

Vote 31

Human Settlements

Adjusted budget summary

2012/13				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	25 263 180	25 137 805	(125 375)	–
of which:				
Current payments	738 279	734 188	(4 091)	–
Transfers and subsidies	24 036 373	24 044 530	–	8 157
Payments for capital assets	488 528	359 087	(129 441)	–
Executive authority	Minister of Human Settlements			
Accounting officer	Director-General of Human Settlements			
Website address	www.dhs.gov.za			

Aim

Facilitate the creation of sustainable human settlements and improved quality of household life.

Mid-year performance status

Indicator	Programme	Annual performance		
As published in the 2012 ENE	Programme linked to the indicator	Projected for 2012/13 as published in the 2012 ENE	Achieved in the first six months of 2012/13 (April to September)	Changed estimate for 2012/13
Number of additional residential units completed per year	Housing Development Finance	127 200	38 372 ¹	–
Number of additional sites serviced per year (greenfields)	Housing Development Finance	72 876	10 716 ¹	–
Number of additional households upgraded in well-located informal settlements with access to secure tenure and basic services per year (brownfields)	Housing Development Finance	67 124	6 181 ²	–
Total number of municipalities provided with technical assistance for informal settlement upgrading per year	Housing Planning and Delivery Support	49	0	–
Number of additional municipalities assessed for accreditation level 2 per year	Strategic Relations and Governance	10	4	–
Number of additional hectares of land prepared for human settlements development per year	Housing Development Finance	2 100	5 940	–
Number of additional loans granted in affordable housing segment per year	Housing Development Finance	69 970	10 808 ¹	–

1. Performance is up to August 2012.

2. Performance is up to June 2012.

Mid-year progress

In the first quarter of 2012/13, 6 181 households in informal settlements were upgraded by provincial and local government, and 10 808 borrowers in the affordable housing market were provided with loans as a result of the lending activities by development finance institutions in the human settlements sector.

In the first five months of the financial year, provinces serviced 38 372 residential units and 10 716 sites in greenfield developments. The Housing Development Agency reports that 5 940 additional hectares of land have been acquired for human settlements development within the first half of 2012/13, mostly in the North West province.

With regard to the national upgrading support programme, no municipalities have been provided with technical assistance in the first six months of the year due to administrative challenges in the Department in procuring technical advisors for informal settlements.

Adjusted Estimates of National Expenditure 2012

Programme	Main appropriation	2012/13 Adjustments appropriation						Adjusted Appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	
R thousand								
Administration	243 106	13 500	–	–	–	–	13 500	256 606
Housing Policy, Research and Monitoring	46 719	–	–	–	–	–	–	46 719
Housing Planning and Delivery Support	236 460	–	–	–	–	–	–	236 460
Housing Development Finance	24 578 951	–	–	–	(138 875)	–	(138 875)	24 440 076
Strategic Relations and Governance	157 944	–	–	–	–	–	–	157 944
Total	25 263 180	13 500	–	–	(138 875)	–	(125 375)	25 137 805
Economic classification								
Current payments	738 279	11 000	–	(15 091)	–	–	(4 091)	734 188
Compensation of employees	336 989	–	–	(16 983)	–	–	(16 983)	320 006
Goods and services	400 780	11 000	–	1 450	–	–	12 450	413 230
Interest and rent on land	510	–	–	442	–	–	442	952
Transfers and subsidies	24 036 373	–	–	8 157	–	–	8 157	24 044 530
Provinces and municipalities	23 118 165	–	–	–	–	–	–	23 118 165
Departmental agencies and accounts	912 808	–	–	–	–	–	–	912 808
Higher education institutions	–	–	–	3 090	–	–	3 090	3 090
Foreign governments and international organisations	1 000	–	–	–	–	–	–	1 000
Non-profit institutions	400	–	–	–	–	–	–	400
Households	4 000	–	–	5 067	–	–	5 067	9 067
Payments for capital assets	488 528	2 500	–	6 934	(138 875)	–	(129 441)	359 087
Buildings and other fixed structures	479 500	–	–	–	(138 875)	–	(138 875)	340 625
Machinery and equipment	8 802	2 500	–	5 604	–	–	8 104	16 906
Software and other intangible assets	226	–	–	1 330	–	–	1 330	1 556
Total	25 263 180	13 500	–	–	(138 875)	–	(125 375)	25 137 805

