currently under review.

6.6 The Formalisation of Informal Settlements

6.6.1 Policy Intent

- 6.6.1.1 The purpose of this policy is to guide the process to be followed in the allocation of serviced erven or BNG housing located within an Upgrading of Informal Settlement Programme (UISP) project in the City. The upgrades cater for people living in that specific informal settlement if they qualify for the housing opportunity as per the qualifying criteria outlined in this policy.
- 6.6.1.2 Settlements that are earmarked for in-situ upgrading, serviced stands shall be provided to the inhabitants of such informal settlements in line with the qualifying criteria as outlined in section 7 above.
- 6.6.1.3 Subsequently, inhabitants who dwell in inhabitable land, which is privately owned or unsuitable for a human settlement development shall be eligible for relocation. This is provided they qualify as per the outlined qualification criteria in section 7 above and have registered their housing need on the City's Housing Demand Database.

6.6.2 Relocation of Beneficiaries

- 6.6.2.1 In cases where relocation is unavoidable, it should be based on the principle of minimal disruption to the affected persons. Persons qualifying on the national qualifying criteria for housing assistance should be relocated to a site as close as possible to the existing settlement. A relocation strategy should be developed in consultation and in collaboration and agreement with the community, in line with the approved IDP.
- 6.6.2.2 In cases where there is a need to relocate households on an urgent basis to provide access to areas for the provision of municipal engineering services, the Department of Housing will submit an application for the National Housing Programme: Housing Assistance in Emergency Circumstances to the Gauteng Department of Human Settlements for MEC approval.

6.6.3 Allocation Guidelines

- 6.6.3.1 In principle residents of informal settlements undergoing relocation will be allocated a BNG house or serviced erven in relocation projects subject to them meeting the national qualifying criteria as outlined in section 7 of this policy.
- 6.6.3.2 The following procedures are to be followed in the case of informal settlement upgrading in relocations:
- i. The total number of dwellings in an informal settlement must be identified, quantified and verified to inform upgrading plans.
 - ii. Community consultations with affected individuals will determine the sufficiency of the planned units to accommodate all qualifying residents and derive alternative solutions to accommodate those qualifying residents that are not located for.
 - iii. During the allocation process, a site or unit is allocated to a qualifying household currently residing in that informal settlement, provided they have registered their need on the National Housing Needs Register Database. Housing opportunity allocations shall occur in a manner of first-come-first-serve and priority ranking on the list, with one informal dwelling receiving one new housing unit. The occupants must submit all relevant documentation, be verified on the Housing Subsidy Scheme (HSS) and sign a sales agreement.

- iv. If there are invasions in existing settlements when upgrading is imminent, they are to be reported to the City's Anti-land invasion unit, and penalty points on the individuals will be rendered on the City's Housing Database affecting their priority ranking on the list.
- v. On handover of the unit, a D4 certificate (happy letter) acknowledging receipt and acceptance of the house is signed, and a registered Title deed where township establishment has been completed or settlements meet acceptable standards and are approved by Council.
- vi. Those households in the informal settlement who do not meet national criteria will be referred to other subsidy instruments available in the City such as Social Housing, economic Rental Units, Serviced Sites and FLISP depending on the circumstances of each case in line with the Informal Settlement Upgrading Programme.
- vii. The housing needs of non-qualifiers that are not lawful residents of South Africa and/or do not have proper documentation will not be rendered. These individuals will be referred to the Department of Home Affairs.

