

**SPEECH BY GAUTENG MEC FOR HUMAN SETTLEMENTS, TASNEEM MOTARA, ON THE OCCASION OF THE 2024/2025 GAUTENG DEPARTMENT OF HUMAN SETTLEMENTS BUDGET VOTE, GAUTENG LEGISLATURE, 31 JULY 2024.**

**Madam Speaker**

**Deputy Speaker**

**Honourable Premier**

**Honourable Members of the Executive Council**

**Honourable Members**

**HoD and Senior Management of the Department**

**Executive and Non-executive Management of the Gauteng Partnership Fund**

**Members of the Media**

**The People of Gauteng**

## **1. INTRODUCTION**

Over the past three decades, housing delivery has shifted from an emphasis on merely building and delivering houses to individuals and communities, to recognising the importance of providing access to resources and opportunities whilst doing so, which would facilitate the active participation of historically disadvantaged individuals (HDIs) and communities in the social and economic fabric of South Africa and bring about a better quality of life and living conditions for them.

Honourable Members

The changing political and economic discourse within the housing delivery sector resulted in a shift, from housing to human settlements delivery, recognising the sector's critical role in improving the broader socio-economic participation of beneficiaries and in driving socio-economic transformation.

In order for us to effectively address the spatial and economic fragmentation within Gauteng City Region (GCR), our housing delivery mandate and model needs to expand beyond merely providing shelter for citizens to actually building integrated neighbourhoods and communities, with the human settlements vision of delivery of transport nodes, schools, hospitals, libraries, sports facilities, facilities for commercial and economic activities etc. alongside housing delivery.

Madam Speaker

Housing delivery has to go hand in hand with the delivery of basic services such as water, electricity and sanitation, alongside social amenities as well as creating access to economic opportunities that bring about a better quality of life and improved living conditions for citizens in our city region. Hence, human settlements should not just be seen as a Department of Human Settlements responsibility only, rather it is an intergovernmental, interdepartmental, multi-disciplinary responsibility that requires budget allocation and commitment on a year-to-year basis from other provincial departments as well as spheres of government.

## **2. PROGRESS FROM TURNAROUND STRATEGY**

Over the previous term, the department has made noteworthy progress as relates to governance and financial management, with the number of audit findings decreasing significantly as the department finally achieved an unqualified audit opinion after years of poor performance in this particular area. We are pleased to report that this unqualified audit opinion has been sustained for the 2023/2024 financial year, with the department notably fairing much better on capital expenditure and achieving targets and the Housing Fund showing a slight improvement by coming out of a disclaimer to an adverse outcome owing to a slight regression in performance information, which we will definitely be improving upon in the current financial year. To put this in context, The Housing Fund improved from the disclaimer audit opinion as received for five consecutive financial years, with the adverse audit opinion based purely on adjustments that were pervasive in nature.

This is a clear demonstration of the positive trajectory that the department is on when it comes to improving its performance across the spectrum. The department has commenced with developing a Response Action Plan to address all audit findings, noting a significant reduction over the past five years, as well as ensuring that we have key management commitment in implementing audit recommendations, something that we track on a weekly basis.

Honourable Members

During the Sixth Administration, the department managed to automate its contract management and administrative processes, improving turnaround times with respect to the evaluation of tenders. All of this is crucial in terms of making the process improvements that will bring about accelerated housing delivery and improved departmental performance. A considerable number of accruals were cleared during the same period and the department has improved its claims management systems, with an e-submission system in the final stages of being implemented. We have a fully functioning

geographic information systems (GIS) portal, which is able to help us identify optimal located zones for future development along with the human settlements masterplan and project bank which were introduced in order to help us better align and coordinate all human settlements developments within the province across the various spheres of government, whilst also incorporating various public and private sector stakeholders. We would like to thank MEC Lebogang Maile, the MEC of the department during the previous term, for having steered the ship in the right direction with the turnaround strategy that he introduced and implemented, ensuring that he left the department on a much sounder footing than where he found it when he came in as its executive authority in 2019.

