



**2019**  
**BUDGET**  
ESTIMATES OF  
NATIONAL EXPENDITURE

**VOTE**  
**38**

**HUMAN SETTLEMENTS**



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA





# **Estimates of National Expenditure**

## **2019**

**National Treasury**

**Republic of South Africa**



**ISBN: 978-0-621-47021-5**

**RP: 17/2019**

The 2019 Estimates of National Expenditure is 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](http://www.treasury.gov.za). Compared to this Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

# Foreword

The Estimates of National Expenditure (ENE) publications are an integral part of the comprehensive annual budget process. The economic climate has made it necessary to focus on reprioritising existing resources towards areas where the most value can be derived for all South Africans. The budgets shown in this document reflect the outcome of a robust negotiation process, led by a committee of senior officials in central government departments, under the political guidance of the Ministers' Committee on the Budget. There was also wide-ranging intergovernmental consultation on budgets in the provincial and local spheres of government. Ultimately, these decisions are considered and endorsed by Cabinet.

The ENE publications present the detail of national government's expenditure estimates for the three-year 2019 medium-term expenditure framework period, most importantly for 2019/20 allocations contained in the Appropriation Bill, 2019, as tabled by the Minister of Finance, for Parliament's consideration and adoption.

The abridged ENE provides extensive information on the priorities, spending plans and service delivery commitments of all 40 national government votes, as well as for associated government agencies. The e-publications for each vote contain more detail on goods and services, transfers and subsidies, donor funding, public entities, and lower-level spending information on service delivery.

This information in these chapters ensures that Parliament, the public, civil society, the media, government departments, public entities and the executive can keep state institutions accountable and ensure that public funds are spent to achieve the outcomes for which they were intended. Since its launch in February 2018, the Vulekamali online portal has become the main source of transparent, user-friendly information, including information contained in ENE publications, for anybody who wants to know more about how government compiles its budget and spends public funds. The website, [www.vulekamali.gov.za](http://www.vulekamali.gov.za), continues to evolve, and now also provides geospatial information on government's infrastructure projects, which are focal in this year's budget as a key impetus for economic growth. I encourage you to be active citizens and use this information to hold government accountable for obtaining the best possible outcomes with the funds entrusted to it.

I wish to thank the executive for the political leadership shown in the budget process, our government colleagues for all of their efforts and contributions, and my team at the department for working diligently to bring it all together.



**Dondo Mogajane**  
**Director-General: National Treasury**



# Introduction

## **The Estimates of National Expenditure publications**

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2019 MTEF period is from 2019/20 to 2021/22.

The ENE publications contain information on how government institutions have spent their budgets in previous years. They explain how these institutions intend to use their allocations over the medium term to achieve their goals, and the outputs and outcomes their spending is expected to lead to. The publications include tables depicting non-financial performance indicators and targets, departmental receipts, personnel, significant as well as detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and for entities that report to the vote's executive authority. Explanatory narratives set out the institution's purpose (and that of its programmes), its mandate and programme-level objectives and descriptions of subprogrammes. A more in-depth narrative analyses the institution's expected expenditure over the MTEF period. Summary data tables at the end of each vote contain data on provincial and municipal conditional grants, public-private partnerships, donor funding, infrastructure, and expenditure at the level of site service delivery, where applicable.

A separate 2019 ENE Overview publication is also available on [www.treasury.gov.za](http://www.treasury.gov.za) and summarises the ENE information across all votes. The 2019 ENE Overview contains a narrative explanation and budget-wide summary tables; 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**



# Contents

<b>Budget summary .....</b>	<b>1</b>
<b>Vote purpose .....</b>	<b>1</b>
<b>Mandate .....</b>	<b>1</b>
<b>Selected performance indicators .....</b>	<b>1</b>
<b>Expenditure analysis .....</b>	<b>2</b>
<b>Expenditure trends .....</b>	<b>4</b>
<b>Expenditure estimates .....</b>	<b>5</b>
<b>Expenditure trends and estimates for significant spending items .....</b>	<b>5</b>
<b>Goods and services expenditure trends and estimates .....</b>	<b>6</b>
<b>Transfers and subsidies expenditure trends and estimates .....</b>	<b>6</b>
<b>Personnel information .....</b>	<b>8</b>
<b>Departmental receipts .....</b>	<b>8</b>
<b>Programme 1: Administration .....</b>	<b>8</b>
<b>Programme 2: Human Settlements Policy, Strategy and Planning .....</b>	<b>10</b>
<b>Programme 3: Human Settlements Delivery Support .....</b>	<b>12</b>
<b>Programme 4: Housing Development Finance .....</b>	<b>13</b>
<b>Entities .....</b>	<b>16</b>
<b>Additional tables .....</b>	<b>37</b>

