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Municipalities 'lack' capacity, expertise to provide housing

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CAPE TOWN — Treasury has sprung an unwelcome surprise on Housing Minister Lindiwe Sisulu, proposing that responsibility for housing be shifted from provinces to municipalities.

The proposal forms part of a more general change to the funding of concurrent functions which are shared by national and provincial governments, namely education, housing, social development and health.

Frustrated national departments such as education often feel powerless to achieve key objectives of government policy because much of their implementation takes place at provincial level over which they have no control.

Provinces often identified different priorities undermining the achievement of government policy objectives. However, the housing department is opposed to municipalities taking over responsibility for the provision of housing because it believes they lack capacity and technical expertise.

Departmental officials told Parliament's joint budget committee last week that even metropolitan councils which could be expected to have the required capacity were finding it difficult to deliver housing. On the other hand, the tussle between provincial and local governments over housing delivery has caused delays.

The housing ministry was not consulted on the proposals which were formalised at a cabinet meeting this week and will be discussed with the provinces and the South African Local Government Association at the presidential coordinating council next month.

"This is a proposal that will not find favour with housing," ministerial spokeswoman Marianne Merten said.

Finance and Fiscal Commission (FFC) deputy chairman Bongani Khumalo said the commission — which advises government on inter governmental fiscal relations — supported the idea of municipalities with the requisite capacity taking over the housing function.

The FFC had in the past insisted on the acceleration of the accreditation of municipalities to facilitate this.

Khumalo said municipalities controlled the complementary infrastructure — namely electricity, sanitation and water — necessary for sustainable housing programmes. They also own most of the land. If the function was shifted, there would be a sharper focus on capacity assistance by provincial and national governments.

Government spokesman Themba Maseko said at a post-cabinet briefing yesterday the proposed new approach to funding concurrent functions aimed to achieve "greater alignment between policy making, priority setting and the vertical division of revenue" between the different spheres of government.