### **3. HOSTELS REDEVELOPMENT, CENTRAL BUSINESS DISTRICT (CBD) REVITALISATION AND INFORMAL SETTLEMENTS UPGRADING**

Madam Speaker

The hostels redevelopment programme has been given renewed impetus with the adoption of the Hostels Redevelopment Strategy, with the aim of turning our hostels into dignified family units for beneficiaries. Work has already been done in terms of bulk infrastructure assessments across the sixty-five hostels within the province, six of which are owned by the province, with the rest being owned by municipalities. We have also conducted a socio-economic survey across all the hostels and have identified land for development for those hostels that are in a state of disrepair, as part of our Hostels Redevelopment Programme. Maintenance and environmental upkeep work will be conducted on a continuous basis, and we will be continuing with structural repair work on all our hostels. We will be conducting detailed designing and upgrading work within these hostels. We want to redevelop our hostel precincts into integrated quality living spaces for a wide variety of households and we will continue with our consultations and engagements with izinduna, as critical stakeholders in the implementation of our Hostels Redevelopment Strategy.

Honourable Members

Central Business District (CBD) Revitalisation will be one of the priorities of the Seventh Administration in Gauteng, with the province proactively coordinating CBD Revitalisation in the ten CBDs across Gauteng City Region. We want to increase the provision of affordable housing within our CBDs and in line with this we will be actively pursuing innovative and transformative partnerships in order to provide affordable lending for the owners of properties in our CBDs through our social housing programme.

The department will drive the effort towards the revitalisation of our CBDs through the resuscitation of dilapidated buildings and infrastructure within our inner cities, in partnership with the Department of Cooperative Governance and Traditional Affairs (CoGTA) in the province, which will play the critical coordinating role in our CBD Revitalisation plans as a province, the Department of Infrastructure Development (DID)

and of course the various municipalities around the province. Entities such as the Gauteng Partnership (GPF) and the Housing Development Agency (HDA) will play a critical role in the implementation of our CBD Revitalisation plans as a province, along with the Social Housing Regulatory Authority, the National Housing Finance Corporation, the Johannesburg Social Housing Company and the Johannesburg Development Agency, just to mention a few national, provincial and municipal entities that will be important stakeholders in our CBD Revitalisation Strategy implementation plans. The Housing Fund must assist us to secure a register of all buildings as well as determine ownership status, with the DID playing a vital role in helping us ascertain this.

Madam Speaker

We have developed an implementation model that seeks to reinvigorate inner cities through the rejuvenation of old, abandoned, invaded, and dilapidated buildings. The department will conduct a socioeconomic survey to establish demographic information, income and employment data, housing conditions assessment, financial situation and preferences and needs analysis in order to develop a comprehensive response programme towards CBD Revitalisation. The survey will assist us with decision-making on housing typologies and resource allocation for the CBD Revitalisation Programme. We want to be able to drive and direct investment into our CBDs through this programme, revitalising our CBDs and turning them into vibrant economic hubs that promote localisation, with enhanced manufacturing capacity.

We seek a more coordinated effort in order to fast-track delivery on our Urban Renewal Programme in the identified urban renewal nodes of Alexandra, Bekkersdal, Winterveld, Evaton and Kliptown. We have to decant these areas with modern development plans and designs with high rise building typologies in order to maximise space and land available.

Honourable Members

We will be focusing on bringing about improved implementation of the Upgrading of Informal Settlements Programme (UISP) with a focus on basic services, social facilitation as well as the provision of socio-economic amenities. We want to provide amenities and infrastructure in informal settlements and will be upgrading our informal settlements in collaboration with national government, municipalities, and resident communities, in line with the District Development Model. We will be implementing alternative sanitation and energy solutions for our informal settlements with solar high mast lighting and microgrid solutions which are energy saving and accessible to communities that have bulk infrastructure challenges and require interim services or emergency relief.

#### **4. BULK INFRASTRUCTURE, TITLE DEEDS ISSUANCE AND BENEFICIARY ADMINISTRATION**

Madam Speaker

Municipalities have a significant role to play in local development initiatives and spatial transformation as well as within the human settlements delivery value chain at large, especially when one looks at title deeds issuance, beneficiary allocation and bulk infrastructure roll out. We will strengthen intergovernmental collaboration to accelerate the delivery of integrated human settlements.

We want to foster collaboration and alignment between the province and municipalities on the following aspects:

- Bulk infrastructure installation: our plan is to use bulk infrastructure strategically to unlock greater levels of investment by the private sector in the five development corridors that make up Gauteng City Region.
- Securing of government assets (land and property) through the enforcement of by-laws and execution of eviction orders.
- Fast-tracking of township proclamation processes, which is often a bottleneck to accelerated title deeds issuance and beneficiary allocation.
- Better alignment between Human Settlements Development Grant and Urban Settlements Development Grant spending.

