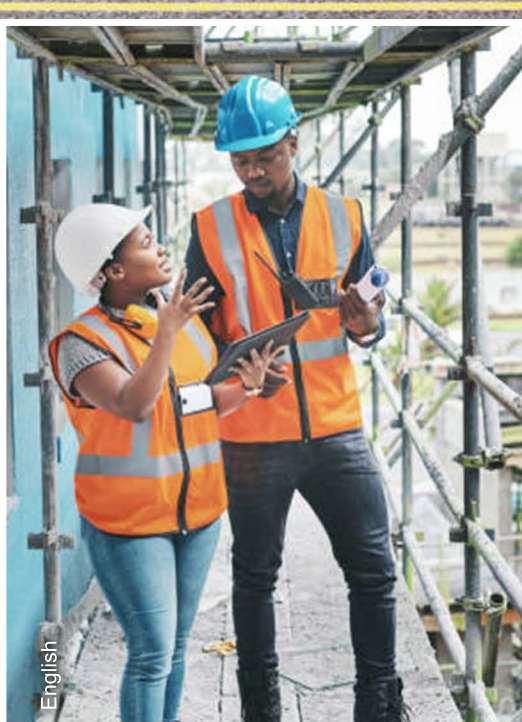




PARLIAMENT
OF THE REPUBLIC OF SOUTH AFRICA



Housing Consumer Protection Bill [B10-2021]

Housing Consumer Protection BILL [B10-2021]

Parliament of South Africa is inviting inputs from the public on the Housing Consumer Protection Bill (B10-2021). The National Assembly (NA) Portfolio Committee on Human Settlements acting under section 59 (1) of the Constitution, seeks to facilitate public involvement in the legislative and other processes of the Assembly and its committees.

What is the Housing Consumer Protection Bill?

The Bill seeks to repeal the Housing Consumers Protection Measures Act, 1998 and to provide for:

-  the protection of housing consumers;
-  the continuance of the National Home Builders Registration Council as the National Home Building Regulatory Council;
-  the registration of home builders;
-  the enrolment of homes in order to be covered by the home warranty fund;
-  the regulation of the conduct of home builders;
-  the continuance of the home warranty fund;
-  claims against the fund;
-  the funds of the Council and for the management of those funds;
-  procurement and contractual matters in relation to the building of a home;
-  the enforcement of this Act; and
-  related matters.

What is the purpose of the Housing Consumer Protection Bill?

The Housing Consumer Protection Bill seeks to repeal the Housing Consumers Protection Measures Act, 1998 (Act No. 95 of 1998). The Act came into effect on 4 June 1999 and has been amended at least three times.

The Department of Human Settlements and the National Home Builders Registration Council, have since identified certain challenges with key provisions of the Act. To this end, the Bill seeks to ensure adequate protection of housing consumers and effective regulation of the home building industry by, inter alia:

- 🏡 strengthening the regulatory mechanisms;
- 🏡 strengthening the protection of housing consumers;
- 🏡 introducing effective enforcement mechanisms; and
- 🏡 prescribing appropriate penalties or sanctions to deter non-compliance by home builders.

In addition, the Bill seeks to address the economic transformation of the industry through the introduction of provisions relating to the warranty fund surplus which may be utilised towards developmental programmes for the home building industry.

The Bill seeks to create an enabling environment for new entrants into the home building industry through the introduction of contractual provisions that ensure their sustainability in the market.

The Bill further seeks to align and create synergy with other relevant pieces of legislation such as the Public Finance Management Act, 1999 (Act No. 1 of 1999), and the Promotion of Administrative Justice Act, 2000 (Act No. 2 of 2000).



What is the purpose of the main proposed amendments to the Act?



Chapter I of the Bill deals with definitions, application of the Act and application of the Public Finance Management Act to the Council.



Chapter II of the Bill seeks to provide for the continuation of the Council, established in terms of section 2 of the Act, as a juristic person to be known as the National Home Building Regulatory Council. It further seeks to provide for the objectives of the Council, governance and structures of the Council.



