



COMMISSION OF INQUIRY INTO USINDISO BUILDING
HEADED BY JUSTICE SISI KHAMPEPE

**COMMISSION OF INQUIRY INTO CIRCUMSTANCES SURROUNDING THE
DEATHS OF AT LEAST 77 PEOPLE AND DOZENS MORE INJURED AND
HOMELESS AT THE CORNER OF ALBERT AND DELVERS STREETS,
MARSHALLTOWN, JOHANNESBURG CENTRAL (REGION F)**

**REPORT ON PART (a)(ii) REGARDING THE PREVALENCE OF BUILDINGS OR
IMMOVABLE PROPERTIES IN THE JOHANNESBURG CENTRAL BUSINESS
DISTRICT (REGION F) BEING ABANDONED BY THEIR LEGITIMATE
LANDLORDS OR OWNERS AND TAKEN OVER BY CRIMINAL SYNDICATES OR
OTHER GROUPS AND LEASED OUT TO AND POPULATED WITH TENANTS,
WHO DO NOT HAVE THE MEANS TO AFFORD OTHER FORMS OF HOUSING,
WITHOUT PROVIDING BASIC SERVICES SUCH AS WATER, ELECTRICITY,
REFUSE REMOVAL AND SANITATION AND PAYING RATES AND TAXES (THE
SO-CALLED 'HIJACKED BUILDINGS')**

EXECUTIVE SUMMARY

1. The Commission's in-depth investigation, which included inspecting 110 properties, revealed crucial insights that challenge common assumptions.
2. The notion that all problematic inner-city buildings are "*hijacked*" does not align with the evidence. Inspections showed that only five properties (5.74%) had allegations of non-owners collecting rent. This suggests that while criminal elements exist, the crisis is more fundamentally driven by dire poverty and the severe lack of affordable housing options, compelling vulnerable individuals into deplorable living arrangements.
3. Fire risks are alarmingly pervasive. At least 67 properties (79.76%) exhibited fire safety concerns. About 62 of these (71.26%) completely lacked fire safety equipment, while the remaining 5 (5.74%) had equipment that was either non-operational or non-compliant with regulations. This highlights an immediate and critical threat to residents' lives, exacerbated by the use of combustible materials and restricted escape routes, as observed during the inspections *in loco* and confirmed by the expert testimony of the fire expert.
4. A significant proportion, at least 67 properties (77.01%), were found to be without basic services like water, sanitation, and electricity. This often leads to unsafe living conditions and the proliferation of illicit electricity connections, which pose a significant fire hazard.
5. Expert testimonies underscored several systemic issues contributing to these perilous conditions:
 - 5.1. There is a severe shortage of affordable formal housing. High costs and stringent application requirements force low-income individuals

into abandoned or bad buildings, as highlighted by housing advocacy groups and experts.

5.2. The City's past housing policies have largely failed in their implementation, often prioritizing physical structures over the actual needs of residents, thus perpetuating the crisis.

5.3. The City's inability to provide sufficient Temporary Emergency Accommodation (“TEA”) has paralyzed eviction processes, leaving residents trapped in dangerous buildings. The City anticipates being unable to provide adequate TEA for several more years.

5.4. Developers face significant hurdles, including protracted building plan approvals, incorrect billing, and slow access to state funding, which deter private investment in inner-city rejuvenation.

5.5. The City's inconsistent enforcement of By-Laws, sometimes due to concerns for the safety of City officials or bribery, or a shortage of personnel, causes buildings to deteriorate and become targets for illegal occupation and criminal activity.

5.6. Private owners face financial losses and prolonged legal battles, discouraging them from maintaining or redeveloping properties.

6. To address this multifaceted crisis, various experts have put forward comprehensive recommendations:

5.7. Implement policies that prioritize low-income residents, including repurposing vacant City-owned land and buildings for genuinely

affordable housing and developing robust public rental housing systems.