Honourable Members

The priority for housing allocation will continue to be the 1996-1999 applicants, persons with disability, child-headed households, and military veterans. The elimination of the title deeds backlog will continue to receive priority as evidenced by the robust actions we are taking to register outstanding title deeds. We will be focusing on fast-tracking the registration and transfer of subsidy homes and issuance of title deeds to households. Land and housing ownership are critical elements in winning the battle against the asset poverty of poor households.

Madam Speaker

We are embarking on a beneficiary data cleansing exercise, through updating and verification of the Gauteng Housing Needs Register. The Gauteng Department of Human Settlements (GDHS) manages a comprehensive Housing Needs Register encompassing approximately 1.2 million individuals. To ensure the accuracy and reliability of this database, a thorough process of data cleansing, updating, and verification is imperative.

This multifaceted approach involves the following:

- Importing the Gauteng Housing Needs Register from the National Housing Needs Register.
- Conducting a meticulous desktop exercise to rectify the data by identifying and flagging duplicates, individuals who have benefited from housing subsidies, undergone marital changes, Housing Subsidy System (HSS) approvals awaiting allocation and other relevant factors.
- Identifying and engaging key stakeholders to ensure project awareness and mobilisation.
- Implementing on-site verification for individuals listed on the database.
- Registering new entries into the database.
- Creating township/ward profiles
- Migrating the clean data back into the National Housing Needs Register.

An exciting initiative that we will be implementing, which is currently being piloted at our Affri Village Mega Project in Randfontein, is the introduction of body corporates on all our mega projects, which will assist us with the following challenges: maintenance, ownership and transfer of title deeds, illegal occupation of houses, housing units being sold without transfer of title deeds, municipal accounts and rates and taxes. This is a multi-stakeholder innovation requiring collaboration and coordination between community and civic organisations, ward councillors, municipalities, developers, provincial government through the department and other relevant stakeholders such as the Community Schemes Ombud Service (CSOS). It is an exciting initiative that has the potential to be a game-changer and we will be pursuing its adoption and implementation at a beneficiary administration and policy development level.

## **5. MEGA PROJECTS, GAUTENG PARTNERSHIP FUND AND ECONOMIC TRANSFORMATION**

Honourable Members

The focus of the department has consistently been on the delivery of integrated and sustainable human settlements across the province. We have prioritised the delivery of integrated and catalytic mega human settlements projects in partnership with relevant stakeholders. In this regard, we will be blacklisting all underperforming contractors and giving more units to those that are performing in order to accelerate mega human settlements delivery. Our emphasis will be on the upscaling and diversification of mega human settlements projects.

One of the innovative ideas we will be exploring will be to go out to market on request for proposal or expression of interest for land portions zoned for commercial activity on our mega projects, which are currently underutilised or not being optimally used. This will be a game changer when it comes to local economic development, job creation, SMME development and even developing manufacturing capacity at a local level through our mega human settlements projects. We want to invest in building productive capacity and contribute to the province's re-industrialisation objectives by ensuring that building material is locally manufactured. Mega human settlements project delivery creates financial, social, and economic assets for beneficiaries, who are often historically disadvantaged individuals that are excluded from the formal property market as well as the mainstream economy.

Madam Speaker

The Gauteng Partnership Fund (GPF) as an entity of the provincial government, will be repositioned to better enable it to unlock additional funding for our human settlements projects through transformative partnerships with the private sector and development finance institutions such as the Development Bank of Southern Africa.

We will be investing in developing the township real estate market through the GPFs Kasi-4-Real Programme and elevating its other programmes, such as the Empowerment Entrepreneur Property Fund, which is designed to promote the participation of historically disadvantaged-owned companies in the affordable rental property market and increasing the GPFs capacity to deliver social housing and student accommodation projects. With all of this in mind, we will be proceeding with the application that was initiated in the previous administration in terms of recapitalising the GPF through Provincial Treasury.

Honourable Members

Human settlements delivery with its backward and forward economic linkages, is a critical element in our drive for economic transformation within our city region's economy. Backward linkages involve employing local people and procuring goods and services from local companies as we implement our mega human settlements programme. This can bring significant social and economic benefits, with a multiplier effect of wages and revenues spent locally providing a further boost to local economic development. Forward linkages involve boosting the broader economy, building productive and manufacturing capacity as we implement our mega human settlements programme.

