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BUDGET 2015

ESTIMATES OF NATIONAL EXPENDITURE

VOTE 38

HUMAN SETTLEMENTS



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2015

National Treasury

Republic of South Africa

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The 2015 Estimates of National Expenditure e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

Foreword

Some of the tough economic conditions occasioned by the 2008 to 2009 global financial crisis continue to plague most parts of the world: Economic growth remains sluggish, unemployment and inequality levels are elevated, while financial markets tend to reposition themselves substantially at the slightest sign of unsettling news. As an open economy, South Africa is highly susceptible to global economic developments, often disproportionately so. In the face of all of this, the 2015 Medium Term Expenditure Framework (MTEF) response provides for positive real growth in expenditure averaging 2.1 per cent per year. The annual budget reaches R1.6 trillion by 2017/18.

True to the commitment government made in the Medium Term Budget Policy Statement (MTBPS) in October 2014, the budget framework sets out departmental programmes and plans that fit within the broad expenditure envelope published last year. To keep our fiscal accounts firmly on a sustainable path, the MTBPS proposed a fiscal policy package that has trimmed overall spending by R25 billion, which is the combined amount for 2015/16 and 2016/17. Government spending does continue to surpass inflation after these adjustments in both years, but growth is marginally slower. In addition, for 2017/18, R45 billion is placed in an unallocated reserve to cushion our plans against unforeseeable eventualities. Further, to achieve our fiscal objectives, government has had to institute carefully selected tax measures too. These are implemented within the framework of a progressive tax system and have been informed by the work of the Davies Tax Committee. The tax proposals are set out in detail in chapter 4 of the Budget Review.

The process of realigning expenditure in response to the closing of the fiscal space is being actively managed, in the context of government's 2014-2019 medium term strategic framework. Some of our aspirations might take longer to realise. Within government's institutions, more urgent and essential existing programmes are being prioritised above other programmes that are reduced. The implementation of some newly proposed programmes will either be phased in over a longer period or, in some cases, possibly even delayed. Social sector spending and key infrastructure spending, as well as other key areas of spending, continue to grow in real terms.

In addition to the reprioritisation of government programmes, the policy frameworks and implementation methodology of programmes are being re-evaluated, with a focus on service delivery of programmes. In line with the 2013/14 National Treasury instruction on cost containment measures, financing programmes must entail a greater share of goods and services budgets being devoted towards core areas of service delivery. The focus of government programmes is being sharpened, both in terms of spatial distribution, and in terms of their nature and emphasis. Effectiveness and efficiency of expenditure is our guiding mantra.

The spending plans contained in the 2015 Budget do respond to our short term needs for economic growth. However, to achieve our ambition of faster growth, which we unquestionably need for pushing back the frontiers of unemployment, poverty and inequality, we must continue to strive towards shifting the composition of expenditure more towards investment, away from consumption. Institutional spending, as always, is being closely monitored, and the ongoing process of realignment continues. The details of the spending of national government departments and its entities are encompassed in the chapters of this publication.

All the expenditure and service delivery information contained in the chapters of this publication result from a wide ranging intergovernmental consultative process, leading to executive approval of reprioritised and realigned spending allocations. Many people have contributed to making this publication possible, particularly my colleagues in national departments and agencies. Their collaboration and understanding during the budget allocation and document drafting processes has been invaluable. Appreciation is also due to the dedicated team at National Treasury for the publication of this highly valuable resource.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of national Expenditure (ENE) publications provide comprehensive information on how budget resources are generated, how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the MTEF period. Key performance indicators are included for each national government vote and entity showing what the institutions aim to achieve by spending their budget allocations in a particular manner. This information provides Parliament and the public with the necessary tools to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

The 2015 ENE publications largely retain the scope of information presented in previous years' publications. For ease of comprehension, however, in the 2015 publications information is presented in a more succinct and concise manner in data tables and their accompanying explanatory narratives. The reader can thus more readily understand what each institution is planning to spend its budget on and what it aims to achieve. Each chapter in the abridged 2015 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

A separate 2015 ENE Overview e-publication is also available, which contains a description at the main budget non-interest spending level, summarising the ENE publication information across votes. The 2015 ENE Overview contains this narrative explanation and summary tables; a description of the budgeting approach; and also has a write-up on how to interpret the information that is contained in each section of the publications.

Human Settlements

**National Treasury
Republic of South Africa**



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Vote 38

Human Settlements

Budget summary

R million	2015/16				2016/17	2017/18
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	435.1	432.4	0.0	2.7	462.8	490.1
Human Settlements Policy, Strategy and Planning	74.3	72.6	1.2	0.6	79.3	83.8
Human Settlements Delivery Support	169.8	160.6	8.7	0.5	176.3	182.2
Housing Development Finance	30 264.1	21.4	30 242.5	0.2	32 487.7	34 490.5
Total expenditure estimates	30 943.4	687.0	30 252.4	4.0	33 206.0	35 246.6
Executive authority	Minister of Human Settlements					
Accounting officer	Director General of Human Settlements					
Website address	www.dhs.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, personnel, public entities, donor funding, public private partnerships, conditional allocations to provinces and municipalities and expenditure information at the level of service delivery, where appropriate.

Vote purpose

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

Mandate

The Department of Human Settlements derives its core mandate and responsibilities from section 3 of the Housing Act (1997), which allows the department, in collaboration with provinces and municipalities, to establish and facilitate a sustainable national housing development process. The department does this by: determining national policy and national norms and standards for housing and human settlements development; setting broad national housing delivery goals, and monitoring the financial and non-financial performance of provinces and municipalities against these goals; building the capacity of provinces and municipalities; and promoting consultation with all stakeholders in the housing delivery chain, including civil society and the private sector.

Selected performance indicators

Table 38.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of municipalities assessed for accreditation per year	Human Settlements Policy, Strategy and Planning	Outcome 8: Sustainable human settlements and improved quality of household life	26	1	5	5	6	7	8
Total number of municipalities provided with technical assistance for informal settlement upgrading	Human Settlements Delivery Support		20	20	20	53	53	53	53
Number of informal settlements with settlement upgrading plans per year	Human Settlements Delivery Support		-1	-1	148	450	400	400	400
Number of additional People's Housing Process subsidies allocated to approved beneficiaries per year	Human Settlements Delivery Support		-2	-2	-2	6 000	6 500	7 000	7 500
Number of additional units in the housing subsidy submarket completed per year	Housing Development Finance		120 610	115 079	105 936	66 655	103 983	113 588	120 308
Number of additional affordable rental housing units completed per year	Housing Development Finance		8 710	15 554	4 984	5 668	4 987	5 447	5 770
Number of additional households living in informal settlements upgraded to level 2 in terms of the informal settlements programme per year	Housing Development Finance		74 358	54 918	41 496	28 898	138 521	151 316	160 268

Table 38.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of finance linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	– ²	– ²	– ²	– ²	12 929	14 123	14 958
Total value of finance linked Individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance		– ²	– ²	– ²	– ²	R34m	R72m	R144m
Number of catalytic projects initiated per year	Housing Development Finance		– ²	– ²	– ²	– ²	10	10	10

1. Indicator added in the 2013 ENE.

2. New indicator as per government's 2014-2019 medium term strategic framework.

Expenditure analysis

Over the MTEF period, the Department of Human Settlements will take progressive steps towards achieving the national development plan's vision of transforming human settlements and the spatial economy to create more functionally integrated, balanced and vibrant urban settlements. More specifically, the department will be implementing the human settlements reforms in government's 2014-2019 medium term strategic framework. The reforms aim to ensure that poor households have adequate housing in better living environments, to support the development of a functional and equitable residential property market, and to improve institutional capacity and coordination for better spatial targeting.

Provinces, municipalities, and the department's public entities are the implementing agents of national policy directives. They are responsible for delivering housing opportunities, funded by transfers from the department. Over the MTEF period, these transfers, in the Housing Development Finance programme, will increase to R59.1 billion to the provinces, through the human settlements development grant, and to R33.3 billion to metropolitan municipalities, through the urban settlements development grant. Transfers are expected to grow at an average annual rate of 6.3 per cent over the period to support the delivery of 1.495 million housing opportunities across the country by 2019. The main driver of delivery will be mixed use catalytic projects, led by the department's master spatial plan. A catalytic project is a human settlements project that intends to initiate change away from isolated and segregated communities towards more spatially, socially and economically integrated communities. 30 catalytic projects will be initiated by 2017/18, and the department expects to disburse R315 million over the MTEF period to 8 metropolitan municipalities as capacity funding towards packaging catalytic projects. This funding is disbursed through the municipal human settlements capacity grant.

Social housing

An additional 27 000 households are expected to be living in affordable social rental units by 2019, in line with government's 2014-2019 medium term strategic framework. Over the medium term, 16 204 such units are expected to be built, funded through the restructuring capital grant of the Social Housing Regulatory Authority and the provincial institutional subsidy.

Subsidised housing

563 000 fully subsidised housing units are expected to be built by 2019 (337 879 of which will be delivered over the MTEF period) through the integrated residential development programme. 70 000 finance linked subsidies are expected to be disbursed to qualifying beneficiaries by 2019 (of which 42 010 will be disbursed over the MTEF period) through funding provided in the human settlements development grant.

Upgrading informal settlements

450 105 households in informal settlements are expected to have been upgraded by 2017/18 through the department's transfers to municipalities and provinces, contributing to government's 2014-2019 medium term strategic framework aim of ensuring that 750 000 poor households have adequate housing in better living environments by 2019. The upgrades will provide interim basic water, sanitation services and security of tenure, funded through the provincial human settlements development grant and the metropolitan urban settlements development grant, which are expected to grow at 7.2 per cent and 4.4 per cent.

The upgrading will also be supported by spending on consultants to the national upgrading support programme. This programme, funded in the *Human Settlements Delivery Support* programme, has an allocation of

R210 million over the MTEF period to provide project level, technical support to 53 municipalities for planning upgrades in informal settlements.

In addition, the Housing Development Agency will support the planning in identified mining towns. The agency will also provide programme and project support to provinces and municipalities, in particular to assist them with implementing informal settlements upgrading and catalytic projects. Transfers to the agency are thus expected to increase to R215.7 million in 2017/18.

Departmental functioning to support delivery

Over the MTEF period, the department will spend approximately 1.1 per cent of its total allocation on compensation of employees. As at 30 September 2014, the department had 685 funded posts, 593 of which were filled. The vacancy rate of 13.4 per cent in 2014/15 was a contributor to underspending in the department's compensation of employees budget in previous years. The number of funded posts is expected to decrease to 645 over the MTEF period as a result of Cabinet approved reductions to the department's compensation of employees budget.

A large proportion of this budget is spent in the *Administration* programme, which has the highest number of posts as a result of increased internal support for line function activities in the department. Significant expenditure on consultants, related to the Special Investigating Unit for its investigations into housing subsidy fraud, is expected in the *Administration* programme. Over the medium term, spending on computer services is largely related to upgrading the housing subsidy system which is used for subsidy beneficiary administration.

The department will be drafting a new green paper on human settlements, aligned to the national development plan. The green paper is expected to be completed in 2015/16, and to provide new legislation by 2017/18. To fund these policy making responsibilities, spending in the *Human Settlements Policy, Strategy and Planning* programme will increase to R83.8 million by 2017/18.

The department also plans to strengthen its capacity support to provinces and municipalities and enhance its project monitoring and evaluation systems over the medium term. These functions are funded in the *Human Settlements Delivery Support* programme, and spending is largely driven by compensation of employees and consultants to the national upgrading support programme.

Expenditure trends

Table 38.2 Vote expenditure trends by programme and economic classification

Programmes																						
1. Administration																						
2. Human Settlements Policy, Strategy and Planning																						
3. Human Settlements Delivery Support																						
4. Housing Development Finance																						
Programme	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Revised estimate			Outcome/Annual budget Average (%)		Outcome/Adjusted appropriation Average (%)	
R million	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15									
Programme 1	388.2	390.9	271.6	412.0	425.0	300.6	422.4	422.4	297.8	425.9	433.3	433.3	79.1%	78.0%								
Programme 2	73.2	71.1	60.9	83.5	85.4	63.2	84.1	84.1	73.3	89.4	87.0	87.0	86.2%	86.8%								
Programme 3	94.2	103.2	91.9	158.5	161.0	113.6	153.6	188.9	81.3	298.5	183.5	183.5	66.7%	73.9%								
Programme 4	21 724.9	21 905.1	21 888.5	24 058.0	24 057.0	23 719.5	27 377.1	27 280.0	26 990.8	29 707.6	28 713.9	28 413.9	98.2%	99.1%								
Total	22 280.6	22 470.2	22 312.9	24 712.0	24 728.5	24 196.9	28 037.2	27 975.4	27 443.3	30 521.4	29 417.6	29 117.6	97.7%	98.5%								
Change to 2014 Budget estimate													(1 103.8)									
Economic classification																						
Current payments	576.3	582.4	428.0	667.4	666.6	473.3	724.2	700.2	454.5	823.9	696.5	696.5	73.5%	77.6%								
Compensation of employees	283.5	275.7	216.2	299.0	285.1	222.9	330.1	326.9	240.2	390.0	328.8	328.8	77.4%	82.9%								
Goods and services	292.2	306.1	211.7	368.0	380.7	250.4	393.7	373.2	214.3	433.9	367.7	367.7	70.2%	73.1%								
of which:																						
Administrative fees	0.3	0.6	0.4	0.3	1.0	0.3	0.1	0.3	0.5	0.4	0.4	0.4	134.2%	68.2%								

Table 38.2 Vote expenditure trends by programme and economic classification

Economic classification	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget/Average (%)	Outcome/Adjusted appropriation/Average (%)
R million	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
Advertising	19.2	12.6	10.0	23.1	21.8	21.0	21.9	15.6	23.3	19.4	25.1	25.1	95.0%	105.6%
Assets less than the capitalisation threshold	3.7	7.1	1.5	3.6	4.3	0.7	13.6	11.8	0.6	7.9	4.4	4.4	25.1%	26.3%
Audit costs: External	7.0	6.9	5.2	7.5	7.4	7.0	7.9	7.7	8.7	8.2	8.2	8.2	95.2%	96.1%
Bursaries: Employees	2.1	1.3	1.1	2.2	2.3	1.0	2.3	1.8	0.9	1.9	1.4	1.4	52.7%	66.3%
Catering: Departmental activities	2.7	3.0	3.4	2.7	4.9	6.9	2.9	5.2	6.1	4.1	4.7	4.7	169.9%	118.2%
Communication	8.7	10.0	7.7	9.2	10.6	7.8	10.5	10.3	7.7	11.2	12.5	12.5	90.1%	82.1%
Computer services	58.0	60.6	12.9	61.7	53.1	32.5	51.2	51.5	26.8	53.3	53.0	53.0	55.8%	57.4%
Consultants and professional services: Business and advisory services	74.5	87.4	71.6	138.0	142.7	74.4	157.8	143.5	30.9	184.8	123.4	123.4	54.1%	60.4%
Consultants and professional services: Legal costs	2.4	1.7	3.6	2.5	2.4	1.1	2.6	2.7	2.2	2.9	4.8	4.8	111.9%	100.4%
Contractors	2.0	3.4	2.9	2.8	3.2	1.1	3.3	2.0	1.0	2.2	5.0	5.0	97.5%	74.1%
Agency and support/outsourced services	9.8	5.6	0.9	9.1	9.5	1.0	4.5	4.1	1.3	4.6	3.4	3.4	23.6%	29.3%
Entertainment	1.2	1.0	0.2	1.3	0.9	0.2	1.1	0.9	0.2	1.4	0.7	0.7	24.3%	35.3%
Fleet services (including government motor transport)	-	-	0.1	-	0.3	0.4	-	1.7	0.9	2.3	1.6	1.6	130.7%	80.9%
Inventory: Food and food supplies	0.4	0.3	0.2	0.4	0.4	0.0	0.3	0.2	-	0.2	0.2	0.2	30.7%	40.8%
Inventory: Fuel, oil and gas	0.6	0.6	0.3	0.7	0.6	-	0.7	0.0	-	0.1	-	-	15.1%	25.2%
Inventory: Learner and teacher support material	0.3	0.2	-	0.3	0.2	-	0.2	0.0	-	0.0	0.0	0.0	5.2%	8.4%
Inventory: Materials and supplies	0.0	0.1	-	0.0	0.1	0.1	0.1	0.0	0.2	0.0	0.1	0.1	223.4%	108.6%
Inventory: Other supplies	-	-	1.9	0.0	0.0	0.7	-	0.2	0.0	-	-	-	8 265.6%	1 170.4%
Consumable supplies	2.2	2.8	0.3	2.7	0.8	0.0	2.0	3.8	11.0	3.6	4.1	4.1	146.1%	134.6%
Consumables: Stationery, printing and office supplies	10.6	5.2	1.6	13.5	9.3	5.2	13.9	8.5	4.2	13.1	9.5	9.5	40.3%	63.2%
Operating leases	37.3	35.0	17.9	34.5	40.2	16.8	36.0	35.2	23.2	36.4	24.7	24.7	57.3%	61.2%
Property payments	1.8	2.5	4.2	2.1	4.1	5.9	3.1	2.3	1.6	2.5	12.6	12.6	258.1%	112.9%
Travel and subsistence	31.2	36.8	48.1	32.4	40.3	51.0	39.3	39.3	42.3	51.2	45.0	45.0	120.9%	115.5%
Training and development	2.2	5.1	3.2	4.3	5.2	2.6	5.2	5.0	1.9	5.4	3.0	3.0	62.8%	58.5%
Operating payments	9.2	8.4	2.0	7.8	6.1	2.1	7.7	9.3	6.2	8.5	8.7	8.7	57.3%	58.5%
Venues and facilities	4.8	7.9	10.6	5.1	9.1	10.5	5.3	10.2	12.6	8.6	11.4	11.4	188.8%	116.9%
Interest and rent on land	0.5	0.5	0.2	0.5	0.8	-	0.4	-	0.0	-	-	-	17.8%	18.0%
Transfers and subsidies	21 700.6	21 881.3	21 881.1	24 036.4	24 044.6	23 718.9	27 309.8	27 265.6	26 979.7	28 728.3	28 710.9	28 410.9	99.2%	99.1%
Provinces and municipalities	21 208.5	21 388.5	21 388.5	23 118.2	23 118.2	22 787.2	26 167.5	26 105.2	26 105.2	27 716.7	27 669.1	27 569.1	99.6%	99.6%
Departmental agencies and accounts	487.1	487.1	484.1	912.8	912.8	912.8	1 133.8	1 150.8	864.6	1 002.1	1 023.2	823.2	87.2%	86.3%
Higher education institutions	-	-	-	-	3.1	3.1	3.2	3.7	3.9	3.9	4.5	4.5	161.4%	101.8%
Foreign governments and international organisations	1.0	1.0	0.5	1.0	1.0	1.3	1.1	1.6	1.1	1.1	1.1	1.1	94.4%	84.3%
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-	4.0	4.0	-	100.0%
Non-profit institutions	-	-	-	0.4	0.4	0.4	-	-	-	-	-	-	100.0%	100.0%
Households	4.0	4.7	8.0	4.0	9.1	14.1	4.2	4.3	4.8	4.5	9.0	9.0	215.0%	132.7%