- 5.8. Introduce immediate and practical interventions such as installing fire-resistant partitions, smoke alarms, portable fire extinguishers, and residential automatic fire sprinklers.
- 5.9. Ensure the provision of essential municipal services (water, electricity, sanitation, refuse collection) to all occupied buildings, and address the practical challenges of maintaining services after disconnections.
- 5.10. Establish a professionalized building inspectorate with adequate training and support from law enforcement agencies (JMPD and SAPS) to ensure consistent By-Law compliance.
- 5.11. Expedite building plan approvals, resolve billing disputes through efficient mechanisms like a conciliation forum, and simplify property rights processes to encourage private sector investment.
- 5.12. Leverage the private sector's expertise and efficiency in housing development using public-private partnerships.
- 5.13. Enhance the TEA system to ensure it provides safe, long-term alternatives before evictions, strictly adhering to legal obligations. Discourage the TEA system from transitioning from a permanent to a temporary status, in alignment with the policy.
- 5.14. Actively involve community organizations in policy decisions to ensure transparency and effective collaboration.

6. The Commission's findings underscore that the inner-city housing crisis is a complex socio-economic issue that demands a comprehensive, collaborative, and human-centred approach. Addressing it will require the City to prioritize the safety, dignity, and housing rights of its most vulnerable residents, alongside robust regulatory frameworks to attract sustainable investment and address the root causes of urban decay.

FACTUAL FINDINGS

7. Residents in bad buildings live, regrettably in perverse conditions of squalor. The buildings do not have basic services such as electricity, water, sanitation, and refuse removal. Without electricity, water, sanitation and waste removal at the City's expense dignified life is impossible. The bad buildings present a unique risk category because their occupancy are indigent people with no means to mitigate the risk to life and limb.
8. The buildings are overcrowded as a result of persons migrating from rural and peri-urban areas in search of work without a strategy to arrest this problem the situation is not going to abate. It is safe to say that the average occupancy of these bad buildings is about 100 family units per building.
9. The disconnection of water and electricity, often as a result of non-payment of these services, accelerates the decay of the bad buildings and renders them unsafe. The tenants then resort to the use of flammable substances such as candles, paraffin, and gas. The risk of fire is eminently obvious in such conditions. Facilities that the tenants would otherwise be entitled to, such as the Extended Social Packages ("ESP"), are not provided because the infrastructure to support such a rebate-based facility is not there.

10. A qualifying household with a valid Municipal account may also be eligible for a rebate on electricity consumption under the ESP. This benefit is accessed through an individual meter, as opposed to a bulk meter. Evidence before this Commission reveals that a number of commercial buildings inhabited were not designed for residential use; therefore, they have a bulk meter, which hinders the extension of ESP to those who qualify for it but occupy commercial buildings. All the participants accept these facts to be true.
11. The evidence, including inspection *in loco* observations, showed that disconnection of electricity in these buildings contributes to their deterioration in that occupiers often use alternative heat sources, including paraffin-fuelled primer stoves, braziers, or gas stoves. These alternative heating sources pose a risk of fire. Where these alternative heating sources are not used but there has been disconnection of electricity, occupiers self-connect illegally and in contravention of the City's By-Laws. This also exposes occupiers to the risk of fire.
12. The participants agreed that a rebate on water is extended to qualifying individuals or households under the ESP. However, the evidence of the Joburg water witness is that water is provided through a bulk meter and cannot be split. The inspection *in loco* evidence shows that there is a lack of water in many of the buildings in the inner city. This observation, coupled with evidence that a lack of water contributes to the general deterioration of buildings and the living conditions of occupants, is a concern. Evidence has shown that in the event of fire, a lack of water exacerbates the damage and the risk to the lives of occupiers.
13. Further evidence has been provided that in some areas, the City mitigates the water shortage by installing standpipes. Generally, this is installed in informal settlements,

rather than in high-rise buildings, which are not typically considered informal settlements. The evidence provided by the City is that the infrastructure in some high-rise buildings does not permit the placement of a water tank. This offers no justification for not providing a water tank to the indigent who are inherently resident in high-rising buildings.

