

Human Settlements

Budget summary

R million	2025/26				2026/27	2027/28
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	531.6	–	1.3	532.9	559.6	585.4
Integrated Human Settlements Planning and Development	189.8	23 665.9	0.2	23 855.9	24 630.1	24 808.9
Informal Settlements	302.5	7 487.4	336.4	8 126.3	6 530.6	6 825.0
Rental and Social Housing	65.6	902.3	0.1	968.0	1 013.3	1 058.5
Affordable Housing	88.7	470.7	0.2	559.7	584.1	610.4
Total expenditure estimates	1 178.1	32 526.4	338.3	34 042.8	33 317.7	33 888.1
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 improvement to household quality of life.

Mandate

In terms of section 26 of the Constitution and section 3 of the Housing Act (1997), the Department of Human Settlements is mandated 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, norms and standards for the development of housing and human settlements; prescribes national housing delivery goals; oversees provincial and municipal performance outcomes against national targets; and 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 outcome

Indicator	Programme	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Number of fully subsidised houses delivered per year	Integrated Human Settlements Planning and Development	Outcome 10: Reduced poverty and improved livelihoods	28 351	33 892	35 011	41 275	28 776	29 452	27 766
Number of title deeds registered for new (post-2014) developments per year	Integrated Human Settlements Planning and Development		5 592	6 412	6 955	11 434	23 015	28 406	28 694
Number of informal settlements upgraded to phase 3 per year	Informal Settlements		14	21	20	152	51	51	82
Number of serviced sites delivered per year	Informal Settlements		42 046	25 322	21 952	49 666	36 141	37 350	25 976
Number of affordable rental units delivered per year	Rental and Social Housing		2 771	3 182	3 200	2 699	3 056	3 758	3 800
Number of community residential units delivered per year	Rental and Social Housing		767	490	210	675	649	523	545
Number of finance-linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Affordable Housing		6 253	5 811	6 761	5 797	10 230	11 151	11 186

Expenditure overview

Over the medium term, the department will focus on building integrated communities, increasing access to adequate housing and improving security of tenure, upgrading informal settlements, and providing temporary shelter for people affected by disasters such as fires and floods. Funding for these measures is provided mainly through the key grants: the *human settlements development grant*, the *urban settlements development grant*, the *informal settlements upgrading partnership grant* for municipalities and the *informal settlements upgrading partnership grant* for provinces.

An estimated 90 per cent of the department's budget of R101.2 billion over the MTEF period is allocated as transfers and subsidies to provinces and municipalities through these grants. Total expenditure is set to increase at an average annual rate of 0.2 per cent, from R33.7 billion in 2024/25 to R33.9 billion in 2027/2028. This marginal rate of increase is mainly driven by a decrease in transfers to the *informal settlements upgrading partnership grant* for provinces in the 2024 Budget. The department has adjusted some of its performance targets downwards in line with the projected low medium-term growth, while also considering the rising costs of delivering human settlements projects. An additional R15.9 million is allocated to the department over the medium term to make provision for the 2025 public sector wage agreement.

In addition to its core focus areas over the next 3 years, the department plans to operationalise the United Nations Habitat country office and programme to strengthen institutional capacity to deliver 5 programme mandates: adequate housing to transform informal settlements; integrated planning and climate resilience; safety and social inclusion; and urban finance. This intervention seeks to strengthen identified planning, intergovernmental coordination and delivery weaknesses in the sector across the 3 spheres of government. To fund the country office and programme, R60 million is allocated over the MTEF period in the *Affordable Housing* programme.

Developing integrated human settlements

In collaboration with provinces and municipalities, the department expects to deliver 85 994 fully subsidised houses over the period ahead. Provincial allocations to subsidise low-income housing through the *human settlements development grant* amount to R43.5 billion over the medium term, while allocations to fund associated bulk infrastructure projects in metropolitan municipalities through the *urban settlements development grant* over the same period amount to R28.4 billion. These initiatives are budgeted for in the *Integrated Human Settlements Planning and Development* programme, in which spending is expected to increase at an average annual rate of 2.9 per cent, from R22.8 billion in 2024/25 to R24.8 billion in 2027/28.

Upgrading informal settlements

The *informal settlements upgrading partnership grants* (with separate allocations for provinces and municipalities) were established to provide bulk infrastructure services and improve governance in response to rapid urban migration and an increase in the number of informal settlements across South Africa. Over the medium term, funds from grants will enable provinces and municipalities to provide a targeted 184 informal settlements with water, sewage disposal, stormwater disposal, solid waste removal, electricity and roads; and deliver a targeted 99 467 stands with supporting municipal bulk infrastructure services. Allocations to the *informal settlements upgrading partnership grant* for provinces amount to R4.7 billion, decreasing at an average annual rate of 33.1 per cent, from R3.3 billion in 2024/25 to R971.9 million in 2027/28 because of Cabinet-approved budget reductions announced in the 2024 Budget. Allocations to the municipal grant amount to R14.8 billion and increase at an average annual rate of 4.5 per cent, from R4.5 billion in 2024/25 to R5.2 billion in 2027/28. The grants are funded through the *Informal Settlements* programme, which is allocated an estimated R21.5 billion over the MTEF period.

Increasing access to housing and improving security of tenure

Affordable finance is a critical lever in enabling access to housing for those who are ineligible for fully subsidised housing but do not earn enough to qualify for home financing in the formal mortgage market. To help this

growing segment, the first home finance programme, formerly the finance-linked individual subsidy programme, aims to provide 32 567 subsidies over the period ahead to help first-time home buyers afford alternative housing finance options. To this end, R1.3 billion is allocated over the medium term in the *Affordable Housing* programme. Spending in the programme is expected to increase at an average annual rate of 4.3 per cent, from R537.4 million in 2024/25 to R610.4 million in 2027/28.

To provide rental and social housing options for low-income and middle-income households, the department plans to provide affordable financing for implementing agents to deliver 10 614 affordable rental units and 1 717 community residential units. This will be funded through the *Rental and Social Housing* programme, allocations to which increase at an average annual rate of 4.6 per cent, from R923.9 million in 2024/25 to R1.1 billion in 2027/28. The department will focus on accelerating the delivery of affordable, well-located rental and social housing over the MTEF period. It aims to do so by providing capital subsidies amounting to R2.5 billion over the medium term to accredited social housing institutions through the Social Housing Regulatory Authority's consolidated capital grant. These funds are transferred to the authority through the *Rental and Social Housing* programme. Ultimately, this is expected to increase the supply of rental units and lower the cost of occupation for tenants.

Providing emergency housing

Funds from the *emergency housing grant* are used during disasters to provide new building materials for destroyed homes, relocating and providing temporary emergency accommodation and repairing partially damaged formal houses. The grant was reclassified in 2023/24 from conditional grants to provinces and municipalities to the department's emergency housing unit, which administers the allocation in the *Informal Settlements* programme. The reclassification is intended to improve spending by enabling the department to implement housing emergency relief interventions directly and immediately in collaboration with provinces and municipalities. This will be made possible by allocations amounting to R1.6 billion in the *Informal Settlements* programme.

Expenditure trends and estimates

Table 33.2 Vote expenditure trends by programme and economic classification¹

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 (%)
	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
R million					2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Programme 1	416.7	482.5	463.5	538.4	8.9%	1.5%	532.9	559.6	585.4	2.8%	1.6%
Programme 2	21 179.7	21 971.6	21 291.7	22 796.4	2.5%	67.8%	23 855.9	24 630.1	24 808.9	2.9%	71.2%
Programme 3	7 972.7	8 914.7	8 013.5	8 884.2	3.7%	26.2%	8 126.3	6 530.6	6 825.0	-8.4%	22.5%
Programme 4	850.9	906.9	911.6	923.9	2.8%	2.8%	968.0	1 013.3	1 058.5	4.6%	2.9%
Programme 5	539.5	581.9	546.6	537.4	-0.1%	1.7%	559.7	584.1	610.4	4.3%	1.7%
Subtotal	30 959.5	32 857.5	31 226.9	33 680.4	2.8%	100.0%	34 042.8	33 317.7	33 888.1	0.2%	100.0%
Total	30 959.5	32 857.5	31 226.9	33 680.4	2.8%	100.0%	34 042.8	33 317.7	33 888.1	0.2%	100.0%
Change to 2024 Budget estimate				–			5.0	5.3	5.6		

Table 33.2 Vote expenditure trends by programme and economic classification¹ (continued)

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Current payments	679.0	707.4	837.0	1 125.4	18.3%	2.6%	1 178.1	1 233.4	1 285.6	4.5%	3.6%
Compensation of employees	359.3	370.8	389.8	433.3	6.4%	1.2%	456.3	477.2	498.8	4.8%	1.4%
Goods and services ¹	319.7	336.6	447.2	692.1	29.4%	1.4%	721.9	756.2	786.7	4.4%	2.2%
of which:					0.0%	0.0%				0.0%	0.0%
Computer services	46.8	50.8	55.6	77.6	18.4%	0.2%	80.8	84.5	88.4	4.4%	0.2%
Consultants: Business and advisory services	70.8	28.8	29.2	187.6	38.4%	0.2%	192.3	205.4	215.5	4.7%	0.6%
Operating leases	43.1	45.5	36.4	45.1	1.5%	0.1%	45.8	47.9	50.0	3.5%	0.1%
Property payments	12.0	14.3	12.2	68.7	79.1%	0.1%	79.3	82.2	83.1	6.5%	0.2%
Travel and subsistence	35.9	63.1	61.6	60.5	18.9%	0.2%	107.4	111.7	116.3	24.4%	0.3%
Venues and facilities	36.1	35.3	26.3	12.1	-30.5%	0.1%	14.1	14.9	15.6	8.8%	0.0%
Transfers and subsidies ¹	30 272.5	32 141.7	30 364.3	31 700.2	1.5%	96.7%	32 526.4	31 728.7	32 226.4	0.6%	95.0%
Provinces and municipalities	28 719.4	30 480.7	28 736.0	30 126.7	1.6%	91.7%	30 887.3	30 015.9	30 437.0	0.3%	90.0%
Departmental agencies and accounts	1 545.3	1 652.5	1 615.8	1 540.6	-0.1%	4.9%	1 608.5	1 681.9	1 757.9	4.5%	4.9%
Foreign governments and international organisations	2.2	4.1	3.9	23.3	120.7%	0.0%	24.5	24.7	24.9	2.3%	0.1%
Public corporations and private enterprises	–	–	–	–	0.0%	0.0%	–	–	–	0.0%	0.0%
Households	5.6	4.4	8.6	9.6	19.8%	0.0%	6.0	6.3	6.5	-12.1%	0.0%
Payments for capital assets	7.6	8.2	25.3	854.8	383.2%	0.7%	338.3	355.6	376.2	-23.9%	1.4%
Machinery and equipment	7.5	8.2	7.9	11.1	14.1%	0.0%	2.1	2.2	2.3	-40.9%	0.0%
Software and other intangible assets	0.1	–	–	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Payments for financial assets	0.5	0.2	0.3	–	-100.0%	0.0%	–	–	–	0.0%	0.0%
Total	30 959.5	32 857.5	31 226.9	33 680.4	2.8%	100.0%	34 042.8	33 317.7	33 888.1	0.2%	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

					Average growth rate (%)	Average: Expen- diture/ Total (%)				Average growth rate (%)	Average: Expen- diture/ Total (%)
Audited outcome				Adjusted appropriation			Medium-term expenditure estimate				
R thousand	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Households											
Social benefits											
Current	2 620	1 677	3 286	3 793	13.1%	–	–	–	–	-100.0%	–
Transfers to households	2 620	1 677	3 286	3 793	13.1%	–	–	–	–	-100.0%	–
Other transfers to households											
Current	2 974	2 725	5 345	5 820	25.1%	–	5 976	6 250	6 533	3.9%	–
Transfers to households	–	514	–	100	–	–	–	–	–	-100.0%	–
Bursaries for non-employees	2 974	2 211	5 345	5 720	24.4%	–	5 976	6 250	6 533	4.5%	–
Provinces and municipalities											
Provincial revenue funds											
Capital	17 302 732	18 802 938	17 080 689	16 906 419	-0.8%	56.3%	16 918 840	15 261 861	15 952 012	-1.9%	50.7%
Human settlements development grant	13 402 961	14 255 610	13 254 681	13 655 425	0.6%	43.8%	14 149 080	14 332 006	14 980 108	3.1%	44.6%
Provincial emergency housing grant	10 053	426 241	–	–	-100.0%	0.4%	–	–	–	–	–
Informal settlements upgrading partnership grant: Provinces	3 889 718	4 121 087	3 826 008	3 250 994	-5.8%	12.1%	2 769 760	929 855	971 904	-33.1%	6.2%
Municipal bank accounts											
Capital	11 416 629	11 677 797	11 655 358	13 220 318	5.0%	38.5%	13 967 439	14 752 875	14 483 825	3.1%	44.0%
Urban settlements development grant	7 404 711	7 352 273	7 596 178	8 705 124	5.5%	25.0%	9 249 964	9 819 273	9 327 122	2.3%	28.9%
Municipal emergency housing grant	66 471	52 888	–	–	-100.0%	0.1%	–	–	–	–	–
Informal settlements upgrading partnership grant: Municipalities	3 945 447	4 272 636	4 059 180	4 515 194	4.6%	13.5%	4 717 475	4 933 602	5 156 703	4.5%	15.1%

Table 33.3 Vote transfers and subsidies trends and estimates (continued)

	Audited outcome			Adjusted appropriation 2024/25	Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/ Total (%) 2021/22 - 2024/25	Medium-term expenditure estimate			Average growth rate (%) 2024/25 - 2027/28	Average: Expenditure/ Total (%) 2024/25 - 2027/28
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28		
R thousand											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	832 186	861 343	814 795	777 510	-2.2%	2.6%	811 823	848 827	887 212	4.5%	2.6%
Housing Development Agency	235 379	242 716	243 649	254 591	2.6%	0.8%	265 997	278 183	290 763	4.5%	0.9%
Community Schemes Ombud Service	24 022	24 817	—	—	-100.0%	—	—	—	—	—	—
Social Housing Regulatory Authority: Operations	70 248	72 738	73 073	76 355	2.8%	0.2%	79 776	83 431	87 204	4.5%	0.3%
Social Housing Regulatory Authority: Institutional investment grant	22 725	23 534	23 623	24 684	2.8%	0.1%	25 790	26 972	28 192	4.5%	0.1%
National Housing Finance Corporation: Finance-linked individual subsidy programme: Operations	18 824	19 510	19 585	20 465	2.8%	0.1%	21 382	22 362	23 373	4.5%	0.1%
National Housing Finance Corporation: Finance-linked individual subsidy programme	460 988	478 028	454 865	401 415	-4.5%	1.4%	418 878	437 879	457 680	4.5%	1.3%
Capital	713 146	791 144	800 958	763 051	2.3%	2.5%	796 716	833 027	870 697	4.5%	2.5%
Social Housing Regulatory Authority: Consolidated capital grant	713 146	791 144	800 958	763 051	2.3%	2.5%	796 716	833 027	870 697	4.5%	2.5%
Foreign governments and international organisations											
Current	2 168	4 120	3 877	23 305	120.7%	—	24 498	24 704	24 916	2.3%	0.1%
Habitat Foundation	1 448	3 192	3 090	22 333	148.9%	—	23 479	23 636	23 800	2.1%	0.1%
Cities Alliance	720	928	787	972	10.5%	—	1 019	1 068	1 116	4.7%	—
Total	30 272 455	32 141 744	30 364 308	31 700 216	1.5%	100.0%	32 525 292	31 727 544	32 225 195	0.5%	100.0%