# Vote 38

## Human Settlements

### Budget summary

R million	2019/20					2020/21	2021/22
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Payments for financial assets	Total	Total
<b>MTEF allocation</b>							
Administration	464.7	462.6	–	2.1	–	495.2	523.9
Human Settlements Policy, Strategy and Planning	104.7	101.2	3.1	0.4	–	111.8	119.1
Human Settlements Delivery Support	258.7	246.9	11.0	0.8	–	327.1	346.5
Housing Development Finance	33 051.1	29.2	32 971.8	0.1	50.0	34 198.0	35 681.4
<b>Total expenditure estimates</b>	<b>33 879.2</b>	<b>839.9</b>	<b>32 985.8</b>	<b>3.4</b>	<b>50.0</b>	<b>35 132.0</b>	<b>36 670.8</b>

Executive authority Minister of Human Settlements  
 Accounting officer Director-General of Human Settlements  
 Website address [www.dhs.gov.za](http://www.dhs.gov.za)

*The Estimates of National Expenditure e-publications for individual votes are available on [www.treasury.gov.za](http://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 26 of the Constitution and section 3 of the Housing Act (1997). This allows the department, in collaboration with provinces and municipalities, to establish and facilitate a sustainable 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, providing funding to provinces and metropolitan municipalities, and monitoring the financial and non-financial performance of provinces and municipalities against these goals. In executing these roles and responsibilities, the department also builds capacity for provinces and municipalities, and promotes consultation with all stakeholders in the housing delivery chain, including other sector departments, civil society and the private sector.

### Selected performance indicators

**Table 38.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of municipalities provided with technical assistance for informal settlement upgrading per year	Human Settlements Delivery Support	Outcome 8: Sustainable human settlements and improved quality of household life	91	63	0	41	39	39	39
Number of informal settlements with settlement upgrading plans per year	Human Settlements Delivery Support		76	283	109	546	300	200	266

**Table 38.1 Performance indicators by programme and related outcome**

Indicator	Programme	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of title deeds registered to eradicate pre-2014 backlog per year	Housing Development Finance	Outcome 8: Sustainable human settlements and improved quality of household life	60 944	67 458	38 614	247 500	206 170	206 170	— <sup>1</sup>
Number of title deeds registered for new (post-2014) developments per year	Housing Development Finance		14 266	60 740	1 151	170 240	159 687	159 687	159 687
Number of People's Housing Process subsidies allocated to approved beneficiaries per year	Housing Development Finance		8 498	7 000	0	8 000	8 500	9 000	10 000
Number of subsidy housing units completed per year	Housing Development Finance		99 904	90 692	86 131	99 454	98 152	83 292	80 473
Number of additional households living in affordable rental housing units per year	Housing Development Finance		12 097	9 616	3 506	20 429	10 000	10 000	10 000
Number of households benefitting from informal settlements upgrading programmes per year	Housing Development Finance		52 349	75 941	89 670	131 107	77 000	77 000	77 000
Number of finance-linked individual subsidy programme subsidies allocated to approved beneficiaries per year	Housing Development Finance		2 253	2 660	2 295	18 680	1 900	6 685	9 600
Number of integrated and catalytic projects implemented per year	Housing Development Finance		13	15	0	7	10	14	10

1. Target is expected to be achieved by 2020/21.

## Expenditure analysis

Chapter 8 of the National Development Plan (NDP) envisages that, by 2030, South Africa should have spatially transformed and integrated human settlements. Outcome 8 (sustainable human settlements and improved quality of household life) of government's 2014-2019 medium-term strategic framework gives expression to this vision by guiding the work of the Department of Human Settlements. In working towards the realisation of this vision, over the medium term, the department will focus on facilitating the provision of integrated human settlements, upgrading informal settlements, and facilitating affordable housing finance.

