

SUBSIDY PROGRAMMES

Integrated Residential Development Programme

The Integrated Residential Development Programme replaced the Project Linked Subsidy Programme. The programme provides for planning and development of integrated housing projects. Projects can be planned and developed in phases and provides for a holistic development orientation.

Phase 1: Land, Services and Township Proclamation

The first phase entails planning, land acquisition, township establishment and the provision of serviced residential and other land use stands to ensure a sustainable integrated community.

Phase 2: Housing Construction: Individual ownership options.

The second phase comprises the house construction phase for qualifying housing subsidy beneficiaries and the sale of stands to non qualifying beneficiaries and to commercial interests etc.

Individual Subsidy Programme

This Programme provides access to state assistance where qualifying households wish to acquire an existing house or a vacant serviced residential stand, linked to a house construction contract through an approved home loan. These properties are available in the normal secondary housing market or have been developed, as part of projects not financed through one of the National Housing Programmes.

Enhanced People's Housing Process

The Enhanced People's Housing Process aims to support households who wish to enhance their housing subsidies by building their own homes. The Enhanced People's Housing Process can be accessed through the Integrated Residential Development Programme, Project Linked Consolidation, Institutional, or Rural Subsidies as well as technical and other forms of assistance in the house building process.

Informal Settlement Upgrading Programme

The programme facilitates the structured upgrading of informal settlements. It applies to in situ upgrading of informal settlements as well as where communities are to be relocated for a variety of reasons. The programme entails extensive community consultation and participation, emergency basic services provision, permanent services provision and security of tenure.

Consolidation Subsidy Programme

The consolidation subsidy is available to a beneficiary who has already received assistance through government to acquire a serviced residential site under the pre- 1994 housing schemes. This subsidy is applicable to serviced sites that were obtained on the basis of ownership, leasehold or deed of grant and must be utilised to construct or upgrade a top structure on the relevant property.

Institutional Subsidy Programme

Institutional subsidies are available to Housing Institutions that provide tenure arrangements alternative to immediate ownership (such as rental, instalment sale, share block or co-operative tenure) to subsidy beneficiaries. The subsidy will enable Housing Institutions to undertake approved projects and to enable them to create affordable housing stock for beneficiaries to live in subsidised residential properties. The rental unit may not be transferred to the beneficiary within the first four years of occupation. A further condition is that the legal entity must in addition to the subsidy, make its own capital investment in the property.

Rural Subsidies: Informal Land Rights Programme

The Rural Subsidy Programme is used to extend the benefits of the Housing Subsidy Scheme to those individuals living in areas referred to as “rural” areas where they enjoy functional security of tenure as opposed to legal security of tenure. Only individuals forming part of a community, whose informal rights are uncontested and are therefore unlikely to lose those rights during a land reform process, will be assisted.

The subsidies are only available on a project basis and beneficiaries are supported by implementing agents. Beneficiaries also have the right to decide on how to use their subsidies either for service provision, or building of houses or a combination thereof.

Farm Resident Housing Assistance Programme

The Programme provides capital subsidies for the development of engineering services, should no alternative funding be available, and adequate houses for farm workers and farm occupiers. The farm owner plays an important role under this Programme.

Social Housing Programme

The Social Housing Programme seeks to provide a rental or co-operative housing options for low income persons at a level of scale and built form which requires institutional management and which is to be provided by accredited social housing institutions and in designated restructuring zones.

Enhanced Extended Discount Benefit Programme

The Enhanced Discount Benefit Scheme was introduced to assist persons to acquire state financed rental housing, existing sales debtors to settle the balance on purchase prices of properties acquired from the public sector or to settle publicly financed credit that had been used for housing purposes. This programme applies to state financed properties first occupied before 1 July 1993 and stands or units contracted for by 30 June 1993 and allocated to individuals by 15 March 1994.

The programme entails the discounting of an amount on the selling price/outstanding loan balance of the property. Where the discount amount equals or exceeds the purchase price or loan balance, the property is transferred free of any further capital charges.