Personnel information

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

Programmes																			
1. Administration																			
2. Integrated Human Settlements Planning and Development																			
3. Informal Settlements																			
4. Rental and Social Housing																			
5. Affordable Housing																			
Number of posts estimated for 31 March 2025			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											
		2023/24			2024/25			2025/26		2026/27		2027/28		2024/25 - 2027/28					
Human Settlements			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	528	37	614	389.8	0.6	622	433.3	0.7	616	456.3	0.7	621	477.2	0.8	618	498.8	0.8	-0.2%	100.0%
1 – 6	113	19	153	41.9	0.3	138	42.5	0.3	131	42.9	0.3	140	46.3	0.3	142	49.2	0.3	0.9%	22.2%
7 – 10	192	7	214	121.4	0.6	215	129.0	0.6	218	139.7	0.6	218	147.2	0.7	219	155.6	0.7	0.6%	35.1%
11 – 12	109	5	121	110.5	0.9	137	132.3	1.0	129	133.3	1.0	129	140.7	1.1	127	146.0	1.1	-2.4%	21.1%
13 – 16	75	6	90	108.3	1.2	94	121.1	1.3	98	131.4	1.3	94	133.6	1.4	92	138.1	1.5	-0.7%	15.3%
Other	39	–	36	7.8	0.2	39	8.5	0.2	39	9.0	0.2	39	9.5	0.2	39	10.0	0.3	0.0%	6.3%
Programme	528	37	614	389.8	0.6	622	433.3	0.7	616	456.3	0.7	621	477.2	0.8	618	498.8	0.8	-0.2%	100.0%
Programme 1	356	37	411	231.5	0.6	411	256.9	0.6	394	258.8	0.7	403	274.1	0.7	401	286.8	0.7	-0.9%	65.0%
Programme 2	70	–	87	65.2	0.7	89	71.8	0.8	89	75.6	0.9	89	80.1	0.9	91	84.8	0.9	0.7%	14.4%
Programme 3	37	–	43	36.0	0.8	45	37.6	0.8	52	49.7	1.0	50	50.1	1.0	50	51.6	1.0	3.4%	7.9%
Programme 4	10	–	10	8.8	0.9	11	12.5	1.1	16	16.4	1.0	16	17.4	1.1	15	16.7	1.1	10.5%	2.4%
Programme 5	55	–	63	48.3	0.8	66	54.5	0.8	64	55.8	0.9	62	55.5	0.9	62	58.8	0.9	-2.1%	10.3%

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 (%)
	2021/22	2022/23	2023/24					2025/26	2026/27	2027/28		
R thousand				2024/25		2021/22 - 2024/25					2024/25 - 2027/28	
Departmental receipts	1 065	1 842	1 859	1 646	1 646	15.6%	100.0%	423	438	454	-34.9%	100.0%
Sales of goods and services produced by department	202	211	215	222	222	3.2%	13.3%	238	241	245	3.3%	31.9%
Administrative fees	148	156	161	150	150	0.4%	9.6%	165	167	169	4.1%	22.0%
of which:												
Commission on insurance	148	156	161	150	150	0.4%	9.6%	165	167	169	4.1%	22.0%
Other sales	–	–	–	1	1	–	–	1	1	2	26.0%	0.2%
of which:												
Replacement of security cards	–	–	–	1	1	–	–	1	1	2	26.0%	0.2%
Interest, dividends and rent on land	30	210	842	140	140	67.1%	19.1%	160	170	180	8.7%	22.0%
Interest	30	210	842	140	140	67.1%	19.1%	160	170	180	8.7%	22.0%
Dividends	–	–	–	–	–	–	–	–	–	–	–	–
of which:												
List item	–	–	–	–	–	–	–	–	–	–	–	–
Sales of capital assets	–	633	–	–	–	–	9.9%	–	–	–	–	–
Transactions in financial assets and liabilities	830	784	781	1 234	1 234	14.1%	56.6%	–	–	–	-100.0%	41.7%
Total	1 065	1 842	1 859	1 646	1 646	15.6%	100.0%	423	438	454	-34.9%	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 (%)
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28		
R million				2024/25	2021/22 - 2024/25					2024/25 - 2027/28	
Ministry	55.9	65.2	57.8	62.4	3.7%	12.7%	60.9	63.0	65.8	1.8%	11.4%
Departmental Management	55.6	75.6	66.0	85.5	15.4%	14.9%	87.3	91.4	95.7	3.8%	16.2%
Corporate Services	197.5	233.7	238.2	262.6	10.0%	49.0%	250.1	263.3	276.4	1.7%	47.5%
Property Management	51.5	53.2	41.4	55.5	2.5%	10.6%	58.4	61.1	63.9	4.8%	10.8%
Financial Management	56.2	54.9	60.2	72.4	8.8%	12.8%	76.2	80.7	83.5	4.9%	14.1%
Total	416.7	482.5	463.5	538.4	8.9%	100.0%	532.9	559.6	585.4	2.8%	100.0%
Change to 2024				–			(5.2)	(2.8)	(2.3)		
Budget estimate											
Economic classification	408.9	474.4	455.0	528.4	8.9%	98.2%	531.6	558.1	583.9	3.4%	99.4%
Current payments	213.9	221.9	231.5	256.9	6.3%	48.6%	258.8	274.1	286.8	3.7%	48.6%
Compensation of employees	195.0	252.5	223.5	271.5	11.7%	49.6%	272.8	284.0	297.0	3.0%	50.8%
Goods and services	9.5	4.9	11.7	41.4	63.6%	3.5%	15.2	15.9	17.2	-25.4%	4.0%
of which:											
Advertising	26.5	35.1	30.0	42.8	17.4%	7.1%	43.9	45.9	47.9	3.8%	8.1%
Computer services	4.5	6.1	9.6	24.0	75.4%	2.3%	22.7	23.0	24.8	1.1%	4.3%
Consultants: Business and advisory services	43.1	45.0	35.9	43.4	0.3%	8.8%	45.0	47.1	49.2	4.2%	8.3%
Operating leases	12.0	14.3	12.2	18.7	16.1%	3.0%	19.3	20.2	21.1	4.0%	3.6%
Property payments	25.1	45.4	41.1	31.5	7.8%	7.5%	40.8	42.1	42.9	10.9%	7.1%
Travel and subsistence	0.0	0.0	–	–	-100.0%	–	–	–	–	–	–
Interest and rent on land	1.9	1.3	2.2	3.7	25.9%	0.5%	–	–	–	-100.0%	0.2%
Transfers and subsidies	1.9	1.3	2.2	3.7	25.9%	0.5%	–	–	–	-100.0%	0.2%
Households	1.9	1.3	2.2	3.7	25.9%	0.5%	–	–	–	-100.0%	0.2%

Table 33.6 Administration expenditure trends and estimates by subprogramme and economic classification (continued)

Economic classification					Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome				2025/26				2026/27	2027/28			
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2025/26	2026/27	2027/28	2024/25 - 2027/28			
Payments for capital assets	5.7	6.7	6.3	6.2	3.2%	1.3%	1.3	1.4	1.5	-37.4%	0.5%	
Machinery and equipment	5.6	6.7	6.3	6.2	3.8%	1.3%	1.3	1.4	1.5	-37.4%	0.5%	
Software and other intangible assets	0.1	–	–	–	-100.0%	–	–	–	–	–	–	
Payments for financial assets	0.3	0.1	0.1	–	-100.0%	–	–	–	–	–	–	
Total	416.7	482.5	463.5	538.4	8.9%	100.0%	532.9	559.6	585.4	2.8%	100.0%	
Proportion of total programme expenditure to vote expenditure	1.3%	1.5%	1.5%	1.6%	–	–	1.6%	1.7%	1.7%	–	–	
Details of transfers and subsidies												
Households												
Social benefits												
Current	1.9	0.8	2.2	3.6	24.8%	0.4%	–	–	–	-100.0%	0.2%	
Transfers to households	1.9	0.8	2.2	3.6	24.8%	0.4%	–	–	–	-100.0%	0.2%	
Other transfers to households												
Current	–	0.5	–	0.1	–	–	–	–	–	-100.0%	–	
Transfers to households	–	0.5	–	0.1	–	–	–	–	–	-100.0%	–	

Personnel information

Table 33.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2025			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									
			2023/24		2024/25		2025/26		2026/27		2027/28			2024/25 - 2027/28		
Administration			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	356	37	411	231.5	0.6	411	256.9	0.6	394	258.8	0.7	403	274.1	0.7		
1 – 6	104	19	139	37.7	0.3	124	38.1	0.3	117	38.2	0.3	126	43.7	0.3	0.6%	
7 – 10	117	7	130	75.5	0.6	126	77.8	0.6	126	82.9	0.7	126	92.4	0.7	–	
11 – 12	54	5	57	52.0	0.9	73	69.5	1.0	63	63.9	1.0	63	68.7	1.1	–5.8%	
13 – 16	42	6	49	58.6	1.2	50	63.1	1.3	49	64.8	1.3	49	72.1	1.5	–0.7%	
Other	39	–	36	7.8	0.2	39	8.5	0.2	39	9.0	0.2	39	10.0	0.3	–	
															9.7%	

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 on an ongoing basis by:
 - providing support to provinces and municipalities in the development of integrated implementation plans
 - facilitating intergovernmental forums and stakeholder partnerships.

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 (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Management for Integrated Human Settlements Planning and Development	1.7	0.9	3.0	4.1	34.4%	–	4.3	4.5	4.7	5.4%	–
Macro Sector Planning	11.6	12.6	17.0	19.5	19.0%	0.1%	20.2	21.3	22.5	4.9%	0.1%
Macro Policy and Research	39.3	35.1	48.7	55.6	12.3%	0.2%	55.1	58.1	61.2	3.2%	0.2%
Monitoring and Evaluation	44.7	37.4	49.2	66.3	14.0%	0.2%	72.9	76.6	80.5	6.7%	0.3%
Public Entity Oversight	259.4	267.5	243.6	254.6	-0.6%	1.2%	266.0	278.2	290.8	4.5%	1.1%
Grant Management	20 807.7	21 607.9	20 850.9	22 360.5	2.4%	98.2%	23 399.9	24 152.2	24 308.2	2.8%	98.1%
Capacity Building and Sector Support	15.4	10.0	79.3	35.9	32.5%	0.2%	37.5	39.2	41.0	4.5%	0.2%
Total	21 179.7	21 971.6	21 291.7	22 796.4	2.5%	100.0%	23 855.9	24 630.1	24 808.9	2.9%	100.0%
Change to 2024 Budget estimate				–			(0.3)	0.8	2.0		
Economic classification											
Current payments	111.4	95.1	196.1	179.1	17.2%	0.7%	189.8	199.5	209.6	5.4%	0.8%
Compensation of employees	57.7	57.4	65.2	71.8	7.5%	0.3%	75.6	80.1	84.8	5.7%	0.3%
Goods and services	53.6	37.7	130.9	107.4	26.0%	0.4%	114.2	119.4	124.8	5.2%	0.5%
of which:						–					–
Minor assets	0.0	0.0	0.0	0.8	395.0%	–	1.6	1.7	1.8	28.2%	–
Communication	1.4	1.7	1.6	1.7	5.5%	–	1.7	1.8	1.9	4.5%	–
Computer services	20.3	15.6	25.6	34.7	19.5%	0.1%	37.0	38.7	40.4	5.2%	0.2%
Consultants: Business and advisory services	17.1	7.4	14.7	51.9	44.7%	0.1%	54.7	57.2	59.7	4.8%	0.2%
Travel and subsistence	4.6	5.4	6.2	10.7	32.4%	–	12.0	12.6	13.1	7.0%	0.1%
Venues and facilities	5.2	2.8	0.6	1.8	-29.6%	–	1.9	2.0	2.1	4.6%	–
Transfers and subsidies	21 067.6	21 875.8	21 094.8	22 615.1	2.4%	99.3%	23 665.9	24 430.4	24 599.0	2.8%	99.2%
Provinces and municipalities	20 807.7	21 607.9	20 850.9	22 360.5	2.4%	98.2%	23 399.9	24 152.2	24 308.2	2.8%	98.1%
Departmental agencies and accounts	259.4	267.5	243.6	254.6	-0.6%	1.2%	266.0	278.2	290.8	4.5%	1.1%
Households	0.6	0.4	0.3	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.7	0.7	0.7	2.2	47.5%	–	0.2	0.3	0.3	-50.1%	–
Machinery and equipment	0.7	0.7	0.7	2.2	47.5%	–	0.2	0.3	0.3	-50.1%	–
Payments for financial assets	0.0	–	0.0	–	-100.0%	–	–	–	–	–	–
Total	21 179.7	21 971.6	21 291.7	22 796.4	2.5%	100.0%	23 855.9	24 630.1	24 808.9	2.9%	100.0%
Proportion of total programme expenditure to vote expenditure	68.4%	66.9%	68.2%	67.7%	–	–	70.1%	73.9%	73.2%	–	–

Table 33.8 Integrated Human Settlements Planning and Development 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											
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Households											
Social benefits											
Current	0.6	0.4	0.3	–	-100.0%	–	–	–	–	–	–
Transfers to households	0.6	0.4	0.3	–	-100.0%	–	–	–	–	–	–
Provinces and municipalities											
Provincial revenue funds											
Capital	13 403.0	14 255.6	13 254.7	13 655.4	0.6%	62.6%	14 149.9	14 332.9	14 981.1	3.1%	59.4%
Human settlements development grant	13 403.0	14 255.6	13 254.7	13 655.4	0.6%	62.6%	14 149.9	14 332.9	14 981.1	3.1%	59.4%
Municipal bank accounts											
Capital	7 404.7	7 352.3	7 596.2	8 705.1	5.5%	35.6%	9 250.0	9 819.3	9 327.1	2.3%	38.6%
Urban settlements development grant	7 404.7	7 352.3	7 596.2	8 705.1	5.5%	35.6%	9 250.0	9 819.3	9 327.1	2.3%	38.6%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	259.4	267.5	243.6	254.6	-0.6%	1.2%	266.0	278.2	290.8	4.5%	1.1%
Housing Development Agency	235.4	242.7	243.6	254.6	2.6%	1.1%	266.0	278.2	290.8	4.5%	1.1%
Community Schemes Ombud Service	24.0	24.8	–	–	-100.0%	0.1%	–	–	–	–	–

