

Estimates of National Expenditure 2023

Vote 33: Human Settlements

**National Treasury
Republic of South Africa**



Human Settlements

Budget summary

R million	2023/24				2024/25	2025/26
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	503.9	–	2.6	506.5	530.5	549.2
Integrated Human Settlements Planning and Development	172.9	23 361.5	0.8	23 535.2	24 373.4	25 623.5
Informal Settlements	111.3	8 667.5	523.5	9 302.3	9 719.8	10 158.9
Rental and Social Housing	76.2	922.7	0.2	999.0	1 041.9	1 088.9
Affordable Housing	90.0	508.9	0.4	599.3	627.2	654.3
Total expenditure estimates	954.4	33 460.6	527.4	34 942.4	36 292.7	38 074.7
Executive authority	Minister of Human Settlements					
Accounting officer	Director-General of Human Settlements					
Website	www.dhs.gov.za					

The Estimates of National Expenditure is available at www.treasury.gov.za. Additional tables in Excel format can be found at www.treasury.gov.za and www.vulekamali.gov.za.

Vote purpose

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

Mandate

The Department of Human Settlements is mandated, in terms section 3 of the Housing Act (1997), to establish and facilitate a sustainable national housing development process in collaboration with provinces and municipalities. In fulfilling its mandate, the department determines national policy and norms and standards for the development of housing and human settlements, prescribes national housing delivery goals, and oversees provincial and municipal performance outcomes against national targets. To ensure an effective housing development process, the department funds, capacitates and supports provinces and municipalities in the implementation of human settlements projects.

Selected performance indicators

Table 33.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of integrated implementation plans for priority development areas completed per year	Integrated Human Settlements Planning and Development	Priority 5: Spatial integration, human settlements and local government	– ¹	19	49	15	11	– ²	– ²
Number of fully subsidised houses delivered per year	Integrated Human Settlements Planning and Development		58 721	45 551	28 351	60 000	60 000	60 000	60 000
Number of title deeds registered for new (post-2014) developments per year	Integrated Human Settlements Planning and Development		28 823	17 210	5 592	129 368	129 368	129 368	129 368
Number of informal settlements upgraded to phase 3 per year	Informal Settlements		– ¹	0	14	300	300	300	300
Number of serviced sites delivered per year	Informal Settlements		8 714	39 273	42 046	60 000	60 000	60 000	60 000
Number of affordable rental units delivered per year	Rental and Social Housing		732	1 856	0	3 600	3 600	3 600	3 600
Number of community residential units delivered per year	Rental and Social Housing		150	1 006	767	1 000	1 000	1 000	1 000
Number of finance-linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Affordable Housing		4 554	3 161	6 253	4 000	4 000	4 000	4 000

1. No historical data available.

2. Target set to be achieved by 2023/24.

Expenditure overview

Over the medium term, the department will continue to focus on developing integrated human settlements; upgrading informal settlements; and creating an enabling environment for affordable housing by continually reviewing policy and implementation programmes, and strengthening support to provinces and municipalities to implement human settlements programmes.

Expenditure is expected to increase from R33.5 billion in 2022/23 to R38.1 billion in 2025/26 at an average annual rate of 4.4 per cent. Transfers to provinces, municipalities and public entities that implement human settlements programmes constitute an estimated 96.1 per cent (R104.7 billion) of the department's budget. These comprise allocations such as the *human settlements development grant*, the *urban settlements development grant*, the *informal settlements upgrading partnership grant* and transfers to public entities, and are expected to increase at an average annual rate of 3.9 per cent, from R32.5 billion in 2022/23 to R36.5 billion in 2025/26.

Developing integrated human settlements

One of the department's objectives is to create inclusive communities within an improved spatial landscape. As such, over the MTEF period, the department plans to finalise 11 integrated plans in priority development areas that are intended to advance spatial transformation and deliver integrated human settlements projects. The medium-term target is to deliver 180 000 fully subsidised houses and issue 388 104 title deeds to beneficiaries from low-income households. Spending for these activities is within the *Integrated Human Settlements Planning and Development* programme's allocation of R73.5 billion. The programme's budget increases at an average annual rate of 5.1 per cent, from R22.1 billion in 2022/23 to R25.6 billion in 2025/26.

An additional R2.2 billion is allocated through the *urban settlements development grant* for: the Lufhereng integrated urban development project in Johannesburg, a mixed-use residential housing development that aims to promote spatial integration and provide affordable rental housing units; and the Avoca Node project, which aims to create an enabling environment for private sector-led housing developments in the in eThekweni municipality. These were the only projects approved to access the budget facility in the human settlements sector. Transfers to the grant are made in the *Integrated Human Settlements Planning and Development* programme.

From 2023/24 the department will be taking over the implementation of the emergency housing programme. As a result, the *provincial emergency housing grant* and the *municipal emergency housing grant* ends. This adjustment will increase expenditure on payments for capital assets from R15.3 million in 2022/23 to R575.9 million in 2025/26.

Upgrading informal settlements

The department assists provinces and municipalities with comprehensive planning for the upgrading of informal settlements. This involves providing secure tenure, safe and reliable water and sanitation and adequate access to social services. Related work is completed in phases, with phases 1 to 3 comprising the provision of secure tenure and basic services such as water, sanitation, lighting and refuse removal. Community participation in the upgrading process is a key pillar in the programme as beneficiaries are encouraged to find adequate upgrading solutions that are specific to their communities. To upgrade a targeted 900 informal settlements to phase 3 across the country, provincial and municipal spending through the *informal settlements upgrading partnership grant* is expected to amount to R27.2 billion over the medium term. A further R120 million over the period ahead is expected to ensure that provinces and municipalities deliver 60 000 serviced sites per year through the national upgrading support programme.

The department intends to hire consultants to augment capacity for the upgrading of informal settlements and the provision of affordable rental housing. Spending for this is within the department's budget for consultants, which is expected to increase at an average annual rate of 7.3 per cent, from R188.8 million in 2022/23 to R233.5 million in 2025/26.

Facilitating affordable housing

Affordable housing broadly constitutes the provision of rental and social housing programmes, and instruments to provide housing finance to traditionally unserved segments of the population. These are critical components

in the creation of a functional residential property market. To this end, the department aims to increase the supply of rental and social housing stock, and assist low-income and middle-income households that earn above the qualifying threshold to receive state-subsidised housing but below the threshold to secure a home loan. Accordingly, the department plans to build 10 800 rental housing units and disburse 12 000 finance-linked individual subsidies over the next 3 years. As a result, over the period ahead, spending in the *Rental and Social Housing* programme is expected to be R3.1 billion and spending in the *Affordable Housing* programme is expected to be R1.9 billion.

Expenditure trends and estimates

Table 33.2 Vote expenditure trends and estimates by programme and economic classification

Programmes											
1. Administration											
2. Integrated Human Settlements Planning and Development											
3. Informal Settlements											
4. Rental and Social Housing											
5. Affordable Housing											
Programme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23		2023/24	2024/25	2025/26	2022/23 - 2025/26	
Programme 1	428.4	399.2	416.7	513.9	6.2%	1.4%	506.5	530.5	549.2	2.2%	1.5%
Programme 2	31 373.1	26 002.0	21 179.7	22 051.2	-11.1%	79.5%	23 535.2	24 373.4	25 623.5	5.1%	66.9%
Programme 3	465.9	511.2	7 972.7	9 355.7	171.8%	14.5%	9 302.3	9 719.8	10 158.9	2.8%	27.0%
Programme 4	861.7	1 162.3	850.9	962.8	3.8%	3.0%	999.0	1 041.9	1 088.9	4.2%	2.9%
Programme 5	216.4	700.9	539.5	594.9	40.1%	1.6%	599.3	627.2	654.3	3.2%	1.7%
Total	33 345.6	28 775.5	30 959.5	33 478.5	0.1%	100.0%	34 942.4	36 292.7	38 074.7	4.4%	100.0%
Change to 2022 Budget estimate				453.8			484.8	784.0	975.2		
Economic classification											
Current payments	729.4	626.3	679.0	947.3	9.1%	2.4%	954.4	996.7	1 041.0	3.2%	2.8%
Compensation of employees	356.2	352.5	359.3	422.5	5.9%	1.2%	415.0	433.3	452.3	2.3%	1.2%
Goods and services ¹	373.2	273.8	319.7	524.8	12.0%	1.2%	539.4	563.4	588.7	3.9%	1.6%
<i>of which:</i>											
Advertising	5.0	15.5	10.5	24.7	70.0%	0.0%	25.3	26.4	27.6	3.8%	0.1%
Computer services	56.4	31.9	46.8	64.6	4.6%	0.2%	74.2	77.4	80.8	7.8%	0.2%
Consultants: Business and advisory services	67.3	66.0	70.8	188.8	41.0%	0.3%	213.8	223.4	233.5	7.3%	0.6%
Operating leases	43.8	43.3	43.1	38.9	-3.9%	0.1%	39.1	40.8	42.6	3.1%	0.1%
Property payments	13.2	11.6	12.0	17.8	10.7%	0.0%	17.7	18.5	19.3	2.6%	0.1%
Travel and subsistence	68.2	12.4	35.9	60.1	-4.1%	0.1%	60.1	62.9	66.0	3.2%	0.2%
Interest and rent on land	-	-	0.0	0.0	0.0%	0.0%	-	-	-	-100.0%	0.0%
Transfers and subsidies¹	32 560.1	28 141.5	30 272.5	32 515.7	0.0%	97.6%	33 460.6	34 744.9	36 457.9	3.9%	96.1%
Provinces and municipalities	31 374.9	26 080.9	28 719.4	30 852.8	-0.6%	92.5%	31 760.5	32 968.3	34 601.7	3.9%	91.2%
Departmental agencies and accounts	1 172.9	2 048.4	1 545.3	1 652.5	12.1%	5.1%	1 690.7	1 766.6	1 845.7	3.8%	4.9%
Foreign governments and international organisations	3.0	3.5	2.2	3.9	9.2%	0.0%	4.1	4.3	4.5	4.5%	0.0%
Households	9.4	8.7	5.6	6.4	-11.7%	0.0%	5.3	5.7	6.0	-2.5%	0.0%
Payments for capital assets	5.9	7.7	7.6	15.3	37.6%	0.0%	527.4	551.2	575.9	235.2%	1.2%
Buildings and other fixed structures	-	-	-	-	0.0%	0.0%	523.3	546.8	571.3	0.0%	1.1%
Machinery and equipment	5.9	7.7	7.5	15.3	37.6%	0.0%	4.2	4.4	4.6	-33.0%	0.0%
Software and other intangible assets	-	-	0.1	-	0.0%	0.0%	-	-	-	0.0%	0.0%
Payments for financial assets	50.2	0.1	0.5	0.2	-83.9%	0.0%	-	-	-	-100.0%	0.0%
Total	33 345.6	28 775.5	30 959.5	33 478.5	0.1%	100.0%	34 942.4	36 292.7	38 074.7	4.4%	100.0%

1. Tables with expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 33.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Households											
Social benefits											
Current	7 045	1 283	2 620	892	-49.8%	-	-	-	-	-100.0%	-
Transfers to households	7 045	1 283	2 620	892	-49.8%	-	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	449 178	1 322 659	832 186	861 343	24.2%	2.8%	864 707	903 541	944 020	3.1%	2.6%
Housing Development Agency	229 311	233 604	235 379	242 716	1.9%	0.8%	243 649	254 591	265 997	3.1%	0.7%
Community Schemes Ombud Service	32 847	23 597	24 022	24 817	-8.9%	0.1%	24 912	26 031	27 197	3.1%	0.1%
Property Practitioners Regulatory Authority	-	24 000	-	-	-	-	-	-	-	-	-
Social Housing Regulatory Authority: Operations	65 761	69 345	70 248	72 738	3.4%	0.2%	73 073	76 355	79 776	3.1%	0.2%
Social Housing Regulatory Authority: Institutional investment grant	21 259	22 428	22 725	23 534	3.4%	0.1%	23 623	24 684	25 790	3.1%	0.1%
Social Housing Regulatory Authority: Rental relief	-	300 000	-	-	-	0.2%	-	-	-	-	-
National Housing Finance Corporation: Finance-linked individual subsidy programme: Operations	5 000	15 435	18 824	19 510	57.4%	-	19 585	20 465	21 382	3.1%	0.1%
National Housing Finance Corporation: Finance-linked individual subsidy programme: Operations	95 000	334 250	460 988	478 028	71.4%	1.1%	479 865	501 415	523 878	3.1%	1.4%
National Housing Finance Corporation: Debt relief	-	300 000	-	-	-	0.2%	-	-	-	-	-
Capital	723 706	725 747	713 146	791 144	3.0%	2.4%	825 958	863 051	901 716	4.5%	2.5%
Social Housing Regulatory Authority: Consolidated capital grant	723 706	725 747	713 146	791 144	3.0%	2.4%	825 958	863 051	901 716	4.5%	2.5%
Households											
Other transfers to households											
Current	2 311	7 435	2 974	5 549	33.9%	-	5 345	5 720	5 976	2.5%	-
Transfers to households	490	6 482	-	77	-46.0%	-	-	-	-	-100.0%	-
Bursaries for non-employees	1 821	953	2 974	5 472	44.3%	-	5 345	5 720	5 976	3.0%	-
Provinces and municipalities											
Municipal bank accounts											
Capital	11 802 544	10 738 403	11 416 629	11 680 321	-0.3%	37.0%	12 514 098	13 353 857	14 108 524	6.5%	37.7%
Urban settlements development grant	11 655 112	10 572 145	7 404 711	7 352 273	-14.2%	29.9%	8 149 316	8 793 055	9 343 398	8.3%	24.5%
Municipal emergency housing grant	147 432	166 258	66 471	55 412	-27.8%	0.4%	-	-	-	-100.0%	-
Informal settlements upgrading partnership grant: Municipalities	-	-	3 945 447	4 272 636	-	6.7%	4 364 782	4 560 802	4 765 126	3.7%	13.1%
Foreign governments and international organisations											
Current	3 031	3 455	2 168	3 946	9.2%	-	4 120	4 305	4 498	4.5%	-
Habitat Foundation	2 307	2 584	1 448	3 192	11.4%	-	3 333	3 483	3 639	4.5%	-
Cities Alliance	724	871	720	754	1.4%	-	787	822	859	4.4%	-
Provinces and municipalities											
Provincial revenue funds											
Capital	19 572 326	15 342 512	17 302 732	19 172 463	-0.7%	57.8%	19 246 370	19 614 409	20 493 135	2.2%	57.2%
Human settlements development grant	18 779 815	14 892 297	13 402 961	14 255 610	-8.8%	49.7%	14 943 649	15 118 455	15 795 762	3.5%	43.8%
Title deeds restoration grant	547 700	162 559	-	-	-100.0%	0.6%	-	-	-	-	-
Provincial emergency housing grant	244 811	287 656	10 053	795 764	48.1%	1.1%	-	-	-	-100.0%	0.6%
Informal settlements upgrading partnership grant: Provinces	-	-	3 889 718	4 121 089	-	6.5%	4 302 721	4 495 954	4 697 373	4.5%	12.8%
Total	32 560 141	28 141 494	30 272 455	32 515 658	-	100.0%	33 460 598	34 744 883	36 457 869	3.9%	100.0%

