

**Speaking notes for the Executive Mayor Thembi Nkadimeng on the occasion of handing over the Seshego CRU project on 23 June 2015 at Seshego**

The Hon Deputy Minister of Human Settlements Mme Fredericks-Kota

The Hon Premier Stan Mathabatha

The Hon MEC Makhurupetja

PHA Board Chairperson, Ms Ntswaki Baloyi

Representatives from NHBRC

All MMC's and Councillors

Members of the Media

Ladies and Gentlemen,

Programme Director,

As the economic hub of the province, Polokwane is experiencing population growth which results in the influx of people from the rural and other areas into the urban parts of the municipality.

Like other cities in the country that are experiencing significant urbanization, Polokwane is experiencing a growing number of backyard structures and informal settlements, which, in turn, result in squalor, unhygienic conditions and environmental degradation that could be compared to the hostel that was located on this very site that we are at today. This influx has necessitated an increase in the provision of housing that promote integrated sustainable human settlement.

We know that as the local sphere of government, it is primarily the responsibility of Local government to ensure and improve the conditions of human settlements and to initiate and implement policies that attack poverty and get rid of slum

conditions. In our endeavour to deal with this backlog the Polokwane Municipality has established Polokwane Housing Association to manage rental human settlements catering for what is called the “gap market”. This is housing for people earning a combined monthly income that is too high to qualify for free housing from government, but too low to qualify for a bank bond. The PHA is currently managing the Ga-Rena rental village in Ladanna. In addition to PHA’s mandate to manage lower income rental, the municipality has extended the entity’s mandate to provide and manage open rental housing stock.

We have reserved pieces of land in the inner city and SDA 1 area which include Seshego and the Extensions for social housing and we are conducting feasibility study through transactional advisers on these pieces of land for various housing options including student accommodation which is currently a challenge in the city and Seshego.

Programme director, Accreditation as a housing provider will provide opportunity to Polokwane Municipalities to plan and execute the housing delivery function. For Polokwane Municipality accreditation will ensure that basic human settlement needs for residents are met at a large scale. Decision making in terms of integrated development will be easier. The municipality is ready for level two readiness assessment by the National Accreditation Task Team.

Programme director, the initiation of community rental and integrated settlements will address some of challenges and observations like:

- The marginalization of lower income earners from social and economic opportunities.
- Lack of integration of communities by improving the location of housing projects.
- Illegal occupation of land that still continues in some areas and
- Disintegration of families as proven by historical only male hostels

Just like with integrated human settlements, the CRU projects supports physical integration of housing development to ensure that the housing is well located within urban and sometimes inner-city areas in order to provide residents with easy access to transportation, amenities, and facilities, and thereby contributing to the quality of life of the beneficiaries. As a municipality we reckon that this CRU project is set to address the challenge of housing affordability by ensuring that low-income earners are housed nearer to town.

**From an economic sustainability point of view this settlement creates opportunities for access to land** and security of tenure, urban integration and land-use which enhances the municipality's efficiency and resource affordability.

Programme director, implementation of this Community Rental Units contributes to the municipality's solutions of managing the consequences of urbanization in a sustainable manner.

As we receive these units, it is important to note that as this was a hostel, the dwellers as guided by the CRU policy had a choice between the CRU rental housing option or moving to a housing ownership option through one of the other housing programmes and most of them opted to be relocated to the housing project at Hospital View.

With this background, today is indeed a great day as the Polokwane Municipality and the tenants receive 189 rental units for low income earners with an aim to contribute towards the reduction of housing backlog by providing alternative tenure.

**In conclusion,**

As a city we are working in close partnership with Coghsta to deliver on these unique residential developments that will include affordable rental and gap market. We acknowledge we cannot address the huge service delivery backlogs on our own, but will create good intergovernmental relations to ensure redress and long-term effective service delivery and our relationship with Coghsta is growing stronger and stronger in this regard. We believe that the times have changed and that it is time to change by delivering innovative solutions to our challenges.

I take this opportunity to welcome you to the City of Polokwane! Thank You!