



the dpw

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More than R17.2m in the kitty from disposal of government houses.

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North West Public Works has raked-in more than R17.2million in revenue from the disposal of 170 redundant state houses between the 2004 and 2007.

Added benefits for the provincial government arising from this process included savings on rates, taxes and maintenance.

On the flip side, other spin-offs are that the disposal process has encouraged property ownership by some who previously were mere tenants.

In total, 411 houses were identified for this process and were advertised for sale in accordance with Section 3 (a) of the North West Land Administration Act no 4 of 2001.

The Acts reads in part:

``...The Premier shall in addition to the notices published in terms of subsection (2) cause to be delivered to the occupants, if any, of the provincial state to be disposed of...''

The process to expedite the sale of some of the fixed properties started in 2004 after the department successfully managed to acquire title deeds for some of the houses from the National Department of Public Works, as well as vesting properties/title deeds provincially.

Most of the houses sold to date are in the Central region (Mafikeng) leading, followed by the Southern (Potchefstroom, Klerksdorp) and Bojanala (Rustenburg). Proceeds from the sales have been paid into the provincial Revenue Account.

The criteria the department followed with regard to the selling of the said houses is that preference was given to all sitting legal tenants (public servants and non-public servants) to buy the houses.

Tenants who have never purchased a house before or are first time property buyers were given 20% discount on the purchase amount. Tenants who have purchased houses before were given a 10% discount on the purchase amount.

Occupants of the houses were to be given thirty (30) days within which to decide whether they are interested in purchasing. A further grace period of three (3) months was to be given to tenants who would not buy, to find alternative accommodation.

However this criteria and arrangement could not be effected to due to challenges posed by the process of vesting these houses in the provincial administration

Properties were sold at market related value as prescribed by the Public Finance Management Act and the value of these houses has been assessed by registered valuers appointed by the department.

Meanwhile the department is still faced with challenges to vest fixed properties provincially, as only 20% state properties have been properly vested

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