Personnel information

Table 33.4 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2023		Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/ Total (%)	
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2021/22			2022/23			2023/24			2024/25			2025/26			2022/23 - 2025/26		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Human Settlements																			
Salary level	529	38	536	359.3	0.7	598	407.5	0.7	661	415.0	0.6	650	433.3	0.7	679	452.3	0.7	4.3%	100.0%
1 – 6	135	19	134	39.8	0.3	131	40.5	0.3	174	42.7	0.2	173	44.9	0.3	194	47.9	0.2	13.9%	25.9%
7 – 10	204	7	206	113.4	0.6	224	129.3	0.6	246	137.9	0.6	238	141.4	0.6	240	145.1	0.6	2.3%	36.7%
11 – 12	114	5	111	103.3	0.9	114	108.9	1.0	114	108.4	1.0	112	113.3	1.0	119	123.5	1.0	1.4%	17.7%
13 – 16	76	7	73	97.5	1.3	90	121.2	1.3	88	118.3	1.3	88	125.5	1.4	88	127.4	1.4	-0.7%	13.7%
Other	–	–	12	5.2	0.4	39	7.6	0.2	39	7.8	0.2	39	8.2	0.2	39	8.4	0.2	–	6.0%
Programme	529	38	536	359.3	0.7	598	407.5	0.7	661	415.0	0.6	650	433.3	0.7	679	452.3	0.7	4.3%	100.0%
Programme 1	353	37	362	213.9	0.6	405	240.5	0.6	421	244.6	0.6	417	256.9	0.6	433	263.3	0.6	2.3%	64.8%
Programme 2	70	–	68	57.7	0.8	79	68.9	0.9	82	68.9	0.8	79	71.8	0.9	83	76.7	0.9	1.7%	12.5%
Programme 3	37	–	37	32.2	0.9	41	36.8	0.9	47	37.2	0.8	45	38.6	0.9	48	44.0	0.9	6.1%	7.0%
Programme 4	12	1	12	11.3	0.9	13	12.2	0.9	23	13.0	0.6	20	11.5	0.6	21	12.4	0.6	16.5%	3.0%
Programme 5	57	–	57	44.2	0.8	60	49.1	0.8	88	51.4	0.6	88	54.5	0.6	93	55.9	0.6	15.8%	12.8%

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

2. Rand million.

Departmental receipts

Table 33.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2019/20	2020/21	2021/22					2022/23	2023/24	2024/25		
R thousand												
Departmental receipts	860	365	1 065	646	334	-27.0%	100.0%	335	336	337	0.3%	100.0%
Sales of goods and services produced by department	201	205	202	220	220	3.1%	31.6%	221	222	223	0.5%	66.0%
Sales by market establishments of which:	60	61	54	70	70	5.3%	9.3%	70	71	72	0.9%	21.1%
Parking	60	61	54	70	70	5.3%	9.3%	70	71	72	0.9%	21.1%
Administrative fees of which:	141	144	148	150	150	2.1%	22.2%	150	150	150	–	44.7%
Commission on insurance	141	144	148	150	150	2.1%	22.2%	150	150	150	–	44.7%
Other sales of which:	–	–	–	–	–	–	–	1	1	1	–	0.2%
Replacement of security cards	–	–	–	–	–	–	–	1	1	1	–	0.2%
Sales of scrap, waste, arms and other used current goods of which:	3	1	3	4	4	10.1%	0.4%	4	4	4	–	1.2%
Wastepaper	3	1	3	4	4	10.1%	0.4%	4	4	4	–	1.2%
Interest, dividends and rent on land	136	30	30	110	110	-6.8%	11.7%	110	110	110	–	32.8%
Interest	136	30	30	110	110	-6.8%	11.7%	110	110	110	–	32.8%
Sales of capital assets	180	–	–	–	–	-100.0%	6.9%	–	–	–	–	–
Transactions in financial assets and liabilities	340	129	830	312	–	-100.0%	49.5%	–	–	–	–	–
Total	860	365	1 065	646	334	-27.0%	100.0%	335	336	337	0.3%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 33.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Ministry	69.7	57.1	55.9	59.6	-5.1%	13.8%	61.6	64.7	68.5	4.7%	12.1%
Departmental Management	56.1	56.3	55.6	99.8	21.2%	15.2%	88.7	93.2	96.3	-1.2%	18.0%
Corporate Services	193.7	181.8	197.5	230.3	5.9%	45.7%	233.6	244.3	251.5	3.0%	45.7%
Property Management	53.5	51.7	51.5	53.3	-0.1%	11.9%	53.5	55.9	58.4	3.1%	10.5%
Financial Management	55.5	52.3	56.2	70.9	8.5%	13.4%	69.0	72.4	74.5	1.7%	13.7%
Total	428.4	399.2	416.7	513.9	6.2%	100.0%	506.5	530.5	549.2	2.2%	100.0%
Change to 2022				5.1			1.9	3.3	(1.6)		
Budget estimate											
Economic classification											
Current payments	416.9	393.0	408.9	502.3	6.4%	97.9%	503.9	527.8	546.3	2.8%	99.1%
Compensation of employees	215.4	216.7	213.9	253.0	5.5%	51.1%	244.6	256.9	263.3	1.3%	48.5%
Goods and services	201.5	176.2	195.0	249.2	7.3%	46.7%	259.4	270.9	283.0	4.3%	50.6%
of which:											
Advertising	4.8	14.6	9.5	23.9	71.1%	3.0%	24.7	25.9	27.1	4.3%	4.8%
Computer services	38.6	16.2	26.5	30.1	-8.0%	6.3%	40.3	42.0	43.9	13.3%	7.4%
Consultants: Business and advisory services	1.8	5.0	4.5	23.2	136.7%	2.0%	26.3	27.4	28.7	7.3%	5.0%
Operating leases	43.8	43.3	43.1	38.9	-3.9%	9.6%	39.1	40.8	42.6	3.1%	7.7%
Property payments	13.2	11.6	12.0	17.8	10.7%	3.1%	17.7	18.5	19.3	2.6%	3.5%
Travel and subsistence	37.6	5.6	25.1	30.9	-6.3%	5.6%	31.6	33.1	34.8	4.0%	6.2%
Interest and rent on land	-	-	0.0	0.0	-	-	-	-	-	-100.0%	-
Transfers and subsidies	6.7	1.1	1.9	0.6	-55.4%	0.6%	-	-	-	-100.0%	-
Households	6.7	1.1	1.9	0.6	-55.4%	0.6%	-	-	-	-100.0%	-
Payments for capital assets	4.7	5.1	5.7	10.8	32.0%	1.5%	2.6	2.7	2.8	-36.1%	0.9%
Machinery and equipment	4.7	5.1	5.6	10.8	32.0%	1.5%	2.6	2.7	2.8	-36.1%	0.9%
Software and other intangible assets	-	-	0.1	-	-	-	-	-	-	-	-
Payments for financial assets	0.1	0.0	0.3	0.2	21.1%	-	-	-	-	-100.0%	-
Total	428.4	399.2	416.7	513.9	6.2%	100.0%	506.5	530.5	549.2	2.2%	100.0%
Proportion of total programme expenditure to vote expenditure	1.3%	1.4%	1.3%	1.5%	-	-	1.4%	1.5%	1.4%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	6.4	0.7	1.0	0.5	-57.9%	0.5%	-	-	-	-100.0%	-
Transfers to households	6.4	0.7	1.0	0.5	-57.9%	0.5%	-	-	-	-100.0%	-

Personnel information

Table 33.7 Administration personnel numbers and cost by salary level¹

Administration	Number of posts estimated for 31 March 2023		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average Salary level/ Total (%)			
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26											
Salary level	353	37	362	213.9	0.6	405	240.5	0.6	421	244.6	0.6	417	256.9	0.6	433	263.3	0.6	2.3%	100.0%
1 – 6	126	19	125	36.2	0.3	122	37.5	0.3	118	35.5	0.3	118	37.7	0.3	134	40.1	0.3	3.1%	29.3%
7 – 10	129	7	131	72.5	0.6	142	82.3	0.6	164	91.5	0.6	161	94.5	0.6	161	96.5	0.6	4.2%	37.4%
11 – 12	54	5	52	46.3	0.9	51	45.0	0.9	51	44.7	0.9	51	47.4	0.9	51	48.2	1.0	-	12.1%
13 – 16	44	6	42	53.7	1.3	51	68.0	1.3	49	65.1	1.3	49	69.1	1.4	49	70.2	1.4	-1.3%	11.8%
Other	-	-	12	5.2	0.4	39	7.6	0.2	39	7.8	0.2	39	8.2	0.2	39	8.4	0.2	-	9.3%

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

2. Rand million.

Programme 2: Integrated Human Settlements Planning and Development

Programme purpose

Manage the development of policy, planning and research in the creation of sustainable and integrated human settlements, oversee the delivery of the integrated residential development programme, and coordinate intergovernmental partnerships with stakeholders.

Objectives

- Accelerate the development and delivery of spatially integrated housing and human settlements by:
 - transferring and monitoring the disbursement of the *human settlements development grant* to provinces and the *urban settlements development grant* to metropolitan municipalities in terms of the annual Division of Revenue Act
 - undertaking research and developing housing and human settlements policies and programmes as and when required.
- Promote the coordination of planning and strengthen intergovernmental cooperation across and within the different spheres of government by:
 - providing support to provinces and municipalities in the development of integrated implementation plans on an ongoing basis
 - facilitating intergovernmental forums and stakeholder partnerships on an ongoing basis.

Subprogrammes

- *Management for Integrated Human Settlements Planning and Development* provides strategic leadership to the programme.
- *Macro Sector Planning* manages the development and evaluation of macro strategy and planning frameworks for human settlements.
- *Macro Policy and Research* undertakes research and develops policy that promotes spatial transformation and integration.
- *Monitoring and Evaluation* monitors and reports on housing and human settlements programmes and projects in terms of the national housing code.
- *Public Entity Oversight* provides regulatory, strategic and governance oversight of various public entities. This subprogramme also oversees compliance with and performance against legislated mandates and responsibilities.
- *Grant Management* manages and transfers conditional grants to provinces and municipalities for the implementation of housing and human settlements programmes.
- *Capacity Building and Sector Support* improves intergovernmental coordination and provides sector-specific technical capacity to provinces and municipalities.

Expenditure trends and estimates

Table 33.8 Integrated Human Settlements Planning and Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Management for Integrated Human Settlements Planning and Development	2.1	1.6	1.7	3.8	21.0%	–	3.9	4.1	4.3	4.2%	–
Macro Sector Planning	10.9	9.4	11.6	19.8	22.1%	0.1%	18.5	19.5	20.2	0.8%	0.1%
Macro Policy and Research	45.0	36.5	39.3	51.7	4.8%	0.2%	53.4	55.6	59.1	4.6%	0.2%
Monitoring and Evaluation	41.5	35.0	44.7	66.4	17.0%	0.2%	63.6	66.3	70.0	1.8%	0.3%
Public Entity Oversight	262.2	281.2	259.4	267.5	0.7%	1.1%	268.6	280.6	293.2	3.1%	1.2%
Grant Management	30 982.6	25 627.0	20 807.7	21 607.9	-11.3%	98.4%	23 093.0	23 911.5	25 139.2	5.2%	98.1%
Capacity Building and Sector Support	28.9	11.2	15.4	34.2	5.8%	0.1%	34.3	35.9	37.5	3.1%	0.1%
Total	31 373.1	26 002.0	21 179.7	22 051.2	-11.1%	100.0%	23 535.2	24 373.4	25 623.5	5.1%	100.0%
Change to 2022 Budget estimate				1.4			472.2	771.0	963.6		

Table 33.8 Integrated Human Settlements Planning and Development expenditure trends and estimates by subprogramme and economic classification (continued)