Table 38.2 Vote expenditure trends by programme and economic classification

Economic classification	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million														
Payments for capital assets	3.7	6.5	3.8	8.2	17.3	4.6	3.3	9.7	8.9	969.3	10.2	10.2	2.8%	62.8%
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	964.7	-	-	-	-
Machinery and equipment	3.5	6.3	3.8	8.0	15.8	4.6	3.0	9.2	8.2	4.3	9.9	9.9	140.1%	64.2%
Software and other intangible assets	0.2	0.2	0.0	0.2	1.5	0.0	0.2	0.5	0.7	0.2	0.2	0.2	113.9%	40.5%
Payments for financial assets	-	0.0	0.0	-	-	0.1	-	-	0.2	-	0.0	0.0	-	1 350.0%
Total	22 280.6	22 470.2	22 312.9	24 712.0	24 728.5	24 196.9	28 037.2	27 975.4	27 443.3	30 521.4	29 417.6	29 117.6	97.7%	98.5%

Expenditure estimates

Table 38.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Human Settlements Policy, Strategy and Planning									
3. Human Settlements Delivery Support									
4. Housing Development Finance									
Programme	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)	
				2014/15	2011/12 - 2014/15	2015/16			2016/17
R million									
Programme 1	433.3	3.5%	1.3%	435.1	462.8	490.1	4.2%	1.4%	
Programme 2	87.0	7.0%	0.3%	74.3	79.3	83.8	-1.3%	0.3%	
Programme 3	183.5	21.2%	0.5%	169.8	176.3	182.2	-0.2%	0.6%	
Programme 4	28 413.9	9.1%	98.0%	30 264.1	32 487.7	34 490.5	6.7%	97.8%	
Total	29 117.6	9.0%	100.0%	30 943.4	33 206.0	35 246.6	6.6%	100.0%	
Change to 2014 Budget estimate				(714.1)	(1 038.7)	(715.5)			
Economic classification									
Current payments	696.5	6.1%	2.0%	687.0	726.9	765.3	3.2%	2.2%	
Compensation of employees	328.8	6.0%	1.0%	322.2	344.8	365.7	3.6%	1.1%	
Goods and services	367.7	6.3%	1.0%	364.7	382.1	399.7	2.8%	1.2%	
of which:									
Administrative fees	0.4	-12.5%	0.0%	0.3	0.3	0.3	-5.8%	0.0%	
Advertising	25.1	25.8%	0.1%	16.4	17.3	18.1	-10.3%	0.1%	
Assets less than the capitalisation threshold	4.4	-14.4%	0.0%	8.1	8.5	8.9	26.4%	0.0%	
Audit costs: External	8.2	5.6%	0.0%	8.4	8.9	9.3	4.6%	0.0%	
Bursaries: Employees	1.4	3.0%	0.0%	1.9	2.0	2.1	14.5%	0.0%	
Catering: Departmental activities	4.7	16.8%	0.0%	3.1	3.3	3.5	-9.9%	0.0%	
Communication	12.5	7.5%	0.0%	10.6	11.1	11.8	-1.7%	0.0%	
Computer services	53.0	-4.4%	0.1%	54.1	57.0	59.9	4.2%	0.2%	
Consultants and professional services: Business and advisory services	123.4	12.2%	0.3%	126.2	129.8	132.8	2.5%	0.4%	
Consultants and professional services: Legal costs	4.8	40.4%	0.0%	2.9	3.0	3.2	-13.0%	0.0%	
Contractors	5.0	13.3%	0.0%	2.2	2.4	2.5	-20.9%	0.0%	
Agency and support / outsourced services	3.4	-14.8%	0.0%	3.7	3.7	3.9	4.1%	0.0%	
Entertainment	0.7	-13.2%	0.0%	1.0	1.0	1.1	16.4%	0.0%	
Fleet services (including government motor transport)	1.6	-	0.0%	1.9	2.0	2.1	8.7%	0.0%	
Inventory: Food and food supplies	0.2	-16.6%	0.0%	0.2	0.2	0.2	7.4%	0.0%	
Inventory: Materials and supplies	0.1	-19.5%	0.0%	0.0	0.0	0.0	-15.8%	0.0%	
Consumable supplies	4.1	13.1%	0.0%	3.0	3.2	3.3	-6.5%	0.0%	

Table 38.3 Vote expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
R million								
Consumables: Stationery, printing and office supplies	9.5	22.3%	0.0%	12.4	13.0	13.6	12.7%	0.0%
Operating leases	24.7	-11.0%	0.1%	38.0	40.3	42.3	19.7%	0.1%
Property payments	12.6	72.8%	0.0%	2.6	2.7	2.8	-39.3%	0.0%
Travel and subsistence	45.0	6.9%	0.2%	46.5	50.2	54.5	6.6%	0.2%
Training and development	3.0	-15.6%	0.0%	5.4	5.5	5.8	24.1%	0.0%
Operating payments	8.7	0.8%	0.0%	7.6	8.0	8.4	-1.0%	0.0%
Venues and facilities	11.4	12.9%	0.0%	8.3	8.7	9.1	-7.0%	0.0%
Transfers and subsidies	28 410.9	9.1%	98.0%	30 252.4	32 474.9	34 476.9	6.7%	97.7%
Provinces and municipalities	27 569.1	8.8%	94.9%	28 857.0	31 059.9	32 883.5	6.1%	93.7%
Departmental agencies and accounts	823.2	19.1%	3.0%	1 385.5	1 404.4	1 582.3	24.3%	4.0%
Higher education institutions	4.5	-	0.0%	-	-	-	-100.0%	0.0%
Foreign governments and international organisations	1.1	3.6%	0.0%	1.2	1.2	1.3	4.6%	0.0%
Public corporations and private enterprises	4.0	-	0.0%	-	-	-	-100.0%	0.0%
Households	9.0	24.4%	0.0%	8.8	9.4	9.9	3.2%	0.0%
Payments for capital assets	10.2	15.8%	0.0%	4.0	4.2	4.4	-24.3%	0.0%
Machinery and equipment	9.9	16.2%	0.0%	3.7	3.9	4.1	-25.4%	0.0%
Software and other intangible assets	0.2	5.3%	0.0%	0.3	0.3	0.3	4.8%	0.0%
Total	29 117.6	9.0%	100.0%	30 943.4	33 206.0	35 246.6	6.6%	100.0%

Personnel information

Table 38.4 Vote personnel numbers and cost by salary level and programme¹

Programmes		Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
Number of posts estimated for 31 March 2015																	Average growth rate (%)	Salary level/total: Average (%)	
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2014/15 - 2017/18					
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost	2017/18		Unit Cost			
Human Settlements		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	850	-	601	240.2	0.4	685	328.8	0.5	645	322.2	0.5	645	344.8	0.5	645	365.7	0.6	-2.0%	100.0%
1 - 6	195	-	145	23.3	0.2	158	30.3	0.2	146	30.0	0.2	146	32.0	0.2	146	34.1	0.2	-2.6%	22.7%
7 - 10	357	-	268	82.9	0.3	294	105.4	0.4	276	100.7	0.4	276	107.7	0.4	276	114.3	0.4	-2.1%	42.8%
11 - 12	168	-	103	57.4	0.6	135	92.1	0.7	124	79.9	0.6	124	85.6	0.7	124	90.5	0.7	-2.8%	19.4%
13 - 16	130	-	85	76.6	0.9	98	99.0	1.0	99	109.0	1.1	99	116.7	1.2	99	123.7	1.2	0.3%	15.1%
Other	-	-	-	-	-	-	2.0	-	-	2.6	-	-	2.8	-	-	2.9	-	-	-
Programme	850	-	601	240.2	0.4	685	328.8	0.5	645	322.2	0.5	645	344.8	0.5	645	365.7	0.6	-2.0%	100.0%
Programme 1	511	-	395	140.6	0.4	431	185.7	0.4	431	198.1	0.5	431	212.0	0.5	431	224.8	0.5	-	65.8%
Programme 2	121	-	74	38.3	0.5	121	56.8	0.5	79	48.5	0.6	79	51.9	0.7	79	55.1	0.7	-13.2%	13.7%
Programme 3	186	-	103	47.2	0.5	101	70.1	0.7	106	60.3	0.6	106	64.6	0.6	106	68.5	0.6	1.6%	16.0%
Programme 4	32	-	29	14.1	0.5	32	16.3	0.5	29	15.3	0.5	29	16.4	0.6	29	17.3	0.6	-3.2%	4.5%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Departmental receipts

Table 38.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate 2014/15	Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Receipt item/ total: Average (%) 2011/12 - 2014/15	Medium-term receipts estimate			Average growth rate (%) 2014/15 - 2017/18	Receipt item/ total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14					2015/16	2016/17	2017/18		
Departmental receipts	610	1 039	763	1 141	1 141	23.2%	100.0%	789	791	795	-11.3%	100.0%
Sales of goods and services produced by department	300	167	190	205	205	-11.9%	24.3%	199	201	204	-0.2%	23.0%
Sales by market establishments	196	47	52	54	54	-34.9%	9.8%	58	59	60	3.6%	6.6%
<i>of which:</i>												
Parking	196	47	52	54	54	-34.9%	9.8%	58	59	60	3.6%	6.6%
Administrative fees	-	-	1	1	1	-	0.1%	2	2	3	44.2%	0.2%
<i>of which:</i>												
Commissions on insurance	-	-	1	1	1	-	0.1%	2	2	3	44.2%	0.2%
Other sales	104	120	137	150	150	13.0%	14.4%	139	140	141	-2.0%	16.2%
<i>of which:</i>												
Replacement of security cards	104	120	137	150	150	13.0%	14.4%	139	140	141	-2.0%	16.2%
Sales of scrap, waste, arms and other used current goods	2	3	3	6	6	44.2%	0.4%	3	3	4	-12.6%	0.5%
<i>of which:</i>												
Waste paper	2	3	3	6	6	44.2%	0.4%	3	3	4	-12.6%	0.5%
Interest, dividends and rent on land	23	90	63	430	430	165.4%	17.1%	200	200	200	-22.5%	29.3%
Interest	23	90	63	430	430	165.4%	17.1%	200	200	200	-22.5%	29.3%
Transactions in financial assets and liabilities	285	779	507	500	500	20.6%	58.3%	387	387	387	-8.2%	47.2%
Total	610	1 039	763	1 141	1 141	23.2%	100.0%	789	791	795	-11.3%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 38.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
R thousand											
Ministry	25 850	30 353	28 739	44 398	19.8%	9.9%	47 868	52 104	57 049	8.7%	11.1%
Departmental Management	74 376	61 571	53 508	100 462	10.5%	22.2%	103 768	110 158	116 182	5.0%	23.6%
Corporate Services	124 076	154 529	151 541	205 187	18.3%	48.8%	198 316	210 099	221 608	2.6%	45.9%
Property Management	17 586	20 403	24 699	36 020	27.0%	7.6%	37 677	39 900	41 895	5.2%	8.5%
Financial Management	29 703	33 722	39 312	47 183	16.7%	11.5%	47 487	50 523	53 395	4.2%	10.9%
Total	271 591	300 578	297 799	433 250	16.8%	100.0%	435 116	462 784	490 129	4.2%	100.0%
Change to 2014				7 345			(10 496)	(9 252)	(8 359)		
Budget estimate											

Table 38.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2017/18
Current payments	268 789	296 913	290 308	426 338	16.6%	98.4%	432 361	459 886	487 090	4.5%	99.1%
Compensation of employees	128 476	134 699	140 578	185 654	13.1%	45.2%	198 090	211 951	224 783	6.6%	45.0%
Goods and services	140 171	162 214	149 694	240 684	19.7%	53.2%	234 271	247 935	262 307	2.9%	54.1%
<i>of which:</i>											
Administrative fees	255	200	332	355	11.7%	0.1%	264	278	292	-6.3%	0.1%
Advertising	9 286	20 779	19 876	23 509	36.3%	5.6%	14 052	14 820	15 560	-12.9%	3.7%
Assets less than the capitalisation threshold	959	605	431	2 877	44.2%	0.4%	6 344	6 687	7 023	34.6%	1.3%
Audit costs: External	5 208	6 932	8 550	8 160	16.1%	2.2%	8 446	8 894	9 338	4.6%	1.9%
Bursaries: Employees	1 135	996	935	1 417	7.7%	0.3%	1 922	2 024	2 125	14.5%	0.4%
Catering: Departmental activities	2 337	2 429	2 217	1 879	-7.0%	0.7%	1 623	1 711	1 795	-1.5%	0.4%
Communication	5 013	5 220	4 932	8 317	18.4%	1.8%	6 491	6 805	7 326	-4.1%	1.6%
Computer services	7 714	32 238	26 812	51 839	88.7%	9.1%	52 223	54 988	57 739	3.7%	11.9%
Consultants and professional services: Business and advisory services	39 952	24 473	16 058	42 623	2.2%	9.4%	46 180	48 847	51 290	6.4%	10.4%
Consultants and professional services: Legal costs	3 617	1 082	2 210	4 840	10.2%	0.9%	2 932	3 040	3 192	-13.0%	0.8%
Contractors	2 700	1 016	986	4 505	18.6%	0.7%	1 451	1 528	1 604	-29.1%	0.5%
Agency and support/outsourced services	851	948	1 304	2 950	51.3%	0.5%	1 696	1 642	1 723	-16.4%	0.4%
Entertainment	112	129	122	429	56.5%	0.1%	676	712	748	20.4%	0.1%
Fleet services (including government motor transport)	88	405	876	1 604	163.2%	0.2%	1 865	1 964	2 061	8.7%	0.4%
Inventory: Food and food supplies	-	14	-	81	-	-	85	89	93	4.7%	-
Inventory: Fuel, oil and gas	313	-	-	-	-100.0%	-	33	34	36	-	-
Inventory: Learner and teacher support material	-	-	-	30	-	-	-	-	-	-100.0%	-
Inventory: Materials and supplies	-	59	226	30	-	-	20	21	21	-11.2%	-
Inventory: Medical supplies	-	1	4	-	-	-	-	-	-	-	-
Inventory: Other supplies	1 875	294	-	-	-100.0%	0.2%	-	-	-	-	-
Consumable supplies	-	-	846	2 943	-	0.3%	1 500	1 569	1 647	-17.6%	0.4%
Consumables: Stationery, printing and office supplies	652	2 212	1 825	5 544	104.1%	0.8%	7 899	8 289	8 712	16.3%	1.7%
Operating leases	17 664	16 789	23 246	24 364	11.3%	6.3%	37 773	40 000	42 001	19.9%	7.9%
Property payments	4 204	5 928	1 567	12 616	44.2%	1.9%	2 518	2 651	2 784	-39.6%	1.1%
Travel and subsistence	25 765	27 759	23 936	24 092	-2.2%	7.8%	23 033	25 344	28 397	5.6%	5.5%
Training and development	3 154	2 581	1 854	2 653	-5.6%	0.8%	5 007	5 172	5 432	27.0%	1.0%
Operating payments	1 260	1 557	3 108	6 217	70.2%	0.9%	5 340	5 683	5 967	-1.4%	1.3%
Venues and facilities	6 057	7 568	7 433	6 810	4.0%	2.1%	4 898	5 143	5 401	-7.4%	1.2%
Rental and hiring	-	-	8	-	-	-	-	-	-	-	-
Interest and rent on land	142	-	36	-	-100.0%	-	-	-	-	-	-
Transfers and subsidies	59	74	175	1 170	170.7%	0.1%	44	46	46	-66.0%	0.1%
Departmental agencies and accounts	-	-	-	1 170	-	0.1%	-	-	-	-100.0%	0.1%
Households	59	74	175	-	-100.0%	-	44	46	46	-	-
Payments for capital assets	2 738	3 537	7 198	5 732	27.9%	1.5%	2 711	2 852	2 993	-19.5%	0.8%
Machinery and equipment	2 710	3 507	6 617	5 487	26.5%	1.4%	2 456	2 583	2 711	-20.9%	0.7%
Software and other intangible assets	28	30	581	245	106.1%	0.1%	255	269	282	4.8%	0.1%
Payments for financial assets	5	54	118	10	26.0%	-	-	-	-	-100.0%	-
Total	271 591	300 578	297 799	433 250	16.8%	100.0%	435 116	462 784	490 129	4.2%	100.0%
Proportion of total programme expenditure to vote expenditure	1.2%	1.2%	1.1%	1.5%	-	-	1.4%	1.4%	1.4%	-	-
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	59	74	175	-	-100.0%	-	44	46	46	-	-
Gifts and donations	-	-	63	-	-	-	44	46	46	-	-
Transfers to households	59	74	112	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	-	-	1 170	-	0.1%	-	-	-	-100.0%	0.1%
Public Service Sector Education and Training Authority	-	-	-	1 170	-	0.1%	-	-	-	-100.0%	0.1%

Personnel information

Table 38.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost	Unit Cost
Administration	511	–	395	140.6	0.4	431	185.7	0.4	431	198.1	0.5	431	212.0	0.5	431	224.8	0.5	–	100.0%
1 – 6	153	–	128	20.0	0.2	133	25.6	0.2	133	27.2	0.2	133	29.0	0.2	133	30.9	0.2	–	30.9%
7 – 10	206	–	170	51.0	0.3	178	60.5	0.3	178	63.2	0.4	178	67.4	0.4	178	71.7	0.4	–	41.3%
11 – 12	80	–	51	26.9	0.5	64	39.3	0.6	64	41.0	0.6	64	43.9	0.7	64	46.4	0.7	–	14.8%
13 – 16	72	–	46	42.6	0.9	56	58.2	1.0	56	64.2	1.1	56	68.9	1.2	56	72.8	1.3	–	13.0%
Other	–	–	–	–	–	–	2.0	–	–	2.6	–	–	2.8	–	–	2.9	–	–	–

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 2: Human Settlements Policy, Strategy and Planning

Programme purpose

Manage the development of, and compliance with, human settlements sector delivery and intergovernmental relations frameworks, and oversee integrated human settlements strategic and planning services.

Objectives

- Ensure compliance with human settlements governance frameworks by developing and maintaining policies, programmes, and norms and standards for human settlements development on a continual basis.
- Promote sustainable human settlements development by drafting the human settlements macro policy and strategy, as contained in the national development plan, by 2015/16.
- Facilitate a national rollout of human settlements programmes and related projects by managing and monitoring programmes in terms of the human settlements planning frameworks and processes, on an ongoing basis.
- Improve the development of sustainable human settlements by assessing 21 municipalities for accreditation and 9 metropolitan municipalities for assignment by 2017/18.
- Improve cooperation and collaboration in the sector by managing intergovernmental and sector relations with all stakeholders in the human settlements development value chain on an ongoing basis.

Subprogrammes

- *Management for Policy, Strategy and Planning* provides strategic leadership to the programme.
- *Human Settlements Policy Frameworks* manages the implementation of the National Housing Code, provides advisory services to provinces and municipalities in relation to the application of the code, and facilitates the accreditation of municipalities.
- *Human Settlements Strategy and Planning* manages the research, development and evaluation of the human settlements macro strategy, manages the human settlements planning framework, and communicates the national human settlements development plan to sector stakeholders through the implementation of international and intergovernmental programmes and plans.

