



Wes-Kaapse Provinsiale Parlement Western Cape Provincial Parliament IPalamente yePhondo leNtshona Koloni

Ref number: WCPP 11/4/6

COMMITTEE REPORT

Report of the Standing Committee on Human Settlements on the Annual Reports of the Department of Human Settlements and its Entity, the Western Cape Rental Housing Tribunal, for the 2021/22 financial year.

The Standing Committee on Human Settlements, having deliberated on the Annual Reports of the Department of Human Settlements (the Department) and its Entity, the Western Cape Rental Housing Tribunal (the Tribunal), for the year ended March 2022, referred to it, reports as follows:

1. Introduction

As part of its oversight function, the Standing Committee on Human Settlements (the Committee) considered the Annual Reports of the Department and the Tribunal on 17 October 2022. Annual reports are the key instruments for departments to report on performance measured against their performance targets and budgets as outlined in their strategic plans and annual performance plans. In addition hereto it accounts for the success of each programme that was implemented.

Standing Rule 111(1)(a) of the Western Cape Provincial Parliament provides the standing committees with the mandate to consider departmental Annual Reports submitted in accordance with the Public Finance Management Act, 1999 (Act 1 of 1999).

The Annual Report Programme for the 2021/22 financial year was advertised in newspapers to invite stakeholders and members of the public to attend and participate in the discussions.

The Committee deliberated on Part A: General Information, Part B: Performance Information, and Part D: Human Resource Management.

The Minister for Human Settlements was afforded the opportunity to provide an overview of the key issues contained in the reports.

2. Western Cape Rental Housing Tribunal

2.1 Overview

Mr L Cloete, the Chairperson of the Western Cape Rental Housing Tribunal, informed the Committee that there were many challenges during the year under review. This was attributed to the country being subjected to various stages of the COVID-19 lockdown in terms of the regulations issued under the Disaster Management Act (Act 57 of 2022). He advised that although the Tribunal was able to deliver on its mandated services, its operations were still affected in various ways.

The Tribunal received new improved office space. The Customer Relations Management (CRM) System, which came into operation on 1 April 2021, allowed the public to lodge complaints remotely via the Western Cape Government eService Portal. The main objective of the CRM was to improve the efficiency with which complaints were processed and finalised. In addition, it could also be used as a mechanism to reduce the use of paper in the processing and management of complaints. The implementation of the Tribunal's Strategic Plan during February 2022 allowed the Tribunal to improve its public awareness and pursue the sections major goals.

The Committee proceeded to discuss the Report.

2.2 Key issues discussed

The Committee afforded the Tribunal the opportunity to provide input on its Annual Report by briefing the Committee on the following:

- 2.2.1 The Tribunal recorded 2 544 cases for the year under review, which was reported to be considerably less than the average number of cases recorded over the past six years.
- 2.2.2 A grand total of approximately 760 Communicare group related complaints were received by the Tribunal. Only 30 Communicare related complaints remained, all of which were maintenance related. All the other complaints were finalised. Communicare has not raised its rentals in the past 2-3 financial years. The Western Cape government only owns 20% of the Communicare stock.
- 2.2.3 Due to the concerted efforts by members of the Tribunal and staff, the number of open cases were reduced to 817 from the 1 325 open cases recorded in the 2020/21 financial year.
- 2.2.4 The backlog of cases was reduced to 391 from 898. This was attributed to officials being delegated the authority to close case files.
- 2.2.5 Members raised concern regarding the 565 hearings that did not equal the number of postponed and settled cases. Approximately 21 settled cases and 154 postponed cases were reported, which calculated to 434 cases that were heard. The Department advised that the Tribunal would provide the Committee with a response regarding the missing 31 cases as indicated on page 14 of Table 7 of the Tribunal's Annual Report.
- 2.2.6 The sheriff of the court was requested to assist with retrieving tenants' possessions. Spoliation orders were drafted for landlords who dispossessed tenants' possessions.

The Committee commended the Tribunal for its good work throughout the financial year. The Minister thanked the Tribunal and requested that members inform their constituencies about the online services of the Tribunal.

3. Department of Human Settlements

3.1 Overview

Minister Simmers and Ms K August the Acting Head of Department were afforded the opportunity to provide introductory remarks on the key issues contained in the Department's Annual Report.