The department's budget is set to increase at an average annual rate of 4.4 per cent, from R32.2 billion in 2018/19 to R36.7 billion in 2021/22. Transfers and subsidies to grants and entities are the department's largest cost drivers, accounting for 97.3 per cent (R102.8 billion) of its total budget over the MTEF period. Major transfers and subsidies over the medium term include: the *human settlements development grant* to provinces, which funds the low-income housing programme, amounting to R50.1 billion; the *urban settlements development grant* to metropolitan municipalities, which is a supplementary capital grant that supports infrastructure provision for broader urban development, amounting to R31.1 billion; and transfers to entities, amounting to R4.3 billion. This spending is in the *Housing Development Finance* programme and is expected to increase at an average annual rate of 4.3 per cent, from R31.5 billion in 2018/19 to R35.7 billion in 2021/22.

Through these transfers and subsidies, the department aims to support the delivery of 261 917 subsidy housing units and 27 500 self-build subsidies; and issue 891 401 title deeds, of which 412 340 form part of the historical backlog and 479 061 are for new developments.

Cabinet has approved budget reductions of R3.4 billion to the *human settlements development grant* and R200 million to the *urban settlements development grant* over the medium term. Despite these cuts, an additional R814.5 million over the medium term is allocated to the *urban settlements development grant* to provide electricity to households in metropolitan cities; and additional allocations to the *human settlements development grant* of R247 million in 2019/20 and R400 million in 2021/22 are earmarked for post-disaster relief in KwaZulu-Natal.

### ***Towards integrated human settlements***

The department's ongoing policy review seeks to reinforce the shift from housing to human settlements, as envisaged in the Breaking New Ground strategy and chapter 8 of the NDP. The emphasis is on creating integrated, mixed-use, mixed-income developments that support densification and the development of transport-oriented corridors, and provide access to housing, and social and economic amenities. The department's operational activities, which largely enable it to develop policy and oversee programme implementation, will be funded from an operational budget that is expected to increase at an average annual rate of 9.4 per cent, from R766.4 million in 2018/19 to R1 billion in 2021/22. This above inflationary increase is as a result of previous reductions to the department's budget that created a lower base in 2018/19, as well as an increase in operational funding for the title deeds restoration programme. Operational activities to support delivery are mainly undertaken in the *Human Settlements Policy, Strategy and Planning*, and *Human Settlements Delivery Support* programmes.

Providing integrated human settlements also entails increasing access to and delivering adequate housing and housing services in high quality living environments, providing affordable rental housing and state-subsidised units, delivering title deeds, and providing temporary shelter for housing-related emergencies, among other interventions.

### ***Upgrading informal settlements***

To strengthen the department's policy response to informal settlements, a dedicated *informal settlements upgrading partnership grant* for provinces and metropolitan municipalities is expected to be introduced in 2020/21. The aim of the grant will be to incentivise a programmatic approach to the upgrading of informal settlements at municipal level. Funding for the grant, of R14.7 billion in 2020/21 and 2021/22, will be reprioritised from the *human settlements development grant* and the *urban settlements development grant*. These funds are expected to enable the upgrading of 231 000 households in informal settlements over the medium term. For 2019/20, funds are earmarked for informal settlements within the existing grant frameworks.

To provide an estimated 117 municipalities with technical assistance for the development of 766 settlement upgrading plans over the MTEF period, R150 million is allocated to the national upgrading support programme in the *Human Settlements Delivery Support* programme. As a rapid response mechanism for the provision of temporary shelters in emergencies such as fires and floods, R1.4 billion over the medium term is allocated to the provincial and municipal *emergency housing grants*.

### ***Affordable housing finance***

There is not sufficient provision of housing finance for individuals who earn too much to qualify for a fully subsidised house but too little to qualify for a home loan. To reduce the cost of mortgage finance, and streamline administration and the interaction between subsidy beneficiaries and banks, the administration and funding of the finance-linked individual subsidy programme will be shifted from provinces to the National Housing Finance Corporation. In providing a targeted 18 185 households with subsidies to access mortgages over the medium term, the allocation to the programme is expected to increase from R100 million in 2019/20 to R500 million in 2021/22. To address the undersupply of affordable rental housing, the Social Housing Regulatory Authority is expected to spend R2.3 billion over the medium term to finance and regulate 30 000 affordable rental units through accredited social housing institutions.

