



**MINISTRY  
HUMAN SETTLEMENTS  
REPUBLIC OF SOUTH AFRICA**

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**NATIONAL COUNCIL OF PROVINCES  
MINISTER OF HUMAN SETTLEMENTS HON. MMAMOLOKO KUBAYI, MP  
PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA, CAPE TOWN  
16 MAY 2023**

**House Chairperson  
Deputy Minister of Human Settlements, Pam Tshwete  
MECs of Human Settlements  
Chairpersons and Members of Boards and Councils of Human Settlements  
Entities  
Acting Director-General of Human Settlements, Ms Sindisiwe Ngxongo and DDGS  
CEOs of Entities  
Honourable members**

In his Human Rights Day message in 1996, former President Nelson Mandela sent the following message amongst other things: “Our drive for human dignity and basic rights is premised on the development of our country and improvement of the living conditions of the people. The freedoms whose virtue we are extolling are meaningless in the face of poverty and underdevelopment”. Our work as Human Settlements is guided by these instructive principles outlined by our Former President. Indeed, our government has made significant strides in creating the largest housing programme in the world, and yet much remains to be done.

The growing anger and frustration towards the government’s human settlement delivery system reflect the enormous work that we must still do to meet the needs of our communities. To meet this challenge, we plan to use every tool at our disposal to ensure that we deliver housing to our people. Let me assure you that despite the challenges within our delivery system, we shall not stand by and watch the human rights of the poor and vulnerable being violated. We shall not stand by and watch communities consume dirty water and without basic sanitation facilities. We will not allow those who lack the political will and human compassion to use cheap political games and government

processes that are meant to safeguard public resources, as an excuse for endangering the lives and the health of our communities.

We shall intervene where we see underperformance or reluctance to deliver houses to poor communities.

It is in this context that, in response to the dire need for basic services for 16 informal settlements in Khayelitsha in the City of Cape Town, we ring-fenced money for the provision of water and sanitation to the informal settlements dwellers. And we shall ensure that the money is used for this purpose.

### **On Informal Settlements Upgrading**

Upgrading informal settlements is central to our goal of achieving spatial transformation and the creation of sustainable cities. So far, a total of 1269 informal settlements are at various phases of the upgrading process against the 2019-2014 Medium Term Strategic Framework target of 1500.

In the Eastern Cape Province, the Housing Development Agency (HDA) has been appointed as the Implementing Agent for the upgrading of 115 informal settlements accommodating 39520 households. To ensure smooth implementation and solid inter-governmental coordination and communication, the Agency signed a funding agreement with the Eastern Cape Department of Human Settlements (ECDHS) on the 12th of July, to undertake the programme and financial management of upgrading the 115 informal settlements in six District Municipalities within the Eastern Cape.

### **On Land and disaster Management**

In need of land, there are people who have settled along the PRASA railway line in the Western Cape, which has been disruptive to the provision of this important economic and public service. We have also ring-fenced money to ensure that the land is acquired so that this community can be resettled in a piece of land that is suitable for human settlement.

Due to climate change, the frequency of natural disasters such as floods caused by heavy rains and storms, has increased significantly. More specifically, the coastal areas of our country which include Kwa-Zulu Natal, Eastern Cape and Western Cape provinces have been experiencing these disasters repeatedly. Although these natural disasters affect everyone, often the worst victims are poor families who either live in informal settlements that are built within the flood line or those who live in buildings with poor structural integrity. After these disasters have struck, these families are left homeless and sometimes, they are placed in undignified accommodation such as halls or tents as a temporary measure. These temporary measures often put women and children in unsafe positions because they sometimes get abused.

To try to acquire and prepare land for human settlement to resettle these victim families once the disaster, causes our disaster response to be unnecessarily long while families continue to suffer. We have thus taken a decision to be predictive in our approach by

ensuring we acquire land in areas that are prone to disasters so that we prepare it for erecting Alternative Building Technology structures. This land will either be purchased where necessary or be part of the land pieces that are being transferred from the Department of Public Works and Infrastructure to the HDA. In this way, our disaster response will be swift and at the same time provide families with permanent good quality housing units that are climate change resilient.

The eThekweni Metropolitan Municipality has been under severe pressure to respond to natural disasters such as floods and heavy rains induced by climate change. In many cases, the response requires the affected households and victims to be resettled, which requires suitable land which often is unavailable. To intervene, we were able to secure an additional R92 million to assist the eThekweni Metro to secure land in response to the April 2022 floods.

### **On Blocked Projects**

In our continued effort to unblock projects and accelerate the delivery of houses, we sent R200 million to the City of Johannesburg for bulk services at the Riverside, Lufhereng and Fluerhof mixed development projects. The completion of these projects will help families who are currently backyard dwellers and in informal settlements in the Gauteng province.

