



QUANTIFYING THE TITLE DEED BACKLOG AND PROPOSING SOLUTIONS

Progress of the OV Titling Project

OPERATION VULINDLELA TITLING PROJECT

INTRODUCTION

- The project commenced in October 2021.
- The OV Steering Committee on Titling includes members from SANT, NDHS, the Office of the Surveyor General, the Registrar of Deeds, and the Department of Justice.
- The Titling Project aims to resolve titling issues in South Africa by Addressing the primary transfer backlog (regularisation);
 - Reintegrating properties that have been transacted off register into the formal system (formalization);
 - Establishing an affordable and accessible system for title preservation (preservation).
- In 2024, to tackle systemic challenges, the NT DG reached out to Sector DGs, including NDHS, constructive engagement with NDHS is underway
- In 2025 the OV support to the project will be provided in relation to the Second Wave of the Operation Vulindlela Framework and coordinated by the CSP and World Bank technical Team.
- CSP has advertised a tender through DBSA to appoint company to provide technical support to the OV titling project.

Problem Statement



- Out of 6.7 million residential properties registered, 2.1 million are state-subsidised houses, with half located in urban areas.
- Owners need an updated title to access their property's value and maintain it over time.
- The current titling system favors wealthier individuals, making it difficult for low-income households. For instance, transferring a property valued at R220,000 can exceed R11,000 in fees.
- Beneficiaries who wish to sell within eight years must request a waiver from provincial government, a process that is both costly and time-consuming, often leading to informal transactions.
- Inadequate titling prevents access to mortgage finance, limiting financial opportunities and impacting municipal governance and income.
- Tribal land market is ineffective, with the government missing out on R56.3 billion from 643,216 traditional land parcels.
- Poor inter-departmental coordination and ineffective regulations contribute to ongoing crisis.
- A functional and accessible titling system requires collaboration across government levels, along with involvement from the private sector and civil society. Operation Vulindlela is best suited to facilitate this coordination.

EXPECTATIONSOF THE METROS

- Title Deeds Backlogs are quantified & categorised & resources / programmes in place.
- Inter-departmental co-operation and Standard Operating Procedures (SOPs) are adopted and routinely reviewed.
- An integrated property value chain from registration to accounts / billing.
- Processes support asset creation that can support municipal / national fiscus
- Processes are in place to resolve disputes / transfers that have occurred from beneficiaries of primary transfers to third parties
- Reporting, monitoring and evaluation systems are in place and credible

Reinforcing "Best Practices"

Following themes are evidently progressive and impactful in shaping some of the Metros approach towards title deed administration.

These are primarily in relation to the township establishment processes associated with housing projects.

(From eThekwini Case Studies reflecting on the RAP for titling 2017 - current)

A dedicated housing projects steering committee

A consolidated project tracking database and online data storage

Strong Inter-Governmental Relations, support and cost-sharing Use of policy and Council resolutions and Municipal Planning By-Laws

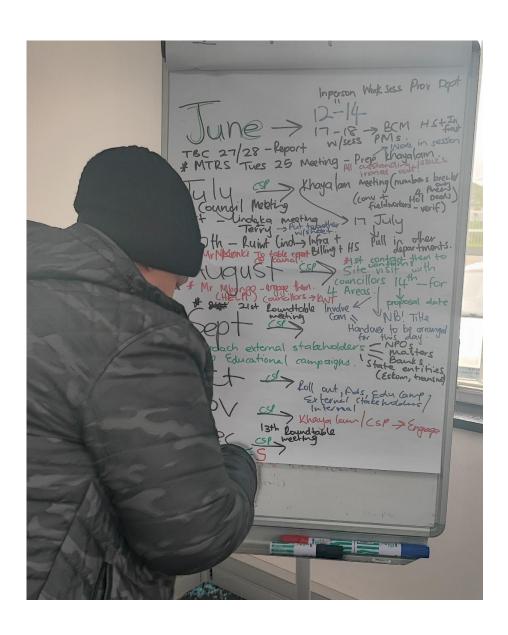


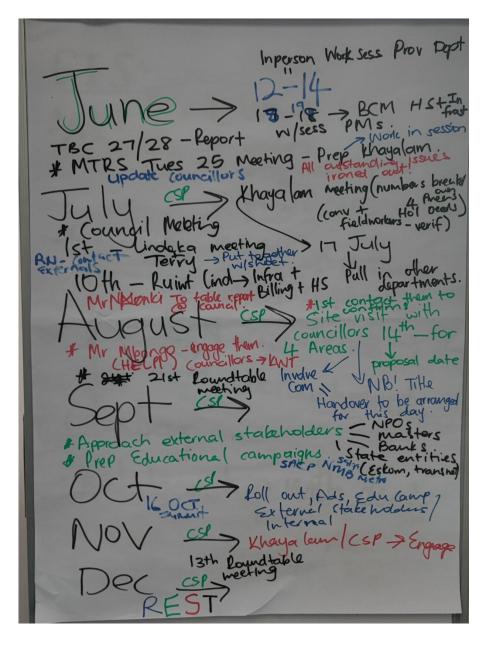


BCM - Community engagement Sisulu @ Potsdam



BCM - Site Visit to Unit 2 Mdantsane - occupied houses, no services, no title deeds





