



**MINISTRY
HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA**

**NATIONAL COUNCIL OF PROVINCES
MINISTER OF HUMAN SETTLEMENTS HON. MMAMOLOKO KUBAYI, MP
PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA, CAPE TOWN
HUMAN SETTLEMENTS VOTE 33
23 JULY 2024**

Chairperson of the National Council of Provinces, Hon. Mtsweni-Tsipane

Chairperson of the Select Committee, Hon. Kaunda

Minister of Public Works and Infrastructure, Hon. Macpherson

Deputy Minister of Public Works and Infrastructure, Hon. Zikala

MECs of Human Settlements present and those who joined virtually

Director-General of Human Settlements, Dr Alec Moemi and DDGS

Honourable Members

Building communities in which families thrive economically, enjoy safety and comfort and can create social bonds that enable them to raise children, is central to the work that we do in Human Settlements. It is for this reason that our policy, with the benefit of practice and experience, shifted away from the provision of houses, to creating sustainable human settlements. In this regard, we echo the words of one of the African continental liberation giants, President Julius Mwalimu Nyerere, of Tanzania, who said:

“A house should not be built so close to another that a chicken from one can lay an egg in the neighbor’s yard, nor so far away that a child cannot shout to the yard of his neighbor.”

The past 30 years have taught our sector several lessons about what should and should not be done in creating sustainable human settlements. For example, we have learned that uprooting people from a place where they have lived for a long period of time to a new settlement in most cases does not work. Human beings are social beings, and it is only in a place where they have social bonds with people they know and trust that they can settle in peace. I say this to make the point that we will utilise the lessons we have learned in the past 30 years to improve the efficiency and effectiveness of the human settlement delivery system.

The improvement of the delivery system will require us to look closely at the factors internal to the system, and these are factors that are within our control. These include improved capacity, both people and systems, in the department and its entities; functional intergovernmental collaboration; effective grant and funding framework and increasing the footprint technological innovation in the sector.

The demand market will continue to change and only a digital system will help us to understand its evolution so that we can reorganise the supply market to be responsive to the demand. Hence, digitisation of our systems is our foremost priority in the seventh administration.

Grants, provincial plans and budgets

Due to the sluggish economic performance, our fiscus is constrained, leading to budget cuts in the sector which will come to R14 billion in the next three years. This means we must quickly learn to do more with less and find partners to help us deliver on our mandate.

For the financial year 2024/25, we have a total allocation of R33.1 billion, of which 96% or R31.6 billion is allocated towards transfer payments. Transfer payments consist of conditional grant allocations (R30.1 billion), transfers to entities amounting to R1.5 billion

and other transfers that make up about R10 million. The Emergency Housing Fund budget of R496.7 million constitutes 1% of the total budget.

Furthermore, we have allocated R4,5 billion towards the Informal Settlement Upgrading Partnership Grant and R8.7 billion towards the Urban Settlements Development Grant for the Metros, and for the provinces on Human Settlements Development Grant, R13,7 billion has been allocated while on Informal Settlements Upgrading Partnership Grant, the allocated total amount is R3.3 billion to ensure the fast-tracking of the delivery of sustainable Human Settlements.

On priorities

As we conclude the Medium-Term Strategic Framework (MTSF) 2019-2024, our programmes in this financial year will continue to be aligned to the following priorities:

- Upgrading of informal settlements.
- Eradication of mud houses
- Increased delivery of affordable housing through First Home Finance
- Increased delivery of rental stock through social housing
- Acquisition of well-located land for human settlements development
- Implementation of several catalytic human settlement development projects in areas identified for spatial transformation and in deprived areas
- Tittle deeds programme to ensure security of tenure for many South Africans who never owned a property before.

Intergovernmental collaboration

It is not an exaggeration to point out that the dysfunctionality of governance at local government level has undermined service delivery and performance of our sector. In addition to delays in planning processes, the unstable coalition arrangements at municipal level have crippled the provision of bulk infrastructure and delivery of housing and human settlements. The surest way to increase the footprint of the private/public partnership is by improving governance and capacity at local government level. We will work closely

with the Department of Cooperative Governance and Traditional Affairs to improve local government performance and utilise the District Development Model to ensure that there is alignment of planning in the three spheres of government. We will prioritise rezoning of land and the development of integrated implementation programmes for the Priority Development Areas (PDAs).

It is the only way that we can bring about certainty on our plans and ensure that we increase expenditure on projects and create new stock of houses.

Provision housing and serviced sites

In the previous financial year, 2023/2024, we committed to providing affordable houses and serviced sites. We managed to deliver 19 979 sites across the country with the Eastern Cape being the highest with 5 533. Regarding the Breaking New Ground or RDP houses, we delivered 42 771 units, with KwaZulu-Natal having delivered 10 724.