Expenditure trends and estimates

Table 38.8 Human Settlements Policy, Strategy and Planning expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18
R thousand											
Management for Policy, Strategy and Planning	1 966	2 160	3 568	5 393	40.0%	4.6%	6 263	6 666	7 042	9.3%	7.8%
Human Settlements Policy Frameworks	23 458	27 765	27 756	28 855	7.1%	37.9%	28 174	30 020	31 758	3.2%	36.6%
Human Settlements Strategy and Planning	35 490	33 275	42 003	52 740	14.1%	57.5%	39 901	42 567	44 960	-5.2%	55.5%
Total	60 914	63 200	73 327	86 988	12.6%	100.0%	74 338	79 253	83 760	-1.3%	100.0%
Change to 2014				(2 408)			(19 961)	(21 079)	(22 532)		
Budget estimate											
Economic classification											
Current payments	60 017	60 953	71 572	80 001	10.1%	95.8%	72 592	77 414	81 828	0.8%	96.1%
Compensation of employees	30 651	33 282	38 322	56 754	22.8%	55.9%	48 533	51 930	55 071	-1.0%	65.5%
Goods and services	29 354	27 671	33 250	23 247	-7.5%	39.9%	24 059	25 484	26 757	4.8%	30.7%
of which:											
Administrative fees	–	–	–	7	–	–	8	8	8	4.6%	–
Advertising	25	37	2 736	389	149.7%	1.1%	702	739	776	25.9%	0.8%
Assets less than the capitalisation threshold	284	24	60	715	36.0%	0.4%	852	898	942	9.6%	1.1%
Catering: Departmental activities	575	2 757	1 986	1 330	32.2%	2.3%	756	796	835	-14.4%	1.1%
Communication	1 000	1 121	1 173	1 649	18.1%	1.7%	1 315	1 386	1 454	-4.1%	1.8%
Computer services	27	–	–	43	16.8%	–	56	59	62	13.0%	0.1%
Consultants and professional services:	12 382	8 528	4 549	5 296	-24.7%	10.8%	5 251	5 528	5 806	3.1%	6.7%
Business and advisory services											
Contractors	63	8	8	62	-0.5%	–	64	69	71	4.6%	0.1%
Agency and support/outsourced services	–	58	5	53	–	–	752	792	831	150.3%	0.7%
Entertainment	12	12	16	49	59.8%	–	60	64	67	11.0%	0.1%
Inventory: Food and food supplies	–	3	–	15	–	–	25	26	27	21.6%	–
Inventory: Learner and teacher support material	–	–	–	12	–	–	12	13	13	2.7%	–
Inventory: Materials and supplies	–	2	–	14	–	–	8	9	10	-10.6%	–
Inventory: Other supplies	21	430	–	–	-100.0%	0.2%	–	–	–	–	–
Consumable supplies	295	–	10 087	878	43.8%	4.0%	1 236	1 302	1 369	16.0%	1.5%
Consumables: Stationery, printing and office supplies	527	458	225	879	18.6%	0.7%	668	705	739	-5.6%	0.9%
Operating leases	70	–	–	–	-100.0%	–	–	–	–	–	–
Property payments	–	–	18	18	–	–	29	30	32	21.1%	–
Travel and subsistence	10 401	12 384	9 493	7 891	-8.8%	14.1%	9 492	10 145	10 652	10.5%	11.8%
Training and development	12	–	–	122	116.6%	–	158	166	175	12.8%	0.2%
Operating payments	215	368	850	713	49.1%	0.8%	879	924	971	10.8%	1.1%
Venues and facilities	3 445	1 481	2 044	3 112	-3.3%	3.5%	1 736	1 825	1 917	-14.9%	2.6%
Interest and rent on land	12	–	–	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies	462	1 807	1 148	5 113	122.8%	3.0%	1 150	1 211	1 272	-37.1%	2.7%
Foreign governments and international organisations	462	1 279	1 075	1 113	34.1%	1.4%	1 150	1 211	1 272	4.6%	1.5%
Public corporations and private enterprises	–	–	–	4 000	–	1.4%	–	–	–	-100.0%	1.2%
Non-profit institutions	–	400	–	–	–	0.1%	–	–	–	–	–
Households	–	128	73	–	–	0.1%	–	–	–	–	–
Payments for capital assets	431	425	575	1 874	63.2%	1.2%	596	628	660	-29.4%	1.2%
Machinery and equipment	431	425	575	1 874	63.2%	1.2%	596	628	660	-29.4%	1.2%
Payments for financial assets	4	15	32	–	-100.0%	–	–	–	–	–	–
Total	60 914	63 200	73 327	86 988	12.6%	100.0%	74 338	79 253	83 760	-1.3%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.3%	0.3%	0.3%	–	–	0.2%	0.2%	0.2%	–	–

Table 38.8 Human Settlements Policy, Strategy and Planning expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)		
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17			2017/18	2014/15 - 2017/18
	R thousand												
Households													
Other transfers to households													
Current	-	128	73	-	-	0.1%	-	-	-	-	-		
Gifts and donations	-	-	12	-	-	-	-	-	-	-	-		
Transfers to households	-	128	-	-	-	-	-	-	-	-	-		
Leave gratuity	-	-	61	-	-	-	-	-	-	-	-		
Non-profit institutions													
Current	-	400	-	-	-	0.1%	-	-	-	-	-		
South African Planning Institute	-	400	-	-	-	0.1%	-	-	-	-	-		
Foreign governments and international organisations													
Current	462	1 279	1 075	1 113	34.1%	1.4%	1 150	1 211	1 272	4.6%	1.5%		
Habitat Foundation	462	850	1 075	1 113	34.1%	1.2%	1 150	1 211	1 272	4.6%	1.5%		
City Alliance	-	429	-	-	-	0.2%	-	-	-	-	-		
Public corporations and private enterprises													
Public corporations													
Other transfers to public corporations													
Current	-	-	-	4 000	-	1.4%	-	-	-	-100.0%	1.2%		
Council for Scientific and Industrial Research	-	-	-	4 000	-	1.4%	-	-	-	-100.0%	1.2%		

Personnel information

Table 38.9 Human Settlements Policy, Strategy and Planning personnel numbers and cost by salary level¹

Human Settlements Policy, Strategy and Planning	Number of posts estimated for 31 March 2015	Number of posts additional to the establishment	Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
			Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost
			Number	Cost		Number	Cost		Number	Cost		Number	Cost		Number	Cost	Number	Cost	
Salary level	121	-	74	38.3	0.5	121	56.8	0.5	79	48.5	0.6	79	51.9	0.7	79	55.1	0.7	-13.2%	100.0%
1 – 6	15	-	6	1.1	0.2	16	3.0	0.2	6	1.3	0.2	6	1.4	0.2	6	1.5	0.3	-27.9%	9.5%
7 – 10	45	-	25	7.0	0.3	45	13.1	0.3	27	9.8	0.4	27	10.6	0.4	27	11.1	0.4	-15.7%	35.2%
11 – 12	37	-	24	13.8	0.6	38	21.4	0.6	27	17.7	0.7	27	18.9	0.7	27	20.1	0.7	-10.8%	33.2%
13 – 16	24	-	19	16.5	0.9	22	19.3	0.9	19	19.7	1.0	19	21.0	1.1	19	22.3	1.2	-4.8%	22.1%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 3: Human Settlements Delivery Support

Programme purpose

Support the execution of, and monitor and evaluate the implementation of human settlements programmes and projects. Manage the building of capacity and skills in the sector and provide oversight of public entities.

Objectives

- Improve the delivery rate of housing projects, including blocked projects and informal settlement upgrading projects, by providing ongoing technical support to provinces and municipalities in the planning and implementation of strategic programmes and projects.
- Promote better human settlements outcomes in informal settlements through the progressive implementation of the national upgrading support programme in 53 municipalities by 2017/18.
- Develop professional and institutional capacity to support roles and responsibilities at provincial and municipal levels by managing ongoing training and skills development programmes for officials and communities.

- Manage the performance of public entities, provinces and municipalities by monitoring the performance of human settlements development and housing programmes on a quarterly basis.

Subprogrammes

- *Management for Human Settlements Delivery Support* provides strategic leadership to the programme.
- *Programme Management Unit* provides support to provinces and municipalities for the implementation of housing and human settlements projects and programmes, including catalytic projects.
- *Chief of Operations* provides regulatory, strategic and policy oversight to the public entities reporting to the department; and manages the development of sector specific technical skills development, programmes and strategies as well as the scholarship programme.

Expenditure trends and estimates

Table 38.10 Human Settlements Delivery Support expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Management for Human Settlements Delivery Support	4 338	3 121	4 071	6 665	15.4%	3.9%	7 551	8 011	8 462	8.3%	4.3%
Programme Management Unit	26 548	24 921	33 080	122 183	66.3%	44.0%	116 401	119 334	122 131	–	67.4%
Chief of Operations	60 993	85 544	44 194	54 654	-3.6%	52.2%	45 848	48 908	51 647	-1.9%	28.2%
Total	91 879	113 586	81 345	183 502	25.9%	100.0%	169 800	176 253	182 240	-0.2%	100.0%
Change to 2014				(23 487)			(46 762)	(65 863)	(73 134)		
Budget estimate											
Economic classification											
Current payments	83 461	96 038	71 875	167 690	26.2%	89.1%	160 583	166 372	171 867	0.8%	93.6%
Compensation of employees	43 223	40 080	47 245	70 129	17.5%	42.7%	60 329	64 552	68 460	-0.8%	37.0%
Goods and services	40 204	55 958	24 630	97 561	34.4%	46.4%	100 254	101 820	103 407	2.0%	56.6%
of which:											
Administrative fees	95	99	–	11	-51.3%	–	11	11	12	2.9%	–
Advertising	450	113	374	973	29.3%	0.4%	1 383	1 458	1 530	16.3%	0.8%
Assets less than the capitalisation threshold	288	68	80	727	36.2%	0.2%	770	798	840	4.9%	0.4%
Audit costs: External	–	86	139	–	–	–	–	–	–	–	–
Catering: Departmental activities	434	1 434	1 728	1 295	44.0%	1.0%	522	551	578	-23.6%	0.4%
Communication	1 343	1 255	1 375	2 044	15.0%	1.3%	2 308	2 430	2 552	7.7%	1.3%
Computer services	5 113	279	–	1 079	-40.5%	1.4%	1 797	1 961	2 059	24.0%	1.0%
Consultants and professional services: Business and advisory services	19 231	40 545	9 427	74 753	57.2%	30.6%	73 650	73 913	74 108	-0.3%	41.6%
Contractors	154	121	26	408	38.4%	0.2%	704	741	778	24.0%	0.4%
Agency and support/outsourced services	7	–	–	416	290.2%	0.1%	1 181	1 244	1 306	46.4%	0.6%
Entertainment	91	16	22	155	19.4%	0.1%	183	192	202	9.2%	0.1%
Fleet services (including government motor transport)	–	–	–	1	–	–	–	–	–	-100.0%	–
Inventory: Food and food supplies	25	–	–	60	33.9%	–	66	69	73	6.8%	–
Inventory: Materials and supplies	–	2	1	18	–	–	5	6	6	-30.7%	–
Inventory: Other supplies	22	–	2	–	-100.0%	–	–	–	–	–	–
Consumable supplies	–	3	22	199	–	–	234	246	258	9.0%	0.1%
Consumables: Stationery, printing and office supplies	381	631	390	1 897	70.8%	0.7%	2 470	2 556	2 681	12.2%	1.3%
Operating leases	194	–	–	269	11.5%	0.1%	232	293	308	4.6%	0.2%
Travel and subsistence	10 935	9 737	7 721	10 762	-0.5%	8.3%	11 714	12 247	12 854	6.1%	6.7%
Training and development	27	39	–	272	116.0%	0.1%	198	209	220	-6.8%	0.1%
Operating payments	354	161	316	917	37.3%	0.4%	1 334	1 325	1 392	14.9%	0.7%
Venues and facilities	1 060	1 369	3 007	1 305	7.2%	1.4%	1 492	1 570	1 650	8.1%	0.8%
Interest and rent on land	34	–	–	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies	7 961	16 951	8 543	13 484	19.2%	10.0%	8 719	9 355	9 822	-10.0%	5.8%
Higher education institutions	–	3 090	3 949	4 499	–	2.5%	–	–	–	-100.0%	0.6%
Households	7 961	13 861	4 594	8 985	4.1%	7.5%	8 719	9 355	9 822	3.0%	5.2%
Payments for capital assets	447	580	922	2 328	73.3%	0.9%	498	526	551	-38.1%	0.5%
Machinery and equipment	447	580	806	2 328	73.3%	0.9%	498	526	551	-38.1%	0.5%
Software and other intangible assets	–	–	116	–	–	–	–	–	–	–	–
Payments for financial assets	10	17	5	–	-100.0%	–	–	–	–	–	–
Total	91 879	113 586	81 345	183 502	25.9%	100.0%	169 800	176 253	182 240	-0.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.5%	0.3%	0.6%	–	–	0.5%	0.5%	0.5%	–	–

Table 38.10 Human Settlements Delivery Support expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Households											
Other transfers to households											
Current	7 961	13 861	4 594	8 985	4.1%	7.5%	8 719	9 355	9 822	3.0%	5.2%
Transfers to households	-	41	41	-	-	-	-	-	-	-	-
Bursaries for non-employees	7 961	13 820	4 553	8 985	4.1%	7.5%	8 719	9 355	9 822	3.0%	5.2%
Higher education institutions											
Current	-	3 090	3 949	4 499	-	2.5%	-	-	-	-100.0%	0.6%
Nelson Mandela Metropolitan University	-	3 090	3 949	4 499	-	2.5%	-	-	-	-100.0%	0.6%

Personnel information

Table 38.11 Human Settlements Delivery Support personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015	Number and cost ² of personnel posts filled / planned for on funded establishment												Number						
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2013/14		Unit Cost	2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18		
			Number	Cost		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost					
Human Settlements Delivery Support	186	-	103	47.2	0.5	101	70.1	0.7	106	60.3	0.6	106	64.6	0.6	106	68.5	0.6	1.6%	100.0%
Salary level																			
1 – 6	26	-	10	2.0	0.2	8	1.6	0.2	6	1.3	0.2	6	1.4	0.2	6	1.5	0.2	-9.1%	6.2%
7 – 10	89	-	56	19.5	0.3	53	25.8	0.5	54	21.5	0.4	54	23.0	0.4	54	24.4	0.5	0.6%	51.3%
11 – 12	42	-	22	12.8	0.6	25	26.4	1.1	26	16.7	0.6	26	18.0	0.7	26	18.9	0.7	1.3%	24.6%
13 – 16	29	-	15	12.9	0.9	15	16.3	1.1	20	20.8	1.0	20	22.2	1.1	20	23.6	1.2	10.1%	17.9%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Programme 4: Housing Development Finance

Programme purpose

Fund the delivery of all housing and human settlements programmes, and manage all matters related to improving access to housing finance and developing partnerships with the financial sector.

Objectives

- Manage the performance of provinces and municipalities by monitoring the expenditure and non-financial performance of human settlements development and housing programmes on a quarterly basis.
- Accelerate the delivery of housing and human settlements by providing funding from the human settlements development grant, the urban settlements development grant, the municipal human settlements capacity grant, and transfers to public entities on an ongoing basis.
- Improve access to housing finance by collaborating with the private sector and related entities to develop mechanisms to increase market penetration and provide loans to low and middle income households on an ongoing basis.
- Ensure equal access to housing finance through monitoring the lending practices of the financial sector by publishing an annual report on mortgage finance.

Subprogrammes

- *Management for Housing Development Finance* provides strategic leadership to the programme.
- *Chief Investment Officer* monitors the spending and performance of provinces and municipalities implementing housing and human settlements programmes, mobilises the financial sector to provide financial resources to human settlements development, and monitors and reports on the lending patterns by financial institutions through the Office of Disclosure.

- *Human Settlements Development Grant* reflects the conditional allocation that is transferred to all provinces for delivering housing projects as per the National Housing Code.
- *Contributions* makes transfers to certain public entities reporting to the department, such as the Social Housing Regulatory Authority and the Housing Development Agency.
- *Urban Settlements Development Grant* reflects the conditional allocations transferred to municipalities for infrastructure development to support the upgrading of informal settlements and increase the provision of serviced land in metropolitan municipalities.
- *Municipal Human Settlements Capacity Grant* reflects the conditional allocation transferred to municipalities to build capacity within metropolitan municipalities.

Expenditure trends and estimates

Table 38.12 Housing Development Finance expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18
R thousand											
Management for Housing Development Finance	1 152	1 678	1 940	2 575	30.7%	–	3 517	3 742	3 951	15.3%	–
Chief Investment Officer	14 795	17 795	19 023	20 166	10.9%	0.1%	18 083	19 648	20 781	1.0%	0.1%
Human Settlements Development Grant	15 121 516	15 395 032	17 028 326	17 084 369	4.2%	63.8%	18 202 675	19 883 991	1 060 343	7.2%	60.5%
Contributions	484 074	912 808	864 648	1 022 071	28.3%	3.2%	1 385 507	1 404 416	1 582 283	15.7%	4.3%
Urban Settlements Development Grant	6 266 998	7 392 206	9 076 906	10 284 684	18.0%	32.6%	10 554 345	11 075 877	1 708 123	4.4%	34.6%
Municipal Human Settlements Capacity Grant	–	–	–	300 000	–	0.3%	100 000	100 000	115 000	-27.4%	0.5%
Total	21 888 535	23 719 519	26 990 843	28 713 865	9.5%	100.0%	30 264 127	32 487 674	4 490 481	6.3%	100.0%
Change to 2014				18 550			(636 882)	(942 545)	(611 510)		
Budget estimate											
Economic classification											
Current payments	15 769	19 393	20 788	22 519	12.6%	0.1%	21 422	23 203	24 536	2.9%	0.1%
Compensation of employees	13 800	14 821	14 083	16 273	5.6%	0.1%	15 287	16 357	17 348	2.2%	0.1%
Goods and services	1 960	4 572	6 705	6 246	47.2%	–	6 135	6 846	7 188	4.8%	–
of which:											
Administrative fees	–	–	201	–	–	–	–	–	–	–	–
Advertising	209	55	276	214	0.8%	–	223	235	246	4.8%	–
Assets less than the capitalisation threshold	18	14	15	100	77.1%	–	103	109	114	4.5%	–
Catering: Departmental activities	27	202	146	221	101.5%	–	229	241	253	4.6%	–
Communication	302	231	202	449	14.1%	–	444	467	491	3.0%	–
Consultants and professional services: Business and advisory services	31	922	822	723	185.7%	–	1 113	1 551	1 628	31.1%	–
Contractors	–	–	–	18	–	–	19	20	21	5.3%	–
Agency and support/outsourced services	–	–	–	25	–	–	26	28	29	5.1%	–
Entertainment	6	9	6	41	89.8%	–	42	45	47	4.7%	–
Inventory: Food and food supplies	192	–	–	–	-100.0%	–	–	–	–	–	–
Inventory: Materials and supplies	–	–	1	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	1	–	–	–	–	–	–	–	–	–
Consumable supplies	–	–	6	32	–	–	33	34	36	4.0%	–
Consumables: Stationery, printing and office supplies	–	1 914	1 806	1 202	–	–	1 345	1 417	1 489	7.4%	–
Operating leases	19	–	–	23	6.6%	–	24	25	27	5.5%	–
Property payments	–	–	–	8	–	–	9	9	10	7.7%	–
Travel and subsistence	969	1 103	1 109	2 230	32.0%	–	2 308	2 437	2 558	4.7%	–
Operating payments	147	42	1 966	805	76.3%	–	57	59	62	-57.5%	–
Venues and facilities	40	79	149	155	57.1%	–	160	169	177	4.5%	–
Interest and rent on land	9	–	–	–	-100.0%	–	–	–	–	–	–
Transfers and subsidies	21 872 588	23 700 052	26 969 880	28 691 124	9.5%	99.9%	30 242 527	32 464 284	4 465 749	6.3%	99.9%
Provinces and municipalities	21 388 514	22 787 238	26 105 232	27 669 053	9.0%	96.7%	28 857 020	31 059 868	2 883 466	5.9%	95.6%
Departmental agencies and accounts	484 074	912 808	864 648	1 022 071	28.3%	3.2%	1 385 507	1 404 416	1 582 283	15.7%	4.3%
Households	–	6	–	–	–	–	–	–	–	–	–
Payments for capital assets	178	74	175	222	7.6%	–	178	187	196	-4.1%	–
Machinery and equipment	178	74	175	222	7.6%	–	178	187	196	-4.1%	–
Total	21 888 535	23 719 519	26 990 843	28 713 865	9.5%	100.0%	30 264 127	32 487 674	4 490 481	6.3%	100.0%
Proportion of total programme expenditure to vote expenditure	98.1%	98.0%	98.4%	97.6%	–	–	97.8%	97.8%	97.9%	–	–

