



**MINISTRY
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA**

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NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NUMBER: 5251 (NW5893E)

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QUESTION:

5251. Ms M Dlamini (EFF) to ask the Minister of Human Settlements:

Whether her department plays any regulatory role in the granting of home loans by commercial banks; if not, what authority is responsible for regulating the home loan sector to ensure affordability and protection of consumers; if so, what steps has her department taken to prevent exploitative lending practices by the specified banks?
NW5893E

REPLY:

The Department of Human Settlements does not regulate the granting of home loans by commercial banks. The regulation of financial institutions, including home loan practices, falls under the mandate of the National Treasury, the South African Reserve Bank, and the National Credit Regulator in terms of the National Credit Act, 2005 (Act No. 34 of 2005). These institutions are responsible for ensuring that credit providers comply with fair lending practices, affordability assessments, and consumer protection measures.

However, the Department plays an important complementary role through the Office of Disclosure, established in terms of the Home Loan and Mortgage Disclosure Act, 2000 (Act No. 63 of 2000). The Office monitors lending patterns and practices by financial institutions with regard to home loans. In terms of this Act, financial institutions are required to disclose to the

Office data on the number of home loan applications received, scored, approved, and declined. Such disclosures are submitted both annually and quarterly, in line with the Regulations issued under Section 12 of the Act and reporting formats approved by the Minister of Human Settlements.

This mechanism enhances transparency in the home loan market and provides government with critical information to identify trends, detect potential discriminatory or exploitative practices, and inform policy interventions aimed at promoting fair access to housing finance.