To achieve improved efficiencies, economies of scale and a more sustainable housing finance model, the Rural Housing Loan Fund and the National Urban Reconstruction and Housing Agency merged with the National Housing Finance Corporation in October 2018. This was the first step towards establishing a new, consolidated finance institution for the development of human settlements. The institution is expected to be formally established over the MTEF period, and is expected to support broader funding in the human settlements value chain.

## 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	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2015/16			2016/17			2017/18			2018/19			2015/16 - 2018/19	
Programme 1	435.1	440.6	411.1	442.3	460.1	420.9	457.7	471.5	419.8	442.7	439.8	439.8	95.2%	93.4%
Programme 2	74.3	73.5	75.7	83.1	88.1	86.6	93.6	93.6	99.9	89.8	92.7	92.7	104.1%	102.0%
Programme 3	169.8	165.6	120.8	224.6	217.3	151.7	217.3	216.9	156.5	246.0	246.0	236.0	77.5%	78.6%
Programme 4	30 264.1	29 863.6	29 426.9	29 940.9	29 930.9	29 928.0	32 695.8	32 695.8	32 694.3	31 577.3	31 677.4	31 477.4	99.2%	99.5%
<b>Total</b>	<b>30 943.4</b>	<b>30 543.4</b>	<b>30 034.5</b>	<b>30 690.9</b>	<b>30 696.4</b>	<b>30 587.2</b>	<b>33 464.3</b>	<b>33 477.7</b>	<b>33 370.5</b>	<b>32 355.7</b>	<b>32 455.8</b>	<b>32 245.8</b>	<b>99.0%</b>	<b>99.3%</b>
Change to 2018 Budget estimate										100.1				
Economic classification														
<b>Current payments</b>	<b>687.0</b>	<b>674.8</b>	<b>603.7</b>	<b>758.9</b>	<b>757.8</b>	<b>657.8</b>	<b>777.4</b>	<b>772.9</b>	<b>658.2</b>	<b>787.6</b>	<b>776.4</b>	<b>766.4</b>	<b>89.2%</b>	<b>90.1%</b>
Compensation of employees	322.2	320.8	310.2	383.5	371.5	325.3	383.3	383.3	345.9	376.9	376.9	376.9	92.7%	93.5%
Goods and services	364.7	354.0	293.5	375.4	386.3	332.5	394.1	389.6	312.2	410.7	399.5	389.5	85.9%	86.8%
<b>Transfers and subsidies</b>	<b>30 252.4</b>	<b>29 692.7</b>	<b>29 255.4</b>	<b>29 826.5</b>	<b>29 821.5</b>	<b>29 822.6</b>	<b>32 531.3</b>	<b>32 531.9</b>	<b>32 543.3</b>	<b>31 482.1</b>	<b>31 585.5</b>	<b>31 385.5</b>	<b>99.1%</b>	<b>99.5%</b>
Provinces and municipalities	28 857.0	28 957.0	28 957.0	29 123.5	29 123.5	29 123.5	31 351.6	31 351.6	31 351.6	30 391.3	30 491.4	30 491.4	100.2%	100.0%
Departmental agencies and accounts	1 385.5	724.5	287.9	692.4	682.4	682.4	1 167.0	1 167.0	1 167.0	1 079.0	1 079.0	879.0	69.8%	82.6%
Higher education institutions	—	—	—	—	—	3.5	—	—	—	3.5	3.5	3.5	200.0%	200.0%
Foreign governments and international organisations	1.2	1.2	1.4	1.2	1.2	1.9	1.3	1.5	2.1	1.3	4.2	4.2	194.0%	119.5%
Public corporations and private enterprises	—	—	—	—	5.0	5.0	1.5	1.5	10.9	—	—	—	1 062.1%	245.1%
Households	8.8	10.0	9.2	9.4	9.4	6.3	9.9	10.3	11.6	6.9	7.3	7.3	98.2%	92.7%
<b>Payments for capital assets</b>	<b>4.0</b>	<b>14.8</b>	<b>14.1</b>	<b>5.5</b>	<b>17.1</b>	<b>6.6</b>	<b>5.7</b>	<b>22.8</b>	<b>18.6</b>	<b>6.0</b>	<b>13.8</b>	<b>13.8</b>	<b>251.4%</b>	<b>77.5%</b>
Buildings and other fixed structures	—	0.2	0.2	—	—	—	—	—	—	—	—	—	—	96.3%
Machinery and equipment	3.7	14.5	13.8	5.2	16.8	6.5	5.7	22.8	18.6	6.0	13.8	13.8	256.0%	77.6%
Software and other intangible assets	0.3	0.1	0.1	0.3	0.3	0.1	—	—	—	—	—	—	25.4%	38.6%
<b>Payments for financial assets</b>	<b>—</b>	<b>161.1</b>	<b>161.3</b>	<b>100.0</b>	<b>100.0</b>	<b>100.2</b>	<b>150.0</b>	<b>150.1</b>	<b>150.5</b>	<b>80.0</b>	<b>80.2</b>	<b>80.2</b>	<b>149.1%</b>	<b>100.2%</b>
<b>Total</b>	<b>30 943.4</b>	<b>30 543.4</b>	<b>30 034.5</b>	<b>30 690.9</b>	<b>30 696.4</b>	<b>30 587.2</b>	<b>33 464.3</b>	<b>33 477.7</b>	<b>33 370.5</b>	<b>32 355.7</b>	<b>32 455.8</b>	<b>32 245.8</b>	<b>99.0%</b>	<b>99.3%</b>

