

Vote 38

Human Settlements

Adjusted budget summary

R thousand	Appropriation	2019/20 Adjustments appropriation		Adjusted appropriation
		Decrease	Increase	
Amount to be appropriated	33 879 166	(27 303)	10 051	33 861 914
<i>of which:</i>				
Current payments	839 899	(27 303)	–	812 596
Transfers and subsidies	32 985 844	–	3 375	32 989 219
Payments for capital assets	3 423	–	6 442	9 865
Payments for financial assets	50 000	–	234	50 234
Executive authority	Minister of Human Settlements			
Accounting officer	Director-General of Human Settlements			
Website address	www.dhs.gov.za			

Vote purpose

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

Mid-year performance

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
Number of municipalities provided with technical assistance for informal settlement upgrading per year	Human Settlements Delivery Support	Outcome 8: Sustainable human settlements and improved quality of household life	39	21	–
Number of informal settlements with settlement upgrading plans per year	Human Settlements Delivery Support		300	95	–
Number of title deeds registered to eradicate pre-2014 backlog per year	Housing Development Finance		206 170	7 435 ¹	–
Number of title deeds registered for new (post-2014) developments per year	Housing Development Finance		159 687	6 900 ²	–
Number of People's Housing Process subsidies allocated to approved beneficiaries per year	Housing Development Finance		8 500	1 426 ³	–
Number of subsidy housing units completed per year	Housing Development Finance		98 152	23 884 ³	–

Indicator	Programme	MTSF outcome	Annual performance		
			Projected for 2019/20 as published in the 2019 ENE	Achieved in the first half of 2019/20 (April to September)	Changed target for 2019/20
Number of additional households living in affordable rental housing units per year	Housing Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	10 000	1 546 ¹	–
Number of households benefitting from informal settlements upgrading programmes per year	Housing Development Finance		77 000	22 627 ³	–
Number of finance-linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance		1900	1 938 ³	–
Number of integrated and catalytic projects implemented per year	Housing Development Finance		10	33	–

1. Only data for the first four months of 2019/20 was available at the time of publication.

2. Only data for the first quarter of 2019/20 was available at the time of publication.

3. Only data for the first five months of 2019/20 was available at the time of publication.

Mid-year progress

By the end of the first half of 2019/20, only 95 of the annual target of 300 informal settlements had settlement upgrading plans.

In the first five months of the financial year, 23 884 subsidy housing units were completed and 22 627 households living in informal settlements benefitted from upgrading programmes. The department exceeded its annual target of 1 900 finance-linked individual subsidies allocated to approved beneficiaries by 38 in the first five months of 2019/20.

In the first four months of 2019/20, an additional 1 546 households were living in affordable rental housing against an annual target of 10 000, and only 7 435 title deeds were issued to pre-2014 qualifying beneficiaries against a target of 206 170. In the first quarter of 2019/20, only 6 900 new (post-2014) title deeds were issued to qualifying beneficiaries against a target of 159 687.

Adjusted estimates

Programme	2019/20	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand	Appropriation							
Administration	464 667	–	–	–	–	–	–	464 667
Human Settlements Policy, Strategy and Planning	104 657	–	–	–	–	–	–	104 657
Human Settlements Delivery Support	258 746	–	–	–	(17 252)	–	(17 252)	241 494
Housing Development Finance	33 051 096	–	–	–	–	–	–	33 051 096
Total	33 879 166	–	–	–	(17 252)	–	(17 252)	33 861 914

Economic classification		2019/20						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Current payments	839 899	–	(10 051)	–	(17 252)	–	(27 303)	812 596
Compensation of employees	405 680	–	(3 046)	–	–	–	(3 046)	402 634
Goods and services	434 219	–	(7 005)	–	(17 252)	–	(24 257)	409 962
Transfers and subsidies	32 985 844	–	3 375	–	–	–	3 375	32 989 219
Provinces and municipalities	31 798 901	–	–	–	–	–	–	31 798 901
Departmental agencies and accounts	1 172 884	–	–	–	–	–	–	1 172 884
Higher education institutions	3 500	–	–	–	–	–	–	3 500
Foreign governments and international organisations	3 085	–	–	–	–	–	–	3 085
Households	7 474	–	3 375	–	–	–	3 375	10 849
Payments for capital assets	3 423	–	6 442	–	–	–	6 442	9 865
Machinery and equipment	3 423	–	6 442	–	–	–	6 442	9 865
Payments for financial assets	50 000	–	234	–	–	–	234	50 234
Total	33 879 166	–	–	–	(17 252)	–	(17 252)	33 861 914

