



1. **ITEM NUMBER :** *To be inserted by secretariat*

2. **SUBJECT**

**RE-OPENING OF THE PUBLIC PARTICIPATION PROCESS ON THE DRAFT  
REVISED ALLOCATION POLICY: HOUSING OPPORTUNITIES**

**ONDERWERP**

**HERVATTING VAN DIE OPENBAREDEELNAMEPROSES OOR DIE  
KONSEPTOEWYSINGSBELEID: BEHUISINGSGELEENTHEDE 2019**

**ISIHLOKO**

**UKUVULWA KWAKHONA KWENKQUBO YENTATHO-NXAXHEBA  
YOLUNTU KUMGAQONKQUBO OSAYILWAYO WOLWABELO  
OLUHLAZIYIWEYO: LWAMATHUBA EZEZINDLU - 2019**

**L4263**

3. **PURPOSE**

The purpose of this report is to inform sub-councils of the re-opening of the public participation process for the draft revised Allocation Policy: Housing Opportunities, to encourage sub-councils to communicate this to their constituency and to submit formal comments on the Draft Revised Allocation Policy as part of the public participation process.

4. **FOR NOTING AND COMMENTS BY**

**Sub-councils and Ward Committees**

In terms of Part 24 (5) of the Systems of Delegation for the City of Cape Town

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## 5. EXECUTIVE SUMMARY

The selection and allocation of beneficiaries for state subsidised housing opportunities is the responsibility of the City. In order to ensure a transparent and equitable process is followed in this regard the former Human Settlements Directorate within the City developed the Allocation Policy: Housing Opportunities which sets out the criteria, processes and procedures for selecting beneficiaries for state subsidised housing and tenants when vacancies occur in existing and new rental housing properties of the City. The latest review of the Allocation Policy was approved by Council on 25 March 2015.

Subsequent to the approval of this Policy by Council in March 2015 various operational challenges and policy gaps were identified which only become apparent through the implementation of the policy. It was therefore imperative to review the Policy to ensure a fair, transparent, equitable allocation of housing opportunities to qualifying applicants from the City's Housing Needs Register (Housing Database).

On 7 November 2019 the Human Settlements Portfolio Committee approved the public participation plan on the revised Housing Allocation Policy for the period 11 November 2019 – 10 December 2019. An extensive public participation process was conducted (attached hereto as Annexure D). As part of the extensive stakeholder engagements during the public participation process, the draft revised policy was presented to the Urban Management Portfolio Committee. During this process the Urban Management Portfolio Committee requested the Human Settlements Portfolio Committee to extend the public participation period to allow the public additional time to comment on the draft policy. The request was acknowledged by the Human Settlements Directorate which led to a request to the Human Settlements Portfolio Committee for the re-opening of the public participation period.

This report highlights the changes made to the Policy to address the identified gaps within the policy.

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## 6. RECOMMENDATIONS

It is recommended that:

- a) the subcouncils note the contents of the report and all the attached documentation;
- b) the subcouncils circulate this report to all ward committees;
- c) the subcouncils submit formal comment on the draft revised Allocation Policy as part of the public participation process.

## **AANBEVELINGS**

Daar word aanbeveel dat:

- (a) die subrade van die inhoud van die verslag en al die aangehegte dokumentasie kennis neem;
- (b) die subrade hierdie verslag onder alle wykskomitees versprei;
- (c) die subrade as deel van die openbaredeelnameproses formele kommentaar oor die konsep- hersiene toekenningsbeleid indien.

## **IZINDULULO**

Kundululwe ukuba:

- a) AmaBhungana mawaqwalasele iziquatho zengxelo nawo onke amaxwebhu aqhotyoshelweyo;
- b) AmaBhungana mawahambise le ngxelo kuzo zonke iikomiti zewadi;
- c) AmaBhungana mawangenise uluvo olusesikweni olujoliswe kuMgaqo-nkqubo oluyilo ohlaziyiweyo ongoLwabelo lwezindlu njengenkxa'enye yenkqubo engentatho-nxaxheba yoluntu.

## **7. DISCUSSION/CONTENTS**

### **Background:**

The selection and allocation of beneficiaries for state subsidised housing opportunities is the responsibility of the City. In order to ensure a transparent and equitable process is followed in this regard the Human Settlements Directorate within the City developed the Allocation Policy: Housing Opportunities which sets out the criteria, processes and procedures for selecting beneficiaries for state subsidised housing and tenants when vacancies occur in existing and new rental housing properties of the City. The latest review of the Allocation Policy was approved by Council on 25 March 2015.

Subsequent to the approval of this Policy by Council in March 2015 various operational challenges and policy gaps were identified which only become apparent through the implementation of the policy. It was therefore imperative to review the Policy to ensure a fair, transparent, equitable allocation process of housing opportunities to qualifying applicants from the City's Housing Needs Register.

On 7 November 2019 the Human Settlements Portfolio Committee approved the public participation plan on the revised Housing Allocation Policy for the period 11 November 2019 – 10 December 2019. An extensive public participation process was conducted (attached hereto as Annexure D). As part of the extensive

stakeholder engagements during the public participation process, the draft revised policy was presented to the Urban Management Portfolio Committee. During this process the Urban Management Portfolio Committee requested the Human Settlements Portfolio Committee to extend the public participation period to allow the public additional time to comment on the draft policy. The request was acknowledged by the Human Settlements Directorate which led to a request to the Human Settlements Portfolio Committee for the re-opening of the public participation period

### **Purpose:**

The purpose of this report is to advise the sub-councils on the re-opening of the public participating process for the review of the Allocation Policy: Housing Opportunities 2015 and to highlight the proposed amendments to the policy.