## Expenditure estimates

**Table 38.3 Vote expenditure estimates by programme and economic classification**

<b>Programmes</b>								
1. Administration								
2. Human Settlements Policy, Strategy and Planning								
3. Human Settlements Delivery Support								
4. Housing Development Finance								
<b>Programme</b>	<b>Revised estimate</b>	<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total (%)</b>
R million	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Programme 1	439.8	-0.1%	1.3%	464.7	495.2	523.9	6.0%	1.4%
Programme 2	92.7	8.0%	0.3%	104.7	111.8	119.1	8.7%	0.3%
Programme 3	236.0	12.5%	0.5%	258.7	327.1	346.5	13.7%	0.8%
Programme 4	31 477.4	1.8%	97.9%	33 051.1	34 198.0	35 681.4	4.3%	97.4%
<b>Total</b>	<b>32 245.8</b>	<b>1.8%</b>	<b>100.0%</b>	<b>33 879.2</b>	<b>35 132.0</b>	<b>36 670.8</b>	<b>4.4%</b>	<b>100.0%</b>
Change to 2018				191.3	(654.1)	(1 740.6)		
Budget estimate								
<b>Economic classification</b>								
<b>Current payments</b>	<b>766.4</b>	<b>4.3%</b>	<b>2.1%</b>	<b>839.9</b>	<b>946.8</b>	<b>1 003.1</b>	<b>9.4%</b>	<b>2.6%</b>
Compensation of employees	376.9	5.5%	1.1%	405.7	436.1	464.5	7.2%	1.2%
Goods and services	389.5	3.2%	1.1%	434.2	510.7	538.6	11.4%	1.4%
<b>Transfers and subsidies</b>	<b>31 385.5</b>	<b>1.9%</b>	<b>97.4%</b>	<b>32 985.8</b>	<b>34 181.6</b>	<b>35 664.0</b>	<b>4.4%</b>	<b>97.3%</b>
Provinces and municipalities	30 491.4	1.7%	95.0%	31 798.9	32 685.5	33 954.7	3.7%	93.5%
Departmental agencies and accounts	879.0	6.7%	2.4%	1 172.9	1 481.1	1 693.3	24.4%	3.8%
Higher education institutions	3.5	—	0.0%	3.5	3.5	3.5	—	0.0%
Foreign governments and international organisations	4.2	54.6%	0.0%	3.1	3.4	3.8	-3.9%	0.0%
Households	7.3	-10.1%	0.0%	7.5	8.1	8.7	6.2%	0.0%
<b>Payments for capital assets</b>	<b>13.8</b>	<b>-2.4%</b>	<b>0.0%</b>	<b>3.4</b>	<b>3.6</b>	<b>3.8</b>	<b>-34.9%</b>	<b>0.0%</b>
Machinery and equipment	13.8	-1.7%	0.0%	3.4	3.6	3.8	-34.9%	0.0%
<b>Payments for financial assets</b>	<b>80.2</b>	<b>-20.8%</b>	<b>0.4%</b>	<b>50.0</b>	<b>—</b>	<b>—</b>	<b>-100.0%</b>	<b>0.1%</b>
<b>Total</b>	<b>32 245.8</b>	<b>1.8%</b>	<b>100.0%</b>	<b>33 879.2</b>	<b>35 132.0</b>	<b>36 670.8</b>	<b>4.4%</b>	<b>100.0%</b>

