

2016 BUDGET

ESTIMATES OF NATIONAL EXPENDITURE

HUMAN SETTLEMENTS



VOTE 38



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2016

National Treasury

Republic of South Africa

24 February 2016



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The 2016 Estimates of National Expenditure e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

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

Compared to the abridged version of the 2016 ENE, the 2016 ENE e-publications contain more comprehensive coverage of goods and services, transfers and subsidies, and programme specific personnel expenditure. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain information on conditional grants to provinces and municipalities, public private partnerships and donor funding. Expenditure information at the level of service delivery is also included, where appropriate.

Foreword

The 2016 Budget is tabled at a time when both global and domestic economic conditions continue to be difficult. Government is unwavering in its commitment to stay the course of sound fiscal management in the face of this challenging environment. The approach of using the expenditure ceiling as a fiscal anchor, which was adopted in 2012, serves us well. To achieve the fiscal adjustment necessary, the expenditure level has been reduced and further revenue enhancement measures are introduced in the 2016 MTEF period.

Over the 2016 MTEF period expenditure is R3.73 trillion and will grow at an average annual rate of 7.5 per cent. Spending growth is slower than prior to 2008, but it still remains above the projected inflation rate. During consultations in the budget preparation process trade-offs in financing different policy objectives were carefully examined and culminated in recommendations on how institutional policies, practices and organisational arrangements would be adjusted in line with the national development plan and the 2014-2019 medium term strategic framework on the one hand, and in a manner consistent with fiscal consolidation, on the other hand.

For the 2016 MTEF period, budget amendments were effected through the reprioritisation of existing funding within the lowered expenditure ceiling, with movements away from areas of lower priority to key priorities. Labour-intensive departments received substantial funding for compensation of employees, owing to spending pressures related to the 2015 public sector wage agreement. In the case of departments which historically underspend on their wage bill, the budgets for compensation of employees have been reduced accordingly. A ceiling is put on compensation of employees budgets of national departments through the 2016 Appropriation Act. Resources cannot be diverted from frontline services for the wage bill.

Further reductions have been effected on goods and services budgets. In some cases departments have been asked to provide evidence of service delivery performance before funding can be appropriated to programmes under their specific votes. These provisional allocations, pending programme viability and verifiable record of good performance, total R17.8 billion in 2018/19. Given these measures, government service delivery will not be negatively affected even as spending growth is curtailed.

The financial information and key performance indicators in the institutional budget plans set out in the Estimates of National Expenditure, provide Parliament and the public with the information to hold government accountable against its 14 outcomes, set out in its medium term strategic framework.

The budget process is ably directed by the Ministers' Committee on the Budget, supported by a devoted Medium Term Expenditure Committee of Directors-General in central government departments. As the National Treasury team we are eternally grateful for their guidance and hard work. We are also indebted to the Budget Council, the Budget Forum and our national and provincial counterparts for making what is otherwise an impossible task, seem easier. The presentation of this budget is the product of all their collective efforts.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications provide comprehensive information on how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the upcoming three-year medium term expenditure framework (MTEF) period. Key performance indicators are included for each national government vote and entity reporting to the same executive authority, showing what institutions aim to achieve by spending their budget allocations in a particular manner. This information is based on government's 2014-2019 medium term strategic framework (MTSF), particularly as it is expressed in institutional strategic and annual performance plans, and in annual reports. Coupled with financial information, performance information provides Parliament and the public with the necessary facts to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

Each chapter in the abridged 2016 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote. These e-publications provide more detailed information than the relevant chapter in the abridged ENE, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. Each chapter in the abridged ENE publication has a summary table showing expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional grants to provinces and municipalities, departmental public private partnerships and information on donor funding. In some e-publications more detailed information at the level of site service delivery is also included.

In addition, a separate 2016 ENE Overview e-publication is also available summarising the ENE information across votes. The 2016 ENE Overview contains a narrative explanation and summary tables; a description of the budgeting approach; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Human Settlements

**National Treasury
Republic of South Africa**



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Vote 38

Human Settlements

Budget summary

R million	2016/17					2017/18	2018/19
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
MTEF allocation							
Administration	442.3	438.9	0.0	3.3	–	469.9	467.3
Human Settlements Policy, Strategy and Planning	83.1	81.0	1.2	0.9	–	88.3	87.0
Human Settlements Delivery Support	224.6	214.2	9.4	1.0	–	208.3	199.9
Housing Development Finance	29 940.9	24.9	29 815.9	0.2	100.0	33 799.8	35 865.8
Total expenditure estimates	30 690.9	758.9	29 826.5	5.5	100.0	34 566.3	36 620.0

Executive authority: Minister of Human Settlements
 Accounting officer: Director General of Human Settlements
 Website address: www.dhs.gov.za

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

Vote purpose

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

Mandate

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

Selected performance indicators

Table 38.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of municipalities assessed for accreditation per year	Human Settlements Policy, Strategy and Planning	Outcome 8: Sustainable human settlements and improved quality of household life	1	1	0	6	7	10	11
Number of municipalities provided with technical assistance for informal settlement upgrading per year	Human Settlements Delivery Support		20	20	62	53	53	53	53
Number of informal settlements assessed per year	Human Settlements Delivery Support		– ¹	148	336	400	473	485	506
Number of additional People's Housing Process subsidies allocated to approved beneficiaries per year	Human Settlements Delivery Support		– ²	– ²	4 802	6 500	7 000	7 500	8 000
Number of subsidy housing units provided per year	Housing Development Finance		115 079	105 936	94 566	103 983	108 017	117 105	139 329

Table 38.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of additional households living in affordable rental housing units per year	Housing Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	15 554	4 984	5 668	4 987	5 447	5 770	6 116
Number of additional households living in informal settlements upgraded to level 2 in terms of the upgrading informal settlements programme per year	Housing Development Finance		54 918	41 496	74 017	63 866	189 039	204 943	218 136
Number of finance linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance		– ³	– ³	1 193	12 929	17 231	18 680	19 967
Total value of finance linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance		– ³	– ³	R35.6m	R35.7m	R422m	R658m	R858m
Number of catalytic projects initiated per year	Housing Development Finance		– ²	– ²	– ²	10	12	13	15

1. No historical data is available as this indicator was measured from 2013/14 onwards.

2. No historical data is available as these are new indicators.

3. No historical data is available as data was only collected from 2014/15 onwards.

Expenditure analysis

The Department of Human Settlements is committed to the national development plan's 2030 vision of transforming human settlements and the spatial economy to create more functionally integrated, balanced and vibrant urban settlements. Outcome 8 in government's 2014-2019 medium term strategic framework (sustainable human settlements and improved quality of household life) guides the department's work over the medium term towards ensuring, among others, that poor households have access to adequate housing in better living environments and institutional capacity and coordination is improved.

Catalytic human settlements projects to deliver on national housing targets

The department's goal is to deliver 1.495 million housing opportunities by 2019 as set out in the 2014-2019 medium term strategic framework. Over the medium term, the department will work towards the 2019 target largely by developing at least 50 mixed use human settlement projects. Catalytic human settlement projects aim to initiate more spatially, socially and economically integrated communities.

The department will facilitate various housing opportunities in these projects. The housing opportunities themselves are implemented by provinces, metropolitan municipalities and public entities. These implementing agents are funded by contributions from the department in the form of transfers. The transfers are in the *Housing Development Finance* programme, and will increase at an average annual rate of 6.3 per cent to R35.7 billion by 2018/19. Significant private investment is expected for catalytic projects in the form of rental and affordable housing, and economic infrastructure, such as shopping centres and other commercial developments. The human settlements development grant to provinces amounts to R61.6 billion over the medium term, reflecting average annual growth of 6.8 per cent over the period. This grant funds all subsidised housing programmes as stipulated in the National Housing Code, including fully subsidised housing, finance linked subsidies, social housing and the upgrading of informal settlements. The urban settlements development grant to metropolitan municipalities supports the development of the built environment more broadly, with a strong emphasis on upgrading informal settlements. This grant is expected to grow at an average annual rate of 4.5 per cent over the medium term to R12.1 billion in 2018/19.

State subsidised housing

Over the medium term, the human settlements development grant to provinces is expected to fund the delivery of 364 451 fully subsidised housing units to meet the 2014-2019 medium term strategic framework target of 563 000 by 2019. The grant will also fund 55 878 finance linked subsidies to qualifying beneficiaries, aiming to reach the medium term strategic framework target of 70 000. These two forms of housing opportunity account for 42 per cent of national government's target of 1.495 million by 2019.

The department is expected to upgrade the housing subsidy system over the medium term which is reflected under increased goods and services spending under the *Human Settlements Delivery Support* programme related to computer services, for the administration of subsidies. In addition, the Special Investigating Unit's investigations into housing subsidy fraud are funded under consultants in goods and services in the *Administration* programme.

Social housing

A key model for the delivery of affordable housing is social housing, which provides medium density, affordable, rental housing to low and middle income households. Social housing contributes to transforming urban spatial patterns as it promotes integration and densification in close proximity to economic and social amenities. The department's social housing programme is largely funded through the restructuring capital grant, which is transferred from the *Housing Development Finance* programme to be administered by the Social Housing Regulatory Authority. Despite a R1.1 billion reduction in the grant over the medium term, as a result of underperformance due to institutional and structural problems, the grant is still expected to increase over the period, reaching R1 billion by 2018/19. This will fund the delivery of 17 333 social housing units, contributing to achieving the medium term strategic framework's target of an additional 27 000 social housing units by 2019.

Upgrading informal settlements

Another important departmental focus is the upgrading of informal settlements to provide households with secure tenure and access to basic services, such as water and sanitation. This is a key contributor to improving the quality of household lives, bringing social cohesion, and reducing inequality in urban areas, particularly around large cities. The target set by the 2014-2019 medium term strategic framework is that 750 000 poor households will have adequate housing in better living environments by 2019. The department expects to fund the upgrading of 612 118 households in informal settlements over the medium term, through the human settlements development grant to provinces and the urban settlements development grant to metropolitan municipalities.

The department's national upgrading support programme is expected to provide project level technical support to 53 municipalities per year over the medium term for planning the upgrading of informal settlements. The support is to be provided by consultants, funded by R150 million over the medium term in the *Human Settlements Delivery Support* programme. In addition, the Housing Development Agency will provide such support in identified mining towns, amounting to R60 million over the period. The total human settlements development grant includes earmarked funds of R1.1 billion in 2016/17 for upgrading informal settlements in mining towns.

New human settlements legislation

Using the department's 2004 comprehensive plan for the development of sustainable human settlements as the foundation, the department is currently drafting the White Paper on Human Settlements, which is expected to set the agenda for new human settlements legislation. The white paper is expected to be completed early in 2016/17 and new legislation tabled in Parliament in 2017/18. Developing and implementing the legislation will drive spending in the *Human Settlements Policy, Strategy and Planning* programme, which is expected to increase to R87 million by 2018/19.

Operational capacity to support service delivery

At 30 September 2015, the department had 660 filled posts. In 2016/17, 56.5 per cent of the total compensation of employees budget is expected to be spent in the *Administration* programme, which has the highest number of posts as a result of incrementally increasing internal support over several years for line function activities in the department. Goods and services expenditure in the *Administration* programme amounts to approximately 59.2 per cent of the total departmental goods and services budget for spending related to personnel, such as travel and subsistence, venues and facilities, advertising, operating leases and property payments.

The department receives increased funding for compensation of employees in 2016/17 and for goods and services related to consultants in 2016/17 and 2017/18. This will allow for the department to continue to improve its line function activities, specifically under the programme management unit, which provides assistance with project planning and readiness. Project monitoring and evaluation systems are expected to improve, as is support to provinces and municipalities nationally for the management of human settlement developments. In addition, rigorous financial and socioeconomic feasibility studies on proposed catalytic projects will be able to be undertaken before funding allocations are made.

Expenditure trends

Table 38.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Human Settlements Policy, Strategy and Planning														
3. Human Settlements Delivery Support														
4. Housing Development Finance														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million	2012/13			2013/14			2014/15			2015/16			2012/13 - 2015/16	
Programme 1	412.0	425.0	285.7	422.4	422.4	280.4	425.9	433.3	433.1	435.1	440.6	420.6	83.7%	82.5%
Programme 2	83.5	85.4	63.2	84.1	84.1	73.3	89.4	87.0	78.7	74.3	73.5	73.5	87.2%	87.5%
Programme 3	158.5	161.0	128.5	153.6	188.9	98.7	207.0	183.5	133.7	169.8	165.6	185.6	79.3%	78.2%
Programme 4	24 058.0	24 057.0	23 719.5	27 377.1	27 280.0	26 990.8	28 695.3	28 713.9	28 712.7	30 264.1	29 863.6	29 863.6	99.0%	99.4%
Total	24 712.0	24 728.5	24 196.9	28 037.2	27 975.4	27 443.3	29 417.6	29 417.6	29 358.2	30 943.4	30 543.4	30 543.4	98.6%	99.0%
Change to 2015 Budget estimate											(400.0)			
Economic classification														
Current payments	667.4	666.6	473.3	724.2	700.2	454.5	733.0	696.6	605.8	687.0	674.8	674.8	78.5%	80.7%
Compensation of employees	299.0	285.1	222.9	330.1	326.9	240.2	351.7	328.8	290.9	322.2	320.8	320.8	82.5%	85.2%
Goods and services	368.0	380.7	250.4	393.7	373.2	214.3	381.3	367.7	314.9	364.7	354.0	354.0	75.2%	76.8%
of which:														
Administrative fees	0.3	1.0	0.3	0.1	0.3	0.5	0.3	0.4	0.4	0.3	0.5	0.5	164.7%	76.4%
Advertising	23.1	21.8	21.0	21.9	15.6	23.3	16.5	25.1	29.6	16.4	19.7	19.7	120.3%	113.9%
Minor assets	3.6	4.3	0.7	13.6	11.8	0.6	7.6	4.4	0.6	8.1	3.9	3.9	17.8%	23.9%
Audit costs: External	7.5	7.4	7.0	7.9	7.7	8.7	8.2	8.2	6.4	8.4	6.9	6.9	90.8%	96.0%
Bursaries: Employees	2.2	2.3	1.0	2.3	1.8	0.9	1.9	1.4	1.2	1.9	1.9	1.9	60.5%	68.5%
Catering: Departmental activities	2.7	4.9	6.9	2.9	5.2	6.1	3.0	4.7	5.0	3.1	4.0	4.0	187.1%	116.5%
Communication	9.2	10.6	7.8	10.5	10.3	7.7	10.2	12.5	10.9	10.6	10.3	10.3	90.7%	84.1%
Computer services	61.7	53.1	32.5	51.2	51.5	26.8	53.2	53.0	31.0	54.1	54.2	54.2	65.6%	68.3%
Consultants: Business and advisory services	138.0	142.7	74.4	157.8	143.5	30.9	146.5	123.4	72.1	126.2	112.8	112.8	51.0%	55.5%
Legal services	2.5	2.4	1.1	2.6	2.7	2.2	2.9	4.8	11.2	2.9	3.5	3.5	162.8%	133.5%
Contractors	2.8	3.2	1.1	3.3	2.0	1.0	2.2	5.0	2.9	2.2	1.5	1.5	61.9%	56.1%
Agency and support/outourced services	9.1	9.5	1.0	4.5	4.1	1.3	4.6	3.4	1.9	3.7	4.4	4.4	39.4%	40.2%
Entertainment	1.3	0.9	0.2	1.1	0.9	0.2	0.9	0.7	0.2	1.0	0.4	0.4	21.3%	32.2%
Fleet services (including government motor transport)	-	0.3	0.4	-	1.7	0.9	1.8	1.6	1.5	1.9	1.6	1.6	120.8%	83.6%
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-	-	0.3	0.3	-	100.0%
Inventory: Food and food supplies	0.4	0.4	0.0	0.3	0.2	-	0.2	0.2	-	0.2	0.0	0.0	4.6%	6.8%
Inventory: Fuel, oil and gas	0.7	0.6	-	0.7	0.0	-	0.0	-	-	0.0	-	-	-	-
Inventory: Learner and teacher support material	0.3	0.2	-	0.2	0.0	-	0.0	0.0	-	0.0	0.0	0.0	2.2%	4.2%
Inventory: Materials and supplies	0.0	0.1	0.1	0.1	0.0	0.2	0.0	0.1	0.2	0.0	0.1	0.1	298.9%	180.3%
Inventory: Other supplies	0.0	0.0	0.7	-	0.2	0.0	-	-	-	-	-	-	2 271.9%	321.7%
Consumable supplies	2.7	0.8	0.0	2.0	3.8	11.0	2.9	4.1	1.2	3.0	1.6	1.6	130.0%	135.6%
Consumables: Stationery, printing and office supplies	13.5	9.3	5.2	13.9	8.5	4.2	12.4	9.5	3.6	12.4	6.9	6.9	38.2%	58.2%
Operating leases	34.5	40.2	16.8	36.0	35.2	23.2	36.4	24.7	25.4	38.0	26.6	26.6	63.5%	72.6%
Property payments	2.1	4.1	5.9	3.1	2.3	1.6	2.5	12.6	6.8	2.6	14.3	14.3	281.6%	85.6%
Travel and subsistence	32.4	40.3	51.0	39.3	39.3	42.3	45.7	45.0	66.7	46.5	47.0	47.0	126.1%	120.6%
Training and development	4.3	5.2	2.6	5.2	5.0	1.9	5.4	3.0	8.4	5.4	12.3	12.3	124.5%	98.4%
Operating payments	7.8	6.1	2.1	7.7	9.3	6.2	7.9	8.7	8.2	7.6	6.9	6.9	75.6%	75.8%
Venues and facilities	5.1	9.1	10.5	5.3	10.2	12.6	8.3	11.4	19.8	8.3	12.4	12.4	205.0%	128.3%
Interest and rent on land	0.5	0.8	-	0.4	-	0.0	-	0.0	0.0	-	0.0	0.0	7.8%	8.3%

Table 38.2 Vote expenditure trends by programme and economic classification

Economic classification	Annual budget			Adjusted appropriation			Audited outcome			Annual budget			Adjusted appropriation			Audited outcome			Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Adjusted appropriation	Revised estimate		
Transfers and subsidies	23 884.4	23 892.6	23 566.9	27 209.8	27 165.6	26 879.7	28 450.6	28 480.9	28 507.6	30 252.4	29 692.7	29 692.7	99.0%			99.5%				
Provinces and municipalities	23 118.2	23 118.2	22 787.2	26 167.5	26 105.2	26 105.2	27 669.1	27 669.1	27 669.1	28 857.0	28 957.0	28 957.0	99.7%			99.7%				
Departmental agencies and accounts	760.8	760.8	760.8	1 033.8	1 050.8	764.6	772.1	793.2	798.0	1 385.5	724.5	724.5	77.1%			91.5%				
Higher education institutions	–	3.1	3.1	3.2	3.7	3.9	3.9	4.5	4.5	–	–	–	161.4%			101.8%				
Foreign governments and international organisations	1.0	1.0	1.3	1.1	1.6	1.1	1.1	1.1	1.3	1.2	1.2	1.2	110.7%			99.2%				
Public corporations and private enterprises	–	–	–	–	–	–	–	4.0	4.0	–	–	–	–			100.0%				
Non-profit institutions	0.4	0.4	0.4	–	–	–	–	–	–	–	–	–	100.0%			100.0%				
Households	4.0	9.1	14.1	4.2	4.3	4.8	4.5	9.0	30.8	8.8	10.0	10.0	278.1%			184.2%				
Payments for capital assets	8.2	17.3	4.6	3.3	9.7	8.9	3.9	10.2	14.7	4.0	14.8	14.8	221.7%			82.8%				
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–	–	0.2	0.2	–			100.0%				
Machinery and equipment	8.0	15.8	4.6	3.0	9.2	8.2	3.7	9.9	13.3	3.7	14.5	14.5	219.7%			82.2%				
Software and other intangible assets	0.2	1.5	0.0	0.2	0.5	0.7	0.2	0.2	1.4	0.3	0.1	0.1	234.6%			94.7%				
Payments for financial assets	152.0	152.0	152.1	100.0	100.0	100.2	230.0	230.0	230.1	–	161.1	161.1	133.5%			100.1%				
Total	24 712.0	24 728.5	24 196.9	28 037.2	27 975.4	27 443.3	29 417.6	29 417.6	29 358.2	30 943.4	30 543.4	30 543.4	98.6%			99.0%				

