



## **KZN Housing**

**uMnyango:  
wezeZindlu  
ISIFUNDAZWE SAKWAZULU-NATAL**

# ***HOUSING POLICY COMMUNIQUÉ***

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***Umntu ngumuntu ngek haya – Houses, Security & Comfort***

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## **Policy Directive on One House per Umuzi**

The legislation and policies relating to housing are silent on the number of houses to be built per umuzi. In the context of the guideline, “umuzi” is interpreted as a homestead in rural areas, and in the context of rural (informal land rights) subsidies, homesteads in Ingonyama Trust areas.

The limitation of one house per umuzi aims to ensure a fairer distribution of rural subsidies within the different geographic areas of the Province, in view of limited resources. Beneficiaries in all rural areas will be afforded the opportunity to access housing on a progressive basis for example, qualifying siblings within the umuzi may be accommodated in future phases of housing delivery in the area. This is in line with the progressive right to housing, as stated in the Bill of Rights (Section 26 of the Constitution).

### **The limitation should be implemented as follows:**

- ⇒ The person who holds the permission to occupy to the umuzi must be the only person to be considered for a housing subsidy. The said person must meet all the qualification criteria for a housing subsidy.
- ⇒ In instances where there is a polygamous union, the head of the household may apply for as many subsidies as the number of wives that he has, in terms of the Department’s policy on polygamous unions. However, beneficiaries need to be cautioned that should the polygamous union dissolve, the subsidy will have to be refunded to the Department, by the individual, unless it is allocated to another qualifying beneficiary (such as qualifying siblings of such union). It is therefore recommended that the principle of only one house per umuzi still be applied to ensure a greater spread of subsidies. In this case the holder of the certificate of occupation may elect for the subsidy to be awarded to one of his/her spouses, and /or qualifying siblings of a polygamous union, should they qualify.
- ⇒ In the event that the holder of the right or the spouse in terms of a polygamous union passes on, the law of succession shall apply in terms of:
  - Last will and testament
  - If there is no will, then marital arrangements in the case of surviving spouse (customary or civil, whichever applies),
  - If both parents have passed on, the rights of the siblings are to be determined in terms of customary law or court order where there is a dispute.
- ⇒ The allocation of a house should be based on the prioritization of needs, as agreed with the traditional leadership and holder of the informal right, as registered in the certificate of occupation registered with the department responsible for Traditional Affairs (currently the Department of Local Government and Traditional Affairs). The remaining qualifying individuals would be considered in future projects on a progressive basis.

## Update: Subsidy amounts for 2009/2010

The subsidy amounts for 2009/2010 that were communicated in the previous communiqué, 1 of 2009 were subject to confirmation by the National Department of Human Settlements. The following table reflects the correct subsidy amounts for 2009/2010 as confirmed by National.

<b>SUBSIDY AMOUNTS FOR 2009/2010</b>			
<b>Subsidy Programme</b>	<b>Top Structure Funding</b>	<b>Own Contribution</b>	<b>Product Price</b>
<b>Project Linked (IRDP) Subsidies</b>			
R0 – R1 500	R55 706.00	None	R55 706.00
R1 501 – R3 500	R53 227.00	R2 479.00	R55 706.00
Indigent : Aged, Disabled & Health Stricken R0 – R3 500	R55 706.00	None	R55 706.00
<b>Individual Subsidies</b>			
R0 – R1 500	R55 706.00	None	R55 706.00
R1 501 – R3 500	R53 227.00	R2 479.00	R55 706.00
Indigent : Aged, Disabled & Health Stricken R0 – R3 500	R55 706.00	None	R55 706.00
<b>Institutional Subsidies</b>			
R0 – R3 500	R53 227.00	Institution must add Capital	At least -R55 706.00
<b>Consolidation Subsidies</b>			
R0 – R1 500	R54 650.00	None	R54 650.00
R1 501 – R3 500	R52 171.00	R2 479.00	R54 650.00
Indigent: Aged, Disabled & Health Stricken R0 – R3 500	R54 650.00	None	R54 650.00
<b>Rural Subsidies</b>			
R0 – R3 500	R55 706.00	None	R55 706.00
<b>People's Housing Process</b>			
R0 – R3 500	R55 706.00	None	R55 706.00
<b>Farm Resident Subsidies</b>			
R0 to R3 500	R54, 650.00	None	R54,650.00

### Clarity on the Transfer Fee & Beneficiary Administration Amounts

Please note that the transfer amount of R800.00 is not applicable in projects where transfer does not take place, i.e Rural projects under Ingonyama Trust.

A Beneficiary Administration amount (R255.95) can only be claimed once. If this amount was claimed as part of tranche 1, it cannot be claimed again as part of tranche 3 payment.

## **Assistance to Military Veterans**

The programme applies to those veterans who had been prepared and engaged in liberation military activities against the administration of the then apartheid government; and which caused such activists to go in exile for a period of at least one year.

Definition: An extra-parliamentary war veteran, in the context of the programme, is an individual who had been trained and engaged in any instrument of war, aimed at destructive activities against the former apartheid regime.

