

## **Makashule Gana: It is business as usual for the Department of Human Settlements**

Honourable Chairperson,  
Honourable Minister and Deputy Minister,  
Honourable Members,  
Fellow South Africans,

This afternoon we reflect on the Human Settlements' 2015/16 Budget. I must say from the onset that very little has changed – it's simply just more of the same. There are no bold plans for this financial year, it is business as usual. I cannot seem to understand how this department is happy to continue on the path of poor delivery.

On 24 June last year I stood before you to raise issues pertaining to Human Settlements. In her response to the debate, the Honourable Minister agreed with most of the issues raised, however, sadly few of the matters raised have been dealt with or are in the planning process.

To this day, there is no talk or policy proposal to involve subsidy housing recipients before the houses are built. The department continues to treat people as passive recipients whose only job is to say thank you.

During my visits to communities across the country it became apparent to me that people accept that the government cannot build houses for everyone. They accept that they must play an active role in building their own homes.

I was in Soweto during an oversight visit a few weeks ago. Residents who stay in backrooms asked me if there is a possibility of getting a piece of land to build their own houses. Of the land acquired by the HDA for human settlements purposes, very little land is acquired to give directly to the people to build their own houses.

To paraphrase a leader many South Africans admire when speaking of corruption, “a project is only thought of after a list of tender beneficiaries have been identified”.

Could it be that the land acquired by HDA is primarily earmarked for the building of houses because some tenderpreneurs have to benefit? What we are asking for, Honourable Minister, is that the well located land that has been acquired by HDA be serviced and given to the people to build their own houses.

During the budget debate last year, I raised the issue of rooms in Soweto built as part of the hostel upgrades standing empty. The apartments are still empty to this day. On Monday residents of Diepkloof had a service delivery protest asking to be allocated to the units that have stood empty for over 5 years.

To this day, there is no urgency to resolve the matter. We are now spending more money hiring security companies to guard against invasion of the units instead of allocating them to the people. Many of the hostels across the country need special attention to restore them and create dignified habitable conditions.

In the budget for the department, the upgrading of 750 000 informal settlements by 2019 is set as a target. The target itself is a noble one, but it remains vague as to what exactly an upgraded informal settlement should look like.

When I visited Enkaneng informal settlements in Marikana four weeks ago, community members told me that very little has changed since President Zuma announced the Special Presidential Package for distressed Mining Towns. They told me that the only thing that has happened in the settlement is the installation of high mast lights. According to an official's record within the department, the informal settlement has been upgraded. How can this be?

According to residents the water supply is unreliable and on many occasions water from their taps is brown in colour. Roads are muddy and sewage has been flowing through the streets, posing a major health risk for both adults and children.

Honourable Chairperson,

In an answer to my question regarding the Special Investigative Unit's probe into allegations of fraud and corruption, the Minister said that no department official or contractor has been referred for criminal investigation. This, despite the billions of Rands that are being spent on rectification of shoddily built houses. But the SIU simply cannot find anything?

The Free State provincial government spends R330 000 to repair a single house that costs R150 000 to build, but once again, the SIU and the department sees nothing wrong with it. No official is brought to book. It is business as usual.

Minister Sisulu's latest announcement that the National Department will be moving to Nelson Mandela Bay to assist with housing delivery, is nothing more than an election tactic by the ANC. The time for politicking is over; people are fed up with waiting on the ANC to deliver on their mandate. The Minister

did not mention anything about taking action against current departmental officials who get paid fat salaries but fail to perform.

A total of 96% of the department's budget is transfers to provinces and metro municipalities; we therefore need a tight monitoring mechanism to ensure that the money is appropriated accordingly and actually gets spent.

I would like to conclude by making this proposal to you Honourable Minister. The DA believes the time is right for us to review the upper income range for people to qualify for Social Rental Housing. R7500 in 2005 is not equal to R7500 in 2015. The rental costs are going up each year but the income range is not being changed. People are unable to afford the rental payment as the cost of living, due to our poor performing economy, is continually on the rise.

The departmental budget is nothing else, but business as usual.

I thank you.

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### **Tarnia Baker :Constant underspending robs our communities of housing opportunities**

Honourable members,

Some of you will remember the '80s TV series the A-team and Colonel Hannibal's famous words: "I love it when a plan comes together".

Now, for any plan to be successful it must be implementable and measurable. Sadly, the Department of Human Settlements leaves much to be desired in both these areas.

Non-delivery and underspending are the two hurdles which this department need to overcome in order to achieve its target of creating 270 000 housing opportunities per year, considering that delivery has declined by 25% over the last 5 years despite the budget allocation almost doubling.

There are a number of reasons the department provides for this poor performance, namely the escalating building costs (agreed), the huge increases in the cost of bulk services i.e. water and electricity (agreed), and of course the 36.1% unemployment rate doesn't help the situation at all.

However, there are a number of other factors at play here. At the heart of this is the lack of effective monitoring and evaluation of projects in all provinces, as highlighted by the Financial and Fiscal Commission and the Auditor General over and over, year after year since 2009. Lack of effective

management is a systemic problem, starting right at the top with the Ministry and trickling all the way down to local government level.

Limpopo and Mpumalanga clearly lead the pack of underperformers, with Limpopo losing R500 million of its Human Settlements Development Grant funding during the last financial year due to the inability to spend this money. Clearly drastic intervention measures are necessary to prevent any further damage to this already crippled province.

Sadly the people of Limpopo must suffer due to this and the forfeited R500 million was reallocated to the Eastern Cape, another underperformer of note. I questioned the ability of the Eastern Cape to spend these additional funds, given its track record. In Nelson Mandela Bay for example, the metro underspent its Urban Settlements Development Grant by a staggering 52%! Let me not get into the fact that the national department will take over the human settlements function in Nelson Mandela Bay to the tune of R4.6 billion.

Honourable Chairperson, throwing good money at a bad problem won't change the reality of underspending.

The department of Human Settlements has already acknowledged that municipalities do not have the capacity to implement housing projects. This is very worrying as 96% of its budget is allocated to provinces and municipalities through transfers and grants.

It is therefore imperative that stringent oversight over implementation is prioritised, as this is clearly where the breakdown occurs, creating a breeding ground for problems and opportunities for corruption, particularly as the department does not have an anti-Fraud and corruption strategy in place. Hence the many allegations of maladministration at grass roots level.

Credible waiting lists are non-existent in most provinces, unlike in the DA-run City of Cape Town, where a successful online application system has been implemented with over 3000 people already using the system since its inception in November 2014.

Honourable Chairperson, what about addressing the 900 000 title deeds backlog? How are we to achieve the target of "wealth creation and the restoration of dignity of our people through the acquisition of property", if we cannot issue the home owners with the title deeds to their properties?

Honourable members, the DA offers a very simple solution for what appears to be a complex situation: Improved monitoring, equals greater accountability, equals delivery of more housing opportunities for our people.

Honourable Minister, get your own house (department) in order and the rest will follow.

I thank you.