14. A finding that lack of water supply contributes to the general decay of a building, negatively impacts the standard of living of the occupiers, and endangers them in the event of a fire is supported by evidence.
15. The overarching problem triggering unlawful inner-city tenancy is the extended shortage of affordable social housing. As early as the 1990s, the City had a bad building syndrome that was rapidly expanding and did nothing about it.
16. The *in loco* inspections revealed that most buildings are in a decrepit state. Some of the buildings have questionable structural integrity; others without proper fire escape routes or equipment. A sizeable number use combustible material for partitioning. Some of the buildings were clearly not designed for residential use. Some buildings are rodent-infested. There are buildings that have open sewer running through them. There is health-hazardous filth and waste dumped inside and outside the buildings, which serve as a fire accelerant.
17. Most of the buildings did not have electricity or had it illegally connected. Because the buildings are themselves abandoned, rates and taxes and utilities are not paid, and therefore have the services disconnected. The situation gets worse than better for that reason.

18. The common thread to all the bad buildings is the non-compliance with the City By-Laws. The non-compliance covers the Emergency Management Services (“EMS”), Public Health, Water Services, Waste Management, Electricity, Land Use Rights, and Problem Properties. There is also no proper law enforcement or policing. There are complaints of crime and criminal conduct.
19. The country’s jurisprudence admits of no debate regarding the obligations of the State to provide affordable housing to those in need and to do so on an incremental basis, given the available resources. Children also enjoy constitutional protection for the provision of housing. The law is clear that where evictions lead to homelessness, the State has to provide TEA’s or Temporary Alternative Accommodation (“TAA”). It is often the shortage of these facilities that exacerbates the situation of city-dwelling by the indigent. The evidence shows that there were 9 TEAs, with the Moth building evacuated in December 2024. Of the 8 TEAs, the Fraser House building is the only one still in good condition.
20. During 2014, the City assembled a group of experts, assisted by city officials, to design a comprehensive affordable social housing solution for the City. It targeted the low-income category of city residents. The program was called the Inner-City Housing Implementation Plan (“ICHIP”). The plan was costed and received a mayoral approval, but was not tabled with the Council. The plan was intended to cover a 5-year period, 2017 to 2022. ICHIP was not implemented, although the evidence suggested that some aspects of it had been implemented. No explanation was given why it was not fully implemented. The revised Bad Building Strategy with an early vintage was only initiated in 2024 and is currently being deployed to address the issue of bad buildings in conjunction with ICHIP.

21. ICHIP is therefore the most reliable data available. ICHIP states that approximately 30,000 households in the inner city are living in severely overcrowded conditions. We therefore find that at least 30,000 households in the inner city are likely to be at risk and require housing. The evidence of Makola was that ICHIP does not require Council approval. We find that ICHIP must be referred to the Council for possible approval and adoption so that the necessary budgetary resources can be allocated to it.
22. The evidence perspicuously shows that the City has failed to allocate sufficient funds from its budget or secure financial resources from the provincial or national government to administer its housing policies.
23. The budget allocation for social housing and affordable housing appears to be woefully inadequate, and requires close attention if the City's social housing plan is to be progressively realized.
24. Recently, the President has established the Presidential Working Group, comprising officials from all spheres of government, to attend to, in part, resolving the state of the City, ostensibly to impact on the bad buildings as well. The Working Group is to prepare for the pending G20 summit, to be held in Johannesburg in November 2025.
25. The Commission's direct inspections revealed that allegations of non-owners collecting rent were present in only five properties (5.74%). This finding, coupled with evidence from SERI and its datasets, suggests that the initial presumption that all problematic inner-city buildings are "*hijacked*" by criminal syndicates is not entirely supported by the facts. Instead, many properties are occupied by residents driven by dire poverty, not necessarily by illegal landlords.