Table 38.12 Housing Development Finance expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18
	R thousand										
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	-	-	-	300 000	-	0.3%	100 000	100 000	115 000	-27.4%	0.5%
Municipal human settlements capacity grant	-	-	-	300 000	-	0.3%	100 000	100 000	115 000	-27.4%	0.5%
Capital	6 266 998	7 392 206	9 076 906	10 284 684	18.0%	32.6%	10 554 345	11 075 877	1 708 123	4.4%	34.6%
Urban settlements development grant	6 266 998	7 392 206	9 076 906	10 284 684	18.0%	32.6%	10 554 345	11 075 877	1 708 123	4.4%	34.6%
Households											
Other transfers to households											
Current	-	6	-	-	-	-	-	-	-	-	-
Transfers to households	-	6	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	257 905	265 407	246 648	424 528	18.1%	1.2%	453 200	368 007	471 770	3.6%	1.4%
Social Housing Regulatory Authority: Operational	19 305	21 096	32 151	33 480	20.1%	0.1%	34 560	36 392	38 212	4.5%	0.1%
Rural Housing Loan Fund	49 500	31 975	-	-	-100.0%	0.1%	-	-	50 000	-	-
Housing Development Agency	89 100	92 336	97 497	121 047	10.8%	0.4%	176 183	167 512	215 668	21.2%	0.5%
National Home Builders Registration Council	-	-	-	1	-	-	-	-	-	-100.0%	-
National Urban Reconstruction and Housing Agency	100 000	120 000	100 000	-	-100.0%	0.3%	61 000	-	-	-	-
National Housing Finance Corporation	-	-	-	230 000	-	0.2%	100 000	100 000	100 000	-24.2%	0.4%
Community Schemes Ombud Services	-	-	17 000	40 000	-	0.1%	39 521	23 920	29 400	-9.8%	0.1%
Social Housing Regulatory Authority: Institutional Investment	-	-	-	-	-	-	41 936	40 183	38 490	-	0.1%
Capital	226 169	647 401	618 000	597 543	38.2%	2.1%	932 307	1 036 409	1 110 513	22.9%	2.9%
Social Housing Regulatory Authority: Restructuring capital grant	226 169	647 401	618 000	597 543	38.2%	2.1%	932 307	1 036 409	1 110 513	22.9%	2.9%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Capital	15 121 516	15 395 032	17 028 326	17 084 369	4.2%	63.8%	18 202 675	19 883 991	1 060 343	7.2%	60.5%
Human settlements development grant	15 121 516	15 395 032	17 028 326	17 084 369	4.2%	63.8%	18 202 675	19 883 991	1 060 343	7.2%	60.5%

Personnel information

Table 38.13 Housing Development Finance personnel numbers and cost by salary level¹

Housing Development Finance	Number of posts estimated for 31 March 2015		Number and cost ² of personnel posts filled / planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18		
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost
Salary level	32	-	29	14.1	0.5	32	16.3	0.5	29	15.3	0.5	29	16.4	0.6	29	17.3	0.6	-3.2%	100.0%
1-6	1	-	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	-	3.4%
7-10	17	-	17	5.3	0.3	18	6.0	0.3	17	6.2	0.4	17	6.6	0.4	17	7.1	0.4	-1.9%	58.0%
11-12	9	-	6	4.0	0.7	8	4.9	0.6	7	4.5	0.6	7	4.9	0.7	7	5.1	0.7	-4.4%	24.4%
13-16	5	-	5	4.6	0.9	5	5.1	1.0	4	4.4	1.1	4	4.6	1.2	4	4.9	1.2	-7.2%	14.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Public entities and other agencies

National Home Builders Registration Council

Mandate

The National Home Builders Registration Council was established in terms of the Housing Consumers Protection and Measures Act (1998), as amended, to represent the interests of housing consumers by providing

warranty protection against defined defects in new homes, and to regulate the home building industry. The council provides training and capacity building to promote and ensure compliance with technical standards in the home building environment.

Selected performance indicators

Table 38.14 National Home Builders Registration Council performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of subsidy inspections carried out per year	Regulation	Outcome 8: Sustainable human settlements and improved quality of household life	290 826	179 930	230 217	500 480	528 006	557 047	587 684
Number of non-subsidy inspections carried out per year	Regulation		223 349	248 114	221 107	183 852	193 964	204 632	215 887
Number of home inspectors to be trained per year	Regulation		- ¹	- ¹	- ¹	- ¹	400	440	460
Number of home builders to be trained per year	Regulation		609	1 002	1 369	2 000	1 200	1 500	2 000
Number of people to be trained in construction for government projects (youth, women, people with disabilities and military veterans) per year	Regulation		192	948	934	1 500	2 000	2 000	2 000
Number of subsidy sector project enrolments per year	Protection		35 426	32 959	26 719	45 100	47 581	50 197	52 958
Number of subsidy home enrolments per year	Protection		138 883	161 443	119 440	125 120	132 002	139 262	146 921
Number of late enrolments per year	Protection		602	658	512	2 298	2 424	2 558	2 698
Number of forensic assessments conducted per year	Protection		45 952	32 760	40 500	31 600	33 180	34 839	36 581
Number of geotechnical assessments conducted per year	Protection		- ²	- ²	45 000	20 959	22 007	23 107	24 263
Number of days taken to evaluate structural claims	Protection		- ²	- ²	- ²	20	20	20	20
Number of non-subsidy enrolments per year	Protection		38 651	44 698	48 879	45 963	48 491	51 158	53 972

1. New indicator.

2. Not previously monitored.

Expenditure analysis

The National Home Builders Registration Council assures quality of housing delivery by the private sector and government, and provides home builder training to the sector. This is in line with the national development plan's vision of adequate housing and improved quality living environments, as well as outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium term strategic framework. To this end, the council's focus over the MTEF period will be on strengthening the administration, consumer protection and regulation functions of the council.

The council raises revenue primarily through home enrolment fees, technical services, and interest and dividends earned on investments. Total revenue is expected to increase at an average annual rate of 5.9 per cent over the medium term, largely due to increases in the number of homes enrolled in both subsidy and non-subsidy sectors, as the economy begins to recover and as the construction of subsidy housing gears up over the medium term.

Total expenditure of the council is projected to increase to R1.1 billion in 2017/18. The council's focus over the medium term is to build its internal inspection capacity, thereby eliminating the need for outsourced capacity and strengthening the internal operations of the council. Expenditure on outsourced inspection capacity is thus expected to decrease from R70.6 million in 2014/15 to zero over the medium term, while spending on compensation of employees as a whole is set to increase to R634.7 million in 2017/18, aligning with the increase in the number of personnel from 592 in 2014/15 to 728 in 2017/18. As a result, the council will be able to inspect every new subsidised house that is enrolled with the council four times during construction. In addition, a centre for housing innovation has been established, which focuses on home builder training, inspector training and alternative building technologies. The council expects to train 1 300 inspectors and 4 700 new home builders over the medium term. Spending in the regulation programme increased significantly between 2011/12 and 2014/15 as a result of increased capacity within the inspection unit, and is expected to increase to R416.2 million by 2017/18.

Spending in the protection programme increased rapidly from R7.1 million in 2011/12 to R202.7 million in 2014/15, largely as a result of increased capacity for legal compliance and enforcement, the establishment of the project management office, and the Centre for Research and Housing Innovation. Expenditure over the medium term in the protection programme is expected to increase at an average annual rate of 15.5 per cent. This is largely due to the expected increase in spending on compensation of employees as a result of the growth in personnel. This increase will lead to a growth in the number of forensic assessments conducted by the council to 36 581 by 2017/18, as well as a growth in the number of geotechnical assessments, which are projected to increase to 24 263 projects in the subsidy sector by 2017/18. In addition, the council projects that 418 185 new subsidy houses and 153 621 non-subsidy houses will be enrolled over the MTEF period as a result of increased internal capacity.

Implementation of the enterprise resource planning system is expected to improve the efficiency of the council's administrative functions, and will be the main driver of administrative expenditure from R248.8 million in 2014/15 to R347.2 million in 2017/18. The significant decline in expenditure in 2013/14 in this programme was as a result of the reprioritisation of funding out of administration and into the regulation and protection programmes. This was done to target spending on direct services related to the council's core mandate.

Programmes/objectives/activities

Table 38.15 National Home Builders Registration Council expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2011/12 - 2014/15	2015/16		
R thousand											
Administration	447 026	506 456	167 556	248 790	-17.7%	52.4%	293 695	335 533	347 189	11.7%	30.9%
Regulation	158 996	140 574	248 262	443 316	40.7%	36.2%	373 907	394 472	416 168	-2.1%	41.5%
Protection	7 074	12 710	102 775	202 656	206.0%	11.4%	280 670	296 107	312 393	15.5%	27.5%
Total	613 096	659 740	518 593	894 762	13.4%	100.0%	948 272	1 026 112	1 075 750	6.3%	100.0%

Statements of historical financial performance and position

Table 38.16 National Home Builders Registration Council statements of historical financial performance and position

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
R thousand									
Revenue									
Non-tax revenue	608 452	723 253	742 829	1 188 839	932 334	733 168	965 235	965 235	111.1%
Sale of goods and services other than capital assets	352 034	425 260	529 066	840 409	727 625	410 046	753 376	753 376	102.8%
<i>of which:</i>									
Sales by market establishment	352 034	425 260	529 066	840 409	727 625	410 046	753 376	753 376	102.8%
Other non-tax revenue	256 418	297 993	213 764	348 430	204 709	323 122	211 859	211 859	133.2%
Total revenue	608 452	723 253	742 829	1 188 839	932 334	733 168	965 235	965 235	111.1%
Expenses									
Current expenses	495 421	611 136	524 911	659 740	812 584	518 593	865 072	894 762	99.5%
Compensation of employees	201 021	174 722	257 007	195 009	294 261	259 748	454 518	459 119	90.2%
Goods and services	271 287	421 287	247 702	452 915	491 131	248 717	382 007	420 349	110.9%
Depreciation	23 114	15 127	20 202	11 808	27 192	10 128	28 547	15 294	52.9%
Interest, dividends and rent on land	-	-	-	8	-	-	-	-	-
Transfers and subsidies	3 380	1 960	3 157	-	2 544	-	-	-	21.6%
Total expenses	498 801	613 096	528 067	659 740	815 129	518 593	865 072	894 762	99.2%
Surplus/(Deficit)	109 651	110 158	214 762	529 099	117 206	214 575	100 163	70 473	-

Table 38.16 National Home Builders Registration Council statements of historical financial performance and position

Statement of financial position									
R thousand	2011/12		2012/13		2013/14		2014/15		Outcome/ Budget Average (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
Carrying value of assets	46 661	48 085	98 277	77 027	331 716	155 267	348 364	323 238	73.2%
<i>of which:</i>									
Acquisition of assets	8 250	5 259	243 893	40 871	126 709	88 651	124 762	167 316	60.0%
Investments	3 321 196	3 693 649	3 586 592	3 974 429	3 576 358	4 422 165	4 071 608	4 502 729	114.0%
Inventory	353	395	138	243	452	182	279	194	83.0%
Receivables and prepayments	13 372	59 128	23 747	35 734	27 204	35 678	25 972	35 096	183.4%
Cash and cash equivalents	3 057	43 051	25 054	134 507	25 031	147 483	29 232	30 133	431.2%
Total assets	3 384 639	3 844 307	3 733 807	4 221 940	3 960 761	4 760 775	4 475 455	4 891 390	113.9%
Accumulated surplus/(deficit)	2 375 747	2 546 896	2 854 622	3 051 095	2 870 631	3 274 279	3 265 688	3 351 339	107.5%
Capital and reserves	99 147	55 631	46 273	29 029	50 631	20 420	29 029	50 420	69.1%
Trade and other payables	55 767	251 762	45 274	125 866	62 849	171 891	164 412	193 696	226.4%
Provisions	853 978	990 017	787 639	1 015 950	374 240	1 294 185	1 016 326	1 295 935	151.6%
Total equity and liabilities	3 384 639	3 844 307	3 733 807	4 221 940	3 358 352	4 760 775	4 475 455	4 891 390	118.5%

Statements of estimates of financial performance and position

Table 38.17 National Home Builders Registration Council statements of estimates of financial performance and position

Statement of financial performance								
R thousand	Revised estimate	Average growth rate (%)	Expen- diture/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ Total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
Revenue								
Non-tax revenue	965 235	10.1%	100.0%	1 049 080	1 089 485	1 145 756	5.9%	100.0%
Sale of goods and services other than capital assets	753 376	21.0%	65.9%	817 363	849 658	896 336	6.0%	78.0%
<i>of which:</i>								
Sales by market establishment	753 376	21.0%	65.9%	817 363	849 658	896 336	6.0%	78.0%
Other non-tax revenue	211 859	-10.7%	34.1%	231 717	239 827	249 420	5.6%	22.0%
Total revenue	965 235	10.1%	100.0%	1 049 080	1 089 485	1 145 756	5.9%	100.0%
Expenses								
Current expenses	894 762	13.6%	99.9%	948 272	1 026 112	1 075 750	6.3%	100.0%
Compensation of employees	459 119	38.0%	39.9%	570 276	601 641	634 731	11.4%	57.3%
Goods and services	420 349	-0.1%	58.1%	353 838	374 799	390 413	-2.4%	39.3%
Depreciation	15 294	0.4%	2.0%	24 158	49 672	50 606	49.0%	3.5%
Total expenses	894 762	13.4%	100.0%	948 272	1 026 112	1 075 750	6.3%	100.0%
Surplus/(Deficit)	70 473	-13.8%	-	100 808	63 373	70 006	-0.2%	-
Statement of financial position								
Carrying value of assets	323 238	88.7%	3.2%	376 588	334 916	292 311	-3.3%	6.6%
<i>of which:</i>								
Acquisition of assets	167 316	216.9%	1.6%	8 000	9 000	-	-100.0%	0.9%
Investments	4 502 729	6.8%	93.8%	4 566 379	4 693 428	4 812 495	2.2%	92.2%
Inventory	194	-21.1%	0.0%	208	222	238	7.1%	0.0%
Receivables and prepayments	35 096	-16.0%	1.0%	29 879	28 502	31 631	-3.4%	0.6%
Cash and cash equivalents	30 133	-11.2%	2.0%	29 182	29 059	28 334	-2.0%	0.6%
Total assets	4 891 390	8.4%	100.0%	5 002 236	5 086 127	5 165 009	1.8%	100.0%
Accumulated surplus/(deficit)	3 351 339	9.6%	69.0%	3 452 146	3 515 519	3 585 525	2.3%	69.0%
Capital and reserves	50 420	-3.2%	0.9%	50 420	60 420	70 970	12.1%	1.2%
Trade and other payables	193 696	-8.4%	4.3%	203 735	214 051	212 377	3.1%	4.1%
Provisions	1 295 935	9.4%	25.9%	1 295 935	1 296 137	1 296 137	0.0%	25.7%
Total equity and liabilities	4 891 390	8.4%	100.0%	5 002 236	5 086 127	5 165 009	17.5%	100.0%

Personnel information

Table 38.18 National Home Builders Registration Council personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number		Cost			Unit Cost			
National Home Builders Registration Council	728	728	509	259.7	0.5	592	459.1	0.8	728	570.3	0.8	728	601.6	0.8	728	634.7	0.9	11.4%	100.0%
Salary level	18	18	26	2.5	0.1	18	2.3	0.1	18	2.8	0.2	18	3.0	0.2	18	3.1	0.2	11.4%	2.6%
1 - 6	502	502	207	74.4	0.4	391	289.4	0.7	502	359.5	0.7	502	379.3	0.8	502	400.1	0.8	11.4%	68.2%
7 - 10	158	158	158	84.8	0.5	134	107.8	0.8	158	133.8	0.8	158	141.2	0.9	158	149.0	0.9	11.4%	21.9%
11 - 12	48	48	115	91.9	0.8	47	54.5	1.2	48	67.7	1.4	48	71.4	1.5	48	75.3	1.6	11.4%	6.9%
13 - 16	2	2	3	6.2	2.1	2	5.2	2.6	2	6.4	3.2	2	6.8	3.4	2	7.2	3.6	11.4%	0.3%
17 - 22																			

1. Rand million.

Community Schemes Ombud Service

Mandate

The Community Schemes Ombud Service was established in 2013 in terms of the Community Schemes Ombud Service Act (2011). In terms of section 4 of the act, the ombud is mandated to provide a dispute resolution service for community schemes; monitor and control the quality of all sectional title schemes governance documentation; and take custody of, preserve and provide public access to scheme governance documentation.

Selected performance indicators

Table 38.19 Community Schemes Ombud Service performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of cases adjudicated per year	Dispute resolution	Outcome 8: Sustainable human settlements and improved quality of household life	- ¹	- ¹	- ¹	20	40	40	40

1. Indicator not measured as entity was established in 2013.

Expenditure analysis

The Community Schemes Ombud Service contributes to outcome 8 of government's 2014-2019 medium term strategic framework (sustainable human settlements and improved quality of household life), and supports its aim of the development of a functional and equitable residential property market. This is also in line with the national development plan's vision of transforming human settlements.

As it enters its second year of operation, the organisation's focus over the medium term is to build internal capacity to deliver dispute resolution services to community schemes, and on public services related to schemes governance documentation.

The service's main source of revenue is transfers from the national department as it gears up to become self-sustainable over the medium term. In 2014/15, the service received R40 million in transfers from the department. However, due to Cabinet approved budget reductions, transfers are expected to decline to R29.4 million by 2017/18. This is expected to be offset as the service begins to generate its own revenue from the community schemes levy, documentation, and dispute resolution from 2016/17 onwards. Total revenue is therefore projected to increase to R49.8 million in 2017/18.

The scheme's total expenditure is expected to increase at an average annual rate of 7.2 per cent, largely driven by expenditure on administrative costs, particularly on compensation of employees, which is projected to increase to R26.7 million in 2017/18. The expected growth in spending on personnel provides for the appointment of an additional 5 personnel, who are expected to strengthen the dispute resolution function of the service and increase its filled posts to 27 by 2017/18. Further growth in expenditure is mainly attributable to spending on the design and implementation of the community scheme database assessment, depreciation, and audit fees.

Expenditure on the dispute resolution programme is projected to decrease to R9.3 million in 2017/18, due to the shifting of funds into the administration programme in order to finance the establishment of regional offices in KwaZulu-Natal and Western Cape, and will result in a decline in expenditure on compensation of employees in the programme. However, it will not impact on the dispute resolution function of the organisation as the regional offices are expected to increase access to this service. Spending in this programme over the medium term will result in 40 cases adjudicated per year. In addition, expenditure on the schemes governance documentation programme is expected to decrease at an average annual rate of 28.9 per cent. This is mainly attributable to a decrease in the data migration workload, which is expected to peak in 2016/17 and will contribute to providing and preserving public access to schemes documentation.