Personnel information

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

Number of posts estimated for 31 March 2025			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								
		2023/24			2024/25			2025/26		2026/27		2027/28		2024/25 - 2027/28		
Integrated Human Settlements Planning and Development			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	70	–	87	65.2	0.7	89	71.8	0.8	89	75.6	0.9	89	80.1	0.9	0.7%	100.0%
1 – 6	2	–	7	1.7	0.2	7	1.8	0.3	7	1.9	0.3	7	2.0	0.3	6.4%	8.2%
7 – 10	31	–	37	19.2	0.5	39	21.6	0.6	39	23.0	0.6	40	24.6	0.6	0.6%	44.0%
13 – 16	12	–	14	18.5	1.3	16	22.1	1.4	16	23.3	1.5	16	24.6	1.5	–	17.9%

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.
- Strengthen cooperation and collaboration among the 3 spheres of government, between government and civil society organisations, and between 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 (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Management for Informal Settlements	2.9	1.3	3.5	5.3	22.4%	–	5.5	5.8	6.1	5.0%	0.1%
Grant Management	7 930.4	8 894.6	7 993.9	8 813.0	3.6%	99.5%	8 049.4	6 450.0	6 740.9	-8.5%	99.0%
Capacity Building and Sector Support	39.4	18.7	16.1	66.0	18.8%	0.4%	71.4	74.8	78.0	5.7%	1.0%
Total	7 972.7	8 914.7	8 013.5	8 884.2	3.7%	100.0%	8 126.3	6 530.6	6 825.0	-8.4%	100.0%
Change to 2024 Budget estimate				–			7.4	6.7	6.1		
Economic classification											
Current payments	60.7	41.6	110.5	272.8	65.0%	1.4%	302.5	313.4	322.1	5.7%	4.0%
Compensation of employees	32.2	33.2	36.0	37.6	5.3%	0.4%	49.7	50.1	51.6	11.2%	0.6%
Goods and services	28.5	8.3	74.4	235.2	102.1%	1.0%	252.8	263.3	270.5	4.8%	3.4%
of which:											
Communication	0.5	0.6	0.7	1.4	38.9%	–	1.4	1.5	1.6	4.5%	–
Consultants: Business and advisory services	25.5	4.1	3.7	60.7	33.6%	0.3%	60.9	65.2	67.2	3.4%	0.8%
Inventory: Materials and supplies	–	–	59.4	80.0	–	0.4%	82.0	84.0	86.0	2.4%	1.1%
Consumables: Stationery, printing and office supplies	0.0	0.0	0.1	2.2	280.8%	–	2.3	2.4	2.5	5.4%	–
Property payments	–	–	–	50.0	–	0.1%	60.0	62.0	62.0	7.4%	0.8%
Travel and subsistence	0.8	2.7	6.0	6.4	97.9%	–	41.3	43.1	45.7	92.6%	0.4%
Transfers and subsidies	7 911.8	8 872.9	7 885.4	7 766.2	-0.6%	96.0%	7 487.4	5 863.7	6 128.8	-7.6%	89.7%
Provinces and municipalities	7 911.7	8 872.9	7 885.2	7 766.2	-0.6%	96.0%	7 487.4	5 863.7	6 128.8	-7.6%	89.7%
Households	0.1	–	0.2	0.1	-12.6%	–	–	–	–	-100.0%	–
Payments for capital assets	0.2	0.2	17.6	845.2	1571.4%	2.6%	336.4	353.6	374.1	-23.8%	6.3%
Buildings and other fixed structures	–	–	17.4	843.7	–	2.5%	336.3	353.4	373.9	-23.8%	6.3%
Machinery and equipment	0.2	0.2	0.2	1.5	100.8%	–	0.2	0.2	0.2	-51.6%	–
Payments for financial assets	–	–	0.0	–	–	–	–	–	–	–	–
Total	7 972.7	8 914.7	8 013.5	8 884.2	3.7%	100.0%	8 126.3	6 530.6	6 825.0	-8.4%	100.0%
Proportion of total programme expenditure to vote expenditure	25.8%	27.1%	25.7%	26.4%	–	–	23.9%	19.6%	20.1%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.1	–	0.2	0.1	-12.6%	–	–	–	–	-100.0%	–
Transfers to households	0.1	–	0.2	0.1	-12.6%	–	–	–	–	-100.0%	–
Provinces and municipalities											
Provincial revenue funds											
Capital	3 899.8	4 547.3	3 826.0	3 251.0	-5.9%	45.9%	2 770.0	930.1	972.1	-33.1%	26.1%
Provincial emergency housing grant	10.1	426.2	–	–	-100.0%	1.3%	–	–	–	–	–
Informal settlements upgrading partnership grant: Provinces	3 889.7	4 121.1	3 826.0	3 251.0	-5.8%	44.7%	2 770.0	930.1	972.1	-33.1%	26.1%
Municipal bank accounts											
Capital	4 011.9	4 325.5	4 059.2	4 515.2	4.0%	50.1%	4 717.5	4 933.6	5 156.7	4.5%	63.6%
Municipal emergency housing grant	66.5	52.9	–	–	-100.0%	0.4%	–	–	–	–	–
Informal settlements upgrading partnership grant: Municipalities	3 945.4	4 272.6	4 059.2	4 515.2	4.6%	49.7%	4 717.5	4 933.6	5 156.7	4.5%	63.6%

Personnel information

Table 33.11 Informal Settlements personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2025			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								
		2023/24			2024/25			2025/26		2026/27		2027/28		2024/25 - 2027/28		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Informal Settlements			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	37	–	43	36.0	0.8	45	37.6	0.8	52	49.7	1.0	50	50.1	1.0	3.4%	100.0%
7 – 10	18	–	19	12.0	0.6	21	14.0	0.7	21	14.9	0.7	21	15.7	0.7	–	43.7%
11 – 12	12	–	13	14.0	1.1	15	16.2	1.1	18	21.5	1.2	18	22.7	1.3	6.3%	35.1%
13 – 16	5	–	9	9.3	1.0	6	6.6	1.1	11	12.4	1.2	9	10.8	1.2	8.7%	17.2%

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 authority'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				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Management for Rental and Social Housing	3.4	3.2	3.1	4.5	9.3%	0.4%	4.8	5.1	5.3	6.0%	0.5%
Public Entity Oversight	806.1	887.4	897.7	864.1	2.3%	96.2%	902.3	943.4	986.1	4.5%	93.2%
Capacity Building and Sector Support	41.3	16.3	10.8	55.3	10.2%	3.4%	60.9	64.8	67.0	6.6%	6.3%
Total	850.9	906.9	911.6	923.9	2.8%	100.0%	968.0	1 013.3	1 058.5	4.6%	100.0%
Change to 2024 Budget estimate				–			(16.8)	(16.5)	(17.9)		
Economic classification											
Current payments	44.7	19.1	13.7	59.5	10.0%	3.8%	65.6	69.7	72.3	6.7%	6.7%
Compensation of employees	11.3	10.6	8.8	12.5	3.6%	1.2%	16.4	17.4	16.7	10.0%	1.6%
Goods and services	33.4	8.5	5.0	47.0	12.1%	2.6%	49.2	52.3	55.6	5.8%	5.1%
of which:						–					–
Communication	0.2	0.2	0.1	0.5	26.1%	–	0.5	0.5	0.5	3.4%	–
Consultants: Business and advisory services	23.3	6.5	–	40.4	20.1%	2.0%	42.4	45.3	48.2	6.0%	4.5%
Contractors	1.0	0.0	0.4	–	-100.0%	–	0.3	0.3	0.3	–	–
Consumables: Stationery, printing and office supplies	0.1	0.0	0.1	0.6	132.2%	–	0.7	0.8	0.8	9.0%	0.1%
Travel and subsistence	2.0	1.6	1.7	4.0	25.1%	0.3%	4.2	4.4	4.6	4.6%	0.4%
Venues and facilities	4.2	0.1	1.4	0.2	-61.0%	0.2%	0.3	0.4	0.4	14.7%	–
Transfers and subsidies	806.1	887.7	897.7	864.1	2.3%	96.2%	902.3	943.4	986.1	4.5%	93.2%
Departmental agencies and accounts	806.1	887.4	897.7	864.1	2.3%	96.2%	902.3	943.4	986.1	4.5%	93.2%
Households	–	0.3	–	–	–	–	–	–	–	–	–
Payments for capital assets	0.1	0.0	0.2	0.3	44.7%	–	0.1	0.1	0.1	-30.7%	–
Machinery and equipment	0.1	0.0	0.2	0.3	44.7%	–	0.1	0.1	0.1	-30.7%	–
Payments for financial assets	0.0	–	0.0	–	-100.0%	–	–	–	–	–	–
Total	850.9	906.9	911.6	923.9	2.8%	100.0%	968.0	1 013.3	1 058.5	4.6%	100.0%
Proportion of total programme expenditure to vote expenditure	2.7%	2.8%	2.9%	2.7%	–	–	2.8%	3.0%	3.1%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	–	0.3	–	–	–	–	–	–	–	–	–
Transfers to households	–	0.3	–	–	–	–	–	–	–	–	–
Other transfers to households											
Current	–	0.0	–	–	–	–	–	–	–	–	–
Transfers to households	–	0.0	–	–	–	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	93.0	96.3	96.7	101.0	2.8%	10.8%	105.6	110.4	115.4	4.5%	10.9%
Social Housing Regulatory Authority: Operations	70.2	72.7	73.1	76.4	2.8%	8.1%	79.8	83.4	87.2	4.5%	8.2%
Social Housing Regulatory Authority: Institutional investment grant	22.7	23.5	23.6	24.7	2.8%	2.6%	25.8	27.0	28.2	4.5%	2.7%
Capital	713.1	791.1	801.0	763.1	2.3%	85.4%	796.7	833.0	870.7	4.5%	82.3%
Social Housing Regulatory Authority: Consolidated capital grant	713.1	791.1	801.0	763.1	2.3%	85.4%	796.7	833.0	870.7	4.5%	82.3%

Personnel information

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

Number of posts estimated for 31 March 2025			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	Medium-term expenditure estimate																	
		Actual			Revised estimate			Medium-term expenditure estimate											
		2023/24			2024/25			2025/26			2026/27			2027/28			2024/25 - 2027/28		
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	10	–	10	8.8	0.9	11	12.5	1.1	16	16.4	1.0	16	17.4	1.1	15	16.7	1.1	10.5%	100.0%
7 – 10	4	–	4	2.4	0.6	3	1.8	0.6	7	4.2	0.6	7	4.5	0.6	7	4.7	0.7	32.5%	40.0%
11 – 12	2	–	3	2.4	0.8	2	1.7	0.8	3	2.7	0.9	3	2.8	0.9	3	3.0	1.0	14.5%	18.4%
13 – 16	4	–	3	4.0	1.3	6	9.1	1.4	6	9.6	1.5	6	10.1	1.6	5	9.0	1.6	-5.4%	41.6%

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, develop research and policies that respond to demand and 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 (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28		
R million				2024/25	2021/22 - 2024/25					2024/25 - 2027/28	
Management for Affordable Housing	2.8	4.7	2.7	4.4	16.4%	0.7%	4.6	4.9	5.2	5.5%	0.8%
Public Entity Oversight	489.6	508.6	486.5	439.2	-3.6%	87.2%	458.2	478.3	500.4	4.4%	81.9%
Capacity Building and Sector Support	47.2	68.6	57.4	93.9	25.8%	12.1%	96.8	100.9	104.8	3.8%	17.3%
Total	539.5	581.9	546.6	537.4	-0.1%	100.0%	559.7	584.1	610.4	4.3%	100.0%
Change to 2024 Budget estimate				–			19.9	17.1	17.7		
Economic classification											
Current payments	53.3	77.2	61.7	85.5	17.0%	12.6%	88.7	92.7	97.7	4.5%	15.9%
Compensation of employees	44.2	47.7	48.3	54.5	7.2%	8.8%	55.8	55.5	58.8	2.6%	9.8%
Goods and services	9.2	29.5	13.4	31.0	50.2%	3.8%	32.9	37.1	38.8	7.8%	6.1%
of which:						–					–
Administrative fees	0.0	1.5	0.6	1.6	229.6%	0.2%	1.2	1.3	1.3	-5.4%	0.2%
Catering: Departmental activities	0.4	3.7	0.4	0.7	17.4%	0.2%	1.6	1.7	1.8	37.0%	0.3%
Communication	1.2	1.3	1.2	1.6	8.4%	0.2%	1.5	1.6	1.7	2.7%	0.3%
Consultants: Business and advisory services	0.4	4.7	1.0	10.5	197.9%	0.8%	11.6	14.8	15.5	14.0%	2.3%
Travel and subsistence	3.4	8.0	6.7	7.9	33.0%	1.2%	9.1	9.5	10.0	8.0%	1.6%
Venues and facilities	1.5	6.8	2.1	3.2	29.1%	0.6%	3.6	3.8	3.9	7.4%	0.6%
Transfers and subsidies	485.0	504.1	484.2	451.0	-2.4%	87.3%	470.7	491.2	512.5	4.4%	84.0%
Departmental agencies and accounts	479.8	497.5	474.5	421.9	-4.2%	85.0%	440.3	460.2	481.1	4.5%	78.7%
Foreign governments and international organisations	2.2	4.1	3.9	23.3	120.7%	1.5%	24.5	24.7	24.9	2.3%	4.3%
Households	3.1	2.4	5.9	5.8	23.9%	0.8%	6.0	6.3	6.5	3.8%	1.1%
Payments for capital assets	0.9	0.5	0.5	0.9	-1.2%	0.1%	0.2	0.2	0.2	-37.8%	0.1%
Machinery and equipment	0.9	0.5	0.5	0.9	-1.2%	0.1%	0.2	0.2	0.2	-37.8%	0.1%
Payments for financial assets	0.2	0.0	0.1	–	-100.0%	–	–	–	–	–	–
Total	539.5	581.9	546.6	537.4	-0.1%	100.0%	559.7	584.1	610.4	4.3%	100.0%
Proportion of total programme expenditure to vote expenditure	1.7%	1.8%	1.8%	1.6%	–	–	1.6%	1.8%	1.8%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.1	0.2	0.6	0.1	7.0%	–	–	–	–	-100.0%	–
Transfers to households	0.1	0.2	0.6	0.1	7.0%	–	–	–	–	-100.0%	–
Other transfers to households											
Current	3.0	2.2	5.3	5.7	24.4%	0.7%	6.0	6.3	6.5	4.5%	1.1%
Bursaries for non-employees	3.0	2.2	5.3	5.7	24.4%	0.7%	6.0	6.3	6.5	4.5%	1.1%
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	479.8	497.5	474.5	421.9	-4.2%	85.0%	440.3	460.2	481.1	4.5%	78.7%
National Housing Finance Corporation: Finance-linked individual subsidy programme: Operations	18.8	19.5	19.6	20.5	2.8%	3.6%	21.4	22.4	23.4	4.5%	3.8%
National Housing Finance Corporation: Finance-linked individual subsidy programme	461.0	478.0	454.9	401.4	-4.5%	81.4%	418.9	437.9	457.7	4.5%	74.9%
Foreign governments and international organisations											
Current	2.2	4.1	3.9	23.3	120.7%	1.5%	24.5	24.7	24.9	2.3%	4.3%
Habitat Foundation	1.4	3.2	3.1	22.3	148.9%	1.4%	23.5	23.6	23.8	2.1%	4.1%
Cities Alliance	0.7	0.9	0.8	1.0	10.5%	0.2%	1.0	1.1	1.1	4.7%	0.2%

