

Human Settlement Summit

26 November 2009

Statement by the executive mayor of Johannesburg, CLR Amos Masondo, at the media briefing of the summit on human settlements, Nasrec Expo Centre, Nasrec – Johannesburg

Programme Director

MEC for Local Government and Housing: Mr Kgaogelo Lekgoro

Madam Speaker: Clr Nkele Ntingane

Chief Whip of Council: Clr Nonceba Molwele

MMC for Housing: Clr Ruby Mathang

Members of the Mayoral Committee

The Chairperson of the Housing Portfolio Committee: Clr Cathy Seefort

Leaders of all Political Parties

Fellow Councillors

The Ward Committees

City Manager: Mr Mavela Dlamini

Managers and Officials of Council

Representatives of Civil Society Organisations

The Business Sector

The Banking Institutions

Distinguished Guests

The Media

Fellow Citizens

Programme Director, it is indeed a great honour and privilege for me to share this day with you and to be part of this very important event – the Summit on Human Settlements.

This Summit is historic and it provides us with a platform to examine the complex problems of housing. It is a culmination of an extensive consultative process.

Gathered here are a number of stakeholders. These range from: the community leaders, ward committees, non-governmental organisations, developers, contractors, suppliers of building materials, property managers, planners, engineers, architects, lawyers and financiers.

In the past fifteen (15) years significant progress has been made. More than 2, 7 million houses have been built. This, however, does not mean that we should not acknowledge that there is much, much more to be done.

To fully appreciate what has been achieved, we need to pose a few questions to ourselves:

What does it mean to own a house and the ground on which the house is built? What are the developmental and economic opportunities that present themselves to the owners of such properties? Judging from where we come from, to what extent does such ownership serve as an indicator of progress?

Let us not forget that we are emerging from that period in our history that restricted home ownership to a privileged few, the era of institutionalised racism that sought to deny all those other than whites, ownership of property in general and that of the land in particular. Part of this was to deny the majority of our people their dignity. Thus our struggle was for freedom, equality, justice and human rights.

In this context, to be free means in part to have:

Access to housing;

Access to water and sanitation;

Access to health care and roads; and

To live in communities that are safe and secure.

The theme, “We listen, we deliver”, reflects the fact that Housing is one of our critical service delivery challenges.

It is important to state that the population of Johannesburg is currently growing at a rate of between three and four percent every year. According to estimates, the number of people living in the City will grow by about 3, 7 million people in the next 25 years. This is not an experience which is unique to the City of Johannesburg. More and more people across the globe, especially in developing countries, are moving to and settling in urban centres in ever-greater numbers.

These figures illustrate, in part, some of the challenges facing the City of Johannesburg in its effort to provide housing and other services.

In our Growth and Development Strategy we committed ourselves to the concept of sustainable human settlements. We also made a pledge that “the City of Johannesburg will strive to be inclusive and ensure that the poor are taken out of poverty and helped to climb the ladder of prosperity”.

In Johannesburg we have set ourselves the objective of building 100 000 houses over five years. In the first three years of the mayoral term just over 56 000 units have been built.

This City has also embarked on a mixed income-housing development programme. This is in line with both the national and provincial government policies that seek to ensure integrated and inclusive human settlements.

Programme Director, to be able to achieve our target of 100 000 approximately 40 000 housing units must be built in the current and next financial year. The housing delivery trend over the past two years has been in the region of 20 000 units per year. This is impressive given that only a few years ago, in the year 2004, top structure delivery in Johannesburg was a mere

2 500 units and that the total public sector housing delivery in Johannesburg from 1994 to 2004 was just under 60 000 housing units.

It is important to indicate that the delivery momentum of 20 000 units over the next few years, given the current recession, will not be easy to attain.

According to the World Bank and International Monetary Fund, as quoted by the Minister of Human Settlement, Mr Tokyo Sexwale in his budget speech on the 30th of June 2009, “The global economy has deteriorated drastically. Developing countries face especially serious consequences as the financial economic crisis turns into a human and development calamity”.

In addition, the Minister said, “in the housing and human settlement sector, we are already feeling the impact of the recession on the property market, building materials, and access to housing finance”.

The City is, however, looking at how to minimise the negative impact of the global economic meltdown by reprioritising its own programmes and focusing on key service delivery initiatives.

In an environment of financial uncertainties the accreditation of municipality to undertake the housing function would go a long way to ensure better planning.

Formalisation and Regularisation of Informal Settlements

In the City of Johannesburg, we have a total of 180 informal settlements. The City, led by both the Housing Department and the Development Planning and Urban Management Department is engaged in a comprehensive process of formalising and regularising all our informal settlements.