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)					
	2019/20	2020/21	2021/22				2022/23	2019/20	2022/23			2023/24	2024/25	2025/26	2022/23	2025/26
	R million															
Current payments	127.5	92.4	111.4	172.9	10.7%	0.5%	172.9	180.5	190.2	3.2%	0.7%					
Compensation of employees	57.9	55.2	57.7	71.4	7.2%	0.2%	68.9	71.8	76.7	2.4%	0.3%					
Goods and services	69.5	37.2	53.6	101.5	13.4%	0.3%	104.0	108.7	113.6	3.8%	0.4%					
<i>of which:</i>																
Administrative fees	0.0	0.1	0.3	1.0	179.1%	–	1.3	1.3	1.3	11.1%	–					
Communication	1.2	0.9	1.4	1.6	8.5%	–	1.6	1.7	1.7	3.1%	–					
Computer services	17.8	15.6	20.3	34.5	24.7%	0.1%	33.9	35.4	37.0	2.4%	0.1%					
Consultants: Business and advisory services	12.8	13.4	17.1	37.2	42.8%	0.1%	50.0	52.3	54.7	13.6%	0.2%					
Travel and subsistence	10.5	1.9	4.6	10.7	0.7%	–	10.9	11.4	11.9	3.6%	–					
Venues and facilities	17.1	2.7	5.2	7.6	-23.9%	–	1.7	1.8	1.9	-37.1%	–					
Transfers and subsidies	31 244.9	25 908.3	21 067.6	21 875.8	-11.2%	99.5%	23 361.5	24 192.1	25 432.4	5.1%	99.2%					
Provinces and municipalities	30 982.6	25 627.0	20 807.7	21 607.9	-11.3%	98.4%	23 093.0	23 911.5	25 139.2	5.2%	98.1%					
Departmental agencies and accounts	262.2	281.2	259.4	267.5	0.7%	1.1%	268.6	280.6	293.2	3.1%	1.2%					
Households	0.1	0.1	0.6	0.4	36.5%	–	–	–	–	-100.0%	–					
Payments for capital assets	0.6	1.2	0.7	2.6	59.3%	–	0.8	0.8	0.9	-30.1%	–					
Machinery and equipment	0.6	1.2	0.7	2.6	59.3%	–	0.8	0.8	0.9	-30.1%	–					
Payments for financial assets	0.1	0.0	0.0	–	-100.0%	–	–	–	–	–	–					
Total	31 373.1	26 002.0	21 179.7	22 051.2	-11.1%	100.0%	23 535.2	24 373.4	25 623.5	5.1%	100.0%					
Proportion of total programme expenditure to vote expenditure	94.1%	90.4%	68.4%	65.9%	–	–	67.4%	67.2%	67.3%	–	–					
Details of transfers and subsidies																
Households																
Social benefits																
Current	–	–	0.0	0.4	–	–	–	–	–	-100.0%	–					
Transfers to households	–	–	0.0	0.4	–	–	–	–	–	-100.0%	–					
Provinces and municipalities																
Municipalities																
Municipal bank accounts																
Capital	11 655.1	10 572.1	7 404.7	7 352.3	-14.2%	36.8%	8 149.3	8 793.1	9 343.4	8.3%	35.2%					
Urban settlements development grant	11 655.1	10 572.1	7 404.7	7 352.3	-14.2%	36.8%	8 149.3	8 793.1	9 343.4	8.3%	35.2%					
Departmental agencies and accounts																
Departmental agencies (non-business entities)																
Current	262.2	281.2	259.4	267.5	0.7%	1.1%	268.6	280.6	293.2	3.1%	1.2%					
Housing Development Agency	229.3	233.6	235.4	242.7	1.9%	0.9%	243.6	254.6	266.0	3.1%	1.1%					
Community Schemes Ombud Service	32.8	23.6	24.0	24.8	-8.9%	0.1%	24.9	26.0	27.2	3.1%	0.1%					
Estate Agency Affairs Board	–	24.0	–	–	–	–	–	–	–	–	–					
Provinces and municipalities																
Provinces																
Provincial revenue funds																
Capital	19 327.5	15 054.9	13 403.0	14 255.6	-9.6%	61.7%	14 943.6	15 118.5	15 795.8	3.5%	62.9%					
Human settlements development grant	18 779.8	14 892.3	13 403.0	14 255.6	-8.8%	61.0%	14 943.6	15 118.5	15 795.8	3.5%	62.9%					
Title deeds restoration grant	547.7	162.6	–	–	-100.0%	0.7%	–	–	–	–	–					

Personnel information

Table 33.9 Integrated Human Settlements Planning and Development personnel numbers and cost by salary level¹

Salary level	Number of posts estimated for 31 March 2023	Number of posts additional to the funded posts	Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/Total (%)
			Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22	2022/23	2023/24	2024/25	2025/26	2022/23	2025/26										
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
	70	–	68	57.7	0.8	79	68.9	0.9	82	68.9	0.8	79	71.8	0.9	83	76.7	0.9	1.7%	100.0%
1 – 6	2	–	2	0.6	0.3	2	0.7	0.3	5	0.9	0.2	5	0.9	0.2	5	1.0	0.2	31.8%	4.9%
7 – 10	31	–	31	17.2	0.6	35	20.4	0.6	35	20.2	0.6	33	20.1	0.6	33	20.5	0.6	-2.0%	42.0%
11 – 12	24	–	23	23.7	1.0	27	29.0	1.1	27	28.9	1.1	27	30.7	1.1	31	34.9	1.1	4.4%	34.5%
13 – 16	13	–	12	16.1	1.3	15	18.9	1.3	15	18.9	1.3	15	20.0	1.3	15	20.3	1.4	–	18.6%

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

2. Rand million.

Programme 3: Informal Settlements

Programme purpose

Provide policy, planning and capacity support for the upgrading of informal settlements, and oversee the implementation of the informal settlements upgrading programme.

Objectives

- Accelerate the provision of security of tenure, basic services and related infrastructure by:
 - managing the transfer of the *informal settlements upgrading partnership grant* to municipalities and provinces in terms of the annual Division of Revenue Act
 - undertaking evidence-based research and developing responsive policies on an ongoing basis
 - providing capacity support to provinces and municipalities through the national upgrading support programme on an ongoing basis
 - monitoring and evaluating the monthly and quarterly financial and non-financial performance of provincial and municipal informal settlement upgrading programmes and projects.
- Strengthen cooperation and collaboration between the 3 spheres of government, government and civil society organisations, and government and communities by facilitating intergovernmental forums and stakeholder partnerships on an ongoing basis.

Subprogrammes

- *Management for Informal Settlements* provides strategic leadership to the programme.
- *Grant Management* provides grant funding for the upgrading of informal settlements and monitors the expenditure and performance of these grants.
- *Capacity Building and Sector Support* improves coordination and provides sector-specific technical capacity to provinces and municipalities for the upgrading of informal settlements.

Expenditure trends and estimates

Table 33.10 Informal Settlements expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2025/26
R million											
Management for Informal Settlements	4.3	4.7	2.9	5.5	8.3%	0.1%	5.0	5.3	5.5	0.3%	0.1%
Grant Management	413.8	471.2	7 930.4	9 276.9	182.0%	98.8%	9 222.9	9 636.6	10 071.8	2.8%	99.1%
Capacity Building and Sector Support	47.8	35.2	39.4	73.4	15.4%	1.1%	74.4	77.9	81.6	3.6%	0.8%
Total	465.9	511.2	7 972.7	9 355.7	171.8%	100.0%	9 302.3	9 719.8	10 158.9	2.8%	100.0%
Change to 2022 Budget estimate				442.8			2.2	2.1	5.8		
Economic classification											
Current payments	73.4	57.0	60.7	110.4	14.6%	1.6%	111.3	116.0	124.9	4.2%	1.2%
Compensation of employees	31.6	30.9	32.2	36.8	5.2%	0.7%	37.2	38.6	44.0	6.2%	0.4%
Goods and services	41.8	26.1	28.5	73.7	20.8%	0.9%	74.1	77.4	80.9	3.2%	0.8%
of which:											
Communication	0.6	0.4	0.5	1.3	30.2%	–	1.3	1.4	1.4	2.5%	–
Consultants: Business and advisory services	32.7	21.7	25.5	59.1	21.8%	0.8%	61.0	63.8	66.6	4.1%	0.7%
Consumables: Stationery, printing and office supplies	0.1	0.0	0.0	2.2	149.0%	–	2.1	2.2	2.3	1.7%	–
Travel and subsistence	3.6	0.5	0.8	6.2	19.3%	0.1%	6.1	6.3	6.6	2.1%	0.1%
Operating payments	2.5	0.2	0.0	1.1	-24.0%	–	1.1	1.2	1.2	3.1%	–
Venues and facilities	1.5	1.9	0.9	1.6	1.9%	–	0.7	0.8	0.8	-20.3%	–
Transfers and subsidies	392.4	454.0	7 911.8	9 244.9	186.7%	98.3%	8 667.5	9 056.8	9 462.5	0.8%	94.5%
Provinces and municipalities	392.2	453.9	7 911.7	9 244.9	186.7%	98.3%	8 667.5	9 056.8	9 462.5	0.8%	94.5%
Households	0.2	0.1	0.1	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.1	0.3	0.2	0.3	62.5%	–	523.5	547.0	571.5	1085.5%	4.3%
Buildings and other fixed structures	–	–	–	–	–	–	523.3	546.8	571.3	–	4.3%
Machinery and equipment	0.1	0.3	0.2	0.3	62.5%	–	0.2	0.2	0.3	-8.9%	–
Payments for financial assets	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Total	465.9	511.2	7 972.7	9 355.7	171.8%	100.0%	9 302.3	9 719.8	10 158.9	2.8%	100.0%
Proportion of total programme expenditure to vote expenditure	1.4%	1.8%	25.8%	27.9%	–	–	26.6%	26.8%	26.7%	–	–

Table 33.10 Informal Settlements expenditure trends and estimates by subprogramme and economic classification (continued)

Details of transfers and subsidies			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)	
Audited outcome						2022/23	2023/24	2024/25			2025/26
R million	2019/20	2020/21	2021/22	2019/20 - 2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2023/24	2024/25	2025/26
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	147.4	166.3	4 011.9	4 328.0	208.5%	47.3%	4 364.8	4 560.8	4 765.1	3.3%	46.8%
Municipal emergency housing grant	147.4	166.3	66.5	55.4	-27.8%	2.4%	–	–	–	-100.0%	0.1%
Informal settlements upgrading partnership grant: Municipalities	–	–	3 945.4	4 272.6	–	44.9%	4 364.8	4 560.8	4 765.1	3.7%	46.6%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Capital	244.8	287.7	3 899.8	4 916.9	171.8%	51.1%	4 302.7	4 496.0	4 697.4	-1.5%	47.8%
Provincial emergency housing grant	244.8	287.7	10.1	795.8	48.1%	7.3%	–	–	–	-100.0%	2.1%
Informal settlements upgrading partnership grant: Provinces	–	–	3 889.7	4 121.1	–	43.8%	4 302.7	4 496.0	4 697.4	4.5%	45.7%

Personnel information

Table 33.11 Informal Settlements personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2023		Number and cost ² of personnel posts filled/planned for on funded establishment												Average growth rate (%)	Average: Salary level/Total (%)				
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2021/22		2022/23		2023/24		2024/25		2025/26		2022/23 - 2025/26							
Informal Settlements		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	37	–	37	32.2	0.9	41	36.8	0.9	47	37.2	0.8	45	38.6	0.9	48	44.0	0.9	6.1%	100.0%
1 – 6	2	–	2	0.6	0.3	2	0.7	0.3	9	1.2	0.1	8	0.9	0.1	8	1.0	0.1	56.0%	14.2%
7 – 10	16	–	16	9.1	0.6	16	9.6	0.6	16	9.5	0.6	15	9.6	0.6	15	9.8	0.7	-2.2%	34.1%
11 – 12	14	–	14	14.8	1.1	15	16.4	1.1	15	16.3	1.1	15	17.3	1.2	18	22.3	1.2	6.8%	34.9%
13 – 16	5	–	5	7.6	1.5	8	10.2	1.3	8	10.2	1.3	8	10.8	1.4	8	11.0	1.4	–	16.8%

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

² Rand million.

Programme 4: Rental and Social Housing

Programme purpose

Promote the provision of affordable rental housing, monitor the performance of the Social Housing Regulatory Authority, and develop capabilities in the rental housing sector through intergovernmental collaboration and evidence-based research.

Objectives

- Promote the delivery of affordable rental housing by conducting research and developing policies and programmes as and when required.
- Accelerate the provision of affordable rental housing by:
 - providing capital and operational funding to the Social Housing Regulatory Authority to support the social housing sector on an ongoing basis
 - monitoring and evaluating the financial and non-financial performance of affordable rental housing programmes and projects on a monthly and quarterly basis.
- Strengthen cooperation and collaboration by facilitating intergovernmental forums and stakeholder partnerships on an ongoing basis.

Subprogrammes

- *Management for Rental and Social Housing* provides strategic leadership to the programme.
- *Public Entity Oversight* provides regulatory, strategic and governance oversight of the Social Housing Regulatory Authority and oversees compliance with and performance against the entity's mandate and related legislation.

- *Capacity Building and Sector Support* manages capacity-development programmes, improves coordination and provides technical support in the affordable rental housing sector.

Expenditure trends and estimates

Table 33.12 Rental and Social Housing expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26
R million											
Management for Rental and Social Housing	3.9	3.1	3.4	4.9	8.2%	0.4%	4.3	4.5	4.7	-1.3%	0.4%
Public Entity Oversight	810.7	1 117.5	806.1	887.4	3.1%	94.4%	922.7	964.1	1 007.3	4.3%	92.4%
Capacity Building and Sector Support	47.2	41.7	41.3	70.5	14.3%	5.2%	72.1	73.3	77.0	3.0%	7.2%
Total	861.7	1 162.3	850.9	962.8	3.8%	100.0%	999.0	1 041.9	1 088.9	4.2%	100.0%
Change to 2022 Budget estimate				0.2			1.9	(0.1)	0.3		
Economic classification											
Current payments	50.4	38.1	44.7	75.0	14.2%	5.4%	76.2	77.6	81.4	2.8%	7.6%
Compensation of employees	10.1	9.4	11.3	12.2	6.4%	1.1%	13.0	11.5	12.4	0.7%	1.2%
Goods and services	40.3	28.6	33.4	62.8	15.9%	4.3%	63.2	66.1	69.0	3.2%	6.4%
<i>of which:</i>											
Communication	0.3	0.2	0.2	0.4	18.1%	–	0.4	0.4	0.5	2.9%	–
Consultants: Business and advisory services	19.7	25.6	23.3	57.0	42.5%	3.3%	57.2	59.7	62.4	3.1%	5.8%
Contractors	1.0	0.0	1.0	0.3	-36.6%	0.1%	0.3	0.3	0.3	3.1%	–
Consumables: Stationery, printing and office supplies	0.1	0.0	0.1	0.5	111.3%	–	0.7	0.7	0.7	12.0%	0.1%
Travel and subsistence	6.9	2.8	2.0	3.9	-17.4%	0.4%	3.8	4.0	4.2	2.2%	0.4%
Venues and facilities	9.9	0.0	4.2	0.2	-71.4%	0.4%	0.3	0.3	0.3	13.8%	–
Transfers and subsidies	811.2	1 123.9	806.1	887.4	3.0%	94.6%	922.7	964.1	1 007.3	4.3%	92.4%
Departmental agencies and accounts	810.7	1 117.5	806.1	887.4	3.1%	94.4%	922.7	964.1	1 007.3	4.3%	92.4%
Households	0.5	6.4	–	–	-100.0%	0.2%	–	–	–	–	–
Payments for capital assets	0.1	0.3	0.1	0.4	50.7%	–	0.2	0.2	0.2	-13.6%	–
Machinery and equipment	0.1	0.3	0.1	0.4	50.7%	–	0.2	0.2	0.2	-13.6%	–
Payments for financial assets	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Total	861.7	1 162.3	850.9	962.8	3.8%	100.0%	999.0	1 041.9	1 088.9	4.2%	100.0%
Proportion of total programme expenditure to vote expenditure	2.6%	4.0%	2.7%	2.9%	–	–	2.9%	2.9%	2.9%	–	–
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	0.5	6.4	–	–	-100.0%	0.2%	–	–	–	–	–
Transfers to households	0.5	6.4	–	–	-100.0%	0.2%	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	87.0	391.8	93.0	96.3	3.4%	17.4%	96.7	101.0	105.6	3.1%	9.8%
Social Housing Regulatory Authority: Operations	65.8	69.3	70.2	72.7	3.4%	7.2%	73.1	76.4	79.8	3.1%	7.4%
Social Housing Regulatory Authority: Institutional investment grant	21.3	22.4	22.7	23.5	3.4%	2.3%	23.6	24.7	25.8	3.1%	2.4%
Social Housing Regulatory Authority: Rental relief	–	300.0	–	–	–	7.8%	–	–	–	–	–
Capital	723.7	725.7	713.1	791.1	3.0%	77.0%	826.0	863.1	901.7	4.5%	82.6%
Social Housing Regulatory Authority: Consolidated capital grant	723.7	725.7	713.1	791.1	3.0%	77.0%	826.0	863.1	901.7	4.5%	82.6%

Personnel information

Table 33.13 Rental and Social Housing personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2023		Number and cost ² of personnel posts filled/planned for on funded establishment										Average growth rate (%)	Average: Salary level/ Total (%)						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2022/23 - 2025/26					
		2021/22		2022/23		2023/24		2024/25		2025/26									
Rental and Social Housing		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	12	1	12	11.3	0.9	13	12.2	0.9	23	13.0	0.6	20	11.5	0.6	21	12.4	0.6	16.5%	100.0%
7 – 10	4	–	4	2.3	0.6	5	3.0	0.6	5	3.0	0.6	4	2.6	0.6	5	3.3	0.6	1.4%	25.0%
11 – 12	4	–	4	3.0	0.8	4	3.2	0.8	4	3.1	0.8	2	1.7	0.8	2	1.7	0.8	-20.8%	15.6%
13 – 16	4	1	4	6.0	1.5	4	6.0	1.4	4	6.0	1.4	4	6.4	1.5	4	6.5	1.5	–	22.4%

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

2. Rand million.

Programme 5: Affordable Housing

Programme purpose

Facilitate the provision of affordable housing finance, monitor market trends, and develop research and policy that respond to demand. Oversee housing finance entities reporting to the minister.