## Expenditure trends and estimates for significant spending items

**Table 38.4 Expenditure trends and estimates for significant spending items**

	<b>Audited outcome</b>			<b>Adjusted appropriation</b>	<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total vote (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Average: Expenditure/ Total vote (%)</b>
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Human settlements development grant	18 302 675	18 283 991	19 969 343	18 266 647	-0.1%	59.3%	18 779 815	15 936 617	15 397 240	-5.5%	49.6%
Urban settlements development grant	10 554 345	10 839 468	11 382 247	11 306 137	2.3%	34.9%	12 045 386	9 716 794	9 373 053	-6.1%	30.8%
Social Housing Regulatory Authority: Consolidated capital grant	109 210	424 388	851 658	743 640	89.5%	1.7%	723 706	762 747	804 646	2.7%	2.2%
Housing Development Agency	104 615	147 512	210 668	222 177	28.5%	0.5%	229 311	241 939	255 245	4.7%	0.7%
Municipal emergency housing grant	—	—	—	140 000	—	0.1%	149 100	158 792	167 526	6.2%	0.4%
Provincial emergency housing grant	—	—	—	260 000	—	0.2%	276 900	294 899	311 118	6.2%	0.8%
Title deeds restoration grant	—	—	—	518 655	—	0.4%	547 700	577 823	—	-100.0%	1.2%
<b>Total</b>	<b>29 070 845</b>	<b>29 695 359</b>	<b>32 413 916</b>	<b>31 457 256</b>	<b>2.7%</b>	<b>97.1%</b>	<b>32 751 918</b>	<b>27 689 611</b>	<b>26 308 828</b>	<b>-5.8%</b>	<b>85.7%</b>

## Goods and services expenditure trends and estimates

**Table 38.5 Vote goods and services expenditure trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
Administrative fees	324	244	1 274	358	3.4%	0.2%	330	349	368	0.9%	0.1%
Advertising	20 019	13 501	22 229	22 334	3.7%	5.8%	23 182	24 460	25 805	4.9%	5.1%
Minor assets	1 664	619	417	4 544	39.8%	0.5%	11 202	11 824	12 612	40.5%	2.1%
Audit costs: External	7 169	7 481	10 054	9 161	8.5%	2.5%	9 658	10 176	10 736	5.4%	2.1%
Bursaries: Employees	974	834	947	2 031	27.8%	0.4%	2 150	2 268	2 393	5.6%	0.5%
Catering: Departmental activities	4 568	2 174	3 751	5 115	3.8%	1.2%	4 085	4 308	4 546	-3.9%	1.0%
Communication	9 798	9 658	10 420	11 371	5.1%	3.1%	11 655	12 296	12 974	4.5%	2.6%
Computer services	43 874	53 261	33 901	58 568	10.1%	14.2%	61 535	64 858	68 424	5.3%	13.5%
Consultants: Business and advisory services	34 484	70 668	30 771	137 367	58.5%	20.4%	153 117	214 161	225 594	18.0%	38.8%
Legal services	2 850	1 351	5 866	3 130	3.2%	1.0%	3 300	3 482	3 674	5.5%	0.7%
Science and technological services	144	—	—	—	-100.0%	—	—	—	—	—	—
Contractors	749	7 603	18 578	4 784	85.5%	2.4%	4 359	4 598	4 852	0.5%	1.0%
Agency and support/outourced services	2 207	3 034	—	626	-34.3%	0.4%	—	—	—	-100.0%	—
Entertainment	200	190	201	749	55.3%	0.1%	953	966	1 020	10.8%	0.2%
Fleet services (including government motor transport)	1 777	1 284	1 369	1 857	1.5%	0.5%	2 160	2 279	2 404	9.0%	0.5%
Inventory: Clothing material and accessories	267	198	—	—	-100.0%	—	—	—	—	—	—
Inventory: Materials and supplies	27	42	—	—	-100.0%	—	—	—	—	—	—
Inventory: Medical supplies	—	1	—	—	—	—	—	—	—	—	—
Consumable supplies	918	1 230	2 269	2 896	46.7%	0.5%	2 872	3 028	3 192	3.3%	0.6%
Consumables: Stationery, printing and office supplies	4 082	3 328	4 575	8 296	26.7%	1.5%	14 042	14 815	15 632	23.5%	2.8%
Operating leases	34 216	38 228	40 223	28 737	-5.7%	10.6%	30 300	32 081	33 846	5.6%	6.6%
Rental and hiring	788	—	—	8	-78.3%	0.1%	—	—	—	-100.0%	—
Property payments	8 113	9 129	9 907	15 293	23.5%	3.2%	15 890	16 764	17 686	5.0%	3.5%
Transport provided: Departmental activity	25 672	—	—	—	-100.0%	1.9%	—	—	—	—	—
Travel and subsistence	46 539	69 869	71 051	53 848	5.0%	18.0%	56 144	59 217	62 493	5.1%	12.3%
Training and development	3 656	2 752	2 768	4 927	10.5%	1.1%	5 204	5 491	5 793	5.5%	1.1%
Operating payments	7 515	6 793	6 976	9 787	9.2%	2.3%	10 681	11 268	11 884	6.7%	2.3%
Venues and facilities	30 920	29 025	34 676	13 672	-23.8%	8.1%	11 400	12 027	12 690	-2.5%	2.6%
<b>Total</b>	<b>293 514</b>	<b>332 497</b>	<b>312 223</b>	<b>399 459</b>	<b>10.8%</b>	<b>100.0%</b>	<b>434 219</b>	<b>510 716</b>	<b>538 618</b>	<b>10.5%</b>	<b>100.0%</b>

