



MINISTRY

**HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA**

SPEECH

BY

THEMBI SIMELANE

**MINISTER OF HUMAN SETTLEMENTS OF THE REPUBLIC OF
SOUTH AFRICA**

**ON THE OCCASION OF SOUTH AFRICAN LOCAL GOVERNMENT
ASSOCIATION WESTERN CAPE PEC LEKGOTLA**

14 APRIL 2025

CUMBERLAND HOTEL, CAPE TOWN

Programme Director, Cllr Anthony Moses

Provincial Chairperson, Alderman Donovan Joubert

Members of the Provincial Executive Committee

Member of the National Executive Committee, Alderman Xolani Sotashe

Officials

Ladies and gentlemen

Good day,

It is indeed my honour and privilege to address this auspicious Provincial Executive Committee Lekgotla of the South African Local Government Association here in the Western Cape. I really want to thank you for inviting me to this important gathering.

As a former Mayor and President of this association, SALGA will always have a special place in my heart, so is the work of local government in general.

This is also because of the important work you do as an association and as a sector.

It is for this reason that I wish to commend you for the collective efforts and dedication in making sure that the sphere of local government works for our people. I know that you conduct your business under complex and challenging circumstances.

I believe working together we can make local government work for the citizens of this country, and it behoves this Lekgotla to come up with tangible and enduring solutions in making sure that there are fundamental changes in the municipalities of the Western Cape.

Most importantly, you are called upon to assist us as the department of human settlements in its quest to reimagine a human settlement of the future underpinned by spatial justice.

I have a plethora of issues to raise with SALGA from a Human Settlements perspective, especially around the unending crisis of the proliferation of informal settlements and the capacity of municipalities to prevent the illegal occupation of land. This is one area that we are lagging as municipalities.

The failure to prevent this proliferation or mushrooming of informal settlement, and these illegal land grabs would create a planning and service delivery crises for municipalities.

Equally, illegal land grabs breed an unsustainable culture of lawlessness and undermine existing developmental plans for municipalities and provincial government.

This also undermines investor confidence in our municipal areas.

As the Department, we are currently reviewing Prevention of Illegal Eviction from an Unlawful Occupation of Land Act (PIE) policy and will be followed by the PIE amendments.

In this regard, I can confirm that consultations with stakeholders have already started. These stakeholders include our provinces, municipalities, yourselves as SALGA, NGO's representing unlawful occupiers such as SERI and Department of Home Affairs.

At the MINMEC meeting of the 03 of October 2024, it was agreed that all provinces should provide inputs on their experiences and challenges regarding the implementation and interpretation of Prevention of Illegal Eviction from an Unlawful Occupation of Land Act.

Letters were written to all MECs in Provinces and inputs were received from Mayor Lewis, Mpumalanga Province and SALGA has shared a position paper.

The White Paper for Human Settlements contain the following statements:

- Government will initiate legislative review and reforms including Prevention of Illegal Eviction and Unlawful Occupation of Land Act 19 of 1998, legislation for the recordal of rights and restructuring of fees structure to realise the rights of adequate access to housing.
- The Housing Act will be repealed and replaced by a new instrument that will address the broader objective of establishing integrated and sustainable human settlements as well as improved quality of households, incorporating principles from applicable normative instruments, policy documents and constitutional case law.
- Government will proactively take all necessary measures to curb the development of unplanned settlements/ informal settlements and the management of informal settlements growth where land is owned by government.
- In instances where land and property are vacant and unlawful occupation of land is imminent, the authorities/owners will proactively take all necessary legal measures to protect land and landed property (both private and public property).
- Unlawful occupation of land is undesirable as it promotes queue jumping for housing assistance and unplanned utilisation of land earmarked for other uses,

including housing. All spheres of government shall deal with unlawful occupation of land decisively.

- People living in informal settlements considered most vulnerable, including those with special housing needs such as victims of gender-based violence, orphans and vulnerable children, disabled persons and older persons will be provided with access to suitable and dignified accommodation, as far as possible within settlements, through meaningful engagement.
- Unplanned neighbourhood development interventions that are grounded on infrastructure upgrading, maintenance, housing construction and urban management and create skills and training development and job opportunities will be pursued by leveraging various interventions including public works programmes and local contracting.

Program Director,

A meeting of this nature would have betrayed its purpose if the question of backyard dwellers is not given some level of attention.