Objectives

- Accelerate the provision of finance for affordable housing by:
 - providing capital and operational funding to the National Housing Finance Corporation for the administration of the finance-linked individual subsidy programme on an ongoing basis
 - researching and developing policies and programmes that promote the provision of finance for affordable housing as and when required
 - monitoring and evaluating the financial and non-financial performance of affordable housing programmes and projects on a monthly and quarterly basis.
- Strengthen cooperation and collaboration by facilitating intergovernmental forums and stakeholder partnerships on an ongoing basis.

Subprogrammes

- Management for Affordable Housing* provides strategic leadership to the programme.
- Public Entity Oversight* provides regulatory, strategic and governance oversight to the National Housing Finance Corporation, oversees compliance with and performance against the corporation's mandate and related legislation, and provides operational and capital transfers to the corporation.
- Capacity Building and Sector Support* improves coordination in the sector and provides sector-specific technical support.

Expenditure trends and estimates

Table 33.14 Affordable Housing expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Average: Expenditure/ Total (%)	
	2019/20	2020/21	2021/22		2019/20	2022/23	2023/24	2024/25	2025/26	2022/23	2025/26	2022/23	2025/26
R million													
Management for Affordable Housing	2.7	1.9	2.8	4.8	21.3%	0.6%	4.2	4.4	4.6	-0.8%	0.7%		
Public Entity Oversight	157.7	656.6	489.6	512.2	48.1%	88.5%	516.8	539.9	564.2	3.3%	86.2%		
Capacity Building and Sector Support	56.1	42.4	47.2	77.9	11.6%	10.9%	78.4	82.8	85.4	3.1%	13.1%		
Total	216.4	700.9	539.5	594.9	40.1%	100.0%	599.3	627.2	654.3	3.2%	100.0%		
Change to 2022 Budget estimate				4.1			6.6	7.7	7.0				

Table 33.14 Affordable Housing expenditure trends and estimates by subprogramme and economic classification (continued)

Economic classification	Audited outcome			Adjusted appropriation 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
R million											
Current payments	61.2	45.9	53.3	86.7	12.3%	12.0%	90.0	94.9	98.1	4.2%	14.9%
Compensation of employees	41.1	40.1	44.2	49.1	6.1%	8.5%	51.4	54.5	55.9	4.4%	8.5%
Goods and services	20.1	5.7	9.2	37.6	23.3%	3.5%	38.7	40.4	42.2	3.9%	6.4%
of which:											
Administrative fees	–	–	0.0	0.8	–	–	1.6	1.6	1.6	25.1%	0.2%
Catering: Departmental activities	2.0	0.3	0.4	2.1	2.2%	0.2%	1.4	1.5	1.6	-7.6%	0.3%
Communication	1.2	1.0	1.2	1.4	5.5%	0.2%	1.5	1.6	1.5	4.2%	0.2%
Consultants: Business and advisory services	0.4	0.5	0.4	12.3	213.0%	0.7%	19.3	20.2	21.1	19.6%	2.9%
Travel and subsistence	9.5	1.6	3.4	8.4	-4.3%	1.1%	7.8	8.2	8.6	0.9%	1.3%
Venues and facilities	5.4	0.8	1.5	8.1	14.8%	0.8%	3.3	3.4	3.6	-23.7%	0.7%
Transfers and subsidies	104.9	654.2	485.0	507.0	69.1%	85.3%	508.9	531.9	555.7	3.1%	85.0%
Departmental agencies and accounts	100.0	649.7	479.8	497.5	70.7%	84.2%	499.5	521.9	545.3	3.1%	83.4%
Foreign governments and international organisations	3.0	3.5	2.2	3.9	9.2%	0.6%	4.1	4.3	4.5	4.5%	0.7%
Households	1.8	1.1	3.1	5.5	44.3%	0.6%	5.3	5.7	6.0	3.0%	0.9%
Payments for capital assets	0.3	0.9	0.9	1.2	51.7%	0.2%	0.4	0.4	0.4	-30.1%	0.1%
Machinery and equipment	0.3	0.9	0.9	1.2	51.7%	0.2%	0.4	0.4	0.4	-30.1%	0.1%
Payments for financial assets	50.0	0.0	0.2	0.0	-90.6%	2.4%	–	–	–	-100.0%	–
Total	216.4	700.9	539.5	594.9	40.1%	100.0%	599.3	627.2	654.3	3.2%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	2.4%	1.7%	1.8%	–	–	1.7%	1.7%	1.7%	–	–

Details of transfers and subsidies

Households											
Other transfers to households											
Current	1.8	1.0	3.0	5.5	44.3%	0.5%	5.3	5.7	6.0	3.0%	0.9%
Bursaries for non-employees	1.8	1.0	3.0	5.5	44.3%	0.5%	5.3	5.7	6.0	3.0%	0.9%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	100.0	649.7	479.8	497.5	70.7%	84.2%	499.5	521.9	545.3	3.1%	83.4%
National Housing Finance Corporation: Finance-linked individual subsidy programme: Operations	5.0	15.4	18.8	19.5	57.4%	2.9%	19.6	20.5	21.4	3.1%	3.3%
National Housing Finance Corporation: Finance-linked individual subsidy programme	95.0	334.3	461.0	478.0	71.4%	66.7%	479.9	501.4	523.9	3.1%	80.1%
National Housing Finance Corporation: Debt relief	–	300.0	–	–	–	14.6%	–	–	–	–	–
Foreign governments and international organisations											
Current	3.0	3.5	2.2	3.9	9.2%	0.6%	4.1	4.3	4.5	4.5%	0.7%
Habitat Foundation	2.3	2.6	1.4	3.2	11.4%	0.5%	3.3	3.5	3.6	4.5%	0.6%
Cities Alliance	0.7	0.9	0.7	0.8	1.4%	0.1%	0.8	0.8	0.9	4.4%	0.1%

Personnel information**Table 33.15 Affordable Housing personnel numbers and cost by salary level¹**

Affordable Housing	Number of posts estimated for 31 March 2023	Number of posts additional to the funded posts	Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%) 2022/23 - 2025/26	Average: Salary level/ Total (%)
			Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22			2022/23			2023/24		2024/25		2025/26						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	57	–	57	44.2	0.8	60	49.1	0.8	88	51.4	0.6	88	54.5	0.6	93	55.9	0.6	15.8%	100.0%
1 – 6	5	–	5	2.3	0.5	5	1.7	0.3	33	4.2	0.1	33	4.4	0.1	38	5.0	0.1	97.0%	33.2%
7 – 10	24	–	24	12.3	0.5	26	14.0	0.5	26	13.8	0.5	26	14.6	0.6	26	14.9	0.6	-0.1%	31.5%
11 – 12	18	–	18	15.4	0.9	17	15.4	0.9	17	15.3	0.9	17	16.2	0.9	17	16.5	1.0	–	20.8%
13 – 16	10	–	10	14.1	1.4	12	18.1	1.5	12	18.1	1.5	12	19.2	1.6	12	19.5	1.6	–	14.5%

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

2. Rand million.

Entities

Community Schemes Ombud Service

Selected performance indicators

Table 33.16 Community Schemes Ombud Service performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Percentage of community schemes registered per year	Regulation	Priority 5: Spatial integration, human settlements and local government	100% (1 503)	100% (1 127)	100% (925)	100%	100%	100%	100%
Percentage of registered community schemes compliant with legislative frameworks per year	Regulation		— ¹	— ¹	— ¹	60%	65%	70%	80%
Percentage of governance documents assessed for quality assurance per year	Regulation		89.9% (1 877/ 2 088)	84% (1 287/ 1 538)	80% (1 444/ 1 806)	90%	95%	95%	95%
Percentage of disputes resolved through conciliation per year	Regulation		70.2% (4 891/ 6 967)	27.8% (331/ 1 191)	73.2% (1 783/ 2 436)	85%	90%	90%	90%
Percentage of disputes adjudicated within 90 days per year	Regulation		— ¹	26.6% (109/ 410)	28% (741/ 2 642)	85%	90%	90%	90%
Percentage of disputes assessed within 30 days per year	Regulation		— ¹	— ¹	— ¹	100%	90%	95%	95%
Percentage of disputes quality assured within 7 days per year	Regulation		— ¹	— ¹	— ¹	100%	95%	95%	95%
Number of training and education sessions conducted for scheme executives and owners per year	Education and training		23	18	20	80	85	100	100
Number of historically disadvantaged individuals trained per year	Education and training		— ¹	10	23	25	40	50	60

1. No historical data available.

Entity overview

The Community Schemes Ombud Service was established in terms of the Community Schemes Ombud Service Act (2011) to provide dispute resolution services for community schemes; monitor and control the quality of all governance documentation for sectional title schemes; and take custody of, preserve and provide public access to scheme governance documentation.

The ombud will focus on ensuring that 80 per cent of scheme governance documents are registered and compliant with the legislative framework by 2025/26. To this end, spending on regulation is expected to increase at an average annual rate of 5.6 per cent, from R117.5 million in 2022/23 to R138.6 million in 2025/26. Total expenditure is expected to increase from R431.9 million in 2022/23 to R467.2 million in 2025/26 at an average annual rate of 2.7 per cent. The ombud will incur an operating deficit in 2022/23 as its expenditure plans include spending the surplus funds it generated in 2021/22, for which National Treasury approval has been granted.

The ombud derives its revenue through levies paid by community schemes. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

Table 33.17 Community Schemes Ombud Service expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/Total (%) 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Administration	63.4	74.2	103.1	295.4	67.0%	64.1%	286.4	294.6	306.3	1.2%	65.8%
Regulation	29.9	40.2	54.0	117.5	57.9%	30.8%	136.2	137.4	138.6	5.6%	29.5%
Education and training	4.9	6.7	8.7	18.9	56.7%	5.0%	21.5	21.9	22.2	5.5%	4.7%
Total	98.2	121.1	165.8	431.9	63.8%	100.0%	444.2	453.8	467.2	2.7%	100.0%

Statements of financial performance, cash flow and financial position**Table 33.18 Community Schemes Ombud Service statements of financial performance**

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22	2022/23		2019/20	2022/23	2023/24	2024/25	2025/26	2022/23	2025/26
Revenue												
Non-tax revenue	231.8	189.0	268.8	273.1	5.6%	90.0%	419.2	427.8	440.0	17.2%	93.6%	
Sale of goods and services other than capital assets of which:	217.5	183.0	262.8	263.5	6.6%	86.6%	408.7	416.2	427.2	17.5%	90.9%	
Administrative fees	217.1	182.5	262.3	263.5	6.7%	86.5%	408.7	416.2	427.2	17.5%	90.9%	
Community scheme levy income	217.1	182.5	262.3	263.5	6.7%	86.5%	408.7	416.2	427.2	17.5%	90.9%	
Sales by market establishments	0.4	0.5	0.5	–	-100.0%	0.1%	–	–	–	–	–	
Dispute resolution service income	0.4	0.5	0.5	–	-100.0%	0.1%	–	–	–	–	–	
Other non-tax revenue	14.3	6.1	6.0	9.6	-12.6%	3.4%	10.5	11.6	12.8	10.1%	2.7%	
Transfers received	32.8	23.6	24.0	24.8	-8.9%	10.0%	24.9	26.0	27.2	3.1%	6.4%	
Total revenue	264.7	212.6	292.8	297.9	4.0%	100.0%	444.2	453.8	467.2	16.2%	100.0%	
Expenses												
Current expenses	98.2	121.1	165.8	431.9	63.8%	100.0%	444.2	453.8	467.2	2.7%	100.0%	
Compensation of employees	63.0	83.5	97.9	151.6	34.0%	56.8%	174.9	175.1	175.4	5.0%	37.7%	
Goods and services	33.3	35.9	66.0	279.3	103.1%	42.0%	268.1	277.5	290.6	1.3%	62.1%	
Depreciation	1.9	1.7	1.9	1.0	-17.6%	1.2%	1.1	1.1	1.2	4.4%	0.2%	
Total expenses	98.2	121.1	165.8	431.9	63.8%	100.0%	444.2	453.8	467.2	2.7%	100.0%	
Surplus/(Deficit)	166.5	91.6	127.0	(134.0)	-193.0%		–	–	–	-100.0%		

Personnel information**Table 33.19 Community Schemes Ombud Service personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)	
Number of approved funded posts	Number of posts on establishment	Actual			Revised estimate			Medium-term expenditure estimate						2022/23 - 2025/26					
		2021/22		2022/23		2023/24		2024/25		2025/26									
Community Schemes Ombud Service		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	249	249	186	97.9	0.5	249	151.6	0.6	249	174.9	0.7	249	175.1	0.7	249	175.4	0.7	–	100.0%
1 – 6	39	39	39	4.9	0.1	39	3.6	0.1	39	4.0	0.1	39	4.0	0.1	39	4.0	0.1	–	15.7%
7 – 10	141	141	96	38.9	0.4	141	68.7	0.5	141	77.0	0.5	141	77.1	0.5	141	77.2	0.5	–	56.6%
11 – 12	43	43	25	19.1	0.8	43	40.0	0.9	43	49.5	1.2	43	49.6	1.2	43	49.7	1.2	–	17.3%
13 – 16	25	25	25	31.7	1.3	25	36.0	1.4	25	40.8	1.6	25	40.8	1.6	25	40.9	1.6	–	10.0%
17 – 22	1	1	1	3.3	3.3	1	3.3	3.3	1	3.6	3.6	1	3.6	3.6	1	3.6	3.6	–	0.4%

1. Rand million.

Housing Development Agency**Selected performance indicators****Table 33.20 Housing Development Agency performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of informal settlements supported to upgrade to phase 3 per year	Development management operation	Priority 5: Spatial integration, human settlements and local government	– ¹	191	204	200	250	280	320
Number of hectares of well-located land released for human settlements development per year	Built environment and implementation		3 514	2 116	3 243	750	50	300	300

1. No historical data available.

Entity overview

Established in terms of the Housing Development Agency Act (2008), the Housing Development Agency is mandated to identify, hold, develop and release land for integrated human settlements development. The agency also provides project-level technical assistance and project management services to provinces and municipalities.