Programmes/objectives/activities

Table 38.20 Community Schemes Ombud Service expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Administration	-	-	145	19 152	-	-	30 342	14 007	37 363	25.0%	57.6%
Dispute resolution	-	-	-	12 722	-	-	6 842	16 674	9 332	-9.8%	26.8%
Schemes governance documentation	-	-	-	8 539	-	-	3 849	10 508	3 064	-28.9%	15.5%
Total	-	-	145	40 413	-	-	41 033	41 189	49 759	7.2%	100.0%

Statements of historical financial performance and position

Table 38.21 Community Schemes Ombud Service statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	-	-	-	-	3 000	2	240	413	12.8%
Sale of goods and services other than capital assets	-	-	-	-	-	-	-	413	-
<i>of which:</i>									
Administrative fees	-	-	-	-	-	-	-	413	-
Other non-tax revenue	-	-	-	-	3 000	2	240	-	0.1%
Transfers received	-	-	-	-	17 000	17 000	40 000	40 000	100.0%
Total revenue	-	-	-	-	20 000	17 002	40 240	40 413	95.3%
Expenses									
Current expenses	-	-	-	-	-	111	40 239	40 413	100.7%
Compensation of employees	-	-	-	-	-	-	27 145	17 423	64.2%
Goods and services	-	-	-	-	-	111	12 829	22 990	180.1%
Depreciation	-	-	-	-	-	-	265	-	-
Total expenses	-	-	-	-	-	145	40 239	40 413	100.8%
Surplus/(Deficit)	-	-	-	-	20 000	16 857	1	-	-
Statement of financial position									
Carrying value of assets	-	-	-	-	-	-	-	3 090	-
<i>of which:</i>									
Acquisition of assets	-	-	-	-	-	-	(2 088)	-	-
Inventory	-	-	-	-	-	-	-	15	-
Receivables and prepayments	-	-	-	-	-	-	-	249	-
Cash and cash equivalents	-	-	-	-	-	17 002	-	15 830	-
Total assets	-	-	-	-	-	17 002	-	19 184	-
Accumulated surplus/(deficit)	-	-	-	-	-	16 857	-	18 904	-
Trade and other payables	-	-	-	-	-	145	-	280	-
Total equity and liabilities	-	-	-	-	-	17 002	-	19 184	-

Statements of estimates of financial performance and position

Table 38.22 Community Schemes Ombud Service statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18		
Revenue									
Non-tax revenue	413	-	-	1 513	17 269	20 275	266.2%	21.9%	
Sale of goods and services other than capital assets	413	-	-	413	15 949	18 695	256.4%	19.6%	
<i>of which:</i>									
Administrative fees	413	-	-	413	15 949	18 695	256.4%	19.6%	
Other non-tax revenue	-	-	-	1 100	1 320	1 580	-	2.3%	
Transfers received	40 000	-	-	39 520	23 920	29 400	-9.8%	78.1%	
Total revenue	40 413	-	-	41 033	41 189	49 675	7.1%	100.0%	
Expenses									
Current expenses	40 413	-	-	41 033	41 189	49 759	7.2%	100.0%	
Compensation of employees	17 423	-	-	22 995	25 103	26 734	15.3%	53.5%	
Goods and services	22 990	-	-	18 038	16 086	23 025	0.1%	46.5%	
Total expenses	40 413	-	-	41 033	41 189	49 759	7.2%	100.0%	
Surplus/(Deficit)	-	-	-	-	-	(84)	-	-	

Personnel information

Table 38.23 Community Schemes Ombud Service personnel numbers and cost by salary level¹

Community Schemes Ombud Service	Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
			2013/14			2014/15			2015/16		2016/17		2017/18							
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			Number	Cost	Unit Cost	2014/15 - 2017/18
	22	122	-	-	-	22	17.4	0.8	26	23.0	0.9	27	25.1	0.9	27	26.7	1.0	15.3%	100.0%	
Salary level																				
1 – 6	1	11	-	-	-	1	0.1	0.1	2	0.1	0.1	2	0.1	0.1	2	0.1	0.1	34.1%	6.8%	
7 – 10	8	68	-	-	-	8	2.8	0.4	8	3.0	0.4	8	3.2	0.4	8	3.4	0.4	6.5%	31.6%	
11 – 12	8	32	-	-	-	8	6.4	0.8	8	6.8	0.8	9	7.8	0.9	9	8.3	0.9	9.0%	33.4%	
13 – 16	4	10	-	-	-	4	6.3	1.6	7	11.1	1.6	7	11.9	1.7	7	12.7	1.8	26.3%	24.2%	
17 – 22	1	1	-	-	-	1	1.9	1.9	1	2.0	2.0	1	2.1	2.1	1	2.2	2.2	5.9%	3.9%	

1. Rand million.

Estate Agency Affairs Board

Mandate

The Estate Agency Affairs Board was established in terms of the Estate Agency Affairs Act (1976). In terms of the act, the board is mandated to regulate, maintain and promote the conduct of estate agents, issue certificates from the Estate Agents Fidelity Fund, prescribe the standard of education and training for estate agents, investigate complaints lodged against estate agents, and manage and control the Estate Agents Fidelity Fund.

Selected performance indicators

Table 38.24 Estate Agency Affairs Board performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of complaints received, investigated and resolved per year	Compliance	Outcome 8: Sustainable human settlements and improved quality of household life	1 129	2 280	900	1 200	1 200	1 200	1 200
Number of Fidelity Fund certificate renewals per year	Compliance		44 762	49 238	54 162	59 578	60 000	60 000	60 000
Number of estate agencies inspected per year	Compliance		364	1 008	1 210	1 400	1 200	1 200	1 200
Value of claims recoveries per year	Compliance		R1.5m	R1.6m	R1.7m	R2m	R2m	R2.5m	R3m
Number of national qualifications framework level 4 candidates who have enrolled in and passed the professional designation examination (non-principals) per year	Education and training		- ¹	200	280	1 000	1 500	2 036	2 571
Number of national qualifications framework level 5 candidates who have enrolled in and passed the professional designation examination (principals) per year	Education and training		- ¹	83	120	150	200	214	229
Number of candidates enrolled in the continued professional development programme per year	Education and training		- ¹	1 008	1 210	1 600	1 700	1 750	1 800

1. Indicator only measured from 2012/13.

Expenditure analysis

In regulating the real estate agency industry, the Estate Agency Affairs Board supports and contributes to outcome 8 of government's 2014-2019 medium term strategic framework (sustainable human settlements and improved quality of household life), in line with the national development plan's vision of transforming human settlements.

The board generates its own revenue mainly from board levies and contributions, board examination fees from estate agents, interest on investments, penalties, and fees for the administration of the Estate Agents Fidelity Fund. Revenue is expected to increase to R147 million in 2017/18 as a result of the moderate recovery in the housing market and real estate industry.

The board's focus over the medium term will be on strengthening the statutory compliance of estate agents, improving access to its services by establishing satellite offices across the country, and training and developing professional estate agents. Due to an increase in expenditure on compensation of employees, consultants, and other legal and disciplinary procedures, spending in the compliance programme is expected to increase to R24.9 million in 2017/18. Additional legal officers and inspectors will be employed within the inspectorate division, and the board will make use of consultants for conducting inspections and managing the audit compliance division. As a result, the board will be able to inspect 3 600 estate agencies over the MTEF period.

Spending on the education and training programme is expected to increase to R7.1 million by 2017/18. This is in order to improve the quality of professional estate agents operating in the sector, and for the rollout of the continued professional development programme, which is projected to have 5 250 enrolled candidates over the MTEF period. The programme also expects to have 6 107 candidates enrolling for the professional designation examination for non-principal estate agents (level 4 of the national qualifications framework) and 643 candidates sitting for the professional designation examinations for principal estate agents (national qualifications framework level 5) over the MTEF period.

Spending on compensation of employees is expected to increase by 9.9 per cent over the MTEF period as a result of the increase in the number of personnel to 177, and is projected to be R79.7 million by 2017/18.

Programmes/objectives/activities

Table 38.25 Estate Agency Affairs Board expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
					2011/12 - 2014/15					2014/15 - 2017/18	
Administration	50 563	69 451	58 470	68 580	10.7%	70.5%	95 346	102 020	109 161	16.8%	75.7%
Compliance	16 912	21 135	20 694	22 143	9.4%	23.2%	21 786	23 311	24 943	4.0%	19.0%
Education and training	4 502	5 592	5 880	6 292	11.8%	6.4%	6 190	6 623	7 087	4.0%	5.4%
Total	71 977	96 178	85 044	97 014	10.5%	100.0%	123 322	131 954	141 191	13.3%	100.0%

Statements of historical financial performance and position

Table 38.26 Estate Agency Affairs Board statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
									2011/12 - 2014/15
Revenue									
Non-tax revenue	66 762	59 879	83 625	88 830	89 479	86 049	92 073	97 264	100.0%
Sale of goods and services other than capital assets	58 976	49 050	74 446	72 396	79 657	79 031	84 563	83 570	95.4%
of which:									
Administrative fees	–	30 535	–	52 983	–	–	–	52 344	–
Sales by market establishment	58 976	18 515	74 446	19 413	79 657	79 031	84 563	31 226	49.8%
Other non-tax revenue	7 786	10 830	9 179	16 434	9 822	7 018	7 510	13 694	139.9%
Total revenue	66 762	59 879	83 625	88 830	89 479	86 049	92 073	97 264	100.0%
Expenses									
Current expenses	65 866	71 977	83 113	96 178	76 323	85 045	90 693	97 014	110.8%
Compensation of employees	32 980	40 872	51 206	52 627	39 205	50 713	54 658	60 096	114.7%
Goods and services	31 023	29 406	30 213	43 261	35 503	30 896	32 359	34 165	106.7%
Depreciation	1 863	1 658	1 694	287	1 615	3 435	3 676	2 753	91.9%
Interest, dividends and rent on land	–	41	–	3	–	–	–	–	–
Total expenses	65 866	71 977	83 113	96 178	76 323	85 045	90 693	97 014	110.8%
Surplus/(Deficit)	896	(12 098)	512	(7 348)	13 155	1 004	1 380	250	–

Table 38.26 Estate Agency Affairs Board statements of historical financial performance and position

Statement of financial position	Budget		Audited outcome		Budget		Audited outcome		Outcome/ Budget Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15				
R thousand									
Carrying value of assets	57 076	2 985	3 668	3 702	3 925	75 431	74 475	76 314	113.9%
<i>of which:</i>									
Acquisition of assets	60 749	1 287	8 063	1 082	(4 247)	51 390	(16 567)	5 348	123.1%
Investments	52 499	75 864	81 823	27 450	87 551	1 355	20 679	45 851	62.1%
Inventory	808	59	541	165	579	364	619	289	34.4%
Loans	-	-	-	-	-	-	-	4 500	-
Receivables and prepayments	1 441	18 995	11 328	19 008	12 121	25 808	12 969	1 698	173.0%
Cash and cash equivalents	6 502	5 318	25 556	85 099	27 345	33 936	22 925	6 435	158.9%
Non-current assets held for sale	-	18 839	-	-	-	-	-	-	-
Defined benefit plan assets	-	-	2 369	-	2 535	-	2 712	-	-
Total assets	118 326	122 060	125 285	135 424	134 055	136 894	134 380	135 087	103.4%
Accumulated surplus/(deficit)	102 982	82 099	93 731	87 596	100 976	104 990	109 445	99 687	92.0%
Capital and reserves	-	9 775	9 775	-	9 775	-	-	-	50.0%
Finance lease	-	80	-	-	-	-	-	-	-
Deferred income	455	-	-	-	-	-	-	-	-
Trade and other payables	1 623	11 342	7 601	13 410	8 133	20 648	8 702	8 774	207.9%
Provisions	13 266	18 764	14 178	34 418	15 170	11 256	16 232	26 626	154.7%
Total equity and liabilities	118 326	122 060	125 285	135 424	134 055	136 894	134 380	135 087	103.4%

Statements of estimates of financial performance and position**Table 38.27 Estate Agency Affairs Board statements of estimates of financial performance and position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R thousand								
Revenue								
Non-tax revenue	97 264	17.6%	100.0%	128 363	137 348	146 962	14.7%	100.0%
Sale of goods and services other than capital assets	83 570	19.4%	85.3%	116 700	124 869	133 610	16.9%	89.7%
<i>of which:</i>								
Administrative fees	52 344	19.7%	41.1%	61 493	65 797	70 403	10.4%	49.4%
Sales by market establishment	31 226	19.0%	44.2%	55 208	59 072	63 207	26.5%	40.3%
Other non-tax revenue	13 694	8.1%	14.7%	11 662	12 479	13 352	-0.8%	10.3%
Total revenue	97 264	17.6%	100.0%	128 363	137 348	146 962	14.7%	100.0%
Expenses								
Current expenses	97 014	10.5%	100.0%	123 322	131 954	141 191	13.3%	100.0%
Compensation of employees	60 096	13.7%	58.3%	80 656	86 301	79 750	9.9%	62.3%
Goods and services	34 165	5.1%	39.3%	39 957	42 754	57 295	18.8%	35.1%
Depreciation	2 753	18.4%	2.4%	2 709	2 898	4 146	14.6%	2.5%
Total expenses	97 014	10.5%	100.0%	123 322	131 954	141 191	13.3%	100.0%
Surplus/(Deficit)	250	-127.4%	-	5 041	5 394	5 771	184.7%	-
Statement of financial position								
Carrying value of assets	76 314	194.6%	29.2%	74 819	72 967	78 075	0.8%	53.6%
<i>of which:</i>								
Acquisition of assets	5 348	60.8%	10.8%	1 450	1 300	1 050	-41.9%	1.7%
Investments	45 851	-15.5%	29.3%	49 061	52 495	56 170	7.0%	36.0%
Inventory	289	69.8%	0.2%	309	331	354	7.0%	0.2%
Loans	4 500	-	0.8%	4 667	4 994	5 344	5.9%	3.4%
Receivables and prepayments	1 698	-55.3%	12.4%	1 817	1 944	2 080	7.0%	1.3%
Cash and cash equivalents	6 435	6.6%	24.2%	7 274	8 275	8 854	11.2%	5.4%
Total assets	135 087	3.4%	100.0%	137 947	141 006	150 876	3.8%	100.0%
Accumulated surplus/(deficit)	99 687	6.7%	70.6%	100 069	100 477	107 510	2.6%	72.2%
Trade and other payables	8 774	-8.2%	10.2%	9 388	10 045	10 748	7.0%	6.9%
Provisions	26 626	12.4%	17.2%	28 489	30 484	32 618	7.0%	20.9%
Total equity and liabilities	135 087	3.4%	100.0%	137 946	141 006	150 876	16.5%	100.0%

Personnel information

Table 38.28 Estate Agency Affairs Board personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)					
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18				
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost	Unit Cost	
Estate Agency Affairs Board		176	176	172	50.7	0.3	176	60.1	0.3	176	80.7	0.5	177	86.3	0.5	177	79.7	0.5	9.9%	100.0%
Salary level	176	176	172	50.7	0.3	176	60.1	0.3	176	80.7	0.5	177	86.3	0.5	177	79.7	0.5	9.9%	100.0%	
1-6	4	4	4	0.5	0.1	4	0.6	0.1	4	0.6	0.1	4	0.6	0.2	4	0.7	0.2	7.1%	2.3%	
7-10	108	108	108	16.7	0.2	108	21.7	0.2	108	24.2	0.2	108	29.5	0.3	108	26.5	0.2	7.0%	61.2%	
11-12	48	48	44	15.7	0.4	48	26.0	0.5	48	22.0	0.5	48	23.6	0.5	48	25.2	0.5	-1.0%	27.2%	
13-16	16	16	16	17.7	1.1	16	11.9	0.7	16	33.9	2.1	17	32.6	1.9	17	27.3	1.6	32.1%	9.3%	

1. Rand million.

Expenditure analysis

The Estate Agents Fidelity Fund derives its revenue through interest earned on trust accounts held by estate agents and interest earned on investments. Revenue is expected to increase at an average annual rate of 10.8 per cent over the medium term as a result of improved compliance from estate agents who have been operating illegally and who are now beginning to register as licenced estate agents with the Estate Agents Affairs Board.

Expenditure over the medium term is expected to increase to R85.2 million in 2017/18, due to an increase in spending on agency and support services. This is related to the management of claims against the fund and associated legal costs, as well as projected increases in management fees paid to the Estate Agents Affairs Board for services rendered on behalf of the fund.

The fund reflects a sustainable position going forward with a net asset value expected to increase to R701.7 million in 2017/18, compared to the provision for outstanding claims, expected to be R5.2 million in 2017/18.

Programmes/objectives/activities

Table 38.29 Estate Agents Fidelity Fund expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	54 166	65 148	71 711	62 254	4.7%	100.0%	74 375	79 580	85 151	11.0%	100.0%
Total	54 166	65 148	71 711	62 254	4.7%	100.0%	74 375	79 580	85 151	11.0%	100.0%

Statements of historical financial performance and position

Table 38.30 Estate Agents Fidelity Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Outcome/Budget Average (%)
	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	2011/12 - 2014/15	
Revenue									
Non-tax revenue	84 942	61 252	69 479	57 035	68 111	62 339	68 198	63 183	83.9%
Sale of goods and services other than capital assets	49 939	28 672	37 010	29 969	34 251	29 440	32 928	32 178	78.0%
of which:									
Administrative fees	43 226	20 987	30 310	21 796	27 082	19 737	24 786	25 098	69.9%
Sales by market establishment	6 713	7 685	6 700	8 173	7 169	9 703	8 142	7 080	113.6%
Other non-tax revenue	35 003	32 580	32 469	27 066	33 860	32 899	35 270	31 005	90.4%
Total revenue	84 942	61 252	69 479	57 035	68 111	62 339	68 198	63 183	83.9%
Expenses									
Current expenses	49 763	54 166	63 748	65 148	68 211	71 711	67 629	62 254	101.6%
Goods and services	49 763	54 166	63 748	65 148	68 211	71 711	67 629	62 254	101.6%
Total expenses	49 763	54 166	63 748	65 148	68 211	71 711	67 629	62 254	101.6%
Surplus/(Deficit)	35 179	7 086	5 731	(8 113)	(100)	(9 372)	569	929	-

Table 38.31 Estate Agents Fidelity Fund statements of historical financial performance and position

Statement of financial position									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
<i>of which:</i>									
Acquisition of assets	–	–	–	–	–	–	(86 898)	–	–
Investments	–	597 987	–	511 088	642 520	472 814	642 520	566 080	167.2%
Receivables and prepayments	–	7 774	–	10 406	12 003	4 696	12 004	15 554	160.1%
Cash and cash equivalents	–	2 252	–	86 809	3 048	127 494	3 048	6 246	3 654.6%
Total assets	–	608 013	–	608 303	657 571	605 005	657 572	587 880	183.2%
Accumulated surplus/(deficit)	–	588 698	–	580 585	640 236	571 213	640 236	572 811	180.7%
Trade and other payables	–	–	–	7 420	8 225	10 666	–	7 687	313.4%
Taxation	–	5 597	–	–	–	–	–	–	–
Provisions	–	281	–	2 717	551	1 257	551	4 257	772.4%
Managed funds (e.g. poverty alleviation fund)	–	–	–	–	–	21 868	–	3 125	–
Derivatives financial instruments	–	13 437	–	17 580	8 560	–	8 560	–	181.2%
Total equity and liabilities	–	608 013	–	608 303	657 572	605 005	649 347	587 880	184.3%

Statements of estimates of financial performance and position

Table 38.32 Estate Agents Fidelity Fund statements of estimates of financial performance and position

Statement of financial performance								
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	63 183	1.0%	100.0%	75 043	80 295	85 916	10.8%	100.0%
Sale of goods and services other than capital assets	32 178	3.9%	49.4%	37 809	40 455	43 287	10.4%	50.5%
<i>of which:</i>								
Administrative fees	25 098	6.1%	36.0%	26 700	28 568	30 568	6.8%	36.6%
Sales by market establishment	7 080	-2.7%	13.4%	11 109	11 887	12 719	21.6%	13.9%
Other non-tax revenue	31 005	-1.6%	50.6%	37 234	39 840	42 629	11.2%	49.5%
Total revenue	63 183	1.0%	100.0%	75 043	80 295	85 916	10.8%	100.0%
Expenses								
Current expenses	62 254	4.7%	100.0%	74 375	79 580	85 151	11.0%	100.0%
Goods and services	62 254	4.7%	100.0%	74 375	79 580	85 151	11.0%	100.0%
Total expenses	62 254	4.7%	100.0%	74 375	79 580	85 151	11.0%	100.0%
Surplus/(Deficit)	929	-49.2%	–	668	715	765	-6.3%	–
Statement of financial position								
Investments	566 080	-1.8%	89.2%	605 706	648 105	693 473	7.0%	96.3%
Receivables and prepayments	15 554	26.0%	1.6%	16 643	17 808	19 054	7.0%	2.6%
Cash and cash equivalents	6 246	40.5%	9.2%	6 683	7 151	7 652	7.0%	1.1%
Total assets	587 880	-1.1%	100.0%	629 032	673 064	720 178	7.0%	100.0%
Accumulated surplus/(deficit)	572 811	-0.9%	96.0%	612 907	655 811	701 718	7.0%	97.4%
Trade and other payables	7 687	–	1.1%	8 225	8 801	9 417	7.0%	1.3%
Provisions	4 257	147.4%	0.4%	4 555	4 874	5 216	7.0%	0.7%
Managed funds (e.g. poverty alleviation fund)	3 125	–	1.0%	3 344	3 578	3 828	7.0%	0.5%
Total equity and liabilities	587 880	-1.1%	100.0%	629 032	673 064	720 178	28.0%	100.0%

Housing Development Agency

Mandate

The Housing Development Agency was established in terms of the Housing Development Agency Act (2008). The agency is mandated to identify, acquire, hold, develop and release state owned and privately owned land for residential and community purposes; and project manage housing development for the creation of sustainable human settlements. The entity provides provinces and municipalities with project, technical and land geospatial services; and promotes intergovernmental relations for the acceleration of human settlements development.

