



MINISTRY

HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA

**ADDRESS BY MS. THEMBI SIMELANE, MP, MINISTER OF HUMAN
SETTLEMENTS ON THE OCCASION OF THE INAUGURATION OF THE
NEWLY APPOINTED BOARDS AND COUNCILS OF THE ENTITIES
OF THE DEPARTMENT AT THE CAPITAL HOTEL, SANDTON**

31 JULY 2025

Programme Director

Deputy Minister, Ms Tandi Mahambehlala

Director General, Dr. Alec Moemi

Deputy Directors General (DDGs) present

Chairperson of the Board(s)

Chief Executive Officer(s) of the Department's Entities present

The Staff of DHS and Entities

Ladies and gentlemen

Good day colleagues,

It is my singular honour and privilege to make remarks in this important meeting of our newly appointed Boards and Councils who are joining other existing Boards and Councils of the Entities of the Department of Human Settlements.

I can confidently state that the **Human Settlements Family** is now complete, and we are ready to execute our collective Constitutional obligation of ***facilitating an environment that provides sustainable Human Settlements.***

Let me, therefore, take this opportunity and congratulate all of you for your appointment as members of the Boards and Councils of the Entities of the Department, colleagues, I welcome you all and I am looking forward to having a cordial and professional working relationship with you as we navigate the intricacies of the sector.

Colleagues, it is now a known fact that, following the general elections on 29 May 2024, the Government of National Unity for the 7th Administration was announced on 30 June 2024, with three overarching strategic priorities of:

- a. **Driving inclusive growth and job creation,**
- b. **Reducing poverty and tackle high cost of living and,**
- c. **Building a capable, ethical, and developmental state.**

Moreover, the President outlined that these priorities will be translated and unpacked within the **2024-2029 Medium Term Development Plan (MTDP)** which set out the goals, interventions, and targets in support of the strategic priorities.

The Department is aligned with the **2024-2029 MTDP** by pursuing the reduction of poverty and improved livelihoods. This will be achieved through the development of liveable neighbourhoods both in rural and urban environments and by achieving spatial transformation and increased access for adequate housing through various programmes.

In his State of the Nation Address of 2025, the President indicated that we need a state with leaders who are prepared to serve our people with complete dedication, and public servants who are ethical, skilled, and properly qualified.

To this end, the members of the Boards and Councils are expected to ensure that the public entities where they have been appointed to serve, deliver on their mandates, and support the achievement of the strategic objectives of the state.

This meeting is not a function of an induction; however, I thought it was important that I briefly state some of the expectations we are anticipating from you as the **Accounting Authorities** (Boards and Council) of the Entities of the Department as you earnestly assume your responsibilities to assist us provide public goods to the citizens in line with our mandate.

Colleagues, there are various frameworks, guidelines and legislative prescripts that guide the conduct of members of Boards and Councils of entities, inter alia the King IV Report on Corporate Governance for South Africa, the Handbook for the Appointment of Persons to Boards of State and State Controlled Institutions (DPME, 2008) and the Public Finance Management Act, 1999 (Act No. 1 of 1999), herein referred to as the “PFMA”, and as professionals in your own right, I am convinced that this, you are undoubtedly familiar with.

Accordingly, the PFMA supersedes all other legislations and is only second to the Constitution of the Republic of South Africa (1996). The

General Responsibilities and Fiduciary Duties of Accounting Authorities are outlined in the PFMA, and it is therefore critical for members of the Boards and Councils of public entities to be familiar with these requirements in order to assist them to conduct themselves ethically in the execution of their roles and functions.

We have a Shareholder Compact Agreement between the Executive Authority (Minister) the Accounting Authorities (Boards) of entities as a good governance mechanism for effective governance, compliance oversight, as well as the strengthening of entities' accountability in respect of their service delivery mandates, thus, our relationship will strictly be guided by the objectives of the Shareholder Compact Agreement.

I want to conclude by mentioning some of the key tasks which the newly appointed Boards and Council have to attend to expeditiously in order to strengthen Entity Oversight and create relative stability in our Entities, and this is against the backdrop of the myriad of issues which we have been seized with as raised in the number of Portfolio Committee meetings and in different media platforms.

There are vacancies at Executive and Management level of entities that must be attended to in order to achieve stability at a strategic management level.

The President emphasised in his State of the National Address of 2025 the need for the transformation of our economy and to make it more inclusive.

The entities will therefore be expected to play a meaningful role in this regard, and continue to drive procurement expenditure targets for women, youth and persons with disabilities and will further be expected to continue to focus on the implementation and enhancement of transformation programmes in the sector.

It is also important that Entities foster collaboration instead of working in silos and fragmentation, especially where there are mandates that are almost similar with features of overlaps. That is where we need strong collaboration. For an example the NHFC financing the HDA as a developer of choice and the NHFC financing SHRA, particularly, emerging, and small social housing institutions.

Similarly, we must align our mandates and policy imperatives to support each other, for an example of the first-time home finance and regulatory

role of NHBRC, especially, the cost for registration of the house, etc.

We need to ensure that we reduce the costs so that it doesn't negatively impact on the subsidy given to the beneficiaries, especially the enrolment certificates aspect. This can be done by signing MOUs to support each other's mandates.

Another area is that the new boards must take keen interest in addressing issues raised by their predecessors in the form of handover reports that we have been shared with the Minister. Where there are ongoing investigations like in the case of NHFC by National Treasury and the Public Protector of South Africa, etc, and in the case of HDA the SIU, I expect the board to fully cooperate and ensure principles of good cooperate governance take precedence above everything.

We must ensure we conduct lifestyle audits in order to facilitate good governance by discouraging unethical practices and promote a culture of responsibility among employees in the public service.

The entities were reminded in January 2024 to conduct lifestyle audits for Executives, Senior Managers and Supply Chain Management

practitioners. The progress has been slow. None of the entities were able to finalise the Lifestyle Audits by the target date of 24 October 2024.

We are faced with constrained fiscal outlook characterized by low economic growth, growing GDP to debt ratio and alarmingly high unemployment rate. We expect the boards of our Public Entities to engage in robust and innovative debates towards alternative funding models and strategic partnerships. This we do in order to develop innovative strategies on how to better finance and expand our delivery reach within the context and realities of a limited budget.

We recently had a meeting with the Deputy Minister of Public Works and Infrastructure, Mr. Sihle Zikalala, to consider amongst others, the potential collaboration in Contractor Development Programmes in the built environment to be jointly pursued by DHS and Public Works and Infrastructure with a specific focus on vulnerable groups, particularly youth, women, people with disabilities and military veterans.

The President highlighted in his State of the National Address of 2025, the commitment by Government to harness technology as a means to build the capability of the State.

The entities will therefore be expected to continue to drive the implementation of digital platforms in order to improve accessibility by the public to service delivery. Our recently tabled ***Budget Vote*** to parliament articulates some of the undertakings we will be making in this regard.

Once again, thank you so much for affording me the opportunity to make remarks in this meeting and welcome on-board collages. We will certainly have ongoing conversations as we carry out this mammoth task of housing the nation together.

I thank you.