Programme 1: Administration

Subprogramme	Main appropriation	2012/13 Adjustments appropriation						Adjusted Appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	
R thousand								
Ministry	30 484	–	–	–	–	–	–	30 484
Management	89 307	–	–	2 472	–	–	2 472	91 779
Corporate Services	90 559	2 500	–	128	–	–	2 628	93 187
Office Accommodation	32 756	11 000	–	(2 600)	–	–	8 400	41 156
Total	243 106	13 500	–	–	–	–	13 500	256 606
Economic classification								
Current payments	238 285	11 000	–	(1 090)	–	–	9 910	248 195
Compensation of employees	96 119	–	–	(2 237)	–	–	(2 237)	93 882
Goods and services	141 996	11 000	–	1 037	–	–	12 037	154 033
Interest and rent on land	170	–	–	110	–	–	110	280
Transfers and subsidies	–	–	–	17	–	–	17	17
Households	–	–	–	17	–	–	17	17
Payments for capital assets	4 821	2 500	–	1 073	–	–	3 573	8 394
Machinery and equipment	4 721	2 500	–	743	–	–	3 243	7 964
Software and other intangible assets	100	–	–	330	–	–	330	430
Total	243 106	13 500	–	–	–	–	13 500	256 606

Programme 2: Housing Policy, Research and Monitoring

Subprogramme	2012/13						
	Main appropriation	Adjustments appropriation					Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	
R thousand							
Management	2 501	–	–	–	–	–	2 501
Policy Development	10 666	–	–	(500)	–	–	10 166
Research	11 664	–	–	1 500	–	–	13 164
Monitoring and Evaluation	21 888	–	–	(1 000)	–	–	20 888
Total	46 719	–	–	–	–	–	46 719
Economic classification							
Current payments	46 289	–	–	(501)	–	–	45 788
Compensation of employees	31 359	–	–	(4 666)	–	–	26 693
Goods and services	14 870	–	–	4 125	–	–	18 995
Interest and rent on land	60	–	–	40	–	–	100
Transfers and subsidies	–	–	–	50	–	–	50
Households	–	–	–	50	–	–	50
Payments for capital assets	430	–	–	451	–	–	881
Machinery and equipment	430	–	–	451	–	–	881
Total	46 719	–	–	–	–	–	46 719

Programme 3: Housing Planning and Delivery Support

Subprogramme		2012/13						Adjusted appropriation
R thousand	Main appropriation	Adjustments appropriation						
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	
Management	3 387	–	–	(500)	–	–	(500)	2 887
Programme Implementation	83 780	–	–	–	–	–	–	83 780
Support								
Rental Housing and People's Housing Process	13 898	–	–	(590)	–	–	(590)	13 308
Stakeholder Mobilisation	14 586	–	–	–	–	–	–	14 586
Capacity Development	25 864	–	–	5 590	–	–	5 590	31 454
Priority Projects Facilitation	10 130	–	–	(1 000)	–	–	(1 000)	9 130
Human Settlement Planning	13 100	–	–	(500)	–	–	(500)	12 600
Sanitation Services	71 715	–	–	(3 000)	–	–	(3 000)	68 715
Total	236 460	–	–	–	–	–	–	236 460
Economic classification								
Current payments	230 731	–	–	(9 182)	–	–	(9 182)	221 549
Compensation of employees	99 132	–	–	(9 589)	–	–	(9 589)	89 543
Goods and services	131 449	–	–	205	–	–	205	131 654
Interest and rent on land	150	–	–	202	–	–	202	352
Transfers and subsidies	4 400	–	–	8 090	–	–	8 090	12 490
Higher education institutions	–	–	–	3 090	–	–	3 090	3 090
Non-profit institutions	400	–	–	–	–	–	–	400
Households	4 000	–	–	5 000	–	–	5 000	9 000
Payments for capital assets	1 329	–	–	1 092	–	–	1 092	2 421
Machinery and equipment	1 303	–	–	1 092	–	–	1 092	2 395
Software and other intangible assets	26	–	–	–	–	–	–	26
Total	236 460	–	–	–	–	–	–	236 460

Programme 4: Housing Development Finance

Programme Housing Development Finance								
Subprogramme		2012/13						
		Main appropriation	Adjustments appropriation					Adjusted appropriation
			Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	
R thousand								
Management	3 013	—	—	—	—	—	—	3 013
Financial and Funds	54 833	—	—	—	—	—	—	54 833
Management								
Housing Equity	10 632	—	—	—	—	—	—	10 632
Human Settlements	15 725 959	—	—	—	—	—	—	15 725 959
Development Grant								
Contributions	912 808	—	—	—	—	—	—	912 808
Rural Households	479 500	—	—	—	(138 875)	—	(138 875)	340 625
Infrastructure Grant								
Urban Settlements	7 392 206	—	—	—	—	—	—	7 392 206
Development Grant								
Total	24 578 951	—	—	—	(138 875)	—	(138 875)	24 440 076

