

**ADDRESS BY LN SISULU, MINISTER OF HUMAN
SETTLEMENTS AT THE HAND OVER OF HOUSES
23 SEPTEMBER 2016
SAVANNA CITY, JOHANNESBURG**

MEC Mashatile

Chairpersons of the Portfolio and Select Committees

Executive Mayors and Councillors

Ladies and gentlemen

The Department of Human Settlements signed a Memorandum of Understanding with the Banking Association of South Africa, which resulted in closer cooperation between ourselves to ensure the development of more sustainable integrated human settlement. Savanna City is one such project, similar to our partnership with FNB in Cosmo City and the N2 Gateway and ABSA in Olievenhoutbosch. The Savanna City project was initiated in 2007 and the Farm Doornkuil was purchased through a joint project by Old Mutual, the Development Bank of Southern Africa and the Government Employees Pension Fund.

We agreed with BASA:

- To develop proposals and an implementation strategy that will promote sustainable human settlements in both urban and rural areas in the identified programmes;

- To increase and fast track the investment, financing, supply and delivery of affordable housing stock on well-located land, which promotes spatial integration and equity;
- To increase the number of approved end user housing loans (both mortgage and non-mortgage) for affordable housing, in both the new and resale affordable housing markets segment; and
- To set a clear programme and project delivery targets and outcomes for all stakeholders, and to actively monitor and provide semi-annual reports on progress being made in respect of these objectives.

This came as a result of a Breaking New Ground Policy which laid a foundation for the journey from building houses to building integrated human settlements. The mandate stemming from that policy is that the Department of Human Settlements must ensure that all projects must promote densification and integration of different income groups and different races, enhance spatial planning, be located in well suitable land, support urban renewal and inner city regeneration and enhance the quality of the house whilst developing social and economic infrastructure.

We are making history, shaping our environment to mirror our dreams. And the surroundings will shape the future we will have, one that reflects as a South African people, irrespective of race, religion or gender. Future generations will reap the benefits of what we are doing.

To this end a number of pilot projects were launched in 2005 across all major cities. These include Cosmo City and Fleurhof in Johannesburg and Olievenhoutbosch in Tshwane. Of the 4,3 million houses and subsidies delivered since 1994, the Gauteng Province has contributed over a million houses and subsidies, providing adequate shelter to over 4 million people.

All our housing projects are guided by four key principles of planning, integration of the rich and poor, location, which should be close to economic and social amenities, sustainability in terms of energy mix and inclusion of different housing typologies like rental, social housing, bonded houses and fully subsidised government houses like the ones we are handing over to beneficiaries today.

I stand in front of you today saddened by the passing of Mama Elda having not received her house. Mama Elda was Mazongolo Elda in the Eastern Cape and came to Gauteng (Boiketlong Informal Settlement), about 10 years ago. She passed on at the age of 112. MEC Mamabolo during his walkabout identified her as a special case and promised her a house in Savanna City. We are here today to honour that promise. A house has been handed over to her son who is in our midst. Our message to our elderly citizens in our midst and in the whole country is that you remain our top priority and we will continue to prioritise you in the delivery of houses. Our councillors should make sure that every housing project prioritises our senior citizens.

Apart from the provision of housing to the elderly, the other group that is very close to my heart is military veterans. We have come along way from the conceptualisation of how we, as government, can provide shelter as recognition of the services provided by these men and women. We have spent a great deal of time on thrashing out the details of the law. I know that this has caused a great deal of anxiety amongst our military veterans, but unfortunately, without the necessary legal framework and policies we would not be able to do what we are doing here today.

Today we have 200 houses that we are going to hand over to military veterans in Savanna City. Ordinarily military veterans are provided with a subsidy by the Department of Military Veterans, so the houses that we give them are bigger than our BNG houses. What we are giving them today is a BNG house, which is a R70 000 shortfall on the house that they would qualify for. Therefore, an amount of R70 000 is due to each military veteran beneficiary of a BNG house, which may only be used for the improvement of the house, to ensure that the total value of the house is equal to the benefit that they would otherwise have received. This means that the R70 000 could be used to renovate, improve, build a carport, etc.

While on this, I need to mention that we have another 100 vacant houses in Fleurhof and here is our biggest impediment. We do not have the data of military veterans who qualify for these houses. This data needs to be updated by the Department of Military Veterans and the military veterans themselves. I therefore urge military veterans to come together to help us to expedite the process. I would like to attend a function at the end of October 2016 where the 300 military veterans and their families have moved into the pilot projects that we are providing.