26. A significant majority of inspected properties, at least 67 (79.76%), exhibited fire safety concerns. Of these, 62 properties (71.26%) lacked any fire safety equipment, while the remaining 5 (5.74%) had equipment that was either non-operational or non-compliant with regulations and City By-Laws. This underscores the extreme fire risk prevalent in these buildings, a point reinforced by fire engineer Andrew Greig's testimony regarding the systemic fire hazards and rapid-fire spread caused by combustible materials and a lack of fire containment.
27. A substantial number of properties, at least 67 (77.01%), were found to be without basic services. This includes a notable presence of illicit electricity connections, further highlighting the hazardous conditions and the City's failure to provide essential services.
28. Tangentially, the acting City Manager and other city officials were not averse to the idea of using steel guardrails to help educate pedestrians to observe pedestrian crossings. It is simple things like those that inculcate proper behaviour down the alley. The City centre is replete with jaywalking. The City is encouraged to look into using guardrails as a pilot.
29. We find the above details to be factual findings of the Commission.

RECOMMENDATIONS

30. There is no discernible plan to resolve homelessness and there is a broad consensus, including the opinion of the expert witnesses, that the effort that went into compiling the ICHIP report is still a credible plan to address the social housing problems in the City. The plan had envisaged the building of approximately 9500 units. The ICHIP has now become dated, particularly in relation to the costs

associated with its implementation. The City should be encouraged to revisit the ICHIP plan with necessary recalibration, incorporating the positive outcomes that may arise from implementing the Bad Building Strategy.

31. The evidence has revealed that the ESP has all the correct intentions to assist the indigent. The policy itself is laudable and well crafted. The shortcoming that it is of no assistance to those it is intended to help arises by reason of the lack of the infrastructure necessary to pass the rebate in favour of those who qualify. It is recommended that creative methods be found to provide the requisite infrastructure in favour of those who qualify for the ESP. The installation of these meters must be done urgently.

32. It should not be an insurmountable impediment to provide portable water even to high-rise buildings. There has to be a great deal of sensitivity in disconnecting the water to the indigent. The buildings cannot be allowed to be inhabited without access to water. The lack of water in these buildings impairs the dignity of the tenants who have to use buckets to flush their toilets. Unsanitary conditions in these buildings cannot not be allowed to persist. Proper sanitation must be provided by the City.

33. There is no provision of basic services, such as water, electricity, sanitation, refuse removal. We recommend that these basic services must be provided by the City to the bad buildings immediately.

34. The City's policy of free basic services must find proper implementation in relation to electricity. The obstacle that the people who qualify for the ESP do not have meters to access the rebate cannot offer any justification for not providing the benefit to those who qualify. There must be a creative method to provide the benefit such as split metering.
35. The City should review the implementation of the ESP to ensure that it achieves its objective of providing free basic electricity to eligible residents in the inner city by installing meters immediately.
36. The evidence is also overwhelming that the disconnection of electricity in the bad buildings is a trigger that accelerates the City's decay and producing the bad buildings. Not only is the disconnection of electricity an impediment to access light and heat, it also opens the tangible threat to those who live in the building. The occupiers of the bad buildings then resort to the use of flammable material such as gas, candles and paraffin. The City must explore an engineering solution such that even where the electricity is disconnected there must be some way of lighting the corridors and fire escape routes should an urgent evacuation happen in the event of fire. The dangers associated with the use of these flammable material must be part of the ongoing education that must be shared with the occupiers.
37. The evidence of Mr Greig, a fire engineer, explained the dangers associated with structures that have no fire containment measures. The bad buildings are a prime example of structures that are a threat to life and limb, as the Usindiso building fire has come to teach all of us. The combustible material that was used must have

exacerbated the tragic outcomes. The City is encouraged to look into at least the minimum interventions, such as removing combustible material, where present, and replacing it with material such as chromadek, provision of portable fire extinguishers, the fitting of smoke alarms; and the water sprinkler system. The dangers of fire where appropriate fire containment is not done, can be disastrous. Mr Greig gave an example that a fire can wreck a building inside three minutes. This is way quicker than any EMS fire trucks can be into rescue when the fire breaks out. The South African National Standard in the SANS 10090 stipulates that the response time to a category A fire must not be more than 8 minutes.