Personnel information

Table 33.15 Affordable Housing personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2025			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										
			2023/24			2024/25			2025/26		2026/27		2027/28		2024/25 - 2027/28				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Affordable Housing			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	55	–	63	48.3	0.8	66	54.5	0.8	64	55.8	0.9	62	55.5	0.9	62	58.8	0.9	-2.1%	100.0%
1 – 6	5	–	5	1.8	0.4	5	1.9	0.4	5	2.0	0.4	5	2.1	0.4	5	2.3	0.5	–	7.9%
7 – 10	22	–	24	12.4	0.5	25	13.8	0.6	25	14.7	0.6	24	14.9	0.6	24	15.9	0.7	-0.9%	38.7%
11 – 12	16	–	19	16.2	0.9	20	18.6	0.9	18	17.8	1.0	18	18.8	1.0	18	19.8	1.1	-2.6%	29.7%
13 – 16	12	–	15	17.9	1.2	16	20.2	1.3	16	21.3	1.3	14	19.8	1.4	14	20.9	1.5	-4.1%	23.7%

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 outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Percentage of community schemes registered per year	Regulation	Outcome 10: Reduced poverty and improved livelihoods	100% (925)	98% (1 213/1 232)	6.4% (2 570/40 000)	6.4%	100%	100%	100%
Percentage of governance documents received per year that have been assessed for quality assurance	Regulation		80% (1 444/1 806)	99% (1 752/1 773)	99.6% (1 330/1 335)	95%	95%	95%	95%
Percentage of disputes resolved per year through conciliation	Regulation		73% (1 783/2 436)	100% (3 762)	95.3% (3 027/3 177)	90%	90%	90%	90%
Percentage of disputes adjudicated within 90 days per year	Regulation		28% (741/2 642)	96.6% (5 861/6 069)	97.4% (4 326/4 442)	90%	90%	90%	90%
Percentage of registered community schemes compliant with legislative frameworks per year	Regulation		– ¹	60% (726/1 213)	69.2% (812/1 174)	70%	75%	80%	80%
Percentage of disputes assessed within 30 days per year	Regulation		– ¹	98.9% (10 748/10 869)	96.4% (13 481/13 972)	95%	95%	95%	95%
Percentage of disputes quality assured within 7 days per year	Regulation		– ¹	100% (6 008)	99.3% (4 738/4 769)	95%	95%	95%	95%
Number of training and education sessions conducted for scheme executives and owners per year	Education and training		73	103	125	90	95	100	100
Number of historically disadvantaged individuals trained as executive managing agents per year	Education and training		23	22	40	50	50	50	50

1. No historical data available.

Entity overview

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

Over the medium term, the ombud will seek to ensure that community schemes become a viable tenure option by improving their regulatory compliance. It plans to do this by focusing on strengthening its regulation function by registering community schemes; ensuring that high percentages of community schemes seeking services from it are compliant and quality assured; and providing dispute resolution and adjudication services. As part of the ombud's strategy to increase revenue, it plans to implement a revenue management strategy focused on data cleansing and benchmarking with the aim of reviewing its levy collection model. To contribute to reducing barriers to entry in the property market, the ombud plans to train 150 historically disadvantaged individuals to become scheme governance managing agents.

Expenditure is expected to increase at an average annual rate of 0.6 per cent, from R410.5 million in 2024/25 to R417.7 million in 2027/28. This low increase is due to the comparatively high average annual increase of 9.9 per cent in the regulation programme being offset by the decreases in spending of 3.7 per cent in the administration programme and 1.8 per cent in the education and training programme. The decrease in the education and training programme is due the ombud's training programmes with the Rental Housing Tribunal shifting from in-person to online, reducing the cost of training. The decrease in the administration programme over the MTEF period is due to the ombud having completed the payment of penalties on outstanding debt owed to the South African Revenue Services in 2024/25. The ombud expects to generate 95.8 per cent (R1.2 billion) of its revenue through the registration fees and levies it charges community schemes over the MTEF period. Revenue is set to increase at an average annual rate of 6.7 per cent, from R344.3 million in 2024/25 to R417.7 million in 2027/28.

Programmes/Objectives/Activities

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

					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Revised estimate			Medium-term expenditure estimate				
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Administration	97.4	361.8	382.4	287.6	43.5%	70.8%	236.8	246.0	257.0	-3.7%	63.8%
Regulation	54.0	78.3	120.5	116.6	29.3%	25.5%	140.3	148.1	154.8	9.9%	34.8%
Education and training	10.5	13.7	20.5	6.2	-16.1%	3.7%	5.4	5.6	5.9	-1.8%	1.4%
Total	161.9	453.7	523.3	410.5	36.4%	100.0%	382.5	399.8	417.7	0.6%	100.0%

Statements of financial performance, cash flow and financial position

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

Statement of financial performance						Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)	
	Audited outcome				Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28		
Revenue												
Non-tax revenue	268.8	352.0	425.5	344.3	8.6%	96.3%	382.5	399.8	417.7	6.7%	100.0%	
Sale of goods and services other than capital assets	262.8	333.7	398.3	328.2	7.7%	91.8%	367.2	383.9	401.2	6.9%	95.8%	
of which:												
Administrative fees	262.3	333.7	398.3	328.2	7.8%	91.8%	367.2	383.9	401.2	6.9%	95.8%	
Community scheme levy income	262.3	333.7	398.3	328.2	7.8%	91.8%	367.2	383.9	401.2	6.9%	95.8%	
Sales by market establishments	0.5	–	–	–	-100.0%	–	–	–	–	–	–	
Dispute resolution service income	0.5	–	–	–	-100.0%	–	–	–	–	–	–	
Other non-tax revenue	6.0	18.3	27.1	16.1	39.1%	4.5%	15.4	15.9	16.5	0.9%	4.2%	
Transfers received	24.0	24.8	0.2	–	-100.0%	3.7%	–	–	–	–	–	
Total revenue	292.8	376.8	425.7	344.3	5.5%	100.0%	382.5	399.8	417.7	6.7%	100.0%	
Expenses												
Current expenses	161.9	348.5	360.1	410.5	36.4%	86.4%	382.5	399.8	417.7	0.6%	100.0%	
Compensation of employees	97.9	129.7	161.8	197.1	26.3%	42.0%	224.1	234.3	244.9	7.5%	56.0%	
Goods and services	62.1	218.4	191.0	213.4	50.9%	43.7%	158.4	165.5	172.9	-6.8%	44.0%	
Depreciation	1.9	0.4	7.3	–	-100.0%	0.7%	–	–	–	–	–	
Transfers and subsidies	–	105.2	163.2	–	–	13.6%	–	–	–	–	–	
Total expenses	161.9	453.7	523.3	410.5	36.4%	100.0%	382.5	399.8	417.7	0.6%	100.0%	
Surplus/(Deficit)	131.0	(76.9)	(97.6)	(66.2)	-179.7%		–	–	–	-100.0%		

Table 33.18 Community Schemes Ombud Service statements of financial performance, cash flow and financial position (continued)

Cash flow statement						Average: Expenditure/ Total (%)				Average: Expenditure/ Total (%)	
	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Cash flow from operating activities	140.0	71.8	(19.1)	(54.0)	-172.8%	100.0%	5.6	3.9	4.1	-142.4%	100.0%
Receipts											
Non-tax receipts	255.9	279.7	327.2	343.7	10.3%	95.8%	381.8	399.1	417.0	6.7%	100.0%
Sales of goods and services other than capital assets of which:	250.3	263.5	305.9	328.8	9.5%	91.3%	367.8	384.5	401.9	6.9%	96.2%
Administrative fees	249.8	263.5	305.9	328.8	9.6%	91.2%	367.8	384.5	401.9	6.9%	96.2%
Community scheme levy income	249.7	263.4	305.2	328.5	9.6%	91.1%	367.5	384.2	401.5	6.9%	96.1%
Other income	0.1	0.2	0.6	—	-100.0%	0.1%	0.3	0.3	0.3	—	0.1%
Sales by market establishment	0.5	0.0	—	—	-100.0%	—	—	—	—	—	—
Dispute resolution service income	0.5	0.0	—	—	-100.0%	—	—	—	—	—	—
Other tax receipts	5.6	16.2	21.4	14.9	38.4%	4.5%	14.1	14.6	15.1	0.5%	3.8%
Transfers received	24.0	24.8	—	—	-100.0%	4.2%	—	—	—	—	—
Total receipts	279.9	304.5	327.2	343.7	7.1%	100.0%	381.8	399.1	417.0	6.7%	100.0%
Payment											
Current payments	139.9	232.8	346.3	397.7	41.6%	100.0%	376.2	395.1	412.9	1.3%	100.0%
Compensation of employees	98.7	130.9	160.0	197.1	25.9%	55.6%	224.1	234.3	244.9	7.5%	56.9%
Goods and services	41.2	101.8	186.0	200.6	69.5%	44.3%	152.2	160.9	168.0	-5.7%	43.1%
Interest and rent on land	0.0	0.0	0.3	—	-100.0%	—	—	—	—	—	—
Total payments	139.9	232.8	346.3	397.7	41.6%	100.0%	376.2	395.1	412.9	1.3%	100.0%
Net cash flow from investing activities	(20.3)	(14.8)	(20.4)	(14.2)	-11.1%	100.0%	(16.4)	(19.1)	(21.1)	14.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(5.1)	(4.0)	(14.3)	(5.3)	1.6%	39.9%	(8.0)	(7.8)	(8.1)	15.2%	41.3%
Acquisition of software and other intangible assets	(15.5)	(10.8)	(5.9)	(8.9)	-17.0%	60.3%	(8.4)	(11.3)	(13.0)	13.4%	58.7%
Proceeds from the sale of property, plant, equipment and intangible assets	—	0.0	0.1	—	—	-0.1%	—	—	—	—	—
Other flows from investing activities	0.4	(0.1)	(0.3)	—	-100.0%	-0.1%	—	—	—	—	—
Net cash flow from financing activities	—	(105.2)	—	(103.8)	—	—	—	—	—	-100.0%	—
Other flows from financing activities	—	(105.2)	—	(103.8)	—	—	—	—	—	-100.0%	—
Net increase/(decrease) in cash and cash equivalents	119.8	(48.2)	(39.5)	(172.1)	-212.8%	3.5%	(10.8)	(15.2)	(17.0)	-53.8%	100.0%
Statement of financial position											
Carrying value of assets of which:	25.3	35.6	48.2	50.9	26.2%	8.6%	53.2	55.7	58.2	4.6%	14.3%
Acquisition of assets	(5.1)	(4.0)	(14.3)	(5.3)	1.6%	100.0%	(8.0)	(7.8)	(8.1)	15.2%	100.0%
Receivables and prepayments	101.1	138.1	291.7	228.8	31.3%	39.9%	246.7	266.1	287.0	7.9%	67.3%
Cash and cash equivalents	357.8	309.6	270.1	86.3	-37.7%	51.5%	79.9	68.8	43.8	-20.2%	18.4%
Total assets	484.2	483.4	610.0	366.0	-8.9%	100.0%	379.9	390.6	389.0	2.1%	100.0%
Accumulated surplus/(deficit)	345.6	268.5	170.9	172.5	-20.7%	50.5%	201.6	225.7	236.1	11.0%	54.7%
Finance lease	—	42.3	65.4	—	—	4.9%	—	—	—	—	—
Trade and other payables	23.6	15.7	127.5	25.0	1.8%	9.0%	26.1	27.3	28.5	4.6%	7.0%
Provisions	—	2.6	62.7	3.3	—	2.9%	3.6	3.7	3.9	5.9%	0.9%
Derivatives financial instruments	115.0	154.2	183.5	165.2	12.8%	32.7%	148.7	133.8	120.4	-10.0%	37.4%
Total equity and liabilities	484.2	483.4	610.0	366.0	-8.9%	100.0%	379.9	390.6	389.0	2.1%	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 2025			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 approved establishment posts	Number of posts on establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2023/24			2024/25			2025/26			2026/27			2027/28				
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	280	280	280	161.8	0.6	301	197.1	0.7	280	224.1	0.8	280	234.3	0.8	280	244.9	0.9	-2.4%	
1 – 6	39	39	39	0.8	0.0	60	5.6	0.1	39	5.1	0.1	39	5.4	0.1	39	5.6	0.1	-13.4%	
7 – 10	158	158	158	77.1	0.5	158	90.1	0.6	158	103.0	0.7	158	107.7	0.7	158	112.6	0.7	–	
11 – 12	57	57	57	46.9	0.8	57	58.1	1.0	57	66.5	1.2	57	69.5	1.2	57	72.6	1.3	–	
13 – 16	22	22	22	26.1	1.2	22	33.3	1.5	22	38.1	1.7	22	39.8	1.8	22	41.6	1.9	–	
17 – 22	4	4	4	10.8	2.7	4	9.9	2.5	4	11.4	2.8	4	11.9	3.0	4	12.4	3.1	–	

1. Rand million.

Housing Development Agency

Selected performance indicators

Table 33.20 Housing Development Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Number of informal settlements provided with support for upgrading to phase 3 per year	Development management operation	Outcome 10: Reduced poverty and improved livelihoods	204	200	237	46	47	48	46
Number of hectares of well-located land released for human settlements development per year	Built environment and operations		3 243	1 659	1 617	1 000	1 000	1 000	1 000

Entity overview

The Housing Development Agency was established in terms of the Housing Development Agency Act (2008). It is mandated to identify, hold, develop and release land for the development of integrated human settlements. The agency provides provinces and municipalities with project management, and technical and land geospatial services.

Over the medium term, the agency plans to develop 3 000 hectares of well-located land for human settlements projects and provide planning, management and technical support for the upgrading of 141 informal settlements to ensure secure tenure and access to basic services. Spending on these projects is within the built environment and operations and the development management operations programmes, which together represent 67.7 per cent (R1.3 billion) of the agency's total estimated expenditure over the MTEF period.

As the agency requires professional and highly skilled staff, compensation of employees accounts for an estimated 47.4 per cent (R871.7 million) of total spending over the period ahead. To manage increased spending on compensation of employees, the agency plans to keep its number of personnel at 266 over the MTEF period.