Selected performance indicators

Table 38.33 Housing Development Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of national priority programmes ¹ provided with support per year	Planning and information	Outcome 8: Sustainable human settlements and improved quality of household life	- ²	- ²	- ²	- ²	3	3	3
Number of hectares of well-located land released for human settlements development per year	Land planning and assembly		8 000	4 250	2 000	3 000	3 000	3 000 ³	1 500 ³
Number of provinces supported with project, technical and land geospatial services per year	Land and housing support services		5	5	5	7	9	9	9

1. Programmes include the national upgrading support programme, mining towns and catalytic projects.

2. New indicator as per government's 2014-2019 medium term strategic framework.

3. The decrease in the target over the outer two years is due to the need to expedite land release upfront.

Expenditure analysis

The Housing Development Agency will play a key role in the achievement of government's 2014-2019 medium term strategic framework, particularly in relation to: the development of a policy and framework for an inclusive approach to land for human settlements; the implementation of the national upgrading support programme in identified mining towns for the upgrading of informal settlements; the implementation of catalytic projects intended to create spatially, socially and economically integrated human settlements; and the release of hectares of well located land for new housing developments. These priorities are also in line with outcome 8 of the medium term strategic framework (sustainable human settlements and improved quality of household life), as well as the national development plan's vision of transforming human settlements.

The key focus areas over the medium term include land assembly, the development of the national master spatial plan for the sector, and the strengthening of land assembly and project support services to provinces and municipalities. The agency will expand its regional presence to KwaZulu-Natal, North West and Mpumalanga, and capacitate regional offices across the country sufficiently in order to deliver on target areas in government's 2014-2019 medium term strategic framework.

As a result of the additional work to be undertaken by the agency going forward, the transfers received from the Department of Human Settlements is expected to increase by an additional R71.6 million in 2015/16, R57.3 million in 2016/17, and R100 million in 2017/18. As a result, total expenditure is expected to increase to R329.7 million in 2017/18. Compensation of employees is projected to increase to R145.1 million in 2017/18, which reflects the costs associated with the expansion of the number of agency personnel to 165 posts in 2017/18. This includes contract staff associated with provincial projects to be undertaken as and when required.

Expenditure in the planning and information programme is expected to increase to R55.7 million in 2017/18, and will fund the development of the national sector wide land assembly strategy and master spatial plan. The programme is also expected to support 9 catalytic projects with implementation support or project oversight over the MTEF period, and this includes support for mining towns under the national upgrading support programme.

Significant growth in expenditure over the medium term is projected to expand land and housing support services provided by the agency, increasing to R214.8 million in 2017/18. This is expected to facilitate, among other things, the release of 7 500 hectares of land for human settlements development over the MTEF period, and support all provinces with land and project preparation services.

Programmes/objectives/activities

Table 38.34 Housing Development Agency expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18		
	2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18					
Administration	33 218	44 868	43 079	48 179	13.2%	30.0%	53 836	56 432	59 222	7.1%	19.8%
Planning and Information	21 952	25 960	15 676	22 209	0.4%	15.9%	45 523	50 213	55 669	35.8%	15.3%
Land and housing support services	45 261	51 810	90 079	152 736	50.0%	54.1%	179 524	171 404	214 805	12.0%	64.9%
Total	100 431	122 638	148 834	223 124	30.5%	100.0%	278 883	278 049	329 696	13.9%	100.0%

Statements of historical financial performance and position

Table 38.35 Housing Development Agency statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	1 721	24 959	1 990	9 663	71 668	15 294	47 328	36 760	70.6%
Sale of goods and services other than capital assets	-	20 516	-	5 515	67 580	8 834	43 040	30 259	58.9%
<i>of which:</i>									
Administrative fees	-	20 516	-	5 515	67 580	8 834	43 040	30 259	58.9%
Other non-tax revenue	1 721	4 443	1 990	4 148	4 088	6 460	4 288	6 501	178.3%
Transfers received	89 100	93 304	105 536	114 745	97 497	113 977	101 047	186 363	129.3%
Total revenue	90 821	118 263	107 526	124 408	169 165	129 271	148 375	223 123	115.3%
Expenses									
Current expenses	90 821	100 431	107 526	122 638	169 165	148 834	148 375	223 124	115.3%
Compensation of employees	49 110	51 914	57 284	68 140	92 533	73 867	92 836	92 530	98.2%
Goods and services	41 081	46 152	48 253	51 801	74 335	72 853	52 833	127 798	137.9%
Depreciation	630	2 145	1 989	2 429	2 297	1 831	2 423	2 423	120.3%
Interest, dividends and rent on land	-	220	-	268	-	283	283	373	404.2%
Total expenses	90 821	100 431	107 526	122 638	169 165	148 834	148 375	223 124	115.3%
Surplus/(Deficit)	-	17 832	-	1 770	-	(19 563)	-	(1)	-
Statement of financial position									
Carrying value of assets	88 944	24 100	121 223	20 673	94 139	3 631	98 752	98 752	36.5%
<i>of which:</i>									
Acquisition of assets	30 470	21 379	32 769	28 786	3 074	2 296	769	776	79.4%
Investments	22	-	-	-	-	-	-	-	-
Inventory	-	65 400	-	73 100	-	77 171	-	-	-
Receivables and prepayments	761	20 626	8 440	36 585	11 160	33 175	11 708	11 708	318.4%
Cash and cash equivalents	7 500	99 420	8 000	308 413	99 092	177 701	101 885	101 885	317.5%
Non-current assets held for sale	-	-	-	-	-	17 167	-	-	-
Total assets	97 227	209 546	137 663	438 771	204 391	308 845	212 345	212 345	179.5%
Accumulated surplus/(deficit)	-	55 986	-	57 756	62 222	38 193	62 222	62 222	172.1%
Capital and reserves	86 443	-	-	-	-	57	-	-	0.1%
Borrowings	722	-	-	-	-	-	-	-	-
Finance lease	-	797	422	65	122	362	122	122	202.1%
Deferred income	-	-	108 095	-	69 188	-	70 522	70 522	28.5%
Trade and other payables	2 700	28 617	23 646	24 983	26 937	32 144	28 257	28 257	139.8%
Provisions	7 362	5 626	5 500	13 793	45 922	15 400	51 222	51 222	78.2%
Derivatives financial instruments	-	118 520	-	342 174	-	222 689	-	-	-
Total equity and liabilities	97 227	209 546	137 663	438 771	204 391	308 845	212 345	212 345	179.5%

Statements of estimates of financial performance and position

Table 38.36 Housing Development Agency statements of estimates of financial performance and position

Statement of financial performance								
R thousand	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	36 760	13.8%	14.3%	32 266	31 477	33 038	-3.5%	12.3%
Sale of goods and services other than capital assets	30 259	13.8%	10.5%	26 516	27 640	29 010	-1.4%	10.5%
<i>of which:</i>								
Administrative fees	30 259	13.8%	10.5%	26 516	27 640	29 010	-1.4%	10.5%
Other non-tax revenue	6 501	13.5%	3.8%	5 750	3 837	4 028	-14.7%	1.9%
Transfers received	186 363	25.9%	85.7%	246 617	246 572	296 657	16.8%	87.7%
Total revenue	223 123	23.6%	100.0%	278 883	278 049	329 695	13.9%	100.0%
Expenses								
Current expenses	223 124	30.5%	100.0%	278 883	278 049	329 696	13.9%	100.0%
Compensation of employees	92 530	21.2%	49.6%	131 062	138 266	145 137	16.2%	45.6%
Goods and services	127 798	40.4%	48.6%	144 964	136 772	181 385	12.4%	53.4%
Depreciation	2 423	4.1%	1.6%	2 559	2 697	2 843	5.5%	1.0%
Interest, dividends and rent on land	373	19.2%	0.2%	298	314	331	-3.9%	0.1%
Total expenses	223 124	30.5%	100.0%	278 883	278 049	329 696	13.9%	100.0%
Surplus/(Deficit)	(1)	-103.8%	-	-	-	(1)	-	-

Table 38.36 Housing Development Agency statements of estimates of financial performance and position

Statement of financial position		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2014/15				2011/12 - 2014/15	2015/16	2016/17		
R thousand									
Carrying value of assets	98 752	60.0%	16.0%	113 295	124 625	137 088	11.6%	46.9%	
of which:									
Acquisition of assets	776	-66.9%	4.5%	819	864	910	5.5%	0.3%	
Receivables and prepayments	11 708	-17.2%	8.6%	13 470	14 817	16 299	11.7%	5.6%	
Cash and cash equivalents	101 885	0.8%	55.8%	114 454	125 899	138 489	10.8%	47.6%	
Total assets	212 345	0.4%	100.0%	241 218	265 341	291 876	11.2%	100.0%	
Accumulated surplus/(deficit)	62 222	3.6%	20.4%	72 073	79 281	87 210	11.9%	29.7%	
Finance lease	122	-46.5%	0.1%	135	149	163	10.1%	0.1%	
Deferred income	70 522	-	8.3%	77 110	84 821	93 303	9.8%	32.3%	
Trade and other payables	28 257	-0.4%	10.8%	32 513	35 764	39 341	11.7%	13.4%	
Provisions	51 222	108.8%	8.7%	59 387	65 326	71 859	11.9%	24.5%	
Total equity and liabilities	212 345	0.4%	100.0%	241 218	265 341	291 876	55.4%	100.0%	

Personnel information

Table 38.37 Housing Development Agency personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost	
Housing Development Agency		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2014/15 - 2017/18		
Salary level	171	182	121	73.9	0.6	168	92.5	0.6	165	131.1	0.8	165	138.3	0.8	165	145.1	0.9	16.2%	100.0%
1 – 6	7	-	-	-	-	7	0.8	0.1	-	-	-	-	-	-	-	-	-	-100.0%	1.0%
7 – 10	99	42	58	17.5	0.3	96	36.5	0.4	42	15.7	0.4	42	16.6	0.4	42	17.0	0.4	-22.6%	33.4%
11 – 12	13	27	13	6.3	0.5	13	6.7	0.5	19	11.7	0.6	19	12.3	0.6	19	12.6	0.7	23.5%	10.6%
13 – 16	45	106	43	33.1	0.8	45	36.5	0.8	97	87.1	0.9	97	91.9	0.9	97	97.8	1.0	38.9%	50.8%
17 – 22	7	7	7	17.0	2.4	7	12.1	1.7	7	16.6	2.4	7	17.5	2.5	7	17.8	2.5	13.9%	4.2%

1. Rand million.

National Housing Finance Corporation

Mandate

The National Housing Finance Corporation was established in 1996 as a schedule 3A development finance institution. Its principal mandate is to broaden and deepen access to affordable housing finance for low to middle income households by facilitating private sector lending for housing purposes. The corporation acts as a fund and risk manager in the affordable housing market, carrying out its mandate through the facilitation and provision of wholesale financing for various kinds of housing tenure, such as rental housing and home ownership.

Selected performance indicators

Table 38.38 National Housing Finance Corporation performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Percentage cost to income per year	Administration	Outcome 8: Sustainable human settlements and improved quality of household life	65	69	66	73	42	39	39
Number of loans approved per year	Retail		361	6	-1	-1	-1	-1	-1
Value of loan disbursements per year	Retail		R60m	R2m	-1	-1	-1	-1	-1
Number of loans approved per year	Commercial		4 409	5 394	4 428	410	2 359	2 297	2 614
Value of loan disbursements per year	Commercial		R87m	R188m	R192m	R123m	R138m	R85m	R144m
Number of housing units per year	Projects		5 604	7 486	8 109	4 446	4 304	4 566	4 720
Value of loan disbursements per year	Projects		R517m	R290m	R483m	R514m	R461m	R 461m	R496m

1. As the retail programme is winding down, no new loans have been approved since 2012/13.

Expenditure analysis

The National Housing Finance Corporation is expected to contribute to the national development plan's vision of adequate housing and improved living environments, as well as outcome 8 of government's 2014-2019

medium term strategic framework (sustainable human settlements and improved quality of household life). This contribution will be made through the corporation's focus on providing asset backed wholesale and project funding to the low income housing market, and by mobilising housing finance from the private sector. To support the corporation's contribution to the medium term strategic framework, the corporation is expected to be recapitalised by the Department of Human Settlements by R100 million per year over the MTEF period, allowing for an increase in loan advances under each programme.

The corporation's main source of revenue consists of income from interest on advances, and interest and dividends on investments. Total revenue is expected to increase to R374.2 million by 2017/18 at an average annual rate of 15.9 per cent. The corporation is planning to mobilise private sector funding through participation in a private equity fund of R300 million, as well as through an innovative, affordable housing fund, which is expected to provide funding for an additional 16 612 housing opportunities over the next three years.

The facilitation of 7 270 additional loans disbursed through the commercial programme and 13 590 additional loans under the projects programme over the MTEF period will drive a projected increase in total expenditure to R282.5 million in 2017/18, at an average annual rate of 7.1 per cent. As the corporation administers the remaining loans that were disbursed in 2012/13 until maturity, expenditure in the retail programme is projected to increase at 9.3 per cent over the medium term. Thereafter, the programme will close down as the corporation will focus on wholesale commercial and project finance only going forward.

In 2014/15, the corporation began a reorganisation of the business in order to address cost and efficiency challenges. As a result, expenditure on compensation of employees is expected to decrease from R106.9 million in 2014/15 to R69.5 million in 2017/18, leading to a decrease in the number of personnel from 116 in 2014/15 to 81 by 2017/18 and a decrease in the percentage cost to income from 73 per cent in 2014/15 to 39 per cent by 2017/18. It is expected that the reorganisation of the corporation will improve efficiency in the delivery of its core mandate, and will not have a negative effect on delivery or the organisation's contribution to government's 2014-2019 medium term strategic framework.

Programmes/objectives/activities

Table 38.39 National Housing Finance Corporation expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	58 241	50 176	179 263	105 237	21.8%	47.0%	80 861	96 542	112 890	2.4%	40.2%
Retail	38 827	21 285	9 229	13 896	-29.0%	10.3%	12 928	15 423	18 160	9.3%	6.1%
Commercial	38 827	24 045	9 986	15 742	-26.0%	10.9%	19 643	35 930	40 880	37.5%	11.1%
Projects	58 240	106 424	6 618	94 794	17.6%	31.8%	108 246	102 685	110 579	5.3%	42.6%
Total	194 134	201 930	205 096	229 669	5.8%	100.0%	221 679	250 580	282 509	7.1%	100.0%

Statements of historical financial performance and position

Table 38.40 National Housing Finance Corporation statements of historical financial performance and position

Statement of financial performance	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
R thousand									2011/12 - 2014/15
Revenue									
Non-tax revenue	320 273	215 301	489 715	210 717	502 687	221 167	244 307	240 191	57.0%
Sale of goods and services other than capital assets	76 807	173 104	441 614	150 121	468 273	172 704	214 815	191 829	57.2%
of which:									
Sales by market establishment	76 807	173 104	441 614	150 121	468 273	172 704	214 815	191 829	57.2%
Other non-tax revenue	243 466	42 197	48 101	60 596	34 414	48 463	29 492	48 362	56.2%
Transfers received	1	-	-	-	-	-	-	-	-
Total revenue	320 274	215 301	489 715	210 717	502 687	221 167	244 307	240 191	57.0%

Table 38.40 National Housing Finance Corporation statements of historical financial performance and position

Statement of financial performance									Outcome/ Budget Average (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Expenses									
Current expenses	260 204	178 444	416 265	185 467	480 551	185 979	221 964	223 991	56.1%
Compensation of employees	84 997	78 037	83 891	80 845	90 875	76 450	76 467	106 913	101.8%
Goods and services	139 794	98 350	264 841	79 077	318 305	85 861	105 749	93 216	43.0%
Depreciation	3 717	907	4 029	951	3 483	879	1 030	883	29.5%
Interest, dividends and rent on land	31 695	1 150	63 503	24 594	67 889	22 789	38 719	22 979	35.4%
Total expenses	272 129	194 134	433 444	201 930	480 551	205 096	229 902	229 669	58.7%
Surplus/(Deficit)	48 145	21 168	56 272	8 787	22 136	16 071	14 405	10 522	-
Statement of financial position									
Carrying value of assets	11 779	74 630	78 642	73 798	81 408	76 025	83 902	78 643	118.5%
<i>of which:</i>									
Acquisition of assets	7 763	989	122 931	640	107 622	915	112 185	-	0.7%
Investments	1 126 858	1 180 814	1 011 773	1 155 165	1 039 268	280 049	1 078 551	323 939	69.1%
Inventory	64 702	63 910	243 598	78 100	184 145	174 295	169 810	291 293	91.7%
Loans	2 289 600	1 831 092	2 503 962	1 935 732	2 601 227	2 144 378	2 567 732	2 174 019	81.2%
Receivables and prepayments	87 611	16 068	32 714	11 133	33 245	13 040	32 332	16 896	30.7%
Cash and cash equivalents	237 350	282 000	245 805	350 919	189 420	433 918	16 241	429 196	217.2%
Taxation	-	9 248	24 699	11 760	9 248	12 448	17 977	12 448	88.4%
Total assets	3 817 899	3 457 762	4 141 193	3 616 607	4 137 961	3 134 153	3 966 545	3 326 434	84.3%
Accumulated surplus/(deficit)	1 226 174	1 217 079	1 234 653	1 321 709	1 251 843	1 337 782	1 272 551	1 118 305	100.2%
Capital and reserves	1 080 000	1 080 000	1 080 000	1 080 000	1 080 000	1 080 000	1 084 000	1 310 000	105.2%
Capital reserve fund	-	-	-	-	-	-	-	230 000	-
Borrowings	971 705	438 317	1 061 655	214 510	1 094 539	335 538	707 319	329 540	34.4%
Trade and other payables	12 115	7 780	181 487	15 498	65 450	36 904	28 322	16 587	26.7%
Taxation	-	-	-	7 576	-	3 972	5 078	3 972	305.6%
Provisions	6 166	17 123	5 768	63 227	8 629	58 291	12 348	58 007	597.5%
Managed funds (e.g. poverty alleviation fund)	521 738	697 462	577 630	698 980	637 500	225 765	856 926	225 765	71.2%
Derivatives financial instruments	-	-	-	215 107	-	55 901	-	34 259	-
Total equity and liabilities	3 817 899	3 457 762	4 141 193	3 616 607	4 137 961	3 134 153	3 966 545	3 326 435	84.3%