6.7 Greenfields and Mixed Developments

6.7.1 Policy Intent

- 6.7.1.1 Greenfield and Mixed Developments cater for the relocation and allocation of households from informal settlements, those residing in overcrowded conditions, such as backyard dwellers, Public Hostels and for individuals seeking assistance from the National Housing Needs Register and City's Housing Database.
- 6.7.1.2 These developments are also intended to address the beneficiaries in the Housing Demand Database and enable allocation for such qualifying individuals.
- 6.7.1.3 To achieve the desired integration of the different communities within the Greenfield and Mixed Developments, the following households will be prioritized and allocated to these developments:
 - i. Households that are part of targeted informal settlements identified for relocation to the project.
 - ii. Households on the 1996/1997 waiting list if applicable or the City's Housing Database.
 - iii. Individuals residing in informal settlements and targeted areas who are registered on the City's Housing Database.
- 6.7.1.4 Households whose incomes exceed R3 501 per month but less than R22 000 per month are eligible to purchase a vacant serviced stand at input cost through the Finance Linked Individual Housing Subsidy Programme (FLISP). These persons may also apply for the Economic Rental Unit accommodation.
- 6.7.1.5 Households whose incomes exceed R7 500 per month should be awarded an opportunity to buy a vacant serviced stand at the current market value. The City will in line with the Property Rates Act, determine the market value of serviced stands.
- 6.7.1.6 These persons may also apply for rental accommodation managed by Social Housing Institutions.

6.8 Economic Rental Units

6.8.1 Policy Intent

The policy is intended to regulate and provide guidelines on the management of Economic Rental Units for the City.

The following types of Economic Rental Units are covered by this policy:

- i. General Public Rental Housing including houses; flats and staff hostels
- ii. Housing designated for the elderly (Senior Citizen's Accommodation)
- iii. Housing for persons receiving government grants other than old age pensions.

Economic Rental Units will be allocated to households registered on the City of Johannesburg's waiting list

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6.8.2 Allocation Guidelines

- 6.8.2.1 The Economic Rental Units are subsidised by the Municipality and are designated for poorer households of a combined income ranging from R3500 to R7000 per month and as the revised amount as approved by Council. The latest financial and family circumstances will be considered when a lease is negotiated. The applicant must not have benefitted from other housing programmes being implemented & funded by the City, with an exception of Temporary Emergency Accommodation.
- 6.8.2.2 Before a prospective beneficiary is given an application form, a Deeds Search should be done to determine if the applicant still owns private property in the province (in which case the request will be declined) or has benefited from any of Government's Housing Opportunities or once owned property which was acquired privately but has now been disposed (application forms are then issued).
- 6.8.2.3 Applications on the waiting list must be renewed by applicants every year to ensure the database reflects true need. Applicants who do not renew their applications will be flagged on the database and their application will be removed or flagged separately. No illegal occupation and subletting will be allowed.
- 6.8.2.4 A lease agreement for a maximum period of two years must be entered prior to occupation. The tenant has the option to renew the lease agreement three months prior the expiry date. Failure to do so, will trigger a notice to vacate, where a next qualifying beneficiary will be allocated the unit. Units comprising of more than one bedroom may only be allocated to persons with dependant(s) provided the dependant is not a spouse or a partner.
- 6.8.2.5 In cases of death of a lessee, transfer of tenancy will occur where an immediate family member i.e. the spouse and/or child, who resided with the beneficiary and is competent to contract, may apply to enter into a lease agreement with the City. The national qualifying criteria for housing assistance (identified in 6.1) will be applicable.
- 6.8.2.6 In cases where the beneficiary's affordability changes, or their family structure, the household is encouraged to occupy a new unit in alignment to their revised affordability through rightsizing.

6.9 Social Housing

6.9.1 Policy Intent

- 6.9.1.1 Social housing refers to rental housing constructed and managed by the City's Social Housing Institutions (SHIs) and partners in terms of the National Social Housing Act, no. 16 of 2008. The main objective of the Social Housing Programme is to provide capital to housing institutions for the provision of affordable rental housing. The capital subsidy is allocated to the SHI such as the Johannesburg Social Housing Company (JOSHCO), to accommodate beneficiaries who qualify for a subsidy allowance.
- 6.9.1.2 These institutions provide affordable social housing to families who would otherwise be unable to afford accommodation. South African citizens with an income bracket between R3500 and R7500 per household, earn too much to qualify for free housing under the BNG scheme, but not enough to qualify for a bond or mortgage. This opportunity is to assist beneficiaries in this missing middle gap, serving the market for households whose total household income is