BCM - Action Plan June - December 2024

BCMM MTRS PRESENTED TO TOP MANAGEMENT

By Cwenga Liwani

Buffalo City Metro Municipality Metro Title Reform Support Programme (MTRS) supported by National Treasury and the Cities Support Programme Commitee had an in-person meeting with BCMM Top Management on Tuesday, 13 February 2024 at Trust Centre Building, East London.

The purpose of the of the engagement was to extend the practical dimension of the MTRS in the City in resolving bottle necks that are causing slow delivery of the title deeds and transfers.

The critical issues discussed are related to subdivision of land, approval of township establishment, state land, land surveying, illegal occupation of Reconstruction and Development Program (RDP) houses.

The committee showcased the work done in tackling title deed backlog within Buffalo City for pre and post 1994 human settlements projects.

The BCMM executive has committed to review work done and challenges while enhancing and supporting its approaches relating to title deed administration.

The Metro established the MTRS Working Committee, working together with the relevant departments that include Property Management, Human Settlements Task Team, City Planning, Geographic Information Systems (GIS), Revenue and Enterprise Project Management Office (EPMO).







A City Hard At Work

METRO TITLING REFORM WORKSHOP

By Oyama Tsabo

Metro Titling Reform Workshop culminates today, 19 February 2025 at East London ICC. The workshop which started on Monday 17 February is part of the Metro Title Reform Support Sub-Program (MTRS) under the Vulindlela Project with the Presidency.

The session targeting various line departments is aimed at coming up with effective strategies to assist the Metro in resolving backlogs in issuing of Title Deeds.



According to BCMM's Transfers and Registrations Lindeka Nkuntayi, "Making deliberate efforts in the registration of Title Deeds to individual beneficiaries gives back dignity and ensures that people become rightful owners to their homes."

"Home-owners can leverage their immovable property as an asset. This, in turn, will contribute significantly to the collection of revenue at Buffalo City. Possible annual revenue to be generated from the backlog on Pre and Post 1994 projects is estimated at R89 million," said Nkuntayi.

The Buffalo City Metro's Geographic Information System (GIS) team started with the capturing of all projects in various wards in trying to quantify the numbers to identify which areas they need to focus on. This is done in an effort to eradicate backlogs, more specifically for Pre 1994 projects.

In closing, Nkuntayi said, "We have categorised the challenges that have caused delays in issuing of Tittle Deed and have made great progress in eradicating the backlog."

The Metro has successfully transferred 21 780 Title Deeds thus far and has plans to do Deed transfers simultaneously with housing handovers.

The workshop was coordinated by representatives from the World Bank.







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Engagements with Buffalo City April / September '23 & Feb June '24 and Feb '25

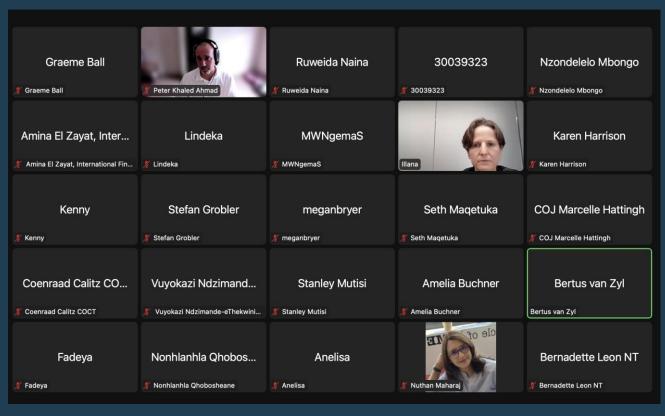












x9 Peer-to-Peer Engagements: A platform to showcase, challenge and inspire – "What can you share?"



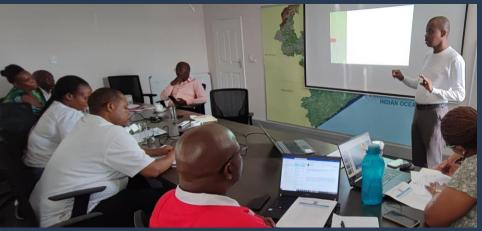






- Engagements involved various key players, including Urban Planners, the Land Survey Unit, the Geographical Information Systems Team, the Finance Team (Valuation Roll), and Property Management.
- Via ECDHS, the Project Management Team and Chief Directorate contributed primarily through PRM submissions, business plans, and virtual sessions.
- Ongoing focused virtual meetings with ECDHS and BCMM officials have allowed for continuous updates to the SIMP.







