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**Reside Summit 2025 calls for public-private partnerships to tackle South Africa’s housing crisis**

The third annual Reside Summit kicked off on 9 July 2025 in Johannesburg with a powerful call for public-private partnerships as the essential solution to South Africa’s ongoing housing shortage.

Leaders from government, industry, and finance sectors united in emphasising that collaboration between the public and private sectors is crucial to accelerating housing delivery and closing the country’s housing gap.

Johannesburg Executive Mayor Dada Morero, delivering the keynote address, reinforced this message by pledging to cut through the housing red tape that has long impeded the rollout of housing solutions.

Morero highlighted that unlocking private sector investment through streamlined regulations and partnerships is vital to providing affordable homes at scale, while simultaneously addressing South Africa’s substantial housing backlog.

Using Johannesburg as a case study, Morero estimated the city’s population at approximately 6.44 million residents, faces a housing backlog of at least 300,000 units. He acknowledged that the City of Johannesburg cannot solve this backlog alone due to funding constraints. The city’s approved housing budget for the 2025/26 financial year stands at R8.9 billion, which Morero stressed is insufficient to meet the population’s housing needs. To make a meaningful impact, the city requires at least R60 billion in funding.

Morero emphasised that opportunities exist for developers and other stakeholders to help address the city’s housing needs. To stimulate private sector investment and drive what he termed “a housing revolution,” the City of Johannesburg has committed to reducing bureaucratic hurdles, including shortening the approval process for housing developments so that developers can move forward more quickly.

He admitted the city has been too slow in approving development plans.

*“We have made bold statements on housing interventions, but we have also acknowledged that we have been slow, fragmented, and overly bureaucratic,”* Morero said at the Reside Summit held at the Sandton Convention Centre. *“This summit is a critical platform to reset our approach and build the partnerships needed to deliver homes faster.”*

**Positive response from the private sector**

The private sector welcomed Morero’s call to action. Several developers and financiers expressed their readiness to increase investment in affordable housing projects, provided regulatory obstacles are eased.

However, Rob Wesselo, Group Managing Director of International Housing Solutions, and Paul Jackson, co-founder of TUHF, stressed the importance of reliable provision of essential services such as water, electricity, and sewage.

They pointed out that inconsistent service delivery remains a major concern that could undermine investor confidence and project viability. Additionally, they raised concerns about the significant increase in Johannesburg’s property taxes since 2010, which has added financial pressure on developers and landlords.

Property tax rates have reportedly risen by over 45% in the past 15 years, substantially increasing operating costs. Furthermore, utility service charges on rental units—often around R2,000 per month on a R4,000 rental—further squeeze tenant affordability and complicate the economics of affordable housing development. Both Wesselo and Jackson urged the city to address these issues promptly to foster a more enabling environment for sustainable housing investment.

**Economic outlook and Implications for housing**

Adding an important economic perspective, Annabel Bishop, Chief Economist at Investec, presented a cautious outlook for South Africa’s economy in 2025. She projected economic growth of just 0.9% for the year, reflecting ongoing structural challenges and global uncertainties. Inflation is expected to moderate to around 3.5%, which is positive for cost stability, but interest rate cuts will be slower and more gradual than many had hoped.

This economic environment presents mixed implications for property developers. While lower inflation helps contain input costs, sluggish growth and restrained monetary easing mean borrowing costs will remain relatively high for longer, limiting developers’ ability to finance large-scale housing projects affordably.

**A unified approach to housing**

*“This summit is more than a conversation, it’s a catalyst. Solving South Africa’s housing crisis demands shared expertise, shared risk, and shared opportunity - it’s the only path to scale, sustainability, and speed. We appreciate every leader, partner and practitioner, and the many engaged and interested delegates, who have showed up with purpose and made the Reside Summit a true platform for progress,”* says Debbie Tagg, Chairperson of the Reside Summit.

Under the theme “Transforming Spaces, Enriching Lives,” the first day of the Reside Summit concluded with broad agreement that addressing South Africa’s housing crisis requires a unified approach that leverages the strengths of both public and private sectors. Participants committed to ongoing dialogue, joint initiatives, and policy reforms aimed at fast-tracking housing delivery.

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**ABOUT RESIDE SUMMIT**

Launched in 2023, the Residential Investment & Development (Reside) Summit aims to bridge the gap between stakeholders in the public and private sector, construction firms, property developers, investors, financial institutions, and industry bodies.

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Reside Summit

Debbie Tagg, Chairperson of Reside Summit

debbie@resideconference.co.za

For more information or to book an interview, kindly contact Angie Di Giovampaolo at 083 453 6668 or angie@catchwords.co.za.