Over the medium term, the agency will continue to focus on assisting provinces and municipalities with the implementation of human settlements programmes and projects. The agency is expected to provide upgrading support to provinces and municipalities for 850 informal settlements. To this end, spending on built environment projects constitutes the largest spending item in the budget at 56.4 per cent. Expenditure is expected to increase at an average annual rate of 4 per cent, from R503.7 million in 2022/23 to R566.7 million in 2025/26. The agency derives revenue from programme management fees and transfers from the department. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

Table 33.21 Housing Development Agency expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
Administration	153.8	81.0	106.3	182.5	5.9%	34.0%	157.7	164.8	172.2	-1.9%	31.8%
Strategic support	26.2	30.4	37.9	23.8	-3.2%	8.2%	29.2	30.5	31.8	10.1%	5.4%
Development management operations	27.7	31.3	26.9	32.8	5.8%	8.1%	32.8	34.3	35.9	3.1%	6.4%
Built environment and operations	144.4	151.6	198.4	264.6	22.4%	49.7%	299.5	313.0	326.9	7.3%	56.4%
Total	352.1	294.3	369.6	503.7	12.7%	100.0%	519.3	542.5	566.7	4.0%	100.0%

Statements of financial performance, cash flow and financial position

Table 33.22 Housing Development Agency statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
Revenue											
Non-tax revenue	123.0	170.4	145.5	261.0	28.5%	41.8%	275.6	287.9	300.7	4.8%	52.8%
Sale of goods and services other than capital assets	119.5	120.7	137.4	240.0	26.2%	36.9%	270.6	282.7	295.3	7.1%	51.0%
<i>of which:</i>											
Administrative fees	16.7	13.5	37.8	61.8	54.8%	7.6%	80.4	84.0	87.6	12.3%	14.7%
Management fees	13.0	13.5	37.8	61.8	68.0%	7.3%	80.4	84.0	87.6	12.3%	14.7%
Investment income	3.6	-	-	-	-100.0%	0.3%	-	-	-	-	-
Sales by market establishments	102.8	107.2	99.6	178.2	20.1%	29.3%	190.2	198.7	207.6	5.2%	36.3%
Provincial projects	102.8	107.2	99.6	178.2	20.1%	29.3%	190.2	198.7	207.6	5.2%	36.3%
Other non-tax revenue	3.5	49.7	8.1	20.9	80.9%	4.9%	5.0	5.2	5.5	-36.1%	1.8%
Transfers received	229.3	233.6	235.4	242.7	1.9%	58.2%	243.6	254.6	266.0	3.1%	47.2%
Total revenue	352.3	404.0	380.9	503.7	12.6%	100.0%	519.3	542.5	566.7	4.0%	100.0%
Expenses											
Current expenses	352.1	294.3	369.6	503.7	12.7%	100.0%	519.3	542.5	566.7	4.0%	100.0%
Compensation of employees	190.8	164.6	172.4	245.9	8.8%	51.4%	255.1	266.5	278.4	4.2%	49.1%
Goods and services	157.9	126.4	194.3	252.1	16.9%	47.6%	258.7	270.3	282.3	3.8%	49.9%
Depreciation	3.4	3.2	2.8	5.7	18.8%	1.0%	5.5	5.8	6.0	2.0%	1.1%
Interest, dividends and rent on land	0.1	-	-	-	-100.0%	-	-	-	-	-	-
Total expenses	352.1	294.3	369.6	503.7	12.7%	100.0%	519.3	542.5	566.7	4.0%	100.0%
Surplus/(Deficit)	-	109.7	11.3	-	-	-	-	-	-	-	-

Personnel information

Table 33.23 Housing Development Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2023			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22			2022/23			2023/24			2024/25			2025/26			2022/23 - 2025/26	
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Housing Development Agency	256	252	245	172.4	0.7	256	245.9	1.0	256	255.1	1.0	256	266.5	1.0	256	278.4	1.1	-	100.0%
Salary level																			
1 – 6	3	3	3	0.4	0.1	3	0.7	0.2	3	0.7	0.2	3	0.7	0.2	3	0.7	0.2	-	1.2%
7 – 10	118	114	117	50.9	0.4	118	64.0	0.5	118	70.3	0.6	118	79.5	0.7	118	85.5	0.7	-	46.1%
11 – 12	49	49	49	30.0	0.6	49	47.9	1.0	49	47.9	1.0	49	47.9	1.0	49	47.9	1.0	-	19.1%
13 – 16	78	78	71	79.4	1.1	78	111.8	1.4	78	114.7	1.5	78	116.8	1.5	78	122.8	1.6	-	30.5%
17 – 22	8	8	5	11.6	2.3	8	21.6	2.7	8	21.6	2.7	8	21.6	2.7	8	21.6	2.7	-	3.1%

1. Rand million.

National Home Builders Registration Council

Selected performance indicators

Table 33.24 National Home Builders Registration Council performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
			Number of home builders registered per year	Regulation	Priority 5: Spatial integration, human settlements and local government	3 880	2 802	3 595	2 920
Number of home builder registration renewals per year	Regulation	14 561	13 773	14 395		13 910	14 606	15 088	15 586
Number of homes enrolled in the non-subsidy sector per year	Regulation	48 166	38 970	48 875		43 000	44 419	45 885	47 399
Number of homes enrolled in the subsidy sector per year	Regulation	69 761	35 057	36 976		49 510	51 243	51 243	52 934
Number of home builders trained per year	Regulation	3 145	2 823	2 664		2 000	2 300	2 500	2 800
Number of home inspectors trained per year	Regulation	891	733	801		484	484	484	484
Number of inspections in the subsidy sector per year	Protection	27 228	23 231	23 631		87 206	90 258	90 258	90 258
Number of inspections in the non-subsidy sector per year	Protection	22 418	24 501	28 079		56 500	59 325	59 325	59 325
Number of homes enrolled late in the non-subsidy sector per year	Protection	1 697	1 195	1 227		2 000	2 000	2 000	2 000

Entity overview

The National Home Builders Registration Council is established in terms of the Housing Consumer Protection Measures Act (1998) to protect the interests of housing consumers and regulate the home building industry. The council provides warranty protection against poor workmanship in newly built homes and ensures that home builders adhere to prescribed technical standards in the building process.

The council will continue to focus on improving compliance with building standards by inspecting a targeted 448 749 homes over the MTEF period. Total expenditure is expected to increase from R862.8 million in 2022/23 to R949.3 million in 2025/26 at an average annual rate of 3.2 per cent.

The council generates its revenue through fees for the enrolment of newly constructed homes, the registration and renewal of membership for home builders, and the provision of technical services. Revenue is expected to increase at an average annual rate of 4.4 per cent, from R1.3 billion in 2022/23 to R1.5 billion in 2025/26 as 45 280 home builder memberships are renewed, and 155 420 houses in the subsidy sector and 137 703 houses in the non-subsidy sector are enrolled to protect consumers against poor workmanship.

Programmes/Objectives/Activities**Table 33.25 National Home Builders Registration Council expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Administration	619.6	313.5	603.5	331.8	-18.8%	46.4%	342.2	352.9	364.0	3.1%	38.4%
Regulation	356.7	289.4	295.3	321.7	-3.4%	32.8%	332.3	343.2	354.6	3.3%	37.3%
Protection	219.2	179.2	190.4	209.4	-1.5%	20.7%	216.3	223.4	230.8	3.3%	24.3%
Total	1 195.5	782.0	1 089.2	862.8	-10.3%	100.0%	890.7	919.6	949.3	3.2%	100.0%

Statements of financial performance, cash flow and financial position**Table 33.26 National Home Builders Registration Council statements of financial performance**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Revenue											
Non-tax revenue	1 330.3	1 518.8	2 373.3	1 344.1	0.3%	100.0%	1 434.8	1 480.7	1 529.6	4.4%	100.0%
Sale of goods and services other than capital assets	813.5	649.2	1 427.1	838.4	1.0%	56.6%	866.1	894.7	924.2	3.3%	60.9%
<i>of which:</i>											
<i>Sales by market establishments</i>	764.1	620.2	1 418.2	835.4	3.0%	55.0%	863.0	891.5	920.9	3.3%	60.7%
<i>Insurance premium revenue</i>	668.7	562.6	1 354.0	769.2	4.8%	50.4%	794.6	820.8	847.9	3.3%	55.9%
<i>Fee revenue</i>	80.0	52.5	59.2	54.2	-12.2%	4.0%	56.0	57.8	59.7	3.3%	3.9%
<i>Technical services revenue</i>	15.3	5.1	5.0	12.0	-7.9%	0.6%	12.4	12.8	13.2	3.3%	0.9%
Other sales	49.5	29.0	8.9	3.0	-60.7%	1.6%	3.1	3.2	3.3	3.3%	0.2%
Other non-tax revenue	516.8	869.6	946.2	505.6	-0.7%	43.4%	568.7	586.0	605.4	6.2%	39.1%
Total revenue	1 330.3	1 518.8	2 373.3	1 344.1	0.3%	100.0%	1 434.8	1 480.7	1 529.6	4.4%	100.0%
Expenses											
Current expenses	1 195.5	782.0	1 089.2	862.8	-10.3%	100.0%	890.7	919.6	949.3	3.2%	100.0%
Compensation of employees	534.4	483.7	556.9	577.5	2.6%	56.2%	596.0	615.1	634.9	3.2%	66.9%
Goods and services	639.0	276.3	510.1	262.4	-25.7%	41.5%	271.1	280.0	289.2	3.3%	30.4%
Depreciation	22.1	22.0	22.2	22.9	1.2%	2.3%	23.7	24.4	25.2	3.3%	2.7%
Total expenses	1 195.5	782.0	1 089.2	862.8	-10.3%	100.0%	890.7	919.6	949.3	3.2%	100.0%
Surplus/(Deficit)	134.8	736.8	1 284.1	481.3	52.8%		544.1	561.1	580.2	6.4%	
Cash flow statement											
Cash flow from operating activities	128.0	4.6	132.0	68.2	-18.9%	100.0%	77.7	40.3	62.8	-2.7%	100.0%
Receipts											
Non-tax receipts	938.5	709.7	857.2	853.1	-3.1%	100.0%	881.2	867.5	913.3	2.3%	100.0%
Sales of goods and services other than capital assets	908.5	692.7	829.6	835.4	-2.8%	97.3%	863.0	848.6	893.8	2.3%	97.9%
<i>of which:</i>											
<i>Sales by market establishment</i>	764.1	620.2	820.7	835.4	3.0%	90.6%	863.0	848.6	893.8	2.3%	97.9%
<i>Insurance premium revenue</i>	668.7	562.6	756.5	769.2	4.8%	82.2%	794.6	778.0	820.8	2.2%	90.0%
<i>Fee revenue</i>	80.0	52.5	59.2	54.2	-12.2%	7.3%	56.0	57.8	59.7	3.3%	6.5%
<i>Technical services revenue</i>	15.3	5.1	5.0	12.0	-7.9%	1.1%	12.4	12.8	13.2	3.3%	1.4%
Other sales	144.4	72.5	8.9	-	-100.0%	6.7%	-	-	-	-	-
Other tax receipts	30.0	17.0	27.7	17.7	-16.2%	2.7%	18.2	18.8	19.5	3.3%	2.1%
Total receipts	938.5	709.7	857.2	853.1	-3.1%	100.0%	881.2	867.5	913.3	2.3%	100.0%
Payment											
Current payments	799.7	697.2	715.9	784.9	-0.6%	99.1%	803.5	827.2	850.5	2.7%	100.0%
Compensation of employees	534.4	483.7	556.9	550.3	1.0%	70.4%	560.6	574.5	593.5	2.6%	69.8%
Goods and services	265.2	213.5	159.1	234.6	-4.0%	28.7%	242.9	252.7	257.0	3.1%	30.2%
Payments for financial assets	10.8	8.0	9.2	-	-100.0%	0.9%	-	-	-	-	-
Total payments	810.5	705.2	725.2	784.9	-1.1%	100.0%	803.5	827.2	850.5	2.7%	100.0%
Net cash flow from investing activities	(457.7)	85.7	54.3	242.2	-180.9%	100.0%	259.6	270.0	270.0	3.7%	100.0%
Acquisition of property, plant, equipment and intangible assets	(5.3)	(7.9)	(1.8)	(8.0)	14.4%	-3.7%	(8.4)	(8.7)	(8.7)	2.8%	-3.2%
Acquisition of software and other intangible assets	-	-	(5.4)	-	-	-2.5%	-	-	-	-	-
Other flows from investing activities	(452.4)	93.6	61.4	250.2	-182.1%	106.1%	267.9	278.7	278.7	3.7%	103.2%
Net increase/(decrease) in cash and cash equivalents	(329.7)	90.3	186.3	310.5	-198.0%	9.3%	337.3	310.3	332.7	2.3%	35.7%

Table 33.26 National Home Builders Registration Council statements of financial performance (continued)