Expenditure estimates

Table 38.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Human Settlements Policy, Strategy and Planning									
3. Human Settlements Delivery Support									
4. Housing Development Finance									
Programme	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)	
				2015/16	2012/13 - 2015/16	2016/17			2017/18
R million									
Programme 1	420.6	-0.3%	1.3%	442.3	469.9	467.3	3.6%	1.4%	
Programme 2	73.5	-4.9%	0.3%	83.1	88.3	87.0	5.7%	0.3%	
Programme 3	185.6	4.8%	0.5%	224.6	208.3	199.9	2.5%	0.6%	
Programme 4	29 863.6	7.5%	98.0%	29 940.9	33 799.8	35 865.8	6.3%	97.8%	
Total	30 543.4	7.3%	100.0%	30 690.9	34 566.3	36 620.0	6.2%	100.0%	
Change to 2015 Budget estimate				(2 515.1)	(680.3)	(670.9)			
Economic classification									
Current payments	674.8	0.4%	2.0%	758.9	776.4	763.0	4.2%	2.2%	
Compensation of employees	320.8	4.0%	1.0%	383.5	387.5	381.2	5.9%	1.1%	
Goods and services	354.0	-2.4%	1.0%	375.4	388.9	381.8	2.6%	1.1%	
of which:									
Administrative fees	0.5	-22.6%	0.0%	0.3	0.3	0.3	-10.4%	0.0%	
Advertising	19.7	-3.3%	0.1%	23.9	25.1	26.4	10.2%	0.1%	
Minor assets	3.9	-3.1%	0.0%	7.6	8.0	8.4	28.5%	0.0%	
Audit costs: External	6.9	-2.1%	0.0%	8.9	9.3	9.8	12.2%	0.0%	
Bursaries: Employees	1.9	-6.0%	0.0%	2.0	2.1	2.2	5.1%	0.0%	
Catering: Departmental activities	4.0	-6.4%	0.0%	3.8	3.9	4.1	0.9%	0.0%	
Communication	10.3	-1.0%	0.0%	10.6	11.2	11.7	4.5%	0.0%	
Computer services	54.2	0.7%	0.1%	56.7	59.5	62.5	4.9%	0.2%	
Consultants: Business and advisory services	112.8	-7.5%	0.3%	117.8	118.3	97.7	-4.7%	0.3%	
Legal services	3.5	12.7%	0.0%	3.0	3.2	3.4	-1.3%	0.0%	
Contractors	1.5	-21.8%	0.0%	1.7	1.8	1.9	7.8%	0.0%	
Agency and support/outsourced services	4.4	-22.4%	0.0%	2.3	2.4	2.5	-17.0%	0.0%	
Entertainment	0.4	-23.6%	0.0%	0.9	0.9	0.9	32.2%	0.0%	

Table 38.3 Vote expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2015/16	2016/17	2017/18		
R million								
Fleet services (including government motor transport)	1.6	67.4%	0.0%	2.0	2.1	2.2	10.6%	0.0%
Inventory: Clothing material and accessories	0.3	-	0.0%	-	-	-	-100.0%	0.0%
Inventory: Food and food supplies	0.0	-55.9%	0.0%	0.0	0.0	0.1	16.8%	0.0%
Inventory: Materials and supplies	0.1	-3.0%	0.0%	0.0	0.0	0.0	-24.2%	0.0%
Inventory: Other supplies	-	-100.0%	0.0%	0.1	0.1	0.1	-	0.0%
Consumable supplies	1.6	29.0%	0.0%	2.5	2.6	2.8	19.7%	0.0%
Consumables: Stationery, printing and office supplies	6.9	-9.4%	0.0%	12.9	13.6	14.2	27.4%	0.0%
Operating leases	26.6	-12.9%	0.1%	28.2	29.6	31.1	5.4%	0.1%
Property payments	14.3	51.1%	0.0%	14.6	15.4	16.1	4.2%	0.0%
Travel and subsistence	47.0	5.3%	0.2%	50.9	53.5	56.1	6.1%	0.2%
Training and development	12.3	33.5%	0.0%	4.8	5.2	5.3	-24.5%	0.0%
Operating payments	6.9	4.1%	0.0%	9.5	9.7	10.4	14.8%	0.0%
Venues and facilities	12.4	11.0%	0.0%	10.5	11.0	11.6	-2.4%	0.0%
Transfers and subsidies	29 692.7	7.3%	97.8%	29 826.5	33 634.2	35 692.3	6.3%	97.3%
Provinces and municipalities	28 957.0	7.8%	94.6%	29 123.5	32 532.6	34 334.0	5.8%	94.4%
Departmental agencies and accounts	724.5	-7.4%	3.2%	692.4	1 090.5	1 346.5	22.9%	2.9%
Foreign governments and international organisations	1.2	4.8%	0.0%	1.2	1.3	1.3	5.4%	0.0%
Households	10.0	3.2%	0.1%	9.4	9.9	10.4	1.4%	0.0%
Payments for capital assets	14.8	-5.0%	0.0%	5.5	5.7	6.0	-25.9%	0.0%
Buildings and other fixed structures	0.2	-	0.0%	-	-	-	-100.0%	0.0%
Machinery and equipment	14.5	-2.7%	0.0%	5.2	5.5	5.7	-26.7%	0.0%
Software and other intangible assets	0.1	-67.0%	0.0%	0.3	0.3	0.3	75.6%	0.0%
Payments for financial assets	161.1	-	0.1%	100.0	150.0	158.7	-0.5%	0.4%
Total	30 543.4	7.3%	100.0%	30 690.9	34 566.3	36 620.0	6.2%	100.0%

Personnel information

Table 38.4 Vote personnel numbers and cost by salary level and programme¹ prior to Cabinet approved reduction, effective from 2017/18²; budget reductions and aggregate baseline total

Programmes		Number and cost ³ of personnel posts filled / planned for on funded establishment															Number				
Number of posts estimated for 31 March 2016																	Average growth rate (%)	Salary level/Total: Average (%)			
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2015/16 - 2018/19							
		2014/15			2015/16			2016/17		2017/18		2018/19									
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost					
Human Settlements		850			658	290.9	0.4	660	320.8	0.5	694	383.5	0.6	699	416.4	0.6	673	424.4	0.6	0.7%	100.0%
Salary level																					
1 – 6		195			158	31.4	0.2	146	30.0	0.2	145	34.3	0.2	145	37.0	0.3	145	40.0	0.3	-0.2%	21.3%
7 – 10		357			268	94.4	0.4	272	100.5	0.4	273	111.7	0.4	274	121.1	0.4	275	131.4	0.5	0.4%	40.1%
11 – 12		168			120	72.4	0.6	121	79.2	0.7	124	87.6	0.7	126	96.3	0.8	127	105.0	0.8	1.6%	18.3%
13 – 16		130			92	90.7	1.0	101	108.4	1.1	104	122.1	1.2	106	134.1	1.3	106	144.8	1.4	1.6%	15.3%
Other		-			20	1.9	0.1	20	2.6	0.1	48	27.8	0.6	48	28.0	0.6	20	3.2	0.2	-	5.0%
Programme		850			658	290.9	0.4	660	320.8	0.5	694	383.5	0.6	699	416.4	0.6	673	424.4	0.6	0.7%	100.0%
Programme 1		511			450	178.8	0.4	446	197.1	0.4	446	216.5	0.5	448	235.5	0.5	448	254.5	0.6	0.1%	65.6%
Programme 2		121			76	45.3	0.6	79	48.5	0.6	80	55.7	0.7	80	60.2	0.8	80	65.1	0.8	0.4%	11.7%
Programme 3		186			102	53.0	0.5	106	59.9	0.6	138	93.3	0.7	141	101.2	0.7	115	83.7	0.7	2.8%	18.3%
Programme 4		32			30	13.7	0.5	29	15.3	0.5	30	18.1	0.6	30	19.5	0.7	30	21.1	0.7	1.1%	4.4%
Reduction																					
Total		850			658	290.9	0.4	660	320.8	0.5	694	383.5	0.6	699	416.4	0.6	673	424.4	0.6	0.7%	100.0%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.
 2. The department's compensation of employees budget has been reduced by R72.1 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.
 3. Rand million.

Departmental receipts

Table 38.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ Total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ Total: Average (%)
	2012/13	2013/14	2014/15					2015/16	2012/13 - 2015/16	2016/17		
Departmental receipts	1 039	763	1 014	1 695	1 695	17.7%	100.0%	519	522	525	-32.3%	100.0%
Sales of goods and services produced by department	167	190	200	210	210	7.9%	17.0%	214	217	220	1.6%	26.4%
Sales by market establishments	47	52	57	58	58	7.3%	4.7%	59	60	61	1.7%	7.3%
<i>of which:</i>												
Parking	47	52	57	58	58	7.3%	4.7%	59	60	61	1.7%	7.3%
Administrative fees	-	1	-	2	2	-	0.1%	3	3	3	14.5%	0.3%
<i>of which:</i>												
Commission on insurance	-	1	-	2	2	-	0.1%	3	3	3	14.5%	0.3%
Other sales	120	137	143	150	150	7.7%	12.2%	152	154	156	1.3%	18.8%
<i>of which:</i>												
Replacement of security cards	120	137	143	150	150	7.7%	12.2%	152	154	156	1.3%	18.8%
Sales of scrap, waste, arms and other used current goods	3	3	4	5	5	18.6%	0.3%	5	5	5	-	0.6%
<i>of which:</i>												
Waste paper	3	3	4	5	5	18.6%	0.3%	5	5	5	-	0.6%
Interest, dividends and rent on land	90	63	286	300	300	49.4%	16.4%	300	300	300	-	36.8%
Interest	90	63	286	300	300	49.4%	16.4%	300	300	300	-	36.8%
Transactions in financial assets and liabilities	779	507	524	1 180	1 180	14.8%	66.3%	-	-	-	-100.0%	36.2%
Total	1 039	763	1 014	1 695	1 695	17.7%	100.0%	519	522	525	-32.3%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2012/13	2013/14	2014/15				2015/16	2012/13 - 2015/16	2016/17			2017/18
R thousand												
Ministry	30 353	28 739	66 437	61 363	26.4%	13.2%	60 222	63 901	64 100	1.5%	13.9%	
Departmental Management	61 571	53 508	101 857	98 773	17.1%	22.2%	102 143	107 153	98 487	-0.1%	22.6%	
Corporate Services	139 629	134 141	190 534	175 316	7.9%	45.1%	188 160	201 332	204 830	5.3%	42.8%	
Property Management	20 403	24 699	32 153	37 677	22.7%	8.1%	39 900	41 895	43 990	5.3%	9.1%	
Financial Management	33 722	39 312	42 099	47 487	12.1%	11.5%	51 849	55 639	55 915	5.6%	11.7%	
Total	285 678	280 399	433 080	420 616	13.8%	100.0%	442 274	469 920	467 322	3.6%	100.0%	
Change to 2015 Budget estimate				(14 500)			(20 510)	(20 209)	(51 239)			

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

Economic classification	Audited outcome			Adjusted appropriation 2015/16	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Expenditure/Total: Average (%)	
	2012/13	2013/14	2014/15		2012/13 - 2015/16	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16	2018/19	
R thousand													
Current payments	282 013	272 908	397 840	407 883	13.1%	95.8%	438 900	466 381	463 602	4.4%	98.7%		
Compensation of employees	134 699	140 578	178 849	197 063	13.5%	45.9%	216 458	233 145	228 846	5.1%	48.6%		
Goods and services	147 314	132 294	218 970	210 816	12.7%	50.0%	222 442	233 236	234 756	3.7%	50.1%		
of which:													
Administrative fees	200	332	375	444	30.5%	0.1%	305	320	333	-9.1%	0.1%		
Advertising	20 779	19 876	29 479	17 938	-4.8%	6.2%	23 503	24 679	25 913	13.0%	5.1%		
Minor assets	605	431	252	2 655	63.7%	0.3%	5 985	6 286	6 601	35.5%	1.2%		
Audit costs: External	6 932	8 550	6 392	6 946	0.1%	2.0%	8 894	9 339	9 806	12.2%	1.9%		
Bursaries: Employees	996	935	1 222	1 880	23.6%	0.4%	1 980	2 079	2 183	5.1%	0.5%		
Catering: Departmental activities	2 429	2 217	2 105	1 876	-8.3%	0.6%	1 553	1 630	1 712	-3.0%	0.4%		
Communication	5 220	4 932	7 620	6 198	5.9%	1.7%	6 998	7 349	7 716	7.6%	1.6%		
Computer services	17 338	9 412	16 090	33 278	24.3%	5.4%	29 690	31 924	34 295	1.0%	7.2%		
Consultants: Business and advisory services	24 473	16 058	44 144	40 285	18.1%	8.8%	39 382	40 272	31 369	-8.0%	8.4%		
Legal services	1 082	2 210	–	3 482	47.6%	0.5%	3 039	3 191	3 350	-1.3%	0.7%		
Science and technological services	–	–	11 161	–	–	0.8%	–	–	–	–	–		
Contractors	1 016	986	2 856	1 350	9.9%	0.4%	1 379	1 448	1 521	4.1%	0.3%		
Agency and support/outourced services	948	1 304	1 873	3 260	50.9%	0.5%	1 636	1 717	1 803	-17.9%	0.5%		
Entertainment	129	122	133	285	30.2%	–	545	576	608	28.7%	0.1%		
Fleet services (including government motor transport)	405	876	1 524	1 622	58.8%	0.3%	1 987	2 087	2 192	10.6%	0.4%		
Inventory: Food and food supplies	14	–	–	–	-100.0%	–	44	46	48	–	–		
Inventory: Materials and supplies	59	226	150	50	-5.4%	–	12	12	12	-37.9%	–		
Inventory: Medical supplies	1	4	–	–	-100.0%	–	–	–	–	–	–		
Inventory: Other supplies	294	–	–	–	-100.0%	–	39	40	41	–	–		
Consumable supplies	–	846	1 159	1 279	–	0.2%	1 602	1 682	1 764	11.3%	0.4%		
Consumables: Stationery, printing and office supplies	2 212	1 825	2 570	4 279	24.6%	0.8%	8 556	8 983	9 433	30.1%	1.7%		
Operating leases	16 789	23 246	25 369	26 369	16.2%	6.5%	27 900	29 295	30 760	5.3%	6.4%		
Rental and hiring	–	8	19	–	–	–	–	–	–	–	–		
Property payments	5 928	1 567	6 784	14 225	33.9%	2.0%	14 632	15 363	16 131	4.3%	3.4%		
Transport provided: Departmental activity	–	–	28 589	–	–	2.0%	–	–	–	–	–		
Travel and subsistence	27 759	23 936	11 869	24 420	-4.2%	6.2%	25 700	26 984	28 335	5.1%	5.9%		
Training and development	2 581	1 854	2 385	4 488	20.3%	0.8%	4 792	5 236	5 283	5.6%	1.1%		
Operating payments	1 557	3 108	6 467	4 922	46.8%	1.1%	6 921	7 062	7 629	15.7%	1.5%		
Venues and facilities	7 568	7 433	8 383	9 285	7.1%	2.3%	5 368	5 636	5 918	-13.9%	1.5%		
Interest and rent on land	–	36	21	4	–	–	–	–	–	-100.0%	–		
Transfers and subsidies	74	175	22 706	857	126.2%	1.7%	46	46	49	-61.5%	0.1%		
Departmental agencies and accounts	–	–	1 170	–	–	0.1%	–	–	–	–	–		
Households	74	175	21 536	857	126.2%	1.6%	46	46	49	-61.5%	0.1%		
Payments for capital assets	3 537	7 198	12 426	11 794	49.4%	2.5%	3 328	3 493	3 671	-32.2%	1.2%		
Buildings and other fixed structures	–	–	–	245	–	–	–	–	–	-100.0%	–		
Machinery and equipment	3 507	6 617	11 019	11 494	48.5%	2.3%	3 059	3 211	3 373	-33.5%	1.2%		
Software and other intangible assets	30	581	1 407	55	22.4%	0.1%	269	282	298	75.6%	0.1%		
Payments for financial assets	54	118	108	82	14.9%	–	–	–	–	-100.0%	–		
Total	285 678	280 399	433 080	420 616	13.8%	100.0%	442 274	469 920	467 322	3.6%	100.0%		
Proportion of total programme expenditure to vote expenditure	1.2%	1.0%	1.5%	1.4%	–	–	1.4%	1.4%	1.3%	–	–		
Details of transfers and subsidies													
Households													
Other transfers to households													
Current	74	175	21 536	857	126.2%	1.6%	46	46	49	-61.5%	0.1%		
Gifts and donations	–	63	736	44	–	0.1%	46	46	49	3.7%	–		
Transfers to households	74	112	20 800	813	122.3%	1.5%	–	–	–	-100.0%	–		
Departmental agencies and accounts													
Departmental agencies (non-business entities)													
Current	–	–	1 170	–	–	0.1%	–	–	–	–	–		
Public Service Sector Education and Training Authority	–	–	1 170	–	–	0.1%	–	–	–	–	–		

Personnel information

Table 38.7 Administration personnel numbers and cost by salary level¹ prior to Cabinet approved reduction, effective from 2017/18²; budget reductions and aggregate baseline total

Number of posts estimated for 31 March 2016		Number and cost ³ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)				
		2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost	2017/18		Unit Cost			2018/19		Unit Cost	2015/16 - 2018/19
Administration		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	511	–	450	178.8	0.4	446	197.1	0.4	446	216.5	0.5	448	235.5	0.5	448	254.5	0.6	0.1%	100.0%
1 – 6	153	–	143	28.6	0.2	133	27.2	0.2	133	31.2	0.2	133	33.7	0.3	133	36.4	0.3	–	29.8%
7 – 10	206	–	174	61.1	0.4	174	63.2	0.4	174	69.9	0.4	175	75.9	0.4	175	82.0	0.5	0.2%	39.0%
11 – 12	80	–	61	35.6	0.6	61	40.5	0.7	61	43.0	0.7	61	46.6	0.8	61	50.5	0.8	–	13.6%
13 – 16	72	–	52	51.7	1.0	58	63.7	1.1	58	69.6	1.2	59	76.3	1.3	59	82.4	1.4	0.6%	13.1%
Other	–	–	20	1.9	0.1	20	2.6	0.1	20	2.8	0.1	20	3.0	0.1	20	3.2	0.2	–	4.5%
Reduction	–	–	–	–	–	–	–	–	–	–	–	–	(2.4)	–	–	(25.7)	–	–	–
Total	511	–	450	178.8	0.4	446	197.1	0.4	446	216.5	0.5	–	233.1	–	–	228.8	–	–	–

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

2. This programme's compensation of employees budget has been reduced by R28 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

Programme 2: Human Settlements Policy, Strategy and Planning

Programme purpose

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

Objectives

- Ensure compliance with frameworks on the governance of human settlements by developing and maintaining policies, programmes, and norms and standards for human settlements development on an ongoing basis.
- Promote the sustainable development of human settlements by drafting the human settlements macro policy (white paper) and strategy, as contained in the national development plan, by 2016/17.
- Facilitate a national rollout of human settlements programmes and related projects by managing and monitoring programmes in terms of the planning frameworks and processes on human settlements on an ongoing basis.
- Improve the development of sustainable human settlements by assessing 28 municipalities for accreditation by 2018/19.
- Improve cooperation and collaboration in the sector by managing intergovernmental and sector relations with all stakeholders in the value chain of human settlements development on an ongoing basis.