Statements of estimates of financial performance and position**Table 38.41 National Housing Finance Corporation statements of estimates of financial performance and position**

Statement of financial performance									
	Revised estimate	Average growth rate (%)	Expen- diture/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ Total: Average (%)	
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18		
Revenue									
Non-tax revenue	240 191	3.7%	100.0%	270 208	322 686	374 159	15.9%	100.0%	
Sale of goods and services other than capital assets	191 829	3.5%	77.4%	228 274	278 368	325 834	19.3%	84.4%	
<i>of which:</i>									
Sales by market establishment	191 829	3.5%	77.4%	228 274	278 368	325 834	19.3%	84.4%	
Other non-tax revenue	48 362	4.7%	22.6%	41 934	44 319	48 325	-0.0%	15.6%	
Total revenue	240 191	3.7%	100.0%	270 208	322 686	374 159	15.9%	100.0%	
Expenses									
Current expenses	223 991	7.9%	93.0%	204 358	224 587	249 149	3.6%	100.0%	
Compensation of employees	106 913	11.1%	41.0%	62 680	66 127	69 495	-13.4%	31.5%	
Goods and services	93 216	-1.8%	43.1%	115 172	124 221	130 821	12.0%	47.1%	
Depreciation	883	-0.9%	0.4%	895	-	-	-100.0%	0.2%	
Interest, dividends and rent on land	22 979	171.4%	8.5%	25 612	34 239	48 833	28.6%	13.1%	
Total expenses	229 669	5.8%	100.0%	221 679	250 580	282 509	7.1%	100.0%	
Surplus/(Deficit)	10 522	-20.8%	-	48 529	72 106	91 650	105.8%	-	

Table 38.41 National Housing Finance Corporation statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R thousand								
Carrying value of assets	78 643	1.8%	2.2%	56 262	54 935	52 360	-12.7%	1.7%
Investments	323 939	-35.0%	21.2%	339 799	346 820	354 687	3.1%	9.3%
Inventory	291 293	65.8%	4.6%	90 009	70 574	39 971	-48.4%	3.5%
Loans	2 174 019	5.9%	60.1%	2 653 399	2 961 254	3 221 091	14.0%	74.0%
Receivables and prepayments	16 896	1.7%	0.4%	12 014	13 306	15 881	-2.0%	0.4%
Cash and cash equivalents	429 196	15.0%	11.2%	378 625	371 906	410 629	-1.5%	10.8%
Taxation	12 448	10.4%	0.3%	12 448	12 448	12 448	-	0.3%
Total assets	3 326 434	-1.3%	100.0%	3 542 555	3 831 243	4 107 067	7.3%	100.0%
Accumulated surplus/(deficit)	1 118 305	-2.8%	37.0%	1 296 873	1 368 979	1 460 628	9.3%	35.4%
Capital and reserves	1 310 000	6.6%	33.7%	1 410 000	1 510 000	1 610 000	7.1%	39.4%
Capital reserve fund	230 000	-	1.7%	100 000	100 000	100 000	-24.2%	3.7%
Borrowings	329 540	-9.1%	9.8%	389 986	501 265	567 450	19.9%	12.0%
Trade and other payables	16 587	28.7%	0.6%	13 114	5 765	6 111	-28.3%	0.3%
Taxation	3 972	-	0.1%	3 972	3 972	3 972	-	0.1%
Provisions	58 007	50.2%	1.5%	59 160	56 776	57 341	-0.4%	1.6%
Managed funds (e.g. poverty alleviation fund)	225 765	-31.3%	13.4%	225 765	225 765	225 765	-	6.1%
Derivatives financial instruments	34 259	-	2.2%	43 685	58 721	75 800	30.3%	1.4%
Total equity and liabilities	3 326 435	-1.3%	100.0%	3 542 555	3 831 243	4 107 068	13.7%	100.0%

Personnel information

Table 38.42 National Housing Finance Corporation personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)			
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16			2016/17			2017/18					2014/15 - 2017/18		
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
National Housing Finance Corporation	116	116	115	76.5	0.7	116	106.9	0.9	81	62.7	0.8	81	66.1	0.8	81	69.5	0.9	-13.4%	100.0%		
Salary level	10	10	12	1.0	0.1	10	1.4	0.1	9	0.8	0.1	9	0.8	0.1	9	0.8	0.1	-14.8%	10.5%		
1 - 6	34	34	35	9.4	0.3	34	13.4	0.4	19	4.2	0.2	19	4.4	0.2	19	4.6	0.2	-29.8%	24.9%		
7 - 10	29	29	27	14.6	0.5	29	20.8	0.7	18	9.0	0.5	18	9.5	0.5	18	10.0	0.6	-21.8%	22.9%		
11 - 12	37	37	35	33.7	1.0	37	48.0	1.3	30	28.7	1.0	30	30.2	1.0	30	31.7	1.1	-12.9%	35.8%		
13 - 16	6	6	6	17.9	3.0	6	23.4	3.9	5	20.1	4.0	5	21.2	4.2	5	22.3	4.5	-1.5%	5.9%		
17 - 22																					

1. Rand million.

National Urban Reconstruction and Housing Agency

Mandate

The National Urban Reconstruction and Housing Agency is a non-profit public entity established in 1995 as a joint venture between the South African government and the Open Society Foundation of New York. The agency provides bridging finance to contractors building low to moderate income housing, infrastructure and community facilities; and provides account administration and support services.

Selected performance indicators

Table 38.43 National Urban Reconstruction and Housing Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Value of loans disbursed per year	Affordable housing	Outcome 8: Sustainable human settlements and improved quality of household life	R299.5m	R157.8m	R177.4m	R151.4m	R182.3m	R219.3m	R259.4m
Number of loans approved per year	Affordable housing		15	11	14	20	21	23	24
Number of houses built and sites serviced per year	Affordable housing		1 940	1 195	1 619	1 960	2 200	2 500	2 650
Number of programmes/projects assisted by planning and/or implementation	Programme management		- ¹	11	2	7	7	7	7
Value of loans disbursed per year	Infrastructure and community services loans		R62.6m	R157.8m	R33.5m	R17.4m	R18m	R18m	R18m
Number of loans/projects approved per year	Infrastructure and community services loans		16	4	10	4	4	4	4
Number of projects completed per year	Infrastructure and community services loans		25	17	8	8	6	7	7
Value of loans disbursed per year	Subsidy housing loans		R134.9m	R67.3m	R23m	R40.7m	R49m	R59m	R69.8m
Number of loans/projects approved per year	Subsidy housing loans		30	12	11	28	30	32	34
Number of houses completed per year	Subsidy housing loans		7 066	8 298	3 108	4 485	5 500	6 000	6 500

1. This indicator was introduced in 2012/13, hence no data for the previous year.

Expenditure analysis

The National Urban Reconstruction and Housing Agency contributes to the national development plan's vision of transforming human settlements, as well as outcome 8 of government's 2014-2019 medium term strategic framework (sustainable human settlements and improved quality of household life). The agency focuses on providing affordable housing loans, administration, and project support services to developers in the affordable gap housing sub-market, the subsidy housing sub-market, and for affordable housing related infrastructure.

The revenue of the agency comprises programme management fees, interest, and fees on loans, transfers and interest on investments. The agency's total revenue is projected to increase to R125.5 million in 2017/18 as the total value of loans approved is set to increase to R259.4 million in the affordable housing sector and to R69.8 million in the subsidy sector, as the economy begins to recover over the MTEF period.

Expenditure in the affordable housing programme is expected to increase the value of loans disbursed to contractors building affordable housing projects to R259.4 million by 2017/18. As a result, expenditure in this programme is expected to increase at an average annual rate of 14.6 per cent, largely due to increased spending on goods and services items, such as outsourced services, travel and expenditure, and contractors, who will be used to assist provinces with the implementation of projects.

Furthermore, expenditure in the infrastructure and community facilities programme is expected to remain stable over the MTEF period, increasing marginally to R1.9 million in 2017/18, largely due to spending on compensation of employees. This expenditure will focus on increasing the value of loans disbursed to contractors building housing related infrastructure projects to R18 million by 2017/18.

The provision of project management skills and structured training to emerging contractors who receive financing from the agency for housing projects is expected to drive an increase of expenditure in the management programme to R43.4 million by 2017/18. This expenditure is expected to allow for an increase in the number of contractors supported through the contractor finance and development programme from 5 in 2014/15 to 100 in 2017/18.

Additional capital funding of R61 million in 2015/16 will serve as replacement capital for the loan capital provided by the Soros Economic Development Fund, and this is repayable in 2015/16. Administrative expenditure is expected to increase marginally over the MTEF period, mainly due to expenditure on goods and services, and compensation of employees, to support the internal operations of the agency, with the total number of filled posts in the agency increasing by 1, from 45 to 46, over the MTEF period.

Programmes/objectives/activities

Table 38.44 National Urban Reconstruction and Housing Agency expenditure trends and estimates by programme/ objective/ activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	57 084	78 850	56 602	56 985	-0.1%	55.5%	60 646	59 322	62 815	3.3%	52.9%
Affordable housing	9 778	13 422	2 957	7 123	-10.0%	6.7%	8 486	9 596	10 723	14.6%	7.9%
Programme management	48 582	67 107	12 031	37 170	-8.5%	32.8%	39 177	41 254	43 440	5.3%	35.5%
Infrastructure and community services loans	2 429	3 356	2 252	1 562	-13.7%	2.1%	1 715	1 795	1 879	6.4%	1.5%
Subsidy housing loans	3 644	5 032	2 959	2 109	-16.7%	3.0%	2 547	2 802	2 982	12.2%	2.3%
Total	121 517	167 767	76 801	104 949	-4.8%	100.0%	112 571	114 769	121 839	5.1%	100.0%

Statements of historical financial performance and position

Table 38.45 National Urban Reconstruction and Housing Agency statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15	2014/15	2011/12 - 2014/15
Revenue									
Non-tax revenue	68 708	77 395	94 755	132 136	104 349	83 979	106 104	106 857	107.1%
Sale of goods and services other than capital assets	-	61 041	-	53 437	83 981	65 196	70 492	70 492	161.9%
<i>of which:</i>									
Administrative fees	-	15 856	-	17 051	39 287	33 803	44 138	44 138	132.9%
Sales by market establishment	-	45 185	-	36 386	44 694	31 393	26 354	26 354	196.1%
Other non-tax revenue	68 708	16 354	94 755	78 699	20 368	18 783	35 612	36 365	68.4%
Total revenue	68 708	77 395	94 755	132 136	104 349	83 979	106 104	106 857	107.1%
Expenses									
Current expenses	71 528	121 393	68 238	167 767	83 305	76 801	100 668	104 948	145.5%
Compensation of employees	26 205	28 086	33 561	24 047	27 257	28 901	34 018	33 896	95.0%
Goods and services	21 001	78 174	21 985	130 378	40 794	39 550	61 962	61 457	212.4%
Depreciation	1 559	1 542	1 768	1 942	1 525	1 610	1 504	1 504	103.8%
Interest, dividends and rent on land	22 763	13 591	10 924	11 400	13 729	6 740	3 184	8 091	78.7%
Total expenses	71 528	121 517	68 238	167 767	83 305	76 801	100 668	104 948	145.5%
Surplus/(Deficit)	(2 820)	(44 122)	26 517	(35 631)	21 044	7 178	5 436	1 909	-
Statement of financial position									
Carrying value of assets	2 893	3 598	2 879	3 152	2 117	2 477	2 293	2 293	113.1%
<i>of which:</i>									
Acquisition of assets	770	1 080	1 496	1 496	1 031	1 031	1 101	1 101	107.0%
Investments	-	1 397	3 258	1 435	1 397	3 217	1 435	1 435	122.9%
Loans	554 718	190 856	340 274	202 394	271 453	195 887	188 318	188 318	57.4%
Receivables and prepayments	386	22 248	262	10 719	19 599	13 795	9 015	9 015	190.6%
Cash and cash equivalents	105 821	292 518	264 383	318 524	441 727	457 511	416 638	413 111	120.6%
Total assets	663 818	510 617	611 056	536 224	736 293	672 887	617 699	614 172	88.8%
Accumulated surplus/(deficit)	219 298	218 011	172 673	82 380	430 487	89 558	391 630	388 103	64.1%
Capital and reserves	138 300	38 300	238 300	38 300	38 300	38 300	38 300	38 300	33.8%
Capital reserve fund	-	-	-	200 000	-	300 000	-	-	-
Borrowings	241 971	137 958	189 206	83 379	159 943	60 513	97 365	97 365	55.1%
Trade and other payables	6 693	116 286	10 877	132 165	107 564	184 516	90 403	90 403	242.8%
Taxation	-	62	-	-	-	-	-	-	-
Provisions	57 556	-	-	-	-	-	-	-	-
Total equity and liabilities	663 818	510 617	611 056	536 224	736 294	672 887	617 699	614 172	88.8%

Statements of estimates of financial performance and position

Table 38.46 National Urban Reconstruction and Housing Agency statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	2014/15				2011/12 - 2014/15				
Revenue									
Non-tax revenue	106 857	11.4%	100.0%	112 736	117 941	125 525	5.5%	100.0%	
Sale of goods and services other than capital assets	70 492	4.9%	65.7%	89 796	103 881	115 386	17.9%	81.4%	
<i>of which:</i>									
Administrative fees	44 138	40.7%	28.7%	54 025	61 750	66 258	14.5%	48.6%	
Sales by market establishment	26 354	-16.4%	37.0%	35 771	42 131	49 128	23.1%	32.8%	
Other non-tax revenue	36 365	30.5%	34.3%	22 940	14 060	10 139	-34.7%	18.6%	
Total revenue	106 857	11.4%	100.0%	112 736	117 941	125 525	5.5%	100.0%	
Expenses									
Current expenses	104 948	-4.7%	100.0%	112 571	114 769	121 839	5.1%	100.0%	
Compensation of employees	33 896	6.5%	26.8%	35 727	37 620	39 614	5.3%	32.3%	
Goods and services	61 457	-7.7%	63.0%	66 814	70 698	74 845	6.8%	60.2%	
Depreciation	1 504	-0.8%	1.5%	1 586	1 670	1 758	5.3%	1.4%	
Interest, dividends and rent on land	8 091	-15.9%	8.6%	8 444	4 781	5 622	-11.4%	6.0%	
Total expenses	104 948	-4.8%	100.0%	112 571	114 769	121 839	5.1%	100.0%	
Surplus/(Deficit)	1 909	-135.1%	-	165	3 172	3 686	24.5%	-	
Statement of financial position									
Carrying value of assets	2 293	-13.9%	0.5%	1 546	1 138	1 135	-20.9%	0.3%	
<i>of which:</i>									
Acquisition of assets	1 101	0.6%	0.2%	325	320	340	-32.4%	0.1%	
Investments	1 435	0.9%	0.3%	1 435	1 435	1 435	-0.0%	0.2%	
Loans	188 318	-0.4%	33.7%	227 545	272 533	321 307	19.5%	42.2%	
Receivables and prepayments	9 015	-26.0%	2.5%	8 062	8 124	8 147	-3.3%	1.4%	
Cash and cash equivalents	413 111	12.2%	63.0%	386 009	293 319	258 693	-14.4%	55.9%	
Total assets	614 172	6.3%	100.0%	624 597	576 549	590 717	-1.3%	100.0%	
Accumulated surplus/(deficit)	388 103	21.2%	33.6%	386 370	389 457	393 053	0.4%	64.8%	
Capital and reserves	38 300	-	6.6%	38 300	38 300	38 300	-	6.4%	
Capital reserve fund	-	-	20.5%	61 000	-	-	-	2.4%	
Borrowings	97 365	-11.0%	16.9%	47 913	57 210	67 291	-11.6%	11.2%	
Trade and other payables	90 403	-8.0%	22.4%	91 014	91 582	92 073	0.6%	15.2%	
Total equity and liabilities	614 172	6.3%	100.0%	624 597	576 549	590 717	-10.6%	100.0%	

Personnel information

Table 38.47 National Urban Reconstruction and Housing Agency personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)							
		2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18										
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost						
National Urban Reconstruction and Housing Agency		45		45	44	28.9	0.7	45	33.9	0.8	45	35.7	0.8	45	37.6	0.8	46	39.6	0.9	5.3%	100.0%	
Salary level																						
7 - 10		18		18	18	6.1	0.3	18	7.4	0.4	18	7.8	0.4	18	8.3	0.5	19	9.0	0.5	7.1%	40.3%	
11 - 12		16		16	16	10.4	0.7	16	12.0	0.8	16	12.7	0.8	16	13.3	0.8	16	14.0	0.9	5.2%	35.4%	
13 - 16		11		11	10	12.3	1.2	11	14.5	1.3	11	15.2	1.4	11	16.0	1.5	11	16.6	1.5	4.6%	24.3%	

1. Rand million.

Rural Housing Loan Fund

Mandate

The Rural Housing Loan Fund was established in 1996 by the Department of Human Settlements as a section 21 company, with initial grant funding from German development bank Kreditanstalt für Wiederaufbau (KfW). The fund is mandated to facilitate access to housing credit to low income rural households by providing wholesale finance through a network of retail intermediaries and community based organisations.

Selected performance indicators

Table 38.48 Rural Housing Loan Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of loans disbursed per year	Incremental housing	Outcome 8: Sustainable human settlements and improved quality of household life	47 043	44 812	34 231	49 667	46 712	48 164	48 307
Value of loans to intermediaries per year	Incremental housing		R158.6m	R127.3m	R104m	R298m	R280.3m	R289m	R289.3m

Expenditure analysis

The Rural Housing Loan Fund is expected to contribute to the national development plan's vision of transforming human settlements, as well as outcome 8 of government's 2014-2019 medium term strategic framework (sustainable human settlements and improved quality of household life). The fund's focus over the medium term will be to facilitate increased access to incremental housing credit to low income rural households through the use of its network of retail intermediaries and community based organisations.

The fund's revenue consists of the interest on loan advances, and interest on investments and dividends received from cash deposits at the South African Reserve Bank related to the loan covenants with the Kreditanstalt für Wiederaufbau (KfW) and the Development Bank of Southern Africa. The total revenue of the fund is projected to decrease marginally over the medium term as a consequence of the fund offering rebates to intermediaries that provide lower interest rates on loans to low income rural households. Effectively, the fund offers a maximum of 1 per cent rebate for every 2 per cent reduction in interest rates that rural borrowers receive. This product is starting to become popular as it makes intermediaries highly competitive in this market.