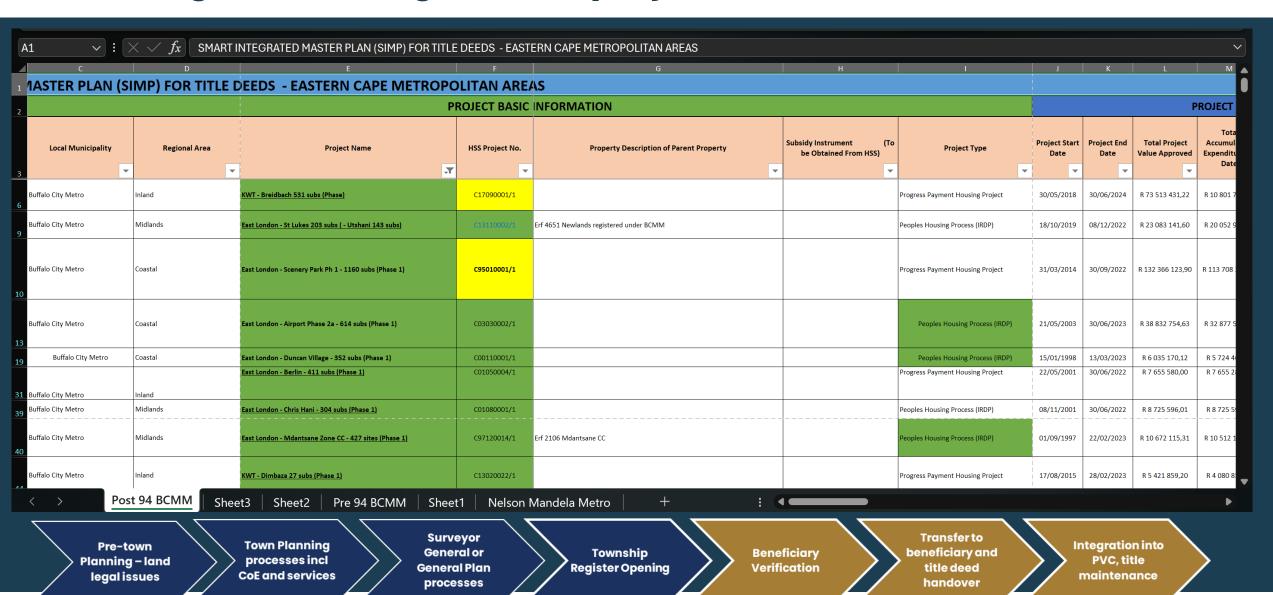
SIMP "101": an Excel Spreadsheet reflecting "cradle to grave" of project











Anticipated Benefit of SIMP









- Updated project records and categorisation of project completion
- Alignment with HSS and MTSF categories to include Pre 94; Post 94; Post 2014 & New will be attained, thereby improving monitoring and evaluation processes
- Enhanced reporting to City Executive and Political Leadership
- Potential for an increased number of closed out projects reducing unnecessary pressure on HSS and ongoing audit queries.
- BCMM & Province will utilise a single template instead of various fragmented reports that are being used (NMB process initiated)
- Standard and integrated approach on titling will be attained and thereby avoiding unnecessary projects duplications.

OBSERVATIONS FROM METRO ENGAGEMENTS

- Each Metro is addressing titling backlog in some manner clear that some are well advanced and making progress others embracing the collegiate nature of the Metro Titling Restoration Support (MTRS)
- Indications are that the historic backlog remains priority for most
- Does not imply that "new" developments are being addressed differently or that new systems approaches have been introduced - this remains a major concern
- Some have put an inter-dept. forum in place to address the issues
- Others have put a document recording system (SharePoint) in place
- No clear protocols and systems of how to strengthen coordination between metros and provinces – GP has appointed PRTs to support municipalities
- No evidence of coherent, single "menu" or SOP that supports

 Metro to support projects from "inception" to possible "revenue"
- Not clear how much of a priority (or not) this is for Provinces or

THE OBJECTIVE OF THE PROJECT IS TO STRENGTHEN TITLE

DEVELOP A DATA-DRIVEN, REALISTIC PLAN TO <u>REDUCE THE TITLE</u> <u>DEED BACKLOG</u>

- Develop a framework to segment the title deed backlog
- Obtain required data to quantify and characterise the title deed backlog

DEVELOP SYSTEMS AND PROCESSES TO SUPPORT THE IMPLEMENTATION OF THE PLAN

- Create a data management system so that municipalities can monitor the backlog over time
- Develop data collection protocols and systems

PILOT INNOVATIVE SOLUTIONS TO DEAL WITH KNOWN TITLING PROBLEMS

- Encroachments
- Digital ownership certificate pilot
- The lessons from pilots must to inform policy and programme changes

Inception (of Project) to Integration (into PVC)





Township establishment = municipal function.

