



PRESENTATION TO THE JOINT BUDGET COMMITTEE

1 November 2006


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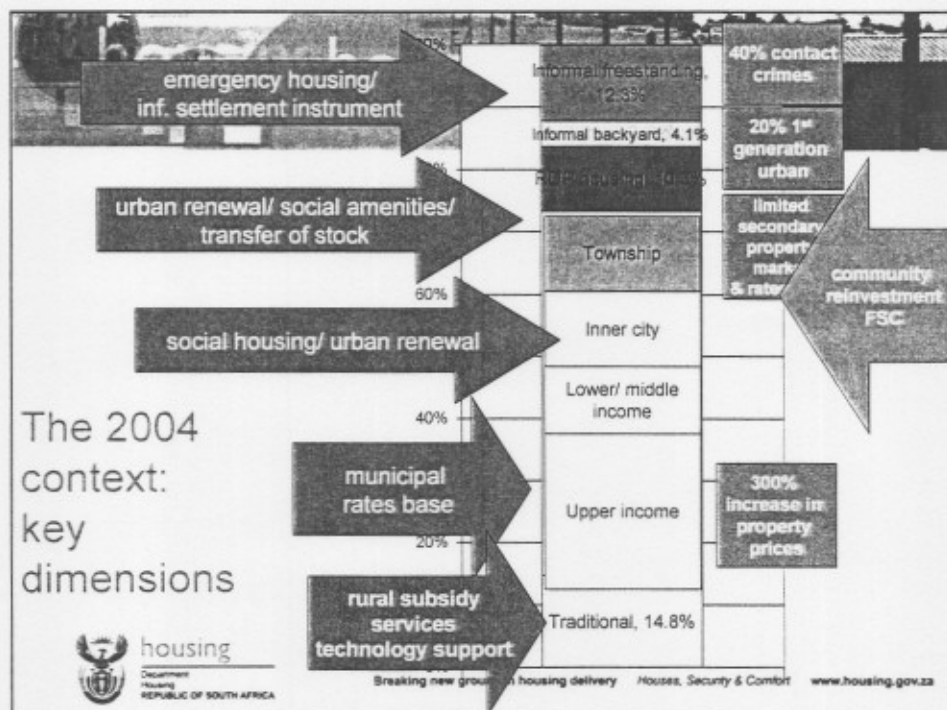
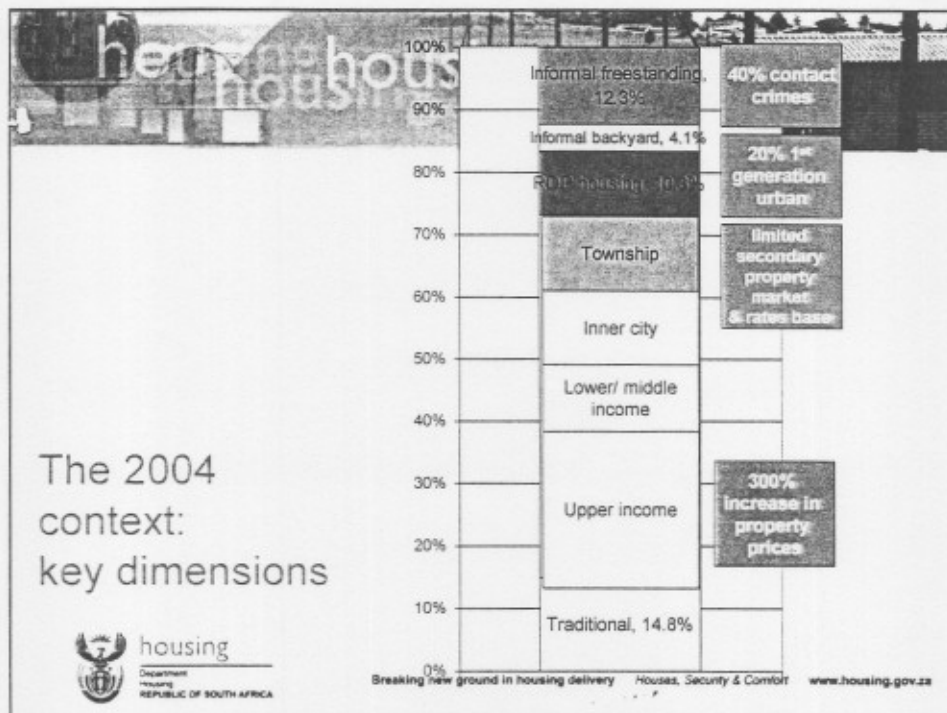