Total expenditure is expected to increase at an average annual rate of 9.9 per cent, from R504 million in 2024/25 to R668.4 million in 2027/28, due to projected increases in the procurement of land parcels. The agency expects to derive 45.2 per cent (R835 million) of its revenue over the MTEF period through transfers from the department. The remainder is expected to be generated by programme management fees that provinces pay from their respective *human settlements development grant* allocations. 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 (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2021/22	2022/23	2023/24		2021/22 - 2024/25	2024/25	2025/26	2026/27	2027/28		
Administration	106.3	125.1	202.3	161.0	14.9%	34.3%	159.8	167.1	174.8	2.8%	27.6%
Strategic support	37.9	15.6	30.5	25.2	-12.7%	6.5%	28.2	29.5	30.8	6.9%	4.7%
Development management operations	26.9	28.7	32.1	38.2	12.3%	7.3%	43.9	45.9	47.9	7.9%	7.3%
Built environment and operations	198.8	210.7	199.2	279.6	12.0%	51.9%	380.0	397.1	414.9	14.1%	60.4%
Total	369.9	380.1	464.1	504.0	10.9%	100.0%	611.8	639.5	668.4	9.9%	100.0%

Statements of financial performance, cash flow and financial position

Table 33.22 Housing Development Agency statements of financial performance

Statement of financial performance

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2021/22	2022/23	2023/24		2021/22 - 2024/25	2024/25	2025/26	2026/27	2027/28		
Revenue											
Non-tax revenue	155.7	237.7	220.7	249.4	17.0%	46.6%	345.8	361.3	377.7	14.8%	54.8%
Sale of goods and services other than capital assets	146.9	220.8	186.7	238.2	17.5%	42.8%	339.8	355.1	371.1	15.9%	53.5%
of which:											
Administrative fees	37.8	54.9	54.9	40.5	2.4%	10.2%	38.9	40.7	42.5	1.6%	6.8%
Management fees	37.8	54.9	54.9	40.5	2.4%	10.2%	38.9	40.7	42.5	1.6%	6.8%
Sales by market establishments	109.1	165.9	131.8	197.7	21.9%	32.5%	300.9	314.4	328.6	18.5%	46.7%
Provincial projects	109.1	165.9	131.8	197.7	21.9%	32.5%	300.9	314.4	328.6	18.5%	46.7%
Other non-tax revenue	8.8	16.8	34.0	11.2	8.2%	3.8%	6.0	6.3	6.6	-16.3%	1.3%
Transfers received	235.4	242.7	243.6	254.6	2.6%	53.4%	266.0	278.2	290.8	4.5%	45.2%
Total revenue	391.1	480.4	464.4	504.0	8.8%	100.0%	611.8	639.5	668.4	9.9%	100.0%
Expenses											
Current expenses	369.9	380.1	464.1	504.0	10.9%	100.0%	611.8	639.5	668.4	9.9%	100.0%
Compensation of employees	172.4	172.9	188.6	269.9	16.1%	46.6%	277.9	290.3	303.5	4.0%	47.4%
Goods and services	194.7	200.8	257.2	233.2	6.2%	51.8%	333.2	348.4	364.1	16.0%	52.4%
Depreciation	2.8	6.4	18.3	0.9	-31.6%	1.6%	0.8	0.8	0.8	-2.8%	0.1%
Total expenses	369.9	380.1	464.1	504.0	10.9%	100.0%	611.8	639.5	668.4	9.9%	100.0%
Surplus/(Deficit)	21.2	100.3	-	-	-100.0%		-	-	-	-	

Personnel information

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

Number of posts estimated for 31 March 2025			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 approved establishment posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate							2024/25 - 2027/28						
			2023/24			2024/25			2025/26		2026/27		2027/28									
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost				
Housing Development Agency			269	274		215	188.6	0.9	269	269.9	1.0	266	277.9	1.0	266	290.3	1.1	266	303.5	1.1	-0.4%	100.0%
Salary level	269	274	215	188.6	0.9	269	269.9	1.0	266	277.9	1.0	266	290.3	1.1	266	303.5	1.1	-0.4%	100.0%			
1 – 6	5	5	4	0.7	0.2	5	1.0	0.2	5	1.3	0.3	5	1.4	0.3	5	1.4	0.3	-		1.9%		
7 – 10	116	117	95	47.4	0.5	113	61.9	0.5	114	70.3	0.6	114	73.3	0.6	114	76.7	0.7	0.3%		42.6%		
11 – 12	50	50	38	39.8	1.0	50	49.6	1.0	47	51.3	1.1	47	53.6	1.1	47	56.0	1.2	-2.0%		17.9%		
13 – 16	94	98	76	89.5	1.2	97	145.0	1.5	96	141.6	1.5	96	148.0	1.5	96	154.7	1.6	-0.3%		36.1%		
17 – 22	4	4	2	11.2	5.6	4	12.4	3.1	4	13.4	3.3	4	14.0	3.5	4	14.6	3.7	-		1.5%		

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 outcome

Indicator	Programme/Objective/ Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Number of new home builders registered per year	Regulation	Outcome 10: Reduced poverty and improved livelihoods	3 595	3 535	3 690	3 502	3 600	3 900	4 095
Number of home builders' registrations renewed per year	Regulation		14 395	14 080	14 265	15 950	14 000	14 880	15 624
Percentage of home enrolment applications approved in the subsidy sector per year	Regulation		— ¹	100% (29 247)	100% (49 521)	100%	100%	100%	100%
Percentage of home enrolment applications approved in the non-subsidy sector per year	Regulation		— ¹	100% (49 833)	100% (37 977)	100%	100%	100%	100%
Number of home builders trained per year	Regulation		2 664	2 045	2 369	2 500	2 600	2 730	2 870
Number of home inspectors trained per year	Regulation		801	933	859	800	800	840	885
Number of inspections in the subsidy sector per year	Protection		23 631	19 369	25 990	26 000	24 000	26 250	27 562
Number of inspections in the non-subsidy sector per year	Protection		28 079	32 404	32 404	25 200	27 000	28 350	29 767

1. No historical data available.

Entity overview

The National Home Builders Registration Council is a regulatory body in the home building industry established in terms of the Housing Consumers Protection Measures Act (1998). It is mandated to protect the interests of housing consumers by providing warranty protection against structural defects in newly built homes. The council is also responsible for the establishment and enforcement of technical building standards in the home building industry.

Over the medium term, the council will focus on strengthening its regulatory function by registering a targeted 11 595 new home builders and renewing the registration status of 44 504 home builders. To enforce compliance with technical building standards, the council plans to conduct 77 812 inspections on registered homes in the subsidy sector and 85 117 inspections on registered homes in the non-subsidy sector.

Due to the labour-intensive nature of the council's work, compensation of employees accounts for an estimated 63.8 per cent (R1.9 billion) of total expenditure over the MTEF period. This spending is expected to increase at an average annual rate of 1 per cent, from R617.5 million in 2024/25 to R636.6 million in 2027/28. To contain expenditure on compensation of employees, the council will maintain its wage bill at R636 million in each year over the medium term, either by reducing the number of employees or not filling vacant posts. Overall, expenditure is expected to increase at an average annual rate of 1.7 per cent, from R960.3 million in 2024/25 to R1 billion in 2027/28.

The council generates revenue by charging fees for home enrolment, registrations and renewals, and for technical services, as well as through interest and dividends earned on the warranty fund. Revenue is expected to increase at an average annual rate of 2.8 per cent, from R1.5 billion in 2024/25 to R1.6 billion in 2027/28.

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 2024/25	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2021/22	2022/23	2023/24		2021/22 - 2024/25	Average: Expenditure/ Total (%)	2025/26	2026/27	2027/28	2024/25 - 2027/28	Average: Expenditure/ Total (%)
Administration	603.5	973.0	1 197.5	353.1	-16.4%	55.4%	363.6	369.0	374.7	2.0%	36.9%
Regulation	295.3	374.1	324.7	337.4	4.5%	26.1%	347.5	349.2	350.9	1.3%	35.0%
Protection	190.4	235.2	240.4	269.9	12.3%	18.5%	278.0	281.3	284.8	1.8%	28.1%
Total	1 089.2	1 582.3	1 762.6	960.3	-4.1%	100.0%	989.1	999.5	1 010.4	1.7%	100.0%

Statements of financial performance, cash flow and financial position

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

Statement of financial performance											
R million	Audited outcome			Revised estimate 2024/25	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2021/22	2022/23	2023/24		2021/22 - 2024/25	Average: Expenditure/ Total (%)	2025/26	2026/27	2027/28	2024/25 - 2027/28	Average: Expenditure/ Total (%)
Revenue											
Non-tax revenue	2 373.3	1 978.6	2 211.9	1 506.8	-14.1%	100.0%	1 546.3	1 587.1	1 639.0	2.8%	100.0%
Sale of goods and services other than capital assets	1 454.7	751.4	804.2	930.8	-13.8%	49.4%	953.1	976.0	999.5	2.4%	61.5%
of which:											
Sales by market establishments	1 418.2	727.7	787.5	927.3	-13.2%	48.4%	949.5	972.3	995.7	2.4%	61.2%
Insurance premium revenue	1 354.0	644.6	638.0	809.3	-15.8%	43.0%	823.6	844.1	865.2	2.3%	53.2%
Fee revenue	59.2	73.0	97.7	59.2	—	3.6%	65.3	65.8	66.2	3.8%	4.1%
Technical services revenue	5.0	10.1	51.8	58.8	127.5%	1.7%	60.6	62.4	64.3	3.0%	3.9%
Other sales	36.5	23.7	16.7	3.5	-54.2%	0.9%	3.6	3.7	3.8	2.8%	0.2%
Other non-tax revenue	918.6	1 227.2	1 407.7	576.0	-14.4%	50.6%	593.3	611.1	639.4	3.5%	38.5%
Total revenue	2 373.3	1 978.6	2 211.9	1 506.8	-14.1%	100.0%	1 546.3	1 587.1	1 639.0	2.8%	100.0%
Expenses											
Current expenses	1 089.2	1 582.3	1 762.6	960.3	-4.1%	100.0%	989.1	999.5	1 010.4	1.7%	100.0%
Compensation of employees	556.9	581.1	595.6	617.5	3.5%	46.5%	636.0	636.0	636.0	1.0%	63.8%
Goods and services	510.1	978.1	1 164.9	326.6	-13.8%	52.2%	336.4	346.4	356.8	3.0%	34.5%
Depreciation	22.2	23.2	2.1	16.2	-10.1%	1.3%	16.7	17.2	17.7	3.0%	1.7%
Interest, dividends and rent on land	—	0.0	—	—	—	—	—	—	—	—	—
Total expenses	1 089.2	1 582.3	1 762.6	960.3	-4.1%	100.0%	989.1	999.5	1 010.4	1.7%	100.0%
Surplus/(Deficit)	1 284.1	396.2	449.2	546.5	-24.8%		557.2	587.5	628.5	4.8%	
Cash flow statement											
Cash flow from operating activities	132.0	(0.2)	(95.2)	78.5	-15.9%	100.0%	74.0	89.8	119.4	15.0%	100.0%
Receipts											
Non-tax receipts	857.2	876.7	778.9	965.8	4.1%	100.0%	989.1	1 013.1	1 037.8	2.4%	100.0%
Sales of goods and services other than capital assets	829.6	833.7	733.0	930.8	3.9%	95.6%	953.1	976.0	999.6	2.4%	96.3%
of which:											
Sales by market establishment	820.7	810.0	718.9	927.3	4.2%	94.1%	949.5	972.3	995.7	2.4%	96.0%
Insurance premium revenue	756.5	726.9	599.4	809.3	2.3%	83.0%	823.6	844.1	865.2	2.3%	83.4%
Fee revenue	59.2	73.0	97.7	59.2	—	8.5%	65.3	65.8	66.2	3.8%	6.4%
Technical services revenue	5.0	10.1	21.8	58.8	127.5%	2.7%	60.6	62.4	64.3	3.0%	6.1%
Other sales	8.9	23.7	14.1	3.5	-26.6%	1.5%	3.6	3.7	3.8	3.0%	0.4%
Other tax receipts	27.7	43.0	45.9	35.0	8.2%	4.4%	36.1	37.1	38.2	3.0%	3.7%
Total receipts	857.2	876.7	778.9	965.8	4.1%	100.0%	989.1	1 013.1	1 037.8	2.4%	100.0%
Payment											
Current payments	715.9	855.8	861.4	887.3	7.4%	98.7%	915.1	923.3	918.4	1.2%	100.0%
Compensation of employees	556.9	581.1	595.6	617.5	3.5%	70.2%	636.0	636.0	636.0	1.0%	69.3%
Goods and services	159.1	274.8	265.8	269.8	19.3%	28.5%	279.1	287.3	282.4	1.5%	30.7%
Payments for financial assets	9.2	21.1	12.6	—	-100.0%	1.3%	—	—	—	—	—
Total payments	725.2	876.9	874.0	887.3	7.0%	100.0%	915.1	923.3	918.4	1.2%	100.0%
Net cash flow from investing activities	(9.7)	(47.7)	(123.7)	36.9	-256.0%	100.0%	60.8	59.7	62.7	19.4%	100.0%
Acquisition of property, plant, equipment and intangible assets	(1.8)	(13.6)	(7.5)	(24.2)	139.9%	-3.3%	(2.0)	(5.0)	(4.0)	-45.1%	-20.9%
Acquisition of software and other intangible assets	(5.4)	(0.1)	—	—	-100.0%	13.8%	—	—	—	—	—
Other flows from investing activities	(2.6)	(34.1)	(116.2)	61.0	-386.1%	89.4%	62.8	64.7	66.7	3.0%	120.9%
Net increase/(decrease) in cash and cash equivalents	122.3	(48.0)	(218.9)	115.3	-1.9%	1.9%	134.8	149.5	182.1	16.4%	100.0%

Table 33.26 National Home Builders Registration Council statements of financial performance, cash flow and financial position (continued)