Programme 1: Administration

Subprogramme		2019/20						Adjusted appropriation
		Adjustments appropriation					Total adjustments appropriation	
R thousand	Appropriation	Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
Ministry	55 643	–	5 046	–	–	–	5 046	60 689
Departmental Management	88 991	–	(1 046)	–	–	–	(1 046)	87 945
Corporate Services	211 707	–	(4 000)	–	–	–	(4 000)	207 707
Property Management	43 332	–	–	–	–	–	–	43 332
Financial Management	64 994	–	–	–	–	–	–	64 994
Total	464 667	–	–	–	–	–	–	464 667
Economic classification								
Current payments	462 568	–	(8 523)	–	–	–	(8 523)	454 045
Compensation of employees	239 655	–	(3 046)	–	–	–	(3 046)	236 609
Goods and services	222 913	–	(5 477)	–	–	–	(5 477)	217 436
Transfers and subsidies	–	–	3 355	–	–	–	3 355	3 355
Households	–	–	3 355	–	–	–	3 355	3 355
Payments for capital assets	2 099	–	5 075	–	–	–	5 075	7 174
Machinery and equipment	2 099	–	5 075	–	–	–	5 075	7 174
Payments for financial assets	–	–	93	–	–	–	93	93
Total	464 667	–	–	–	–	–	–	464 667

Programme 2: Human Settlements Policy, Strategy and Planning

Subprogramme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Management for Policy, Strategy and Planning	8 407	-	-	-	-	-	-	8 407
Human Settlements Policy Frameworks	38 686	-	-	-	-	-	-	38 686
Human Settlements Strategy and Planning	57 564	-	-	-	-	-	-	57 564
Total	104 657	-	-	-	-	-	-	104 657
Economic classification								
Current payments	101 170	-	(694)	-	-	-	(694)	100 476
Compensation of employees	69 198	-	-	-	-	-	-	69 198
Goods and services	31 972	-	(694)	-	-	-	(694)	31 278
Transfers and subsidies	3 085	-	-	-	-	-	-	3 085
Foreign governments and international organisations	3 085	-	-	-	-	-	-	3 085
Payments for capital assets	402	-	687	-	-	-	687	1 089
Machinery and equipment	402	-	687	-	-	-	687	1 089
Payments for financial assets	-	-	7	-	-	-	7	7
Total	104 657	-	-	-	-	-	-	104 657

Programme 3: Human Settlements Delivery Support

Subprogramme	2019/20							Adjusted appropriation
	Appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Management for Human Settlements Delivery Support	8 869	-	360	-	-	-	360	9 229
Programme Management Unit	202 236	-	(360)	-	(17 252)	-	(17 612)	184 624
Chief of Operations	47 641	-	-	-	-	-	-	47 641
Total	258 746	-	-	-	(17 252)	-	(17 252)	241 494
Economic classification								
Current payments	246 932	-	(809)	-	(17 252)	-	(18 061)	228 871
Compensation of employees	75 152	-	-	-	-	-	-	75 152
Goods and services	171 780	-	(809)	-	(17 252)	-	(18 061)	153 719
Transfers and subsidies	10 974	-	20	-	-	-	20	10 994
Higher education institutions	3 500	-	-	-	-	-	-	3 500
Households	7 474	-	20	-	-	-	20	7 494
Payments for capital assets	840	-	655	-	-	-	655	1 495
Machinery and equipment	840	-	655	-	-	-	655	1 495
Payments for financial assets	-	-	134	-	-	-	134	134
Total	258 746	-	-	-	(17 252)	-	(17 252)	241 494

Programme 4: Housing Development Finance

Subprogramme	2019/20							
	Appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments		
R thousand								
Management for Housing Development Finance	4 590	–	–	–	–	–	–	4 590
Chief Investment Officer	24 721	–	–	–	–	–	–	24 721
Human Settlements Development Grant	18 779 815	–	–	–	–	–	–	18 779 815
Contributions	1 222 884	–	–	–	–	–	–	1 222 884
Urban Settlements Development Grant	12 045 386	–	–	–	–	–	–	12 045 386
Title Deeds Restoration Grant	547 700	–	–	–	–	–	–	547 700
Emergency Housing Grant	426 000	–	–	–	–	–	–	426 000
Total	33 051 096	–	–	–	–	–	–	33 051 096
Economic classification								
Current payments	29 229	–	(25)	–	–	–	(25)	29 204
Compensation of employees	21 675	–	–	–	–	–	–	21 675
Goods and services	7 554	–	(25)	–	–	–	(25)	7 529
Transfers and subsidies	32 971 785	–	–	–	–	–	–	32 971 785
Provinces and municipalities	31 798 901	–	–	–	–	–	–	31 798 901
Departmental agencies and accounts	1 172 884	–	–	–	–	–	–	1 172 884
Payments for capital assets	82	–	25	–	–	–	25	107
Machinery and equipment	82	–	25	–	–	–	25	107
Payments for financial assets	50 000	–	–	–	–	–	–	50 000
Total	33 051 096	–	–	–	–	–	–	33 051 096