MTRS/ OV has had a series of meetings and workshops with metros to support titling. Overall, engagement is low, and capacity is weak.

Beneficiary administration processes lies with Human Settlements, <u>either</u> at a provincial or municipal level.

NO standardised systems or processes, and current policy is NOT supportive of regularisation

Toolkits developed but low uptake

Data should align with the key stages of township establishment and beneficiary administration:

TOWNSHIP ESTABLISHMENT DELIVER LAND PARCELS AND CONTENT OF RIGHTS DELIVER TITLE DEEDS TO RIGHTFUL OWNER, MAINTAIN TITLE OVER TIME Pre-town Planning – Ind legal issues Surveyor General or General Plan processes incl COE, and services Surveyor General Plan processes incl CoE, and services Surveyor General or General Plan processes incl CoE, and services Surveyor General Plan processes incl CoE, and services Deliver Title Deeds TO RIGHTFUL OWNER, MAINTAIN TITLE OVER TIME Township Register Opening Township Register Opening

FRAMEWOR K DRIVEN

Key data sources:

- The Office of the Surveyor General (SG)
 - ✓ Maintains data on all approved GP including diagrams
 - ✓ Maintains hard copy documents for each approved GP as it proceeds through the various stages of township establishment (including conditions of establishment)
- The Registrar of Deeds (RoD)
 - Maintains data on ownership of properties in proclaimed townships (spatial links when joined to SG data)
 - ✓ Maintains hard copy documents for each proclaimed township (TBD)

Google footprints data

✓ Identify erven where there is a structure – exclude vacant stands from the determination of the backlog