Subprogrammes

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

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand											
Management for Policy, Strategy and Planning	2 160	3 568	3 902	6 262	42.6%	5.5%	7 424	7 844	7 758	7.4%	8.8%
Human Settlements Policy Frameworks	27 765	27 756	29 731	28 174	0.5%	39.3%	30 852	32 887	32 254	4.6%	37.4%
Human Settlements Strategy and Planning	33 275	42 003	45 070	39 102	5.5%	55.2%	44 787	47 567	46 939	6.3%	53.8%
Total	63 200	73 327	78 703	73 538	5.2%	100.0%	83 063	88 298	86 951	5.7%	100.0%
Change to 2015 Budget estimate				(800)			3 810	4 538	(1 666)		
Economic classification											
Current payments	60 953	71 572	72 128	71 320	5.4%	95.6%	80 985	86 115	84 648	5.9%	97.4%
Compensation of employees	33 282	38 322	45 311	48 533	13.4%	57.3%	55 724	59 591	58 099	6.2%	66.9%
Goods and services	27 671	33 250	26 817	22 787	-6.3%	38.3%	25 261	26 524	26 549	5.2%	30.5%
of which:											
Administrative fees	–	–	–	8	–	–	–	–	–	-100.0%	–
Advertising	37	2 736	–	245	87.8%	1.0%	46	49	52	-40.3%	0.1%
Minor assets	24	60	176	582	189.4%	0.3%	681	714	750	8.8%	0.8%
Catering: Departmental activities	2 757	1 986	1 662	990	-28.9%	2.6%	1 251	1 315	1 382	11.8%	1.5%
Communication	1 121	1 173	1 623	1 535	11.0%	1.9%	1 415	1 485	1 558	0.5%	1.8%
Computer services	–	–	–	55	–	–	–	–	–	-100.0%	–
Consultants: Business and advisory services	8 528	4 549	3 201	4 657	-18.3%	7.2%	6 286	6 600	5 627	6.5%	7.0%
Contractors	8	8	–	52	86.6%	–	–	–	–	-100.0%	–
Agency and support/outourced services	58	5	–	625	120.9%	0.2%	–	–	–	-100.0%	0.2%
Entertainment	12	16	20	37	45.5%	–	65	69	73	25.4%	0.1%
Inventory: Clothing material and accessories	–	–	–	258	–	0.1%	–	–	–	-100.0%	0.1%
Inventory: Food and food supplies	3	–	–	1	-30.7%	–	3	3	3	44.2%	–
Inventory: Learner and teacher support material	–	–	–	12	–	–	–	–	–	-100.0%	–
Inventory: Materials and supplies	2	–	1	18	108.0%	–	19	20	21	5.3%	–
Inventory: Other supplies	430	–	–	–	-100.0%	0.1%	3	3	3	–	–
Consumable supplies	–	10 087	28	242	–	3.6%	571	600	630	37.6%	0.6%
Consumables: Stationery, printing and office supplies	458	225	496	731	16.9%	0.7%	724	760	798	3.0%	0.9%
Property payments	–	18	–	29	–	–	–	–	–	-100.0%	–
Travel and subsistence	12 384	9 493	12 437	10 086	-6.6%	15.4%	10 315	10 830	11 371	4.1%	12.8%
Training and development	–	–	–	158	–	0.1%	–	–	–	-100.0%	–
Operating payments	368	850	327	744	26.4%	0.8%	823	864	908	6.9%	1.0%
Venues and facilities	1 481	2 044	6 846	1 722	5.2%	4.2%	3 059	3 212	3 373	25.1%	3.4%
Transfers and subsidies	1 807	1 148	5 394	1 150	-14.0%	3.3%	1 211	1 272	1 346	5.4%	1.5%
Foreign governments and international organisations	1 279	1 075	1 269	1 150	-3.5%	1.7%	1 211	1 272	1 346	5.4%	1.5%
Public corporations and private enterprises	–	–	4 000	–	–	1.4%	–	–	–	–	–
Non-profit institutions	400	–	–	–	-100.0%	0.1%	–	–	–	–	–
Households	128	73	125	–	-100.0%	0.1%	–	–	–	–	–
Payments for capital assets	425	575	1 170	1 068	36.0%	1.1%	867	911	957	-3.6%	1.1%
Machinery and equipment	425	575	1 170	1 068	36.0%	1.1%	867	911	957	-3.6%	1.1%
Payments for financial assets	15	32	11	–	-100.0%	–	–	–	–	–	–
Total	63 200	73 327	78 703	73 538	5.2%	100.0%	83 063	88 298	86 951	5.7%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.3%	0.3%	0.2%	–	–	0.3%	0.3%	0.2%	–	–
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	128	73	125	–	-100.0%	0.1%	–	–	–	–	–
Gifts and donations	–	12	–	–	–	–	–	–	–	–	–
Transfers to households	128	–	125	–	-100.0%	0.1%	–	–	–	–	–
Leave gratuity	–	61	–	–	–	–	–	–	–	–	–
Non-profit institutions											
Current	400	–	–	–	-100.0%	0.1%	–	–	–	–	–
South African Planning Institute	400	–	–	–	-100.0%	0.1%	–	–	–	–	–
Foreign governments and international organisations											
Current	1 279	1 075	1 269	1 150	-3.5%	1.7%	1 211	1 272	1 346	5.4%	1.5%
Habitat Foundation	850	1 075	1 269	1 150	10.6%	1.5%	1 211	1 272	1 346	5.4%	1.5%
City Alliance	429	–	–	–	-100.0%	0.1%	–	–	–	–	–
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	–	–	4 000	–	–	1.4%	–	–	–	–	–
Council for Scientific and Industrial Research	–	–	4 000	–	–	1.4%	–	–	–	–	–

Personnel information

Table 38.9 Human Settlements Policy, Strategy and Planning personnel numbers and cost by salary level¹ prior to Cabinet approved reduction, effective from 2017/18²; budget reductions and aggregate baseline total

Number of posts estimated for 31 March 2016		Number and cost ³ of personnel posts filled / planned for on funded establishment															Number	
Number of funded posts	Number of posts additional to the establishment	Actual 2014/15			Revised estimate 2015/16			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	2016/17		2017/18		2018/19				2015/16 - 2018/19		
Human Settlements Policy, Strategy and Planning																		
Salary level	121	76	45.3	0.6	79	48.5	0.6	80	55.7	0.7	80	60.2	0.8	80	65.1	0.8	0.4%	100.0%
1 – 6	15	6	1.2	0.2	6	1.3	0.2	5	1.3	0.3	5	1.4	0.3	5	1.5	0.3	-5.9%	6.6%
7 – 10	45	26	8.8	0.3	27	9.8	0.4	27	11.1	0.4	27	12.0	0.4	27	13.0	0.5	-	33.9%
11 – 12	37	25	16.8	0.7	27	17.7	0.7	27	19.3	0.7	27	20.9	0.8	27	22.6	0.8	-	33.9%
13 – 16	24	19	18.5	1.0	19	19.7	1.0	21	24.1	1.1	21	26.0	1.2	21	28.0	1.3	3.4%	25.7%
Reduction	-	-	-	-	-	-	-	-	-	-	-	(0.6)	-	-	(7.0)	-	-	-
Total	121	76	45.3	0.6	79	48.5	0.6	80	55.7	0.7	-	59.6	-	-	58.1	-	-	-

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

2. This programme's compensation of employees budget has been reduced by R7.6 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

Programme 3: Human Settlements Delivery Support

Programme purpose

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

Objectives

- Improve the delivery rate of housing projects, including blocked projects and informal settlement upgrading projects, by providing ongoing technical support to provinces and municipalities in the planning and implementation of strategic programmes and projects.
- Promote better human settlements outcomes in informal settlements through the progressive implementation of the national upgrading support programme in 53 municipalities per year.
- Ensure and verify the delivery of quality housing opportunities by monitoring and evaluating the performance of provinces and municipalities, as reported on in the housing subsidy system, through quarterly project level site visits and review sessions and workshops.
- Develop professional and institutional capacity to support roles and responsibilities at the provincial and municipal levels by managing ongoing training and skills development programmes for officials and communities.
- Manage the performance of public entities, provinces and municipalities by monitoring the performance of human settlements development and housing programmes on a quarterly basis.

Subprogrammes

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

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2012/13	2013/14	2014/15		2015/16	2012/13 - 2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16 - 2018/19
R thousand											
Management for Human Settlements				7 351	33.1%	3.9%	9 240	9 806	9 802	10.1%	4.4%
Delivery Support	3 121	4 071	7 019	7 351	33.1%	3.9%	9 240	9 806	9 802	10.1%	4.4%
Programme Management Unit	39 821	50 480	69 598	124 901	46.4%	52.1%	165 021	145 092	137 119	3.2%	69.9%
Chief of Operations	85 544	44 194	57 095	53 348	-14.6%	43.9%	50 321	53 441	53 000	-0.2%	25.7%
Total	128 486	98 745	133 712	185 600	13.0%	100.0%	224 582	208 339	199 921	2.5%	100.0%
Change to 2015 Budget estimate				15 800			48 329	26 099	7 113		
Economic classification											
Current payments	110 938	89 275	119 096	175 331	16.5%	90.5%	214 178	197 414	188 372	2.4%	94.7%
Compensation of employees	40 080	47 245	53 001	59 877	14.3%	36.6%	93 259	75 473	75 368	8.0%	37.1%
Goods and services	70 858	42 030	66 092	115 454	17.7%	53.9%	120 919	121 941	113 004	-0.7%	57.6%
of which:											
Administrative fees	99	–	–	11	-51.9%	–	–	–	–	-100.0%	–
Advertising	113	374	128	1 295	125.5%	0.3%	336	353	371	-34.1%	0.3%
Minor assets	68	80	161	598	106.4%	0.2%	799	840	882	13.8%	0.4%
Audit costs: External	86	139	–	–	-100.0%	–	–	–	–	–	–
Catering: Departmental activities	1 434	1 728	1 209	951	-12.8%	1.0%	705	740	775	-6.6%	0.4%
Communication	1 255	1 375	1 374	2 103	18.8%	1.1%	1 830	1 922	2 018	-1.4%	1.0%
Computer services	15 179	17 400	14 954	20 844	11.2%	12.5%	26 961	27 559	28 161	10.5%	12.6%
Consultants: Business and advisory services	40 545	9 427	24 546	66 754	18.1%	25.8%	70 544	69 794	59 027	-4.0%	32.5%
Contractors	121	26	–	80	-12.9%	–	338	355	374	67.2%	0.1%
Agency and support/outsourced services	–	–	–	511	–	0.1%	654	687	721	12.2%	0.3%
Entertainment	16	22	19	46	42.2%	–	193	201	211	66.2%	0.1%
Inventory: Food and food supplies	–	–	–	31	–	–	–	–	–	-100.0%	–
Inventory: Materials and supplies	2	1	4	21	119.0%	–	6	6	6	-34.1%	–
Inventory: Other supplies	–	2	–	–	–	–	3	3	3	–	–
Consumable supplies	3	22	49	54	162.1%	–	297	311	327	82.3%	0.1%
Consumables: Stationery, printing and office supplies	631	390	381	1 194	23.7%	0.5%	2 197	2 307	2 423	26.6%	1.0%
Operating leases	–	–	–	182	–	–	293	308	324	21.2%	0.1%
Travel and subsistence	9 737	7 721	12 281	10 642	3.0%	7.4%	12 459	13 082	13 735	8.9%	6.1%
Training and development	39	–	7 093	7 648	481.0%	2.7%	–	–	–	-100.0%	0.9%
Operating payments	161	316	363	1 162	93.3%	0.4%	1 524	1 602	1 682	13.1%	0.7%
Venues and facilities	1 369	3 007	3 530	1 327	-1.0%	1.7%	1 780	1 871	1 964	14.0%	0.8%
Interest and rent on land	–	–	3	–	–	–	–	–	–	–	–
Transfers and subsidies	16 951	8 543	13 602	9 171	-18.5%	8.8%	9 355	9 822	10 392	4.3%	4.7%
Higher education institutions	3 090	3 949	4 499	–	-100.0%	2.1%	–	–	–	–	–
Households	13 861	4 594	9 103	9 171	-12.9%	6.7%	9 355	9 822	10 392	4.3%	4.7%
Payments for capital assets	580	922	1 011	1 086	23.3%	0.7%	1 049	1 103	1 157	2.1%	0.5%
Machinery and equipment	580	806	1 011	1 086	23.3%	0.6%	1 049	1 103	1 157	2.1%	0.5%
Software and other intangible assets	–	116	–	–	–	–	–	–	–	–	–
Payments for financial assets	17	5	3	12	-11.0%	–	–	–	–	-100.0%	–
Total	128 486	98 745	133 712	185 600	13.0%	100.0%	224 582	208 339	199 921	2.5%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.4%	0.5%	0.6%	–	–	0.7%	0.6%	0.5%	–	–
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	13 861	4 594	9 103	9 171	-12.9%	6.7%	9 355	9 822	10 392	4.3%	4.7%
Gifts and donations	–	–	12	–	–	–	–	–	–	–	–
Transfers to households	41	41	117	452	122.6%	0.1%	–	–	–	-100.0%	0.1%
Bursaries for non-employees	13 820	4 553	8 974	8 719	-14.2%	6.6%	9 355	9 822	10 392	6.0%	4.7%
Higher education institutions											
Current	3 090	3 949	4 499	–	-100.0%	2.1%	–	–	–	–	–
Nelson Mandela Metropolitan University	3 090	3 949	4 499	–	-100.0%	2.1%	–	–	–	–	–

Personnel information

Table 38.11 Human Settlements Delivery Support personnel numbers and cost by salary level¹ prior to Cabinet approved reduction, effective from 2017/18²; budget reductions and aggregate baseline total

Number of posts estimated for 31 March 2016		Number and cost ³ of personnel posts filled / planned for on funded establishment															Number				
Number of funded posts	Number of posts additional to the establishment	Actual 2014/15			Revised estimate 2015/16			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	2016/17			2017/18			2018/19							
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2015/16 - 2018/19	
Human Settlements Delivery Support																					
Salary level	186	-																			
1 – 6	26	-	102	53.0	0.5	106	59.9	0.6	138	93.3	0.7	141	101.2	0.7	115	83.7	0.7	2.8%	-	100.0%	
7 – 10	89	-	7	1.5	0.2	6	1.3	0.2	6	1.5	0.3	6	1.7	0.3	6	1.8	0.3	-	-	4.8%	
11 – 12	26	-	53	19.9	0.4	54	21.3	0.4	56	24.2	0.4	56	26.2	0.5	57	28.8	0.5	1.8%	-	44.6%	
13 – 16	42	-	26	15.5	0.6	26	16.6	0.6	28	19.7	0.7	30	22.7	0.8	31	25.4	0.8	6.0%	-	23.0%	
Other	29	-	16	16.1	1.0	20	20.7	1.0	20	22.8	1.1	21	25.6	1.2	21	27.7	1.3	1.6%	-	16.4%	
Reduction	-	-	-	-	-	-	-	-	-	-	-	-	(25.7)	-	-	(8.3)	-	-	-	-	
Total	186	-	102	53.0	0.5	106	59.9	0.6	138	93.3	0.7	-	75.5	-	-	75.4	-	-	-	-	

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

2. This programme's compensation of employees budget has been reduced by R34 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

Programme 4: Housing Development Finance

Programme purpose

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

Objectives

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

Subprogrammes

- *Management for Housing Development Finance* provides strategic leadership to the programme.
- *Chief Investment Officer* monitors the spending and performance of provinces and municipalities implementing housing and human settlements programmes, mobilises the financial sector to provide financial resources to human settlements development, and monitors and reports on the lending patterns by financial institutions through the Office of Disclosure, on an ongoing basis.
- *Human Settlements Development Grant* reflects the conditional allocation that is transferred to all provinces for delivering housing projects as per the National Housing Code.
- Contributions makes transfers to certain public entities reporting to the department, such as the Social Housing Regulatory Authority and the Housing Development Agency.
- *Urban Settlements Development Grant* reflects the conditional allocations transferred to metropolitan municipalities to supplement their capital budgets for infrastructure development to support the upgrading of informal settlements and increase the provision of serviced land in metropolitan municipalities.

- *Municipal Human Settlements Capacity Grant* reflects the conditional grant transferred to municipalities to build capacity within metropolitan municipalities. This subprogramme has subsequently been closed down as the conditional grant no longer exists.