The National Development plan could not have described our challenges more acutely in its observation that we are confronted by:

“poverty traps in rural areas and urban townships; workers isolated on the periphery of cities; inner cities controlled by slumlords and crime; sterile suburbs with homes surrounded by high walls and electric fences; households spending 30 percent or more of their time, energy and money on daily commuting; decaying infrastructure with power blackouts, undrinkable water, potholes and blocked sewers; violent

protests; gridlocked roads and unreliable public transport; new public housing in barren urban landscapes; new private investment creating exclusive enclaves for the rich; fearful immigrant communities living in confined spaces; or rural communities dying as local production collapses.”

Those in the know argue that the best way of predicting the future is to invent it. The process of invention gives you total control of how it would turn out to be. Indeed the apartheid masters knew exactly what they were creating. They would not be surprised at the ultimate outcomes of their plans. Today is but one of those steps that future generation would stand and pause, and say it started here. This is a gift we give to future generation.

In July we had an opportunity to criss-cross the country to engage South Africans on a number of service delivery issues. I had an opportunity to visit among others, Mzimhlophe Women’s hostel, Princess informal settlements, Nelson Mandela Bay and have a short engagement with Izinduna at Dube Hostel in Soweto. What I witnessed revealed that even though we had delivered so much we still have some work to do to improve the lives of our people.

Sometime this year we launched a campaign to celebrate housing delivery which has benefitted over 20 million South Africans since the dawn of democracy. We still believe this makes us number 1 in the world. No any other country has ever delivered so many houses in such a short period of time. Indeed this is a miracle and achievement that should be celebrated by all from the taxpayers to the beneficiaries.

As a Government we have managed to deliver and will continue to

tackle the housing backlog because of different partners coming onboard. With the limited resources and global economic challenges it would be impossible to deliver to all South Africans at the same time. We applaud the private sector for their support throughout the years. Without their much needed support we would not have provided descent shelter to more than 20 million South Africans. We thank individual South Africans for their financial support through their tax payments that continue to enable us to restore the dignity through human settlements.

Gauteng is currently engaged in planning and implementing at least six Big City developments. These are Boiketlong in the Southern Corridor, Vaal River City in the Southern Corridor, Fort West in the Northern Corridor, Leeuwpoort in the Eastern Corridor, Lanseria City in the Central Corridor, Alex City in the Central Corridor, Syferfontein City in the Western Corridor and Savannah City in the Southern Corridor.

We are here at Savanna City to witness the handover of phase 1 of Breaking New Ground houses, an integrated human settlement development which will finally consist of more than 18 000 BNG houses, providing descent shelter to more than 70 000 people. A thriving city with all the elements that our policy determines constitute a human settlement, complete with twelve schools, three shopping malls, health facilities, police stations, a community centre with a hall, parks and recreational areas, library, cemetery and several churches. Our model of the post-Apartheid city, reversing the legacy of segregation and exclusion. In this city lives people who time forgot somewhere in Sgodiphoola in Soweto, and who are now fully fledged citizens, energetic, vibrant people.

The first phase of the new city consists of 12 000 units, with mixed typologies that range from fully subsidised BNG houses to bonded houses and rental units. This development will ensure that all the informal settlements in Orange Farm will be a thing of the past.

The 497 fully subsidized houses being handed over today pave the way for the construction of phase 2, which is expected to deliver more than one thousand six hundred (1600) houses by the end of March 2017. These families here today join more than six hundred (600) community members who have already made Savanna City their home, thanks to the government Financed Linked Individual Subsidy Programme (FLISP). By the end of September 2016 close to 500 houses will be ready for occupation. Since mid September more than 120 houses have been allocated to the beneficiaries.

We are pleased to announce that during the construction of phase 1, over 1500 job opportunities were created and more opportunities are expected to be created as the construction continues.

To the elderly in our midst and those who received their houses today, we thank you for your patience. It should not have taken us so long to provide you with houses but surely we shall deliver. Housing for the elderly, disabled and child-headed household remains our key priority.

We therefore appeal to young South Africans or those who have economic means to consider other housing opportunities available to them like rental stock and social housing. This will afford us an opportunity to fast track housing delivery for the indigent or those who are in desperate needs.

To our radio and television personalities present here today, thank you

for being part of human settlements family. We count on you to continue spreading a message of hope to all South Africans that government cares and will honour all its promises. For those who have benefitted, please look after your property, pay for services and treasure this for your future generation. The best gift you can hand over to your children is a title deed.

We have entered into several partnerships including signing a memorandum of agreement with the banks to come to the party. The agreements we entered are an expression of goodwill and statements of intent. This is a case of willing partners driven by mutual interests that speak to a higher cause. Cut to the bone, everyone wins. For government, the partnerships enables us to fulfil our constitutional obligation, for our people the partnerships restores their dignity through provision of shelter, and for the banks we provide the necessary market and the numbers to make the lending responsibility worthwhile. It is a mutual relationship where everyone wins and benefit.

May the spirit of goodwill prosper!

I thank you