

## NATIONAL ASSEMBLY

### ORAL REPLY

#### QUESTION NO. 194 (N1183E)

##### **Mr H B Cupido (ACDP) to ask the Minister of Housing:**

Whether a plan of action has been put in place to address the problem of government-subsidised homeowners renting out their homes to others, as has been the case in Wesbank Kuils River and Delft in the Western Cape; if not, why not; if so, what plan?

##### **Reply**

The current housing policy does not prevent owners of subsidised houses to rent out their property. In addition, it must be noted that subsidy beneficiaries receive full title of houses obtained by means of the Housing Subsidy Scheme. As legal owners of the properties in question, they are free to make their houses available for rental purposes.

While a pre-emptive right is registered against these properties, it only prevents beneficiaries from selling the subsidised houses within a certain period. Renting is excluded from the pre-emptive right as is a beneficiary's Constitutional right to rent out his or her house acquired in terms of the Housing Subsidy Scheme.

People who have decided to use their houses for rental purposes will be in need of alternative accommodation, but they cannot benefit twice for a housing subsidy. As a result my Department has introduced a Housing Consumer Education Programme to educate the public on housing issues such as the rights and responsibilities of prospective and current home owners. This includes sessions regarding the consequences of renting a property.