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
R thousand											
Management for Housing Development Finance	1 678	1 940	357	3 017	21.6%	–	3 741	3 947	4 003	9.9%	–
Chief Investment Officer	17 795	19 023	16 488	18 083	0.5%	0.1%	21 342	22 747	22 654	7.8%	0.1%
Human Settlements Development Grant	15 395 032	17 028 326	17 084 369	18 302 675	5.9%	62.0%	18 283 991	21 060 343	2 281 843	6.8%	61.7%
Contributions	912 808	864 648	1 026 839	885 507	-1.0%	3.4%	792 395	1 240 485	1 505 196	19.3%	3.4%
Urban Settlements Development Grant	7 392 206	9 076 906	10 284 684	10 554 345	12.6%	34.1%	10 839 468	11 472 247	2 052 137	4.5%	34.7%
Municipal Human Settlements Capacity Grant	–	–	300 000	100 000	–	0.4%	–	–	–	-100.0%	0.1%
Total	23 719 519	26 990 843	28 712 737	29 863 627	8.0%	100.0%	29 940 937	33 799 769	5 865 833	6.3%	100.0%
Change to 2015 Budget estimate				(400 500)			(2 546 737)	(690 712)	(625 095)		
Economic classification											
Current payments	19 393	20 788	16 734	20 222	1.4%	0.1%	24 861	26 461	26 412	9.3%	0.1%
Compensation of employees	14 821	14 083	13 695	15 287	1.0%	0.1%	18 050	19 310	18 904	7.3%	0.1%
Goods and services	4 572	6 705	3 039	4 935	2.6%	–	6 811	7 151	7 508	15.0%	–
of which:											
Administrative fees	–	201	–	–	–	–	–	–	–	–	–
Advertising	55	276	–	223	59.5%	–	48	50	53	-38.1%	–
Minor assets	14	15	16	109	98.2%	–	128	134	141	9.0%	–
Catering: Departmental activities	202	146	40	214	1.9%	–	241	253	266	7.5%	–
Communication	231	202	270	444	24.3%	–	397	417	437	-0.5%	–
Consultants: Business and advisory services	922	822	191	1 113	6.5%	–	1 551	1 629	1 710	15.4%	–
Contractors	–	–	8	29	–	–	–	–	–	-100.0%	–
Agency and support/outsourced services	–	–	–	26	–	–	–	–	–	-100.0%	–
Entertainment	9	6	6	42	67.1%	–	50	53	56	10.1%	–
Inventory: Materials and supplies	–	1	1	5	–	–	2	2	2	-26.3%	–
Inventory: Other supplies	1	–	–	–	-100.0%	–	5	5	5	–	–
Consumable supplies	–	6	4	37	–	–	39	41	43	5.1%	–
Consumables: Stationery, printing and office supplies	1 914	1 806	113	680	-29.2%	–	1 439	1 511	1 586	32.6%	–
Operating leases	–	–	–	24	–	–	–	–	–	-100.0%	–
Property payments	–	–	–	9	–	–	–	–	–	-100.0%	–
Transport provided: Departmental activity	–	–	1 478	–	–	–	–	–	–	–	–
Travel and subsistence	1 103	1 109	–	1 818	18.1%	–	2 437	2 559	2 687	13.9%	–
Training and development	–	–	761	–	–	–	–	–	–	–	–
Operating payments	42	1 966	151	67	16.8%	–	185	194	204	44.9%	–
Venues and facilities	79	149	–	95	6.3%	–	289	303	318	49.6%	–
Transfers and subsidies	23 548 077	26 869 880	28 465 892	29 681 527	8.0%	99.3%	29 815 854	33 623 075	5 680 476	6.3%	99.5%
Provinces and municipalities	22 787 238	26 105 232	27 669 053	28 957 020	8.3%	96.6%	29 123 459	32 532 590	4 333 980	5.8%	96.5%
Departmental agencies and accounts	760 833	764 648	796 839	724 507	-1.6%	2.8%	692 395	1 090 485	1 346 496	22.9%	3.0%
Households	6	–	–	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	74	175	110	878	128.1%	–	222	233	245	-34.7%	–
Machinery and equipment	74	175	110	878	128.1%	–	222	233	245	-34.7%	–
Payments for financial assets	151 975	100 000	230 001	161 000	1.9%	0.6%	100 000	150 000	158 700	-0.5%	0.4%
Total	23 719 519	26 990 843	28 712 737	29 863 627	8.0%	100.0%	29 940 937	33 799 769	5 865 833	6.3%	100.0%
Proportion of total programme expenditure to vote expenditure	98.0%	98.4%	97.8%	97.8%	–	–	97.6%	97.8%	97.9%	–	–
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	6	–	–	–	-100.0%	–	–	–	–	–	–
Gifts and donations	–	–	–	–	–	–	–	–	–	–	–
Transfers to households	6	–	–	–	-100.0%	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	113 432	146 648	199 296	292 200	37.1%	0.7%	268 007	321 770	340 432	5.2%	0.9%
Social Housing Regulatory Authority: Operational	21 096	32 151	33 480	34 560	17.9%	0.1%	36 392	38 212	40 428	5.4%	0.1%
Housing Development Agency	92 336	97 497	120 966	176 183	24.0%	0.4%	167 512	215 668	228 177	9.0%	0.6%
National Home Builders Registration Council	–	–	3 990	–	–	–	–	–	–	–	–
Servcon Housing Solutions	–	–	860	–	–	–	–	–	–	–	–
Community Schemes Ombud Services	–	17 000	40 000	39 521	–	0.1%	23 920	29 400	31 105	-7.7%	0.1%
Social Housing Regulatory Authority: Institutional Investment	–	–	–	41 936	–	–	34 183	30 490	30 722	-9.9%	0.1%
Social Housing Regulatory Authority: Regulations	–	–	–	–	–	–	6 000	8 000	10 000	–	–

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

Details of transfers and subsidies			Audited outcome	Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	2012/13	2013/14					2014/15	2015/16	2016/17		
Capital	647 401	618 000	597 543	432 307	-12.6%	2.1%	424 388	768 715	1 006 064	32.5%	2.0%
Social Housing Regulatory Authority: Restructuring capital grant	647 401	618 000	597 543	432 307	-12.6%	2.1%	424 388	768 715	1 006 064	32.5%	2.0%
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	-	-	300 000	100 000	-	0.4%	-	-	-	-100.0%	0.1%
Municipal human settlements capacity grant	-	-	300 000	100 000	-	0.4%	-	-	-	-100.0%	0.1%
Capital	7 392 206	9 076 906	10 284 684	10 554 345	12.6%	34.1%	10 839 468	11 472 247	2 052 137	4.5%	34.7%
Urban settlements development grant	7 392 206	9 076 906	10 284 684	10 554 345	12.6%	34.1%	10 839 468	11 472 247	2 052 137	4.5%	34.7%
Provinces and municipalities											
Provinces											
Provincial Revenue Funds											
Capital	15 395 032	17 028 326	17 084 369	18 302 675	5.9%	62.0%	18 283 991	21 060 343	2 281 843	6.8%	61.7%
Human settlements development grant	15 395 032	17 028 326	17 084 369	18 302 675	5.9%	62.0%	18 283 991	21 060 343	2 281 843	6.8%	61.7%

Personnel information

Table 38.13 Housing Development Finance personnel numbers and cost by salary level¹ prior to Cabinet approved reduction, effective from 2017/18²; budget reductions and aggregate baseline total

Number of posts estimated for 31 March 2016		Number and cost ³ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)				
		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19							
Housing Development Finance		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	32	-	30	13.7	0.5	29	15.3	0.5	30	18.1	0.6	30	19.5	0.7	30	21.1	0.7	1.1%	100.0%
1 – 6	1	-	2	0.2	0.1	1	0.2	0.2	1	0.2	0.2	1	0.3	0.3	1	0.3	0.3	-	3.4%
7 – 10	17	-	15	4.6	0.3	17	6.2	0.4	16	6.5	0.4	16	7.0	0.4	16	7.6	0.5	-2.0%	54.6%
11 – 12	9	-	8	4.5	0.6	7	4.5	0.6	8	5.6	0.7	8	6.1	0.8	8	6.6	0.8	4.6%	26.1%
13 – 16	5	-	5	4.4	0.9	4	4.4	1.1	5	5.7	1.1	5	6.1	1.2	5	6.6	1.3	7.7%	16.0%
Reduction	-	-	-	-	-	-	-	-	-	-	-	-	(0.2)	-	-	(2.2)	-	-	-
Total	32	-	30	13.7	0.5	29	15.3	0.5	30	18.1	0.6	-	19.3	-	-	18.9	-	-	-

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

2. This programme's compensation of employees budget has been reduced by R2.4 million for 2017/18 and 2018/19. After consultation with the Department of Public Service and Administration and National Treasury, the department will finalise, develop and implement a plan to manage its personnel expenditure within this reduced expenditure ceiling.

3. Rand million.

Entities

National Home Builders Registration Council

Mandate

The National Home Builders Registration Council was established in terms of the Housing Consumers Protection Measures Act (1998), as amended, to represent the interests of housing consumers by providing warranty protection against defined defects in new homes, and to regulate the home building industry. The council provides training and capacity building to promote and ensure compliance with technical standards in the home building environment.

Selected performance indicators

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

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of subsidy inspections carried out per year ¹	Regulation	Outcome 8: Sustainable human settlements and improved quality of household life	179 930	230 217	223 915	385 200	408 312	432 811	458 779
Number of non-subsidy inspections carried out per year ¹	Regulation		248 114	221 107	304 267	200 820	212 869	225 641	239 180

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

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of home inspectors to be trained per year	Regulation	Outcome 8: Sustainable human settlements and improved quality of household life	-2	-2	-2	400	440	460	500
Number of home builders to be trained per year	Regulation		1 002	1 369	2 629	1 200	1 500	2 000	2 500
Number of people to be trained in construction for government projects (youth, women, people with disabilities and military veterans) per year	Regulation		948	934	1 184	2 000	2 000	2 000	2 000
Number of subsidy sector project enrolments per year	Protection		32 959	26 719	32 347	51 655	54 496	57 493	60 655
Number of subsidy home enrolments per year	Protection		161 443	119 440	168 753	126 352	133 301	140 633	148 368
Number of late enrolments per year ³	Protection		658	1 743	1 483	1 255	1 397	1 474	1 562
Number of forensic assessments conducted per year	Protection		32 760	40 500	19 875	35 000	20 000	25 000	30 000
Number of geotechnical assessments conducted per year	Protection		-4	45 000	2 613	12 000	12 000	15 000	20 000
Number of days taken to evaluate structural claims per year	Protection		-4	-4	20	20	20	20	20
Number of non-subsidy enrolments per year	Protection		44 698	50 622	52 632	50 205	52 966	55 879	58 953

1. Inspections carried out range from a minimum of 4 to a maximum of 8 inspection stages per home.

2. No historical data is available as this is a new indicator.

3. The increase in the target for late enrolments is as a result of an increase in the number of total enrolments. The late enrolment target is estimated as 2.5 per cent of the total number of enrolments estimated per year.

4. These indicators were not previously monitored.

Expenditure analysis

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

The council generates revenue through a combination of fees from the enrolment of homes, technical services that the council provides, and interest and dividends earned from its warranty fund. Total revenue is expected to increase from R1.1 billion in 2015/16 to R1.3 billion in 2018/19, reflecting average annual growth of 5.1 per cent. This is largely due to the growth of building activity in the non-subsidy sector, particularly for housing units under R500 000, and to continued compliance with the enrolment of subsidy homes.

Strengthening its consumer protection services and regulation functions is expected to increase the council's total expenditure over the medium term to R991.8 million in 2018/19, reflecting average annual growth of 5.7 per cent.

Over the medium term, the council expects to conduct 1 299 902 inspections in the subsidy market and 677 690 inspections in the non-subsidy market, and to train 6 000 home builders and 6 000 youth, women, people with disabilities and military veterans in government housing projects. Spending on these activities is projected to increase from R399.1 million in 2015/16 to R468.7 million in 2018/19.

Consumer protection services are largely connected to quality assurance and housing innovation. The council will strengthen the capacity of its project management office and the Centre for Research and Housing Innovation, which focuses on home builder training, inspector training and alternative building technologies. By 2018/19, the council expects 172 644 subsidy home project enrolments, 422 302 subsidy home enrolments, 167 798 non-subsidy home enrolments, and 38 projects with new technologies being implemented. This work is supported by spending mostly on compensation of employees, which is projected to increase at an average annual rate of 5.5 per cent over the medium term to R530 million in 2018/19.

Programmes/objectives/activities

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

R thousand	Audited outcome				Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Administration	506 456	157 507	266 436	303 653	-15.7%	46.2%	337 056	348 443	365 405	6.4%	36.9%	
Regulation	140 574	248 262	298 045	399 135	41.6%	40.8%	421 088	444 248	468 681	5.5%	47.2%	
Protection	12 710	102 775	89 409	136 699	120.7%	13.0%	141 718	149 512	157 735	4.9%	16.0%	
Total	659 740	508 544	653 890	839 488	8.4%	100.0%	899 862	942 203	991 822	5.7%	100.0%	

Statements of historical financial performance and position

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

R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2012/13	Budget	2013/14	Budget	2014/15			
Revenue									
Non-tax revenue	742 829	1 188 839	932 334	723 119	965 235	1 177 077	1 049 080	1 088 164	113.2%
Sale of goods and services other than capital assets	529 066	840 409	727 625	402 461	753 376	807 708	817 363	812 856	101.3%
<i>of which:</i>									
Administrative fees	-	-	-	(9 766)	-	(7 868)	-	-	-
Sales by market establishment	529 066	840 409	727 625	412 227	753 376	815 576	817 363	812 856	101.9%
Other non-tax revenue	213 764	348 430	204 709	320 658	211 859	369 370	231 717	275 308	152.4%
Total revenue	742 829	1 188 839	932 334	723 119	965 235	1 177 077	1 049 080	1 088 164	113.2%
Expenses									
Current expenses	524 911	659 740	812 584	508 544	865 072	653 890	948 272	839 488	84.5%
Compensation of employees	257 007	195 009	294 261	259 748	454 518	316 660	570 276	451 374	77.6%
Goods and services	247 702	452 915	491 131	238 668	382 007	323 729	353 838	362 947	93.5%
Depreciation	20 202	11 808	27 192	10 128	28 547	9 131	24 158	25 166	56.2%
Interest, dividends and rent on land	-	8	-	-	-	4 370	-	-	-
Transfers and subsidies	3 157	-	2 544	-	-	-	-	-	-
Total expenses	528 067	659 740	815 129	508 544	865 072	653 890	948 272	839 488	84.3%
Surplus/(Deficit)	214 762	529 099	117 206	214 575	100 163	523 188	100 808	248 676	-
Statement of financial position									
Carrying value of assets	98 277	77 027	331 716	155 267	348 364	191 642	376 588	350 901	67.1%
Investments	3 586 592	3 974 429	3 576 358	4 422 165	4 071 608	4 990 487	4 566 379	5 187 337	117.6%
Inventory	138	243	452	182	279	876	208	208	140.2%
Receivables and prepayments	23 747	35 734	27 204	35 678	25 972	19 321	29 879	29 324	112.4%
Cash and cash equivalents	25 054	134 507	25 031	147 483	29 232	171 719	29 182	109 182	518.8%
Total assets	3 733 807	4 221 940	3 960 761	4 760 775	4 475 455	5 374 045	5 002 236	5 676 952	116.7%
Accumulated surplus/(deficit)	2 854 622	3 051 095	2 870 631	3 274 279	3 265 688	3 776 649	3 452 146	4 145 968	114.5%
Capital and reserves	46 273	29 029	50 631	20 420	29 029	41 237	50 420	43 420	76.0%
Trade and other payables	45 274	125 866	62 849	171 891	164 412	192 365	203 735	191 629	143.1%
Provisions	787 639	1 015 950	374 240	1 294 185	1 016 326	1 363 794	1 295 935	1 295 935	143.1%
Total equity and liabilities	3 733 807	4 221 940	3 358 352	4 760 775	4 475 455	5 374 045	5 002 236	5 676 952	120.9%

Statements of estimates of financial performance and position

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

R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2016/17	2017/18	2018/19		
Revenue								
Non-tax revenue	1 088 164	-2.9%	100.0%	1 142 513	1 201 026	1 264 070	5.1%	100.0%
Sale of goods and services other than capital assets	812 856	-1.1%	67.4%	857 563	904 673	954 377	5.5%	75.1%
<i>of which:</i>								
Sales by market establishment	812 856	-1.1%	67.9%	857 563	904 673	954 377	5.5%	75.1%
Other non-tax revenue	275 308	-7.6%	32.6%	284 950	296 353	309 692	4.0%	24.9%
Total revenue	1 088 164	-2.9%	100.0%	1 142 513	1 201 026	1 264 070	5.1%	100.0%
Expenses								
Current expenses	839 488	8.4%	100.0%	899 862	942 203	991 822	5.7%	149.1%
Compensation of employees	451 374	32.3%	45.7%	476 200	502 391	530 022	5.5%	53.4%
Goods and services	362 947	-7.1%	52.1%	390 179	405 396	426 449	5.5%	43.2%
Depreciation	25 166	28.7%	2.0%	33 483	34 417	35 350	12.0%	3.5%
Total expenses	839 488	8.4%	100.0%	899 862	942 203	991 822	5.7%	100.0%
Surplus/(Deficit)	248 676	-	-	242 651	258 823	272 248	3.1%	-

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

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
				2015/16	2012/13 - 2015/16	2016/17		
R thousand								
Carrying value of assets	350 901	65.8%	3.7%	325 418	299 001	271 651	-8.2%	5.1%
of which:								
Acquisition of assets	(8 000)	-41.9%	-1.0%	(8 000)	(8 000)	(8 000)	-	-0.1%
Investments	5 187 337	9.3%	92.8%	5 548 978	5 915 218	6 304 590	6.7%	92.7%
Inventory	208	-5.1%	0.0%	222	238	255	7.0%	0.0%
Receivables and prepayments	29 324	-6.4%	0.6%	27 916	31 013	31 987	2.9%	0.5%
Cash and cash equivalents	109 182	-6.7%	2.9%	109 059	108 334	107 697	-0.5%	1.8%
Total assets	5 676 952	10.4%	100.0%	6 011 593	6 353 804	6 716 180	5.8%	100.0%
Accumulated surplus/(deficit)	4 145 968	10.8%	71.1%	4 405 943	4 681 800	4 970 776	6.2%	73.5%
Capital and reserves	43 420	14.4%	0.7%	36 035	28 244	20 024	-22.7%	0.5%
Trade and other payables	191 629	15.0%	3.4%	202 469	201 699	204 282	2.2%	3.2%
Provisions	1 295 935	8.5%	24.9%	1 367 146	1 442 061	1 521 098	5.5%	22.7%
Total equity and liabilities	5 676 952	10.4%	100.0%	6 011 593	6 353 804	6 716 180	-8.9%	100.0%

Personnel information

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

Number of posts estimated for 31 March 2016		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)				
		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19							
National Home Builders Registration Council		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	700	700	640	316.7	0.5	700	451.4	0.6	704	476.2	0.7	704	502.4	0.7	704	530.0	0.8	5.5%	100.0%
1 - 6	28	28	28	3.2	0.1	28	5.4	0.2	28	5.7	0.2	28	6.0	0.2	28	6.3	0.2	5.5%	4.0%
7 - 10	411	411	394	156.5	0.4	411	196.3	0.5	411	207.1	0.5	410	218.5	0.5	410	230.5	0.6	5.5%	58.4%
11 - 12	201	201	175	110.6	0.6	201	159.2	0.8	201	171.1	0.9	201	177.3	0.9	201	187.1	0.9	5.5%	28.6%
13 - 16	54	54	37	34.4	0.9	54	72.1	1.3	56	73.0	1.3	57	80.2	1.4	57	84.6	1.5	5.5%	8.0%
17 - 22	6	6	6	11.9	2.0	6	18.3	3.1	8	19.3	2.4	8	20.4	2.5	8	21.5	2.7	5.5%	1.1%

1. Rand million.

Community Schemes Ombud Service

Mandate

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

Selected performance indicators

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

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of cases adjudicated per year	Dispute resolution	Outcome 8: Sustainable human settlements and improved quality of household life	- ¹	- ¹	0	20	20	40	50

1. No historical data is available as this indicator was introduced in 2014/15.

Expenditure analysis

Through the provision of dispute resolution and adjudication services, the Community Schemes Ombud Service contributes to outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium term strategic framework, and supports the framework's aim of the development of a functional and equitable residential property market. The work of the ombud service is also in line with the national development plan's vision of transforming human settlements. The service's focus over the medium term will be on building its internal capacity.

The service's main source of revenue over the medium term is transfers from the Department of Human Settlements. The Entity has yet to issue community levy regulations and as a result, no own revenue is projected over the 2016 medium term period.

Over the medium term, the service projects adjudicating 110 community scheme disputes. This work is labour intensive, and expenditure is mainly on administrative costs, particularly on compensation of employees, which is projected to increase from R14.7 million in 2015/16 to R19.1 million in 2018/19 to fund 39 posts. Total expenditure by the service is projected to be approximately R33 million in 2018/19.