In his overview, Minister Simmers, advised the Committee that the Department received a budget of R2 410 259 000. He advised that R2 361 929 000 of the budget was spent in the 2021/22 financial year. The budget was spent on improving efficiencies under Liveable Neighbourhoods, access to adequate housing and empowerment opportunities for citizens in the Western Cape, as well as for the security of tenure through home ownership.

Approximately 68,67% of the Department's Human Settlement Development Grant was awarded to contractors in designated groups. A total of 14,50% of the appointed contractors had women's representation and 6,18% of the appointed contractors had youth representation.

As part of the Department's improved efficiencies, it implemented two information and communications technology interventions. Approximately 99% of the invoices that were received by the Department were paid within 30 days. A total of 20 municipal engagements were held to improve efficiency at the municipal level, and a total of two knowledge management projects were implemented.

Under the Liveable Neighbourhood initiative, the Department completed two integrated implementation plans within the priority housing development areas. A total of 13 projects were approved that were aligned to the national and provincial priorities. The Department approved two policies and two policy implementation guidelines. Only two research papers were developed during the period under review.

After listing the key activities that were achieved by the Department during the 2021/22 financial year, Minister Simmers advised that the Department had received an unqualified audit with findings.

3.2. Key issues discussed

- 3.2.1 Land purchased by the government under the Medium-Term Strategic Framework was rezoned for human settlement. The Saldanha Bay and the Threewaterskloof municipalities received 13,7 hectares of land for human settlement development. A total of four township establishment processes that were identified as priority housing development areas in the City of Cape Town were completed. The aim of the project was to restructure and revitalise towns and cities, to strengthen the livelihoods of households and to integrate communities.
- 3.2.2 Approximately 11 495 housing opportunities were provided by the Department, and a total of 8 164 title deeds were transferred to the relevant beneficiaries. Approximately 110 of the pre-1994 beneficiaries received title deeds, 2 073 of the pre-2014 beneficiaries received their title deeds, and 5 981 post-2014 beneficiaries received title deeds for their respective housing units.
- 3.2.3 The Department coordinated the completion of two integrated implementation plans as part of its project readiness plans. One of the projects was planned for the Breede Valley and the other for the Saldanha Bay municipality's Special Economic Zone.
- 3.2.4 Technical support was provided to municipalities to enable municipalities to produce Integrated Development Plans for Human Settlements Projects.

- 3.2.5 The Department developed a general policy on the management of rental properties owned by the Western Cape Department of Human Settlements. The policy, it was reported, will deal with the procedural and management compliance framework for the letting of immovable properties belonging to the Western Cape Government in terms of the Housing Act (Act 107 of 1997).

To ensure that beneficiary selection in the Western Cape remained sound, the Department embarked on a process to revise the Framework Policy for beneficiary selection. The aim of the Policy was to determine the norms and standards for beneficiary selection for human settlement projects in municipalities, in the form of rules and principles.

In a bid to make affordable housing accessible to potential clients, the Department initiated and led discussions with its provincial and national counterparts namely the Ministers and Members of the Executive Council to obtain a means of enable potential beneficiaries to access a housing opportunity. To this end, a policy on "Help me Buy a Home" was approved by the National Department of Human Settlements.

The Department also revised its Enhanced Serviced Sites (ESS) Policy Guidelines to cater for various options to allow for the capture of a different range of potential beneficiaries in all the markets.

In his closing remarks, Minister Simmers thanked departmental officials for their hard work during the year and members for their continuous oversight. He informed the Committee that the Department was gearing up to merge with the new Department of Infrastructure and would therefore have to finalise all outstanding matters prior to the merger.

3.3 Documents requested

The Committee requested that the Department provide it with the following documents:

- 3.3.1 The Amended Policy for the Selection of Housing Beneficiaries;
- 3.3.2 The Department of Human Settlements' Policy on the Management of Rental Properties;
- 3.3.3 The research paper on new mechanisms for increasing densities in social housing projects; and
- 3.3.4 A report on the remuneration allocated to the members of the Western Cape Rental Housing Tribunal for the past financial year.

4. Conclusion

The Chairperson allowed Minister Simmers and the Head of Department to provide a word of thanks, after which she thanked the members of the Committee, the Minister, the Head of Department, and all the officials of the Department for their preparation and responses to the questions raised by the Committee.


MS LM MASEKO (MPP)

CHAIRPERSON: STANDING COMMITTEE ON HUMAN SETTLEMENTS

DATE:

09/11/2022