**Address by Honourable R, Mashego, ANC (MP) during the Debate on Budget Vote No 33: Human Settlement**

Honourable Chairperson, we pledge our solidarity with the people of Palestine and call for an end on the bombardment of Gaza by Israel. We call for a two-state solution based on the 4 June 1967 borders, to bring about peace in their land.

**Honourable Chairperson, the African National Congress (ANC) supports this Budget Vote** for the 2021/2022 financial year, of the National Department of Human Settlements and its Entities. We acknowledge the economic strains the COVID-19 pandemic has had on many programmes since the tabling of the budget 2020.

The housing demand has increased, while household sizes have reduced and urbanisation has rapidly increased. For this reason, the Medium-Term Strategic Framework (MSTF) 2019-2024 is focused on three specific interrelated outcomes related to the human settlements sector specifically, namely:

* The Spatial transformation through multi-programme integration in priority development areas;
* Adequate housing and improved quality living environments; and
* Security of tenure.

The Department of Human Settlement and its supporting Entities have revised their strategic plans and Annual Performance Plans (APP) to ensure that targets are aligned and reflect the Medium-Term Strategic Framework 2019-2024 (MTSF) and overriding priorities of the financial year 2021/2022.

The ANC applauds the Department of Human Settlement in its cohesive leadership in ensuring that the lives of the people of South Africa is transformed as indicated in the ANC manifesto commitment on building *“Sustainable Human Settlements help transform the spatial legacy of apartheid and build a more inclusive society”* and the response to the priorities as set out in the SONA 2021. We welcome the Departments focus over the Medium Term will be to respond to defeating the COVID-19 pandemic and accelerate economic recovery, implement economic reforms to create sustainable jobs and drive inclusive growth and fight corruption and strengthen the state through its programmes and targets.

The Department successfully identified, consulted on and ultimately Gazetted 136 Priority Development Areas (referred to as Priority Human Settlements and Housing Development Areas (PHSHDAs)) in the National Government Notice of 15 May 2020. The declaration of these 136 Priority Development Areas heralded the next phase in the Department’s trajectory of spatial targeting and achievement of the Medium-Term Strategic Framework (MTSF) priorities and targets. The original target was 94 and the department exceeded the target by delivering 136 Priority Development Areas.

Honourable Chairperson, we commend the department for prioritizing upgrading of informal settlement and associated issues by increasing Programme 3 the informal settlements programme budget from R648.2 million in 2020/21 to R8.42 billion in 2021/22.

Honourable Chairperson, previously Upgrading of Informal Settlements Programme Grant (UISPG) was a component of Human Settlement Development Grant (HSDG) and Urban Settlements Development Grant (USDG) and starting from April 2021 the grant will be a standalone Upgrading Informal Settlements Programme Grant. The Upgrading Informal Settlements Programme Grant business plans for both Provinces and Metros were assessed to guide planning in Provinces and Metros.

It is for this reason that the ANC welcomes the Department of Human Settlement District Development Model (DDM) which is a government-wide integrated district-based approach aimed at addressing service delivery challenges, improving localization and job creation. The ANC wishes to commend the Department together with the supporting Entities, Provincial and Local governments in working together in an integrated system for the purpose of service delivery.

Honourable Chairperson, the ANC notes the efforts of the Minister to improve governance, regulation and compliance of all the entities. This includes eradication of all forms of malfeasance.

We note the steps that the **Social Housing Regulatory Authority (SHRA)** has taken to ensure that the Consolidated Capital Grant allocated to the SHRA, is efficiently used and allocated for the construction of affordable rental housing. It is a concern that the SHRA has in the recent past not fully utilised and expended the Consolidated Capital Grant (CCG). The development of affordable rental housing is a key programme in the MTSF. It allows for the densification of our towns and cities, and ensures that people begin their ascent in the housing ladder.

Also, as the Portfolio Committee we have noted with concern the ongoing poor audit outcomes in the **Housing Development Agency (HDA)**. During the course of this financial year, it can be expected that we will pay special oversight attention to ensuring that the HDA not only improves its governance but its programme and project delivery objectives. The HDA has an important role in the current human settlement’s delivery chain, in Provinces and Municipalities, and must now meet those expectations.

**Rebutting Opposition Views**

The ANC notes with concern the matter of the Department constantly having unspent funds. We wish to implore the Department to ensure spending of funds and assist municipalities in identifying their areas of focus to spend their allocated funds to expedite service delivery.

The ANC notes with concern the reprioritisation of funds for the Human Settlement Development Grant (HSDG) in the 2021/2022 and we are also concerned on Provinces and Municipalities that utilize the Provincial Emergency Housing Grant and Municipal Emergency Housing Grant for other reasons than providing necessary services for the purpose of the grants. We wish to implore the Department to provide adequate support to provinces and municipalities in order to utilize the Provincial Emergency Housing Grant and Municipal Emergency Housing Grant economically.

The ANC is concerned that there was poor expenditure in the Title Deeds Programme in the previous financial year, despite there being a huge backlog in the issuing of title deeds. The title deeds will be funded under the Human Settlement Development Grant.We urge the Department to ensure that the programme adequately addresses the historic backlog and that it addresses the needs of ensuring deserving beneficiaries receive their Title Deeds.

The ANC wishes to congratulate the Department on the Projects Readiness Matrix implemented in nine (9) Provincial Department of Human Settlements (from 1 April 2021 to 31 March 2022). The matrix will assist the Department to evaluate the shovel ready projects, this will expedite delivery of houses and assist with the backlog of title deeds and the challenge of township establishment.

We also note, with concern, the rejection of the Budget vote 33 from Opposition Parties. It must be emphasized that the effects of COVID-19 pandemic on the country’s economy knows no political allegiance. What is needed is a unified and collective approach in working together towards building South Africa in these trying times.

**The ANC supports this Budget Vote 33.**

Thank you