## **6. IKAGELENG RAPID LAND RELEASE AND COUNTER-LAND INVASION**

Madam Speaker

We want to ramp up the Ikageleng Rapid Land Release Programme, so that more households are enabled to build houses for themselves, thus relieving the pressure on government, with a greater emphasis on releasing land to young people. We have developed a list of all beneficiaries in our database who have are in the process of securing loans and those that are still undergoing town planning processes as part of the Ikageleng Rapid Land Release Programme. One of the Human Settlements programmes that we want to profile in this regard, is the First Home Finance programme, which is a once-off housing finance subsidy that enables qualifying beneficiaries to buy or build their first homes on an affordable basis.

It is a programme of the National Department of Human Settlements that was developed in order to enable sustainable and affordable first-time home-ownership opportunities to South African citizens and legal permanent residents whose household income is between R3501 and R22 000 per month. We want to link this up with the implementation of our Ikageleng Rapid Land Release Programme for the benefit of beneficiaries. We are also looking at the possibility of using government-owned land for Ikageleng Rapid Land Release, with DID having a critical role to play in this regard and have issued a mandate to the GPF and the HDA to continue looking for serviced land parcels to purchase for the Ikageleng Rapid Land Release Programme.

Honourable Members

The unlawful occupation of government-owned land and buildings is often driven by criminal syndicates that are deeply entrenched and well organised and is actually counter-developmental. These criminal syndicates take advantage of the vulnerability of people who are desperately in need of housing. The Unlawful Occupation of Land and Buildings Policy coupled with the Unlawful Occupation of Land and Buildings Strategy was adopted by Exco during the Sixth Administration and it is a pro-active counter-land invasion policy and strategy whose primary focus is on prevention, early warning systems, engagement/participation, feedback, legal compliance, resolutions/alternatives, accountability, safety, and security as well as swift responsiveness for evictions.

## **7. CONCLUSION**

Madam Speaker

Our plans for the 2024/2025 financial year include the completion of abandoned and blocked projects with work underway to deal with bottlenecks for all projects that are



blocked and not allocated owing to bulk and municipal issues such as township proclamation, which CoGTA in the province can assist us with.

The department is undoubtedly on a solid path of improvement with consistent tracking of progress being made on the resolution of audit findings, all with a view to sustaining and improving the department's audit outcomes and bringing about a positive change in its results and overall performance. We also want to enhance our capacity as a department by investing more resources into policy and research work, as part of our commitment to evidence-based policy and programme development, in line with the priorities of the Seventh Administration.

#### Honourable Members

The department consistently tracks the extent to which improvements are realised on the most stubborn challenges identified in a conscious and conscientious attempt to be responsive to national and provincial political and socio-economic priorities, as well as being responsive to the human settlements needs and demands of the people of Gauteng. In the words of the first Housing Minister of the democratic dispensation, the late Comrade Joe Slovo, speaking at the National Housing Summit in 1994, "We could have talked about the facts and figures of South Africa's housing problem. We could have once again looked at the massive backlog and talked about the number of new families entering the market every year. But numbers don't tell even half the story. We would have been discussing in a vacuum, divorced from the people and places we aim to serve ... Housing is a physical requirement. But it is also much more – it is a spiritual need which goes to the root of a dignified and tolerable life. It is at the core of a better life for all South Africans."

In closing Madam Speaker, the budget allocation for the department for the 2024/2025 financial year is a Main Allocation of R5767, 478 000, with Conditional Grant Funding of R4826, 349 000. The Conditional Grant Funding has Human Settlements Development Grant (HSDG) funding of R3893, 933 000 and Informal Settlements Upgrading Partnership Grant for Provinces funding of R927, 043 000 within it.

Allow me to thank the Head of Department and all senior management of the department, the CEO of the GPF and all its executives, the Chairperson of the GPF and the rest of the board as well as all staff within the department and the GPF for the hard work they have put in so as to better position the department to fulfil its mandate and deliver on its responsibilities to the people of Gauteng. I want to also renew our commitment as a department to working with the portfolio committee and its chairperson during this term of office in order to ensure transparent, accountable governance as well as improved departmental performance. I now table the Gauteng Department of Human Settlements budget for the 2024/2025 financial year for your consideration. Thank you!!!