Further, these settlements, after feasibility studies were undertaken have been classified into the following categories:

Upgrading projects (This comprises 73 settlements and are being implemented either by the City of Johannesburg Housing Department and the Gauteng Province).

Relocation projects (This comprises 16 settlements and are implemented either by the City of Johannesburg Housing Department or the Gauteng Province).

Programme linked settlements (This comprises 21 settlements linked to programmes that will formalise housing for beneficiaries over the long time. This will be implemented by both City of Johannesburg Housing Department and the Gauteng Provincial government).

Regularisation Projects (This includes 23 settlements and is managed by the Department of Development Planning and Urban Management), and

Settlements not linked to any of the aforementioned projects (47 settlements are currently not linked to any project or programme. The key challenge in addressing the development needs of these settlements is accessing and securing additional land).

The aim of the formalisation of the informal settlements programme is, amongst others, to provide certainty to people living in these areas (informal settlements). The regularisation process that has been developed by the City attempts to provide this certainty within a shorter time-frame. These initiatives, it is hoped, may encourage individuals to identify relevant resources and invest in these properties.

In the past few decades, the formalisation process has proven to be lengthy and costly. The City of Johannesburg is pioneering this new approach which will enable the City to deliver services much faster.

Programme Director, the City of Johannesburg intends to give people living in informal settlements the right to occupy and use the land subject to certain conditions, which are spelt out in amendments to the town planning schemes. These relate to aspects such as building materials, spacing between shacks, density of dwellings, and use of dwellings for non-residential purposes. The intention is also to provide a “recognised address” to the households, this we hope will enable the residents, amongst others, to open bank accounts, enter into contracts with institutions such as Telkom.

In addition, let me emphasise that for us in the City of Johannesburg, this programme – the Formalisation of Informal Settlements – is part of the bigger programme of restoring the dignity of our people. While informal settlements are a reality in many urban landscapes, they are also often characterised by degraded environments where the health and safety of residents is compromised.

The existence of informal settlements is a constant reminder of the housing challenges we face. For many migrants, the informal settlements are generally the first areas in which they seek and find accommodation. It is important to note that in the past few years not many new settlements were established. But there has been a significant increase in the number of households.

Whilst it is much easier to identify and prevent new informal settlements from mushrooming, it is much more difficult to observe internal growth immediately when it occurs. Actions such as numbering of shacks, keeping a register of the households and regular visits are important activities in the monitoring of settlements but it is only with the assistance of communities, people living in these areas, that the management of informal settlements can become effective. We should incentivise the locals to protect their own space and by extension the settlements themselves.

Hostel Redevelopment Programme

In the current period, the City is focussing its efforts on those hostels that accommodate its employees and staff. The Provincial Government Department of Local Government and Housing is concentrating on public hostels.

Development on the following staff hostels are currently being implemented or planned by the City through, our company JOSHCO: City Deep, Van Beek, Selby, Anthea and Klipspruit hostels. The critical component of the redevelopment is to ensure that these spaces are converted into mixed income rental accommodation and family units.

The focus of the Provincial Government is the redevelopment of the public hostels in the City under the Community Residential Units (CRU) programme introduced by the National Department of Human Settlements. The Province has already commenced with construction at Diepkloof, Dube, Meadowlands as well as at Mzimhlophe Women's Hostel in Soweto.

I am confident both the pre summit deliberations as well as this important gathering will assist to point us to innovative and meaningful solutions.

Rental and Public Stock

The majority of the housing stock that is owned by the City is very old. Over the years inadequate budgets have been allocated and the management of housing stock by municipalities have been a challenge. This has been a reflection of what has been happening in many countries and parts of the world.

The City's focus to date has been on the transfer of the public housing stock from the department to qualifying beneficiaries and/or to JOSHCO. By June 2009 the City had transferred ownership of around 10 400 housing rental units to legal tenants.

Other Housing Developments and Projects

Programme Director, it is important to note the following housing developments:

The Housing Projects such as Cosmo City and Lehae,
Kliptown, Vlakfontein, Alexandra Township, Orange Farm and Lawley,
The Brickfields development in the Inner City,
The B G Alexander housing project in the Inner City,
The Drieziek Ext 5 Housing Project, and
The Pennyville Housing Project amongst others.

Conclusion

I trust that this Summit will create a renewed awareness about housing issues and how these affect local government. I trust that it will enable us to exchange information on practical actions and to share our experiences of what we consider to be best practice.

Let this Summit consider each question put before it carefully, debate and finally arrive at satisfactory conclusions.

Once again, on behalf of the City of Johannesburg, please allow me to welcome you to this Summit and urge you to lift the bar and take the battle for housing and sustainable human settlements to a higher level.

Thank you