For the current financial year, 2024/2025, our target is to deliver 20 925 top structures and 35 335 service sites to enable and encourage beneficiaries to build houses for themselves. The Eastern Cape, Gauteng followed by Mpumalanga, will deliver 6 624, 5472 and 3 149 serviced sites respectively in this financial year. In terms of top structures, KwaZulu-Natal, Eastern Cape followed by Gauteng will deliver 7 516, 6 654 and 5 923 respectively, with Limpopo not far behind delivering 5 069 units.

Rental Housing Programme.

In the past year (2023/24), the sector committed to deliver 3 200 Social Housing units and we were able to achieve 3 066, which is 96% of the target which was achieved due to a credible pipeline built over time across provinces. Working with the Department, the Social Housing Regulatory Authority (SHRA) and the Western Cape Province were able to Gazette Restructuring Zones within the City of Cape and Swartland Municipality in a bid to increase more affordable rental opportunities within those areas.

We are currently processing requests to declare additional restructuring zones from the Eastern Cape and KwaZulu-Natal from the following municipalities: Buffalo City, Intsika Yethu, Enoch Mgijima, Mzimvubu and KwaDukuza. We are also engaging several

municipalities in Limpopo and Emfuleni Municipality to provide them with the required support to incorporate Restructuring Zones in their Integrated Development Plans to allow for the development of Social Housing units.

Unblocking of Blocked projects

During the last budget vote, we made an undertaking to prioritise projects that were blocked, thus denying qualifying beneficiaries access to housing. We made funds available for this special project. I am happy to reveal today that out of the 3 445 projects that were reported by provinces as blocked, we have managed to unblock and complete 3 150 of those houses. We will continue to prioritise such projects over the next few months.

Our target for blocked projects is 100 projects across the provinces, with Free State and North West leading with projects at 41 and 30 projects, respectively. These projects will yield 1 505 units which will be a welcomed breakthrough for beneficiaries who have been waiting for long.

On informal settlements

The upgrading of informal settlements is vital to the creation of a life of dignity for the dwellers and to breaking the apartheid spatial development. In cases where prioritized informal settlements are deemed viable or suitable for full upgrading - in the longer term but not immediately - Provinces and Municipalities are encouraged to initiate the creation of pathways and streets within the settlements. This action aims to enhance access to emergency services, waste removal, and overall mobility. This process is defined as re-blocking, which involves restructuring the layout of the settlement to improve infrastructure and circulation without presently undertaking full-scale upgrades.

From the Informal Settlement Upgrading Grant, a total of just over R265 million has been allocated for 13 projects, in both province and metros, to the re-blocking of informal settlements.

Removal of asbestos roofs in houses

Most of the provinces are currently busy with the assessment of the existing asbestos roofs that need replacement. This exercise is taking longer than anticipated as this is a specialised field that requires special handling.

The status of the removal of asbestos roofs from housing units in Umlazi and KwaMashu Townships is a serious concern to us. There are 13 389 units with asbestos roofs in Umlazi. To date, 1 045 units have been refurbished. KwaMashu township has 4 293 units with asbestos roofs and 1 163 of those units have been refurbished. Accordingly, the KwaZulu-Natal province will undertake seven (7) projects totaling R81.5 million during this financial year.

In Free State, 33 567 units were verified with asbestos roofs, and 271 units were completed in the previous financial year. In this financial year, seven (7) projects to remove asbestos that will yield 245 units at a cost of approximately R30 million are planned. The Development Bank of Southern Africa (DBSA) has been enlisted to fast-track the removal process of asbestos roofs.

Across the country, R 258.4 million has been allocated for the removal of asbestos roofs.

Eradication of mud houses

Mud houses have become high-risk structures in areas that are prone to disasters, especially the coastal areas. It is comforting to mention that since the inception of this programme in 2022, seven provinces have played a vital role in ensuring we eliminate mud houses, with 30 618 mud houses eradicated to date. This is a testament that if we all put our shoulders to the wheel, nothing is impossible to achieve. During this financial year, we plan to implement 670 projects across the country with a total budget of R2.5 billion.

The Eastern Cape and Kwazulu-Natal, both of which are prone to frequent natural disasters, are planning to eradicate 3 222 and 5 525 mud houses, respectively.

As the human settlements department, we understand that there is nothing as deeply personal as the house in which one lives. A house is a space in which people begin the journey of building their lives to become productive members of society. The provision of sustainable human settlements can substantially alter the social and economic outcomes of communities for the better.

Tata Madiba made this observation 29 years ago in his closing address, at the United Nations Habitat II African Housing Ministers Conference in Kempton Park, when he said: **“Housing is not neutral. Our own country has in the past known only too well how the provision and non-provision of housing can be used as a form of social and political control. Here and elsewhere, it has often been the means of dealing with the urban and rural poor - to hide them, evict them, harass them, and trample on their self-esteem.**

“As such, a successful housing programme can at one and the same time become a force for economic and social liberation.”

Indeed, the location of a new settlement - relative to economic opportunities and social amenities - can be the determinant factor on whether a community breaks out of the vicious cycle of poverty, or forever remains condemned to inconsequential existence. Indeed, “There Shall Be Houses, Security and Comfort!”

I thank you.