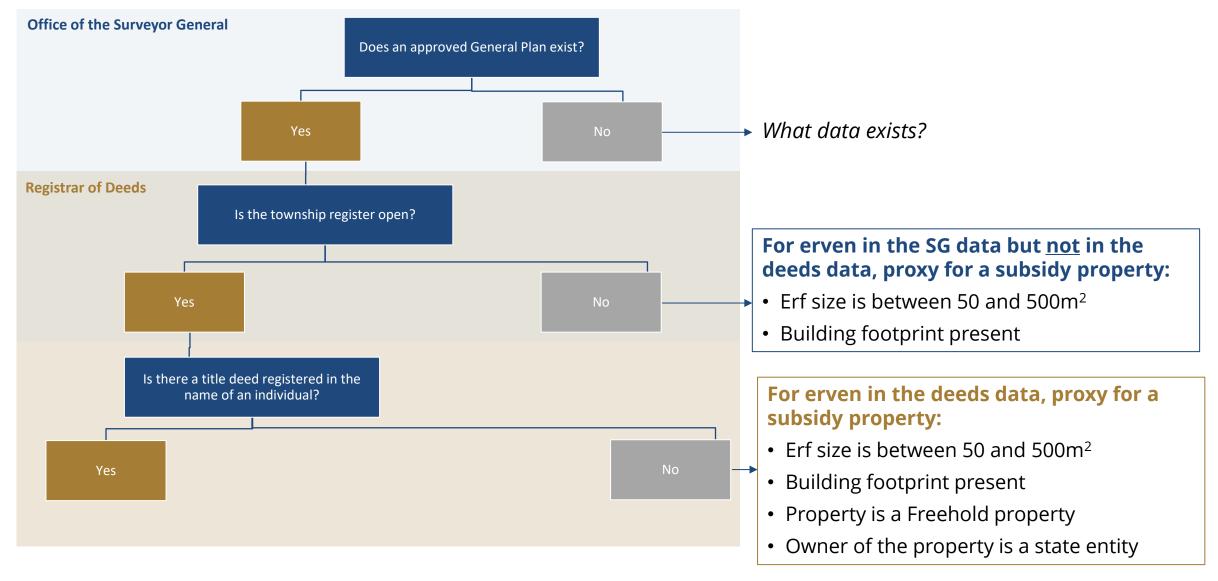


DATA MATCHING PROCESS



We then use various proxies to identify erven as backlog subsidy properties





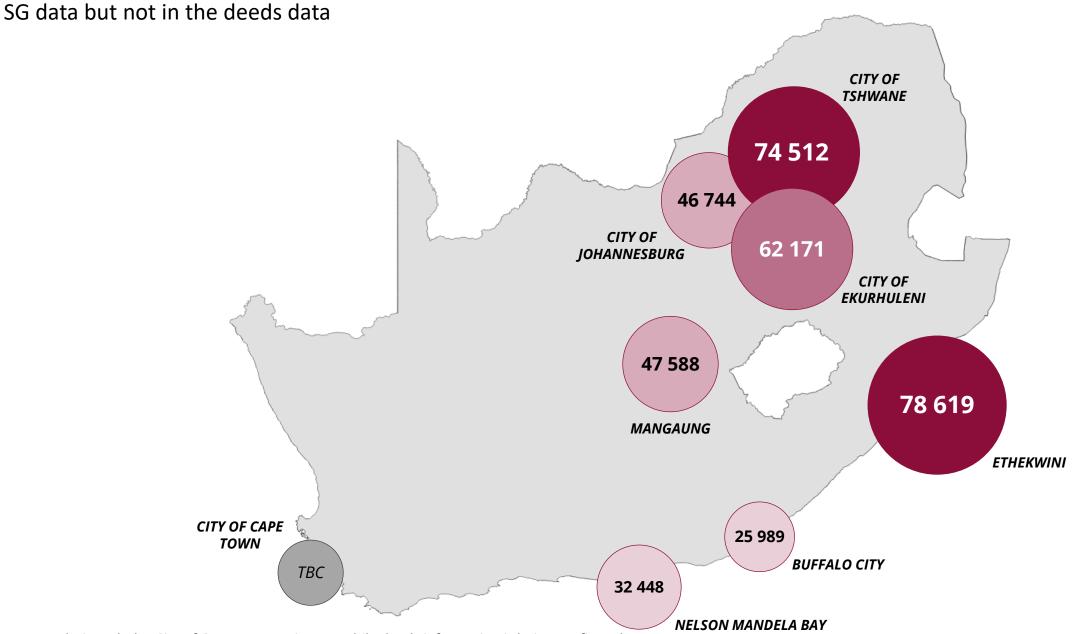


BACKLOG ESTIMATES: METROPOLITAN MUNICIPALITIES



Based on our analysis we estimate the backlog in the **metropolitan municipalities overall** to be **368 071 subsidy properties** in SG data but not in deeds data. eThekwini metro has the highest number of subsidy properties in the



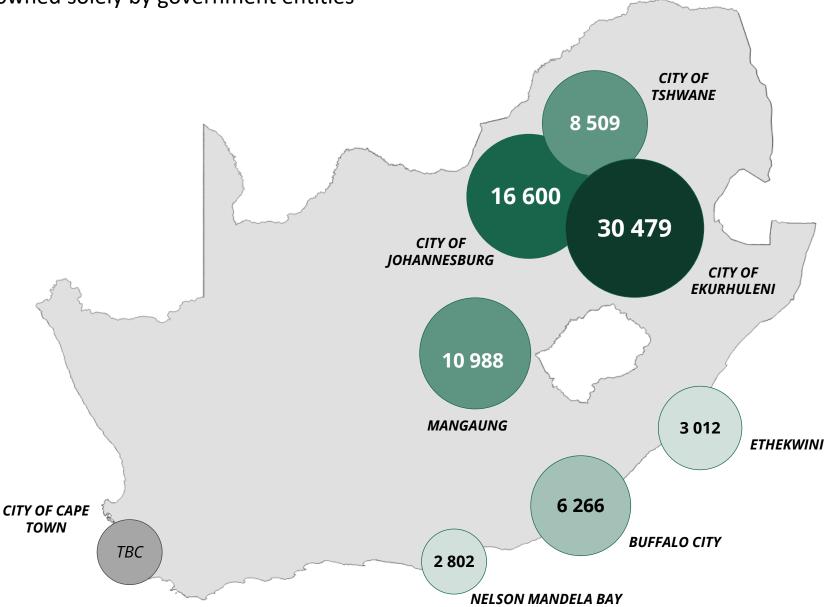




Based on our analysis we estimate the backlog in the **metropolitan municipalities overall** to be **78 656 subsidy properties** in deeds and owned solely by government entities. The City of Ekurhuleni has the highest number of



