### Address by (MP) Cde Rosina Semenya on the Budget Vote Debate for Human Settlements

9 July 2019

The ANC rises in support of the Budget Vote 38 on Human Settlements. We would equally like to take this opportunity to commend our predecessors, under the stewardship of former Chairperson Nocawe Mafu, and to equally congratulate her on her new responsibility as Deputy Minister of Sports, Arts and Culture. On the same note, I’d like to welcome our new and returning public representatives to the legislative arm of the State and encourage that irrespective of party lines, we commit to working together in performing our function of executing enhanced oversight over the Department of Human Settlements, and all its Entities, with the ultimate goal of improving the quality of life for all our people.

Providing decent housing and shelter for our people has been a long-stranding mission of the African National Congress. Since 1994, the ANC has focused on people who cannot afford to provide for themselves, built basic free homes, upgraded houses and services in informal settlements and worked towards restoring dignity and improving the livelihood of our people. The freedom charter captures the ANC’s commitment to provide houses, comfort and security. The African National Congress did not only stop at committing safety and comfort but also mandated itself which dismantling segregationist spatial patterns to create integrated and sustainable communities where our people live close to socioeconomic activity. This social contract remains our inspiration and strategic guide to realising a better life for all and realise a South Africa that truly belongs to all who live in it, as stated in our Elections Manifesto.

**Mandate of Human Settlements**

The 5th Administration made commendable in strides in achieving the following objectives within the Human Settlements sector:

* Increasing housing units in better-located mixed income projects. Especially in social, co-operative and rental housing;
* Focusing on catalytic projects, such as integrated residential programmes and directing investment and overcome apartheid spatial geography;

These achievements are crucial to revitalising inner cities, mining towns and developing cities.

However, the impact of the dire consequences of the segregationist spatial configuration of South Africa by the colonial apartheid state are still massive today.

In his State of the Nation Address, President Ramaposa highlighted that significant work still needs to be done to ensure that colonial-apartheid spatial patterns are unravelled to ensure that our people live in integrated human settlements with socio-economic actively and do not spend a large portion of their income and time commuting to their places of work**.**

Dismantling apartheid spatial patterns is not going at the desired pace and requires the delivery of a significant number of Catalytic projects which will play a huge role in the recreation of new and integrated communities.

Having integrated, sustainable and economically active human settlements is important at we journey behind the President’s call to growing the economy of our country. It is based on this reason that spatial integration, human settlements and local government form part of the priorities that will receive focus from the new administration.

The ANC welcomes this prioritisation and the merger of the Department of Human Settlements and Water and Sanitation to ensure that indeed, the better for all is realised.

The Portfolio Committee on Human Settlements will continue to provide oversight over the Department of Human Settlements in order for it to fulfil its responsibilities of ensuring that dignity, housing and access to social and economic activity is not a privilege but a lived reality for all our people in South Africa.

Government expenditure on housing has grown faster than any other budget since 1994 and South Africa is world renowned for its housing delivery efforts.

The Portfolio on Human Settlements emphasizes its support for the 2019/2020 budget of the Department so that it can continue delivering on its task of changing the lives of our people.

With the world fast approaching the 4th Industrial Revolution, the role of the Development Finance Institutions (DFI’s) in terms of ensuring that Africa is not left behind will be crucial. To this regard, we welcome the launch of the Human Settlements Development Bank that was announced by Minister of Human Settlements in 2017. As reflected in her 2017 Budget Speech, “the bank will facilitate the increased provision of finance across the human settlements value chain, and the specific priority for the Bank in this respect is the mobilisation of and the provision of finance for all planned catalytic projects”.

The 2019/20 budget of R33.8 billion allocated to the Department of Human Settlements is a crucial instrument towards achieving some of the salient objectives of the National Development Plan of transforming human settlements and the spatial economy, securing well-located land for affordable housing and increasing the performance of the lower end of the property market through the supply of affordable housing (just to name a few).

The bulk of this budget will go towards programme 4: Human Development Finance. This programme is instrumental for housing projects and ensuring infrastructure development to support the upgrading of informal settlements.

Through the Urban Settlements Development Grant and the Human Settlements Development Grant, the Department of Human Settlements is empowered towards providing sustainable and integrated human settlement and ensuring that our economy grows by including the participation of youth, women and people with disabilities, through the 30% set asides within the housing value chain. There is a very important matter of the economic value chain that is associated in the Grants aimed at building sustainable human settlements. We call on the Department to ensure that women, youth and people with disabilities find expression in the economic value chain to such projects, as this will play a pivotal role in curbing the increasing unemployment rate of the country and will upskill the masses of our people with the necessary skills required for them to enter into the market and be active participants in the economy.

The budget is also focused on providing affordable housing to our people who are excluded and cannot access housing opportunities through banks.

The Auditor General of South Africa has been generally pleased with the Department of Human Settlements which has constantly received unqualified audit opinions and has commended the Department’s financial health, oversight and monitoring mechanisms as well as its procurement and contract management processes. We further urge the National Department to support municipalities and ensure your Provincial counterparts have the ability to exercise effective monitoring of Conditional Grants so as to realise their respective mandates.

This performance has, in term, made the work of the Department much more meaningful, impactful and confronted with less problems and allowed it to closely focus on advancing and delivering on its mandate.

However, spending of the Urban Settlements Development Grant and Human Settlements Development Grant requires attention. Some metros and provinces experience challenges and struggle to perform at a satisfactory level in terms of spending which translates to an inability to deliver decent housing, particularly on the upgrading of informal settlement, a crucial commitment of the ANC.

**Conclusion**

We are confident that the Committee and the Department will work together in monitoring and providing oversight regarding the financial performance and expenditure patterns of Metros and Provinces (such as the City of Cape Town and Western Cape) that fail to spend their grants.