Statement of financial position					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Revised estimate			Medium-term expenditure estimate				
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Carrying value of assets	113.2	103.4	114.2	138.6	7.0%	1.2%	191.0	169.5	164.4	5.9%	1.5%
of which:											
Acquisition of assets	(1.8)	(13.6)	(7.5)	(24.2)	139.9%	100.0%	(2.0)	(5.0)	(4.0)	-45.1%	100.0%
Investments	8 319.0	8 797.6	9 458.5	9 760.1	5.5%	92.8%	10 440.1	10 753.3	11 075.9	4.3%	95.7%
Inventory	7.8	6.6	5.0	3.8	-21.4%	0.1%	2.3	2.4	2.0	-19.3%	–
Receivables and prepayments	36.5	45.8	84.2	27.7	-8.8%	0.5%	25.2	25.9	20.0	-10.3%	0.2%
Cash and cash equivalents	675.3	627.3	408.4	394.1	-16.4%	5.4%	273.5	199.7	250.0	-14.1%	2.6%
Total assets	9 151.9	9 580.6	10 070.3	10 324.2	4.1%	100.0%	10 932.1	11 150.9	11 512.4	3.7%	100.0%
Accumulated surplus/(deficit)	7 913.0	8 309.2	8 759.0	8 957.8	4.2%	86.7%	9 305.8	9 796.4	10 125.1	4.2%	86.9%
Capital and reserves	3.7	3.7	3.1	29.7	100.9%	0.1%	26.9	27.7	20.7	-11.3%	0.2%
Trade and other payables	188.5	122.5	133.3	92.5	-21.1%	1.4%	92.5	95.3	98.1	2.0%	0.9%
Provisions	992.4	1 099.3	1 128.3	1 203.4	6.6%	11.3%	1 469.9	1 193.4	1 229.2	0.7%	11.6%
Derivatives financial instruments	54.3	45.9	46.6	40.8	-9.1%	0.5%	37.1	38.2	39.3	-1.2%	0.4%
Total equity and liabilities	9 151.9	9 580.6	10 070.3	10 324.2	4.1%	100.0%	10 932.1	11 150.9	11 512.4	3.7%	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 2025			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											
		2023/24			2024/25			2025/26		2026/27		2027/28		2024/25 - 2027/28					
National Home Builders Registration Council			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	612	612	612	595.6	1.0	612	617.5	1.0	612	636.0	1.0	612	636.0	1.0	612	636.0	1.0		
1 – 6	20	20	20	4.5	0.2	20	4.6	0.2	20	4.8	0.2	20	4.8	0.2	20	4.8	0.2	–	3.3%
7 – 10	311	311	311	225.3	0.7	311	233.6	0.8	311	240.6	0.8	311	240.6	0.8	311	240.6	0.8	–	50.8%
11 – 12	86	86	86	80.1	0.9	86	83.0	1.0	86	85.5	1.0	86	85.5	1.0	86	85.5	1.0	–	14.1%
13 – 16	193	193	193	278.7	1.4	193	288.9	1.5	193	297.6	1.5	193	297.6	1.5	193	297.6	1.5	–	31.5%
17 – 22	2	2	2	7.1	3.5	2	7.3	3.7	2	7.5	3.8	2	7.5	3.8	2	7.5	3.8	–	0.3%

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 outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Value of approvals per year	Subsidy housing	Outcome 10: Reduced poverty and improved livelihoods	R114m	R29m	R89m	R52m	R85m	R126m	R132m
Value of social housing approvals per year	Social and rental housing finance		R216m	R74m	R91m	R45m	R74m	R222m	R443m
Value of private rental approvals per year	Social and rental housing finance		R173m	R206m	R65m	R202m	R159m	R263m	R315m
Value of finance-linked individual subsidy programme approvals per year	Grant facilitation: Finance-linked individual subsidy programme		R166m	R286m	R415m	R932.1	R418.9m	R437.9m	R457.7m
Number of subsidy applications approved per year	Grant facilitation: Finance-linked individual subsidy programme		2 935	4 283	4 391	8 104	3 222	3 368	3 521
Number of subsidies disbursed per year	Grant facilitation: Finance-linked individual subsidy programme		3 268	4 107	4 623	5 547	2 578	2 695	2 816
Amount leveraged from financial institutions per year	Grant facilitation: Finance-linked individual subsidy programme		R1.5bn	R2.3bn	R1.9bn	R1.6bn	R837.8m	R875.8m	R915.4m

Entity overview

The National Housing Finance Corporation was established as a development finance institution in 1996 and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). Its primary mandate is to provide access to affordable housing finance for low- to middle-income households by leveraging private sector funding to finance housing developments and create affordable housing stock. The corporation also administers the former finance-linked individual subsidy programme (first home finance programme) with provincial departments of human settlements.

Over the MTEF period, the corporation plans to extend partnerships with financial institutions and non-traditional lenders to create differentiated loan products to expand the reach of affordable housing finance to different segments within the affordable rental market. As the corporation leverages more funds from the private sector, it expects to increase its loan book from R4.2 billion in 2024/25 to R10 billion in 2027/28.

The corporation will continue to focus on increasing access to affordable housing finance to intermediaries over the medium term by lending to these emerging developers. These include social housing institutions, retail financial intermediaries that provide microloans for home improvements, and developers and emerging contractors who invest in affordable rental housing stock. This spending accounts for an estimated 10.2 per cent (R483.3 million) of the corporation's budget over the medium term.

To further increase access to affordable housing finance, the department has revised the first home finance policy to extend to non-mortgage housing products such as unsecured loans through retail intermediaries, loans from community-based schemes, rent-to-buy options, and the augmentation of personal savings to purchase non-bonded homes. These financing instruments are funded through the corporation's affordable housing finance programme, which accounts for an estimated 21.8 per cent (R1 billion) of total expenditure over the MTEF period.

The corporation expects to disburse 33 846 first home finance subsidies to first-time home buyers over the MTEF period. The first home finance programme is funded through the grant facilitation: finance-linked individual subsidy programme, which accounts for an estimated 34.1 per cent (R1.4 billion) of expenditure over the MTEF period. Total expenditure is expected to increase at an average annual rate of 16.3 per cent, from R1 billion in 2024/25 to R1.6 billion in 2027/28 due to additional debt funding that will carry an increase in debt servicing costs.

The corporation generates 50.7 per cent (R2.8 billion) of its revenue over the MTEF period through interest on loans, income from its subsidiaries, rental properties and the sale of goods and services. Transfers from the department account for 28.2 per cent (R1.4 billion) of projected revenue over the period ahead to primarily fund the finance-linked individual subsidy programme (first home finance programme). Total revenue is expected to increase at an average annual rate of 17.6 per cent, from R1.2 million in 2024/25 to R2 billion in 2027/28. This high increase is the result of an expected increase in interest earned from debt owed to the corporation by delivery agents of affordable rental housing. The rental stream accounts for an estimated 29.4 per cent (R1.6 billion) of the corporation's revenue over the medium term. The corporation expects to generate 15 per cent (R715.4 million) of its revenue over the period ahead through subsidiaries in which it is a stakeholder.

Programmes/Objectives/Activities

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

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2024/25	2025/26	2026/27	2027/28	2024/25 - 2027/28	2027/28
Administration	209.5	217.9	214.7	301.9	12.9%	23.1%	394.8	426.4	442.3	13.6%	28.5%
Programme management	48.3	67.2	61.8	27.5	-17.1%	5.1%	60.4	91.3	97.0	52.3%	4.8%
Subsidy housing	2.8	4.0	4.5	6.1	29.6%	0.4%	6.9	8.1	9.6	16.0%	0.6%
Social and rental housing finance	273.7	50.3	76.5	91.4	-30.6%	11.5%	107.7	179.0	196.6	29.1%	10.2%
Grant facilitation: Finance-linked individual subsidy programme	341.8	384.9	486.0	426.9	7.7%	40.3%	455.5	473.3	487.2	4.5%	34.1%
Affordable housing finance	249.7	187.3	179.8	188.0	-9.0%	19.6%	246.5	396.2	406.1	29.3%	21.8%
Total	1 125.8	911.5	1 023.3	1 041.8	-2.6%	100.0%	1 271.9	1 574.2	1 638.8	16.3%	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

Statement of financial performance						Average:					Average:	
					Revised estimate	Average growth rate (%)	Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total (%)
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28		
Revenue												
Non-tax revenue	718.7	709.2	811.9	812.8	4.2%	61.7%	982.3	1 489.7	1 525.6	23.4%	71.8%	
Sale of goods and services other than capital assets of which:	644.4	579.1	640.4	604.0	-2.1%	49.9%	688.5	889.8	1 200.5	25.7%	50.7%	
Administrative fees	1.9	2.1	2.5	—	-100.0%	0.1%	—	—	—	—	—	
Levies from property sales transactions	1.9	2.1	2.5	—	-100.0%	0.1%	—	—	—	—	—	
Sales by market establishments	642.5	577.0	637.9	604.0	-2.0%	49.8%	688.5	889.8	1 200.5	25.7%	50.7%	
Sale of houses	2.6	0.2	0.3	1.9	-9.7%	0.1%	—	—	—	-100.0%	—	
Interest on advances	379.9	266.3	366.6	333.8	-4.2%	27.2%	383.7	488.4	776.2	32.5%	29.4%	
Rental income, management fees, fees on loans for construction projects	92.9	105.7	41.7	33.4	-28.9%	5.6%	66.7	162.9	185.4	77.0%	6.2%	
Revenue from controlled entities	167.0	204.8	229.2	234.8	12.0%	16.9%	238.1	238.4	238.9	0.6%	15.0%	
Other non-tax revenue	74.3	130.2	171.5	208.9	41.1%	11.8%	293.8	599.9	325.1	15.9%	21.1%	
Transfers received	479.8	520.1	474.5	421.9	-4.2%	38.3%	440.3	460.2	481.1	4.5%	28.2%	
Total revenue	1 198.6	1 229.3	1 286.3	1 234.7	1.0%	100.0%	1 422.6	1 949.9	2 006.6	17.6%	100.0%	
Expenses												
Current expenses	794.3	535.0	542.6	640.4	-6.9%	60.9%	853.0	1 136.4	1 181.1	22.6%	68.2%	
Compensation of employees	147.0	123.9	153.2	211.5	12.9%	15.5%	244.5	272.7	321.1	14.9%	19.1%	
Goods and services	392.1	283.7	241.8	284.4	-10.2%	29.2%	372.0	422.2	424.0	14.2%	27.3%	
Depreciation	2.6	2.4	1.8	2.0	-8.3%	0.2%	17.0	48.8	48.9	191.8%	1.9%	
Interest, dividends and rent on land	252.6	124.9	145.7	142.6	-17.4%	16.0%	219.3	392.7	387.1	39.5%	19.9%	
Transfers and subsidies	331.5	376.6	480.7	401.4	6.6%	39.1%	418.9	437.9	457.7	4.5%	31.8%	
Total expenses	1 125.8	911.5	1 023.3	1 041.8	-2.6%	100.0%	1 271.9	1 574.2	1 638.8	16.3%	100.0%	
Surplus/(Deficit)	72.7	317.8	263.0	192.9	38.4%		150.7	375.7	367.8	24.0%		
Cash flow statement												
Cash flow from operating activities	(130.5)	251.0	(338.1)	2.9	-128.2%	100.0%	31.6	178.7	481.9	447.8%	100.0%	
Receipts												
Non-tax receipts	531.3	657.4	753.7	777.8	13.5%	58.0%	923.3	1 419.8	1 447.6	23.0%	70.4%	
Sales of goods and services other than capital assets of which:	475.8	576.0	640.4	604.0	8.3%	49.1%	688.5	889.8	1 200.5	25.7%	52.3%	
Administrative fees	1.9	2.1	2.5	—	-100.0%	0.1%	—	—	—	—	—	
Levies from property sales transactions	1.9	2.1	2.5	—	-100.0%	0.1%	—	—	—	—	—	
Sales by market establishment	473.9	573.9	637.9	604.0	8.4%	48.9%	688.5	889.8	1 200.5	25.7%	52.3%	
Sale of houses	2.6	0.2	0.3	1.9	-9.7%	0.1%	—	—	—	-100.0%	—	
Interest on advances	210.3	266.3	366.6	333.8	16.6%	25.0%	383.7	488.4	776.2	32.5%	30.4%	
Rental income, management fees, fees on loans for construction projects	93.9	105.7	41.7	33.4	-29.1%	6.1%	66.7	162.9	185.4	77.0%	6.5%	
Revenue from controlled entities	167.0	201.8	229.2	234.8	12.0%	17.8%	238.1	238.4	238.9	0.6%	15.4%	
Other tax receipts	55.5	81.4	113.3	173.9	46.3%	8.9%	234.8	530.0	247.1	12.4%	18.1%	
Transfers received	479.8	497.5	474.5	421.9	-4.2%	40.4%	440.3	460.2	481.1	4.5%	29.0%	
Financial transactions in assets and liabilities	12.5	20.1	26.6	15.0	6.2%	1.6%	5.0	5.0	5.0	-30.7%	0.5%	
Total receipts	1 023.7	1 175.1	1 254.8	1 214.7	5.9%	100.0%	1 368.5	1 885.0	1 933.7	16.8%	100.0%	
Payment												
Current payments	392.6	445.1	490.1	555.5	12.3%	39.7%	759.4	964.2	979.5	20.8%	56.7%	
Compensation of employees	145.8	143.0	168.4	211.5	13.2%	14.0%	244.5	272.7	321.1	14.9%	18.5%	
Goods and services	147.5	173.3	176.0	201.4	11.0%	14.8%	295.5	298.8	271.3	10.4%	18.7%	
Interest and rent on land	99.4	128.7	145.7	142.6	12.8%	10.9%	219.3	392.7	387.1	39.5%	19.5%	
Transfers and subsidies	173.0	221.0	449.5	401.4	32.4%	25.1%	418.9	437.9	457.7	4.5%	30.4%	
Payments for financial assets	588.6	258.0	653.3	254.9	-24.3%	35.2%	158.6	304.3	14.6	-61.4%	12.9%	
Total payments	1 154.2	924.0	1 592.9	1 211.8	1.6%	100.0%	1 336.9	1 706.4	1 451.8	6.2%	100.0%	

