

# Accelerating Socio-Economic Opportunities for Women's Empowerment

#WomensMonth2023 #WomensDay2023



## *Celebrating* Women In Human Settlements



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human settlements  
Department  
Human Settlements  
REPUBLIC OF SOUTH AFRICA

HOUSES, SECURITY & COMFORT





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# DEPARTMENT OF HUMAN SETTLEMENTS

## IBT Summit

Budget Alignment to Upscale  
Implementation of Innovative  
Building Technologies

04 February 2026



HOUSES ■ SECURITY ■ COMFORT



human settlements

Department:  
Human Settlements  
REPUBLIC OF SOUTH AFRICA

A **NATION**   
THAT **WORKS**   
FOR ALL







## 2026 MTEF ( MEDIUM TERM EXPENDITURE FRAMEWORK) GUIDELINES

### Purpose of the guidelines

- The guidelines reaffirm the government's commitment to a more disciplined, transparent, and strategically aligned budget process that supports South Africa's long-term fiscal objectives and national development priorities.
- Importantly, the guidelines outline the economic environment under which the MTEF is formulated, and incorporate lessons learned from the 2025 budget cycle, which revealed the need for **improved coordination, broader consultation and greater focus on spending efficiencies** in the budget process
- The calls for a more responsive and impactful use of public resources—from citizens, civil society, the political executive, and key oversight institutions—have been unequivocal.
- In response, these guidelines aim to embed a more credible and purposeful approach to budgeting—one that strengthens service delivery focus, enhances value for money, and secures the country's long-term fiscal sustainability

# 2026 MTEF( MEDIUM TERM EXPENDITURE FRAMEWORK) GUIDELINES

## Macro-economic context



- As stated in the May 21 budget forecast South Africa's real GDP growth is forecast to be 1.4 per cent in 2025.
- The outlook is constrained by persistent logistics constraints, **heightened political uncertainty, and high borrowing costs.**
- Growth is projected to rise moderately to 1.6 per cent in 2026 and 1.8 per cent by the end of the MTEF period. GDP is forecast to grow at an average of 1.6 per cent between 2025 and 2027.
- Port and rail constraints and increased spending pressures could undermine investment and growth. Rapid and effective implementation of reforms is needed to accelerate growth and employment.
- The continuation of more stable power supply may also lift confidence and growth.
- Global risks have become more pronounced in recent months, with rising financial market volatility and weaker growth prospects.
- New trade barriers may raise inflation and prolong high interest rates, while tighter financial conditions heighten debt distress risks in emerging markets. Moreover, geopolitical tensions could change foreign direct investment patterns.



# 2026 MTEF( MEDIUM TERM EXPENDITURE FRAMEWORK) GUIDELINES

## **Fiscal Strategy**

- Government's fiscal strategy supports the four-pillar strategy for faster real income per capita growth by
  - fostering macroeconomic stability,
  - prioritising infrastructure investment,
  - supporting state capability and
  - catalysing economic reform.

## **Budget Reforms**

- South Africa's current budget process has not kept pace with the country's evolving fiscal, institutional, and political realities.
- Incrementalism has resulted in several inefficiencies and has failed to facilitate improved service delivery and outcomes in several sectors
- Budget reform is therefore necessary to build a budgeting system that supports South Africa's development goals while safeguarding long-term fiscal sustainability.
- Reforms aim to clarify trade-offs, reduce waste, and direct limited resources to high-impact programmes.

# HUMAN SETTLEMENTS AND ITS CAPITAL GRANTS

## Constitution of the Republic of South Africa Act, no. 108 of 1996

**26. Housing.-**(1) Everyone has the right to have access to adequate housing.

(2) The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right.



