

PARLIAMENT OF THE PROVINCE OF THE WESTERN CAPE

QUESTION PAPER: WRITTEN REPLY

FRIDAY, 11 JULY 2025

7. Mr D J Wessels to ask Mr T A Simmers, Minister of Infrastructure:

With regard to each of the Western Cape Government's affordable housing programmes:

- (1) (a) How many individuals or households applied per programme in the (i) 2020/21, (ii) 2021/22, (iii) 2022/23, (iv) 2023/24 and (v) 2024/25 financial years, (b) how many units or homes were made available for allocation, (c) how many applicants were deemed eligible and approved, (d) to how many were housing ultimately allocated or how many received housing opportunities and (e) what are the eligibility criteria for each of these affordable housing programmes and how does his Department ensure that applicants understand these criteria before applying;
- (2) what specific interventions or support services has his Department implemented to (a) assist residents in navigating the application process per programme, (b) improve application quality and eligibility success rates, particularly for the youth, first-time homeowners and low- to middle-income households and (c) guide unsuccessful applicants with appeal processes, corrections or alternative housing options;
- (3) how is his Department coordinating with implementing agents, the Social Housing Regulatory Authority (SHRA), financial institutions and municipalities to (a) increase the supply and delivery pace of affordable housing units under each programme, (b) expand public access to programme information and application channels and (c) ensure fairness, transparency and efficiency in the allocation of available units?

RESPONSE:

- (1) (a) The affordable housing programme consists of two primary components. The first is home ownership, where ownership tenure is enabled through the First Home Finance (FHF) subsidy, previously known as the Finance Linked Individual Subsidy Programme (FLISP). The FHF subsidy is made available to qualifying individuals to assist the purchasing of their first home. This can either be in the 'secondary market' of a previously constructed house or the FHF subsidy can assist the beneficiary to purchase a new house that has been developed by a private developer, a municipality, or the Department. In addition to the processing, approval and disbursement of FHF subsidies, the Department has also developed, and facilitated, the development of multiple FHF housing units within its various Integrated Residential Development Programme (IRDP) projects.

The second component is the social housing programme that focusses on rental tenure. This programme is funded and regulated by the Social Housing Regulatory Authority (SHRA) and implemented by individual Social Housing Institutions (SHIs) and/or Other Delivery Agents (ODAs).

The Department is not able to record the number of individuals, or households, applying for these two affordable housing sub-programmes, as most applications are made directly through financial institutions, private developers, and individual sales transactions. Furthermore, the social housing programme is managed by SHIs and ODAs, on a project level. Each individual application is assessed by the relevant SHI, for a defined social housing project. These applications are considered in terms of the qualification criteria as required by the SHRA, as well as affordability. The number of applications always far exceeds the number of units available within a given project. As an example, approximately 2 000 applications, were received by the SHI, Ownhaven, for the Conradie Park Phase 1 social housing project of 415 units. Approximately 1500 applications were received for the Maitland Mews social housing project of 204 units. These figures are typical of the high demand for social housing units where the number of applications received is often more than five or seven times the given units available.

(b) The following number of social housing units were made available, within the relevant financial year:

2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
416	816	394	331	846

The following number of First Home Finance housing units were made available, within the relevant financial years:-

2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
11	297	530	344	186

(c) All these allocations were made to applicants who were eligible and approved accordingly. The totals of both the FHF units and social housing programme were as follows:

2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
427	1113	924	675	1032

(d) In addition to the social housing programme, and the FHF units that have been developed, the DOI approved individual First Home Finance subsidies as follows:

2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
1482	2063	1707	1504	1342

It is to be noted that the FHF units listed above are included in these figures.

The total number of affordable housing opportunities ultimately allocated, and occupied, is therefore as follows:

2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
1898	2 879	2101	1835	2188

(e) The eligibility criteria for the two affordable housing programmes are as follows:

Social Housing qualifying criteria

- Households earning between R1850 - R22000 per month (gross combined monthly income).
- South African citizen or have a permanent residency permit.
- 18 years or older.
- Married or living with a partner.
- Single or divorced and have proven financial dependents permanently living with them.

First Home Finance (FHF) subsidy qualifying criteria

- Solely or exclusively to build or buy a first home.
- South African citizen with a valid ID; or permanent resident with a valid permit.
- Over 18 years and competent to contract legally.
- Has not previously benefitted from a Government Housing Subsidy Scheme.
- Has never owned a home as checked against the Deeds Register.
- Has an Approval in Principle of a home loan from an accredited South African financial institution, proof of own personal resources, a grant letter, or Permission to Occupy.
- First time home buyer, with a total household income within the income range of R3 501 up to R22 000 per month.

A comprehensive marketing strategy is developed and implemented, for both the Social Housing Programme, as well as the FHF programme. This is undertaken on a project-by-project basis, by the relevant developer or SHI. This ensures that applicants clearly understand the

relevant qualification criteria, for the specific project, before applying for a housing opportunity. The marketing and information sharing are done by means, dedicated websites, printed media and providing a strong digital media presence. In addition, information workshops are hosted where interested applicants are invited to engage with SHIs. During these sessions, the eligibility criteria, application process, tenant obligations, and rental framework are explained in detail, helping prospective tenants make informed decisions before applying.

- (2) (a)(b)(c) The Department has developed a detailed scope of works, that the sales and marketing agents, appointed for the Department's FHF projects, are required to implement. This ensures that residents are assisted in the best, and most convenient way possible, in navigating the application process. This scope of work includes aspects such as providing consumer and homeowner education, as well as providing advice and support in improving an impaired or low credit score, etc. Where applicants are unsuccessful due to poor credit score, they are guided towards further debt rehabilitation options.

With regard to the social housing programme, residents can access a list of completed and active social housing projects on the Western Cape Government website. This includes contact details for the SHIs and ODAs managing the specific projects. The SHIs and ODAs are responsible for the application process for social housing projects. The Social Housing Regulatory Authority (SHRA), as the regulator, provides oversight of this process and vets all applications.

- (3) (a) The Department, in collaboration with the National Department of Human Settlements, the Social Housing Regulatory Authority (SHRA), the City of Cape Town, and other 7B municipalities, Social Housing Institutions (SHIs), Other Delivery Agents (ODAs), and the National Association of Social Housing Organisations (NASHO), has developed a robust project pipeline of new social housing developments for implementation. This has been facilitated through an effective Provincial Steering Committee (PSC) that meets on a quarterly basis and is chaired by the Department. Furthermore, the provision of suitable land for social housing has been enabled by the City of Cape Town's Mayoral Land Release Programme, as well as other land commitments from the Garden Route District Municipality and the Mossel Bay Municipality.

To fast-track delivery, the Department continues to work closely with the SHRA through the Municipal Social Housing Support Programme. Municipalities such as Drakenstein, Breede

Valley, Stellenbosch, George, and the Garden Route District are being supported through this initiative, with SHRA-appointed service providers offering targeted technical assistance. The Department applies a 'project implementation and packaging' approach to guide municipalities through project preparation and implementation, with a focus on accelerating delivery and ensuring sustainability.

(b) The Department actively expands public access to programme information and application channels through multiple platforms. These include regular updates via news hubs, the Department's official website, social media channels, local radio stations, and community outreach programmes.

(c) The SHIs and ODAs are required to apply the requisite application criteria, defined by the SHRA. To ensure fairness and transparency, the SHRA, as the sector regulator for Social Housing, oversees the final vetting process of applications and ensures that only eligible applicants, as per income and qualification criteria, are considered, and hence allocated a social rental unit.

TERTUIS SIMMERS

MINISTER OF INFRASTRUCTURE

DATE: