**Report of the Portfolio Committee on Human Settlements on oversight visit to Gauteng, dated 02 March 2022**The Portfolio Committee on Human Settlements (hereafter the Committee) embarked on a five-day oversight visit to the Gauteng Province from the 24th to the 28th of January 2022. The Committee reports as follows:

#  Acronyms

* BNG Breaking New Ground
* HDA Housing Development Agency
* RLRP Rapid Land Release Programme
* HRP Hostel Redevelopment Programme
* UISP Upgrading of Informal Settlements Programme
* URP Urban Renewal Programme
* UDA Urban Development Agency
* PHP People’s Housing Process
* SCM Supply Chain Management
* PRT Professional Resource Teams
* NUSP National Upgrading Support Programme
* LARLRP Land Acquisition and Rapid Land Release Programme
* GPF Gauteng Partnership Fund
* HSS Housing Subsidy System
* RDP Reconstruction and Development Programme houses
* FLISP Finance Linked Individual Subsidy Programme
* USDG Urban Settlements Development Grant
* HSDG Human Settlements Development Grant
* SANS South African National Standards
* DBSA Development Bank of Southern Africa
* SHRA Social Housing Regulatory Authority
* TRUs Temporary Residential Units
* SAPS South African Police Service

# 1. Background and purpose of the oversight visit to Gauteng

The Committee’s mandate is to maintain an oversight responsibility that ensures a quality process of scrutinizing and overseeing government’s action. It is driven by the ideal of realizing a better quality of life for all people in South Africa. It is also required to facilitate public participation as well as oversee compliance with regulatory legislative frameworks related to human settlements. In brief, the Committee considers legislation referred to it, conducts oversight of any organ of state and constitutional institution falling within its portfolio, considers international agreements, and considers budget of Department and Entities falling within its portfolio.

This is to ensure that the executive fulfils its mandate and is held accountable at all times. In order to protect the environment and ensure the development of sustainable human settlements, oversight visits enable the Committee to be better positioned to understand proposed programmes, projects, targets that have been achieved and challenges that hinder service delivery.

The purpose of the visit was for the Committee to get a detailed overview of the Gauteng Province’s progress on the implementation of its strategic plan. This was achieved by conducting a briefing session with the provincial department and municipalities, together with other stakeholders. The Committee wanted to assess the performance of the province in relation to the following:

* The implementation of a comprehensive and integrated human settlements strategy within the province;
* Progress on the achievement of Outcome 8 outputs and targets set for the 2021/22 financial year;
* The budget expenditure and performance with regards to achieving service delivery targets and goals set for the 2021/22 financial year;
* The roles of the public and private sector in service delivery;
* The progress made in supporting communities that were affected by disasters;
* The progress made in the construction of Military Veteran’s houses;
* The progress made in the construction of houses for the destitute, vulnerable and people with special needs;
* The rural and farm worker assistance and the housing co-operatives assistance programme, together with the People’s Housing Process (PHP);
* The co-ordination and management of the beneficiary list, and incorporation of backyard dwellers into the provincial housing database;
* The progress made and the challenges encountered in the restoration and issuing of title deeds to the pre- and post-1994 group of beneficiaries;
* The use of alternative technologies in construction.

Furthermore, the Committee received a report the Lanseria Smart City. It also received an update on the petition that was tabled in Parliament through the then Portfolio Committee of Human Settlement, Water and Sanitation. The petition was referred to the Committee on the 23rd of September 2021. Ms H. Ismali, from the Democratic Alliance, presented the petition on behalf of the Bonaero Park community in Ekurhuleni. In relation to supporting communities that were affected by disaster, the Committee visited Khutsong in order to access the impact of reported sinkholes.

# 2. Briefing by the National and Provincial Department of Human Settlements for 2021/22 Financial Year

The Head of the Department provided a presentation and briefed the Committee on the progress, challenges and the use of the allocated funds for the strategic plans in the Gauteng Province. These plans consisted of strategic priorities in the realization of Outcome 8. These strategic priorities included:

* The paradigm shift from legacy small and sporadic projects, to mega projects underpinned by the Breaking New Ground (BNG) strategy of integrated mixed developments that were sustainable with various tenure options, and socio economic amenities;
* The Rapid Land Release Programme (RLRP) which was implemented by the Department as part of its constitutional mandate of providing adequate shelter to the Gauteng citizens;
* The Hostel Redevelopment Programme (HRP) which the Department had implemented to ensure that hostels were modernized and accommodated families for purposes of achieving social cohesion in the province;
* The Upgrading of Informal Settlements Programme (UISP) that had been implemented by the Department in a bid to address the lack of basic services in informal settlements.
* The rehabilitation and improvement of conditions in the Urban Renewal Programme (URP), nodes, focusing on upgrading old townships within the Province through much-desired upgrades. The abovementioned townships included, Bekkersdal, Evaton, Kliptown, Winterveldt and Alexandra;
* The issuing of title deeds with the intention of facilitating security of tenure from government to qualifying beneficiaries and eradicating backlogs in the registration process.

## 2.1. Progress on the achievement of Outcome 8 outputs and targets

In line with the outputs and targets set for Outcome 8 in the 2021/2022 financial year, the Gauteng Province managed to deliver a little over 70% of its overall target of sites and only just 31,5% of houses.[[1]](#footnote-1) The delivery of houses and the efficiency thereof, had proven to be challenging. This progress is reflected in the following figure:

|  |  |  |
| --- | --- | --- |
| **Programme** | **TARGETS** | **DELIVERY**(Up to December 2021) |
| **Sites** | **Houses** | **Sites** | **Houses** |
| Integrated Residential Development Programme: Phase 1: (Serviced sites in projects) | 8 072 | 0 | 8 567 | 361 |
| Integrated Residential Development Programme: Phase 2: (Top Structure Construction) | 0 | 13 525 | 121 | 4 015 |
| Rapid Land Release programme | 6 194 | 0 | 1 392 | 0 |
| **Total**  | **14 266** | **13 892** | **10 080** | 1. **376**
 |

### 2.1.1. Measures to speed up construction

The Province took the following measures to fast-track the construction and the delivery of sites and houses. These measures included:

* The appointment of new contractors to sites to take up construction;
* The delivery targets were adjusted during the adjustment period as a result of the impact of Covid-19 pandemic and the Supply Chain Management (SCM) appointments;
* Upscaling the projects that had been delivering efficiently on sites, and had no dependencies;
* Contractors on sites were monitored on a weekly basis.

### 2.1.2. Upgrading Informal Settlements

Only 54 of 71 informal settlements were receiving interim support services per the financial year. There were no informal settlements receiving a phase 2 upgrade and no individual upgrading plans prepared in terms of the National Upgrading Support Programme (NUSP) had been approved. The challenges included: the delay of water services as a result of a lack of designs for the reticulation of the water interim and permanent services, Professional Resource Teams (PRTs) were not prepared to undertake development of NUSP assessments, and the late appointment of PRTs to develop the upgrading plans.

Some of the corrective measure that have been adopted to ensure effective and efficient upgrading of informal settlements included: providing interim and permanent water services through the Housing Development Agency (HDA), the provision of bulk services for mega projects within the province, fast-tracking the appointments of contractors and service providers to speed-up the process of providing phase 2 upgrading for informal settlements, and service providers’ delivery programmes had been revised to achieve the key delivery milestones.

### 2.1.3. Land Acquisition and Rapid Land Release Programme (LARLRP)

With regards to the targets and outputs set for LARLRP Programme, over 22% of the targeted land had been procured from the private sector in the 2021/2022 financial year. That was 1392 stands out of the targeted 6194. Moreover, only 24% of the serviced erven had been handed over to the beneficiaries in the 2021/2022 financial year. This amounts to 1509 stands out of the targeted 6194.

The challenges that hindered the progress of the above projects was in relation to the ongoing procurement processes at the Gauteng Partnership Fund (GPF) and the HDA, and because the hand over to beneficiaries was directly linked to the procurement process, the number of handovers were equally negatively affected. The corrective measures for the above problem was to acquire 3 480 stands in Chris Hani, Brink Park and Palm Underway. Funds had been paid to the HDA for the finalization of the land acquisition.

### 2.1.4 Urban Renewal Programme (URP)

Out of the four areas identified where the URP would be implemented in the 2021/2022 financial year, only one project was implemented in one area being Alexandra. The other three projects were still at the procurement stage. Challenges included the delays in the procurement processes. The delay had been exacerbated by the delayed appointment of PRTs for the planning and design work that was related to Evaton, Bekkersdal and Winterland projects.

In an aim to correct the above, the plan was to complete the process of appointing PRTs by the end of January 2022 for the Bekkersdal URP. For Evaton and Winterveld, the plan was to complete the appointment of PRT by the end of February 2022.

## 2.2. Budget, Expenditure and Performance

The below figure shows the budget expenditure and performance of the Gauteng province. For the 2021/2022 financial year, the Gauteng Province had a total budget of five R 5 912 132 000. By funding Administration, Housing Needs, Research and Planning, Housing Development and House Assets Management; the Province spent 59% of the budget as at 19 January 2022.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Summary - Per Programme** | **Budget 2020/21****(R’000)** | **Expenditure as at 19 January 2022****(R'000)** | **Available Budget****(R’000)** | **Spent****%** | **Available****%** |
| **Administration** | 533 702 | 361 136 | 172 566 | 68% | 32% |
| **Housing Needs, Research, Planning** | 21 619 | 10 148 | 11 471 | 47% | 53% |
| **Housing Development** | 5 148 814 | 3 012 641 | 2 136 173 | 59% | 41% |
| **Housing Assets Management** | 207 997 | 100 233 | 107 764 | 48% | 52% |
| **TOTAL** | **5 912 132** | **3 484 158** | **2 427 974** | **59%** | **41%** |

## 2.3. The impact of Covid-19

The Covid-19 pandemic has since brought an unprecedented reality with a series of lockdowns that has had devastating effects on all industries in the country. The Department of Human Settlements in the Gauteng Province reported the following challenges:

* Delays in building material supply and material availability or accessibility;
* Delays in approval of plans by intergovernmental stakeholders due to restrictions of Covid-19 regulations and regular closure of offices (Municipal offices, Deeds, Surveyor General, etc.);
* Construction sites also experienced regular opening and closure due to Covid-19 cases and limitation on number of people on sites;
* Illegal occupation (invasions) of strategic land parcels and completed housing units in some cases;
* SMME financial capabilities were also affected due to sudden amendments to rules of trade;
* General slow-down of economic activities and reduction on material manufacturing;
* Interrupted supply chain management processes (during the hard lockdown).

## 2.4. Title Deeds Programme

Throughout the country, there was challenges with regards to the allocation of housing and issuing of pre-1994 title deeds. Many of these beneficiaries were of old age and some have passed on without being allocated their houses. The focus has since been on special cases which include the elderly, disabled persons and child-headed households. Special cases were prioritized and more effort and energy was put into providing title deeds to the rightful beneficiaries of these housing programmes.

### 2.4.1. Achievements

* Progress of issuing title deeds to applicants going as early as pre-1994 to as recent as post-2014 currently stands at just over 56.8%.
* Only 733 out of 2 138 housing beneficiaries that applied pre-1994 have received their title deeds.

### 2.4.2. Challenges

These were the challenges that the province was facing with regards to the issuing of title deeds:[[2]](#footnote-2)

* Slow processing of housing claims to pave way for registrations;
* Some completed properties were located on townships with outstanding planning milestones;
* The target also included properties where beneficiaries were not approved on Housing Subsidy System (HSS). This challenge was to be addressed by the approved Regularization Policy;
* Some completed properties were located in townships with outstanding planning milestones.

### 2.4.3. Corrective measures

To ensure that the province reached its set targets for the issuing of title deeds, it adopted the following corrective measures:

* An awareness drive to sensitise claimants about the process of receiving title deed and the required documentation;
* Appointed service providers for the formalization to townships process;
* Appointed service providers for the process of verifying beneficiaries;
* More effort into concluding the outstanding activities that hinder the achievement of planning milestones.

## 2.5. Blocked Projects

There were projects that were blocked from proceeding. The table below provides the projects affected, the municipalities, the number of units, the reasons for being blocked and the interventions:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Municipalities** | **Project name** | **No. of units** | **Reason for blockage** |  **Intervention** |
| **Ekurhuleni Metro** | 3D Etwatwa Ext. 9 & 10 | 149 | Quality assurance: Poor quality of houses built through the community builder programme, due to the project not being approved by inspectors. | Budget: Project budgeted for completion of construction in this financial year. |
| Ekurhuleni Metro | 3D Tsakane Ext. 19 Phase 1 | 18 | The beneficiaries were given material to build their own houses, but they did not complete the houses. | Project budgeted for structural assessment. |
| City of Tshwane | Mamelodi Ext. 10 |  | Project built under 1998 specs of 16sqm steel frame.  |  |
| Johannesburg | 3 MEC Vlakfontein Focus Area – Phase 1, 2& 3 | 139 | The project was implemented by CoJ housing. The service provider’s contract was not extended due to poor performance. | The Department has recently concluded an agreement to take over and complete the project. |
| Sedibeng | Tshepiso North Ext. 3 | 640 | Houses were not completed due to illegal invasions. | Evictions are required, followed by the allocation of houses to the rightful beneficiaries. |
| Mogale | Kagiso Ext. 12 | 150 | Poor performance by incubator contractor despite mentor appointed by Department.Contract terminated. | No contractor was appointed in 2020. |
| Sedibeng | 3 D Evaton North - Phase 1 | 210 | Houses were not completed due to contractor’s financial constraints. | Project budgeted for structural assessment.  |

# 3. Oversight report

A summary of human settlements projects visited is provided as Annexure 1. The following section provides a detailed report on human settlements projects visited by the Committee:

# 3.1. Lanseria Smart City Initiative

Lanseria Smart City had been in the planning stages for about a decade. Since President Cyril Ramaphosa announced the development of the new Smart City in Lanseria in his 2020 State of the Nation Address, “a joint initiative led by the Gauteng Office of the Premier was formed to undertake extensive studies and engagements for the planning of Lanseria Smart City”[[3]](#footnote-3). The Lanseria Regional nodes was a representative of one of the most momentous regional development opportunities in both Gauteng and North West, and was said to be the opportunity to evolve the first genuine scale post-apartheid smart urban node in the Republic. This initiative required the collective energies of all spheres of government, parastatals and various entities that belong to the private sector.

Lanseria was positioned at the edge of four different municipal governments, and none of the municipalities were in the financial position to fund the necessary bulk and framework infrastructure within the set timeframes that were required to unlock the various development applications which were representative of a new city that was based on a range of commercial, industrial and residential uses that would be home to over 3,5 million people. The vast majority of the land was owned privately. The municipalities involved comprise of the City of Johannesburg, the Mogale City, the City of Tshwane, and Madibeng Municipality (North West).

## 3.1.1. Processes and Challenges for the Realization of Lanseria

To develop Lanseria Smart City, there was a range of coordination processes that were required. These processes included:

* + Innovative financing which matched future flows of funds which could be responsibly encumbered to collateralise the upfront cost of bulk sewerage, electricity, water, road and fibre networks;
	+ An infrastructure master-planning process which could consolidate all the detailed technical planning work towards Lanseria as city node done by various parties to date – including the various property developers with applications pending within the area defined for the new urban node, the four municipal governments within which the area of the proposed node falls, Gauteng Provincial Government and North West Provincial Government as the regional planning authority and provincial and national agencies with transport infrastructure mandates;
	+ An economic master-planning process which would integrate all the potential economic development activities that would underpin the sustainability of the new city node;
	+ A coordination mechanism that could phase the work required into a coordinating structure for the new city node, analogous to a city improvement district but at larger scale.[[4]](#footnote-4)

**3.1.2. Challenges:**

The following were challenges:

* Mokgale City did not have sufficient funds to deliver the necessary services to the public, it would be almost impossible for this municipality to contribute to the development of Lanseria Smart City;
* Municipalities, such as Mokgale City, would be forced to fund the project while other towns were falling apart and communities go without the basic needs and service delivery;
* The diminishing agricultural land in the West Rand as a result of the increasing residential and commercial areas;
* The size of Lanseria Smart City development could possibly affect places such as the Hartebees Dam that generates revenue into the economy through tourism. This could lead to less revenue being generated in these places which creates a vicious cycle of unemployment and poverty;
* Since the vast majority of the land was privately owned, there was concern that this development would not interest private entities in terms of funding;
* There was no parallel form of development in terms of developing the smart city together with incorporating social housing or even RDPs in the project.

**3.1.3. Corrective measures**

The following corrective measures were proposed:

* There was a need for careful planning and consideration of the consequences that come with such a development.
* Before such a project could become a reality, provincial and local government must prioritise the improvement of service delivery to local communities before funding such projects.
* The Committee requested a copy of the final report. This report should detail the plans, economic development possibilities, budget related initiatives and everything else that forms part of the Lanseria Smart City Development Plan. The project was a new concept and therefore a detailed report would provide clarity, some assurance to the concerns that were raised and answer the many unanswered questions.

# 3.2. Fleurhof Development

Fleurhof was a multi-housing development in Johannesburg’s Region C. It was one of the largest integrated and mixed housing development in the Gauteng Province and was included in the Premier’s Mega projects as pronounced during April 2015. The development was made up of a total of 10 411 multi- storey dwellings, including 3 236 BNG units, 1 334 units CRU/Social housing, 3 719 Finance Linked Individual Subsidy Programme (FLISP) and rental housing, 2 122 units - freestanding open market bonded units.

The developer, Calgro M3 had completed a total of 4 633 units. These units were allocated to beneficiaries and the remaining units were still at different stages of construction. There were 200 Military Veterans units catered for in the project. Part of the purpose of the development was to move the elderly from backyard rooms and shacks to new and permanent homes. The beneficiaries who had applied between 1996 and 1999 were prioritized. On completion, the Fleurhof project would provide housing to an estimated 83 000 people.

In support of green initiatives of energy saving, Fleurhof implemented the use of solar water heaters, heat pumps, improved insulation, gas and recycling projects. Food gardening for low income communities and urban greening initiatives were being implanted. A water reservoir was in the process of construction. Fleurhof would receive electricity from the shared sub-station from the group implemented for another project.

All bulk and link infrastructure upgrades were developed as part of the Fleurhof Development were not all project specific requirements. This was because the City of Johannesburg was using the project as a facilitator to drive infrastructure development within the area in order to unlock future residential developments along Main Reef Road in Roodepoort.[[5]](#footnote-5)

Fleurhof had the following planned and some completed urban amenities: 11 business and retail opportunities, seven crèches, five religious sites, one community centre, five schools (primary and secondary), 20 – 30 Parks (active and non-active). There were two schools: the temporary structured school, and the Future Nation School. There were talks to demolish an old hostel in order to develop a new school. There were about 1 000 units that were completed and needed to be handed over. The delay was as a result of the substation and therefore units could not be handed over to residents without electricity.

## 3.2.1. Challenges

The following were challenges:

* Invasions was a huge challenge in the Fleurhof development. The process of Evictions process was time consuming and if developers win court cases and receive eviction orders, the illegal occupiers had the right to appeal the court’s decision;
* Units were completed but unoccupied;
* There was an issue of the incomplete civil infrastructure for the development of the Main Reef and Fleurhof drive, the Bulk water pipeline, link services and Malecite Bridge. The Fleurhof substation had not been completed, however by June 2022 it would be completed;
* The hostel that had the potential of being developed into a school was invaded by gangsters, and as a result of the damage that was done and the illegal mining, the building was formally condemned and would be demolished. The land would need to be rehabilitated, as a result, and a school would be built;
* The fuel garage that was built to supply the community was raided and destroyed a day before the official opening. Tanks were emptied and that was why it was not in operation. Negotiations with Shell were ongoing.

## 3.2.2. Corrective measures

The Committee proposed the following corrective measures:

* There should be security measures in place to prevent invasions;
* There should be transparency of the beneficiary list and involvement of beneficiaries in the development of the units;
* The new Future Nation Schools should also cater for children from disadvantaged backgrounds;
* The community should be involved in the structural upkeep and maintenance of the units;
* The commercial and industrial development within Fleurhof should employ local residents.

# 3.3. Lufhereng Mega Project

Lufhereng was a mega city housing project in the City of Johannesburg for the western expansion of Soweto. It comprised of mixed income, typology and tenure housing development.[[6]](#footnote-6) The focal purpose of the project was to address the 1996/1997 beneficiary waiting list of people that were living in informal settlements and backyard shacks in Soweto and the relocation of people and families from the targeted informal settlements.[[7]](#footnote-7) The development was planned to physically, economically and socially integrate with Soweto.

The project was expected to yield over 30 000 housing opportunities. At that point, a total of 10 697 units were completed. The project yield was estimated to include 12 200 high density housing with 4 200 fully subsidized units, 7 750 FLISP units, 6 750 Social Housing, 6 750 fully bonded units, 18 educational facilities, commercial development (retail, offices, filling stations etc.), recreational sites, and urban agriculture. In 2022, 531 RDPs were completed and transferred. While 1009 were still under construction.

## 3.3.1. Challenges

These were the identified challenges:

* There was an issue of dolomite. As a result, the developer opted for a one-site one-house approach to avoid any future problems. This meant that the project could house less beneficiaries;
* Funding was a problem. A request was made for the Committee to escalate the issue of funding and that the project should be part of the priority list of projects;
* The supply of bulk services and the funding thereof. Eskom’s capacity of electricity was close to capacity;
* The project received less than 10% of the Urban Settlements Development Grant (USDG) budgeted funding. The project required R541 million for the 2021/2022 financial year, but only received R50 million;
* The USDG funding was needed to top up the Human Settlements Development Grant (HSDG) funding to meet the South African National Standards (SANS) requirements;
* National Treasury and Infrastructure South Africa had not provided assistance to the project to access the infrastructure Fund that was managed by the Development Bank of Southern Africa (DBSA);
* There was a concern about the number of women, youth, and people with disabilities involved in the project.

# 3.4. Diepsloot/Riverside Mega Project

The Riverside View Mega City Project was a Mega Scale Integrated Housing Development project located in the City of Johannesburg Metropolitan Municipality. The purpose of the project was to address the critical housing backlogs that exist in the Diepsloot area. The project was aimed at directly targeting informal settlements within the Region A to urbanize parts of the city, eradicate informal settlements and provide beneficiaries with formal, permanent housing. The development would offer an estimated yield of 10 105 residential units of which would include 4136 RDP units, 2949 FLISP, 3020 Social/Rental units. The project would be supported by five schools, public open spaces such as parks and recreational areas, a shopping center, two filling stations, a multi-purpose center.

The project would empower the local communities through local employment and Small Medium, Micro Enterprises (SMME) initiatives. Approximately 12 409 jobs were created in the development of the project. About 3 612 units were transferred to beneficiaries and 528 units were under construction and completion was anticipated to be completed by March 2022.

## 3.4.1. Challenges

These were the identified challenges:

* Interference from community pressure groups such e.g. community organized forums in not wanting beneficiaries from surrounding area to be allocated the units as per the Council resolution. The interventions that had been adopted to solve this problem include Executive office of the MEC and MMC: Engagements to intervene and bring communities - together and work together on the project, and strengthening stakeholder relations;
* The slow progress in the issuing of title deeds. It was suggested that the use of a body corporate and/or issuing sectional titles in the high rise and social housing units;
* Maintenance and the upkeep of the buildings and their surroundings. There should be engagements on the amount of money that residents would be required to contribute to a body corporate, to maintain the buildings;
* There was a lack economy within the mega city which encouraged beneficiaries to move back to the informal settlements;
* The lack transfer of skills and employment to women, youth and people with disabilities.

# 3.5. Palm Ridge

Palm Ridge was once illegally occupied in 1992. It stared of with about 600 households that consisted of families that were evicted from the farms. The area had grown tremendously and consisted of a number of extensions. Part of the land had been identified as part of the Rapid Land Release Programme (RLRP). Palm Ridge Ext. 1 – 9 had been completed. In total there were over 3 500 houses that had been constructed. Palm Ridge Ext. 10 – 26 was a development project that consists of 670 houses for Military Veterans within the City of Ekurhuleni in Katlehong. The following progress has been made:[[8]](#footnote-8)

* The Department currently had constructed and allocated 300 Military Veterans;
* 130 BNG houses had been completed and 5 houses for people living with disabilities had also been allocated;
* Since the inception of the project, 435 houses had been completed and allocated to eligible beneficiaries, including 125 houses that were completed in the current financial year;
* All 435 houses were completed at a budget of R78 222 674.85;
* In the Financial year 2021/22, budget allocated was R 32 961 228,00 for the construction of 150 houses;
* The contractor had completed 125 houses and all houses had been allocated as 100 BNG units, 20 Military Veteran units, 5 houses for disabled persons;
* The balance of 25 houses commenced in early January to include an additional 77 houses as requested on adjusted budget;
* The request to build 77 additional houses on the adjustment budget was in the process of being approved;
* Only 20 approved beneficiaries for Military Veterans programme, hence the region only issued an instruction for approved beneficiaries houses to be constructed;
* All houses were to be completed by 31st March 2022.

## 3.5.1. Challenges

The following challenges hindered the progress of the project:

* The project delayed due to challenges experienced on the list of Military Veterans beneficiaries. Meetings were convened with the Department of Military Veterans and Steering Committee to fast track the pre-screening process and subsidy application;
* The MEC approval was obtained to convert the 335 stands back to normal BNGs to not delay the contractor any further;
* A balance of 235 houses needed to be completed in the following financial year subject to availability of funds;
* There was a challenge of illegal invasions. The community had appealed the eviction order and as a result evictions be executed until the matter was heard and a ruling had been made.

## 3.5.2. Corrective measures

The Committee proposed the following corrective measures:

* The role of the contractor in ensuring that land invasions are avoided. The contactor must have some responsibility since the land had been handed over to them;
* A report that details the incomplete houses and informal settlements in the area;
* There should be involvement of women, youth and people with disabilities in the project.

# 3.6. John Dube Mega City

John Dube Mega City was located on the vacant land abutting Duduza in the North East, near Nigel. The majority of the land was acquired in the late 1990s by the City of Ekurhuleni for housing purposes. Plans included 10 265 units that were approved, densification including usage of some public open spaces for BNG walk-ups. Social housing yielded an additional 7 808 units, bringing the total to 18 073.

In the following eight years, R9,5 Billion would be spent on housing and public infrastructure. The project would yield about 2000 employment opportunities. The units that would be built include free standing BNGs, semi-detached BNGs, four storey BNG walk-ups, semi-bonded units, fully bonded units, serviced stands for the Rapid Release programme. Socio-economic structure that form part of the project included a primary school, community facility clinic, regional hospital, retail facilities, light industry, and John Dube Skills Academy.

## 3.6.1. Challenges

Some of the challenges and delays were as follows:

* Storm water was not connected;
* 85% of services were complete. Water and sewer connected to the Bulk (temporary connection for water);
* 426 services phase one were at 85% awaiting to be connected to the Bulk (Water and Sewer);
* Foundations for 86 walk-up units (part of the 608): trenches have been excavated for all 3 blocks, reinforcing steel was installed in 2 of the 3 blocks, concrete poured in one block;
* Upgrading the reservoir pump to cater for NH1 water supply.

## 3.6.2. Corrective Measures

The Committee raised the following corrective measures:

* Empowering women, the youth and person with disabilities by providing them with skills and jobs;
* Ensuring consequence management for contractors that abandon construction sites without completing the project.
* Proper management of the beneficiary list.

# 3.7. Leeuwpoort Mega Project

The Leeuwpoort Development plan was adopted by the Ekurhuleni Municipality in 2003 for part of the Council land in Boksburg that was acquired by the province. The purpose of the adoption of the development plan was to develop property according to the guidelines proposed in this plan.[[9]](#footnote-9) In 2004, after the procurement process, the Municipality entered into a Land Development Agreement with a private company called Leeuwpoort Developments (Pty) Ltd. Leeuwpoort Developments was the successful bidder for the execution of the project on 11 July 2006.

The project was conceptualised in December 2016. Total expenditure to date was only R608 451 030,20. There was a range of housing typologies in the mega projects, from fully subsidised units to bonded housing. This was a joint project by the City of Ekurhuleni Metropolitan Municipality, Leeuwpoort Development Company (Urban Dynamics and Biggen Africa), and the Gauteng Department of Human Settlements. Wards 32, 34, 42, 43 and 93 would benefit from the development. A budget of R32 million would be spent by June 2022 for the development of 152 fully subsidized high-density housing walk-up units.

## 3.7.1. Challenges

The following challenges were reported:

* Project delay as a result of the process of rehabilitating the mining land and the court proceedings that were going on for a period of 4 years between the City and households in Sunwood Park;
* The relocation of Cinderella Hostel dwellers to pave way for the completion of installation of engineering services and to enable the release of serviced portions of the land for bonded housing;
* The removal of the old warehouse that was turned into a furniture manufacturing factory from the site near to the hostel to also pave way for the completion of the services in the area;
* The need for additional budget for the remaining works on the Eskom Central Vertical upgrades and Substation 76 which had been approved.

## 3.7.2. Corrective measures

The Committee proposed the following corrective measures:

* The university should be used as part of advertising and incentivizing entities both in the private and public sector to fund the project;
* Since the university would bring students into the city, rental units must make provision for affordable student accommodation;
* There should be involvement of women, youth and persons with disabilities in the development of the project;
* There was a need for a multi-year plan that would be divided into phases and an estimated completion timeframe with regards to the different phases.

# 3.8. Bonaero Park - Petition

Residents of Bonaero Park had been having a problem with sewerage overflow that spilled into their properties. After numerous discussions with the City, community members presented a petition in Parliament to resolve the matter. The petition was referred to the Portfolio Committee on the 23rd of September 2021. Ms H. Ismali, from the Democratic Alliance, presented the petition on behalf of the Bonaero Park community in Johannesburg. The City was awarded R300 million, of the USDG, to rectify the issue starting from February 2022. The Department of Water and Sanitation planned to develop bulk sewer infrastructure that would accommodate both the residential and industrial output. The Department had already approved a contractor to develop a dedicated sewer pipe that would deal with the flow of water that the food processing warehouse was discharging. The plan was to complete the installation by the end of March 2022.

## 3.8.1. Challenges

The challenges that the City faced with regards to Bonaero Park included the following:

* The sewer pump that was built on wetland. This exacerbated the problem;
* The design of the sewer pump did not make provision for the risk of floods during the rainy season. As a result, the consequence was that the flood water increased the buoyancy of the pipelines, which led to increased water infiltration in the system and eventually an overflow;
* At the time, the department was still waiting for the Water Use License to relocate this sewer line;
* The upgrading and refurbishment of the Pomona Pump Station.

## 3.8.2. Corrective measures

The Committee proposed the following corrective measures:

* The City should ensure consequence management towards the developer of the food processing factory accountable for the excess discharge of water;
* Temporary measures must be put in place while waiting for the Water Use License.

# 3.9. Lethabong Mega Project

Lethabong Mega Project was an integrated mixed housing development inclusive of social amenities, open spaces and economic opportunities. The project was set to yield 2 888 mixed housing typology units when completed[[10]](#footnote-10). The development is inclusive of 862 walk ups, 696 stand alone, 500 FLISP, 830 social housing. Since inception, 353 stands have been completed and 136 units have been completed at 95%. Furthermore, 112 stand-alone units had been completed at 90%, however, no allocations had been made. The project was projected to have the following amenities such as a shopping centre, a petrol station, a taxi holding area, a railway facility, an early learning centre, two primary schools, a regional hospital, and a provincial hospital.

## 3.9.1. Challenges

These were some of the challenges that the project had faced:

* Lack of bulk infrastructure supply;
* None of the completed units had been allocated;
* Continuous rainfall caused delay in the completion of Waterdal road intersection.

## 3.9.2. Corrective measures

* Ensure the involvement of women, youth and persons living with disabilities in the development of the project;
* Ensure the management of the beneficiary list in order to prevent illegal invasions which lead to long durations of litigation;
* Fast-track the allocation process and ensure that the project has definitive timeframes;
* Ensure transparency of the beneficiary list;
* Fast-track the sewer upgrade.

# 3.10. Sebokeng Ext. 30

Sebokeng Ext. 30 was located in the Emfuleni Local Municipality in the Sedibeng District. It was an integrated mixed housing development that includes social amenities, open spaces and economic opportunities. The project would yield a total of 4000 mixed housing typology units when completed. The housing typologies include 2018 walk-ups, 582 stand alone, 400 FLISP, and 1000 social housing units. When complete the project would have a shopping centre, a petrol station, a taxi holding area, community facilities, an early learning centre, a primary schools, a secondary school, a regional hospital, and two churches.[[11]](#footnote-11) As at 31 December 2021, there were 51 houses that were 90% completed and since inception, 193 stands and 72 top structures were 95% completed.

## 3.10.1. Challenges

These were the following challenges that had hindered progress:

* None of the units were allocated to the beneficiaries;
* The developer delayed with the installation of solar geysers in the units;
* The delay in developing access roads to Sebokeng Ext. 30 project;
* The lack of bulk infrastructure supplies in the area.

## 3.10.2. Corrective measures

The Portfolio Committee proposed the following corrective measures:

* Fast-track the allocation of housing to beneficiaries;
* Fast-track the installation of solar geysers in the units;
* Ensure the development of access roads to Sebokeng Ext. 30 project;
* Ensure the provision of bulk infrastructure supplies in the area.

# 3.11. Savannah City Mega Project

Savannah City is under the Midvaal Local Municipality. The mega project was a mixed housing development subsidy project that was anticipated to yield 18 399 housing opportunities that include RDPs, FLISP and bonded houses[[12]](#footnote-12).The development was a greenfield project that was aimed at accommodating communities from informal settlements, backyards and the communities within the Midvaal Local Municipality and the City of Johannesburg. It was a joint project with role players from the public and private sector. Since inception, the following were completed: 2539 normal RDP units, 5 units for people living with disabilities, 89 Military Veteran units, 642 FLISP units, 1087 bonded units, 240 stands have been prepared for the Rapid Land Release Programme. The submission was waiting for approval.

For the 2021/22 financial year, these were the planned units and the actual delivery: BNG stand alone, 298 planned units, 418 actual units, 10 Military Veterans Units Planned units: 10, Actual units: 32. In line with the Bulk funding from the 2% HSDG bulk support for non-metros agreement, the bulk funding request of R106 million has been submitted for a three-year period to unlock new phases. Construction was planned to start in April 2022 subject to the availability of funds.

A reservoir was constructed through the 2% HSDG grant to increase the supply of water to the residents. The reservoir has been handed over to the municipality and it was valued at R30 million, the pump station has also been completed to support the development. This was valued at R10 million. Canner Road which links Savannah City to R82 had been completed and operational. Provision has been made for social amenities such as schools, parks, churches and sport fields. One school was completed and fully operational.

## 3.11.1. Challenges

These were the challenges that were reported regarding Savannah City Mega Project:

* 1 709 houses were electrified;
* Section 82 certificates for 381 stands had not been issued by the Midvaal Municipality;
* 240 stands required additional funding due to adverse soil condition;
* Limitation of bulk and shortage of bulk funding for the next phase;
* There were completed units that remain unoccupied, which that perpetuated illegal invasions.
* The Committee were approached by an elderly lady who had problems with being allocated a house even though she has applied and has been categorised as a special case. She expressed her concerns regarding the mountain of rubble in front of her house. She had fears of safety because perpetrators hide behind that mountain of rubble.

## 3.11.2. Corrective measures

The Committee provided the following corrective measures:

* The Committee requested the municipality and the developer to remove the mountain of rubble in order to ensure safety of home owners;
* Ensure allocation of houses to prevent invasions and prioritise the elderly.

# 3.12. Khutsong Sink Holes

The Committee visited the community of Khutsong in the Merafong Local Municipality that was affected by sinkholes. The ward councillor, Mr Lemmy Jofile was present and gave the Committee a brief update on the sinkholes and the ongoing attempts to declare Khutsong as a disaster area. He explained that after the sinkholes emerged, there was an attempt to declare Khutsong a disaster area but National and Provincial did not approve. They believed that the municipality had the capacity to deal with the damage. Some of the elderly residents explained that they had been affected by sinkholes since 1958 in the area. Together with the Municipality, the community expressed the lack of participation from the mines in the area that were responsible for the sinkholes because of the damage that was done to the land.

The affected residents explained that the sinkholes had been a problem for the past two years. The recent sinkholes started on the 25th of November 2021, and it had been two months with no solution from local, provincial or national government. The residents expressed that the only solution that the municipality came with was to place the affected families in RDPs. The community expressed their grievances with the above solution. The biggest problem was that RDP houses were too small to accommodate their families.

## 3.12.1. Challenges

These were some of the challenges that the community of Khutsong and the Municipality have been facing:

* The lack of participation from the mining companies that were partly responsible for sinkholes and the damage to the houses;
* The lack of support from the national and provincial departments to declare Khutsong as a disaster area;
* Most of the affected houses were owned by community members who have used their life savings to build their dream houses.
* Sibanye Mining Company made hostels available to the affected families, however, only for two months and storage of property was feared to be unsafe by the community.

## 3.12.2. Corrective measures

The Committee proposed the following corrective measures:

* Declare Khutsong as a Disaster Area by the national and provincial department;
* Mining companies needed to invest in their corporate social responsibility initiatives in order to resolve some of the challenges that residents face in communities where mines operate;
* The Committee urged the municipality to work closely and share information with the affected families to ensure that the matter is resolved;

# 3.13. Elijah Barayi Mega Project

The Elijah Barayi Mega Project was an integrated mixed housing development project that was inclusive of social amenities, open spaces and economic opportunities. The project fell under the Merafong City Local Municipality in the West Rand district and it stared in 2017. Construction began in 2018. The project was anticipated to yield 12 799 mixed housing typology units when it is completed. For phase one, it was anticipated that 5 000 BNG units, 3 500 social housing units, 2 200 RDP, 1 500 FLISP units, and 599 bonded units would be developed. When completed, the project would have a shopping centre, four business facility sites, eight primary schools, four secondary schools, one FET college, a local community a hall, four municipal sites, a local park, a taxi ranks, one police station, two post offices, three clinics, one fire station, one library, 18 crèches, 12 church sites, and one industrial park.

On 31st of December 2021, 5 188 stands, 3 839 walk-ups, were 3 863 units completed. This included of 12 Military Veteran units, 12 units for persons living with disabilities. About 1 459 units were occupied. There were about 100 missing beneficiaries had not moved in. The Department of Education was awaiting a proposal that contains plans for the school, upon approval, the developer can build the school.

## 3.13.1. Challenges

These were the challenges that were highlighted:

* Difficulty in making contact with some of the beneficiaries who can occupy their completed units. This was as a result of relocation or beneficiaries that have passed on;
* Rand water-flow volume was reduced due to low capacity of water supply;
* Subsidy did not cater for municipal requirements on walk up units (paving, washing lines, boundary walls, parking bays, etc.);
* Lack of economic activities in the community;
* Paint manufacturing warehouse was not operational which resulted in shortage of paint.

## 3.13.2. Corrective measures

The Committee proposed the following corrective measures:

* Ensure the management and transparency of the beneficiary list;
* Housing opportunities must follow economic activities;
* Ensure the involvement of women, youth and person’s living with disabilities in the development;
* Fast-track the Rapid Land Release Programme.

# 3.14. Fochville Reservoir Site

The Fochville Reservoirs were situated in the Merafong City Local Municipality. Fochville had two reservoirs that were built in 1970. A 12 mega litre reservoir and 2.5 mega litre reservoir to serve an estimated 5000 households in Fochville, Old Kokosi, Greenspark and the industrial area. As a result of the development in Fochville, the reservoir could not sufficiently supply water to the towns, therefore, a second reservoir with a 5 mega litre capacity was constructed to supplement the existing storage and the first one was refurbished. Over R32 million was spent on the project from the Mining Town Grants. The completion certificate was issued the 12th of October 2020 for 5ML reservoir and associated works. The project would enable the new development planned in Kokosi Ext 7 which would benefit 4000 beneficiaries.

## 3.14.1. Challenges

The following challenges were expressed by the municipality:

* The supply of electricity remained a problem. The Department of Minerals and Energy only supplies electricity once a housing units were built.
* There was a lack of maintenance of the reservoirs.

## 3.14.2. Corrective measures

The Committee proposed the following corrective measures:

* The municipality and the responsible department should maintain areas such as reservoirs;
* Issues about the supply of electricity should be addressed. Electricity should not be a hindering factor in the allocation of houses. When completed houses stay unoccupied for a long time then illegal invasions would occur;
* Bring the mining companies to account and contribute to the rehabilitation of the land.

# 3.15. Westonaria Borwa Mega Project

Westonaria Borwa Mega Project was an integrated mixed housing development inclusive of social amenities, open spaces and economic opportunities. The Project was located under the Rand West City Local Municipality. The project would yield 16 000 mixed typology units. Phase one was inclusive of 9 387 BNG units, 3 578 FLISP, 1 735 social housing units, 1 300 affordable housing units. The project was anticipated to yield the following socio-economic infrastructure: shopping centre, four business facilities, four crèches, two primary schools, one secondary school, one clinic, government offices, a church sites, commercial sites, filling stations, and recreational facilities. The project had delivered 3 500 stands and 2 196 units. The project had benefited from bulk funding support from 2% of the Mining Towns Grant Allocation. The rental housing units rent would start at R2 500 for per bachelor unit.

## 3.15.1. Challenges

The following were challenges reported:

* Lack of sufficient water, sewer and electricity capacity in the West Rand District to support new and current projects;
* There were 836 units at various milestones on the phase 3 of the project that required sewer and electricity;
* There were invasions in September 2021 on units that were at advance stages of completion. An eviction order was granted to the developer in January and subsequently appealed by the illegal occupiers. That matter was still in court;
* Units had been unoccupied since July 2021;
* Social Housing Regulatory Authority (SHRA) had added more standard requirements in the rental units. Units were required to have built in cupboards and stoves, to bring more value and interest in potential tenants.

## 3.15.2. Corrective measures

The Committee proposed the following corrective measures:

* Fast-track the allocation of houses to prevent invasions;
* Ensure that more women, youth and persons living with disabilities involved in the developments;
* SHRA should re-access their black-listing requirements because it could deter the process of the receipt of safe housing to community.

# 3.16. Mamelodi Hostels

The first phase of the Mamelodi Hostels upgrade was redeveloped by the Gauteng Province in 2008. To advance the redevelopment, three bedroom units were built, however, these units were invaded in 2014. Initially, hostels were developed to provide single sex accommodation to employed persons. Unfortunately, as the employment climate changed overtime, a lot of hostel residents were unemployed and could no longer afford to pay rent. The City had planned to redevelop the hostel to family units.

As a result of the covid-19 pandemic, Temporary Residential Units (TRUs) were introduced with the intention of decongesting the hostel units. This was because hostel dwellers were at risk of contraction coved-19 because of congestion. About 633 units were completed. The Urban Development Agency (UDA) was part of the upgrade and the HDA was the implementing agency. The TRUs were well insulated and were subjected to quality assurance before they were approved for habitation. The units accommodated up to 4 people per unit, which was a reduction from a number of about 16 people per unit. The units were also meant to last for 5 years. The cost per unit was R74 000, that included R64 000 approved by the policy R9000 for electricity.

## 3.16.1. Challenges

These were the challenges that the City of Tshwane expressed:

* Members of the community were disgruntled about the delays and the living conditions in the hostels;
* Covid-19 disrupted the plans of the City to tackle the issues associated with living in these hostels;
* The project was blocked as a result of the specifications to build under 16sqm;
* The availability of land remained an issue for the City of Tshwane because the City was land locked;
* There were safety and security challenge stemming from leadership contestations and factional environment. People’s lives were in danger and there were quite a number of fatalities, including a Chairperson of the committee who was gunned down;
* Community contestation over the beneficiary list;
* Access control in hostels was a challenge;
* There was a problem of illegal invasions;
* Water system needed to be repaired;
* Members of the community voiced concerns of affordability if the development.

## 3.16.2. Corrective measures

The Committee proposed the following corrective measures:

* Ensure the integration of hostels into the wider community;
* Make provisions for social housing and rental units within the development to ensure that city has funds to maintain new developments;
* Ensure that temporary units are weather durable have access to electricity;
* A clear plan with regards to a way forward on when the temporary structure needed to be drafted;
* A development report on the progress and plans for the land acquisition and community integration plan need to be provided to the Committee.

# 3.17. Inner City Project

The Inner City Project, Townlands, was the biggest development project in the City. It started in 2016, and was anticipated to yield 1200 units. The project was a joint venture by the City of Tshwane, SHRA and the Provincial Department of Human Settlements. The social housing units provided opportunities for households that earn between R1 500 and R15 000. Thirty percent (30%) of the units had been provisioned for tenants that were in the R1 500 – R3 500 income band. Phase A was 90% completed and Phase B was 65% completed. The total cost of the project was R441 million.

Tshwane Housing Company was appointed to manage rental stock. A total number of 6 000 rental applications were received and a different qualification criteria was used for different income bands. In terms of maintaining the units, there were pre-training sessions that were conducted to equip tenants with the necessary knowledge of how to safeguard and maintain the units. However, the Housing Company Tshwane (HCT) would take over from the City in managing and maintaining the project after the units were occupied. There were differentiations in the units, such as built in cupboards, therefore a unit for applicants that are in the R1 500 – R3 500 would be different to a unit that was rented by someone who earns R15 000.

## 3.17.1. Challenges

These were the challenges that were expressed:

* There was a lack of clarity with regards to the completion date;
* The number of tenants that were defaulting rent payments in similar developments and the default rate.

## 3.17.2. Corrective measures

The Committee proposed the following corrective measures:

* A report that details the SHRA criteria for applicants that apply for rental units, and the reasoning behind that criteria;
* Take actions to prevent invasions;
* Ensure the provision of student accommodation within the development.

# 4. Observations and recommendations:

The Committee made the following cross- cutting (through-out municipalities, the City of Johannesburg, and the City of Tshwane) observations and recommendations. The Committee requests that the Minister ensure that the Department consider these observations and recommendations:

**4.1. Observation:** That there were illegal sales of RDP houses which deprive the rightful beneficiaries of their houses. In addition, it was alleged that some government officials were involved in the illegal sale of RDP houses.

**Recommendation:** Conduct an investigation to ensure that those involved in corruption and sale of fully subsidised houses are arrested. This must involve the National Department, Provincial Department, municipalities, and the South African Police Service (SAPS). The Committee must be furnished with quarterly reports on this matter from the Gauteng Province. Furthermore, the Committee recommended that there must be clauses in the agreements between the Municipalities and the beneficiaries that prevent beneficiaries from selling their houses within a stipulated period of time. Credit providers should be aware of this clause, in an aid to prevent them from attaching these homes within the stipulated period.

**4.2. Observation:** There was a problem of manipulating beneficiary lists. Politicians were alleged to manipulate the beneficiary lists in order to benefit their constituencies, friends and family members. The Committee also expressed their concerns regarding beneficiaries that have passed on and the way that the list of beneficiaries was being mishandled.

**Recommendation:** Ensure transparency of beneficiary list. Without transparency, local councillors, people in power and members of the public can easily manipulate the process and bring corruption to systems that are invented to benefit the public. Politicians should only monitor the implementation of beneficiary lists. The provincial department should develop strategies to locate families of deceased beneficiaries in order to ensure that houses are allocated to rightful heirs.

**4.3. Observation:** That there was little consequence management being exercised in relation to contractors absconding projects or delivering houses that were poor standard or shoddy workmanship. The Committee was concerned that the province and the department seemed to simply take over such projects without taking any recourse against the defaulting contractors. At the same time, these contractors were often paid without meeting their target.

**Recommendation:** Ensure consequence management in relation to contractors that abscond projects. Ensure that absconding contractors are black-listed and do not do business with government in the future. Ensure that contractors meet performance target set in their contract agreements with government.

**4.4. Observation:** That there was an issue of land and house invasions. This was further compounded by the long process of receiving eviction orders and preventative measures to stop land invasions. Invasions were happening because the province was often taking too long to allocate houses.

**Recommendation:** Develop early warning systems to prevent both land and house invasions. Fast-track the allocation process. Work closely with prospective housing beneficiaries and encourage them to protect their homes from invasions. Beneficiaries should have access to information so that they can contribute to protecting projects from being invaded. Involve the SAPS to arrest those who encourage this practice.

**4.5. Observation:** There was problem of the re-emergence or mushrooming of informal settlements. Informal settlements were often mushrooming in places where they could not be serviced. This was partly because housing beneficiaries would rent their government provided houses in order to move back to informal settlements. There was also a general practice of deliberately creating informal settlement in order to frustrate government efforts. In addition, the province was struggling to spend their informal settlements upgrading grant in order to achieve their informal settlements upgrading targets.

**Recommendation:** Develop intergovernmental mechanisms to prevent the re- emergence of informal settlements. Develop early warning systems to prevent re-emergence of informal settlements. The national department should assist the province to spend the informal settlements upgrading grant in order to achieve its informal settlements upgrading targets. The HDA should actively provide technical support to municipalities struggling with the re-emergence of informal settlements.

**4.6. Observation:** That there was lack of target achievements with regards to mega projects, site release, upgrading of informal settlements and delays in the procurement processes.

**Recommendation:** Ensure better planning before projects are made part of the financial year goals. National should assist the province to improve business plans and target achievements in relation to mega projects, site release, upgrading of informal settlements, procurement processes. The province should employ qualified and skilled people to achieve these targets.

**4.7. Observation:** That the provision of housing for Military Veterans was not inclusive of other races such as White, Indian, and Coloured. There was a narrow focus on providing houses for African Military Veterans. Often those who benefit were young and not reflected in the Military Veterans database.

**Recommendation:** Ensure that the provision of housing for Military Veterans is inclusive of other races such as White, Indians, and Coloured people. Liaise with Department of Military Veterans to ensure that those who benefit are in the Military Veterans database.

**4.8. Observation:** That there was minimal involvement of women, youth and persons living with disabilities in most human settlements projects. In cases where women were involved, they were doing insignificant or low level work that often did not contribute to their empowerment. It was also observed that most projects did not source their materials in local communities.

**Recommendation:** Ensure the adherence to the 40% set aside for women, youth and persons living with disabilities in human settlements projects. Encourage contractors to source their materials in local communities in order to boost local economies. A list of women, youth, and persons living with disabilities working in human settlements projects should be forwarded to the Committee on quarterly bases.

**4.9. Observation:** That, in some projects, there was a lack of planning for bulk infrastructure and social amenities. Naturally, even when houses were structurally complete, it cannot be handed over to the beneficiary for occupation without the basic services such as water, sewer systems and electricity. While waiting for bulk services, invasions would take place because communities were enraged about the delay. In addition, project did not have clear completion dates. This showed that project packaging was not done properly.