38. The problem associated with sanitation requires attention as well. The evidence is that the portable toilets, particularly those that the Commission observed at Bekezela Settlement, present chemicals that are harmful, particularly when used by females. The problem may relate to the frequency that is required to have them cleaned for ongoing use. In that event, the City must ensure that they are regularly cleaned and maintained.

39. The Commission heard evidence from PikitUp (SOC) Ltd, a service provider on behalf of the City. PikitUp is the official integrated waste management service provider for the City and is mandated to provide integrated waste management services to the residents of Johannesburg. The agreement must be revisited to ensure the refuse is removed in cycles that keep the City clean. The position that PikitUp does not enter buildings for refuse removal may well be understandable in respect of buildings that are not abandoned. With abandoned buildings, particularly where refuse serves as a dangerous fire accelerant, there can be no justification for

not removing the refuse, which must also be responsible for the rodents that are an infestation in these buildings. The provision of more skip bins must also be considered.

40. The bad buildings are a direct result of a shortage of affordable social housing, which the Constitution enjoins the State to provide, *albeit* in a progressive manner with the resources available to the State. It is unconscionable, almost 30 years after the Constitution was made law, that the quest for proper and affordable housing is growing without any sign of abating. The City is encouraged to re-examine the budget allocated for TEA as well as affordable social housing.

41. The TEAs are designed, as the name suggests, to be temporary emergency measures. The evidence, however, shows that they have become permanent. The conundrum is perspicuously exacerbated by the fact that permanent accommodation is not available after the 6-month period expires. We recommend that regular audits of the occupiers be done so that those occupiers who can afford to pay be moved to affordable social housing.

42. The *in loco* inspections revealed that there is vacant land belonging to the City within Region F. The City should consider using the land to construct more TEAs. The vacant land we inspected are Erf 157 Glenesk, Erf 2468 Mayfair, and 102 Hay Street.

43. There were strong feelings regarding the treatment meted to the occupiers of the bad buildings by the City. This must be discouraged. There was also evidence that

where the occupiers were able to form committees, there was greater co-operation between the City officials and some of these committees such as the ones found in Fraser House. Occupiers of the bad buildings should be encouraged to form a platform of dialogue and exchange to address any challenges that may arise. It is unhelpful to have disputes ferment without resolution.

44. The inspections revealed that some buildings appeared to be structurally suspect. The City is encouraged to engage structural engineers to assess some of these buildings and provide interventions that may be indicated by their assessment.

45. The City must pay close attention to the practice of having high executive office bearers in acting appointments. This paralyses the City's ability to provide services. The individuals in acting capacity clearly do not have the authority that permanence can bring to a position. The policy of acting positions, that they should not last longer than 6 months, is often bypassed. One acting period is for 6 months, which gets extended upon expiry. The current City Manager has been in an acting position since December 2024. He was unsure that he would get the permanent position. Mr Nkoane – the Acting Executive Director for Human Settlements, Ms Mothebe – the Acting Chief Operations Officer, and Mr Mahlalela – the Acting Head of Group Legal and Contracts, are also in acting positions.

46. The evidence also revealed that the disputes between the City and its citizens tend to be protracted. The City is encouraged to complement the work of the Municipal Courts and the City of Johannesburg Ombudsman (who has power to investigate any complaint about the City officials and its entities relating to matters such as

maladministration, abuse of exercise of power and improper conduct) by creating alternative dispute resolution mechanisms such as conciliation and mediation. In their very nature, these mechanisms are speedy, though not binding.