6.9.2 Allocation Guidelines

- 6.9.2.1 Social Housing in the City has its own Allocation processes and allocation relating to it are addressed in their allocation processes. (Section 79 comments: Joshco is an entity of the City and Department of Housing, this Allocation Policy Guidelines should be applicable to them too)

6.10 Senior Citizens Accommodation

6.10.1 Policy Intent

- 6.10.1.1 The City has over 2000 residential units, managed by the Housing Department, that have been reserved to accommodate senior citizens. The Aged applicants on the database and existing aged tenants qualify to reside in these units. These units are located in 24 estates that are situated in 5 Regions, (Regions B, C, E, F and G). The units are calculated as per the beds rather than the units.
- 6.10.1.2 The facilities are currently rendering accommodation services only for citizens that do not require any frail care services.

6.10.2 Allocation Guidelines

- 6.10.2.1 The Department of Housing in collaboration with Johannesburg Property Company (JPC) shall appoint caretakers to manage the Senior Citizens Accommodation. The role of the caretakers shall be to ensure that these facilities are well maintained and report any vacant units to the Allocations Sub-Directorate in the Department of Housing.
- 6.10.2.2 In the event of bereavement, a tenant married to a spouse who has not reached the qualifying age, such a surviving spouse shall be right sized for other housing opportunities, provided she/he is willing to apply for such an opportunity.
- 6.10.2.3 No unauthorised person other than the allocated person/s shall be permitted to live in the Senior Citizens Accommodation

6.11 Community Hostels (Community Rental Facilities)

6.11.1 Policy Intent

- 6.11.1.1 To provide for a transparent and consistent process for allocating beneficiaries from the old hostels, to the newly built or refurbished family units and/or RDP Flats, based on their household income.
- 6.11.1.2 The City of Johannesburg is the custodian of community hostel facilities and provides services to the hostels. These services include the maintenance of hostels, the provision of water, sanitation, electricity and the removal of waste. These hostel units were historically created to house single-sex migrant workers, but since the dynamics of the units have changed on a gender and socio-economic scale.
- 6.11.1.3 Staff Hostels are another hostel typology that house members of staff from the City of Johannesburg. These are in the process of being phased out, however, their allocation would subscribe to the same Community Hostel allocation guidelines below.

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6.11.2 Allocation Guidelines

- 6.11.2.1 The Community Hostels will follow the same route as Informal Settlements Upgrading Programme as well as Economic Rental Units, which are subsidised by the Municipality and are designated for poorer households of a combined income ranging from R3500 to R7000 per month. The latest financial and family circumstances will be considered when a lease is negotiated. The qualifying applicants within the public hostels will be allocated in the percentage criterion as outlined in section 8 above. Those that qualify for rental will be allocated in line with the solution they qualify for.
- 6.11.2.2 Before a prospective beneficiary is given an application form, a Deeds Search is done to determine if the applicant still owns property (in which case the request is declined) or has benefited from any of Government's Housing Opportunities or once owned property which was acquired privately but has now been disposed (application forms are then issued for rental).
- 6.11.2.3 Applications must be renewed by tenants every year to ensure the database reflects true need and are within the allowed qualifying income categories. Applicants who do not update their information will be flagged on the database and requested to vacate the units. No illegal occupation and subletting will be allowed.
- 6.11.2.4 A lease agreement for a maximum period of two years must be entered prior to occupation. The tenant has the option to renew the lease agreement three months prior expiry. Units comprising of more than one bedroom may only be allocated to persons with dependant(s) provided the dependant is not a spouse or a partner.
- 6.11.2.5 In cases of death of a lessee, transfer of tenancy will occur where an immediate family member i.e. the spouse and/or child, who resided with the beneficiary and is competent to contract, may apply to enter into a lease agreement with the City. The outlined national qualifying criteria for housing assistance will be applicable.
- 6.11.2.6 In cases where the beneficiary's affordability changes, the household is encouraged to occupy a new unit in alignment to their revised affordability through rightsizing.