Details of adjustments to the 2019 Estimates of National Expenditure**Virements and shifts within the vote**

Programmes					
1. Administration					
2. Human Settlements Policy, Strategy and Planning					
3. Human Settlements Delivery Support					
4. Housing Development Finance					
From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(8 523)	Programme 1		8 523
Goods and services	Various non-core goods and services items	(5 075)	Machinery and equipment	Office equipment	5 075
	Various non-core goods and services items	(93)	Payments for financial assets	Theft and losses of equipment and vehicles	93
	Various non-core goods and services items	(309)	Households	Retirement and resignation payouts	309
Compensation of employees	Vacant posts ¹	(3 046)	Households	Leave gratuities	3 046
Shifts within the programme as a percentage of the programme budget		1.8%			
Virements to other programmes as a percentage of the programme budget		0.0%			

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 2		(694)	Programme 2		694
Goods and services	Various non-core goods and services items	(687)	Machinery and equipment	Office equipment	687
	Various non-core goods and services items	(7)	Payments for financial assets	Theft and losses to equipment and vehicles	7
Shifts within the programme as a percentage of the programme budget		0.7%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 3		(809)	Programme 3		809
Goods and services	Various non-core goods and services items	(655)	Machinery and equipment	Office equipment	655
	Various non-core goods and services items	(134)	Payments for financial assets	Theft and losses of equipment and vehicles	134
	Various non-core goods and services items	(20)	Households	Retirement and resignation payouts	20
Shifts within the programme as a percentage of the programme budget		0.3%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Programme 4		(25)	Programme 4		25
Goods and services	Various non-core goods and services items	(25)	Machinery and equipment	Office equipment	25
Shifts within the programme as a percentage of the programme budget		0.0%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(10 051)			10 051

1. National Treasury approval has been obtained.

Declared unspent funds – R17.252 million

Programme 3: Human Settlements Delivery Support

R17.252 million in unspent funds has been declared on goods and services in the *Programme Management Unit* subprogramme, of which R10 million is reduced from the national upgrading support programme and R7.252 million from the operational component of the title deeds restoration programme.

Expenditure outcome for 2018/19 and actual expenditure for 2019/20

Programme	Adjusted appropriation	2018/19				2019/20			
		Outcome		Outcome		Adjusted appropriation/Total (%)		Actual expenditure	
R thousand		Apr 18 - Sep 18	% of adjusted Sep 18 appropriation	Apr 18 - Mar 19	% of adjusted Mar 19 appropriation	Adjusted appropriation/Total (%)		Apr 19 - Sep 19	% of adjusted Sep 19 appropriation
Administration	439 750	188 243	42.8	410 879	93.4	464 667	1.4	182 220	39.2
Human Settlements	92 681	37 450	40.4	90 106	97.2	104 657	0.3	44 799	42.8
Policy, Strategy and Planning									
Human Settlements	246 005	64 955	26.4	174 532	70.9	241 494	0.7	91 825	38.0
Delivery Support									
Housing	31 677 407	11 910 288	37.6	31 519 867	99.5	33 051 096	97.6	12 639 026	38.2
Development									
Finance									
Total	32 455 843	12 200 936	37.6	32 195 384	99.2	33 861 914	100.0	12 957 870	38.3