As we strive for a more lasting solution to this reality. We need to open ourselves to learning from the experiences of both backyard dwellers and the landlords. Their experiences and suggestions would go a long way in helping us to tailor relevant and responsive solutions to the challenges experienced by the municipalities, the tenants and the landlords.

Program Director,

As a collective of role players in the local government space we are also called upon to respond to disasters in their different form, shape and scale.

As you would agree, disaster management in human settlements does not only involve responding to disaster incidents, but it also involves

planning for mitigation measures in order to ensure that communities become more resilient to disasters.

The department has the following instruments to assist communities that are affected by disasters:

- Temporary Residential Units – Where houses are completely damaged, and security of tenure is guaranteed
- Building Material – Where communities experience shack fires, and this assist in recovery efforts
- Self-Repairs – Where housing have minimal damage and the owner is able to repair the house, the department provide building material to enable the owner to repair the dwelling
- Temporary Emergency Accommodation – Where people are placed in evacuation centres/ mass care centres after the disaster has occurred, government provide accommodation especially to vulnerable groups

As part of the mitigation efforts to alleviate against the impact of disasters the department has:

- Has issued a directive that 5% of the ISUPG must be used for the Re-blocking of Informal Settlements and Relocation of Category C Informal Settlements
- A process is underway of mapping all areas that are in disaster prone areas

- The department conduct disaster awareness sessions in areas prone to disasters
- The department has started a process of developing disaster mitigation plans for provinces and metros
- A process was initiated to engage traditional leaders not to locate people in flood plains and this is an ongoing engagement

In the Western Cape, the department has been very active in responding to shack fires and including the dam collapse at Swartland Municipality.

Colleagues,

I am sure we are now all familiar with the fact that the Government of National Unity has three priorities arising out of its programme and were approved by cabinet, and subsequently President Cyril Ramaphosa convened the cabinet Lekgotla to consider the Government of National Unity's Medium-Term Development Plan, which translated these priorities into a detailed actionable plan and the interventions that the GNU will implement over the next five years.

It is against this backdrop that the President said the MTDP will set out well-defined vision and strategic plan that outlines clear goals and includes specific, measurable objectives and a roadmap for achieving them.

However, it is important to note that for us to have the successfully implemented objectives of the MTDP, they must be aligned to the budget, and I must hasten to confess that the theatrics surrounding the passing of the budget have the potential to impact negatively to the implementation

of the goals aimed at ensuring we achieve the strategic objectives of this administration.

Accordingly, the Human Settlements sector aligns itself with the Government's three (3) strategic priorities, in particular Strategic Priority 2: Reduce poverty and tackle the high cost of living with the desired impact been a more equal society where no person lives in poverty, and a cohesive and united nation.

It is aligned to the Statement of Intent and the National Development Plan (NDP) 2030, focusing amongst others on creating a more just society by tackling poverty, spatial transformation, reduced inequalities, vulnerabilities, and social ills, as well as access to the quality of provision of basic services working together with municipalities.

Colleagues, over the next three years which is the Medium-Term Expenditure Framework (MTEF), the Western Cape Province MTEF budget allocation for the Human Settlements Grants for 2025/26, 2026/27 and 2027/28 as per the 2025/26 DOR Bill as gazetted on 07 February 2025, is R5.66 billion (R5 660 387), made up of R5.11 billion for HSDG and R 549.37 million for ISUPG. The MTDP five-year target for the Western Cape on housing units is 27 909.

Notably, out of the R549.37 million budget for Informal Settlements Upgrading partnership Grant (ISUPG), 70% of the grant must be allocated to capital projects that would yield mainly serviced sites. This means that

over a five-year period, the province must allocate 70% of their annual ISUPG allocations to projects with the 9 761 targeted serviced sites.

It is also important to note that over 60% of the required number of serviced sites for the sector is allocated to metropolitan municipalities.

The City of Cape Town Metropolitan Municipality MTDP budget allocation for the Human Settlements Grants for 2025/26, 2026/27 and 2027/28 as per the 2025/26 DOR Bill as budget allocation for the Human Settlements Grants over the three-year period, as gazetted on 07 February 2025, is R5.36 billion (R5 360 052), made up of R3.41 billion for USDG and R1.94 billion for ISUPG.

The Metro has a target to provide about 30 270 serviced sites in the next five years. The city must also allocate 70% of its annual ISUPG allocations to projects that will yield serviced sites, towards ensuring the upgrading of informal settlements.