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

Cash flow statement					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Revised estimate			Medium-term expenditure estimate				
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25	2021/22 - 2024/25	2025/26	2026/27	2027/28	2024/25 - 2027/28	2024/25 - 2027/28
Net cash flow from advancing activities (financial institutions only)	(673.0)	(123.0)	599.2	284.7	-175.1%	100.0%	(139.2)	(1 435.9)	(2 976.7)	-318.7%	100.0%
Disbursements and other payments	(1 016.5)	(780.8)	(415.9)	(489.2)	-21.6%	136.1%	(981.3)	(2 765.4)	(5 347.9)	121.9%	226.4%
Repayments and other receipts	343.5	657.7	1 015.0	773.9	31.1%	-36.1%	842.1	1 329.5	2 371.2	45.2%	-126.4%
Net cash flow from investing activities	937.7	33.1	(150.8)	(121.4)	-150.6%	100.0%	(7.8)	(196.9)	(410.0)	50.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(2.1)	(1.1)	(1.4)	(2.0)	-2.1%	-0.2%	(1.5)	(1.5)	(1.5)	-9.1%	5.5%
Acquisition of software and other intangible assets	–	–	–	(102.0)	–	21.0%	(71.5)	(8.5)	(111.4)	3.0%	257.8%
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.1	0.2	–	–	0.1%	102.0	–	–	–	-326.5%
Other flows from investing activities	939.9	34.0	(149.7)	(17.4)	-126.5%	79.1%	(36.8)	(186.9)	(297.1)	157.4%	163.3%
Net cash flow from financing activities	264.5	182.7	(226.0)	(1 174.5)	-264.4%	100.0%	901.5	4 801.2	(695.7)	-16.0%	100.0%
Borrowing activities	(51.1)	(33.6)	(226.9)	(46.2)	-3.3%	16.7%	721.6	4 773.3	(725.9)	150.4%	71.9%
Other flows from financing activities	315.6	216.4	1.0	(1 128.3)	-252.9%	83.3%	179.9	27.9	30.3	-129.9%	28.1%
Net increase/(decrease) in cash and cash equivalents	398.8	343.8	(115.7)	(1 008.3)	-236.2%	-8.7%	786.1	3 347.0	(3 600.5)	52.8%	100.0%
Statement of financial position											
Carrying value of assets of which:	63.0	85.8	115.9	120.1	24.0%	1.3%	45.7	49.7	54.0	-23.4%	0.8%
Acquisition of assets	(2.1)	(1.1)	(1.4)	(2.0)	-2.1%	100.0%	(1.5)	(1.5)	(1.5)	-9.1%	100.0%
Investments	1 161.2	1 138.0	1 274.6	1 387.8	6.1%	16.9%	1 251.2	1 359.8	1 581.3	4.4%	14.6%
Inventory	11.2	–	–	–	-100.0%	–	–	–	–	–	–
Loans	4 080.6	4 214.0	4 172.3	4 206.3	1.0%	56.5%	4 709.5	6 681.1	9 998.3	33.5%	61.6%
Receivables and prepayments	39.9	49.6	25.8	16.6	-25.3%	0.4%	16.2	11.6	11.6	-11.2%	0.2%
Cash and cash equivalents	1 862.2	2 206.0	2 090.3	1 082.0	-16.6%	24.2%	1 868.1	5 215.1	1 614.6	14.3%	22.7%
Taxation	38.0	65.6	71.8	16.7	-23.9%	0.6%	19.2	18.2	17.3	1.1%	0.2%
Total assets	7 256.1	7 759.2	7 750.8	6 829.5	-2.0%	100.0%	7 909.9	13 335.5	13 277.0	24.8%	100.0%
Accumulated surplus/(deficit)	2 085.0	2 335.5	2 598.5	2 765.5	9.9%	33.2%	2 894.9	3 248.2	3 591.6	9.1%	32.1%
Capital and reserves	1 069.4	1 069.4	1 069.4	1 069.4	–	14.5%	1 017.6	1 017.6	1 017.6	-1.6%	11.0%
Capital reserve fund	1 656.7	1 656.7	1 656.7	1 656.7	–	22.5%	1 656.7	1 656.7	1 656.7	–	17.5%
Borrowings	1 314.4	1 314.4	1 084.2	1 175.7	-3.6%	16.6%	1 999.7	7 057.6	6 625.5	78.0%	36.3%
Trade and other payables	54.6	107.5	67.2	37.2	-12.0%	0.9%	35.7	30.2	30.2	-6.7%	0.4%
Taxation	0.6	2.7	0.5	–	-100.0%	–	0.3	–	–	–	–
Provisions	41.2	10.5	9.2	9.4	-38.9%	0.2%	9.5	2.4	2.4	-36.8%	0.1%
Managed funds	991.3	1 207.5	1 208.5	80.2	-56.8%	11.5%	260.1	288.0	318.2	58.3%	2.3%
Derivatives financial instruments	43.0	55.0	56.7	35.5	-6.2%	0.6%	35.4	34.8	34.8	-0.7%	0.4%
Total equity and liabilities	7 256.1	7 759.2	7 750.8	6 829.5	-2.0%	100.0%	7 909.9	13 335.5	13 277.0	24.8%	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 2025			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 approved establishment posts	Number of posts on establishment																
			Actual			Revised estimate			Medium-term expenditure estimate									
			2023/24			2024/25			2025/26			2026/27			2027/28		2024/25 - 2027/28	
National Housing Finance Corporation			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	
Salary level	170	170	144	153.2	1.1	170	211.5	1.2	179	244.5	1.4	187	272.7	1.5	195	321.1	1.6	4.7%
1 – 6	6	6	6	0.8	0.1	6	1.0	0.2	6	1.0	0.2	6	1.1	0.2	6	1.2	0.2	–
7 – 10	51	51	49	23.3	0.5	51	27.1	0.5	51	27.5	0.5	51	29.3	0.6	51	32.8	0.6	–
11 – 12	35	35	24	22.2	0.9	35	36.5	1.0	35	37.1	1.1	35	39.1	1.1	35	43.9	1.3	–
13 – 16	69	69	57	79.7	1.4	69	113.1	1.6	77	132.6	1.7	85	154.2	1.8	93	188.1	2.0	10.5%
17 – 22	9	9	8	27.2	3.4	9	33.8	3.8	10	46.5	4.6	10	49.1	4.9	10	55.1	5.5	3.6%

1. Rand million.

Property Practitioners Fidelity Fund

Entity overview

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

Expenditure is expected to increase at an average annual rate of 12.6 per cent, from R100.7 million in 2024/25 to R143.6 million in 2027/28, due to the introduction of additional categories of real estate practitioners in the Property Practitioners Act (2019), resulting in additional fees being charged and contributions from new property practitioners. The fund derives its revenue through administrative fees, interest on trust accounts by property practitioners and recovered claims. Revenue is expected to increase at an average annual rate of 13 per cent, from R100.7 million in 2024/25 to R145.5 million in 2027/28.

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 (%)
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28		
Administration	71.4	58.5	133.0	100.7	12.2%	100.0%	130.3	136.8	143.6	12.6%	100.0%
Total	71.4	58.5	133.0	100.7	12.2%	100.0%	130.3	136.8	143.6	12.6%	100.0%

Statements of financial performance, cash flow and financial position

Table 33.33 Property Practitioners Fidelity Fund 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 (%)
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28		
Revenue											
Non-tax revenue	77.5	107.2	138.6	100.7	9.1%	100.0%	132.0	138.6	145.5	13.0%	100.0%
Sale of goods and services other than capital assets	34.6	58.3	88.9	70.0	26.5%	58.1%	86.9	91.3	95.8	11.0%	66.8%
of which:											
Administrative fees	34.6	25.5	37.4	36.0	1.4%	32.8%	36.5	38.3	40.2	3.8%	29.7%
Interest on trust funds	26.8	21.9	33.7	29.0	2.6%	27.0%	35.0	36.8	38.6	10.0%	27.1%
Contribution from estate agents	2.1	2.3	3.8	7.0	49.6%	3.6%	1.5	1.5	1.6	-38.5%	2.6%
Claims recoveries	5.7	1.3	—	—	-100.0%	2.1%	—	—	—	—	—
Sales by market establishments	—	32.8	51.4	34.0	—	25.3%	50.4	53.0	55.6	17.8%	37.1%
Fair value adjustment	—	14.2	—	—	—	3.3%	—	—	—	—	—
Interest on investment	—	18.6	51.4	34.0	—	22.0%	50.4	53.0	55.6	17.8%	37.1%
Other non-tax revenue	42.9	48.9	49.7	30.7	-10.5%	41.9%	45.0	47.3	49.6	17.3%	33.2%
Total revenue	77.5	107.2	138.6	100.7	9.1%	100.0%	132.0	138.6	145.5	13.0%	100.0%
Expenses											
Current expenses	71.4	58.3	127.6	93.2	9.3%	97.0%	122.8	128.9	135.4	13.3%	93.8%
Goods and services	71.4	58.3	127.6	93.2	9.3%	97.0%	122.8	128.9	135.4	13.3%	93.8%
Transfers and subsidies	—	0.2	5.4	7.5	—	3.0%	7.5	7.9	8.3	3.3%	6.2%
Total expenses	71.4	58.5	133.0	100.7	12.2%	100.0%	130.3	136.8	143.6	12.6%	100.0%
Surplus/(Deficit)	6.1	48.7	5.6	—	-100.0%		1.7	1.7	1.8	—	

Table 33.33 Property Practitioners Fidelity Fund statements of financial performance, cash flow and financial position (continued)

Cash flow statement					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Revised estimate			Medium-term expenditure estimate				
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Cash flow from operating activities	18.7	(34.9)	15.0	4.0	-40.0%	100.0%	36.1	37.9	39.8	114.6%	100.0%
Receipts											
Non-tax receipts	39.9	55.7	86.0	100.7	36.1%	87.9%	130.7	137.2	144.1	12.7%	100.0%
Sales of goods and services other than capital assets of which:	34.6	55.7	86.0	70.0	26.5%	78.5%	85.7	90.0	94.5	10.5%	66.6%
Administrative fees	34.6	55.7	86.0	36.0	1.4%	70.1%	35.2	37.0	38.8	2.6%	29.2%
Interest on trust funds	26.8	19.3	48.6	29.0	2.6%	38.6%	35.0	36.8	38.6	10.0%	27.3%
Contribution from estate agents	2.1	36.4	37.4	7.0	49.6%	29.6%	0.2	0.2	0.3	-66.7%	1.9%
Claims recoveries	5.7	-	-	-	-100.0%	1.8%	-	-	-	-	-
Sales by market establishment	-	-	-	34.0	-	8.4%	50.5	53.0	55.7	17.8%	37.4%
Interest on investment	-	-	-	34.0	-	8.4%	50.4	53.0	55.6	17.8%	37.4%
Other income	-	-	-	-	-	-	0.0	0.0	0.0	-	-
Other tax receipts	5.4	-	-	30.7	78.8%	9.4%	45.0	47.3	49.6	17.4%	33.4%
Financial transactions in assets and liabilities	37.5	-	-	-	-100.0%	12.1%	-	-	-	-	-
Total receipts	77.5	55.7	86.0	100.7	9.1%	100.0%	130.7	137.2	144.1	12.7%	100.0%
Payment											
Current payments	58.8	90.4	65.7	89.2	14.9%	96.1%	87.1	91.5	96.1	2.5%	92.1%
Goods and services	58.8	90.4	65.7	89.2	14.9%	96.1%	87.1	91.5	96.1	2.5%	92.1%
Transfers and subsidies	-	0.2	5.4	7.5	-	3.9%	7.5	7.9	8.3	3.3%	7.9%
Total payments	58.8	90.6	71.1	96.7	18.0%	100.0%	94.6	99.4	104.3	2.6%	100.0%
Net cash flow from investing activities	(36.4)	512.6	125.6	125.6	-251.1%	100.0%	130.4	135.4	140.5	3.8%	100.0%
Other flows from investing activities	(36.4)	512.6	125.6	125.6	-251.1%	100.0%	130.4	135.4	140.5	3.8%	100.0%
Net cash flow from financing activities	26.4	-	-	-	-100.0%	-	-	-	-	-	-
Borrowing activities	26.4	-	-	-	-100.0%	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	8.7	477.7	140.6	129.7	146.0%	265.9%	166.5	173.3	180.3	11.6%	100.0%
Statement of financial position											
Investments	622.8	123.7	-	654.3	1.7%	52.9%	641.6	672.4	702.7	2.4%	94.5%
Loans	-	-	4.9	-	-	0.2%	-	-	-	-	-
Receivables and prepayments	2.9	40.6	42.1	12.2	61.8%	3.7%	12.8	13.4	14.0	4.5%	1.9%
Cash and cash equivalents	8.7	486.4	627.0	25.0	42.1%	43.2%	26.1	25.4	26.5	2.0%	3.6%
Total assets	634.4	650.7	674.0	691.5	2.9%	100.0%	680.5	711.1	743.2	2.4%	100.0%
Accumulated surplus/(deficit)	598.8	645.2	650.7	622.3	1.3%	95.0%	608.2	635.6	664.2	2.2%	89.5%
Trade and other payables	1.7	4.7	18.4	0.1	-61.3%	0.9%	0.1	0.1	0.1	4.5%	-
Provisions	0.0	0.4	-	1.8	311.7%	0.1%	1.9	2.0	2.1	4.5%	0.3%
Managed funds	33.9	0.4	4.9	67.3	25.7%	4.0%	70.3	73.5	76.8	4.5%	10.2%
Total equity and liabilities	634.4	650.7	674.0	691.5	2.9%	100.0%	680.5	711.1	743.2	2.4%	100.0%

Property Practitioners Regulatory Authority

Selected performance indicators

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

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Number of property practitioners registered on the database per year	Compliance	Outcome 10: Reduced poverty and improved livelihoods	6 627	6 548	7 338	10 000	13 000	15 000	17 250
Number of Property Practitioners Fidelity Fund certificates renewed per year	Compliance		59 755	46 866	17 473	20 968	67 238	71 945	76 981
Number of estate agencies inspected per year	Compliance		201	224	211	300	400	500	600
Number of property practitioners qualified for professional designations per year	Education and training		1 624	3 622	3 417	1 750	2 000	2 250	2 500
Number of property practitioners compliant with the continuous professional development programme per year	Education and training		16 027	14 046	6 367	12 000	15 000	20 000	22 000

Entity overview

The Property Practitioners Regulatory Authority was established in terms of the Property Practitioners Act (2019). Its mandate is to regulate the conduct and activities of property practitioners when dealing with the marketing, promotion, management, sale, letting, financing and purchase of immovable property. The authority manages the Property Practitioners Fidelity Fund and provides education and training programmes to develop candidate and property practitioners.

The authority is responsible for ensuring that property practitioners are registered to operate legally. As the authority is now responsible for 10 new categories of property practitioners recognised by the Property Practitioners Act (2019), it plans to register 45 250 property practitioners on its database over the MTEF period. These new registrations will require compliance and enforcement measures. As such, to safeguard the interests of consumers and enhance compliance standards, over the medium term, the authority plans to expand its education and training programmes to confer 6 750 professional designations to candidate property practitioners, and 57 000 continuing professional development qualifications to property practitioners.

Compensation of employees accounts for an estimated 65.4 per cent (R403.2 million) of projected expenditure over the medium term. This spending is set to increase at an average annual rate of 2.7 per cent, from R130 million in 2024/25 to R141 million in 2027/28. Total expenditure is expected to increase at an average annual rate of 1.1 per cent, from R205.9 million in 2024/25 to R212.9 million in 2027/28, in line with the downward revenue adjustments projected over the medium term.

The authority expects to generate R613.1 million in revenue over the MTEF period, mainly through charging management fees for administering the Property Practitioners Fidelity Fund and contributions from property practitioners. Total revenue is expected to decrease at an average annual rate of 1.7 per cent, from R226 million in 2024/25 to R214.4 million in 2027/28, mainly due to an expected decrease in income from examination fees as less examinations are written, and income from fines, penalties and interest.