7 Transfer of Tenancy

- 7.1.1 A transfer of tenancy is considered when the tenant divorces, dies or the remaining spouse/partner/parents dies.
- 7.1.2 The tenancy may be transferred to the surviving spouse/partner or adult children on the death of a tenant;
- 7.1.3 The tenancy commences the day following the death of the contracted tenant as recorded on the death certificate;
- 7.1.4 The allocated individual will have to enter into a new lease agreement within three months of the transfer, subject to meeting the qualifications requirements;
- 7.1.5 The conditions of the lease agreement will apply and the person will be liable of all applicable charges;
- 7.1.6 If the remaining occupants are minor dependants of the deceased tenant, then the tenancy may be transferred to a legally appointed guardian, with specified conditions and a contractual agreement entered.
- 7.1.7 No illegal transfer of tenancy to friends, family, etc will be tolerated, such tenants will be requested to vacate the unit.

8 Joint Housing Allocations Committee

- a) The Department of Housing will establish a Joint Housing Allocations Committee for allocation purposes, in line with the National Allocations Guidelines;
- b) The members to serve on the Housing Allocations Committee will be appointed by the Executive Director (ED) for Housing and approval granted by the MMC for Housing, with a report submitted for Council approval;
- c) The Housing Allocations Committee shall be chaired by the Deputy Director: Allocations and Beneficiary Education.
- d) The Chairperson will schedule the meetings of the Committee and provide monthly reports to the Director: Housing Support, who will in turn prepare quarterly progress reports to the Executive Director: Housing, detailing progress on projects, specific targeted areas and percentage beneficiary splits.
- e) Housing Allocations Committee will from time to time liaise with the City's Housing Allocations Oversight Committee,

8.1.1 Establishment of the Joint Housing Allocations Committee (JHAC)

- a) The term of Office of the JHAC shall be one calendar year.
- b) Director: Housing Support directorate to ensure they initiate the Appointments to the JHAC with Regional Directors & Province and shall be confirmed three months before the end of the cycle.
- c) Nominated Committee members shall not serve in the same committee for more than two calendar cycle

8.1.2 Composition of the JHAC

The Committee shall be comprised of the following:

- b) Two officials representing the Department;
- a) Two officials from the Province
- b) Each party to the Committee shall nominate an alternate member from each side to serve in cases where a permanent member is not able to attend a specific meeting of the Committee.

8.1.3 The Chairperson

- a) The Committee should be chaired by one of the City's official as elected by the Executive Director for Housing and approved by the City Manager;
- b) The Deputy Chairperson position to be filled by one member form the Provincial department in line with the National Allocation guidelines

8.1.4 Functions of the Committee

- a) Recommend allocation lists for projects in the City across all regions;
- b) The chairperson to write a submission with the recommended beneficiaries for MMC's approval prior any allocation;
- c) Set out an allocation criteria in line with the policies' priorities
- d) Ensure that the right beneficiary is allocated the right house and handed over the title deed

- e) To administer all selection, verification and allocation processes within the framework of applicable legislation and policy prescripts;
- f) Submit applications for consideration and obtain the required subsidy application approval from the Council and the MEC;
- g) Inform the applicant with a receipt confirming the success of the application

8.1.5 Operational Arrangements for the JHAC

8.1.5.1 Quorum arrangements.

- a) The JHAC's quorum will comprise all members of the Committee.

8.1.5.2 Meeting arrangements.

- a) The first meeting of the committee should nominate the chairperson and the deputy chairperson in line with 11.3. above
- b) The JHAC shall meet once a month and decide if more meetings are required (depending on the urgent matters). In order to strengthen transparency, the meetings of the JHAC shall be open to the public to observe
- c) The chairperson will direct the intervals of meetings where required in line with project processes
- d) The chairperson to ensure that declaration forms are signed at the end of the meeting, where there might be any conflict of interest with the recommended beneficiaries(transparency where family members, people they know are potential beneficiaries);
- e) The chairperson to ensure confidentiality clause is signed and adhered to at all times

8.1.5.3 Secretariat

- a) The secretariat function shall be fulfilled by the City Manager's office or a nominated representative from the city in line with the National Allocations Guidelines
- b) All proceedings and decisions of the Committee shall be recorded and preserved for auditing purposes;

9 Monitoring and Evaluation

The Allocations sub-directorate will prepare monthly and quarterly reports for the Executive Director & MMC of Housing on allocated units, with full details of beneficiaries for monitoring and reporting purposes.