**Recommendation:** Ensure coordinated planning and the provision of social amenities in all human settlements projects. Ensure that projects follow specific time-frames and are completed on time. Ensure project packaging and use the project readiness matrix to assess the readiness of projects.

**4.10. Observation:** The Committee was concerned about possible lack of maintenance and reluctance to pay levies in Social Housing projects.

**Recommendation:** Intensify consumer education in social housing projects to ensure that beneficiaries understand the value of maintenance and paying of levies. Appointed Body Corporates should ensure that all tenants are willing and able to pay levies and rent.

**4.11. Observation:** That there were several unfinished projects in the province. At the same time, there was no or minimal consequence management.

**Recommendation:** Ensure consequence management to contractors who do not finish their projects. Unfinished projects should be converted to Rapid Land Release Programme to speed up the process and avoid more expenditure on land that has already been allocated funds to. The Rapid Land Release Programme can be an option for the development of new towns and speedy access to housing opportunities.

**4.12. Observation:** That rental units were provided for households that earn between R1500 to R15 000. SHRA also looks into the credit score of the applicants, therefore rejecting applicants that have been blacklisted. The Committee felt that the blacklist could be detriment to approving even the neediest applicants.

**Recommendation:** SHRA to take another look at the blacklisted applicants and their ability to afford paying for rental units or subsidised housing. SHRA should present to the Committee their criteria on how it would deal with blacklisted people in the second quarter.

**4.13. Observation:** That there was poor management and lack of governance in social housing and BNG high-rise buildings.

**Recommendation:** There must be national policy that regulates all social housing and BNG high-rise buildings.

**5. Conclusion**

It is the submission of the Committee that the implementation of these recommendations would positively respond to the objectives of the Gauteng Department of Human Settlements, the National Development Plan and the lives of the people. To ensure the realisation of these objectives at specified timeframes, the Committee will conduct its oversight on specified intervals. In addition, Parliament should track the implementation of these recommendations by the Executive.

**Report to be considered.**

**Annexure 1: Summary of Projects Visited**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Project Visited**  | **Start Date** | **Finish Date** | **Number of Units Completed** | **Type of units**  | **Employment opportunities** | **Challenges** |
| 1. **Fleurhof Development**
 | 2015 | On going | 10 411 | Multi-storey units, CRUs, FLISP, rental units, bonded units, Military Veterans | Not provided | * Invasions
* Inoccupation of units
* Incomplete civil infrastructure
* Destruction of infrastructure.
 |
| 1. **Lufhereng Mega Project**
 | Not provided | Not provided | 10 697 | RDP high density, FLISP, Social Housing, Bonded units. | Not provided | * Dolomite
* Lack of funding –only 10% of USDG
* Supply of bulk services
* No involvement of women, youth and people with disabilities.
 |
| 1. **Diepsloot/ Riverside Mega Project**
 | Not provided | March 2022 | 10 105 | Multi-story RDP units, FLISP, Social units | Approximately 12 409 jobs | * Community interference
* Slow progress in the issuing of title deeds
* Maintenance and upkeep of buildings
* Lack of economic activities
* Lack of skills and employment of women, youth and people with disabilities.
 |
| 1. **Palm Ridge**
 | Not provided | March 2022 | 3 500 | Military Veterans, RLRP, BNG units, houses for the disabled | Not provided  | * List of Military Veterans
* Pre-screening process
* Slow MEC approval
* Funding
* Illegal invasions
 |
| 1. **John Dube Mega City**
 |  |  | 18 073 | BNG, semi-detached BNGs, four Storey BNG walk-ups, semi-bonded units, fully bonded units, serviced stands for RLRP | Approximately 2 000 jobs  | * Storm water not completed
* Not connection of bulk infrastructure
* Upgrade of Reservoir pump
 |
| 1. **Leeuwpoort Mega Project**
 | 2006 | June 2022 | Not provided | Fully subsidized units, bonded houses in high density | Not provided  | * Rehabilitation of land resulting in delays
* Relocation process of Cinderella Hostel dwellers
* Bulk infrastructure connection.
* Upgrade of the reservoir pump
 |
| 1. **Lethabong Mega Project**
 | Not provided  | Not provided  | Projected at 2 888 but project was at 90% complete | BNG walk ups, stand alone, FLISP, Social Housing | Not provided  | * Lack of bulk infrastructure
* Lack of allocation of completed units
* Continuous rainfall resulting in construction delays.
 |
| 1. **Sebokeng Ext. 30**
 | Not provided  | Not provided  | Projected at 4 000 and project was 90% complete  | BNG walk-ups, stand alone, FLISP, Social Housing  | Not provided  | * Allocation had not happened
* Delays in installation of solar geysers
* Delay in developing access roads
* Lack of bulk infrastructure
 |
| 1. **Savannah City Mega Project**
 | Project at April 2022 | Not provided | Projected at 18 399 housing opportunities | RDPs, FLISP and bonded units, RLRP. | Not provided  | * Houses were not electrified
* Section 82 certificates not issued
* Adverse soil condition
* Lack of bulk funding
* Lack of allocation of completed houses
* Illegal invasions
 |
| 1. **Elijah Barayi Mega Project**
 | 2018  | Not provided  | Anticipated to yield 12 799, completed units were 12 920 | NBG units, Social housing units, RDP, FLISP, bonded units | Not provided | * Problem of missing beneficiaries
* Low capacity of water supply
* Subsidy did not cater for requirements of walk-up units
* Lack of local economic activities
* Lack of supply of paint manufacturing
 |
| 1. **Westonaria Borwa Mega Project**
 | Not provided  | Not provided  | Projected to yield 16 000 | BNG units, FLISP, Social Housing units, affordable units | Not provided  | * Lack of sufficient infrastructure
* Un occupied units leading to invasions
* Lack of clarity of home finishes or extras for social housing.
 |
| 1. **Mamelodi Hostels**
 | 2008 | Not provided | 633 units completed | Temporary Residential Units (TRUs) | Not provided  | * Community members were disgruntled about living conditions in the hostels
* Delays due to Covid-19 pandemic
* Project blockages
* Community contestation
* Access control in hostel was a problem
* Illegal invasions
* Water system was not repaired
 |
| 1. **Inner City Project**
 | 2016  | Not provided  | 7 200  | Social housing units | Not provided  | * Lack of clarity on the completion date
* Defaulting tenants
 |

1. Gauteng Province Department of Human Settlements: Briefing Presentation [↑](#footnote-ref-1)
2. Gauteng Province Department of Human Settlements: Briefing Presentation [↑](#footnote-ref-2)
3. https://www.smec.com/infocus/expertise/lanseria-smart-city/ [↑](#footnote-ref-3)
4. Gauteng Provincial Government: The Lanseria Smart City Initiative Presentation. [↑](#footnote-ref-4)
5. https://www.calgrom3.com/index.php/fleurhof [↑](#footnote-ref-5)
6. https://www.lufhereng.co.za/the-project/project-purpose-and-target.html [↑](#footnote-ref-6)
7. https://www.lufhereng.co.za/ [↑](#footnote-ref-7)
8. Palm Ridge Ext. 10 To 26 (Military Veterans) Project Status Report. [↑](#footnote-ref-8)
9. Leeuwpoort Mega Housing Project: Presentation [↑](#footnote-ref-9)
10. Lethabong Mega Project Presentation. [↑](#footnote-ref-10)
11. Sebokeng Ext. 30 presentation. [↑](#footnote-ref-11)
12. Savannah Mega City Project: Presentation [↑](#footnote-ref-12)