Programme 4: Housing Development Finance (continued)

		2012/13						
		Adjustments appropriation						
R thousand	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	Adjusted Appropriation
Economic classification								
Current payments	67 827	–	–	(452)	–	–	(452)	67 375
Compensation of employees	48 221	–	–	(290)	–	–	(290)	47 931
Goods and services	19 566	–	–	(212)	–	–	(212)	19 354
Interest and rent on land	40	–	–	50	–	–	50	90
Transfers and subsidies	24 030 973	–	–	–	–	–	–	24 030 973
Provinces and municipalities	23 118 165	–	–	–	–	–	–	23 118 165
Departmental agencies and accounts	912 808	–	–	–	–	–	–	912 808
Payments for capital assets	480 151	–	–	452	(138 875)	–	(138 423)	341 728
Buildings and other fixed structures	479 500	–	–	–	(138 875)	–	(138 875)	340 625
Machinery and equipment	651	–	–	452	–	–	452	1 103
Total	24 578 951	–	–	–	(138 875)	–	(138 875)	24 440 076

Programme 5: Strategic Relations and Governance

Subprogramme		2012/13						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/ unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	Adjusted Appropriation
R thousand								
Management	2 805	–	–	500	–	–	500	3 305
Management Information Services	69 025	–	–	(3 000)	–	–	(3 000)	66 025
Intergovernmental and International Relations	14 385	–	–	(500)	–	–	(500)	13 885
Communications	42 748	–	–	4 500	–	–	4 500	47 248
Housing Institutions	12 367	–	–	(1 500)	–	–	(1 500)	10 867
Strategic Management	8 482	–	–	(500)	–	–	(500)	7 982
Transformation	7 132	–	–	500	–	–	500	7 632
Contributions	1 000	–	–	–	–	–	–	1 000
Total	157 944	–	–	–	–	–	–	157 944
Economic classification								
Current payments	155 147	–	–	(3 866)	–	–	(3 866)	151 281
Compensation of employees	62 158	–	–	(201)	–	–	(201)	61 957
Goods and services	92 899	–	–	(3 705)	–	–	(3 705)	89 194
Interest and rent on land	90	–	–	40	–	–	40	130
Transfers and subsidies	1 000	–	–	–	–	–	–	1 000
Foreign governments and international organisations	1 000	–	–	–	–	–	–	1 000
Payments for capital assets	1 797	–	–	3 866	–	–	3 866	5 663
Machinery and equipment	1 697	–	–	2 866	–	–	2 866	4 563
Software and other intangible assets	100	–	–	1 000	–	–	1 000	1 100
Total	157 944	–	–	–	–	–	–	157 944

Details of adjustments to Estimates of National Expenditure 2012**Roll-overs – R13.500 million****Programme 1: Administration**

R2.500 million has been rolled over due to delays in the refurbishment of an additional building.

R11 million has been rolled over for property payments to the Department of Public Works.

Virements and shifts

1. Administration
2. Housing Policy, Research and Monitoring
3. Housing Planning and Delivery Support
4. Housing Development Finance
5. Strategic Relations and Governance

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(4 156)	Programme 1		4 156
Goods and services	Reductions on various non-core goods and services items such as advertising and administration fees	(1 251)	Machinery and equipment	For office furniture and equipment	1 251
	Reduction on venues and facilities	(80)	Software and other intangible assets	For software licences	80
	Reduction on goods and services items such as entertainment and inventory	(80)	Interest and rent on land	For interest payments on the lease of photocopy machines	80
Compensation of employees	Vacant posts	(2 237)	Goods and services	For the rectification programme needs analysis	2 237
Machinery and equipment	Reduction on equipment	(211)	Goods and services	For the rectification programme needs analysis	211
	Reduction on equipment	(17)	Households	For employee social benefits	17
	Reduction on equipment	(250)	Software and other intangible assets	For software licences	250
	Reduction on equipment	(30)	Interest and rent on land	For interest payments on the lease of photocopy machines	30
Shifts within the programme as percentage of programme budget		1.7%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 2		(4 926)	Programme 2		4 926
Goods and services	Reduction on various non-core goods and services items such as travel and subsistence	(50)	Households	For employee social benefits	50
	Reduction on various non-core goods and services items such as inventory and advertising	(195)	Machinery and equipment	For office furniture	195
	Reduction on travel and subsistence	(15)	Interest and rent on land	For interest payments on the lease of photocopy machines	15
Compensation of employees	Vacant posts	(4 385)	Goods and services	For various programme evaluation projects	4 385
	Vacant posts	(256)	Machinery and equipment	For office furniture	256
	Vacant posts	(25)	Interest and rent on land	For interest payments on the lease of photocopy machines	25
Shifts within the programme as percentage of programme budget		10.5%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 3		(12 920)	Programme 3		12 920
Goods and services	Reduction on various non-core items such as venues and facilities and travel and subsistence	(675)	Machinery and equipment	For equipment	675
	Reduction on various items such as inventory	(156)	Interest and rent on land	For interest payments on the lease of photocopy machines	156