## Transfers and subsidies expenditure trends and estimates

**Table 38.6 Vote transfers and subsidies trends and estimates**

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18		2015/16	2018/19	2019/20	2020/21	2021/22		
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>1 705</b>	<b>1 482</b>	<b>1 778</b>	<b>360</b>	<b>-40.5%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>-100.0%</b>	<b>—</b>
Transfers to households	1 522	1 479	1 631	249	-45.3%	—	—	—	—	-100.0%	—
Employee social benefits	—	—	123	111	—	—	—	—	—	-100.0%	—
Leave gratuities	183	3	24	—	-100.0%	—	—	—	—	—	—

Table 38.6 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	Average: Expenditure/ Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/ Total (%)
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>178 696</b>	<b>258 007</b>	<b>315 373</b>	<b>335 394</b>	<b>23.4%</b>	<b>0.9%</b>	<b>449 178</b>	<b>718 399</b>	<b>888 661</b>	<b>38.4%</b>	<b>1.8%</b>
Social Housing Regulatory Authority: Operational	34 560	36 392	46 815	51 980	14.6%	0.1%	65 761	69 378	73 194	12.1%	0.2%
Housing Development Agency	104 615	147 512	210 668	222 177	28.5%	0.6%	229 311	241 939	255 245	4.7%	0.7%
Housing Development Agency: National upgrading support programme	–	10 000	–	–	–	–	–	–	–	–	–
National Housing Finance Corporation: Finance linked individual subsidy programme	–	–	–	–	–	–	5 000	15 750	20 000	–	–
Operational	39 521	30 020	29 400	31 105	-7.7%	0.1%	32 847	34 654	36 560	5.5%	0.1%
Community Schemes Ombud Service	–	28 083	20 490	20 132	–	0.1%	21 259	22 428	23 662	5.5%	0.1%
Social Housing Regulatory Authority: Institutional investment	–	6 000	8 000	10 000	–	–	–	–	–	-100.0%	–
Social Housing Regulatory Authority: Regulations	–	–	–	–	–	–	95 000	334 250	480 000	–	0.7%
National Housing Finance Corporation: Finance linked individual subsidy programme	–	–	–	–	–	–	–	–	–	–	–
<b>Capital</b>	<b>109 210</b>	<b>424 388</b>	<b>851 658</b>	<b>743 640</b>	<b>89.5%</b>	<b>1.7%</b>	<b>723 706</b>	<b>762 747</b>	<b>804 646</b>	<b>2.7%</b>	<b>2.3%</b>
Social Housing Regulatory Authority: Consolidated capital grant	109 210	424 388	851 658	743 640	89.5%	1.7%	723 706	762 747	804 646	2.7%	2.3%
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>7 450</b>	<b>4 842</b>	<b>9 820</b>	<b>6 922</b>	<b>-2.4%</b>	<b>–</b>	<b>7 474</b>	<b>8 078</b>	<b>8 715</b>	<b>8.0%</b>	<b>–</b>
Bursaries for non-employees	7 301	4 587	9 820	6 892	-1.9%	–	7 474	8 078	8 715	8.1%	–
Gifts and donations	149	255	–	30	-41.4%	–	–	–	–	-100.0%	–
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Capital</b>	<b>10 654 345</b>	<b>10 839 468</b>	<b>11 382 247</b>	<b>11 446 137</b>	<b>2.4%</b>	<b>36.0%</b>	<b>12 194 486</b>	<b>12 860 871</b>	<b>13 924 409</b>	<b>6.8%</b>	<b>37.5%</b>