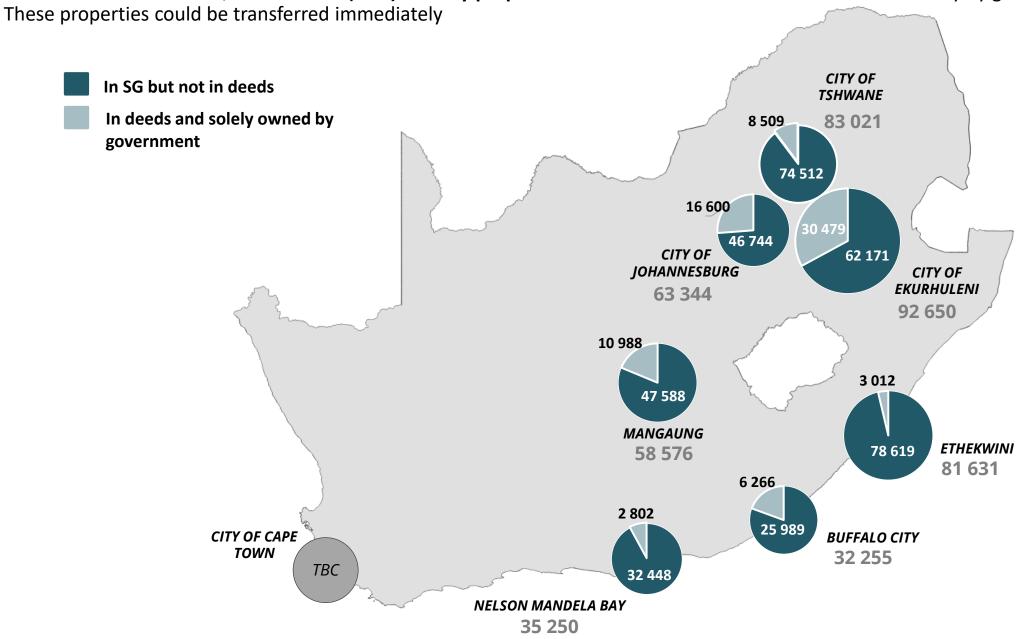
subsidy properties owned solely by government entities





Based on our analysis we estimate there to be **446 727 backlog subsidy properties** in metropolitan municipalities excluding Cape Town. **368 071** (82%) subsidy properties can be found in townships with an approved general plan (in SG data) but with no records in the deeds data, while **78 656** (18%) subsidy properties can be found in deeds data and owned solely by government.









To effectively manage and reduce the title deed backlog, robust systems are necessary for gathering, storing, updating and analyzing relevant data. Key principles of effective data management include:

- Defined: all fields are clearly defined and clearly documented in a consolidated data dictionary
- Auditable: the source of all data is clearly specified and can be validated by third parties
- Single Source of Truth: one unified and authoritative data source to ensure consistency and accuracy
- Accessible: data is available for use in a central repository by authorised users as needed
- Permissioned: data can only be added to and updated by specific users, and these actions are logged for reproducibility and auditability
- Integrated: data from various sources can be combined using concrete linking fields to create a unified view
- **Reusable**: available for future analysis and application on an ongoing basis



Ideally, this data should be maintained in a structured GIS database



Database

- Structured collection of data that is stored electronically and managed by a Database Management System (DBMS).
- Used to store, process and manage large volumes of data
- Controlled access permissions reduce the risk of accidental alterations, increasing data quality
- Built to create a clearly auditable single source of truth



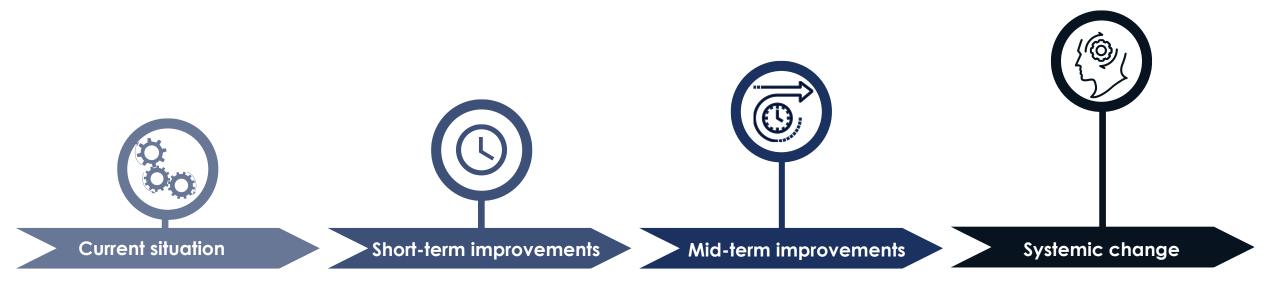
Spreadsheet

- Document that organizes data in rows and columns. Used for data analysis, calculations and simple data management
- reproducibility is highly limited making data more prone to errors and inconsistencies as changes are difficult to track, especially in collaborative environments
- Lack of structured permissions leads to many possible versions of the data that are difficult to audit for accuracy



DEVELOPING A DATA ASSET

Reflecting on the Focus and Resources Working in the Tilting Space



OV workstreams – IGR focus across the National Departments , TSC pilots and Data analysis *

MTRS works streams – Metro Govt. focus with targeted and broad partnerships

NGO Partnerships – with multiple partners across the country e.g. TSC / Khaya Lam