Programmes/objectives/activities

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

R thousand	Audited outcome			Revised estimate 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
Administration	-	145	10 790	41 268	-	-	25 468	31 103	32 978	-7.2%	100.0%
Total	-	145	10 790	41 268	-	-	25 468	31 103	32 978	-7.2%	100.0%

Statements of historical financial performance and position

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

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%) 2012/13 - 2015/16
	Budget	2012/13	Budget	2013/14	Budget	2014/15			
Revenue									
Non-tax revenue	-	-	3 000	2	240	1 035	21 473	1 747	11.3%
Sale of goods and services other than capital assets	-	-	-	-	-	-	21 473	-	-
<i>of which:</i>									
Administrative fees	-	-	-	-	-	-	21 473	-	-
Other non-tax revenue	-	-	3 000	2	240	1 035	-	1 747	85.9%
Total revenue	-	-	20 000	17 002	40 240	41 035	74 473	41 268	73.7%
Expenses									
Current expenses	-	-	-	111	40 239	10 790	41 268	41 268	64.0%
Compensation of employees	-	-	-	-	27 145	5 670	29 537	14 652	35.9%
Goods and services	-	-	-	111	12 829	4 955	11 731	26 616	129.0%
Depreciation	-	-	-	-	265	165	-	-	62.3%
Total expenses	-	-	-	145	40 239	10 790	41 268	41 268	64.0%
Surplus/(Deficit)	-	-	20 000	16 857	1	30 245	33 205	-	-
Statement of financial position									
Carrying value of assets	-	-	-	-	-	1 864	704	5 650	1 067.3%
Investments	-	-	-	-	-	249	-	-	-
Inventory	-	-	-	-	-	196	25	196	1 568.0%
Receivables and prepayments	-	-	-	-	-	24	300	249	91.0%
Cash and cash equivalents	-	-	-	17 002	-	28 993	16 300	13 193	363.1%
Total assets	-	-	-	17 002	-	31 326	17 329	19 288	390.2%
Borrowings	-	-	-	-	-	55	-	-	-
Trade and other payables	-	-	-	145	-	718	300	1 152	671.7%
Provisions	-	-	-	-	-	309	-	329	-
Total equity and liabilities	-	-	-	17 002	-	31 326	17 329	19 288	390.2%

Statements of estimates of financial performance and position

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

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
				2015/16	2012/13 - 2015/16	2016/17			2017/18
Revenue									
Non-tax revenue	1 747	-	-	1 548	1 703	1 873	2.3%	5.4%	
Other non-tax revenue	1 747	-	-	1 548	1 703	1 873	2.3%	5.4%	
Transfers received	39 521	-	-	23 920	29 400	31 105	-7.7%	94.6%	
Total revenue	41 268	-	-	25 468	31 103	32 978	-7.2%	100.0%	

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

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2015/16				2012/13 - 2015/16	2016/17	2017/18		
R thousand									
Expenses									
Current expenses		41 268	–	–	25 468	31 103	32 978	-7.2%	–
Compensation of employees		14 652	–	–	16 613	18 189	19 088	9.2%	54.3%
Goods and services		26 616	–	–	8 855	12 914	13 890	-19.5%	45.7%
Total expenses		41 268	–	–	25 468	31 103	32 978	-7.2%	100.0%
Surplus/(Deficit)		–	–	–	–	–	–	–	–
Statement of financial position									
Carrying value of assets		5 650	–	–	6 029	6 446	6 744	6.1%	31.2%
of which:									
Acquisition of assets		(4 207)	–	–	(4 028)	(4 651)	(4 885)	5.1%	-22.3%
Inventory		196	–	–	216	238	262	10.2%	1.1%
Receivables and prepayments		249	–	–	249	249	249	–	1.3%
Cash and cash equivalents		13 193	–	–	13 193	13 193	13 193	–	66.4%
Total assets		19 288	–	–	19 687	20 126	20 448	2.0%	100.0%
Accumulated surplus/(deficit)		17 029	–	–	14 504	12 055	–	-100.0%	55.5%
Capital and reserves		778	–	–	3 607	6 391	18 659	188.4%	36.3%
Trade and other payables		1 152	–	–	1 226	1 307	1 392	6.5%	6.4%
Provisions		329	–	–	350	373	397	6.5%	1.8%
Total equity and liabilities		19 288	–	–	19 687	20 126	20 448	101.4%	100.0%

Personnel information

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

Number of posts estimated for 31 March 2016		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number						
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)					
		2014/15		Unit Cost	2015/16		Unit Cost	2016/17		2017/18		2018/19				Unit Cost	2015/16 - 2018/19			
Community Schemes Ombud Service		37	37	17	5.7	0.3	37	14.7	0.4	39	16.6	0.4	39	18.2	0.5	39	19.1	0.5	9.2%	100.0%
Salary level																				
1 – 6	3	3	1	0.0	0.0	3	0.3	0.1	3	0.4	0.1	3	0.4	0.1	3	0.4	0.1	5.0%	7.8%	
7 – 10	12	12	2	0.5	0.3	12	3.4	0.3	12	3.6	0.3	12	3.7	0.3	12	3.9	0.3	5.0%	31.2%	
11 – 12	8	8	4	0.6	0.2	8	3.1	0.4	8	3.2	0.4	8	3.4	0.4	8	3.6	0.4	5.0%	20.8%	
13 – 16	13	13	9	3.4	0.4	13	6.9	0.5	15	8.4	0.6	15	9.6	0.6	15	10.1	0.7	13.7%	37.6%	
17 – 22	1	1	1	1.0	1.0	1	1.0	1.0	1	1.1	1.1	1	1.1	1.1	1	1.2	1.2	5.0%	2.6%	

1. Rand million.

Estate Agency Affairs Board

Mandate

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

Selected performance indicators

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

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of complaints received, investigated and resolved per year	Compliance		2 280	634	1 023	1 200	1 000	1 000	900
Number of Estate Agents Fidelity Fund certificate renewals per year	Compliance	Outcome 8: Sustainable human settlements and improved quality of household life	49 238	34 729	32 900	19 320	60 000	64 200	68 694
Number of estate agencies inspected per year	Compliance		364	800	1 107	1 220	1 230	1 240	1 250
Value of claims recoveries per year	Compliance		R1.6m	R3.5m	R3.5m	R5m	R5.4m	R5.7m	R6.1m

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

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of national qualifications framework level 4 candidates who have enrolled for the professional designation examination (non-principals) per year	Education and training	Outcome 8: Sustainable human settlements and improved quality of household life	200	1 266	472	1 500	2 036	2 571	3 232
Number of national qualifications framework level 5 candidates who have enrolled for the professional designation examination per year	Education and training		100	337	127	375	214	229	245
Number of candidates enrolled in the continuous professional development programme per year	Education and training		1 008	1 210	8 691	3 375	1 750	1 800	1 926

Expenditure analysis

In regulating the real estate agency industry, the Estate Agency Affairs Board contributes to outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium term strategic framework and the national development plan's vision of transforming human settlements in South Africa. The board's focus over the medium term will be on enforcing estate agents' compliance with legislation and regulations and improving the quality of professional estate agents.

Revenue generated by the board is largely driven by levies and contributions, board examination fees from estate agents, interest on investments, penalties, and fees for the administration of the Estate Agents Fidelity Fund. The board is self-funded and receives no transfers from the Department of Human Settlements. Total revenue is expected to increase at an average annual rate of 11.1 per cent over the medium term, from R118.4 million in 2015/16 to R162.3 million in 2018/19, as a result of registrations with the board and improved compliance.

The board will enforce compliance through its projected inspections of 3 720 estate agencies over the MTEF period. Additional inspectors will be employed in the compliance programme to reach this target. Spending on compensation of employees is expected to increase at an average annual rate of 8.6 per cent over the medium term as a result of the increase in the number of personnel to 132, and is projected to be R93.6 million by 2018/19. The appointment of additional staff will result in an increase in the number of inspections conducted. These staff will be employed at a lower salary level than the current posts, bringing down unit costs and slowing the growth of spending on compensation of employees accordingly.

The board will also focus on rolling out its continuing professional development programme over the medium term. The programme is projected to have 5 476 enrolled candidates over the period. In addition, 7 839 candidates are expected to enrol for the professional designation examination for non-principal estate agents (national qualifications framework level 4), and 688 candidates for the professional designation examinations for principal estate agents (national qualifications framework level 5). The board estimates expenditure of R86 million over the medium term for this work.

Programmes/objectives/activities

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

	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15	2015/16	2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
R thousand											
Administration	69 451	39 456	55 178	65 103	-2.1%	59.8%	69 046	73 877	79 049	6.7%	53.6%
Compliance	21 135	26 383	32 323	32 930	15.9%	29.9%	33 653	40 203	43 017	9.3%	27.8%
Education and training	5 592	8 773	9 770	15 289	39.8%	10.3%	26 758	28 634	30 639	26.1%	18.6%
Total	96 178	74 612	97 271	113 322	5.6%	100.0%	129 457	142 714	152 705	10.5%	100.0%

Statements of historical financial performance and position

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

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2012/13		2013/14		2014/15		2015/16		2012/13 - 2015/16
Revenue									
Non-tax revenue	83 625	88 830	89 479	83 390	92 073	94 669	128 363	118 364	97.9%
Sale of goods and services other than capital assets	74 446	72 396	79 657	71 072	84 563	80 585	116 700	106 701	93.1%
<i>of which:</i>									
<i>Administrative fees</i>	–	52 983	–	52 253	–	51 409	61 493	51 493	338.5%
<i>Sales by market establishment</i>	74 446	19 413	79 657	18 819	84 563	29 176	55 208	55 208	41.7%
Other non-tax revenue	9 179	16 434	9 822	12 318	7 510	14 084	11 662	11 663	142.8%
Total revenue	83 625	88 830	89 479	83 390	92 073	94 669	128 363	118 364	97.9%
Expenses									
Current expenses	83 113	96 178	76 323	74 612	90 693	97 271	123 322	113 322	102.1%
Compensation of employees	51 206	52 627	39 205	46 232	54 658	57 296	80 656	73 058	101.5%
Goods and services	30 213	43 261	35 503	26 032	32 359	36 764	39 957	35 266	102.4%
Depreciation	1 694	287	1 615	2 348	3 676	3 211	2 709	4 998	111.9%
Interest, dividends and rent on land	–	3	–	–	–	–	–	–	–
Total expenses	83 113	96 178	76 323	74 612	90 693	97 271	123 322	113 322	102.1%
Surplus/(Deficit)	512	(7 348)	13 155	8 778	1 380	(2 602)	5 041	5 042	–
Statement of financial position									
Carrying value of assets	3 668	3 702	3 925	75 432	74 475	75 918	74 819	77 848	148.5%
Investments	81 823	27 450	87 551	1 355	20 679	–	49 061	17 325	19.3%
Inventory	541	165	579	364	619	129	309	220	42.8%
Loans	–	–	–	21 868	–	12 497	4 667	3 125	803.3%
Receivables and prepayments	11 328	19 008	12 121	3 940	12 969	2 272	1 817	1 800	70.7%
Cash and cash equivalents	25 556	85 099	27 345	33 936	22 925	48 025	7 274	17 530	222.1%
Defined benefit plan assets	2 369	–	2 535	–	2 712	–	–	–	–
Total assets	125 285	135 424	134 055	136 894	134 380	138 842	137 947	117 848	99.5%
Accumulated surplus/(deficit)	93 731	87 596	100 976	104 990	109 445	102 388	100 069	96 808	96.9%
Capital and reserves	9 775	–	9 775	–	–	–	–	–	–
Trade and other payables	7 601	13 410	8 133	21 033	8 702	23 269	9 388	7 500	192.8%
Provisions	14 178	34 418	15 170	10 871	16 232	13 185	28 489	13 540	97.2%
Total equity and liabilities	125 285	135 424	134 055	136 894	134 380	138 842	137 946	117 848	99.5%

Statements of estimates of financial performance and position

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

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)	
	2015/16	2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19		
Revenue									
Non-tax revenue	118 364	10.0%	100.0%	141 729	151 647	162 264	11.1%	100.0%	
Sale of goods and services other than capital assets	106 701	13.8%	85.5%	129 082	138 116	147 785	11.5%	90.8%	
<i>of which:</i>									
<i>Administrative fees</i>	51 493	-0.9%	55.0%	55 097	58 954	63 081	7.0%	40.0%	
<i>Sales by market establishment</i>	55 208	41.7%	30.5%	73 985	79 162	84 704	15.3%	50.8%	
Other non-tax revenue	11 663	-10.8%	14.5%	12 647	13 531	14 479	7.5%	9.2%	
Total revenue	118 364	10.0%	100.0%	141 729	151 647	162 264	11.1%	100.0%	
Expenses									
Current expenses	113 322	5.6%	100.0%	129 457	142 714	152 705	10.5%	156.1%	
Compensation of employees	73 058	11.6%	60.0%	81 789	87 514	93 640	8.6%	62.6%	
Goods and services	35 266	-6.6%	37.2%	42 762	49 951	53 448	14.9%	33.5%	
Depreciation	4 998	159.3%	2.8%	4 906	5 249	5 617	4.0%	3.9%	
Total expenses	113 322	5.6%	100.0%	129 457	142 714	152 705	10.5%	100.0%	
Surplus/(Deficit)	5 042	(2)	–	12 272	8 933	9 559	23.8%	–	

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

Statement of financial position		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2015/16				2012/13 - 2015/16	2016/17	2017/18		
R thousand									
Carrying value of assets of which:		77 848	176.0%	44.6%	83 297	89 128	95 367	7.0%	66.1%
Acquisition of assets		(1 450)	10.3%	-14.7%	(2 442)	(1 450)	(1 300)	-3.6%	-1.3%
Investments		17 325	-14.2%	9.0%	18 538	19 835	21 223	7.0%	14.7%
Inventory		220	10.2%	0.2%	235	252	270	7.0%	0.2%
Loans		3 125	-	6.9%	3 344	3 578	3 828	7.0%	2.7%
Receivables and prepayments		1 800	-54.4%	5.0%	1 926	2 061	2 205	7.0%	1.5%
Cash and cash equivalents		17 530	-40.9%	34.3%	18 757	20 070	21 475	7.0%	14.9%
Total assets		117 848	-4.5%	100.0%	126 097	134 924	144 369	7.0%	100.0%
Accumulated surplus/(deficit)		96 808	3.4%	74.3%	103 584	110 836	118 595	7.0%	82.1%
Trade and other payables		7 500	-17.6%	12.1%	8 026	8 587	9 188	7.0%	6.4%
Provisions		13 540	-26.7%	13.6%	14 487	15 501	16 586	7.0%	11.5%
Total equity and liabilities		117 848	-4.5%	100.0%	126 097	134 924	144 369	21.0%	100.0%

Personnel information

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

Number of posts estimated for 31 March 2016		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)				
		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19							
Estate Agency Affairs Board		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	124	124	105	57.3	0.5	102	73.1	0.7	132	81.8	0.6	132	87.5	0.7	132	93.6	0.7	8.6%	100.0%
1 – 6	3	3	3	0.5	0.2	2	0.3	0.1	13	2.9	0.2	13	3.1	0.2	13	3.3	0.3	122.8%	7.9%
7 – 10	72	72	59	18.7	0.3	64	26.9	0.4	75	29.7	0.4	75	31.3	0.4	75	33.5	0.4	7.6%	58.3%
11 – 12	24	24	24	16.1	0.7	16	16.7	1.0	23	18.1	0.8	23	19.3	0.8	23	20.7	0.9	7.3%	17.0%
13 – 16	23	23	17	17.9	1.1	18	24.6	1.4	19	26.2	1.4	19	28.5	1.5	19	30.5	1.6	7.5%	15.2%
17 – 22	2	2	2	4.1	2.0	2	4.5	2.3	2	4.9	2.5	2	5.3	2.6	2	5.6	2.8	7.3%	1.6%

1. Rand million.

Estate Agents Fidelity Fund

Expenditure analysis

A core function of the Estate Agents Affairs Board is to administer and manage the Estate Agents Fidelity Fund in the interests of the public and the estate agents registered with the board. The fund derives its revenue through administrative fees, such as interest earned on trust accounts held by estate agents, claims recovered, and sales by market establishments related to fair value adjustments. The fund's total revenue is expected to increase at an average annual rate of 5.5 per cent over the medium term to R88.2 million in 2018/19, as a result of improved compliance and registration of licenced estate agents with the board.

Expected claims and the associated legal costs, as well as projected increases in management fees paid to the board for services provided on behalf of the fund, drive expenditure over the medium term to increase from R74.4 million in 2015/16 to R86.8 million in 2018/19.

Despite the increase in expenditure, the fund shows a sustainable financial position over the MTEF period, with its net asset value expected to increase to R711.2 million in 2018/19, and its provision for outstanding claims expected to be R5.2 million.