Economic classification		2018/19					2019/20				
		Outcome					Actual expenditure				
R thousand	Adjusted appropriation	Apr 18 - Sep 18	% of adjusted appropriation	Apr 18 - Mar 19	% of adjusted appropriation	Adjusted appropriation	Adjusted appropriation/ Total (%)	Apr 19 - Sep 19	% of adjusted appropriation		
		Apr 18 - Sep 18	% of adjusted appropriation	Apr 18 - Mar 19	% of adjusted appropriation			Apr 19 - Sep 19	% of adjusted appropriation		
Current payments	776 404	291 906	37.6	679 169	87.5	812 596	2.4	320 015	39.4		
Compensation of employees	376 945	169 110	44.9	345 026	91.5	402 634	1.2	174 173	43.3		
Goods and services	399 459	122 796	30.7	334 143	83.6	409 962	1.2	145 842	35.6		
Transfers and subsidies	31 585 501	11 825 528	37.4	31 425 811	99.5	32 989 219	97.4	12 585 105	38.1		
Provinces and municipalities	30 491 439	11 630 532	38.1	30 333 953	99.5	31 798 901	93.9	11 988 860	37.7		
Departmental agencies and accounts	1 079 034	188 074	17.4	1 079 034	100.0	1 172 884	3.5	588 367	50.2		
Higher education institutions	3 500	–	–	–	–	3 500	0.0	–	–		
Foreign governments and international organisations	4 246	1 205	28.4	4 245	100.0	3 085	0.0	3 031	98.2		
Households	7 282	5 717	78.5	8 579	117.8	10 849	0.0	4 847	44.7		
Payments for capital assets	13 781	3 385	24.6	9 758	70.8	9 865	0.0	2 609	26.4		
Machinery and equipment	13 781	3 385	24.6	9 722	70.5	9 865	0.0	2 609	26.4		
Software and other intangible assets	–	–	–	36	–	–	–	–	–		
Payments for financial assets	80 157	80 117	100.0	80 646	100.6	50 234	0.1	50 141	99.8		
Total	32 455 843	12 200 936	37.6	32 195 384	99.2	33 861 914	100.0	12 957 870	38.3		

Expenditure trends for the first half of 2019/20

Total expenditure in 2018/19 was R32.2 billion, 99.2 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2018/19 was R12.2 billion, 37.6 per cent of the 2018/19 adjusted appropriation, whereas expenditure in the first half of 2019/20 was R13 billion, 38.3 per cent of the adjusted appropriation of R33.9 billion for the year. Compared to the first half of 2018/19, expenditure over the same period in 2019/20 increased by R756.9 million, 6.2 per cent. This was mainly due to an increase in funds transferred to public entities, and grants transferred to provinces and metropolitan municipalities.

Departmental receipts

		2018/19					2019/20				
		Outcome					Actual receipts				
R thousand	Adjusted estimate	Apr 18 - Sep 18	% of adjusted estimate	Apr 18 - Mar 19	% of adjusted estimate	Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Apr 19 - Sep 19	% of adjusted estimate	
		Apr 18 - Sep 18	% of adjusted estimate	Apr 18 - Mar 19	% of adjusted estimate				Apr 19 - Sep 19	% of adjusted estimate	
Departmental receipts	850	599	70.5	1 564	184.0	242	728	100.0	350	48.1	
Sales of goods and services produced by department	204	101	49.5	203	99.5	223	203	27.9	100	49.3	
Sales of scrap, waste, arms and other used current goods	4	2	50.0	3	75.0	6	2	0.3	1	50.0	

R thousand	2018/19					2019/20				
	Adjusted estimate	Outcome				Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts	
		Apr 18 - Sep 18	Apr 18 - Sep 18 % of adjusted estimate	Apr 18 - Mar 19	Apr 18 - Mar 19 % of adjusted estimate				Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted estimate
Interest, dividends and rent on land	22	21	95.5	652	2 963.6	13	115	15.8	57	49.6
Sales of capital assets	–	–	–	174	–	–	–	–	–	–
Transactions in financial assets and liabilities	620	475	76.6	532	85.8	–	408	56.0	192	47.1
Total	850	599	70.5	1 564	184.0	242	728	100.0	350	48.1

Revenue trends for the first half of 2019/20

Mid-year revenue in 2018/19 was R599 000, 70.5 per cent of the 2018/19 adjusted estimate, whereas revenue in the first half of 2019/20 was R350 000, 48.1 per cent of the adjusted revenue estimate of R728 000 for the year. Compared to the first half of 2018/19, revenue over the same period in 2019/20 decreased by R249 000, 41.6 per cent, mainly due to a decrease in revenue from transactions in financial assets and liabilities, largely from the recovery of staff debt.

Changes to transfers and subsidies

Summary of changes to transfers and subsidies per programme

R thousand	Appropriation	2019/20						Adjusted appropriation
		Adjustments appropriation						
		Roll-overs	Virements and shifts	Shifts between votes	Declared unspent funds	Other adjustments	Total adjustments appropriation	
Administration								
Households								
Social benefits								
Current	–	–	3 355	–	–	–	3 355	3 355
Transfers to households	–	–	3 355	–	–	–	3 355	3 355
Human Settlements								
Delivery Support								
Households								
Social benefits								
Current	–	–	20	–	–	–	20	20
Transfers to households	–	–	20	–	–	–	20	20