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Compensation of employees	Reduction on consultants and professional services	(2 500)	Higher education institutions	To fund the creation of a human settlements chair at the Nelson Mandela Metropolitan University	2 500
	Vacant posts	(3 536)	Goods and services	For expenditure on various operational items such as advertising and communications	3 536
	Vacant posts	(5 000)	Households	For the human settlements scholarship programme	5 000
	Vacant posts	(417)	Machinery and equipment	For office furniture	417
	Vacant posts	(46)	Interest and rent on land	For interest payments on the lease of photocopy machines	46
	Vacant posts	(590)	Higher education institutions	To fund the creation of a human settlements chair at the Nelson Mandela Metropolitan University	590
Shifts within the programme as percentage of programme budget		5.5%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 4		(502)	Programme 4		502
Goods and services	Reductions on various items such as advertising, inventory and catering	(162)	Machinery and equipment	For office furniture	162
	Reduction on operating payments	(50)	Interest and rent on land	For interest payments on the lease of photocopy machines	50
Compensation of employees	Vacant posts	(290)	Machinery and equipment	For office equipment	290
Shifts within the programme as percentage of programme budget		0.0%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 5		(12 933)	Programme 5		12 933
Goods and services	Reduction on various items such as advertising, equipment and inventory	(2 671)	Machinery and equipment	For office equipment	2 671
	Reduction on various items such as advertising, equipment and stationery	(4 513)	Compensation of employees	For vacant posts due to departmental restructuring	4 513
	Reduction on items such as advertising and stationery	(1 000)	Software and other intangible assets	For software licences	1 000
	Reduction on travel and subsistence	(35)	Interest and rent on land	For interest payments on the lease of photocopy machines	35
Compensation of employees	Vacant posts	(4 514)	Goods and services	For expenditure related to launching housing projects and programmes	4 514
	Vacant posts	(195)	Machinery and equipment	For office equipment	195
	Vacant posts	(5)	Interest and rent on land	For interest payments on the lease of photocopy machines	5
Shifts within the programme as percentage of programme budget		8.2%			
Virements to other programmes as percentage of programme budget		0.0%			
Total		(35 437)			35 437

Declared savings – R138.875 million

Programme 4: Housing Development Finance

Savings of R138.875 million have been declared on the rural household infrastructure grant.

Expenditure for 2011/12 and preliminary expenditure for 2012/13

Programme	2011/12					2012/13		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 11 - Sep 11	% of adjusted appropriation	Apr 11 - Mar 12	% of adjusted appropriation	Adjusted appropriation	Apr 12 - Sep 12	% of adjusted appropriation
Administration	233 111	57 110	24.5	167 552	71.9	256 606	70 362	27.4
Housing Policy, Research and Monitoring	39 442	16 362	41.5	32 954	83.6	46 719	16 195	34.7
Housing Planning and Delivery Support	195 011	66 606	34.2	187 350	96.1	236 460	67 209	28.4
Housing Development Finance	22 197 499	10 411 675	46.9	22 105 620	99.6	24 440 076	9 849 608	40.3
Strategic Relations and Governance	160 478	42 659	26.6	105 444	65.7	157 944	52 243	33.1
Total	22 825 541	10 594 412	46.4	22 598 920	99.0	25 137 805	10 055 617	40.0
Economic classification								
Current payments	648 888	198 756	30.6	494 251	76.2	734 188	221 137	30.1
Compensation of employees	302 267	118 460	39.2	242 748	80.3	320 006	123 047	38.5
Goods and services	346 072	80 190	23.2	251 306	72.6	413 230	97 915	23.7
Interest and rent on land	549	106	19.3	197	35.9	952	175	18.4
Transfers and subsidies	21 881 276	10 385 517	47.5	21 881 070	100.0	24 044 530	9 804 993	40.8
Provinces and municipalities	21 388 514	10 021 782	46.9	21 388 514	100.0	23 118 165	9 361 347	40.5
Departmental agencies and accounts	487 091	358 915	73.7	484 074	99.4	912 808	436 155	47.8
Foreign governments and international organisations	1 000	78	7.8	462	46.2	1 000	79	7.9
Households	4 671	4 742	101.5	8 020	171.7	9 067	7 412	81.7
Payments for capital assets	295 367	10 139	3.4	223 575	75.7	359 087	29 487	8.2
Buildings and other fixed structures	288 643	9 401	3.3	219 677	76.1	340 625	27 051	7.9
Machinery and equipment	6 489	737	11.4	3 870	59.6	16 906	2 387	14.1
Software and other intangible assets	235	1	0.4	28	11.9	1 556	49	3.1
Payments for financial assets	10	–	–	24	240	–	–	–
Total	22 825 541	10 594 412	46.4	22 598 920	99.0	25 137 805	10 055 617	40.0

