



Communicare offers rental discounts to SASSA pensioners

28 April 2019

Many of Communicare's senior tenants woke up this morning with a sense of relief after the social enterprise informed 284 tenants that their rental discounts were extended until December 2019. Collectively, these pensioners will save over R2 million this year.

"This must come as a welcome relief to our tenants who rely solely on the government's old age grants and find it hard to make ends meet in these tough times. We always try to help our most vulnerable tenants. I'm pleased that this is now the third year that we can offer these pensioners a rental discount," said Anthea Houston, CEO of Communicare.

The larger discounts this year are the result of the various changes that took place at Communicare in recent years. The organisation's restructure and a number of commercial developments like the sale of the head office on the Foreshore, make these discounts possible. Over the past 90 years, Communicare's tenant mix has also changed with more people paying market related rentals in middle-income households. Some of the surplus is used to subsidise new social housing developments and to offer current tenants rental discounts. This model ensures that Communicare can be sustained into the future while providing affordable and decent housing for Cape Town residents.

The restructure involved the creation of goodfind Properties to manage Communicare's residential portfolio with units priced at market rates. As a non-profit company, no money is taken out of the company by shareholders. Instead the surplus is used for new rental developments and to offer benefits to tenants such as the rental discounts.

Communicare has used a social enterprise model for decades but the organisation's new structure ensures that Communicare can sustain its income in future and invest the surplus in new developments or benefits for tenants. A sustainable model means more affordable housing for more people who need it most.

"The restructure is bearing fruit and this is good news for Communicare and our tenants, especially old age pensioners. Our hard work has paid off. We can now use the surplus to support the most vulnerable tenants, our SASSA pensioners," said Houston.

This is the third year that Communicare offers rental discounts to tenants whose only income is the SASSA old age grants. In 2018, these pensioners saved more than R1m in total as a result of the rental discounts.

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In addition, 48 tenants who had fallen on hard times were offered 3 months “rental holidays” to assist them recover after some had lost their jobs, suffered serious ill health or the death of a bread winner. This benefit amounted to R87 780 last year and helped some of them avoid taking on new debt and possible eviction.

“I am delighted that we can offer tenants these discounts. I will continue to work hard to get the best deal for our tenants through cross-subsidisation that is now working well. We plan to deliver 2000 new social rental units in the next 6 years,” concluded Houston.

The latest rental discounts apply from 1 March to 31 December 2019. Before December 2019 we will review Communicare’s financial performance and decide on the 2020 discounts. We will then communicate the decision to our pensioners before this year ends.

Tenants who have queries are advised to phone the Toll Free Call Centre at 0800 266 737.

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Note to editor

More information on Communicare can be found at communicare.co.za