Democratic Alliance speech by

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Human Settlements budget fails to set out a plan for a better future

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An analysis of the Gauteng Department of Human Settlement’s budget and its performance for the 2022/2023 financial year indicates a department frozen in years of perpetual decline and operational ineptitude with no strategy or vision for the future. The very few successes are overwhelmed by continuous and repetitive underperformance and the failure to recognize the systemic breakdown in accountability and institutionalized underspending.

The department continues to set generous targets and goals and despite a questionable turnaround strategy, almost all project targets fall way short of expectations.

The failure to hold officials to account for operational incompetence prevents the department from re-inventing itself such that the department’s future performance and outcomes can be improved.

The 2022/23 budget of R6.3bn is shared amongst four programmes, the most prominent being Programme 3 –Housing Development which receives an allocation of R5.3bn or 84% of the total allocation through the Human Settlements Development Grant and the Informal Settlements Upgrading Grant.

It is significant that those programmes that intend to be prioritized during the current financial year are those which have consistently failed to achieve anywhere near their intended outcomes and delivery shortcomings remain repetitive and disappointing.

The funds allocated for the Housing Development Programme are insufficient and improper planning and lack of vision will lead to none of the outcomes being achieved. Small steps with incremental success are what is now required and in the future. Taking on too much with insufficient funding can only perpetuate short- and long-term failures. Administrative and operational delays remain hugely problematic.

The budget debate provides an annual opportunity to test the performance of the Gauteng Department of Human Settlements and its political head MEC Lebogang Maile. This is best done by measuring such performance against the constitutional obligations of the department, the viability of the targets it has set, and its performance against such targets by comparing previous years' achievements as a yardstick for success.

The DA is mindful of the challenges imposed by the lack of sufficient funding, the restrictions imposed by the Covid-19 pandemic, the unlawful land invasions, and the unrestricted influx of illegal immigrants into Gauteng.

Although there are these restrictions, the DA however has persistently and since 2014 highlighted the consistent failures by successive MECs in recognizing and dealing with the core issues which have plagued the department thus preventing effective delivery by the department on its core mandate.

These issues include

1. Systemic underperformance in the department by failing to reach very modest targets. These include uncompleted plans for the upgrading of informal settlements, no progress with municipal bulk infrastructure and no strategies in place to attract beneficiaries that qualify for the Rapid Land Release Programme.

2. The consistent and repetitive underspending by the department continually places the integrity of the department at risk with the threat of funds being returned to the National Treasury always being a possibility. No plan has been provided to rid the department of this very detrimental practice.

3. Poor discipline, governance and leadership in the department have resulted in its’ consistent failure to achieve most of its goals which are aggravated by ineffective political and operational accountability and planning.

4. The department is continually introducing new initiatives without completing those in the pipeline, thus creating confusion as to which needs to be dealt with first.

5. Despite the Human Settlements budget being increased to R6.2bn for the 2022/23 financial year this amount remains inadequate to deal with the increased demands for housing with the numbers on the housing waiting lists exceeding 1 million. The need for the private sector to become involved in attempting to find a solution to this issue becomes increasingly urgent. The consistent and uncontrolled influx of undocumented migrants who are occupying informal settlements where little or no infrastructure exists is evidence of a department with no plan to manage and solve the problem.

6. The Urban Renewal projects in areas such as Alexandra, Bekkersdal and Winterveld remain stalled through political ineptitude and poor workmanship. The stark reminder of the provincial government’s inability to successfully drive projects is laid bare most significantly in Alexandra. Despite a statement of intent being entered into by all role players in 2016 a court order preventing development in Old Alexandra has remained in place since 2005. The inability to access necessary funds from the National Treasury to resolve the outstanding dispute with the Alexandra homeowners has allowed undocumented migrants to occupy the area thus placing a continuing burden on the already strained infrastructure. The department has provided no plan to deal with this problem.

7. A large amount of funds has over the last few years been allocated to accelerate the allocation of title deeds. However, it is not clear who has benefited from the Title Deed Restoration Grant and its mode of implementation.

8. The Hostel Redevelopment Plan has failed to upgrade and redevelop hostels. The living conditions in most hostels in Gauteng continue to deteriorate where the state of disrepair and squalor worsen a humanitarian crisis already aggravated by Covid19. Both the Premier and successive MECs have continually recognized the inhumanity unfolding in these areas but fail to take action to improve the living conditions to alleviate this human suffering. Appropriate action remains but a promise.

9. Much fanfare has been made of the rollout of the Mega-City initiative which process appears to have stalled. The shortfall in housing delivery is further delayed by the extensive number of unfinished/abandoned housing projects where most programs have fallen short of projected timelines. Despite undertakings to accelerate the completion of these projects the extent of the problem is visible if one visits these projects across the province which are mostly abandoned in differing stages of completeness. The MEC and the department have failed to provide an explanation for this incompetence.

10. Despite the need for the de-densification programme brought on by the Covid-19 pandemic, no Gauteng programme has yet been formulated and no de-densification initiative exists. Although there has been talk of a de-densification policy and process with reference to an overall informal settlement formalization process the Gauteng Department of Human Settlements and MEC Maile have failed to provide either a business plan or any framework for the implementation of the process. There further appears to be a plan in the pipeline to upgrade informal settlements. It is still unclear whether the policy of the department is the eradication of informal settlements, their upgrading and how these fit into the formalization process.

11. The department continues to repetitively fail not only to report regularly and accurately as to the reasons for its shortcomings but as a practice does not provide details and/or suggested corrective measures to solve the problem. There remains a total lack of political and operational accountability. This indicates a vacuum, particularly in political leadership.

12. The inability of the Gauteng Partnership Fund, which was set up to raise funds for the strategic objective of increasing and leveraging private sector funding is a major opportunity lost in accelerating cooperation between the department and the private sector. How the fund is administered, how much has been collected and from whom and its overall potential success remains unclear.

13. The department’s continuing and ongoing paternalistic approach to planning and allocation of housing initiatives by failing to adequately interact and communicate with communities restricts buy-in and participation from such communities and slows down the allocation process. Decisions cannot and must not be taken without the consent of those affected by such decisions.

As an overall assessment of the department and as with previous budgets it is evident that political and operational leadership is lacking. The budget has failed to provide a mechanism to achieve its strategic outcome-oriented goals of good governance, strategic management, and the development of legislative frameworks, policies and plans that enable spatial transformation in the delivery of human settlements. It fails to facilitate well located sustainable integrated human settlements that provide security of tenure.

This budget will not solve the deep-rooted and systemic underperformance within the department and/or provide the mechanisms for the delivery of suitable and sustainable housing to our residents.

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