Main expenditure trends for the first half of 2011/12

Total expenditure for 2011/12 amounted to 99 per cent of the 2011/12 adjusted appropriation. Expenditure for the first six months of 2012/13 was R10.056 billion or 40 per cent of the adjusted appropriation of R25.138 billion. In comparison, mid-year expenditure in 2011/12 was R10.594 billion or 46.4 per cent of the 2011/12 adjusted appropriation. Expenditure in the first six months of 2012/13 decreased by R538.795 million or 5.1 per cent, compared with expenditure in the first six months of 2011/12.

The main expenditure decrease, compared to 2011/12, can be attributed to reduced transfers to provinces, municipalities and public entities, in particular to the human settlements development grant.

Departmental receipts

R thousand	2011/12					2012/13			
	Adjusted estimate	Audited outcome				Actual receipts			
		Apr 11 - Sep 11	Apr 11 - Sep 11 adjusted estimate	Apr 11 - Mar 12	Apr 11 - Mar 12 adjusted estimate	Budget estimate	Adjusted estimate	Apr 12 - Sep 12	Apr 12 - Sep 12 adjusted estimate
Departmental receipts	1 319	441	33.4	610	46.2	563	1 270	625	49.2
Sales of goods and services produced by department	155	71	45.8	300	193.5	165	165	82	49.7
Sales of scrap, waste, arms and other used current goods	2	1	50.0	2	100.0	2	2	1	50.0
Fines, penalties and forfeits	–	8	–	–	–	–	–	–	–
Interest, dividends and rent on land	21	–	–	23	109.5	55	55	18	32.7
Sales of capital assets	153	153	100.0	–	–	–	–	–	–
Transactions in financial assets and liabilities	988	208	21.1	285	28.8	341	1 048	524	50.0
Total	1 319	441	33.4	610	46.2	563	1 270	625	49.2

Main departmental revenue trends for the first half of 2011/12

Departmental revenue collection in the first six months of 2012/13 was R625 000, or 49.2 per cent of the adjusted revenue estimate of R1.270 million for the year as a whole. In comparison, mid-year revenue collection was R441 000 or 33.4 per cent of the 2011/12 adjusted estimate. Departmental revenue collection in the first six months of 2012/13 increased by R184 000 or 41.7 per cent compared to the revenue in the first six months of 2011/12.

The main revenue increase compared to 2011/12 can be attributed to an increase in transactions in financial assets and liabilities.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

2012/13								
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
R thousand								
Administration								
Households								
Other transfers to households								
Current	–	–	–	17	–	–	17	17
Employee social benefits	–	–	–	17	–	–	17	17
Housing Policy, Research and Monitoring								
Households								
Other transfers to households								
Current	–	–	–	50	–	–	50	50
Gifts on retirement	–	–	–	50	–	–	50	50
Housing Planning and Delivery Support								
Higher education institutions								
Current	–	–	–	3 090	–	–	3 090	3 090
Nelson Mandela Metropolitan University	–	–	–	3 090	–	–	3 090	3 090
Households								
Other transfers to households								
Current	4 000	–	–	5 000	–	–	5 000	9 000
Bursaries non-employees	4 000	–	–	5 000	–	–	5 000	9 000

Summary of changes to transfers and subsidies per programme (continued)

2012/13								
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	
Housing Development Finance								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	151 975	–	–	–	–	–	–	151 975
Rural Housing Loan Fund	51 975	–	–	(20 000)	–	–	(20 000)	31 975
National Urban Reconstruction and Housing Agency	100 000	–	–	20 000	–	–	20 000	120 000