Cash flow statement	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
R million											
Carrying value of assets of which:	142.8	128.8	113.2	171.3	6.2%	1.6%	144.8	150.6	155.6	-3.2%	1.5%
Acquisition of assets	(5.3)	(7.9)	(1.8)	(8.0)	14.4%	100.0%	(8.4)	(8.7)	(8.7)	2.8%	100.0%
Investments	6 642.2	7 356.0	7 950.8	8 571.3	8.9%	88.4%	9 253.2	9 623.4	9 940.9	5.1%	92.4%
Inventory	10.5	9.5	7.8	6.4	-15.0%	0.1%	4.9	5.1	5.3	-6.3%	0.1%
Receivables and prepayments	45.9	30.8	36.5	64.5	12.0%	0.5%	61.3	63.8	65.9	0.7%	0.6%
Cash and cash equivalents	766.9	857.1	1 043.4	552.9	-10.3%	9.4%	523.3	544.2	562.2	0.6%	5.4%
Total assets	7 608.2	8 382.3	9 151.9	9 366.4	7.2%	100.0%	9 987.6	10 387.1	10 729.9	4.6%	100.0%
Accumulated surplus/(deficit)	5 891.0	6 628.9	7 913.0	8 054.4	11.0%	82.2%	8 404.9	8 738.4	9 019.3	3.8%	84.6%
Capital and reserves	4.9	3.7	3.7	3.6	-9.9%	-	223.8	232.7	240.4	307.0%	1.7%
Trade and other payables	74.2	72.7	160.4	80.1	2.6%	1.1%	82.1	85.4	88.2	3.3%	0.8%
Provisions	1 594.5	1 627.3	1 020.5	1 182.0	-9.5%	16.0%	1 229.5	1 281.3	1 331.0	4.0%	12.4%
Derivatives financial instruments	43.7	49.7	54.3	46.4	2.0%	0.6%	47.4	49.2	50.9	3.1%	0.5%
Total equity and liabilities	7 608.2	8 382.3	9 151.9	9 366.4	7.2%	100.0%	9 987.6	10 387.1	10 729.9	4.6%	100.0%

Personnel information

Table 33.27 National Home Builders Registration Council personnel numbers and cost by salary level

Number of posts estimated for 31 March 2023	Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)			
	Number of approved funded posts	Actual			Revised estimate			Medium-term expenditure estimate						2022/23 - 2025/26						
		2021/22	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26													
National Home Builders Registration Council	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	610	610		635	556.9	0.9	610	577.5	0.9	610	596.0	1.0	610	615.1	1.0	610	634.9	1.0	-	100.0%
1 – 6	29	29		29	4.0	0.1	29	4.2	0.1	29	4.4	0.2	29	4.5	0.2	29	4.7	0.2	-	4.8%
7 – 10	320	320		319	211.2	0.7	320	214.8	0.7	320	224.2	0.7	320	231.7	0.7	320	239.4	0.7	-	52.5%
11 – 12	97	97		100	92.6	0.9	97	102.9	1.1	100	101.3	1.0	100	104.7	1.0	100	108.2	1.1	1.0%	16.3%
13 – 16	159	159		181	233.9	1.3	159	237.6	1.5	156	247.7	1.6	156	255.7	1.6	156	264.0	1.7	-0.6%	25.7%
17 – 22	5	5		6	15.2	2.5	5	18.0	3.6	5	18.4	3.7	5	18.6	3.7	5	18.6	3.7	-	0.8%

1. Rand million.

National Housing Finance Corporation

Selected performance indicators

Table 33.28 National Housing Finance Corporation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Value of approvals per year	Subsidy housing	Priority 5: Spatial integration, human settlements and local government	R64m	R98m	R114m	R165m	R173m	R182m	R190m
Value of disbursements for social housing per year	Social and rental housing finance		R36m	R89m	R70m	R111m	R232m	R248m	R259m
Value of approvals for social housing per year	Social and rental housing finance		R35m	R219m	R216m	R345m	R362m	R380m	R397m
Value of approvals for private rental per year	Social and rental housing finance		R215m	R43m	R173m	R127m	R133m	R140m	R146m
Number of subsidy applications received and captured per year	Grant facilitation: Finance-linked individual subsidy programme		3 712	2 411	3 632	8 186	8 566	9 200	9 650
Number of subsidy applications approved per year	Grant facilitation: Finance-linked individual subsidy programme		2 212	2 120	2 935	4 780	4 799	4 014	4 194
Number of subsidies disbursed per year	Grant facilitation: Finance-linked individual subsidy programme		1 167	1 136	3 268	3 824	3 839	3 211	3 355
Total value of funds leveraged from financial institutions	Grant facilitation: Finance-linked individual subsidy programme		R943m	R1bn	R1.5bn	R1.9bn	R1.9bn	R1.9bn	R2bn

Entity overview

The National Housing Finance Corporation was established as a development finance institution in 1996. The corporation is responsible for expanding access to housing finance for low-income and middle-income households through financial intermediaries.

The corporation will focus on increasing affordable housing finance to intermediaries over the medium term. As such, its loan book is expected to increase from R4.5 billion in 2022/23 to R5.9 billion in 2025/26. To fund this growth, the corporation plans to seek the Minister of Finance's approval to borrow in terms of section 66(5) of the Public Finance Management Act (1999). The corporation is also mandated to administer the finance-linked subsidy programme, which is set to disburse 10 405 subsidies over the medium term to first-time home buyers at a projected cost of R1.6 billion over the MTEF period. As a result, total expenditure is expected to increase at an average annual rate of 4.7 per cent, from R942.6 million in 2022/23 to R1.1 billion in 2025/26.

The corporation derives its revenue from interest on loans, income from controlled entities and revenue from rental properties and management fees. Total revenue is expected to increase at an average annual rate of 3.2 per cent, from R1.2 billion in 2022/23 to R1.3 billion in 2025/26.

Programmes/Objectives/Activities

Table 33.29 National Housing Finance Corporation expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Administration	163.3	179.8	212.4	250.2	15.3%	27.1%	266.0	254.6	265.3	2.0%	25.7%
Programme management	32.6	31.2	48.2	77.7	33.5%	6.2%	72.5	75.4	78.7	0.4%	7.5%
Subsidy housing	169.6	146.7	2.8	5.4	-68.2%	11.8%	5.6	5.6	5.9	2.7%	0.6%
Social and rental housing finance	129.6	107.0	115.0	64.2	-20.9%	14.8%	59.0	86.2	100.8	16.2%	7.6%
Grant facilitation: Finance-linked individual subsidy programme	65.0	67.1	183.9	373.6	79.1%	21.7%	376.3	377.3	393.8	1.8%	37.7%
Affordable housing finance	25.6	317.2	89.0	171.5	88.5%	18.4%	229.5	212.7	237.3	11.4%	21.0%
Total	585.7	849.0	651.4	942.6	17.2%	100.0%	1 009.0	1 011.8	1 081.8	4.7%	100.0%

Statements of financial performance, cash flow and financial position

Table 33.30 National Housing Finance Corporation statements of financial performance, cash flow and financial position

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Statement of financial performance											
Revenue	727.4	575.8	551.9	707.8	-0.9%	61.8%	694.1	693.1	779.2	3.3%	58.2%
Non-tax revenue	523.5	476.7	475.8	571.6	3.0%	48.9%	599.7	608.3	681.9	6.1%	49.8%
Sale of goods and services other than capital assets	523.5	476.7	475.8	571.6	3.0%	48.9%	599.7	608.3	681.9	6.1%	49.8%
<i>of which:</i>											
Administrative fees	2.1	1.8	1.9	–	-100.0%	0.1%	–	–	–	–	–
Levies from property sales transactions	2.1	1.8	1.9	–	-100.0%	0.1%	–	–	–	–	–
Sales by market establishments	521.3	474.9	473.9	571.6	3.1%	48.8%	599.7	608.3	681.9	6.1%	49.8%
Sale of houses	20.5	28.7	2.6	–	-100.0%	1.3%	2.3	2.4	2.5	–	0.1%
Interest on advances	269.1	232.4	210.3	289.5	2.5%	24.0%	302.8	316.9	383.2	9.8%	26.1%
Rental income, management fees, fees on loans for construction projects	21.9	44.9	93.9	110.6	71.5%	6.1%	94.9	88.5	96.4	-4.5%	7.9%
Revenue from controlled entities	209.9	168.9	167.0	171.5	-6.5%	17.4%	199.8	200.5	199.8	5.2%	15.6%
Other non-tax revenue	203.9	99.1	76.0	136.2	-12.6%	12.8%	94.4	84.9	97.3	-10.6%	8.4%
Transfers received	100.0	649.7	479.8	497.5	70.7%	38.2%	499.5	521.9	545.3	3.1%	41.8%
Total revenue	827.4	1 225.4	1 031.7	1 205.4	13.4%	100.0%	1 193.6	1 215.0	1 324.5	3.2%	100.0%
Expenses	525.7	488.0	478.4	583.6	3.5%	70.6%	649.0	650.8	704.6	6.5%	63.9%
Current expenses	125.7	145.8	147.0	170.3	10.7%	19.8%	184.4	192.8	208.6	7.0%	18.7%
Compensation of employees	125.7	145.8	147.0	170.3	10.7%	19.8%	184.4	192.8	208.6	7.0%	18.7%
Goods and services	255.7	236.2	234.1	313.3	7.0%	35.2%	309.2	263.3	269.1	-4.9%	28.7%
Depreciation	2.1	1.5	2.6	7.2	50.1%	0.4%	14.5	11.2	10.9	15.0%	1.1%
Interest, dividends and rent on land	142.3	104.5	94.7	92.8	-13.3%	15.2%	140.9	183.4	215.9	32.5%	15.5%
Transfers and subsidies	60.0	361.0	173.0	359.0	81.5%	29.4%	360.0	361.0	377.2	1.7%	36.1%
Total expenses	585.7	849.0	651.4	942.6	17.2%	100.0%	1 009.0	1 011.8	1 081.8	4.7%	100.0%
Surplus/(Deficit)	241.6	376.4	380.3	262.8	2.8%		184.6	203.3	242.7	-2.6%	

Table 33.30 National Housing Finance Corporation statements of financial performance, cash flow and financial position (continued)

Cash flow statement	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
R million											
Cash flow from operating activities	364.6	825.8	458.7	214.7	-16.2%	100.0%	301.7	288.2	333.4	15.8%	100.0%
Receipts											
Non-tax receipts	623.2	546.3	531.3	663.0	2.1%	57.9%	664.2	661.9	746.8	4.0%	55.7%
Sales of goods and services other than capital assets	507.8	476.7	475.8	592.8	5.3%	50.0%	599.7	608.3	681.9	4.8%	50.5%
of which:											
Administrative fees	2.1	1.8	1.9	–	-100.0%	0.2%	–	–	–	–	–
Levies from property sales transactions	2.1	1.8	1.9	–	-100.0%	0.2%	–	–	–	–	–
Sales by market establishment	505.7	474.9	473.9	592.8	5.4%	49.8%	599.7	608.3	681.9	4.8%	50.5%
Sale of houses	20.5	28.7	2.6	–	-100.0%	1.3%	2.3	2.4	2.5	–	0.1%
Interest on advances	252.0	232.4	210.3	289.5	4.7%	24.0%	302.8	316.9	383.2	9.8%	26.3%
Rental income, management fees, fees on loans for construction projects	23.1	44.9	93.9	110.6	68.5%	6.3%	94.9	88.5	96.4	-4.5%	8.0%
Revenue from controlled entities	210.0	168.9	167.0	171.5	-6.5%	17.8%	199.8	200.5	199.8	5.2%	15.7%
Other tax receipts	115.4	69.6	55.5	70.2	-15.3%	7.9%	64.5	53.6	64.9	-2.6%	5.2%
Transfers received	135.0	649.7	479.8	497.5	54.5%	39.8%	499.5	521.9	545.3	3.1%	42.1%
Financial transactions in assets and liabilities	24.0	16.8	13.0	42.4	20.8%	2.3%	21.6	22.6	23.3	-18.1%	2.2%
Total receipts	782.3	1 212.8	1 024.2	1 202.9	15.4%	100.0%	1 185.3	1 206.3	1 315.4	3.0%	100.0%
Payment											
Current payments	357.7	326.0	392.5	479.2	10.2%	71.9%	523.5	557.1	604.8	8.1%	57.5%
Compensation of employees	100.9	139.1	145.8	170.3	19.0%	25.8%	184.4	192.8	208.6	7.0%	20.1%
Goods and services	113.6	82.4	152.0	216.1	23.9%	24.3%	198.2	180.8	180.2	-5.9%	20.6%
Interest and rent on land	143.1	104.5	94.7	92.8	-13.4%	21.9%	140.9	183.4	215.9	32.5%	16.8%
Transfers and subsidies	60.0	61.0	173.0	509.0	103.9%	28.1%	360.0	361.0	377.2	-9.5%	42.5%
Total payments	417.7	387.0	565.5	988.2	33.2%	100.0%	883.5	918.1	982.0	-0.2%	100.0%
Net cash flow from advancing activities (financial institutions only)	(146.6)	(226.0)	(162.1)	(492.8)	49.8%	100.0%	(234.0)	(139.0)	(177.0)	-28.9%	100.0%
Disbursements and other payments	(724.0)	(710.0)	(1 360.0)	(1 396.0)	24.5%	482.6%	(1 355.0)	(1 721.0)	(1 869.0)	10.2%	789.1%
Repayments and other receipts	577.4	484.0	1 197.9	903.2	16.1%	-382.6%	1 121.0	1 582.0	1 692.0	23.3%	-689.1%
Net cash flow from investing activities	(210.5)	634.2	363.5	(2.5)	-77.2%	100.0%	266.2	590.0	809.9	-786.8%	100.0%
Acquisition of property, plant, equipment and intangible assets	(2.8)	(1.2)	(2.1)	(2.5)	-3.4%	25.1%	(2.0)	–	(1.0)	-26.3%	24.8%
Acquisition of software and other intangible assets	–	(2.5)	–	–	–	-0.1%	(35.0)	(10.0)	(25.0)	–	-4.5%
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.8	–	–	–	–	40.0	–	–	–	3.8%
Other flows from investing activities	(207.7)	637.1	365.7	–	-100.0%	74.9%	263.2	600.0	835.9	–	75.9%
Net cash flow from financing activities	74.9	462.4	264.5	(73.7)	-199.4%	100.0%	518.8	492.9	410.4	-277.3%	100.0%
Borrowing activities	(39.6)	(105.7)	(51.1)	(38.3)	-1.1%	-10.8%	423.0	374.0	330.0	-305.0%	72.5%
Other flows from financing activities	114.5	568.2	315.6	(35.4)	-167.6%	110.8%	95.8	118.9	80.4	-231.5%	27.5%
Net increase/(decrease) in cash and cash equivalents	82.4	1 696.4	924.7	(354.3)	-262.6%	79.6%	852.7	1 232.1	1 376.7	-257.2%	74.0%
Statement of financial position											
Carrying value of assets	65.3	85.8	63.0	54.6	-5.8%	1.0%	85.2	79.9	92.0	19.0%	1.0%
of which:											
Acquisition of assets	(2.8)	(1.2)	(2.1)	(2.5)	-3.4%	100.0%	(2.0)	–	(1.0)	-26.3%	–
Investments	1 291.1	1 266.2	1 168.7	1 289.8	–	18.4%	1 395.7	1 401.5	1 392.2	2.6%	17.1%
Inventory	11.3	11.3	11.2	–	-100.0%	0.1%	11.2	11.2	11.2	–	0.1%
Loans	3 757.9	3 952.2	4 061.6	4 493.7	6.1%	59.4%	4 957.2	5 305.9	5 917.5	9.6%	64.3%
Receivables and prepayments	23.1	50.4	23.4	31.7	11.1%	0.5%	23.4	23.4	23.4	-9.6%	0.3%
Cash and cash equivalents	1 105.9	1 463.4	1 862.1	1 146.2	1.2%	20.2%	1 370.6	1 542.6	1 465.5	8.5%	17.2%
Taxation	35.2	37.3	38.0	–	-100.0%	0.4%	–	–	–	–	–
Total assets	6 289.7	6 866.6	7 228.1	7 015.9	3.7%	100.0%	7 843.3	8 364.6	8 901.9	8.3%	100.0%
Accumulated surplus/(deficit)	1 903.2	1 988.2	2 061.6	2 218.6	5.2%	29.8%	2 219.7	2 262.1	2 336.7	1.7%	28.3%
Capital and reserves	1 069.4	1 069.4	1 069.4	1 069.4	–	15.7%	1 069.4	1 069.4	1 069.4	–	13.4%
Capital reserve fund	1 656.7	1 656.7	1 656.7	1 656.7	–	24.3%	1 656.7	1 656.7	1 656.7	–	20.8%
Borrowings	1 437.6	1 324.1	1 314.4	1 156.4	-7.0%	19.2%	1 868.5	2 234.1	2 535.4	29.9%	23.9%
Trade and other payables	42.1	59.3	40.4	32.3	-8.4%	0.6%	40.4	40.4	40.4	7.8%	0.5%
Provisions	36.3	49.0	51.2	51.7	12.5%	0.7%	51.2	51.2	51.2	-0.3%	0.6%
Managed funds	107.5	675.7	991.3	797.3	95.0%	9.2%	893.2	1 012.1	1 092.5	11.1%	11.8%
Derivatives financial instruments	36.9	44.2	43.0	33.6	-3.1%	0.6%	44.2	38.6	119.6	52.7%	0.7%
Total equity and liabilities	6 289.7	6 866.6	7 228.1	7 015.9	3.7%	100.0%	7 843.3	8 364.6	8 901.9	8.3%	100.0%

