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**REPUBLIC OF SOUTH AFRICA**

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**HOUSING AMENDMENT ACT**

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**REPUBLIEK VAN SUID-AFRIKA**

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[                    ]    Words in bold type in square brackets indicate omissions from existing enactments.

                        Words underlined with a solid line indicate insertions in existing enactments.

**To amend the Housing Act, 1997, so as to recognise the Social Housing Foundation as a national institution; to provide for committees for the South African Housing Development Board and for the co-option of persons to that Board; to further regulate the transfer of movable and immovable property to the provincial housing development boards and the phasing out of certain housing subsidies; and to provide for matters connected therewith.**

**B**E IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

**1.** Section 3 of the Housing Act, 1997 (in this Act referred to as the principal Act), is hereby amended—

(a) in the Afrikaans text by the substitution in subsection (6) for the expression “(3)(h)” of the expression “(4)(h)”; and

(b) by the insertion after subsection (6) of the following subsection:

“(6A) The Social Housing Foundation, registered as a company in terms of section 21 of the Companies Act, 1973 (Act No. 61 of 1973), under the name National Housing Finance Development Foundation, is deemed to be a national institution established by the Minister under subsection 4(h).”.

2. Section 5 of the principal Act is hereby amended by the addition of the following subsections:

“(8) The Minister may—

(a) establish one or more committees for the Board;

(b) co-opt one or more persons to the Board,

for a specific purpose relating to the functions of the Board referred to in subsection (2).

(9) The Minister may appoint to a committee of the Board, established in terms of subsection (8)(a), one or more persons from any or all of the following categories:

(a) members of the Board;

(b) officers of the Department;

(c) officers of one or more provincial administrations;

- (d) other persons whom the Minister considers to have the necessary specialised knowledge or skills relating to the specific purpose for which the committee is established.
- (10)(a) Subject to the directions of the Board, a committee of the Board may exercise the powers of the Board, and must perform the duties of the Board, in relation to the specific purpose for which the committee is established. 5
- (b) The Board may determine rules and procedures regarding the manner in which that committee exercises the powers and performs the duties of the committee.
- (11) Any person whom the Minister co-opts to the Board in terms of subsection (8)(b) exercises his or her powers and performs his or her duties subject to the directions of the Board. 10
- (12) A member of a committee of the Board or a person co-opted to the Board, except if he or she is an officer of the Department or a provincial administration, is paid the allowances determined in terms of subsection (6).” 15

### **Amendment of section 14 of Act 107 of 1997**

#### **3. Section 14 of the principal Act is hereby amended—**

- (a) by the insertion in paragraph (b) of subsection (4) after the word “scheme” of the words “or individual dwelling”;
- (b) by the substitution for paragraph (c) of subsection (4) of the following paragraph: 20
- “(c)(i) Any—
- (aa) movable and immovable property acquired by the premier of a province; and
- (bb) immovable property of the Republic developed by the premier of a province, 25
- by means of a loan or advance or other finance contemplated in paragraph (b), pass to the provincial housing development board for such province.
- (ii) Subsection (2)(b), (c) and (d) applies, with the changes required by the context, to immovable property, or a registrable claim or right in respect thereof, transferred in terms of subparagraph (i).”;
- (c) by the substitution for paragraph (d) of subsection (4) of the following paragraph: 30
- “(d)(i) The net proceeds derived from the recovery of any loan granted to a natural person by a municipality for the purposes of acquiring individual dwellings as contemplated in subsection (4)(b), must be paid into the separate operating account of such municipality referred to in section 15(5). 35
- [(i)] (ii) Subsection (3)(a) to (e) applies, with the changes required by the context, in respect of any immovable property of a municipality or the premier of a province acquired by means of a loan, advance or other finance contemplated in paragraph (b). 40
- [(ii)] (iii) The net proceeds of any letting or sale or other alienation in terms of subparagraph [(i)] (ii), read with subsection (3)(a) to (e), in respect of immovable property which was acquired by— 45
- (aa) a municipality, must be paid into the separate operating account of such municipality referred to in section 15(5);
- (bb) [a] the premier of a province, must be paid into the provincial housing development fund for such province or, if such fund has not been established when such net proceeds are received, be dealt with in accordance with section 13 of the Housing Arrangements Act, 1993, despite its repeal by section 20. 50
- [(iii)] (iv) The net proceeds of the recovery of any loan referred to in subparagraph (i) or of any letting or sale or other alienation referred to in subparagraph [(ii)] (iii) must be utilised for housing development in accordance with national housing policy and a housing development project approved by— 55

(aa) in the case of [subparagraph (ii)(aa)] subparagraphs (i) and (iii)(aa), the MEC after consultation with the provincial housing development board in question;

(bb) in the case of subparagraph [(ii)(bb)] (iii)(bb), the MEC.

[(iv)] (v) Every municipality must, in accordance with the directives of the MEC, furnish the MEC with monthly reports regarding the sale of immovable property by the municipality in terms of this paragraph, including the basis for the determination of selling prices. 5

[(v)] (vi) If the MEC is not satisfied with such basis for the determination of selling prices, the MEC may determine directives for this purpose.”; and 10

(d) by the substitution for paragraph (a) of subsection (9) of the following paragraph:

“(a) The Minister must, within one year of the commencement of the Housing Amendment Act, 1999, institute a national housing programme to phase out [within one year of the commencement of this Act] every housing subsidy granted in terms of— 15

(i) the Housing Act, 1966;

(ii) the Development and Housing Act, 1985;

(iii) the Housing Act (House of Representatives), 1987; 20

(iv) the Development Act (House of Representatives), 1987; or

(v) the Housing Development Act (House of Delegates), 1987.”.

#### **Amendment of section 15 of Act 107 of 1997**

4. Section 15 of the principal Act is hereby amended by the substitution in paragraph (a) of subsection (2) for the expression “section 14(2)” of the expression “section 14(2) or (4)(c)”. 25

#### **Short title**

5. This Act is called the Housing Amendment Act, 1999.