

**AGENDA of the
Portfolio Committee: Community Services
05 April 2023
(Also the agenda for the Mayoral Committee Meeting : 24 April 2023)**

**2.
BENEFICIARIES: INTEGRATED RESIDENTIAL DEVELOPMENT PROGRAMME
IRDP: 150 ERVEN, SITE C1, SWARTDAM ROAD, ZWELIHLE**

**TA Gcotyelwa
02 March 2023**

Acting Senior Manager: Corporate Services

(028) 313 8144

1. Executive Summary

This report is to inform the Executive Mayor of the progress to date with the procedure to finalise subsidy applications for potential beneficiaries.

2. Service Delivery and Budget Implementation Plan - IGNITE

Community Services
Housing Administration

3. Compliance with Strategic Priorities

Provision of democratic, accountable and ethical governance
Provision and maintenance of municipal services

4. Delegated Authority

Executive Mayor

5. Legal Requirements

Constitution of South Africa, 1996
Housing Act 107 of 1997
Local Government: Municipal Finance Management Act No 56 of 2003
Overstrand Municipality: Housing Selection Policy for Beneficiaries in
Ownership-based Subsidy Project

6. Background/Discussion/Evaluation/Conclusion

Background

A total number of 150 housing units were developed for potential beneficiaries who qualify in terms of the national criteria for Integrated Residential Development Programme (IRDP) housing opportunities. The Items with lists of potential beneficiaries served before the Council/Executive Mayor at the following meetings:

- 24 February 2021: 5.1 Beneficiaries: Integrated Residential Development Programme (IRDP): Site C1, Swartdam Road, Zwelihle

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- 31 March 2021: 2. Beneficiaries: Mount Pleasant Catchment Area: Integrated Residential Development Programme (IRDP): Site C1, Swartdam Road, Zwelihle
- 28 April 2021: 1. Beneficiaries: Additional List (Replacements) Integrated Residential Development Programme (IRDP): Site C1 (150 Erven), Swartdam Road, Zwelihle.
- 20 October 2021: The Executive Mayor approved a recommendation for a further two potential beneficiaries that are physically disabled.
- 23 November 2022: The Executive Mayor furthermore approved a recommendation for one potential beneficiary that was omitted from the extract of the housing demand database for project as received from Provincial Department of Human Settlements.

TABLE 1: POTENTIAL BENEFICIARIES: ZWELIHLE AND MOUNT PLEASANT CATCHMENT

	TOTAL (PROPOSED)	DISABLED 5%	AGED 15%	FARM WORKERS 5%
Zwelihle: 90% opportunities	135	2	20	0
Surrounding areas: 10% opportunities(Mount Pleasant)	15	0	0	0
TOTAL HOUSING OPPORTUNITIES	150	1	20	0
ADDITIONAL BENEFICIARIES	132	2	0	0
TOTAL POTENTIAL BENEFICIARIES	282	3	20	0

Qualifying Criteria:

Formal houses will be built for residents that qualify for housing subsidy in terms of the National Housing Code 2009 criteria namely:

- Lawfully reside in South Africa (i.e 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;
- Are legally competent to contract (i.e over 18 years of age or legally married or legally divorced or declared competent by a court of law and sound of mind);
- Neither the applicant nor his or her spouse has previously benefited from government housing assistance;
- Have not yet owned fixed residential property; and
- Have previously owned fixed residential property but such a person may only qualify for the purchase of a vacant serviced site.

In addition to the above, the following criteria must also be satisfied:

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- Persons must be married or habitually cohabit;
- Single persons must have financial dependants;
- Single aged person, disabled persons and military veterans without financial dependant may be assisted. Aged persons refer to, must comply with the criteria on the aged as defined by the Department of Social Development;
- Households must earn a monthly income in the range as annually approved; and
- Persons who have benefited from the Land Restitution programme and who satisfy all other relevant criteria may also be assisted.

In terms of Provincial Circular 10/2015, as amended, the following criterion must also be satisfied:

An applicant must be registered on the housing demand database for minimum period of three (3) years.

Relevant Definitions:

Farm Residents: Person whose ordinary residence is a farm, including a farm worker with ordinary residence on the farm.

Permanent Disability: The following characteristics apply to households affected by permanent disability:

A household with at least:

- one adult member (in the core household) having a permanent disability or
- a financial dependant with a permanent disability.

Selection of beneficiaries:

The selection of potential beneficiaries will be done in the following order:

- The application of the 90/10 rule with regard to the catchment area (project town) and the surrounding areas;
- selection according to the registration date of the households;
- selection of households containing an adult member of 60 years and older (quota 15%);
- selection of households according to registration as a farmworker (quota 5%).

Discussion

The table below provides a summary of the status as on 15 March 2023 with regard to the approval of beneficiaries for the available 150 housing

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opportunities. A total number of 229 subsidy applications had been processed and submitted to the Provincial Department of Human Settlements (DoHS). A number of 148 beneficiaries have been approved as per the table below, with an available 2 opportunities to be finalised.

TABLE 2: POTENTIAL vs APPROVED BENEFICIARIES: ZWELIHLE AND SURROUNDING AREAS CATCHMENTS

	ACTUAL (Including quotas)	DISABLED 5%	AGED 15%	FARM WORKERS 5%
TOTAL POTENTIAL BENEFICIARIES	282	3	20	0
<u>MINUS</u> Number of approved beneficiaries	(148)	(2)	(11)	0
<u>MINUS</u> Potential Beneficiaries failed Deed Search	(10)	0	0	0
<u>MINUS</u> Application forms sent back	(10)	0	0	0
<u>MINUS</u> Failed persal	(1)	0	0	0
<u>MINUS</u> Failed population	(15)	0	0	0
<u>MINUS</u> Failed UIF	(15)	0	0	0
<u>MINUS</u> Withdrawn by Applicant	(9)	0	0	0
<u>MINUS</u> Duplicate ID	(14)	0	0	0
<u>MINUS</u> Failed Searches Confirmed	(2)	0	0	0
<u>MINUS</u> Declined - Applicant Deceased	(2)	0	0	0
<u>MINUS</u> Declined - Combined Salary too High	(3)	0	0	0
TOTAL BALANCE OF POTENTIAL BENEFICIARIES	(53)	(1)	(9)	(0)

NOTE: The abovementioned percentages for disabled, aged, farmworkers are based on the norm set by DoHS: Western Cape and not actual numbers of categories currently registered for the project.

Challenge with Appointment of Beneficiaries:

The allocation of houses was delayed by DoHS due to lack of action to update/correct long outstanding (since 2016) recommendations regarding beneficiaries. The recommendations to DoHS regarding the withdrawal of specific beneficiaries are due to misrepresentations on subsidy applications in terms of qualifying criteria and excessive number of approvals. The

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Administration continued to follow-up on the mentioned recommendations with DoHS. The last progress report received from DoHS was on 28 February 2023.

7. Financial Implications

None

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

None

RECOMMENDATION:

that the progress report with regard to the beneficiary subsidy status in the IRDP: 150 Erven, Site C1, Swartdam Road, Zwelihle, **be noted**.

RESPONSIBLE OFFICIAL :

TA GCOTYELWA

TARGET DATE FOR IMPLEMENTATION :

N/A