Personnel information

Table 33.31 National Housing Finance Corporation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2023			Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)
Number of approved funded posts	Number of posts on establishment	Number of posts	Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22			2022/23			2023/24			2024/25			2025/26			2022/23 - 2025/26	
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
National Housing Finance Corporation	143	143	143	147.0	1.0	143	170.3	1.2	147	184.4	1.3	147	192.8	1.3	147	208.6	1.4	0.9%	100.0%
Salary level	143	143	143	147.0	1.0	143	170.3	1.2	147	184.4	1.3	147	192.8	1.3	147	208.6	1.4	0.9%	100.0%
1 – 6	20	20	20	3.7	0.2	20	3.9	0.2	20	4.1	0.2	20	4.3	0.2	20	4.7	0.2	–	13.7%
7 – 10	60	60	60	37.8	0.6	60	39.9	0.7	60	42.2	0.7	60	44.2	0.7	60	48.2	0.8	–	41.1%
11 – 12	24	24	24	24.3	1.0	24	27.7	1.2	26	31.7	1.2	26	34.1	1.3	26	37.0	1.4	2.7%	17.5%
13 – 16	33	33	33	49.8	1.5	33	64.6	2.0	35	69.9	2.0	35	71.7	2.0	35	77.5	2.2	2.0%	23.6%
17 – 22	6	6	6	31.5	5.3	6	34.3	5.7	6	36.5	6.1	6	38.5	6.4	6	41.2	6.9	–	4.1%

1. Rand million.

Property Practitioners Fidelity Fund

Entity overview

The Property Practitioners Fidelity Fund is managed by the Property Practitioners Regulatory Authority. The fund protects the interest of the public from negligence on the part of property practitioners in dealing with real estate transactions.

Expenditure in the fund is expected to decrease at an average annual rate of 7 per cent, from R91.8 million in 2022/23 to R73.8 million in 2025/26, as improved compliance reduces the number of claims against the fund. It generates revenue through administrative fees, interest earned on trust accounts and recovered claims.

Programmes/Objectives/Activities

Table 33.32 Property Practitioners Fidelity Fund expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
Administration	87.5	70.5	71.4	91.8	1.6%	100.0%	67.6	70.6	73.8	-7.0%	100.0%
Total	87.5	70.5	71.4	91.8	1.6%	100.0%	67.6	70.6	73.8	-7.0%	100.0%

Statements of financial performance, cash flow and financial position

Table 33.33 Property Practitioners Fidelity Fund statements of financial performance

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
Revenue											
Non-tax revenue	71.7	94.4	77.5	99.6	11.6%	100.0%	75.3	80.6	86.3	-4.7%	100.0%
Sale of goods and services other than capital assets	71.7	94.4	76.5	99.6	11.6%	99.7%	74.6	79.8	85.4	-5.0%	99.3%
of which:											
Administrative fees	58.5	57.7	34.6	57.9	-0.3%	61.4%	46.2	49.5	52.9	-3.0%	60.6%
Interest on trust funds	52.1	47.3	26.8	49.2	-1.9%	51.7%	37.0	39.6	42.4	-4.8%	49.2%
Contribution from estate agents	1.4	1.5	2.1	2.7	25.5%	2.2%	3.2	3.4	3.7	10.3%	3.9%
Claims recoveries	3.9	8.2	5.7	6.0	15.4%	6.9%	6.0	6.4	6.9	4.6%	7.5%
Discretionary funded projects	1.1	0.8	–	–	-100.0%	0.6%	–	–	–	–	–
Sales by market establishments	13.2	36.7	42.0	41.7	46.7%	38.3%	28.4	30.4	32.5	-8.0%	38.7%
Fair value adjustment	–	30.3	36.4	34.7	–	28.5%	–	–	–	-100.0%	8.7%
Interest on investment	12.9	6.3	5.4	7.0	-18.6%	9.7%	28.4	30.3	32.5	67.0%	30.0%
Other income	0.1	0.0	0.3	0.0	-33.3%	0.1%	0.0	0.0	0.0	5.0%	–
Interest: Other	0.2	–	–	–	-100.0%	0.1%	–	–	–	–	–
Other non-tax revenue	–	–	0.9	–	–	0.3%	0.7	0.8	0.8	–	0.7%
Total revenue	71.7	94.4	77.5	99.6	11.6%	100.0%	75.3	80.6	86.3	-4.7%	100.0%
Expenses											
Current expenses	87.5	70.5	71.4	91.8	1.6%	100.0%	67.6	70.6	73.8	-7.0%	100.0%
Goods and services	87.5	70.5	71.4	91.8	1.6%	100.0%	67.6	70.6	73.8	-7.0%	100.0%
Total expenses	87.5	70.5	71.4	91.8	1.6%	100.0%	67.6	70.6	73.8	-7.0%	100.0%
Surplus/(Deficit)	(15.8)	24.0	6.1	7.9	-179.4%		7.7	10.0	12.5	16.5%	

Table 33.33 Property Practitioners Fidelity Fund statements of financial performance (continued)

Cash flow statement	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
R million											
Cash flow from operating activities	(15.3)	19.3	18.7	(25.3)	18.1%	100.0%	10.7	13.1	15.7	-185.3%	100.0%
Receipts											
Non-tax receipts	62.5	91.5	77.5	62.0	-0.3%	100.0%	75.3	80.6	86.3	11.7%	100.0%
Sales of goods and services other than capital assets	62.5	91.5	77.5	62.0	-0.3%	100.0%	74.6	79.8	85.4	11.3%	99.3%
of which:											
Administrative fees	59.4	89.0	34.6	55.0	-2.5%	81.4%	46.2	49.5	52.9	-1.3%	68.2%
Interest on trust funds	52.9	78.5	26.8	49.2	-2.4%	71.1%	37.0	39.6	42.4	-4.8%	56.7%
Contribution from estate agents	1.4	1.5	2.1	2.7	25.5%	2.7%	3.2	3.4	3.7	10.3%	4.3%
Claims recoveries	3.9	8.2	5.7	6.0	15.4%	8.0%	6.0	6.4	6.9	4.6%	8.4%
Discretionary funded projects	1.1	0.8	-	-	-100.0%	0.7%	-	-	-	-	-
Sales by market establishment	3.2	2.4	42.9	7.0	30.0%	18.6%	28.4	30.4	32.5	67.1%	31.1%
Fair value adjustment	-	-	36.4	-	-	11.7%	-	-	-	-	-
Interest on investment	3.1	2.4	5.4	7.0	31.3%	6.4%	28.4	30.3	32.5	67.0%	31.0%
Other income	0.1	0.0	1.2	0.0	-33.3%	0.4%	0.0	0.0	0.0	5.0%	-
Other tax receipts	-	-	-	-	-	-	0.7	0.8	0.8	-	0.7%
Total receipts	62.5	91.5	77.5	62.0	-0.3%	100.0%	75.3	80.6	86.3	11.7%	100.0%
Payment											
Current payments	77.9	72.1	58.8	87.2	3.9%	100.0%	64.7	67.5	70.6	-6.8%	100.0%
Goods and services	77.9	72.1	58.8	87.2	3.9%	100.0%	64.7	67.5	70.6	-6.8%	100.0%
Total payments	77.9	72.1	58.8	87.2	3.9%	100.0%	64.7	67.5	70.6	-6.8%	100.0%
Net cash flow from investing activities	149.2	(103.5)	(36.4)	(14.7)	-146.2%	100.0%	(53.0)	(55.4)	(57.8)	57.9%	100.0%
Other flows from investing activities	149.2	(103.5)	(36.4)	(14.7)	-146.2%	100.0%	(53.0)	(55.4)	(57.8)	57.9%	100.0%
Net cash flow from financing activities	(11.3)	(21.1)	26.4	35.2	-245.9%	100.0%	53.0	55.4	57.8	18.0%	100.0%
Borrowing activities	(11.3)	(21.1)	26.4	35.2	-245.9%	100.0%	53.0	55.4	57.8	18.0%	100.0%
Net increase/(decrease) in cash and cash equivalents	122.5	(105.3)	8.7	(4.8)	-133.9%	-0.6%	10.7	13.1	15.7	-248.8%	12.6%
Statement of financial position											
Investments	482.8	586.4	622.8	515.9	2.2%	91.4%	624.0	654.3	628.9	6.8%	95.8%
Receivables and prepayments	2.2	7.8	2.9	8.6	57.5%	0.9%	2.2	12.2	23.4	39.7%	1.8%
Cash and cash equivalents	128.4	23.2	8.7	25.6	-41.6%	7.7%	3.2	13.1	15.7	-15.0%	2.4%
Total assets	613.5	617.3	634.4	550.1	-3.6%	100.0%	629.3	679.6	668.1	6.7%	100.0%
Accumulated surplus/(deficit)	568.7	593.6	598.8	525.7	-2.6%	94.7%	574.5	622.3	608.2	5.0%	92.4%
Trade and other payables	2.4	1.9	1.7	0.3	-52.1%	0.3%	0.1	0.1	0.1	-26.4%	-
Provisions	2.6	3.1	0.0	3.5	10.0%	0.4%	1.7	1.8	1.9	-18.2%	0.4%
Managed funds	39.8	18.7	33.9	20.7	-19.6%	4.7%	53.0	55.4	57.8	40.9%	7.2%
Total equity and liabilities	613.5	617.3	634.4	550.1	-3.6%	100.0%	629.3	679.6	668.1	6.7%	100.0%

Property Practitioners Regulatory Authority

Selected performance indicators

Table 33.34 Property Practitioners Regulatory Authority performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Number of complaints received per year	Compliance	Priority 5: Spatial integration, human settlements and local government	4 982	2 685	2 863	4 716	4 952	5 299	5 299
Number of complaints resolved per year	Compliance		3 690	2 366	2 453	4 287	4 457	4 769	4 769
Number of Estate Agents Fidelity Fund certificates renewed per year	Compliance		47 356	51 063	59 755	64 036	67 238	71 945	71 945
Number of estate agencies inspected per year	Compliance		144	166	201	230	280	320	320
Value of claims recoveries per year	Compliance		R3.9m	R8.2m	R5.7m	R4.6m	R4.9m	R5.2m	R5.2m
Number of non-principal agents enrolled for the national qualifications framework level 4 professional designation examination per year	Education and training		1 593	777	1 624	2 080	2 184	2 337	2 337
Number of principal agents enrolled for the national qualifications framework level 5 professional designation examination per year	Education and training		217	139	272	183	192	205	205
Number of candidates enrolled in the continuous professional development programme per year	Education and training	19 995	17 013	16 027	20 127	211 33	22 612	22 612	

Entity overview

The Property Practitioners Regulatory Authority was established in terms of the Property Practitioners Act (2019) to regulate property practitioners in the marketing, promotion, management, sale, letting, financing and purchase of immovable property. The authority also regulates the conduct of property practitioners in dealing with consumers and manages the Property Practitioners Fidelity Fund.

Over the medium term, the authority will focus on improving compliance within the sector by inspecting a targeted 920 estate agencies and renewing 211 128 fidelity fund certificates. Spending on compliance constitutes a projected 25.8 per cent (R157.5 million) of total expenditure, increasing from R49.2 million in 2022/23 to R56.6 million in 2025/26 at an average annual rate of 4.8 per cent.

Total expenditure is expected to decrease at an average annual rate of 3.8 per cent, from R230.3 million in 2022/23 to R204.8 million in 2025/26, as the authority repositions from the old Estate Agency Affairs Board to become a streamlined regulator in the sector. The authority derives its revenue from fees and levies from property practitioners and fees from managing the Property Practitioners Fidelity Fund.