### **Amendments to the Policy:**

The table below highlights the significant amendments to the revised policy and the rationale for the amendments. Please note that the comments received via the initial public participation process (which commence from 11 November – 10 December 2019) has been noted and considered by the relevant Directorate. However, no further changes to the policy has been made at this stage due to the request for the re-opening of the public participation process:

<b>Current Policy</b>	<b>Revised Draft Policy</b>	<b>Rationale for amendment</b>
Policy only applies to projects development/managed/ facilitated by the City	Western Cape Department of Human Settlements and any private developer to consider prescripts of this policy when developing state subsidised housing within City boundaries	As Western Cape Department of Human Settlements source beneficiaries from the City's housing database for their projects within City boundaries it is important that standard process is followed in terms of allocation within the City of Cape Town
Policy allows for 10% of allocation to be granted to persons not registered on the database – criteria provided	Only names registered on the City's housing needs register will be considered for allocation of state subsidised housing opportunities (rental and ownership);	To ensure a fair and transparent process only person registered on the City's housing needs register will be considered.
Any deviation from the policy must be approved by Executive Mayor and Council	Deviation from the policy must be approved by the Mayor together with MAYCO. An internal standard operating procedure will be drafted to stipulate the deviation criteria.	To expedite decision-making time
Project Steering Committee makes a recommendation in terms of the target area and beneficiary quotas for a housing project	The determination of the appropriate target area and beneficiary quotas to be recommended by the City based on analyses of housing demand and past and	This is to ensure that decisions are based on evidence, therefore encouraging the principles of fairness and transparency.

	<p>future housing projects within surrounding areas of where the project will be located. The recommendation must be in line with the provision of the Allocation Policy</p> <p>The Project Steering Committee may comment on the above proposal before final sign off by the Executive Director: Human Settlements</p>	
Provincial Circular C2 of 2019 not included	Insertion of Provincial Circular C2 of 2019	City must comply with Provincial Policy direction - C2 of 2019
No clear process for “non-qualifiers”	<p>Households whose income exceeds R3 500 per month but less than R7 000 can purchase a vacant serviced stand at input cost or apply for FLISP subsidy to cover the input cost.</p> <p>Households whose income exceeds R7 000 per month should be awarded the opportunity to buy a vacant serviced site at the current market value of the properties as determined by the municipality.</p>	This is in line with national human settlements policy
Transfer of Tenancy in City Rental Housing: Omission of Anti-social behaviour as eligibility criteria	Occupants who have a record of anti-social behaviour (12 month prior to a transfer of tenancy application) will not be considered for the tenancy.	Recommendation by Mayor and MAYCO to ensure that the City is a responsible landlord
Omission of Unlawful Occupation of City owned rental housing as this is currently a separate policy	<p>Incorporated procedures relating to Unlawful Occupation of Council Rental units.</p> <p>Amendment of qualifying cut-off date from 1 March 2006 to approval date of policy</p>	Rescind Unlawful Occupation Policy and incorporate all procedures relating to allocation of unit in Council rental housing into one comprehensive policy. Amendment of cut-off date – mitigates mass evictions by regularising qualifying occupants
Omission of the allocation process for the upgrading of informal settlements projects	Inclusion of allocation process regarding Upgrading of Informal Settlements projects (Phase 3 and 4)	As Phase 3 and 4 of the upgrading of informal settlements programme results in a serviced site or top-structure being transferred to a qualifying beneficiary, it was important to set procedures in place for the allocation of housing opportunities.
People who are current residential property owners within the City or neighbouring municipalities namely, Drakenstein, Overstrand, Stellenbosch, Swartland or Theewaterskloof may not qualify for City-owned rental housing opportunity	This provision has been changed to apply to any current property owner within the country	Recommendation by the Human Settlements Portfolio Committee

## **7.1 Constitutional and Policy Implications**

### **7.1.1 National Outcome 8: Sustainable Human Settlements and improved quality of household life.**

## **7.2 Sustainability implications**

Does the activity in this report have any sustainability implications for the City?	No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>
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## **7.3 Legal Implications**

A policy that directly impacts on the public is legally prescribed to be published for public participation.

## **7.4 Staff Implications**

Does your report impact on staff resources or result in any additional staffing resources being required?

No

Yes

## **7.5 Other Services Consulted**

Housing Development Department  
Public Housing  
Informal Settlements  
Revenue  
Legislative Development  
Strategic Policy Unit  
Human Settlements Portfolio Committee

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### **ANNEXURE:**

- A: Draft Revised Allocation Policy: Housing Opportunities
- B: Executive Summary: Draft Revised Allocation Policy: Housing Opportunities
- C: Frequently Asked Questions (FAQs) on the Draft Revised Allocation Policy: Housing Opportunities
- D: Report on the outcome of the initial public participation process

### **FOR FURTHER DETAILS CONTACT :**

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<b>DIRECTORATE</b>	<i>Human Settlements</i>
<b>FILE REF NO</b>	

Comment:

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**EXECUTIVE DIRECTOR**  
 Nolwandle Gqiba

NAME \_\_\_\_\_

DATE \_\_\_\_\_