Statements of historical financial performance and position

Table 38.29 Estate Agents Fidelity Fund statements of historical financial performance and position

Statement of financial performance									
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
R thousand	2012/13		2013/14		2014/15		2015/16		2012/13 - 2015/16
Revenue									
Non-tax revenue	69 479	57 035	68 111	62 339	68 198	72 925	75 043	75 043	95.2%
Sale of goods and services other than capital assets	37 010	29 969	34 251	32 911	32 928	43 115	37 809	37 809	101.3%
<i>of which:</i>									
Administrative fees	30 310	21 796	27 082	23 208	24 786	32 907	26 700	26 700	96.1%
Sales by market establishment	6 700	8 173	7 169	9 703	8 142	10 209	11 109	11 109	118.3%
Other non-tax revenue	32 469	27 066	33 860	29 428	35 270	29 810	37 234	37 234	89.0%
Total revenue	69 479	57 035	68 111	62 339	68 198	72 925	75 043	75 043	95.2%
Expenses									
Current expenses	63 748	65 148	68 211	71 711	67 629	69 904	74 374	74 374	102.6%
Goods and services	63 748	65 148	68 211	71 711	67 629	69 904	74 374	74 374	102.6%
Total expenses	63 748	65 148	68 211	71 711	67 629	69 904	74 374	74 374	102.6%
Surplus/(Deficit)	5 731	(8 113)	(100)	(9 372)	569	3 022	669	669	-
Statement of financial position									
Investments	-	511 088	642 520	472 814	642 520	508 651	605 706	566 080	108.9%
Receivables and prepayments	-	10 406	12 003	4 696	12 004	3 119	16 643	15 554	83.1%
Cash and cash equivalents	-	86 809	3 048	127 494	3 048	85 407	6 683	6 246	2 394.1%
Total assets	-	608 303	657 571	605 005	657 572	597 177	629 032	587 880	123.4%
Trade and other payables	-	7 420	8 225	10 666	-	9 108	8 225	7 687	212.0%
Provisions	-	2 717	551	1 257	551	1 336	4 555	4 257	169.1%
Managed funds (such as the Poverty Alleviation Fund)	-	-	-	21 868	-	12 497	3 344	3 125	1 121.2%
Derivatives financial instruments	-	17 580	8 560	-	8 560	-	-	-	102.7%
Total equity and liabilities	-	608 303	657 572	605 005	649 347	597 177	629 032	587 880	123.9%

Statements of estimates of financial performance and position

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

Statement of financial performance								
	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
R thousand	2015/16	2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
Revenue								
Non-tax revenue	75 043	9.6%	100.0%	77 053	82 446	88 218	5.5%	100.0%
Sale of goods and services other than capital assets	37 809	8.1%	53.7%	45 858	49 067	52 502	11.6%	57.2%
<i>of which:</i>								
Administrative fees	26 700	7.0%	39.0%	33 971	36 349	38 893	13.4%	42.0%
Sales by market establishment	11 109	10.8%	14.7%	11 887	12 719	13 609	7.0%	15.3%
Other non-tax revenue	37 234	11.2%	46.3%	31 195	33 379	35 716	-1.4%	42.8%
Total revenue	75 043	9.6%	100.0%	77 053	82 446	88 218	5.5%	100.0%
Expenses								
Current expenses	74 374	4.5%	100.0%	75 845	81 155	86 835	5.3%	116.7%
Goods and services	74 374	4.5%	100.0%	75 845	81 155	86 835	5.3%	100.0%
Total expenses	74 374	4.5%	100.0%	75 845	81 155	86 835	5.3%	100.0%
Surplus/(Deficit)	669	(1)	-	1 208	1 292	1 382	27.4%	-
Statement of financial position								
Investments	566 080	3.5%	85.9%	619 787	663 172	709 594	7.8%	96.8%
Receivables and prepayments	15 554	14.3%	1.4%	13 523	14 470	15 483	-0.2%	2.2%
Cash and cash equivalents	6 246	-58.4%	12.7%	6 283	6 723	7 194	4.8%	1.0%
Total assets	587 880	-1.1%	100.0%	639 593	684 365	732 270	7.6%	100.0%
Accumulated surplus/(deficit)	572 811	-0.4%	95.9%	621 169	664 651	711 177	7.5%	97.2%
Trade and other payables	7 687	1.2%	1.5%	12 805	13 702	14 661	24.0%	1.8%
Provisions	4 257	16.1%	0.4%	4 546	4 865	5 205	6.9%	0.7%
Managed funds (e.g. poverty alleviation fund)	3 125	-	1.6%	1 072	1 147	1 228	-26.8%	0.3%
Total equity and liabilities	587 880	-1.1%	100.0%	639 593	684 365	732 270	11.7%	100.0%

Housing Development Agency

Mandate

The Housing Development Agency was established in terms of the Housing Development Agency Act (2008). The agency is mandated to identify, acquire, hold, develop and release state owned and privately owned land for

residential and community purposes; and project manage housing developments for the creation of sustainable human settlements. The entity provides provinces and municipalities with project, technical and land geospatial services; and promotes intergovernmental relations for the acceleration of human settlements development.

Selected performance indicators

Table 38.31 Housing Development Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of hectares of well located land released for human settlements development per year	National programme support		4 250	2 000	3 000	3 000	3 000	3 000	3 000
Number of priority projects implemented per year	National programme support	Outcome 8: Sustainable human settlements and improved quality of household life	-1	-1	-1	-1	5	5	5
Number of national priority programmes provided with support per year	National programme support		-1	-1	-1	3	3	3	3
Number of provinces supported with project, technical and land geospatial services per year	Land and housing support services		5	5	7	9	9	9	9

1. No historical data is available as these are new indicators.

Expenditure analysis

In line with the national development plan's vision of transforming human settlements, the Housing Development Agency is expected to play a pivotal role in reaching the objectives outlined in outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium term strategic framework. The agency's focus over the medium term will be on: upgrading informal settlements in identified mining towns through the rollout of the national upgrading support programme; scoping, facilitating and implementing government and private led catalytic projects; and rezoning and releasing hectares of well located land for new housing developments.

Most of the agency's revenue comes from transfers from the Department of Human Settlements. As a result of its focus on upgrading informal settlements in mining towns, transfers received from the department are expected to increase from R176.2 million in 2015/16 to R228.2 million in 2018/19. Of this, R20 million has been ring-fenced in each year of the medium term for the national support upgrading programme, which provides project level technical support to municipalities for upgrading informal settlements. Additional revenue of just more than R1 billion over the medium term is expected from provincial departments for implementing projects on their behalf.

Over the medium term, the agency will develop the national sector wide land assembly strategy and spatial investment framework, as well as provide project and oversight support to 9 national priority programmes, including support for mining towns under the national support upgrading programme and the release of 9 000 hectares of land for the development of human settlements. In addition, the agency expects to facilitate the implementation of 15 priority catalytic projects. Catalytic projects are human settlement developments that aim to initiate more spatially, socially and economically integrated communities. Total expenditure is expected to increase from R512.2 million in 2015/16 to R608.8 million in 2018/19.

Compensation of employees spending is projected to increase from R105.9 million in 2015/16 to R157.8 million in 2018/19, reflecting the costs associated with the growth in the number of agency personnel from 172 in 2014/15 to 217 in 2018/19. This includes contract staff associated with providing project, technical and geospatial services for 27 provincial housing projects to be undertaken as and when required.

Programmes/objectives/activities

Table 38.32 Housing Development Agency expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2015/16	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/ Total: Average (%) 2015/16 - 2018/19
	2012/13	2013/14	2014/15		2012/13 - 2015/16	2016/17	2017/18	2018/19			
Administration	41 205	44 250	48 403	50 294	6.9%	25.7%	53 412	56 510	59 789	5.9%	9.8%
Planning and Information	28 598	14 744	24 252	21 082	-9.7%	13.0%	22 389	23 687	25 060	5.9%	4.1%
National programme support	52 835	89 840	91 161	144 305	39.8%	46.8%	153 252	162 141	171 545	5.9%	28.2%
Land and housing support services	-	-	-	296 486	-	14.5%	314 868	333 131	352 453	5.9%	57.9%
Total	122 638	148 834	163 816	512 167	61.0%	100.0%	543 921	575 469	608 847	5.9%	100.0%

Statements of historical financial performance and position

Table 38.33 Housing Development Agency statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%) 2012/13 - 2015/16
	Budget	2012/13	Budget	2013/14	Budget	2014/15			
Revenue									
Non-tax revenue	1 990	9 663	71 668	15 294	5 862	7 090	18 675	25 558	58.7%
Sale of goods and services other than capital assets	-	5 515	67 580	8 834	2 837	1 278	6 205	9 838	33.2%
<i>of which:</i>									
Administrative fees	-	5 515	67 580	8 834	2 837	1 278	6 205	9 838	33.2%
Other non-tax revenue	1 990	4 148	4 088	6 460	3 025	5 812	12 470	15 720	149.0%
Total revenue	107 526	130 342	169 165	129 271	148 375	157 820	353 568	512 167	119.4%
Expenses									
Current expenses	107 526	122 638	169 165	148 834	148 375	163 816	353 568	512 167	121.7%
Compensation of employees	57 284	68 139	92 533	73 867	92 836	81 565	135 973	105 936	87.0%
Goods and services	48 253	51 752	74 335	72 463	52 833	79 754	215 059	404 796	155.9%
Depreciation	1 989	2 479	2 297	2 259	2 423	2 280	2 177	1 244	93.0%
Interest, dividends and rent on land	-	268	-	245	283	217	359	191	143.5%
Total expenses	107 526	122 638	169 165	148 834	148 375	163 816	353 568	512 167	121.7%
Surplus/(Deficit)	-	7 704	-	(19 563)	-	(5 996)	-	-	-
Statement of financial position									
Carrying value of assets	121 223	20 673	94 139	3 631	98 752	45 113	113 295	113 295	42.7%
Inventory	-	73 100	-	77 171	-	83 793	-	-	-
Receivables and prepayments	8 440	36 585	11 160	33 175	11 708	21 931	13 470	13 470	234.9%
Cash and cash equivalents	8 000	308 413	99 092	177 701	101 885	55 393	114 454	114 454	202.8%
Non-current assets held for sale	-	-	-	17 167	-	-	-	-	-
Total assets	137 663	438 771	204 391	308 845	212 345	206 230	241 218	241 218	150.2%
Accumulated surplus/(deficit)	-	57 756	62 222	38 193	62 222	30 325	72 073	72 073	100.9%
Capital and reserves	-	-	-	57	-	57	-	-	-
Finance lease	422	65	122	362	122	272	135	135	104.1%
Deferred income	108 095	-	69 188	-	70 522	-	77 110	77 110	23.7%
Trade and other payables	23 646	24 983	26 937	32 144	28 257	26 833	32 513	32 513	104.6%
Provisions	5 500	13 793	45 922	15 400	51 222	67 207	59 387	59 387	96.1%
Derivatives financial instruments	-	342 174	-	222 689	-	81 536	-	-	-
Total equity and liabilities	137 663	438 771	204 391	308 845	212 345	206 230	241 218	241 218	150.2%

Statements of estimates of financial performance and position

Table 38.34 Housing Development Agency statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
					2015/16	2012/13 - 2015/16			
R thousand									
Revenue									
Non-tax revenue		25 558	38.3%	7.2%	27 142	28 716	30 382	5.9%	5.0%
Sale of goods and services other than capital assets		9 838	21.3%	3.4%	10 448	11 054	11 696	5.9%	1.9%
of which:									
Administrative fees		9 838	21.3%	3.4%	10 448	11 054	11 696	5.9%	1.9%
Other non-tax revenue		15 720	55.9%	3.7%	16 694	17 662	18 686	5.9%	3.1%
Transfers received		486 609	59.2%	92.8%	516 779	546 753	578 465	5.9%	95.0%
Total revenue		512 167	57.8%	100.0%	543 921	575 469	608 847	5.9%	100.0%
Expenses									
Current expenses		512 167	61.0%	100.0%	543 921	575 469	608 847	5.9%	400.3%
Compensation of employees		105 936	15.8%	43.9%	143 517	154 249	157 829	14.2%	24.9%
Goods and services		404 796	98.5%	54.7%	398 880	419 607	449 111	3.5%	74.8%
Depreciation		1 244	-20.5%	1.3%	1 321	1 398	1 479	5.9%	0.2%
Interest, dividends and rent on land		191	-10.7%	0.1%	203	215	428	30.8%	0.0%
Total expenses		512 167	61.0%	100.0%	543 921	575 469	608 847	5.9%	100.0%
Surplus/(Deficit)		-	(1)	-	-	-	-	-	-
Statement of financial position									
Carrying value of assets		113 295	76.3%	18.7%	124 625	137 088	145 039	8.6%	47.0%
of which:									
Acquisition of assets		(819)	-69.5%	-2.0%	(864)	(910)	(963)	5.5%	-0.3%
Receivables and prepayments		13 470	-28.3%	8.8%	14 817	16 299	17 244	8.6%	5.6%
Cash and cash equivalents		114 454	-28.1%	50.5%	125 899	138 489	146 521	8.6%	47.4%
Total assets		241 218	-18.1%	100.0%	265 341	291 876	308 805	8.6%	100.0%
Accumulated surplus/(deficit)		72 073	7.7%	17.5%	79 281	87 210	92 268	8.6%	29.9%
Finance lease		135	27.7%	0.1%	149	163	172	8.4%	0.1%
Deferred income		77 110	-	8.0%	84 821	93 303	98 715	8.6%	32.0%
Trade and other payables		32 513	9.2%	10.6%	35 764	39 341	41 623	8.6%	13.5%
Provisions		59 387	62.7%	16.3%	65 326	71 859	76 027	8.6%	24.6%
Total equity and liabilities		241 218	-18.1%	100.0%	265 341	291 876	308 805	42.8%	100.0%

Personnel information

Table 38.35 Housing Development Agency personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2016			Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)			
			2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19						
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Housing Development Agency			172	81.6	0.5	217	105.9	0.5	217	143.5	0.7	217	154.2	0.7	217	157.8	0.7	14.2%	100.0%
Salary level	217	217																	
1 - 6	14	14	-	-	-	14	2.2	0.2	14	2.4	0.2	14	2.6	0.2	14	2.7	0.2	6.9%	6.5%
7 - 10	101	101	59	12.7	0.2	101	32.6	0.3	101	37.0	0.4	101	40.6	0.4	101	43.8	0.4	10.3%	46.5%
11 - 12	29	29	42	19.2	0.5	29	14.8	0.5	29	18.8	0.6	29	19.3	0.7	29	21.4	0.7	13.2%	13.4%
13 - 16	67	67	56	31.4	0.6	67	45.3	0.7	67	73.5	1.1	67	79.1	1.2	67	76.4	1.1	19.1%	30.9%
17 - 22	6	6	15	18.2	1.2	6	11.0	1.8	6	11.8	2.0	6	12.6	2.1	6	13.5	2.2	6.9%	2.8%

¹. Rand million.

National Housing Finance Corporation

Mandate

The National Housing Finance Corporation was established in 1996 as a schedule 3 A development finance institution. Its principal mandate is to broaden and deepen access to affordable housing finance for low to middle income households by facilitating private sector lending for housing purposes. The corporation acts as a

fund and risk manager in the affordable housing market, carrying out its mandate through the facilitation and provision of wholesale financing for various kinds of housing tenure, such as rental housing and home ownership.

Selected performance indicators

Table 38.36 National Housing Finance Corporation performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of housing opportunities facilitated through disbursements per year	Strategic investment	Outcome 8: Sustainable human settlements and improved quality of household life	660	428	136	291	390	275	275
Number of housing opportunities facilitated through leveraged funds per year	Strategic investment		2 424	586	542	1 196	1 558	1 100	1 100
Value of funds disbursed per year	Strategic investment		R20m	R132m	R247m	R123m	R156m	R110m	R110m
Value of funds leveraged from the private sector per year	Strategic investment		R412m	R176m	R236m	R478m	R623m	R440m	R440m
Number of housing opportunities facilitated through disbursements per year	Lending		12 820	12 109	3 876	1 869	2 422	2 237	2 239
Number of housing opportunities facilitated through leveraged funds per year	Lending		12 283	71 380	4 558	7 093	7 842	8 454	9 118
Value of funds disbursed per year	Lending		R460m	R543m	R482m	R265m	R290m	R285m	R305m
Value of funds leveraged from the private sector per year	Lending		R2.1bn	R2bn	R585m	R92m	R121m	R132m	R142m

Expenditure analysis

The National Housing Finance Corporation contributes to the national development plan's vision of adequate housing and improved living environments, and outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium term strategic framework. Over the medium term, the corporation's focus will be on providing wholesale funding to housing development projects for ownership, social housing and private rental; partnering with banks and other non-banking retail financial intermediaries to increase their sustained lending and innovation in the target market it serves; and leveraging private sector funding for the sustainable development of human settlements.

The corporation expects to receive a recapitalisation of R300 million over the medium term to allow for an increase in loan advances in each of its programmes.

Total revenue generated is expected to increase from R235 million in 2015/16 to R284.5 million in 2018/19, at an average annual rate of 6.6 per cent. The corporation's main source of revenue comprises income from interest on advances, and interest and dividends on investments. The corporation is planning to mobilise private sector funding through participation in a private equity fund of R300 million, which is expected to provide funding for an additional 16 612 housing opportunities over the medium term.

Significant organisational restructuring in 2014/15 brought overhead expenditure down from R251.4 million in 2014/15 to R220.5 million in 2015/16, and this trend will be sustained over the medium term. Overall expenditure in the corporation is thus expected to increase only marginally over the period, from R220.5 million in 2015/16 to R220.9 million in 2018/19. The department will use these funds to provide a projected 32 312 housing opportunities (including social and private rental housing, home ownership, and incremental housing) over the medium term, facilitated by wholesale funds leveraged and disbursed through partnerships with banks and non-banking retail intermediaries. In addition, the corporation will facilitate 4 698 affordable housing opportunities over the period through strategic partnerships amounting to R1.9 billion (through equities, and mezzanine and junior debt capital structures) with companies that operate in the affordable housing market.

The retail programme is being wound down and will focus only on the maintenance and collections of the existing portfolio, although expenditure reflects marginal growth over the medium term.

As part of the corporation's strategic reorganisation, the number of personnel was rationalised in 2014/15. Thus, expenditure on personnel is expected to increase only marginally over the medium term, at an average annual rate of 0.3 per cent. The reorganisation of the corporation will improve its overall efficiency.

Programmes/objectives/activities

Table 38.37 National Housing Finance Corporation expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate 2015/16	Average growth rate (%) 2012/13 - 2015/16	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%) 2015/16 - 2018/19	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19		
R thousand											
Administration	50 175	179 263	117 087	81 909	17.7%	49.2%	87 433	90 761	86 188	1.7%	39.8%
Retail	21 285	9 229	12 335	6 688	-32.0%	5.8%	6 584	6 685	6 728	0.2%	3.1%
Strategic investment	2 169	1 950	7 273	2 038	-2.1%	1.5%	2 150	2 275	2 407	5.7%	1.0%
Lending	128 300	12 466	114 744	129 905	0.4%	43.6%	110 202	124 520	125 526	-1.1%	56.2%
Total	201 929	202 908	251 439	220 540	3.0%	100.0%	206 369	224 241	220 849	0.0%	100.0%

Statements of historical financial performance and position

Table 38.38 National Housing Finance Corporation statements of historical financial performance and position

Statement of financial performance									
	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2012/13	Budget	2013/14	Budget	2014/15			
R thousand									
Revenue									
Non-tax revenue	489 715	210 717	502 687	213 429	244 307	265 007	282 760	225 107	60.2%
Sale of goods and services other than capital assets	441 614	151 106	468 273	173 700	214 815	227 168	250 228	166 856	52.3%
<i>of which:</i>									
Administrative fees	–	985	–	996	–	6 033	–	2 320	–
Sales by market establishment	441 614	150 121	468 273	172 704	214 815	221 135	250 228	164 536	51.5%
Other non-tax revenue	48 101	59 611	34 414	39 729	29 492	37 839	32 532	58 251	135.2%
Total revenue	489 715	210 717	502 687	213 429	244 307	265 007	282 760	234 988	60.8%
Expenses									
Current expenses	416 265	185 467	480 551	183 790	221 964	245 750	250 630	220 540	61.0%
Compensation of employees	83 891	80 845	90 875	76 480	76 467	107 642	80 023	65 533	99.8%
Goods and services	264 841	79 077	318 305	83 642	105 749	115 303	105 826	133 521	51.8%
Depreciation	4 029	951	3 483	879	1 030	965	1 057	–	29.1%
Interest, dividends and rent on land	63 503	24 594	67 889	22 789	38 719	21 840	63 724	21 486	38.8%
Total expenses	433 444	201 930	480 551	202 907	229 902	251 438	260 259	220 540	62.4%
Surplus/(Deficit)	56 271	8 787	22 136	10 522	14 405	13 569	22 501	14 448	–
Statement of financial position									
Carrying value of assets	78 642	73 798	81 408	76 026	83 902	83 586	56 262	76 291	103.2%
Investments	1 011 773	1 155 165	1 039 268	285 778	1 078 551	531 415	339 799	528 034	72.1%
Inventory	243 598	78 100	184 145	168 566	169 810	190 438	90 009	114 927	80.3%
Loans	2 503 962	1 935 732	2 601 227	2 132 260	2 567 732	2 066 927	2 653 399	2 078 089	79.5%
Receivables and prepayments	32 714	11 133	33 245	13 039	32 332	7 372	12 014	8 649	36.4%
Cash and cash equivalents	245 805	350 919	189 420	433 918	16 241	430 077	378 625	503 092	207.0%
Taxation	24 699	11 760	9 248	12 448	17 977	18 601	12 448	15 534	90.6%
Total assets	4 141 193	3 616 607	4 137 961	3 122 035	3 966 545	3 328 416	3 542 555	3 324 616	84.8%
Accumulated surplus/(deficit)	1 234 653	1 321 709	1 251 843	1 325 664	1 272 551	1 339 232	1 296 873	1 353 721	105.6%
Capital and reserves	1 080 000	1 080 000	1 080 000	880 000	1 084 000	880 000	1 410 000	880 000	79.9%
Capital reserve fund	–	–	–	200 000	–	430 000	100 000	530 000	1 160.0%
Borrowings	1 061 655	214 510	1 094 539	335 538	707 319	295 754	389 986	265 018	34.1%
Trade and other payables	181 487	15 498	65 450	36 904	28 322	69 102	13 114	22 278	49.9%
Taxation	–	7 576	–	3 972	5 078	–	3 972	–	127.6%
Provisions	5 768	63 227	8 629	58 291	12 348	62 422	59 160	16 382	233.2%
Managed funds (e.g. poverty alleviation fund)	577 630	698 980	637 500	225 765	856 926	193 220	225 765	203 847	57.5%
Derivatives financial instruments	–	215 107	–	55 901	–	58 686	43 685	53 370	876.9%
Total equity and liabilities	4 141 193	3 616 607	4 137 961	3 122 035	3 966 545	3 328 416	3 542 555	3 324 616	84.8%