Programmes/Objectives/Activities

Table 33.35 Property Practitioners Regulatory Authority expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Administration	99.4	94.7	114.3	161.6	17.6%	68.9%	120.4	122.9	131.8	-6.6%	66.3%
Compliance	32.8	30.9	42.7	49.2	14.5%	23.0%	48.3	52.6	56.6	4.8%	25.8%
Education and training	11.6	10.8	13.7	19.6	19.1%	8.1%	13.5	15.1	16.4	-5.6%	8.0%
Total	143.8	136.4	170.6	230.3	17.0%	100.0%	182.2	190.6	204.8	-3.8%	100.0%

Statements of financial performance, cash flow and financial position

Table 33.36 Property Practitioners Regulatory Authority statements of financial performance

Statement of financial performance											
R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Revenue											
Non-tax revenue	135.9	123.3	173.5	248.8	22.4%	95.9%	184.8	193.5	208.0	-5.8%	100.0%
Sale of goods and services other than capital assets	112.7	91.1	128.5	227.7	26.4%	77.6%	138.8	148.8	159.5	-11.2%	80.0%
<i>of which:</i>											
Administrative fees	52.7	51.2	53.4	63.8	6.6%	32.5%	53.0	55.4	57.9	-3.2%	27.7%
Management fees	52.7	51.2	53.4	63.8	6.6%	32.5%	53.0	55.4	57.9	-3.2%	27.7%
Sales by market establishments	60.0	39.9	75.0	163.9	39.8%	45.1%	85.8	93.4	101.6	-14.7%	52.4%
Contributions	22.1	26.3	28.7	68.4	45.7%	19.5%	32.4	37.3	42.7	-14.5%	21.2%
Examinations	35.2	11.2	41.3	95.4	39.4%	23.9%	53.4	56.1	58.9	-14.9%	31.1%
Rent and other income	2.6	2.4	5.1	-	-100.0%	1.6%	-	-	-	-	-
Other non-tax revenue	23.2	32.2	45.1	21.2	-3.0%	18.4%	46.0	44.7	48.6	31.8%	20.0%
Transfers received	-	24.0	-	-	-	4.1%	-	-	-	-	-
Total revenue	135.9	147.3	173.5	248.8	22.4%	100.0%	184.8	193.5	208.0	-5.8%	100.0%
Expenses											
Current expenses	143.8	136.4	170.6	209.3	13.3%	97.7%	182.2	190.6	204.8	-0.7%	97.7%
Compensation of employees	92.6	95.5	101.9	138.4	14.4%	63.6%	116.9	133.3	145.0	1.6%	66.3%
Goods and services	48.0	37.4	66.1	66.8	11.6%	32.1%	60.3	52.0	54.3	-6.7%	29.0%
Depreciation	3.2	3.5	2.6	4.1	8.9%	2.0%	5.1	5.3	5.5	10.4%	2.5%
Transfers and subsidies	-	-	-	21.0	-	2.3%	0.0	0.0	0.0	-96.4%	2.3%
Total expenses	143.8	136.4	170.6	230.3	17.0%	100.0%	182.2	190.6	204.8	-3.8%	100.0%
Surplus/(Deficit)	(7.9)	10.8	2.9	18.5	-232.8%		2.6	2.9	3.2	-44.3%	

Table 33.36 Property Practitioners Regulatory Authority statements of financial performance (continued)

Cash flow statement		Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
		2019/20	2020/21	2021/22		2019/20	2022/23	2023/24	2024/25	2025/26		
R million												
Cash flow from operating activities		(23.8)	(16.0)	14.1	24.8	-201.4%	100.0%	10.4	0.1	0.3	-76.8%	100.0%
Receipts												
Non-tax receipts		104.0	97.5	176.5	174.4	18.8%	95.1%	184.8	193.5	208.0	6.1%	100.0%
Sales of goods and services other than capital assets of which:		93.4	78.0	131.4	141.9	15.0%	77.4%	141.4	151.5	162.3	4.6%	78.5%
Administrative fees		42.0	41.4	56.4	63.8	14.9%	35.8%	53.0	55.4	57.9	-3.2%	30.4%
Management fees		42.0	41.4	56.4	63.8	14.9%	35.8%	53.0	55.4	57.9	-3.2%	30.4%
Sales by market establishment		51.3	36.6	75.0	78.1	15.0%	41.7%	88.4	96.1	104.4	10.1%	48.1%
Contributions		22.1	26.3	28.7	32.8	14.0%	19.5%	32.4	37.3	42.7	9.2%	19.0%
Examinations		24.5	4.3	41.3	95.4	57.3%	26.3%	53.4	56.1	58.9	-14.9%	35.2%
Discretionary funded projects		0.1	0.7	-	-	-100.0%	0.2%	-	-	-	-	-
Rent and other income		4.5	5.3	5.1	-	-100.0%	2.9%	2.6	2.7	2.8	-	1.0%
Other tax receipts		10.6	19.5	45.1	32.5	45.1%	17.6%	43.4	42.0	45.8	12.1%	21.5%
Transfers received		-	24.0	-	-	-	4.9%	-	-	-	-	-
Total receipts		104.0	121.5	176.5	174.4	18.8%	100.0%	184.8	193.5	208.0	6.1%	100.0%
Payment												
Current payments		127.8	137.5	162.4	149.6	5.4%	100.0%	174.4	193.4	207.7	11.6%	100.0%
Compensation of employees		88.5	91.9	99.5	111.0	7.8%	67.9%	116.9	133.3	145.0	9.3%	70.0%
Goods and services		39.3	45.6	62.9	38.6	-0.6%	32.1%	57.5	60.0	62.7	17.6%	30.0%
Total payments		127.8	137.5	162.4	149.6	5.4%	100.0%	174.4	193.4	207.7	11.6%	100.0%
Net cash flow from investing activities		(1.7)	(1.0)	(1.4)	(4.3)	35.0%	100.0%	(11.4)	(7.6)	(6.1)	12.4%	100.0%
Acquisition of property, plant, equipment and intangible assets		(0.7)	(1.0)	(1.4)	(1.3)	19.7%	67.7%	(3.4)	(2.6)	(1.6)	8.6%	29.8%
Acquisition of software and other intangible assets		(1.0)	-	-	(3.1)	44.1%	32.3%	(8.0)	(5.0)	(4.5)	13.8%	70.2%
Net cash flow from financing activities		11.3	21.1	(3.9)	22.1	25.0%	100.0%	44.4	26.5	85.1	56.7%	100.0%
Borrowing activities		11.3	21.1	(3.9)	22.1	25.0%	100.0%	44.4	26.5	85.1	56.7%	100.0%
Net increase/(decrease) in cash and cash equivalents		(14.2)	4.1	8.7	42.7	-244.1%	4.2%	43.5	19.0	79.3	23.0%	22.8%
Statement of financial position												
Carrying value of assets of which:		111.8	109.2	140.4	114.7	0.9%	50.3%	160.9	164.4	166.4	13.2%	52.2%
Acquisition of assets		(0.7)	(1.0)	(1.4)	(1.3)	19.7%	100.0%	(3.4)	(2.6)	(1.6)	8.6%	100.0%
Inventory		0.3	0.1	0.0	0.1	-41.0%	-	0.3	0.3	0.3	59.2%	0.1%
Loans		39.8	18.7	33.9	19.7	-20.9%	11.9%	23.9	23.9	23.9	6.7%	7.9%
Receivables and prepayments		58.2	83.9	87.7	88.1	14.8%	33.6%	70.6	74.2	77.9	-4.0%	27.5%
Cash and cash equivalents		7.1	11.2	8.7	11.7	18.2%	4.1%	43.5	19.0	79.3	89.0%	12.3%
Total assets		217.2	223.2	270.8	234.3	2.6%	100.0%	299.2	281.7	347.7	14.1%	100.0%
Accumulated surplus/(deficit)		91.5	102.3	85.0	108.2	5.7%	41.4%	114.7	121.3	129.8	6.3%	41.2%
Capital and reserves		42.6	42.6	77.4	44.7	1.6%	21.6%	47.0	49.3	51.8	5.0%	16.8%
Trade and other payables		65.9	56.4	77.3	59.3	-3.5%	27.4%	99.7	73.3	128.3	29.4%	30.4%
Provisions		16.6	21.2	30.4	21.5	8.9%	9.4%	37.1	37.1	37.1	20.0%	11.4%
Derivatives financial instruments		0.6	0.6	0.7	0.6	2.6%	0.3%	0.7	0.7	0.7	1.2%	0.2%
Total equity and liabilities		217.2	223.2	270.8	234.3	2.6%	100.0%	299.2	281.7	347.7	14.1%	100.0%

Personnel information**Table 33.37 Property Practitioners Regulatory Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment										Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)							
		Actual			Revised estimate			Medium-term expenditure estimate												
Number of approved funded posts	Number of posts on establishment	2021/22		2022/23			2023/24			2024/25		2025/26		2022/23 - 2025/26						
		Number	Cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Property Practitioners Regulatory Authority		166	166	103	101.9	1.0	166	138.4	0.8	141	116.9	0.8	151	133.3	0.9	163	145.0	0.9	-0.6%	100.0%
1-6	27	27	5	1.0	0.2	27	5.8	0.2	27	5.8	0.2	27	6.0	0.2	35	8.5	0.2	9.0%	18.7%	
7-10	46	46	28	18.1	0.6	46	29.4	0.6	39	24.2	0.6	39	25.0	0.6	39	26.1	0.7	-5.4%	26.3%	
11-12	75	75	52	48.9	0.9	75	69.3	0.9	57	53.0	0.9	65	63.2	1.0	69	69.4	1.0	-2.7%	42.7%	
13-16	17	17	17	31.2	1.8	17	31.2	1.8	17	31.2	1.8	19	36.4	1.9	19	38.0	2.0	3.8%	11.6%	
17-22	1	1	1	2.7	2.7	1	2.7	2.7	1	2.8	2.8	1	2.9	2.9	1	2.9	2.9	-	0.6%	

1. Rand million.

Social Housing Regulatory Authority

Selected performance indicators

Table 33.38 Social Housing Regulatory Authority performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of social housing units delivered per year	Project development and funding	Priority 5: Spatial integration, human settlements and local government	3 010	1 856	2 771	8 000	8 000	8 000	8 000
Number of social housing units approved for capital grant funding per year	Project development and funding		4 816	4 006	3 000	2 912	3 087	3 115	3 550
Number of institutional grants approved per year	Sector development		30	40	40	40	40	40	40
Total number of accredited social housing institutions	Compliance, accreditation and regulation		106	95	90	105	110	120	130
Total number of social housing units under regulation	Compliance, accreditation and regulation		39 407	40 628	42 533	48 317	52 317	54 666	56 324

Entity overview

The Social Housing Regulatory Authority was established in terms of the Social Housing Act (2008) to regulate and invest in the social housing sector. The authority regulates social housing institutions and the units they manage, provides capital subsidies to accredited social housing institutions and builds the capacity of the sector.

Over the medium term, the authority will focus on increasing the number of social housing units for rental, with the aim of delivering 8 000 units per year. To this end, expenditure on project development for social housing is set to constitute 89.4 per cent (R2.6 billion) of total expenditure over the medium term. Expenditure is expected to increase at an average annual rate of 4.3 per cent, from R887.4 million in 2022/23 to R1 billion in 2025/26. The entity derives all its revenue through transfers from the department. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

Table 33.39 Social Housing Regulatory Authority expenditure trends and estimates by programme/objective/activity

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
Administration	69.7	67.0	73.4	63.7	-2.9%	7.8%	66.6	69.6	72.7	4.5%	7.2%	
Project development and funding	1 202.8	587.2	744.8	791.1	-13.0%	89.5%	826.0	863.1	901.7	4.5%	89.4%	
Sector development	15.9	10.5	11.3	23.5	14.0%	1.7%	23.6	24.7	25.8	3.1%	2.6%	
Compliance, accreditation and regulation	11.6	9.6	4.2	9.0	-7.9%	1.0%	6.5	6.8	7.1	-7.7%	0.8%	
Total	1 300.0	674.4	833.7	887.4	-11.9%	100.0%	922.7	964.1	1 007.3	4.3%	100.0%	

Statements of financial performance, cash flow and financial position

Table 33.40 Social Housing Regulatory Authority statements of financial performance

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
Revenue												
Non-tax revenue	75.8	12.6	53.9	–	-100.0%	4.0%	–	–	–	–	–	
Other non-tax revenue	75.8	12.6	53.9	–	-100.0%	4.0%	–	–	–	–	–	
Transfers received	810.7	1 117.5	806.1	887.4	3.1%	96.0%	922.7	964.1	1 007.3	4.3%	100.0%	
Total revenue	886.6	1 130.1	860.0	887.4	–	100.0%	922.7	964.1	1 007.3	4.3%	100.0%	
Expenses												
Current expenses	83.5	78.9	80.9	73.9	-4.0%	9.0%	74.3	77.6	81.1	3.1%	8.1%	
Compensation of employees	39.9	41.4	42.2	38.9	-0.8%	4.7%	38.9	38.9	38.9	–	4.1%	
Goods and services	42.0	35.9	36.8	31.2	-9.4%	4.1%	31.6	34.7	38.0	6.8%	3.6%	
Depreciation	1.6	1.6	1.9	3.9	33.0%	0.3%	3.9	4.0	4.2	3.0%	0.4%	
Transfers and subsidies	1 216.5	595.5	752.8	813.5	-12.6%	91.0%	848.4	886.5	926.2	4.4%	91.9%	
Total expenses	1 300.0	674.4	833.7	887.4	-11.9%	100.0%	922.7	964.1	1 007.3	4.3%	100.0%	
Surplus/(Deficit)	(413.4)	455.7	26.3	–	-100.0%	–	–	–	–	–	–	

Personnel information**Table 33.41 Social Housing Regulatory Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)	
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									2022/23 - 2025/26		
		2021/22			2022/23			2023/24			2024/25			2025/26					
Social Housing Regulatory Authority		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	55	55	42.2	0.8	54	38.9	0.7	53	38.9	0.7	53	38.9	0.7	53	38.9	0.7	-0.6%	100.0%	
1 – 6	6	6	6	1.2	0.2	5	2.0	0.4	4	2.0	0.5	4	2.0	0.5	4	2.0	0.5	-7.2%	8.0%
7 – 10	26	26	26	12.2	0.5	26	12.1	0.5	26	12.1	0.5	26	12.1	0.5	26	12.1	0.5	–	48.8%
11 – 12	15	15	15	14.7	1.0	15	10.4	0.7	15	10.4	0.7	15	10.4	0.7	15	10.4	0.7	–	28.2%
13 – 16	7	7	7	11.7	1.7	7	12.0	1.7	7	12.0	1.7	7	12.0	1.7	7	12.0	1.7	–	13.1%
17 – 22	1	1	1	2.5	2.5	1	2.5	2.5	1	2.5	2.5	1	2.5	2.5	1	2.5	2.5	–	1.9%

1. Rand million.