^{*} The "last" of the OV focus areas and arguably most peripheral to OV efforts

OV Focus	Increase the small estates threshold to R385,000 to ease property transfers - DoJ	Reduce/scrap transfer fees for low-value properties (<r330k) -="" <b="">Deeds Office</r330k)>	Digital Deeds database within Deeds integrated with other departments e.g. – Deeds Office / Human Settlements	Simplify documentation requirements for lower-income households to formalise property ownership - Masters Office	Build a centralised database to monitor and prevent future backlog growth while enabling market activities – all spheres	Seek support from the new administration to implement these recommendations as part of OV reforms.
Metro focus	eThekwini Case Studies publication and launch	Completion of SIMP and expansion from BCMM to NMBM	Ekurhuleni database	Peer-to-Peer Roundtable platform to share info / approach – all metros and practitioners	Workshopping of toolkits – BCMM deep-dive towards institutionalisation	Business case for a Special Task Team eThekwini
Opportunities	Linking of partners e.g. Khaya Lam / ESRI with Metro partners	X 4 Pilots in BCMM to rectify Parent Title and convey title to occupants	ID of pilots in eThekwini to give effect to 2022 resolution re: encroachments / partial transfers	HSTSP 3 focus areas (Inner City / Informal Settlements and Small-Scale Affordable Rental) – next slide	100 Day intervention plan	

Key and Immediate Actions





Facilitate formalisation

i.Increase Small Estates Threshold to R385 000

ii.Reduce (or scrap) Deeds Office transfer fees on low value transfers (<R400 000)

iii.Expedite digitisation at the Deeds Office, starting with secure request and transfer of digital certificates / documents issued by the Department of Home Affairs and Masters Office

Facilitate regularisation (title deed backlog)

i.Clarify regularisation policy to enable transfer to rightful owners who are non-qualifiers ii.Pilot e-Title project in partnership with SANT and selected metros

iii.Build a robust case management platform to enable efficient primary transfer (from state to beneficiary / owner)

Data

i.Amend the Deeds Registries Act to enable government access to deeds data at no charge ii.Develop specific for master data management system to hold/maintain housing subsidy, project, SG / deeds data iii.Updating of the HSS and linking it to the GIS system.

Capacity

i.Strengthen operational capacity at provincial and municipal level regarding beneficiary administration and general admin support . The NDHS to re-establish provincial/ municipal support teams.





Recommendations by Department





Department

Suggested Intervention



- Increase the small estates threshold to R385 000 (aligned with the real value of the threshold when it was last gazetted in November 2014)
- Review the impact of online estates reporting portal with respect to turn around times, and explore opportunities to integrate with beneficiary administration processes (where beneficiary is deceased), integrate with deeds office (digital "Next of Kin" certificates)



- Develop systems and processes to scale beneficiary administration capacity significantly
- Clarify regularisation policy
 - ✓ Informal purchase where there is evidence of a purchase / no dispute (no evictions, no penalties just transfer)
 - √ Other non-qualifiers (address concerns about AG)
- Develop expedited process for subsidy applications, substitutions on HSS, updates to HSS
- Review and redevelop the HSS to enable integration with SG and deeds data



- Amend the Deeds Registries Act to enable access to deeds data for government at no cost
- Reduce deeds office transfer fees for low value transfers
- Expedite digitisation to enable efficiencies (DHA and DoJ)





Recommendations by Department - DALRD





	Immediate priority		Medium term
1.	Amend schedule of fees to reduce burden on low-cost transfers	5.	Amend the Deeds Registries Act to enable access to deeds data for
2.	Standardise requirements re: certificates and documents to accompany transfer	6.	government at no cost Reduce deeds office transfer fees for low value transfers
3.	Establish specific work streams to process increased volumes of primary transfers to resolve the title deed backlog	7.	Expedite digitisation to enable efficiencies (DHA and DoJ)
4.	Pilot e-Title project in partnership with SANT and selected metros		





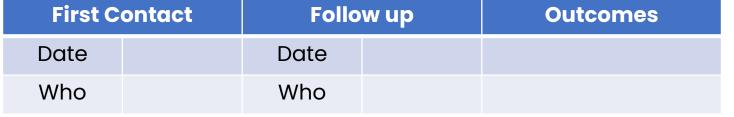
Recommendations by Department – Dept. of Justice





	Immediate priority		Medium term
1.	Increase the small estates threshold and ensure it is aligned with inflation on an annual basis	4.	Review processes within the Master's Office to streamline issuing of Letters of Authority
2.	Align thresholds used by the Masters Office in the estate reporting process to new small estates threshold	5.	Review effectiveness of online estates reporting portal and refine where required
3.	Establish specific processes and channels to onboard and resolve estates of deceased beneficiaries in title deed backlog projects		







Recommendations by Department – Ntl. Dept. of Human Settlements

Date

Who





	Immediate priority		Mediun	n term	
1.	Issue policy statement re: regulariscre:	ation		e the Housing Act nich prohibits sale (to remove Section of subsidy
	 where there is evidence of a 			erties within the firs	•
	purchase / no dispute (no evict no penalties – just transfer)	tions,	proto	•	records cadastral
	 Other non-qualifiers (address concerns about AG) 		integ	d beneficiary data, and seamlessly egrate with other data sources	
2.	2. Grant accreditation to all metros to allow transfer of townships to the metros to complete		bene	including Home Affairs, SASSA data (for beneficiaries) and Deeds and SG data for properties	
	First Contact	Follo	w up	Outcomes	d siz. b.