Statements of estimates of financial performance and position

Table 38.39 National Housing Finance Corporation statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
R thousand	2015/16				2012/13 - 2015/16	2016/17	2017/18		
Revenue									
Non-tax revenue		225 107	2.2%	98.9%	223 496	262 679	284 520	8.1%	98.9%
Sale of goods and services other than capital assets		166 856	3.4%	77.5%	181 169	221 889	252 322	14.8%	81.3%
<i>of which:</i>									
Administrative fees		2 320	33.1%	1.0%	2 430	2 430	2 430	1.6%	1.0%
Sales by market establishment		164 536	3.1%	76.4%	178 739	219 459	249 892	14.9%	80.3%
Other non-tax revenue		58 251	-0.8%	21.5%	42 327	40 790	32 198	-17.9%	17.6%
Total revenue		234 988	3.7%	100.0%	223 496	262 679	284 520	6.6%	100.0%
Expenses									
Current expenses		220 540	5.9%	95.0%	197 433	207 563	199 458	-3.3%	79.4%
Compensation of employees		65 533	-6.8%	37.6%	69 769	73 882	66 051	0.3%	31.6%
Goods and services		133 521	19.1%	46.7%	107 063	114 387	116 066	-4.6%	54.0%
Interest, dividends and rent on land		21 486	-4.4%	10.5%	20 601	19 294	17 341	-6.9%	9.0%
Total expenses		220 540	3.0%	100.0%	206 369	224 241	220 849	0.0%	100.0%
Surplus/(Deficit)		14 448	-	-	17 127	38 438	63 671	63.9%	-
Statement of financial position									
Carrying value of assets		76 291	1.1%	2.3%	67 391	65 953	58 378	-8.5%	1.9%
Investments		528 034	-23.0%	18.2%	527 034	526 034	525 034	-0.2%	15.1%
Inventory		114 927	13.7%	4.2%	71 681	33 637	13 742	-50.7%	1.7%
Loans		2 078 089	2.4%	61.6%	2 449 821	2 676 824	2 900 214	11.8%	72.1%
Receivables and prepayments		8 649	-8.1%	0.3%	7 549	8 840	11 415	9.7%	0.3%
Cash and cash equivalents		503 092	12.8%	12.9%	285 686	212 207	168 403	-30.6%	8.5%
Taxation		15 534	9.7%	0.4%	15 534	15 534	15 534	-	0.4%
Total assets		3 324 616	-2.8%	100.0%	3 424 696	3 539 029	3 692 721	3.6%	100.0%
Accumulated surplus/(deficit)		1 353 721	0.8%	40.0%	1 370 847	1 409 285	1 472 956	2.9%	40.1%
Capital and reserves		880 000	-6.6%	27.7%	880 000	880 000	880 000	-	25.2%
Capital reserve fund		530 000	-	8.8%	630 000	730 000	835 800	16.4%	19.4%
Borrowings		265 018	7.3%	8.4%	236 760	208 502	189 968	-10.5%	6.5%
Trade and other payables		22 278	12.9%	1.1%	22 586	15 238	15 583	-11.2%	0.5%
Provisions		16 382	-36.2%	1.5%	16 074	15 748	15 402	-2.0%	0.5%
Managed funds (e.g. poverty alleviation fund)		203 847	-33.7%	9.6%	215 059	226 887	239 366	5.5%	6.3%
Derivatives financial instruments		53 370	-37.2%	2.8%	53 370	53 370	43 646	-6.5%	1.5%
Total equity and liabilities		3 324 616	-2.8%	100.0%	3 424 696	3 539 030	3 692 721	-5.5%	100.0%

Personnel information

Table 38.40 National Housing Finance Corporation personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2016		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)				
		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19							
National Housing Finance Corporation		Number	Unit Cost	Cost	Number	Unit Cost	Cost	Number	Unit Cost	Cost	Number	Unit Cost	Cost	Number	Unit Cost	Cost			
Salary level	73	75	115	107.6	0.9	73	65.5	0.9	76	69.8	0.9	76	73.9	1.0	76	66.1	0.9	0.3%	100.0%
1 - 6	11	13	24	3.7	0.2	11	1.5	0.1	13	1.5	0.1	13	1.6	0.1	13	1.5	0.1	-1.4%	16.6%
7 - 10	29	29	46	27.6	0.6	29	14.6	0.5	29	14.8	0.5	29	15.4	0.5	29	13.5	0.5	-2.6%	38.5%
11 - 12	16	16	22	27.2	1.2	16	15.8	1.0	17	17.0	1.0	17	17.4	1.0	17	15.5	0.9	-0.6%	22.3%
13 - 16	16	16	22	42.9	1.9	16	28.3	1.8	16	30.9	1.9	16	32.7	2.0	16	29.3	1.8	1.3%	21.3%
17 - 22	1	1	1	6.4	6.4	1	5.3	5.3	1	5.6	5.6	1	6.8	6.8	1	6.2	6.2	5.3%	1.3%

¹ Rand million.

National Urban Reconstruction and Housing Agency

Mandate

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

Selected performance indicators

Table 38.41 National Urban Reconstruction and Housing Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Value of loans disbursed per year	Affordable housing	Outcome 8: Sustainable human settlements and improved quality of household life	R157.8m	R230.7m	R246.6m	R315m	R345m	R360m	R390m
Number of loans approved per year	Affordable housing		11	14	16	21	23	24	26
Number of houses built and sites serviced per year	Affordable housing		1 195	1 619	1 606	2 200	2 500	2 650	2 800
Number of programmes/projects assisted by planning and/or implementation per year	Programme management		11	2	2	2	2	3	3
Value of loans disbursed per year	Infrastructure and community services loans		R157.8m	R33.5m	R151m	R180m	R180m	R180m	R270m
Number of loans/projects approved per year	Infrastructure and community services loans		4	10	2	4	4	4	6
Value of loans disbursed per year	Subsidy housing loans		R67.3m	R55.5m	R81.8m	R128m	R140m	R152m	R160m
Number of loans/projects approved per year	Subsidy housing loans		12	11	15	32	35	38	40
Number of houses completed per year	Subsidy housing loans		8 298	3 108	5 962	7 044	12 830	16 750	18 250

Expenditure analysis

The National Urban Reconstruction and Housing Agency provides affordable housing loans and housing related infrastructure, administration, and project support services to contractors in the affordable and subsidy housing markets. This work contributes to the national development plan's vision of transforming human settlements, as well as outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium term strategic framework.

The agency's revenue comprises interest on investments, and fees for providing bridging finance to contractors for programme management and construction. An expected increase in the number of loans to be disbursed over the medium term is reflected in the projected increase in revenue from R114.3 million in 2015/16 to R134.3 million in 2018/19, reflecting average annual growth of 5.5 per cent.

The agency expects to approve 73 loans to contractors in the affordable and subsidy housing markets at a total value of R1.1 billion over the medium term, resulting in 7 950 affordable housing opportunities. The agency's total expenditure is expected to increase from R94 million in 2015/16 to R116.4 million by 2018/19.

The agency plans to increase the number of support programmes it initiates to 60 over the medium term. It also plans to increase the number of emerging contractors it supports with infrastructure loans projected at R63 million over the period. These loans are expected to result in the completion of 14 infrastructure projects in the affordable housing sector by 2018/19. Significant expenditure on goods and services items such as outsourced services, travel and subsistence, and consultants will support this work.

Programmes/objectives/activities

Table 38.42 National Urban Reconstruction and Housing Agency expenditure trends and estimates by programme/ objective/ activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
					2012/13 - 2015/16					2015/16 - 2018/19	
Administration	78 850	56 602	54 886	52 956	-12.4%	62.9%	61 470	63 588	64 629	6.9%	56.9%
Affordable housing	13 422	2 957	511	5 148	-27.3%	4.5%	3 360	2 552	4 879	-1.8%	3.8%
Programme management	67 107	12 032	17 543	30 916	-22.8%	28.1%	34 848	39 040	41 126	10.0%	34.2%
Infrastructure and community services loans	3 356	2 252	90	1 752	-19.5%	1.7%	1 848	1 943	2 043	5.3%	1.8%
Subsidy housing loans	5 032	2 959	367	3 261	-13.5%	2.7%	3 439	3 614	3 799	5.2%	3.3%
Total	167 767	76 802	73 397	94 033	-17.5%	100.0%	104 965	110 737	116 476	7.4%	100.0%

Statements of historical financial performance and position

Table 38.43 National Urban Reconstruction and Housing Agency statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	Budget	2012/13	Budget	2013/14	Budget	2014/15			
Revenue									
Non-tax revenue	94 755	132 136	104 349	83 979	106 104	83 921	111 633	114 278	99.4%
Sale of goods and services other than capital assets	–	53 437	83 981	65 196	70 492	63 628	89 796	101 338	116.1%
<i>of which:</i>									
Administrative fees	–	17 051	39 287	33 803	44 138	24 294	54 025	54 604	94.4%
Sales by market establishment	–	36 386	44 694	31 393	26 354	39 334	35 771	46 734	144.0%
Other non-tax revenue	94 755	78 699	20 368	18 783	35 612	20 293	21 837	12 940	75.7%
Total revenue	94 755	132 136	104 349	83 979	106 104	83 921	111 633	114 278	99.4%
Expenses									
Current expenses	68 238	167 767	83 305	76 802	100 668	73 396	108 132	94 033	114.3%
Compensation of employees	33 561	24 047	27 257	28 902	34 018	27 996	35 666	32 808	87.2%
Goods and services	21 985	130 378	40 794	39 550	61 962	38 805	66 875	56 516	138.4%
Depreciation	1 768	1 942	1 525	1 610	1 504	1 168	1 586	698	84.9%
Interest, dividends and rent on land	10 924	11 400	13 729	6 740	3 184	5 427	4 005	4 011	86.6%
Total expenses	68 238	167 767	83 305	76 802	100 668	73 396	108 132	94 033	114.3%
Surplus/(Deficit)	26 517	(35 631)	21 044	7 177	5 436	10 525	3 501	20 245	–
Statement of financial position									
Carrying value of assets	2 879	3 152	2 117	2 476	2 293	2 263	1 546	2 435	116.9%
Investments	3 258	1 435	1 397	3 217	1 435	3 138	1 435	3 217	146.3%
Loans	340 274	202 394	271 453	195 887	188 318	258 312	227 545	386 279	101.5%
Receivables and prepayments	262	10 719	19 599	13 761	9 015	7 152	8 062	7 139	105.0%
Cash and cash equivalents	264 383	318 524	441 727	457 511	416 638	311 138	386 009	206 193	85.7%
Total assets	611 056	536 224	736 293	672 852	617 699	582 003	624 597	605 264	92.5%
Accumulated surplus/(deficit)	172 673	82 380	430 487	(109 726)	391 630	100 084	386 370	(88 063)	-1.1%
Capital and reserves	238 300	38 300	38 300	199 284	38 300	38 300	38 300	38 300	89.0%
Capital reserve fund	–	200 000	–	338 300	–	300 000	61 000	560 284	2 292.8%
Borrowings	189 206	83 379	159 943	60 513	97 365	65 221	47 913	75 187	57.5%
Trade and other payables	10 877	132 165	107 564	25 228	90 403	17 946	91 014	17 105	64.2%
Provisions	–	–	–	2 189	–	1 809	–	2 451	–
Managed funds (such as the Poverty Alleviation Fund)	–	–	–	157 064	–	58 643	–	–	–
Total equity and liabilities	611 056	536 224	736 294	672 852	617 699	582 003	624 597	605 264	92.5%

Statements of estimates of financial performance and position

Table 38.44 National Urban Reconstruction and Housing Agency statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	Revised estimate	2012/13 - 2015/16		2016/17	2017/18	2018/19	2015/16 - 2018/19	
R thousand								
Revenue	114 278	-4.7%	100.0%	118 405	127 211	134 330	5.5%	100.0%
Non-tax revenue	101 338	23.8%	70.6%	106 780	115 944	124 392	7.1%	90.7%
of which:								
Administrative fees	54 604	47.4%	32.5%	53 820	58 125	62 194	4.4%	46.3%
Sales by market establishment	46 734	8.7%	38.2%	52 960	57 819	62 198	10.0%	44.3%
Other non-tax revenue	12 940	-45.2%	29.4%	11 625	11 267	9 938	-8.4%	9.3%
Total revenue	114 278	-4.7%	100.0%	118 405	127 211	134 330	5.5%	100.0%
Expenses	94 033	-17.5%	100.0%	104 965	110 737	116 476	7.4%	135.8%
Current expenses	32 808	10.9%	31.2%	39 127	41 254	43 500	9.9%	36.7%
Compensation of employees	56 516	-24.3%	60.5%	60 534	63 775	67 166	5.9%	58.3%
Goods and services	698	-28.9%	1.4%	684	718	820	5.5%	0.7%
Depreciation	4 011	-29.4%	6.8%	4 620	4 990	4 990	7.6%	4.4%
Interest, dividends and rent on land								
Total expenses	94 033	-17.5%	100.0%	104 965	110 737	116 476	7.4%	100.0%
Surplus/(Deficit)	20 245	(2)	-	13 440	16 474	17 854	-4.1%	-
Statement of financial position								
Carrying value of assets	2 435	-8.2%	0.4%	1 639	1 451	1 452	-15.8%	0.3%
of which:								
Acquisition of assets	(1 643)	3.2%	-0.2%	(315)	(313)	(315)	-42.3%	-0.1%
Investments	3 217	30.9%	0.5%	3 217	3 217	3 217	-0.0%	0.5%
Loans	386 279	24.0%	43.8%	417 366	449 570	483 837	7.8%	68.0%
Receivables and prepayments	7 139	-12.7%	1.6%	6 191	6 253	6 267	-4.2%	1.0%
Cash and cash equivalents	206 193	-13.5%	53.7%	196 768	187 446	176 767	-5.0%	30.2%
Total assets	605 264	4.1%	100.0%	625 181	647 937	671 541	3.5%	100.0%
Accumulated surplus/(deficit)	(88 063)	-202.2%	0.4%	(72 299)	(53 967)	(34 891)	-26.6%	-9.9%
Capital and reserves	38 300	-	12.4%	38 300	38 300	38 300	-	6.0%
Capital reserve fund	560 284	41.0%	57.9%	560 284	560 284	560 275	-0.0%	88.0%
Borrowings	75 187	-3.4%	12.0%	78 940	82 771	86 909	4.9%	12.7%
Trade and other payables	17 105	-49.4%	8.6%	17 505	18 097	18 496	2.6%	2.8%
Provisions	2 451	-	0.3%	2 451	2 451	2 451	-	0.4%
Total equity and liabilities	605 264	4.1%	100.0%	625 181	647 937	671 541	-19.0%	100.0%

Personnel information

Table 38.45 National Urban Reconstruction and Housing Agency personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2016		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)				
		2014/15		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19							
National Urban Reconstruction and Housing Agency		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Salary level	56	56	44	28.0	0.6	43	32.8	0.8	43	39.1	0.9	43	41.3	1.0	44	43.5	1.0	9.9%	100.0%
7 - 10	27	27	20	6.8	0.3	22	9.3	0.4	22	12.2	0.6	22	12.9	0.6	22	13.2	0.6	12.4%	50.9%
11 - 12	16	16	11	7.3	0.7	5	4.7	0.9	5	4.9	1.0	5	5.2	1.0	5	5.3	1.1	4.4%	11.6%
13 - 16	12	12	12	11.7	1.0	15	16.1	1.1	15	19.2	1.3	15	20.1	1.3	16	21.8	1.4	10.6%	35.3%
17 - 22	1	1	1	2.2	2.2	1	2.7	2.7	1	2.8	2.8	1	3.1	3.1	1	3.1	3.1	5.3%	2.3%

1. Rand million.

Rural Housing Loan Fund

Mandate

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

Selected performance indicators

Table 38.46 Rural Housing Loan Fund performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of loans disbursed per year	Incremental housing	Outcome 8: Sustainable human settlements and improved quality of household life	44 812	34 231	40 185	46 712	43 457	48 125	51 135
Value of loans to intermediaries per year	Incremental housing		R127.3m	R104m	R261.5m	R280.3m	R224.9m	R276.9m	R305.4m
Voucher subsidies issued per year	Subsidy voucher programme		-1	-1	-1	-1	500	8 500	9 000

1. No historical data is available as this is a new indicator under a newly established programme.

Expenditure analysis

The Rural Housing Loan Fund offers unsecured incremental loans through its network of retail intermediaries and community based organisations to borrowers in rural areas who earn less than R15 000 per month. The fund thus contributes to the national development plan's vision of transforming human settlements, as well as to outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium term strategic framework. The fund's focus over the medium term will be on increasing access to incremental housing credit to low income rural households by introducing the voucher subsidy programme and expanding its lending network.

The fund's revenue comprises interest earned on loan advances and investments, and dividends received from cash deposits at the South African Reserve Bank related to loan covenants with the Kreditanstalt für Wiederaufbau (KfW) and the Development Bank of Southern Africa. Revenue is expected to increase significantly, at an average annual rate of 25.9 per cent over the medium term to R98.7 million in 2018/19, largely as a result of a new 5 per cent implementation fee charged to provinces for the subsidy voucher programme.

The fund will be the implementing agent on behalf of provinces for the new subsidy voucher programme. The programme issues subsidies to households in the form of a voucher that can be exchanged for building materials and services, aiming to leverage households' capacity for building their own houses. The fund projects disbursing 18 000 subsidy vouchers to qualifying households over the medium term. Additional staff are needed for the programme, with the number of personnel projected to increase from 17 in 2015/16 to 29 in 2018/19. Spending on compensation of employees is thus also expected to increase over the medium term.

Total expenditure over the medium term is expected to increase from R39.9 million in 2015/16 to R67.5 million in 2018/19, largely as a result of the increased spending on compensation of employees and losses due to fair value adjustments of financial assets.