The same approach adopted for HSDG in terms of the grant utilisation has been adopted. This means that about 70% of the ISUPG grant must be utilised for capital projects and 30% is for other programmes such as planning, provision of basic services, formalisation, etc.

It is important to note that in the Western Cape there are about 802 informal settlements that must be upgraded, through Phases 1, 2 & 3 of the National Housing Code, to ensure access to services and secure

tenure. It is imperative that the province and municipalities plan & report progress for each phase. Therefore, record and report current status of each informal settlements and report progress in the implementation of interventions.

Noting that Phases 1 – 3 are organising tools that create standardisation in the planning and reporting of progress.

The focus needs be on in-situ upgrading, near-site relocations, and provision of basic services such as water, sanitation, electricity, and waste removal. The Department will also strengthen collaborations with municipalities to strengthen by-law enforcement and land invasion prevention measures will be strengthened to curb the proliferation of new informal settlements. In future, these efforts will be strengthened through the finalisation of review of the PIE Act undertaken by the Department.

A plan for informal settlements upgrading must clearly outline how the outputs will be achieved. The outputs include amongst others upgrading plan, formalisation, implemented Livelihood Strategies, provided Human Rights Package or basic services and Serviced sites (incomplete sites must be reported as progress in phase 3).

Colleagues, there are number of inner-city buildings identified and released for Human Settlements development and a number of hectares of land identified and released for human settlements development, therefore, we must work together with municipalities and metros to reclaim

buildings that have been hijacked in the city centres and re-purpose them for public use.

In this regard, the Department of Human Settlements would be assisting the 8 metropolitan municipalities and 23 district municipalities with secondary cities to develop masterplans that focus on planning and implementing infrastructure projects that supports the achievement of liveable neighbourhoods. In the Western Cape we are looking at the City of Cape Town and Stellenbosch.

In terms of social housing, there are about 2 703 new rental units that will be added to the existing rental stock. These will contribute to restructuring of the City of Cape Town by offering well located places to stay and play that are near work.

Through the Housing Development Agency (HDA), the Department will continue to actively acquire inner-city buildings for the conversion into mixed-income rental housing mainly

Lastly various interventions for the gap market have been planned, this includes the provision of serviced sites and other subsidies for the market. The main aim is to ensure the affordability of the product.

The Department is busy finalising the development of the Digital Human Settlements Management System (DHSMS). The system seeks to enhance efficiency mainly in project tracking, beneficiary management, and disaster response. This system ensures that policy development,

housing allocation and urban planning are data-driven, efficient, and aligned with spatial transformation goals.

The Department is advancing legislative amendments to:

- a) Ensure fair access to home loans and eliminate discriminatory lending patterns.
- b) Prevent illegal land invasions and fast-track formal township development.
- c) Develop the Human Settlements Bill to reinforce a spatially just housing delivery system.

The Department is collaborating with UN-Habitat and other international partners to align South Africa's urban policies with global best practices for spatial equity and sustainable urbanization. In this regard, the Department is currently engaged in a process to conclude an Agreement with UN-Habitat for the establishment of a Country Office in South Africa.

More importantly are the initiatives to inculcate long term planning in the sector. This include the development of a comprehensive plan that is at a level of a district or metropolitan municipality to plan and implement infrastructure projects, housing projects, land development pipeline, social and economic amenities as well as land acquisition. The main objective is not only to ensure long term plan but better budgeting, project packaging and implementation.

These are the tangible and palpable strategic interventions which the Department will be mounting as we implement the MDTP, the NDP and Sustainable Development Goals

We need to strengthen our Intergovernmental Relations (IGR) and work together in tackling challenges facing local government. As you may all be aware last week on Wednesday, I officially released the George Building Collapse report instituted by the National Home Builders Registration Council (NHBRC), and we characterized the George Building collapse as a historic and horrific disaster which remains fresh in the memory of many South Africans.

It claimed 34 lives and some survivors are still recovering from the devastating day that changed their lives because of negligence.

The investigation uncovered that the George Municipality approved the plans when the construction was already underway. This means the work on site started before approvals were finalised.

It therefore behoves the PEC Lekgotla to deeply reflect on this matter and ensure municipalities adhere to rules, laws and regulations governing the building approval processes, so that we avoid calamities of this nature in the future.

I wish the PEC Lekgotla well in its deliberations and thank you so much once gain for inviting me.

I thank you.

I thank you.