Date

Who





Recommendations by Department – Prov. Dept. of Human Settlements

What about the waivers to deal with COE





Immediate priority	Medium term
 Devolve authority for signing sale agreements with rightful owners of subsidy properties to municipalities that have proven capacity (systems and people) and accreditation to undertake this task 	
2. Hand over files/responsibility of pre SPLUMA townships to municipalities so that pre-SPLUMA townships can be proclaimed, in line with the 'municipal planning' function in the Constitution (Schedule 4 Part B)	
 Devolve authority for resolving disputes between claimants to municipalities where appropriate Establish a dedicated team of administrators to receive and process municipal applications for housing subsidy applications and amendments 	

17	national treasury
	Department: National Treasury REPUBLIC OF SOUTH AFRICA

First Contact		Follo	w up	Outcomes
Date		Date		
Who		Who		



Recommendations by Department – Ntl. Dept. Department of Home Affairs





	Immediate priority		Medium term
1.	Provide access to population register	2.	Enable access to digitised certificates to
	data to enable identification and		enable Deeds and Masters office
	validation of status of property owners		processes

First Contact		Follow up		Outcomes
Date		Date		
Who		Who		





Recommendations by Department – Auditor General





Immediate priority	Medium term
1. Issue a clarifying statement about the	
transfer of subsidy properties to rightful	
owners, even if they are not qualifying	
beneficiaries (statement to require a	
coherent policy and systems to ensure	
that policies are adhered to)	

17	national treasury
	Department: National Treasury REPUBLIC OF SOUTH AFRICA

First Contact		Follo	w up	Outcomes
Date		Date		
Who		Who		



Recommendations by Department – Municipalities / SALGA

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA





	Immediate priority		Medium term
1.	Establish cross-cutting teams comprising planning, human settlements, engineering, legal and finance to progress townships that have land/legal or township establishment issues.	6.	Review by-laws and amend to enable township proclamation for backlog projects (waivers?)
2.	Create clear guidelines for transfer to non-qualifiers, heirs of beneficiaries etc	7.	Develop systems and data management processes to ensure that all documentation relating to township establishment is digitised and securely stored, and that it is accessible
3.	Identify specific individual / team mandated to review and sign sale agreements		
4.	Establish fast track process to process bulk rates clearance certificates for backlog projects		
5.	Develop clear policy with respect to write offs and payment plans to support regularisation		

START: Launch online -A manifesto for title reform

A SALGA / **Provincial** Perspective

Khaya Lam short stories video compilation

TSC short stories video compilation

OPERATION

SIMP demo of BCMM to NDHS / OV / DPME

Policy Showcase

- Regularisation
- Encroachments
 - approvals

Toolkit showcase and panel discussion

Ekurhuleni Data Case Study and panel

Lapsing

eThekwini Case Studies Launch and panel

iLembe Case Study showcase and panel discussion

/ SIMP demo to HS Portfolio committee Parliament

Problem Statement

16th October Eastern Cape Summit

Conveyancers **Engagement?**

CONCLUDE:

Summary of outcomes in-Person plenary session



April 1st 2025 – Thursday 10th July 2025 100 days

14 weeks Title Deed Battle Plan and Operationalisation





Supporting the implementation of priority structural reforms

START:
Launch online –
A manifesto for title
reform

A SALGA / Provincial Perspective

Khaya Lam short stories video compilation

TSC short stories video compilation

OV Steer Com

SIMP demo of BCMM to NDHS / OV / DPME

Toolkit showcase and panel discussion

Ekurhuleni Data Case Study and panel

MTRS Roundtable – August 21st

Policy Showcase

- Regularisation
- **Encroachments**
 - Lapsing approvals

eThekwini Case Studies Launch and panel iLembe Case Study showcase and panel discussion

Problem Statement
/ SIMP demo to HS
Portfolio
committee
Parliament

16th October Eastern Cape Summit

Conveyancers Engagement?

CONCLUDE:
Summary of
outcomes inPerson plenary

session





NGO – tenure rights

Client – beneficiary / occupant

Practitioner perspective –

Banks

Conveyancers

Government – policy / regulation / systems