47. The perennial problem with bad buildings is the non-observance and non-compliance with the City By-Laws. This is true with each and every bad building. The infraction spans across non-compliance with fire safety, provision of electricity, water, sanitation, waste management, public health and land use. It is highly regrettable that there are City-owned buildings that also fall foul of compliance. Strict compliance with the City By-Laws, by the City in particular, must form the platform on which any correction must start.

48. There appears to be no consequence management in cases of poor service delivery and non-compliance with the City's By-Laws.

49. There are episodes of criminal activity and criminality which threatens the vulnerable members who occupy these buildings. It is hoped that with the appointment of the new Chief of police the law enforcement capacity of the JMPD will be enhanced.

50. There is conflicting account on whether the occupiers pay rent to people not entitled to payments, out of fear and intimidation. The other version is that there is no rental payment at all. This constitutes another criminal conduct to be investigated by the police.

51. The Emergency Housing Program is a budgeted item at the national level which is a specific conditional grant. The evidence is that the amounts given to the City under this grant were returned at the end of a particular financial year unused. We recommend that the EHP, properly understood, can be a part solution to affordable housing program where it seeks to answer people who are evicted or threatened with imminent eviction from land or from unsafe buildings, or situations where proactive steps ought to be taken to forestall such consequences. The City must explore this avenue to ameliorate the situation regarding the provision of TEAs.

52. The evidence revealed that it was unclear when the review of the Problem Properties By-Law began and when it may be completed. The City must ensure that the review process is concluded and implemented expeditiously.

53. The evidence is that JOSHCO which is responsible for affordable social housing, has no capacity to provide housing for the low-income group. This is a group with a monthly earning of R1 870.00. JOSHCO was also criticised for under-recovery of payments by tenants in its buildings. The City's attitude to JOSHCO is to stop the bailout and encourage it to be self-funding.

54. It is recommended that the City considers establishing a Directorate for Property Management. This follows evidence that there is a need for greater co-ordination and cooperation in the property management of the City.

55. We remain concerned that JOSHCO, as one of the entities that is responsible for the resolution of the housing problems, is itself in financial distress, such that it is

unable to execute its mandate. The evidence is that the City owes JOSHCO approximately 700 million. This must be resolved to improve the solvency of JOSHCO.

56. Those buildings with committees appear to at least abate the extent of deterioration in the living conditions. The committees collect contributions from occupiers to pay for essential services like cleaning the building. The committees also serve as a useful platform liaising with the City regarding the plight of the occupiers. The interaction between the committees and the City should be encouraged.

57. The description of bad buildings as “*hijacked*” buildings raised the ire of some witnesses, including one of the expert witnesses. There appear to be undertones or innuendos that reference the bad buildings as “*hijacked*,” as though the occupiers are the hijackers of the buildings. To the extent that the term may connote any criminality on the part of the occupiers, it must be avoided. The City, including political office bearers, are discouraged from using the word “*hijacked*” in relation to these buildings, which is considered to be pejorative.

58. We recommend that the City implement the recommendations related to each of the properties inspected, as outlined in this report.

CONCLUSION

59. The Commission's investigation into inner-city buildings unequivocally demonstrates that the prevailing crisis is not primarily due to “*hijacking*,” but rather

a complex interplay of dire poverty, critical housing shortages, and pervasive systemic failures. The evidence reveals alarming and widespread fire risks, as well as a severe lack of basic services, directly threatening residents' lives and dignity.

60. Addressing this multifaceted challenge demands a human-centered and collaborative strategy. This includes prioritizing the development of genuinely affordable housing, implementing immediate safety interventions, ensuring consistent provision of essential services. Ultimately, overcoming this crisis hinges on the City's commitment to upholding the housing rights of its most vulnerable residents while fostering a robust and sustainable urban environment.