## HUMAN SETTLEMENTS GRANTS

- **Strategic Goal**
  - The creation of sustainable and integrated human settlements that enable improved quality of household life
- **Purpose**
  - To provide funding for the progressive realisation of access to adequate housing through the creation of sustainable and integrated human settlements
- **Outcome Statements**
  - The facilitation and provision of adequate housing opportunities and improved quality living environments
  - A functionally equitable and integrated residential property market
  - Enhanced institutional capabilities for effective coordination of spatial investment decisions
  - Tenure security for all recipients of government subsidised houses





## HUMAN SETTLEMENTS CAPITAL GRANTS

- **The Department of Human Settlements administers 6 grants listed below:**
  - **Human Settlements Development Grant (HSDG)**
    - Conditional Grant, Schedule 5, Transferred to Provinces)
  - **Urban Settlements Development Grant (USDG)**
    - Schedule 4, Transferred to Metros
  - **Informal Settlements Upgrading Partnership Grant (ISUPG) (Provinces)**
    - Schedule 5, Transferred to Provinces
  - **Informal Settlements Upgrading Partnership Grant 9ISUPG) (Metros)**
    - Schedule 4 transferred to Metros
  - **Consolidated Capital Grant (CCG)**
    - Transfer payment to Social Housing Regulatory Authority (SHRA) for social Housing
  - **Emergency Housing Fund (EHF)**
    - Capital Fund for the immediate response after Disasters or Housing Emergencies



## **HUMAN SETTLEMENTS DEVELOPMENT GRANT (HSDG)**

### **• OUTPUTS**

- Number of residential units delivered in relevant housing programmes
- Number of serviced sites delivered in relevant housing programmes
- Number of informal settlements upgraded in situ and/or relocated
- Number of title deeds registered to beneficiaries
- Hectares of well-located land approved by the National Department and acquired and rezoned by Provinces for development of housing opportunities
- Number of socio-economic amenities delivered in human settlements



# SUBSIDY QUATUM FOR A 40sqm

## COST BREAKDOWN OF THE STANDARD 40 SQUARE METRE DWELLING TO BE FINANCED FROM THE NATIONAL HOUSING PROGRAMME FOR PERSONS EARNING R0 TO R3 500

IMPLEMENTATION DATE: 1 APRIL 2023

Cost element	Cost
Earthworks	R11 086
Concrete, Formwork & Reinforcement	R17 817
Brickwork	R25 665
Roof Structure	R14 598
Ceiling and insulation	R12 085
Windows	R13 360
Doors and Frames	R10 839
Finishing and paintwork	R17 582
Electrical	R16 459
Plumbing and toilet	R16 488
<b>Subtotal A</b>	<b>R155 979</b>
P & G	R14 178
<b>Subtotal B</b>	<b>R170 156</b>
Project manager	R5 957
Clerk of works	R5 105
Transfer cost	R1 568
Beneficiary administration	R470
<b>Total</b>	<b>R183 256</b>

### New Additional National Elements:

Home solar system (500 W)	R20 300
Burglar Bars	R5 000
Fibre duct	R1 200

### If justified the following can be added (indicative service amount):

Rainwater harvesting devices	R9 500
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# SUBSIDY QUATUM FOR A 45sqm Disabled persons dependable on a wheelchair

Cost element	Cost	
Foundations	R18 360	
Ground floor construction	R20 485	
External envelope	R41 638	
Roof	R13 509	
Ceilings and insulation above ceiling	R13 618	
Internal divisions	R23 072	
Floor finishes	R14 561	
Internal wall finishes	R34 482	
Plaster of internal walls	R3 004	
Windows: Special Low E clear and opaque glass	R7 493	
Electrical installation	R17 485	
Internal plumbing	R20 007	
Site clearance	R4 957	
P&Gs	R20 031	
<b>Sub Total A</b>	<b>R252 702</b>	
Project management	R8 844	
Clerk of works	R7 581	
<b>Sub Total B</b>	<b>R269 127</b>	
Transfer fees	R1 568	
Beneficiary administration	R470	
<b>Total</b>	<b>R271 166</b>	
<b>New National Elements:</b>		
Home solar system (500 W)	R20 300	
Burglar Bars only f	R5 000	
Fibre duct	R1 200	
<b>If justified the following can be added (indicative service amount):</b>		
Rainwater harvesting devices	R9 500	



