

MINISTRY HUMAN SETTLEMENTS REPUBLIC OF SOUTH AFRICA

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NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY

QUESTION NO.: 172

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PQ 172. Mr C J Poole (DA) to ask the Minister of Human Settlements:

Given that thousands of families are still waiting for houses and/or to become homeowners due to delays caused by (a) blocked projects and (b) not being in possession of title deeds to the properties they occupy, in each case, what (i) are the full details of the causes of the delays, (ii) measures have been put in place to address the delays and (iii) is the current backlog (aa) nationally and (bb) in each (aaa) province and (bbb) municipality? NW195E

Reply:

(a) BLOCKED PROJECTS

Definition:

A blocked project in human settlements refers to an approved housing project that has been contractually committed and physically initiated but has subsequently experienced significant delays (at least 12 months) and is not nearing completion (less than 95% complete).

i. Causes of delays

The primary reasons for blocked housing projects include:

- Contractor performance issues: Poor workmanship, project abandonment, and failure to meet contractual obligations.
- Infrastructure challenges: Delays in the provision of bulk infrastructure such as water, electricity, and roads.
- Land invasions: Illegal occupation of project sites disrupting construction progress.
- Financial mismanagement: Cost escalations and misallocation of funds impacting project continuity.
- Construction mafia: Organised crime syndicates extorting contractors, demanding a share of projects, and threatening workers, leading to delays and abandoned sites.

ii. Measures to address delays

The following interventions are being implemented to unblock stalled projects and prevent future occurrences:

- Contractor replacement: Engaging skilled professionals and contractors through framework agreements to complete unfinished projects.
- Collaborative site assessments: Conducting joint verifications with municipalities to facilitate phased resumption of construction.
- Audits and planning: Carrying out structural assessments, financial audits, and revising implementation plans.
- Stakeholder engagement: Working with communities, contractors, and municipalities to resolve disputes and ensure project continuity.
- Fund reallocation: Redirecting budgets to priority projects to ensure completion and optimize resource allocation.
- Beneficiary management: Updating records and expediting approvals for qualifying beneficiaries.
- Combating construction mafia: Strengthening law enforcement collaboration to address intimidation and extortion, enhancing site security with private or municipal law enforcement presence, implementing clear procurement and contractor protection policies, and fostering partnerships with industry associations to safeguard legitimate contractors.

(iii) Current backlog

Nationally:

- Blocked projects: 256 (235 housing projects, 21 social housing projects).
- Distressed social housing: 8 projects identified for urgent intervention.

Provincial Breakdown:

Province	Blocked Housing Projects	Blocked Social Housing
Eastern Cape	16	1
Free State	60	-
Gauteng	45	11
KwaZulu-Natal	46	3
Limpopo	Data pending*	-
Mpumalanga	2	1
Northern Cape	8	1
North West	48	2
Western Cape	10	2

Note: Limpopo is finalizing its audit of blocked projects. Municipal-level data is appended separately.

(b) TITLE DEEDS DELAYS

Background:

The factors that compound the title deed backlog can be broadly categorized as challenges emanating from incomplete township establishment processes, some pre-dating 1994, where many Human Settlements Projects were undertaken without the necessary planning approvals and / or township proclamations having been sought with municipalities.

(i) Causes of Delays

The title deed backlog arises from two primary categories of challenges:

1. Beneficiary related issues:

- Change of occupants: Over time, original beneficiaries may no longer reside in the allocated houses due to informal sales, tenancy, invasions, or their passing.
- Beneficiary tracing: The state must ensure title deeds are registered to the rightful beneficiaries, which requires tracing original recipients or their dependents. Many potential beneficiaries hesitate to claim ownership as it could disqualify them from future housing opportunities.

2. Incomplete Township Establishment processes:

- Lack of planning approvals: Some housing projects were initiated without necessary municipal planning approvals or township proclamations.
- Retrospective township establishment: The formalisation of these settlements requires retrospective planning approvals, causing significant delays.
- Bulk services requirements: The Spatial Planning and Land Use Management Act mandates that bulk and connector services meet specified standards. Human Settlements Grants do not typically cover bulk services installation, preventing the formalization of some settlements.

(ii) Measures to address delays

- Beneficiary management: The government is implementing the approved Guidelines on the Resolution of Property Ownership Disputes, complemented by an ongoing legislative review.
- Township establishment: The Minister of Human Settlements has requested exemptions and waivers from the Ministers of Rural Development and Land Reform and Environmental Affairs regarding the Spatial Planning and Land Use Management Act and the National Environmental Management Act to accelerate township establishment processes.

(iii) Current backlog

(aa) Nationally:

- Residential properties owned by the state: 120,874 properties.
- No access to bulk services: 251,305 households.
- Incomplete township establishment: 398,194 households.
- Ownership pending beneficiary resolution: 62,022 households.

(aaa) Provincial Breakdown:

Province	Residential	No access to	Incomplete	Beneficiary
	Properties owned	bulk services	Township	Issues
	by the state		Establishment	
Eastern Cape	17 283	24 442	15 590	0
Free State	6 898	16 672	7 590	851
Gauteng	19 894	26 872	133 819	35 339
KwaZulu				
Natal	30 088	10 137	125 569	11 059
Limpopo	15 352	97 515	6 735	3 825
Mpumalanga	11 164	13 197	70 440	915
Northern				
Cape	2 846	1 000	2 859	490
North West	4 798	61 470	29 665	1 272
Western				
Cape	12 551	0	5 927	8 271
Total	120 874	251 305	398 194	62 022

Note: Data as of February 2024. The title deeds backlog is a dynamic issue subject to ongoing updates.

(bbb) Municipal breakdown:

Housing projects are implemented at the provincial level, making provincial data readily available. The National Department requires additional time to compile a detailed municipal breakdown.