Total expenditure is projected to increase to R37.5 million in 2017/18. This is largely as a result of increased spending on compensation of employees and losses due to fair value adjustments of financial assets. Compensation of employees is expected to increase over the medium term as the fund's number of personnel is projected to increase to 16 in 2017/18. The increased expenditure is expected to increase the value of incremental loans disbursed to R858.6 million over the MTEF period.

To bolster the fund's balance sheet, enabling it to increase the number of loans issued to 48 307 in 2017/18, the Department of Human Settlements is expected to provide for a capital transfer of R50 million in the same year. The fund expects the number of community based organisations to be funded to increase from 7 in 2014/15 to 13 by 2017/18, and 143 183 housing loans to be approved over the medium term.

Programmes/objectives/activities

Table 38.49 Rural Housing Loan Fund expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand											
Administration	3 916	3 865	3 557	4 979	8.3%	12.4%	1 308	1 393	1 477	-33.3%	6.7%
Incremental housing	26 553	33 679	29 756	26 799	0.3%	87.6%	35 815	34 671	36 072	10.4%	93.3%
Total	30 469	37 544	33 313	31 778	1.4%	100.0%	37 123	36 064	37 549	5.7%	100.0%

Statements of historical financial performance and position

Table 38.50 Rural Housing Loan Fund statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	46 217	45 913	46 666	50 115	56 453	53 261	44 141	44 141	100.0%
Sale of goods and services other than capital assets	–	35 977	40 555	37 977	47 084	41 068	42 570	42 570	121.0%
<i>of which:</i>									
<i>Sales by market establishment</i>	–	35 977	40 555	37 977	47 084	41 068	42 570	42 570	121.0%
Other non-tax revenue	46 217	9 936	6 111	12 138	9 369	12 193	1 572	1 572	56.6%
Total revenue	46 217	45 913	46 666	50 115	56 453	53 261	44 141	44 141	100.0%
Expenses									
Current expenses	39 774	24 284	30 555	31 384	34 192	24 008	30 140	30 140	81.6%
Compensation of employees	8 870	7 733	8 871	8 767	9 993	9 459	10 678	10 678	95.4%
Goods and services	20 137	5 396	10 917	11 568	13 407	3 757	7 274	7 274	54.1%
Depreciation	101	106	101	139	126	126	262	262	107.3%
Interest, dividends and rent on land	10 666	11 049	10 666	10 910	10 666	10 666	11 926	11 926	101.4%
Total expenses	41 579	30 469	35 066	37 544	39 731	33 313	31 778	31 778	89.8%
Surplus/(Deficit)	4 638	15 444	11 600	12 571	16 722	19 948	12 363	12 363	–
Statement of financial position									
Carrying value of assets	215	272	229	229	168	210	688	688	107.6%
<i>of which:</i>									
<i>Acquisition of assets</i>	100	154	1 091 140	34	2 771 007	143	290	290	0.0%
Investments	20 274	3 393	5 132	3 650	3 650	9 564	3 493	3 493	61.8%
Loans	284 652	311 691	310 152	310 152	377 457	388 169	447 203	447 203	102.7%
Receivables and prepayments	1 375	1 279	1 315	1 315	1 315	2 173	12 515	12 515	104.6%
Cash and cash equivalents	133 074	138 400	179 511	159 510	49 645	119 914	19 780	19 780	114.6%
Non-current assets held for sale	–	1 482	–	1 482	1 482	–	–	–	200.0%
Taxation	–	7 614	14 946	14 946	14 946	8 939	21 590	21 590	103.1%
Total assets	439 590	464 131	511 285	491 284	448 663	528 969	505 269	505 269	104.5%
Accumulated surplus/(deficit)	22 425	43 792	42 619	42 619	–	99 325	79 395	79 395	183.6%
Capital and reserves	276 777	23 014	23 014	23 014	23 014	–	–	–	14.3%
Capital reserve fund	–	253 762	305 738	285 737	285 737	285 737	285 737	285 737	126.6%
Borrowings	138 729	139 671	138 729	138 729	138 729	139 645	138 034	138 034	100.3%
Trade and other payables	944	123	312	312	312	1 074	374	374	97.0%
Taxation	–	1 817	3	3	1	1 642	–	–	86 550.0%
Provisions	702	1 952	870	870	870	1 546	1 729	1 729	146.2%
Derivatives financial instruments	13	–	–	–	–	–	–	–	–
Total equity and liabilities	439 590	464 131	511 285	491 284	448 663	528 969	505 269	505 269	104.5%

Statements of estimates financial performance and position

Table 38.51 Rural Housing Loan Fund statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	44 141	-1.3%	100.0%	37 591	42 498	41 946	-1.7%	100.0%
Sale of goods and services other than capital assets	42 570	5.8%	81.9%	36 154	38 166	39 803	-2.2%	94.3%
<i>of which:</i>								
<i>Sales by market establishment</i>	42 570	5.8%	81.9%	36 154	38 166	39 803	-2.2%	94.3%
Other non-tax revenue	1 572	-45.9%	18.1%	1 437	4 332	2 143	10.9%	5.7%
Total revenue	44 141	-1.3%	100.0%	37 591	42 498	41 946	-1.7%	100.0%
Expenses								
Current expenses	30 140	7.5%	82.6%	37 123	36 064	37 549	7.6%	100.0%
Compensation of employees	10 678	11.4%	27.7%	11 848	13 163	14 380	10.4%	35.1%
Goods and services	7 274	10.5%	20.7%	14 407	13 007	13 224	22.0%	33.2%
Depreciation	262	35.2%	0.5%	850	379	878	49.6%	1.6%
Interest, dividends and rent on land	11 926	2.6%	33.7%	10 018	9 515	9 067	-8.7%	28.8%
Total expenses	31 778	1.4%	100.0%	37 123	36 064	37 549	5.7%	100.0%
Surplus/(Deficit)	12 363	-7.1%	–	468	6 434	4 397	-29.1%	–

Table 38.51 Rural Housing Loan Fund statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R thousand								
Carrying value of assets	688	36.2%	0.1%	1 494	282	98	-47.8%	0.1%
of which:								
Acquisition of assets	290	23.5%	0.0%	2 230	166	150	-19.7%	0.1%
Investments	3 493	1.0%	1.0%	9 564	9 564	9 564	39.9%	1.5%
Loans	447 203	12.8%	73.0%	476 945	464 517	498 758	3.7%	87.9%
Receivables and prepayments	12 515	113.9%	0.9%	118	118	118	-78.9%	0.6%
Cash and cash equivalents	19 780	-47.7%	22.2%	57 891	53 047	60 662	45.3%	8.8%
Taxation	21 590	41.5%	2.7%	-	-	-	-100.0%	1.1%
Total assets	505 269	2.9%	100.0%	546 012	527 528	569 200	4.1%	100.0%
Accumulated surplus/(deficit)	79 395	21.9%	13.2%	117 564	119 091	124 040	16.0%	20.4%
Capital reserve fund	285 737	4.0%	55.9%	285 737	285 737	335 737	5.5%	55.5%
Borrowings	138 034	-0.4%	28.0%	140 205	120 181	106 888	-8.2%	23.6%
Trade and other payables	374	44.9%	0.1%	999	1 019	1 041	40.7%	0.2%
Provisions	1 729	-4.0%	0.3%	1 507	1 500	1 494	-4.8%	0.3%
Total equity and liabilities	505 269	2.9%	100.0%	546 012	527 528	569 200	49.3%	100.0%

Personnel information

Table 38.52 Rural Housing Loan Fund personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015	Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number			
	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18		
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost
Rural Housing Loan Fund																			
Salary level	17	17	14	9.5	0.7	16	10.7	0.7	16	11.8	0.7	16	13.2	0.8	16	14.4	0.9	10.4%	100.0%
1 - 6	5	5	-	-	-	5	0.6	0.1	5	0.7	0.1	5	0.8	0.2	5	0.7	0.1	5.9%	31.3%
7 - 10	5	5	8	2.1	0.3	5	1.9	0.4	5	2.0	0.4	5	2.1	0.4	5	2.2	0.4	5.8%	31.3%
13 - 16	6	6	5	5.1	1.0	5	5.8	1.2	5	6.7	1.3	5	7.6	1.5	5	8.6	1.7	14.0%	31.3%
17 - 22	1	1	1	2.3	2.3	1	2.4	2.4	1	2.5	2.5	1	2.7	2.7	1	2.9	2.9	6.0%	6.3%

1. Rand million.

Social Housing Regulatory Authority

Mandate

The Social Housing Regulatory Authority was established in 2010 in terms of the Social Housing Act (2008). The entity is mandated to regulate the social housing sector, and to ensure a sustainable and regulated flow of investment into the social housing sector in order to support the restructuring of urban spaces through capital grant provision to accredited social housing institutions.

Selected performance indicators

Table 38.53 Social Housing Regulatory Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of social housing units approved for investment per year	Social housing investment programme	Outcome 8: Sustainable human settlements and improved quality of household life	4 214	10 441	5 429	5 668	5 979	6 330	6 646
Number of institutional investment grants approved per year	Institutional investment programme		- ¹	26	22	30	35	38	40
Total number of social housing institutions accredited	Regulations		- ¹	43	47	55	60	65	65
Number of social housing estate inspections per year	Regulations		- ¹	26	22	18	30	30	30

1. No performance monitored in 2011/12.

Expenditure analysis

The Social Housing Regulatory Authority contributes to the national development plan's vision of transforming human settlements, as well as outcome 8 of government's 2014-2019 medium term strategic framework (sustainable human settlements and improved quality of household life). The authority's focus over the medium term will be on restructuring South Africa's urban spaces to address social and spatial dysfunctions through regulating the social housing sector, and the approval, administration and disbursement of institutional and capital grants to accredited social housing institutions.

Austerity measures are responsible for Cabinet approved budget reductions of R634.5 million over the MTEF period. As a result, the budget has been restructured to ensure that the authority is sufficiently capacitated to approve, administer and disburse the restructuring capital grant and the institutional investment grant, as mandated by the Social Housing Act (2008).

Despite these baseline cuts, to meet the targets set out in government's 2014-2019 medium term strategic framework, the restructuring capital grant is expected to increase to R1.1 billion in 2017/18, and is expected to yield 18 955 social housing units in identified restructuring zones over the medium term under the social housing investment programme. This will contribute significantly to achieving the national target of 27 000 social housing units by 2019.

The institutional investment programme is responsible for the disbursement and administration of institutional investment grants, which are grants in cash or in kind that provide for increased capacity support to pre-accredited social housing institutions. This programme will approve, administer and disburse 113 institutional investment grants over the MTEF period. No budget was allocated to this programme in 2014/15 due to an institutional review that focused on increasing the capital budget under the social housing investment programme in an attempt to increase momentum in building social housing units. Expenditure in the programme is expected to decrease marginally to R38.5 million by 2017/18, as the need for capacity building in social housing institutions stabilises.

The authority is expected to increase spending under the regulation programme to R2.7 million in 2017/18 as it improves its capability to regulate social housing institutions and projects more effectively. Spending in this programme is projected to result in the inspection of 90 social housing estates and the accreditation of 65 social housing institutions over the MTEF period.

The authority has 26 filled posts, and this is projected to remain constant over the MTEF period. As a result, spending on compensation of employees is expected to remain stable, growing at an average annual rate of 5.3 per cent over the MTEF period, largely contributing to the regulation and investment focus of the organisation.

Programmes/objectives/activities

Table 38.54 Social Housing Regulatory Authority expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Expenditure/ Total: Average (%)	
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18			
Administration	37 117	40 298	27 355	31 136	-5.7%	7.8%	32 046	33 880	35 499	4.5%	3.5%		
Social housing investment programme	458 644	886 982	122 359	597 543	9.2%	84.0%	932 307	1 036 409	1 110 513	22.9%	93.4%		
Institutional Investment Programme	40 627	77 814	27 522	-	-100.0%	7.7%	41 936	40 182	38 490	-	2.8%		
Regulations	2 793	3 033	2 059	2 344	-5.7%	0.6%	2 514	2 515	2 713	5.0%	0.3%		
Total	539 181	1 008 127	179 295	631 023	5.4%	100.0%	1 008 803	1 112 986	1 187 215	23.5%	100.0%		

Statements of historical financial performance and position

Table 38.55 Social Housing Regulatory Authority statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
R thousand	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	5 535	225 087	–	450 609	–	2 482	–	–	12 252.5%
Other non-tax revenue	5 535	225 087	–	450 609	–	2 482	–	–	12 252.5%
Transfers received	245 474	245 474	435 234	668 497	936 254	650 151	861 023	631 023	88.6%
Total revenue	251 009	470 561	435 234	1 119 106	936 254	652 633	861 023	631 023	115.7%
Expenses									
Current expenses	25 179	43 024	435 234	46 194	49 393	30 710	33 480	33 480	28.2%
Compensation of employees	8 868	10 948	12 200	15 966	23 344	16 648	17 547	18 495	100.2%
Goods and services	16 001	31 137	422 534	28 627	24 949	12 962	14 933	14 985	18.3%
Depreciation	310	939	500	1 601	1 100	1 100	1 000	–	125.1%
Transfers and subsidies	226 168	496 157	–	961 933	–	148 585	827 543	597 543	209.2%
Total expenses	251 347	539 181	435 234	1 008 127	49 393	179 295	861 023	631 023	147.6%
Surplus/(Deficit)	(338)	(68 620)	–	110 979	886 861	473 338	–	–	–
Statement of financial position									
Carrying value of assets	2 987	3 633	5 766	3 505	5 340	3 221	4 470	4 470	79.9%
<i>of which:</i>									
Acquisition of assets	1 085	3 414	1 713	1 473	1 200	551	940	940	129.2%
Receivables and prepayments	–	602	251	585	602	436 701	602	602	30 136.7%
Cash and cash equivalents	7 654	59 109	498 124	178 572	34 500	45 675	36 500	436 000	124.7%
Total assets	10 641	63 344	504 141	182 662	40 442	485 596	41 572	441 072	196.5%
Accumulated surplus/(deficit)	–	59 649	701	170 629	38 892	472 535	40 222	439 722	1 431.5%
Capital and reserves	8 522	–	13 015	–	–	296	–	–	1.4%
Capital reserve fund	–	–	488 676	–	–	–	–	–	–
Accrued interest	–	–	–	2 126	–	9 706	–	–	–
Trade and other payables	2 119	3 695	1 749	9 023	1 550	1 485	1 350	1 350	229.8%
Provisions	–	–	–	881	–	1 576	–	–	–
Total equity and liabilities	10 641	63 344	504 141	182 659	40 442	485 597	41 572	441 072	196.5%

Statements of estimates of financial performance and position

Table 38.56 Social Housing Regulatory Authority statements of estimates of financial performance and position

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
R thousand	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Transfers received	631 023	37.0%	77.9%	1 008 803	1 112 986	1 187 215	23.5%	100.0%
Total revenue	631 023	10.3%	100.0%	1 008 803	1 112 986	1 187 215	23.5%	100.0%
Expenses								
Current expenses	33 480	-8.0%	8.7%	59 156	57 877	57 096	19.5%	5.3%
Compensation of employees	18 495	19.1%	4.0%	19 475	20 449	21 586	5.3%	2.1%
Goods and services	14 985	-21.6%	4.6%	39 681	37 428	35 510	33.3%	3.2%
Transfers and subsidies	597 543	6.4%	91.3%	949 647	1 055 109	1 130 119	23.7%	94.7%
Total expenses	631 023	5.4%	100.0%	1 008 803	1 112 986	1 187 215	23.5%	100.0%
Surplus/(Deficit)	–	-100.0%	–	–	–	–	–	–
Statement of financial position								
Carrying value of assets	4 470	7.2%	2.3%	4 670	4 670	4 670	1.5%	1.2%
Receivables and prepayments	602	–	22.8%	602	602	602	–	0.2%
Cash and cash equivalents	436 000	94.7%	74.8%	350 000	350 000	350 000	-7.1%	98.6%
Total assets	441 072	91.0%	100.0%	355 272	355 272	355 272	-7.0%	100.0%
Accumulated surplus/(deficit)	439 722	94.6%	96.1%	353 172	353 172	353 172	-7.0%	99.5%
Trade and other payables	1 350	-28.5%	2.8%	2 100	2 100	2 100	15.9%	0.5%
Total equity and liabilities	441 072	91.0%	100.0%	355 272	355 272	355 272	8.8%	100.0%

Personnel information

Table 38.57 Social Housing Regulatory Authority personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)		
		2013/14			2014/15			2015/16			2016/17			2017/18						
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			2014/15 - 2017/18	
Social Housing Regulatory Authority		26	26	29	16.6	0.6	26	18.5	0.7	26	19.5	0.7	26	20.4	0.8	26	21.6	0.8	5.3%	100.0%
Salary level																				
1-6	1	1	1	0.1	0.1	1	0.2	0.2	1	0.2	0.2	1	0.2	0.2	1	0.3	0.3	5.4%	3.8%	
7-10	11	11	11	4.0	0.4	11	5.6	0.5	11	5.9	0.5	11	6.2	0.6	11	6.5	0.6	5.4%	42.3%	
11-12	4	4	7	2.8	0.4	4	2.6	0.6	4	2.7	0.7	4	2.9	0.7	4	3.0	0.8	5.4%	15.4%	
13-16	10	10	10	9.8	1.0	10	10.1	1.0	10	10.6	1.1	10	11.1	1.1	10	11.8	1.2	5.2%	38.5%	

1. Rand million.

Additional tables

Table 38.A Summary of conditional allocations to provinces and municipalities¹

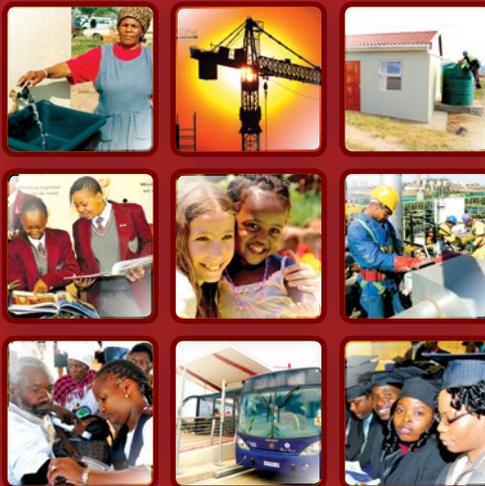
R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Conditional allocations to provinces							
Housing Development Finance							
Human settlements development grant	15 121 516	15 395 032	17 028 326	17 084 369	18 202 675	19 883 991	21 060 343
Total	15 121 516	15 395 032	17 028 326	17 084 369	18 202 675	19 883 991	21 060 343
Conditional allocations to municipalities							
Housing Development Finance							
Urban settlements development grant	6 266 998	7 392 206	9 076 906	10 284 684	10 554 345	11 075 877	11 708 123
Municipal human settlements capacity grant	–	–	–	300 000	100 000	100 000	115 000
Total	6 266 998	7 392 206	9 076 906	10 584 684	10 654 345	11 175 877	11 823 123

1. Detail provided in the Division of Revenue Act (2015).

Table 38.B Summary of expenditure on infrastructure

Project name R thousand	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2014/15	Medium-term expenditure estimate		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
Infrastructure transfers to other spheres, agencies and departments										
Human settlements development grant	Houses completed and sites serviced	Various	-	15 121 516	15 395 032	16 983 872	17 084 369	18 202 675	19 883 991	21 060 343
Urban settlements development grant	Bulk infrastructure installed	Various	-	6 266 998	7 392 206	9 076 906	10 284 664	10 554 345	11 075 877	11 708 123
Total			-	21 388 514	22 787 238	26 060 778	27 369 053	28 757 020	30 959 868	32 768 466

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BUDGET 2015

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