MINISTRY

HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA

KEYNOTE ADDRESS

BY

THEMBI SIMELANE

MINISTER OF HUMAN SETTLEMTS OF THE REPUBLIC OF SOUTH AFRICA

ON THE OCCASION OF

THE STAKEHOLDER ENGAGEMENT OF THE SOCIAL HOUSING REGULATORY AUTHORITY

20 NOVEMBER 2026

PROTEA HOTEL OR TAMBO AIRPORT, KEMPTON PARK

Programme Director, Dr. Soreya Beukes;

Chairperson and Council of the SHRA, and Chairpersons of Human Settlements Entities;

Director-General of the Department of Human Settlements, Dr. Alec Moemi;

DDG's of the Department of Human Settlements;

Chief Executive Officers and Executives of our Entities;

Representatives of Development Finance Institutions and Commercial Banks;

Representatives of SALGA and municipalities;

Social Housing Institutions and Delivery Agents;

Distinguished guests;

Ladies and gentlemen;

Good morning.

It is my singular honour and privilege to address this Stakeholder Engagement of our Social Housing Regulatory Authority.

I want to thank you to the Board and the Executive management of SHRA for bringing us together under the theme "Building Sustainable

Communities: A Dialogue on Social Housing Delivery Successes, Challenges and Solutions."

This engagement brings government, municipalities, delivery agents and financiers into the same conversation about what it will take to move projects from approval to occupation, and to sustain them thereafter.

Social housing helps us address the spatial legacy of apartheid by offering dignified rental accommodation with access to work, transport, and services. It is one of the ways in which we advance the progressive realisation of the right of access to adequate housing under section 26 of the Constitution.

There is progress to build on. Through the SHRA programme, more than 23,000 jobs have been created. The current pipeline comprises 45 projects with an expected 18,892 units. By the second quarter of 2026/27, 5,409 units had been delivered against the Medium-Term Development Plan (MTDP) target of 13,000 units, approximately 42% of that target. In the 2025/26 financial year, both the Consolidated Capital Grant and the Institutional Investment Grant achieved 100% expenditure against their revised allocations.

I commend the SHRA and its partners for this work in a constrained fiscal environment. The figures also sharpen our task: we must turn the pipeline and available funding into completed, well-located housing at a pace that

matches need. Expenditure is essential, but it must translate into units that people can occupy, and institutions can manage sustainably.

The first barrier is financial closure. The grant can provide up to 70% of project funding, while the balance must be secured through debt or other capital, depending on the delivery vehicle. When that balance is delayed, projects stall, and costs rise. Emerging delivery agents face difficulty convincing financiers to back new institutions. We need practical agreements on investment criteria, blended financing where appropriate, and partnerships that strengthen the capacity and bankability of projects.

The second barrier is land and municipal support. The declaration of restructuring zones beyond the established metropolitan areas creates an opportunity to extend social housing into more places. It does not, on its own, make suitable land, bulk infrastructure, or planning approvals available. The project pipeline remains concentrated in Gauteng. I therefore ask municipalities, working together with SALGA, to prioritise suitable land release, timely statutory approvals, infrastructure support and appropriate rates concessions for state-subsidised social housing. These decisions determine whether approved projects can proceed.

The third barrier is the long-term sustainability of the housing stock. Criminal intimidation at construction sites by the notorious construction mafias, rental boycotts and weak property management can threaten both delivery and the viability of institutions, including municipal-owned entities.

We must address criminal conduct with the relevant security structures and use the Rental Housing Tribunals to resolve landlord–tenant disputes through the proper channels. An 88% rental collection rate is encouraging, but maintaining it requires capable social housing institutions, sound maintenance and consistent management after construction.

We are considering the proposed indexation of the grant quantum to R426,308, revised Social Housing Norms and Standards, and a review of the Social Housing Act. These processes should be informed by the obstacles we encounter in actual projects. The White Paper on Human Settlements, gazetted in January 2025, gives us the broader direction; delivery requires coordinated decisions across the value chain.

I am appealing to our financing partners to engage the SHRA and delivery agents on workable investment criteria and financing structures. I am also appealing to delivery agents to strengthen procurement, contractor due diligence, construction quality and the capacity to manage completed developments.

Municipalities must also act decisively on land, approvals, infrastructure and rates within their mandates. And I ask the SHRA to maintain rigorous grant oversight and to ensure that the Action Plan and Stakeholder Commitment Framework, to be finalised by the CEO and EXCO, identify clear responsibilities and are actively monitored.

Let this dialogue produce specific decisions that remove delays and unnecessary bottlenecks, unlock finance, and extend well-managed social housing to the communities that need it. We have a substantial pipeline. Our shared responsibility is to deliver it, sustain it and build more integrated communities for the people of South Africa.

I wish you a productive engagement. May we find a common ground in our quest to build sustainable communities.

I thank you.