It should be noted that whilst the programme is targeting a specific group, other military veterans are not excluded from accessing housing policies as their needs are accommodated within the revised National Human Settlements Policy Framework.

Also, it should be noted that *this is an interim policy* applicable in KwaZulu-Natal, until 31 December 2010, or until a revised policy framework is approved by the National Minister of Human Settlements.

## **Qualification criteria**

### **Criteria for extra parliamentary military veterans**

Persons who wish to benefit from the housing subsidy scheme under this programme, (in keeping with the /National IRDP and amended qualification criteria for military veterans), must be:

- ⇒ A military veteran as defined in terms of this policy;
- ⇒ A South African citizen or permanent resident;
- ⇒ Legally competent to contract;
- ⇒ Benefiting from the housing subsidy and/or state funded or assisted housing subsidy scheme for the first time; and
- ⇒ Assessed against the income qualification criteria, as set out in the IRDP programme (i.e, currently the income must not exceed R3500 per month to benefit from the full subsidy, and between R3501 and R7000 for finance linked individual subsidy (FLISP)
- ⇒ Able to submit the following proof:
  - proof of service ; and
  - details of social services received (e.g. the war veterans grant, as defined in the Social Assistance Act, Act No 13 of 2004).
  - In the context of the KwaZulu-Natal Department of Housing policy, proof of service will be extended to proof of membership as a military veteran of recognized organizations such as MKVA, APLA, and AZANLA as the absolute minimum requirement.
- ⇒ Military veterans can be single and without financial dependents, provided they are able to submit the aforementioned documents. Where a veteran is unable to submit these documents, the normal provisions and qualification criteria will apply as defined in terms of the IRDP programme.

- ⇒ Whereas war veterans were actively involved in service prior to the transitional government (pre 1994), the recommended age criteria for will be that the extra parliamentary veteran has to be at least 30 year of age, as at (February 2009).

### **Qualification criteria for dependents of extra-parliamentary military veterans**

Dependents of South African military veterans will be required to comply with the generic IRDP qualification criteria set out above. Where housing is to be accessed by a foreign dependent (spouse or child), however, South African residency must be obtained through the Department of Home Affairs.

Where housing was accessed previously, however, and such housing does not comply with the current norms and standards, an assessment will be made to assist military veterans in this regard, in the context and spirit of the Department's rectification programme.

### **Qualification criteria for beneficiaries of deceased military veterans**

It is acknowledged that there are instances where military veterans had passed away prior to deriving benefits from the state for their services and that beneficiaries of the estate may have claims to secured benefits e.g. agreement of sale or subsidy application approved prior to the beneficiary being deceased). The subsidy may be accessed where such rights have been secured. The following criteria should apply:

- ⇒ Death certificate of military veteran
- ⇒ Certificate of proof of service and/or membership as a veteran of a recognized organization
- ⇒ Proof of the nature of the rights secured, such as a sale agreement, approved subsidy application
- ⇒ Proof of relationship with the deceased (birth certificate or, marriage certificate)

### **Subsidy instruments and programmes**

The Department of Housing has a wide range of subsidy mechanisms that could be accessed by military veterans and/or their dependents, provided they qualify in terms of the criteria set out in 2.2.1 above. The standard implementation mechanisms for each of these mechanisms (individual subsidy, consolidation, subsidy, transitional housing and institutional subsidy, project linked and credit linked subsidy, etc.) will apply.

Likewise, the standard implementation guidelines for all programmes (such as social and rental housing, rural housing, integrated residential development programme and finance linked individual programme) will apply. The only exception would be that the MEC has the authority to provide preferential allocation of housing in rental housing schemes.

Individual ownership should be encouraged, where possible to assist in wealth creation, but rental options may be provided to ensure the most suitable form of housing could be afforded to the individual. Military veterans, therefore, will be afforded a choice in the manner in which their rights to housing are realized, such as:

- ⇒ Choosing a house in the market and accessing the individual subsidy to acquire, or assists with the financing of the unit;

- ⇒ Establishment of long term rental accommodation initiative through a housing institution through the social housing, rental, community residential units programme (CRU), and/or conventional institutional housing subsidy mechanism;
- ⇒ Establishment of short term rental accommodation through the provincial department's transitional housing programme, aimed at special needs and vulnerable groups;
- ⇒ Participation in a rural housing project;
- ⇒ Developer driven project through the department's developer driven individual subsidies in which a group of veterans can be accommodated on a small project basis;
- ⇒ Establishment of a sectional title development in partnership with a developer where the rules of the body corporation can determine participation and preferential allocation of the units to military veterans and/or their descendents;
- ⇒ Establishment of a freehold and/or sectional title project specifically for war veterans through the IRDP and/or People's Housing Processes, including the formalization of brigades to construct houses to maximise the benefits of the subsidy and in terms of the requirements of the enhanced People's Housing Programme; and
- ⇒ Accessing housing materials through the KZN voucher system, as used in the context of emergency housing, it being noted that this will have to be in relation to a site to which the veteran is able to secure a recognized form of tenure, in terms of any housing instrument.

**The above in an extract of the policy. A detailed policy document may be accessed on the Department's website at [www.kznhousing.gov.za](http://www.kznhousing.gov.za)**