Programmes/Objectives/Activities

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

R million	Audited outcome			Revised estimate 2024/25	Average growth rate (%) 2021/22 - 2024/25	Average: Expenditure/Total (%) 2021/22 - 2024/25	Medium-term expenditure estimate			Average growth rate (%) 2024/25 - 2027/28	Average: Expenditure/Total (%) 2024/25 - 2027/28
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28		
Administration	114.3	116.2	132.7	145.3	8.3%	69.2%	126.8	132.2	138.8	-1.5%	66.6%
Compliance	42.7	41.9	39.3	45.3	2.0%	23.1%	54.4	56.8	59.6	9.6%	26.5%
Education and training	13.7	14.1	12.9	15.3	3.9%	7.7%	13.2	13.8	14.5	-1.9%	7.0%
Total	170.6	172.2	184.9	205.9	6.5%	100.0%	194.4	202.7	212.9	1.1%	100.0%

Statements of financial performance, cash flow and financial position

Table 33.36 Property Practitioners Regulatory Authority statements of financial performance, cash flow and financial position

Statement of financial performance					Average growth rate (%)	Average: Expenditure/ Total (%)				Average growth rate (%)	Average: Expenditure/ Total (%)
	Audited outcome			Revised estimate			Medium-term expenditure estimate				
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Revenue											
Non-tax revenue	173.5	153.1	172.5	226.0	9.2%	100.0%	194.5	204.2	214.4	-1.7%	100.0%
Sale of goods and services other than capital assets	128.5	118.9	144.9	192.1	14.3%	80.2%	167.1	175.4	184.2	-1.4%	85.7%
of which:											
Administrative fees	53.4	53.9	58.4	77.9	13.4%	33.6%	76.9	80.7	84.8	2.9%	38.3%
Management fees	53.4	53.9	58.4	77.9	13.4%	33.6%	76.9	80.7	84.8	2.9%	38.3%
Sales by market establishments	75.0	65.0	86.5	114.2	15.0%	46.6%	90.2	94.7	99.4	-4.5%	47.4%
Contributions	28.7	21.4	37.4	51.0	21.2%	18.7%	65.3	68.6	72.0	12.2%	30.8%
Examinations	41.3	43.6	49.1	63.2	15.3%	27.2%	24.9	26.1	27.4	-24.3%	16.6%
Rent and other income	5.1	—	—	—	-100.0%	0.7%	—	—	—	—	—
Other non-tax revenue	45.1	34.2	27.6	33.9	-9.0%	19.8%	27.4	28.7	30.2	-3.8%	14.3%
Total revenue	173.5	153.1	172.5	226.0	9.2%	100.0%	194.5	204.2	214.4	-1.7%	100.0%

Table 33.36 Property Practitioners Regulatory Authority statements of financial performance, cash flow and financial position (continued)

Statement of financial performance				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R million	2021/22	2022/23	2023/24	2024/25	2021/22 - 2024/25		2025/26	2026/27	2027/28	2024/25 - 2027/28	
Expenses											
Current expenses	170.6	172.2	184.9	205.9	6.5%	100.0%	194.4	202.7	212.9	1.1%	100.0%
Compensation of employees	101.9	97.2	100.4	130.0	8.5%	58.4%	127.9	134.3	141.0	2.7%	65.4%
Goods and services	66.1	70.0	79.4	70.7	2.3%	39.2%	60.7	62.3	65.4	-2.5%	31.8%
Depreciation	2.6	5.0	5.1	5.2	26.1%	2.4%	5.8	6.1	6.4	7.1%	2.9%
Total expenses	170.6	172.2	184.9	205.9	6.5%	100.0%	194.4	202.7	212.9	1.1%	100.0%
Surplus/(Deficit)	2.9	(19.1)	(12.5)	20.1	90.7%		–	1.5	1.5	-57.9%	
Cash flow statement											
Cash flow from operating activities	14.1	62.6	(31.9)	20.1	12.6%	100.0%	5.9	6.2	6.5	-31.4%	100.0%
Receipts											
Non-tax receipts	176.5	186.8	119.3	226.0	8.6%	100.0%	194.5	204.2	214.4	-1.7%	100.0%
Sales of goods and services other than capital assets of which:	131.4	154.7	115.7	203.4	15.7%	86.1%	189.7	199.2	209.2	0.9%	95.7%
Administrative fees	56.4	53.9	58.4	77.9	11.4%	36.0%	76.9	80.7	84.8	2.9%	38.3%
Management fees	56.4	53.9	58.4	77.9	11.4%	36.0%	76.9	80.7	84.8	2.9%	38.3%
Sales by market establishment	75.0	100.8	57.3	125.6	18.7%	50.0%	112.8	118.5	124.4	-0.3%	57.4%
Contributions	28.7	21.4	25.0	51.0	21.2%	17.8%	65.3	68.6	72.0	12.2%	30.8%
Examinations	41.3	43.6	32.3	63.2	15.3%	25.4%	24.9	26.1	27.4	-24.3%	16.6%
Rent and other income	5.1	35.8	–	–	-100.0%	5.5%	22.6	23.8	25.0	–	8.7%
Other tax receipts	45.1	32.1	3.6	22.6	-20.6%	13.9%	4.7	5.0	5.2	-38.6%	4.3%
Total receipts	176.5	186.8	119.3	226.0	8.6%	100.0%	194.5	204.2	214.4	-1.7%	100.0%
Payment											
Current payments	162.4	124.1	151.2	205.9	8.2%	100.0%	188.6	198.0	207.9	0.3%	100.0%
Compensation of employees	101.4	94.3	105.7	130.0	8.6%	67.9%	127.9	134.3	141.0	2.7%	66.7%
Goods and services	61.0	29.9	45.5	75.9	7.5%	32.1%	60.7	63.7	66.9	-4.1%	33.3%
Total payments	162.4	124.1	151.2	205.9	8.2%	100.0%	188.6	198.0	207.9	0.3%	100.0%
Net cash flow from investing activities	(1.4)	(3.8)	(2.9)	(12.8)	107.6%	100.0%	–	–	–	-100.0%	–
Acquisition of property, plant, equipment and intangible assets	(1.4)	(3.3)	(1.5)	(0.6)	-27.2%	60.6%	–	–	–	-100.0%	–
Acquisition of software and other intangible assets	–	(0.5)	(1.4)	(12.2)	–	39.4%	–	–	–	-100.0%	–
Net cash flow from financing activities	(3.9)	–	–	–	-100.0%	–	–	–	–	–	–
Borrowing activities	(3.9)	–	–	–	-100.0%	–	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	8.7	58.8	(34.8)	7.3	-5.6%	6.0%	5.9	6.2	6.5	-3.9%	100.0%
Statement of financial position											
Carrying value of assets of which:	140.4	141.0	138.9	164.4	5.4%	55.6%	166.4	173.9	181.7	3.4%	48.5%
Acquisition of assets	(1.4)	(3.3)	(1.5)	(0.6)	-27.2%	100.0%	–	–	–	-100.0%	–
Inventory	0.0	0.2	0.2	0.3	167.9%	0.1%	0.3	0.3	0.3	3.0%	0.1%
Loans	33.9	2.7	7.3	23.9	-11.0%	6.1%	23.9	25.0	26.1	3.0%	7.0%
Receivables and prepayments	87.7	37.2	40.0	72.7	-6.1%	22.0%	77.9	81.4	85.0	5.4%	22.4%
Cash and cash equivalents	8.7	67.6	32.8	65.5	95.9%	16.3%	79.3	82.9	86.6	9.8%	22.1%
Total assets	270.8	248.7	219.1	326.7	6.5%	100.0%	347.7	363.4	379.7	5.1%	100.0%
Accumulated surplus/(deficit)	85.0	6.1	(6.4)	121.3	12.6%	17.0%	129.8	136.2	142.3	5.5%	37.3%
Capital and reserves	77.4	77.4	77.4	95.0	7.1%	31.0%	101.1	100.0	104.5	3.2%	28.3%
Borrowings	–	1.0	8.0	–	–	1.0%	–	–	–	–	–
Deferred income	–	63.8	67.6	–	–	14.1%	–	–	–	–	–
Trade and other payables	77.3	78.3	53.6	85.8	3.5%	27.7%	95.0	105.0	109.7	8.5%	27.8%
Provisions	30.4	20.8	17.5	23.2	-8.6%	8.7%	21.1	21.5	22.5	-1.0%	6.3%
Derivatives financial instruments	0.7	1.2	1.4	1.4	29.7%	0.4%	0.7	0.7	0.7	-20.6%	0.3%
Total equity and liabilities	270.8	248.7	219.1	326.7	6.5%	100.0%	347.7	363.4	379.7	5.1%	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 2025			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											
		2023/24			2024/25			2025/26			2026/27			2027/28			2024/25 - 2027/28		
Property Practitioners Regulatory Authority			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	170	170	137	100.4	0.7	157	130.0	0.8	153	127.9	0.8	152	134.3	0.9	152	141.0	0.9	-1.1%	100.0%
1 – 6	27	27	18	4.6	0.3	20	7.3	0.4	20	7.3	0.4	20	7.7	0.4	20	8.3	0.4	–	13.0%
7 – 10	44	44	35	19.5	0.6	43	29.2	0.7	43	30.3	0.7	43	31.6	0.7	43	32.6	0.8	–	28.0%
11 – 12	83	83	68	43.6	0.6	78	59.3	0.8	73	55.6	0.8	73	58.5	0.8	73	61.8	0.8	-2.2%	48.4%
13 – 16	15	15	15	30.0	2.0	15	31.5	2.1	16	32.1	2.0	15	33.7	2.2	15	35.4	2.4	–	9.9%
17 – 22	1	1	1	2.7	2.7	1	2.7	2.7	1	2.7	2.7	1	2.9	2.9	1	3.0	3.0	–	0.7%

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 outcome

Indicator	Programme/Objective/Activity	MTDP outcome	Audited performance			Estimated performance	MTEF targets		
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Number of social housing units completed per year	Project development and funding	Outcome 10: Reduced poverty and improved livelihoods	2 771	3 182	3 066	2 699	3 056	3 758	3 800
Number of social housing units rented out per year	Project development and funding		2 057	2 595	2 961	2 257	2 793	2 763	2 900
Percentage achievement of the social housing institution intervention plan per year	Sector development		100% (1)	100% (1)	100% (1)	80%	85%	85%	85%
Number of subsidised housing unit tenancy audits conducted per year	Compliance, accreditation and regulation		4 532	3 525	3 944	3 750	4 000	4 250	4 250

Entity overview

The Social Housing Regulatory Authority's legislative mandate, as set out in the Social Housing Act (2008), is to invest and build capacity in and regulate the social housing sector. To achieve this, the authority administers a sustainable flow of capital subsidies to accredited social housing institutions to build affordable rental housing units for low- and middle-income households, provides capacity-building and support initiatives, and regulates all social housing institutions.

Over the MTEF period, the authority will focus on improving access to affordable housing by increasing the supply of new rental housing stock. To this end, it aims to deliver 10 614 social housing units over the period ahead through the authority's consolidated capital grant, which provides subsidies to reduce the capital cost of constructing rental units and the rental costs for tenants. This is funded through the authority's project development and funding programme, which accounts for an estimated 88.3 per cent (R2.5 billion) of total expenditure over the MTEF period. The authority aims to provide R2.5 billion in capital subsidies over the medium term through the consolidated capital grant and disburse R81 million through the authority's institutional investment grant to build capacity in the social housing sector by helping social housing institutions to become fully operational.

Total expenditure is expected to increase at an average annual rate of 4.5 per cent, from R864.1 million in 2024/25 to R986.1 million in 2027/28. The authority 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 2024/25	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2024/25 - 2027/28	Average: Expenditure/Total (%)
	2021/22	2022/23	2023/24		2021/22 - 2024/25	Average: Expenditure/Total (%)	2025/26	2026/27	2027/28		
Administration	73.4	67.4	81.3	69.6	-1.8%	7.8%	75.3	78.7	82.3	5.8%	8.3%
Project development and funding	748.5	836.9	1 030.4	763.1	0.6%	90.0%	796.7	833.0	870.7	4.5%	88.3%
Sector development	9.1	11.8	10.3	24.7	39.4%	1.5%	25.8	27.0	28.2	4.5%	2.9%
Compliance, accreditation and regulation	4.2	7.2	6.7	6.8	17.0%	0.7%	4.5	4.7	4.9	-10.1%	0.6%
Total	835.3	923.3	1 128.8	864.1	1.1%	100.0%	902.3	943.4	986.1	4.5%	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 2024/25	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2024/25 - 2027/28	Average: Expenditure/Total (%)
	2021/22	2022/23	2023/24		2021/22 - 2024/25	Average: Expenditure/Total (%)	2025/26	2026/27	2027/28		
Revenue											
Non-tax revenue	74.9	95.1	80.6	—	-100.0%	6.6%	—	—	—	—	—
Other non-tax revenue	74.9	95.1	80.6	—	-100.0%	6.6%	—	—	—	—	—
Transfers received	806.1	887.4	897.7	864.1	2.3%	93.4%	902.3	943.4	986.1	4.5%	100.0%
Total revenue	881.0	982.6	978.3	864.1	-0.6%	100.0%	902.3	943.4	986.1	4.5%	100.0%
Expenses											
Current expenses	78.7	76.8	91.9	77.6	-0.4%	8.7%	81.1	84.8	88.6	4.5%	9.0%
Compensation of employees	42.2	39.5	42.2	40.4	-1.5%	4.4%	48.5	55.8	60.6	14.5%	5.5%
Goods and services	34.6	35.3	49.7	33.2	-1.3%	4.1%	32.6	29.0	28.0	-5.5%	3.3%
Depreciation	1.9	2.0	—	4.0	28.8%	0.2%	—	—	—	-100.0%	0.1%
Transfers and subsidies	756.6	846.5	1 036.9	786.5	1.3%	91.3%	821.2	858.6	897.5	4.5%	91.0%
Total expenses	835.3	923.3	1 128.8	864.1	1.1%	100.0%	902.3	943.4	986.1	4.5%	100.0%
Surplus/(Deficit)	45.7	59.3	(150.5)	—	-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 2025			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 approved establishment posts	Number of posts on approved establishment																	
			Actual			Revised estimate			Medium-term expenditure estimate										
			2023/24			2024/25			2025/26		2026/27		2027/28		2024/25 - 2027/28				
Social Housing Regulatory Authority			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	49	52	46	42.2	0.9	43	40.4	0.9	52	48.5	0.9	51	55.8	1.1	53	60.6	1.1	7.2%	100.0%
1 – 6	3	3	3	0.8	0.3	3	0.8	0.3	3	0.8	0.3	3	0.8	0.3	3	0.8	0.3	–	6.1%
7 – 10	27	28	26	15.5	0.6	23	13.7	0.6	28	16.9	0.6	27	17.1	0.6	28	17.7	0.6	6.8%	53.3%
11 – 12	6	6	4	4.6	1.2	4	4.6	1.2	6	7.0	1.2	6	8.7	1.5	6	9.1	1.5	14.5%	11.0%
13 – 16	11	13	11	16.1	1.5	11	16.1	1.5	13	18.7	1.4	13	23.0	1.8	14	26.5	1.9	8.4%	25.6%
17 – 22	2	2	2	5.1	2.6	2	5.1	2.6	2	5.1	2.6	2	6.1	3.1	2	6.5	3.2	–	4.0%