10 Housing Allocations Oversight Committee

10.1.1 A **Special Cases Committee** shall be constituted as an appellate on decisions of the Housing Allocations Oversight Committee. The Special Cases Committee shall comprise of:

- The City Manager or his/her designate;
- The Executive Director of Housing or his/her designate;
- The Housing Department Senior Management Team
- Regional Heads of the City's Department of Housing and
- Designated Officials

- 10.1.2 The Special Cases Committee shall deliberate on the appeals and objections received and note the decision or resolution provided. Where there are outstanding issues, recommend a suitable solution.
- 10.1.3 The Housing Allocations Oversight Committee will gazette the beneficiary allocation list in the local newspapers and in the community halls where projects are located for transparency, in line with POPI Act 2013

11 Committee Vetting

- a) All appointed Housing Allocations Oversight Committee, members will be vetted prior to serving in the Committee;
- b) At the beginning of each Committee meeting sitting, the Chairperson should ensure that all members sign declaration of interest forms, for transparency purposes;
- c) Where there might be conflict of interest the member can be excused for that particular sitting.

12 Deviations/Breaches

- a) No deviation from this policy is permitted unless the deviation is approved by resolution of Council.
- b) Any deviation must be duly recorded and noted by the Housing Allocations Oversight Committee and accompany the report for Council approval.

13 Queries, Objections and Appeals

- a) Applicants currently on the City Housing Database have the right to appeal, query or object to their exclusion from selection for a housing project but only on the following grounds:
 - i. Due process as contemplated in this policy had not been followed; or
 - ii. On providing proof of an earlier date of registration on the database.
- b) The appeal must be directed to the City Manager in terms of Section 62 of the Municipal Systems Act, and must be lodged within seven working days (7) after the publication of allocation list by the Housing Allocations Oversight Committee;
- c) The appeals shall be dealt with by the **Special Cases Committee** who will give recommendations of the appeal to the MMC for Housing.
- d) The MMC for Housing will provide a decision in writing within 30 days after receiving the objection, query or appeal.
- e) Should the matter not be resolved to the applicant's satisfaction, an appeal can be lodged with the Executive Mayor for a final decision on the matter.

14 Policy Review/Approval

- a) The Housing Allocation Policy will be reviewed by The Department of Housing's Policy and Research unit every two (2) years or earlier that this if required by Council or in terms of a directive from the National Department of Human Settlements.
- b) The Department of Housing's Policy and Research Directorate in conjunction with Allocations Sub-Directorate will ensure to develop the following guidelines, to:
 - i. Monitor compliance of this policy;

- ii. Measure the success and impact of this policy;
 - iii. Measure the success of programmes and projects that are implemented as a result of this policy against the stated objectives of the policy; and
 - iv. Ensure that the policy meets its stated objectives.
 - v. Reporting on vacant units within 24 hours of availability
- c) The Department of Housing's Policy and Research Directorate shall be responsible to review and amend the policy as per recommendations arising out of implementation.

15 Effective Date of The Policy

- d) This policy comes to effect on the day being assented by the MMC and subsequently passed as a Council Resolution for concurrence.

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16 References:

1. Department of Human Settlements. 2009. National Housing Code. Pretoria, South Africa
2. Department of Housing. 2004. *Breaking New Ground: A Comprehensive Plan for the Development of Sustainable Human Settlements*. Pretoria, South Africa.
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4. Department of Housing. 2008. *Social Housing Act*, (Act No. 16 of 2008). Pretoria, South Africa
5. Gardner, D. 2003. *Getting South Africans under shelter: An overview of the housing sector*. Urban Institute
6. Housing Development Agency. 2012. Implementation of Emergency Housing.
7. Republic of South Africa. 1997. *The Housing Act*, no. 107 of 1997. Juta Statutes of South Africa 2011/2012, 16.

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