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The urban context: Further Challenges


- The backlog in 2005 was estimated at nearly 2,4million households and is growing despite the delivery achieved
 - Statistics show that the average size of an household is shrinking whilst absolute numbers of households have increased
 - There has been growth in the number of informal settlements
- Migration trends have meant that the areas of high economic activities like the major cities have been put under severe pressure particularly in providing basic social services (and shelter)
 - Creates further challenges on the choice of housing solutions available to the poor and migrations that may have accessed housing before
 - Creates a variety of Social dysfunctionalities in our urban centers
 - Creates the conditions for people who leave in extremely harsh conditions hence the development of the Emergency Housing Programme


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 Pressures related to the Grootboom case



Breakdown of informal housing per province

	1996	2001	2003(Est.)
EC	145 461	166 772	156 297
FS	162 713	191 184	192 609
GP	468 304	634 160	688 752
KZN	185 545	225 825	351 520
LP	47 911	78 135	165 554
MP	94 441	117 380	149 470
NC	26 218	25 793	35 186
NW	159 352	207 436	216 115
WC	162 894	189 546	185 230
TOTAL	1 452 839	1 836 231	2 140 733


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- Pressures faced by communities
 - Eg. natural disasters, such as floods and fires
 - Cape Town, Port Elizabeth areas, Taung region;



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The urban context: Further Challenges Continued

- Lack of socio economic amenities
- Lack of water, sanitation, electricity
- Scarcity of well located land
- Administrative blockages in housing delivery
 - Delays in Township establishment
 - Lengthy land legal and infrastructure provision process



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Comprehensive Plan Sustainable Human Settlements

- The priorities of the Plan are the following:
 - Accelerate housing delivery within the context of sustainable human settlements;
 - Provide housing within human settlements;
 - Provide quality housing and turn houses into assets;
 - Create a single and efficient formal housing market; and
 - Abolish apartheid spatial planning by restructuring and integrating human settlements.



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Responsive Interventions in terms of the Comprehensive Plan

- Social Contract for housing delivery
 - Service delivery
 - Speedy release of land – Discussions with DLA on Land SPV arrangement
 - Township establishment procedures
- Engagements with the Banking Industry within the context of the FSC process
- Informal Settlement upgrading
 - In situ upgrading (Fast Tracking - TRAs)
 - Emergency Housing Programme
 - Urban Rental Programme



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Responsive Interventions in terms of the Comprehensive Plan

- Greenfield development in well located land informed by the planning framework
- Socio economic facilities
- Accreditation of municipalities
- Finance Linked Subsidy Programme
- Repositioning and rationalisation of the Housing institutions



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Responsive Interventions in terms of Comprehensive Plan

- Unblocking of blocked projects
- Reviewing of the current Housing Delivery model towards
 - Increase efficiencies (Streamlined planning processes)
 - Aligned processes involved in Human Settlement developments
 - Creating space for flexibilities in the implementation processes (A new Housing Code)
 - Strengthening the intergovernmental relations and functioning in Housing Development




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Responsive Interventions in terms of Comprehensive Plan

- Rectification programme
- Operational expenditure in support of capital investment
- Reviewing of the Housing Allocation Formula to reflect an appropriate responses to the challenges faced by the programme



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- Comprehensive Plan
- National Spatial Development Plan
- Accelerated and Shared Growth Initiative (ASGISA)
- Policy responses to the issues raised in the Grootboom and other related cases



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PROGRAMME	BUDGET R'000	Exp. as at 31 Mar 2006 R'000	UNSPENT R'000	% SPENT R'000
P1: Administration	97,799	94,892	2,907	97%
P2: Policy Planning and Research	22,734	20,116	2,618	88%
P3: Programme Management	87,461	76,781	10,680	88%
P4: Housing Sector Performance	205,594	198,645	6,949	97%
P5: Housing Equity	2,360	2,182	178	92%
P6: SA Housing Fund	4,849,724	4,849,300	424	100%
TOTAL	5,265,672	5,241,916	23,756	99.55%