Over the medium term, the fund will expand the network of 13 retail intermediary SMMEs and community based organisations that it funds, resulting in a projected increase in the number of incremental loans issued to 142 717, and an increase in their value to R807.2 million over the period. An additional equity injection of R50 million in 2017/18 and R52.9 million in 2018/19 is projected from the Department of Human Settlements to support this expansion.

Programmes/objectives/activities

Table 38.47 Rural Housing Loan Fund expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15		2012/13 - 2015/16	2015/16	2016/17	2017/18	2018/19		
Administration	3 170	2 780	3 141	4 055	8.6%	9.0%	4 766	5 042	5 385	9.9%	9.3%
Incremental housing	34 440	30 891	31 293	35 815	1.3%	91.0%	34 671	36 072	38 925	2.8%	71.1%
Subsidy voucher programme	–	–	–	–	–	–	2 501	25 354	23 140	–	19.6%
Total	37 610	33 671	34 434	39 870	2.0%	100.0%	41 938	66 468	67 450	19.2%	100.0%

Statements of historical financial performance and position

Table 38.48 Rural Housing Loan Fund statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
	2012/13	2013/14	2014/15	2015/16	2012/13 - 2015/16				
Revenue									
Non-tax revenue	46 666	50 180	56 453	53 617	44 141	54 765	37 591	49 476	112.5%
Sale of goods and services other than capital assets	40 555	37 977	47 084	41 068	42 570	42 110	36 154	44 209	99.4%
<i>of which:</i>									
<i>Sales by market establishment</i>	40 555	37 977	47 084	41 068	42 570	42 110	36 154	44 209	99.4%
Other non-tax revenue	6 111	12 203	9 369	12 549	1 572	12 655	1 437	5 267	230.8%
Total revenue	46 666	50 180	56 453	53 617	44 141	84 349	37 591	49 476	128.5%
Expenses									
Current expenses	30 555	31 450	34 192	24 366	30 140	34 434	39 870	39 870	96.6%
Compensation of employees	8 871	8 720	9 993	9 459	10 678	10 328	13 754	13 754	97.6%
Goods and services	10 917	12 332	13 407	4 531	7 274	13 704	13 991	13 991	97.7%
Depreciation	101	120	126	96	262	174	850	850	92.6%
Interest, dividends and rent on land	10 666	10 278	10 666	10 280	11 926	10 228	11 275	11 275	94.4%
Total expenses	35 066	37 610	39 731	33 671	31 778	34 434	39 870	39 870	99.4%
Surplus/(Deficit)	11 600	12 570	16 722	19 946	12 363	49 915	(2 279)	9 606	–
Statement of financial position									
Carrying value of assets	229	229	168	210	688	458	1 494	1 494	92.7%
Investments	5 132	3 650	3 650	9 564	3 493	9 517	9 564	9 564	147.9%
Loans	310 152	310 152	377 457	388 169	447 203	346 573	476 945	476 945	94.4%
Receivables and prepayments	1 315	1 315	1 315	2 174	12 515	2 157	118	118	37.8%
Cash and cash equivalents	179 511	159 510	49 645	119 914	19 780	180 176	57 891	57 891	168.7%
Taxation	14 946	14 946	14 946	8 939	21 590	36 881	–	–	118.0%
Total assets	511 285	491 284	448 663	528 970	505 269	575 762	546 012	546 012	106.5%
Accumulated surplus/(deficit)	42 619	42 619	–	99 325	79 395	149 242	117 564	117 564	170.6%
Capital and reserves	23 014	23 014	23 014	–	–	–	–	–	50.0%
Capital reserve fund	305 738	285 737	285 737	285 738	285 737	285 737	285 737	285 737	98.3%
Borrowings	138 729	138 729	138 729	139 645	138 034	138 508	140 205	140 205	100.3%
Trade and other payables	312	312	312	818	374	733	999	999	143.3%
Benefits payable	–	–	–	256	–	–	–	–	–
Taxation	3	3	1	1 642	–	–	–	–	41 125.0%
Provisions	870	870	870	1 546	1 729	1 542	1 507	1 507	109.8%
Total equity and liabilities	511 285	491 284	448 663	528 970	505 269	575 762	546 012	546 012	106.5%

Statements of estimates of financial performance and position

Table 38.49 Rural Housing Loan Fund statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2015/16				2012/13 - 2015/16	2016/17	2017/18		
R thousand									
Revenue									
Non-tax revenue		49 476	-0.5%	91.2%	51 397	87 550	98 656	25.9%	100.0%
Sale of goods and services other than capital assets		44 209	5.2%	72.9%	44 341	82 114	93 336	28.3%	91.0%
of which:									
Administrative fees		–	–	–	2 167	36 833	39 000	–	21.5%
Sales by market establishment		44 209	5.2%	72.9%	42 174	45 281	54 336	7.1%	69.6%
Other non-tax revenue		5 267	-24.4%	18.3%	7 056	5 436	5 320	0.3%	9.0%
Total revenue		49 476	-0.5%	100.0%	51 397	87 550	98 656	25.9%	100.0%
Expenses									
Current expenses		39 870	8.2%	89.0%	41 938	66 468	67 450	19.2%	160.8%
Compensation of employees		13 754	16.4%	28.9%	15 969	18 554	19 668	12.7%	32.4%
Goods and services		13 991	4.3%	30.3%	14 718	36 541	36 658	37.9%	44.9%
Depreciation		850	92.0%	0.8%	379	878	931	3.1%	1.4%
Interest, dividends and rent on land		11 275	3.1%	29.0%	10 872	10 495	10 194	-3.3%	21.3%
Total expenses		39 870	2.0%	100.0%	41 938	66 468	67 450	19.2%	100.0%
Surplus/(Deficit)		9 606	–	–	9 459	21 082	31 206	48.1%	–
Statement of financial position									
Carrying value of assets		1 494	86.9%	0.1%	282	98	92	-60.5%	0.1%
of which:									
Acquisition of assets		(2 230)	303.3%	-0.1%	(166)	(150)	(700)	-32.0%	-0.1%
Investments		9 564	37.9%	1.5%	9 564	9 564	9 517	-0.2%	1.7%
Loans		476 945	15.4%	71.0%	464 517	498 758	560 640	5.5%	86.8%
Receivables and prepayments		118	-55.2%	0.3%	118	118	106	-3.5%	0.0%
Cash and cash equivalents		57 891	-28.7%	24.3%	53 047	60 662	95 012	18.0%	11.4%
Total assets		546 012	3.6%	100.0%	527 528	569 200	665 367	6.8%	100.0%
Accumulated surplus/(deficit)		117 564	40.2%	18.7%	119 091	124 040	155 246	9.7%	22.3%
Capital reserve fund		285 737	–	53.5%	285 737	335 737	388 637	10.8%	56.0%
Borrowings		140 205	0.4%	26.1%	120 181	106 888	118 683	-5.4%	21.3%
Trade and other payables		999	47.4%	0.1%	1 019	1 041	1 300	9.2%	0.2%
Provisions		1 507	20.1%	0.3%	1 500	1 494	1 501	-0.1%	0.3%
Total equity and liabilities		546 012	3.6%	100.0%	527 528	569 200	665 367	24.1%	100.0%

Personnel information

Table 38.50 Rural Housing Loan Fund personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2016		Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/Total: Average (%)				
		2014/15		Unit Cost	2015/16		Unit Cost	2016/17		2017/18		2018/19				2015/16 - 2018/19			
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Rural Housing Loan Fund	17	17	15	10.3	0.7	17	13.8	0.8	23	16.0	0.7	28	18.6	0.7	29	19.7	0.7	12.7%	100.0%
Salary level	17	17	15	10.3	0.7	17	13.8	0.8	23	16.0	0.7	28	18.6	0.7	29	19.7	0.7	12.7%	100.0%
1 – 6	7	7	6	1.9	0.3	7	1.8	0.3	11	2.8	0.3	15	3.5	0.2	15	3.5	0.2	24.4%	48.6%
7 – 10	4	4	4	1.7	0.4	4	1.9	0.5	4	2.0	0.5	4	2.2	0.5	5	3.0	0.6	15.9%	18.1%
11 – 12	3	3	3	3.1	1.0	3	5.6	1.9	5	5.9	1.2	6	6.9	1.1	6	7.0	1.2	8.2%	20.4%
13 – 16	2	2	1	1.6	1.6	2	2.3	1.1	2	2.9	1.5	2	3.5	1.8	2	3.6	1.8	17.0%	8.6%
17 – 22	1	1	1	2.0	2.0	1	2.2	2.2	1	2.3	2.3	1	2.5	2.5	1	2.6	2.6	4.9%	4.3%

¹ Rand million.

Social Housing Regulatory Authority

Mandate

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

Selected performance indicators

Table 38.51 Social Housing Regulatory Authority performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Number of social housing units delivered per year	Social housing investment programme	Outcome 8: Sustainable human settlements and improved quality of household life	5 121	2 279	2 053	5 979	5 400	5 400	5 400
Number of institutional investment grants approved per year	Institutional investment programme		26	22	21	35	38	40	44
Total number of social housing institutions accredited	Regulations		43	47	61	60	65	65	65
Total number of social housing units under regulation	Regulations		- ¹	18 311	20 447	23 386	28 786	34 186	39 586

1. No historical data is available as this indicator was introduced in 2013/14.

Expenditure analysis

The Social Housing Regulatory Authority contributes to the national development plan's vision of transforming human settlements, as well as to outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium term strategic framework. The authority regulates the social housing sector to restructure South Africa's urban spaces and address social and spatial dysfunctions, and approves, administers and disburses institutional and capital grants to accredited social housing institutions.

The Cabinet approved budget reductions of R1.1 billion over the medium term are a result of underperformance and slow progress in correcting institutional problems in the authority and the social housing sector. The major spending by the Regulator will be on capital investment into the social housing sector through the restructuring capital grant.

The restructuring capital grant is expected to increase from R508.8 billion in 2015/16 to R1 billion in 2018/19, and is expected to yield 16 200 social housing units in identified restructuring zones. This will contribute significantly to achieving the national target of 27 000 social housing units by 2019. In addition, the agency is projected to approve and disburse 122 institutional investment grants, which provide for increased capacity support to pre-accredited social housing institutions, at a projected value of R95.4 million.

The reorganisation of the authority gives more emphasis to its mandate to regulate social housing institutions and projects. Improved regulatory capabilities are expected to result in the accreditation of 65 social housing institutions by 2018/19 and all audits on building conditions and tenants carried out via an automated system. Spending in the regulation programme is expected to increase from R2.5 million in 2015/16 to R10 million in 2018/19.

At the end of September 2015, the authority had 26 personnel, but it is expected to fill its allocation of 36 funded posts over the medium term. As a result, spending on compensation of employees is expected to grow at an average annual rate of 5 per cent over the period.

Programmes/objectives/activities

Table 38.52 Social Housing Regulatory Authority expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2012/13	2013/14	2014/15				2015/16	2016/17	2017/18		
Administration	40 298	27 355	31 136	32 046	-7.4%	7.6%	36 392	38 212	40 428	8.1%	5.5%
Social housing investment programme	886 982	122 359	597 543	432 307	-21.3%	84.0%	424 388	768 715	1 006 064	32.5%	88.3%
Institutional Investment Programme	77 814	27 522	-	41 936	-18.6%	7.8%	34 183	30 490	30 722	-9.9%	5.4%
Regulations	3 033	2 059	2 344	2 514	-6.1%	0.6%	6 000	8 000	10 000	58.4%	0.9%
Total	1 008 127	179 295	631 023	508 803	-20.4%	100.0%	500 963	845 417	1 087 214	28.8%	100.0%

Statements of historical financial performance and position

Table 38.53 Social Housing Regulatory Authority statements of historical financial performance and position

Statement of financial performance									Outcome/ Budget Average (%)
Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand		2012/13		2013/14		2014/15		2015/16	2012/13 - 2015/16
Revenue									
Non-tax revenue	-	450 609	-	2 482	-	-	-	-	-
Other non-tax revenue	-	450 609	-	2 482	-	-	-	-	-
Total revenue	435 234	1 119 106	936 254	652 633	861 023	631 023	1 008 803	508 803	89.8%
Expenses									
Current expenses	435 234	46 194	49 393	30 710	33 480	33 480	59 156	59 156	29.4%
Compensation of employees	12 200	15 966	23 344	16 648	17 547	18 495	23 171	23 171	97.4%
Goods and services	422 534	28 627	24 949	12 962	14 933	14 985	35 985	35 985	18.6%
Depreciation	500	1 601	1 100	1 100	1 000	-	-	-	103.9%
Transfers and subsidies	-	961 933	-	148 585	827 543	597 543	949 647	449 647	121.4%
Total expenses	435 234	1 008 127	49 393	179 295	861 023	631 023	1 008 803	508 803	98.8%
Surplus/(Deficit)	-	110 979	886 861	473 338	-	-	-	-	-
Statement of financial position									
Carrying value of assets	5 766	3 505	5 340	3 221	4 470	2 251	4 670	4 670	67.4%
Receivables and prepayments	251	585	602	436 701	602	877 326	602	350 252	80 936.5%
Cash and cash equivalents	498 124	178 572	34 500	45 675	36 500	1 831	350 000	350	24.6%
Total assets	504 141	182 662	40 442	485 596	41 572	881 408	355 272	355 272	202.3%
Accumulated surplus/(deficit)	701	170 628	38 892	472 535	40 222	583 118	353 172	353 172	364.8%
Capital and reserves	13 015	-	-	296	-	-	-	-	2.3%
Capital reserve fund	488 676	1	-	-	-	-	-	-	0.0%
Accrued interest	-	2 126	-	9 706	-	-	-	-	-
Trade and other payables	1 749	9 023	1 550	1 485	1 350	297 994	2 100	2 100	4 602.2%
Provisions	-	884	-	1 576	-	-	-	-	-
Derivatives financial instruments	-	-	-	-	-	296	-	-	-
Total equity and liabilities	504 141	182 662	40 442	485 597	41 572	881 408	355 272	355 272	202.3%

Statements of estimates of financial performance and position

Table 38.54 Social Housing Regulatory Authority statements of estimates of financial performance and position

Statement of financial performance										
Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)			
R thousand		2015/16		2012/13 - 2015/16		2016/17		2017/18	2018/19	2015/16 - 2018/19
Revenue										
Transfers received	508 803	-8.7%	89.8%	500 963	845 417	1 087 214	28.8%	100.0%		
Total revenue	508 803	-23.1%	100.0%	500 963	845 417	1 087 214	28.8%	100.0%		
Expenses										
Current expenses	59 156	8.6%	9.7%	63 874	65 096	70 406	6.0%	17.0%		
Compensation of employees	23 171	13.2%	4.6%	24 329	25 546	26 823	5.0%	3.7%		
Goods and services	35 985	7.9%	4.9%	39 545	39 550	43 583	6.6%	5.9%		
Transfers and subsidies	449 647	-22.4%	90.3%	437 089	780 321	1 016 808	31.3%	90.4%		
Total expenses	508 803	-20.4%	100.0%	500 963	845 417	1 087 214	28.8%	100.0%		
Surplus/(Deficit)	-	(1)	-	-	-	-	-	-	-	

Table 38.54 Social Housing Regulatory Authority statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
				2015/16	2012/13 - 2015/16	2016/17		
R thousand								
Carrying value of assets	4 670	10.0%	1.0%	4 670	4 670	4 997	2.3%	61.7%
Receivables and prepayments	350 252	743.0%	72.1%	952	952	602	-88.0%	35.3%
Cash and cash equivalents	350	-87.5%	26.9%	350	350	-	-100.0%	3.0%
Total assets	355 272	24.8%	100.0%	5 972	5 972	5 599	-74.9%	100.0%
Accumulated surplus/(deficit)	353 172	27.4%	89.1%	3 872	3 872	4 997	-75.8%	79.6%
Trade and other payables	2 100	-38.5%	9.9%	2 100	2 100	565	-35.4%	20.3%
Benefits payable	-	-	-	-	-	37	-	0.2%
Total equity and liabilities	355 272	24.8%	100.0%	5 972	5 972	5 599	-111.3%	100.0%

Personnel information**Table 38.55 Social Housing Regulatory Authority personnel numbers and cost by salary level¹**

Number of posts estimated for 31 March 2016		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/Total: Average (%)	
		2014/15		Unit Cost	2015/16		Unit Cost	2016/17			2017/18			2018/19					2015/16 - 2018/19
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Social Housing Regulatory Authority																			
Salary level	36	36	26	18.5	0.7	36	23.2	0.6	36	24.3	0.7	36	25.5	0.7	36	26.8	0.7	5.0%	100.0%
1 - 6	1	1	-	-	-	1	0.1	0.1	1	0.1	0.1	1	0.1	0.1	1	0.1	0.1	5.0%	2.8%
7 - 10	16	16	8	2.4	0.3	16	5.6	0.4	9	5.9	0.7	9	6.2	0.7	9	6.5	0.7	5.0%	29.9%
11 - 12	9	9	14	11.0	0.8	9	5.8	0.6	9	6.1	0.7	9	6.4	0.7	9	6.7	0.7	5.0%	25.0%
13 - 16	10	10	4	5.1	1.3	10	11.6	1.2	17	12.2	0.7	17	12.8	0.8	17	13.5	0.8	5.0%	42.4%

1. Rand million.

Additional tables

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

R thousand	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Conditional grants to provinces							
Housing Development Finance							
Human settlements development grant	15 395 032	17 028 326	17 084 369	18 302 675	18 283 991	21 060 343	22 281 843
Total	15 395 032	17 028 326	17 084 369	18 302 675	18 283 991	21 060 343	22 281 843
Conditional grants to municipalities							
Housing Development Finance							
Urban settlements development grant	7 392 206	9 076 906	10 284 684	10 554 345	10 839 468	11 472 247	12 052 137
Municipal human settlements capacity grant	–	–	300 000	100 000	–	–	–
Total	7 392 206	9 076 906	10 584 684	10 654 345	10 839 468	11 472 247	12 052 137

1. Detail provided in the Division of Revenue Act (2016).

Table 38.B Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation 2015/16	Medium-term expenditure estimate		
				2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Infrastructure transfers to other spheres, agencies and departments										
Mega projects (total project cost of at least R1 billion over the project life cycle)										
Human settlements development grant	Houses completed and sites serviced	Various	-	15 395 032	17 028 326	17 084 369	18 302 675	18 283 991	21 060 343	22 281 843
Urban settlements development grant	Bulk infrastructure installed	Various	-	7 392 206	9 076 906	10 284 684	10 554 345	10 839 468	11 472 247	12 052 137
Social Housing Regulatory Authority: Restructuring capital grant	Funding of social housing	Various	-	647 401	618 000	597 543	432 307	424 388	768 715	1 006 064
Total			-	23 434 639	26 723 232	27 966 596	29 289 327	29 547 847	33 301 305	35 340 044

Table 38.C Summary of donor funding

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate 2015/16	Medium-term expenditure estimate			
							2012/13	2013/14	2014/15		2016/17	2017/18	2018/19	
R thousand														
Foreign														
In cash														
Danish International Development Agency	Technical support on the integration of energy efficiency measures in N2 Gateway project	Human Settlements Delivery Support	2 years	600	600 Goods and services	Provision of project level technical support	-	-	493	107	-	-	-	-
Total				600			-	-	493	107	-	-	-	-

2016 BUDGET

ESTIMATES OF NATIONAL EXPENDITURE

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