Chapter III of the Bill seeks to provide for the registration of home builders and developers, the establishment of a register of home builders, the requirements for registration, suspension of registration, grading of home builders and liability of an unregistered home builder or developer.



Chapter IV of the Bill seeks to provide for the establishment of a register of enrolments.



Chapter V of the Bill seeks to provide for the funds of the Council.



Chapter VI of the Bill seeks to prohibit the procurement of services to build a home.



Chapter VII of the Bill seeks to provide for the enforcement of the provisions of the Bill, once enacted. The chapter further seeks to provide for alternative dispute resolution, criminal offences and sanctions.



Chapter VIII of the Bill seeks to provide for various matters including the Home Building Manual; the making of rules by the Council and of regulations by the Minister; the recovery of fees; vicarious liability; the personal liability of the members, directors, trustees of a home builder; duties of estate agents, financial institutions, conveyancers; the codes of conduct for Council members, home builders, developers and other industry role players. This Chapter also deals with transitional matters.



HOUSING CONSUMER PROTECTION BILL [B10-2021]

Why is Parliament inviting public input?

Parliament is mandated by the Constitution to ensure that the public is involved in all its processes, including law-making. To honour this mandate, the Portfolio Committee on Human Settlements is inviting all interested and affected parties to participate in its processing of the Housing Consumer Protection Bill.

Why is it important to participate?



Public participation is a democratic process that ensures law-makers listen to the voices of the people when they are making law.

Who must participate and how?

All interested and affected parties, individuals and organised formations i.e. the home building industry, labour federations and affiliated unions, workers, the business sector, civil rights organisations and academic institutions, to mention a few, are invited to participate by making written submissions to the Portfolio Committee on Human Settlements. The Committee may also invite members of the public to make oral submissions.



What happens after you have submitted your inputs to the Committee?

The committee will consider all public inputs on the amendments of the principal Act for the National Assembly (NA) to pass the Bill. The Bill will then be referred to the National Council of Provinces (NCOP) for further deliberation and concurrence. Thereafter, the Bill will be sent to the President for assent and signing into law.

For further information about submissions, upcoming public hearings and requests for free copies of the bill, contact:

Secretary of the Portfolio Committee on Human Settlements, Kholiswa Pasiya-Mndende on:

Cell phone : 083 709 8495

Telephone : 021 403 3725

Email : kpasiya-mndende@parliament.gov.za

Did You Know ?



-  Parliament is the national law-making body of South Africa.
-  Parliament comprises two Houses, namely the National Assembly (NA) and the National Council of Provinces (NCOP).
-  Bills are mainly introduced to Parliament by the Minister of the specific government department.
-  Parliament is obliged by the Constitution to obtain views of the people before passing any bill.
-  For the bill to be passed into law, the President needs to sign it (assent to it).

Submission guideline

Head your submission with the full title of the topic or Bill.

Date:	
Topic or Bill:	
Name of Committee:	

State whom the submission is from

First and Surname	
State whether you have been nominated to represent an organisation	
Name of organisation (if nominated to represent an organisation)	
Your position in the organisation	
Aims of the organisation	
How many people belong to the organization?	

Provide contact details (Include a contact address, daytime telephone number and ID number. If for private reasons you do not wish these details to be made public, state this in your covering letter and leave it off the submission itself)

Postal Address:	
Street Address:	
Province:	
Tel No:	
Cell No:	
E-Mail:	

State whether you wish to appear before the Committee

Yes	☐	No	☐
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Do you wish others to appear with you before the committee?

If yes, please provide their full name(s) and surname(s) and their role(s)

Name(s) and Surname(s)	Role(s)

State your concerns on the Bill or topic. Please support your views by examples.

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Provide recommendations/suggestions.

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Sum up or list the main points of your recommendations.

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Who else supports you?

Name(s) and Surname(s)	Role

Please take note that the information you are submitting will be processed as set out above and that by submitting this information, you consent to the processing of this information as required by the Protection of Personal Information Act No. 4 of 2013.



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