# CONSTRUCTION OF A TEMPORARY SHELTER

## 30sqm

EMERGENCY ASSISTANCE PROGRAMME:	
ITEM	
Roof sheeting/covering	R 10 818
Side Cladding / Wall Cladding	R 17 817
Columns and anchor bolts	R 10 564
Column footings: Concrete bases for structure posts	R 2 541
Rafters	R 4 900
Purlins	R 6 360
Door & Window posts and frames	R 4 261
Side rails to support side cladding	R 5 217
Flashings	R 1 528
Door	R 3 931
Window	R 3 801
Flooring: Concrete	R 12 730
Thermal improvement under roof	R 4 583
<b>Sub-Total:</b>	<b>R 89 051</b>
<b>TOTAL SHELTER COST</b>	<b>R 89 051</b>
<b>GRAND TOTAL PER GRANT</b>	<b>R 97 684</b>





# GRANT FRAMEWORKS REQUIREMENTS ON IBT

The Final Human Settlements Development Grant Framework has as part of the conditions:

- “A **minimum** of 2% of the grant may be allocated to programmes and projects for implementation of innovative building technologies approved by Agrément South Africa, with a detailed cost analysis for the housing sector (subject to the consultation of local authorities and beneficiaries)”



# Human Settlements Development Grant (MTEF ALLOCATIONS)

Human Settlements Development Grant						
Provinces	2026/27	2%	2027/28	2%	2028/29	2%
<b>R`000</b>						
EASTERN CAPE	R1 473 922	<b>R29 478</b>	R1 537 177	<b>R30 744</b>	R1 588 518	<b>R31 770</b>
FREE STATE	R777 134	<b>R15 543</b>	R810 486	<b>R16 210</b>	R837 556	<b>R16 751</b>
GAUTENG	R3 780 605	<b>R75 612</b>	R3 942 857	<b>R78 857</b>	R4 074 543	<b>R81 491</b>
KWAZULU-NATAL	R2 434 929	<b>R48 699</b>	R2 539 428	<b>R50 789</b>	R2 624 243	<b>R52 485</b>
LIMPOPO	R866 898	<b>R17 338</b>	R904 102	<b>R18 082</b>	R934 299	<b>R18 686</b>
MPUMALANGA	R883 591	<b>R17 672</b>	R921 511	<b>R18 430</b>	R952 289	<b>R19 046</b>
NORTHERN CAPE	R261 460	<b>R5 229</b>	R272 681	<b>R5 454</b>	R281 789	<b>R5 636</b>
NORTH WEST	R1 220 328	<b>R24 407</b>	R1 272 700	<b>R25 454</b>	R1 315 207	<b>R26 304</b>
WESTERN CAPE	R1 559 136	<b>R31 183</b>	R1 626 048	<b>R32 521</b>	R1 680 357	<b>R33 607</b>
<b>Total</b>	<b>R13 258 003</b>	<b>R265 160</b>	<b>R13 826 990</b>	<b>R276 540</b>	<b>R14 288 801</b>	<b>R285 776</b>

# CONCLUSION

- **Climate Resilient**

- Structures that can withstand, recover from, and adapt to climate-related shocks like floods, heatwaves, and storms.
- Structures that enhances sustainability by embedding flexibility and redundancy, protecting lives and livelihoods while reducing economic losses from disasters.

- **Cheaper**

- Subsidy Quantum is known. Can the IBT house be cheaper?

- **Quicker/Faster.**

- Small/Simple Homes (50-100 sqm): Can often be completed in 3–5 months
- Breakdown of Construction Phases (Typical 1-Story Home):
  - Planning & Permits: 2 to 8 weeks, with local council approval times varying.
  - Site Prep & Foundation: 2–3 weeks.
  - Structure & Roofing: 6–10 weeks.
  - Interior & Finishing: 4–8 weeks.





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**THANK YOU**