In the Nelson Mandela Bay Metropolitan Municipality, we sent a technical team to assist the Metro to unblock projects and put systems in place to deliver on these projects. I am happy to report that this work yielded excellent results, in that six projects have been unblocked and we have already handed over more than 270 houses to beneficiaries in Polar Park and Qaqawuli housing projects.

In the Mangaung Metropolitan Municipality, political instability which also affected the administrative capacity of the Metro, has led to poor performance and non-implementation of projects. We have sent a technical team which conducted an in-depth analysis of the challenges of the Metro. Challenges that have been identified include delayed procurement processes, poor project planning and lack of technical capacity within directorates. Having identified the key areas, our next phase of the intervention is to deploy the necessary capacity that will ensure that the Metro meets its delivery targets. In this financial year, we have allocated just under R307 million rands to unlock blocked projects. Most of these projects will be in Gauteng and Free State Provinces, which together will deliver 1613 units.

### **On Social Housing- Disrupting Apartheid Spatial Planning**

Our work to transform the apartheid spatial configuration is gathering pace and one of the programmes that is central to this work is the social housing programme. This programme gives access to properties in well-located land to low-income households. Social housing projects bring people closer to the workplace, social amenities, transport facilities and other public goods such as health and education. Last week we launched the Maitland Mews Social Housing Project in Cape Town, which will provide 204 rental opportunities -

with an average monthly rental of between R722 and R6 475 and monthly household incomes ranging from R1 850 to R22 000.

In the coming weeks and months, we will be launching nine more projects including the Lufhereng Social Housing in the City of Johannesburg, Tshwane Marabastad in the City of Tshwane, Hope City project in Nkangala, John Street Project in the Nelson Mandela Bay Metro and many others. We will disrupt the apartheid spatial landscape and build integrated cities one project at a time.

The tenants in these projects will be protected through the Rental Housing Amendment Act. The Department embarked on a process of developing the Rental Housing Regulations to give effect to the commencement of the Act and they are at the final stages. The Act intends to state officially the general principles governing conflict resolution in the rental housing sector, facilitation of sound relations between tenant and landlord, and provide for legal mechanisms to protect the rights of tenants and landlords against illegal actions by the other party by affording speedy redress.

### **Policy Changes**

Effective from the 1<sup>st</sup> of April, we announced the beginning of policy changes to be implemented on all new projects. These changes are aimed at responding to the economic changes, especially the rising cost of living, energy poverty and security needs for the vulnerable. We have decided that subsidised houses will be provided with solar panels, and rainwater harvesting devices where necessary and for persons with disabilities, the houses will be fitted with burglar bars.

Because of increasing material costs, we have decided to increase the subsidy quantum by 29.7% for the current financial year starting in April. The adjustment will ensure that we speed up the pace of delivery and ensure that the quality of houses we provide to beneficiaries does not deteriorate.

Effective from April 2023, in real terms, our housing programmes were adjusted as follows:

- BNG services and top structure- R286 364
- House for persons with disabilities -R307 166
- Military veterans house – R348 069
- First Home Finance - R169 265
- Social housing – R460 984

In our quest to get more value for every rand we spend, we have decided to embrace Innovative Building Technologies so that our solutions are sustainable, cost-effective and of good quality. Accordingly, our primary method of response to disasters will no longer include Temporary Residential Units, instead it will prioritize Alternative Building Technologies. In this way, our immediate intervention will provide a permanent solution and do away with double expenditure on temporary accommodation and then afterwards, a permanent solution.

Here are the proposed Interventions for disaster response:

- Alternative Building Technology
- Building material supply
- Homeowner managed repairs through the voucher system

### **Grants, Provincial Plans and Budgets**

For the financial year 2023/24, the Department's budget allocation amounts to just under R35 billion, of which R19,2 billion is allocated to provincial grants, R12.5 billion for municipal grants, R520 million for the emergency housing response fund and R 1.7 billion will be transferred to Human Settlements entities.

Under-expenditure and poor performance on grants by provinces and municipalities cannot be allowed to continue whilst the housing needs of South Africans continues to grow.

### **Removal of Asbestos**

Honourable members,

You will recall the removal of asbestos programme in the Free State Province ran into serious problems and had to be halted. Some of these problems are currently undergoing court processes. However, asbestos remains a health problem for households and must be removed as a matter of priority. I am happy to report that the Free State Province has resumed the removal of Asbestos programme and budgeted just over R68 million for this programme.

Honourable members,

It takes more than bricks and mortar to build thriving and sustainable communities. Direct involvement of communities in our programme will help us fashion them in such a way that they respond to their needs and help them to form unbreakable bonds amongst one another. It is for this reason that we will continue to support the People's Housing Programme and the involvement and collaboration of non-governmental organizations in our work.

Honorable members

I hereby table budget vote No. 33, together with priorities for financial 2022/23.

*Thank you*