Urban settlements development grant	10 554 345	10 839 468	11 382 247	11 306 137	2.3%	35.8%	12 045 386	9 716 794	9 373 053	-6.1%	31.6%
Municipal human settlements capacity grant	100 000	–	–	–	-100.0%	0.1%	–	–	–	–	–
Municipal emergency housing grant	–	–	–	140 000	–	0.1%	149 100	158 792	167 526	6.2%	0.5%
Informal settlements upgrading partnership grant: Municipalities	–	–	–	–	–	–	–	2 985 285	4 383 830	–	5.5%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>1 368</b>	<b>1 923</b>	<b>2 121</b>	<b>4 246</b>	<b>45.9%</b>	<b>–</b>	<b>3 085</b>	<b>3 395</b>	<b>3 770</b>	<b>-3.9%</b>	<b>–</b>
Habitat Foundation	1 368	1 923	2 121	3 516	37.0%	–	2 400	2 695	3 050	-4.6%	–
Cities Alliance	–	–	–	730	–	–	685	700	720	-0.5%	–
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>–</b>	<b>5 000</b>	<b>10 932</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
Council for Scientific and Industrial Research	–	5 000	10 932	–	–	–	–	–	–	–	–
<b>Higher education institutions</b>											
<b>Current</b>	<b>–</b>	<b>3 500</b>	<b>–</b>	<b>3 500</b>	<b>–</b>	<b>–</b>	<b>3 500</b>	<b>3 500</b>	<b>3 500</b>	<b>–</b>	<b>–</b>
Mangosuthu University of Technology	–	3 500	–	3 500	–	–	3 500	3 500	3 500	–	–
<b>Provinces and municipalities</b>											
<b>Provincial revenue funds</b>											
<b>Current</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>518 655</b>	<b>–</b>	<b>0.4%</b>	<b>547 700</b>	<b>577 823</b>	<b>–</b>	<b>-100.0%</b>	<b>1.2%</b>
Title deeds restoration grant	–	–	–	518 655	–	0.4%	547 700	577 823	–	-100.0%	1.2%
<b>Capital</b>	<b>18 302 675</b>	<b>18 283 991</b>	<b>19 969 343</b>	<b>18 526 647</b>	<b>0.4%</b>	<b>60.9%</b>	<b>19 056 715</b>	<b>19 246 802</b>	<b>20 030 267</b>	<b>2.6%</b>	<b>57.2%</b>
Human settlements development grant	18 302 675	18 283 991	19 969 343	18 266 647	-0.1%	60.7%	18 779 815	15 936 617	15 397 240	-5.5%	50.9%
Provincial emergency housing grant	–	–	–	260 000	–	0.2%	276 900	294 899	311 118	6.2%	0.9%
Informal settlements upgrading partnership grant: Provinces	–	–	–	–	–	–	–	3 015 286	4 321 909	–	5.5%
<b>Total</b>	<b>29 255 449</b>	<b>29 822 601</b>	<b>32 543 272</b>	<b>31 585 501</b>	<b>2.6%</b>	<b>100.0%</b>	<b>32 985 844</b>	<b>34 181 615</b>	<b>35 663 968</b>	<b>4.1%</b>	<b>100.0%</b>

## Personnel information

**Table 38.7 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Programmes																			
1. Administration																			
2. Human Settlements Policy, Strategy and Planning																			
3. Human Settlements Delivery Support																			
4. Housing Development Finance																			
Number of posts estimated for 31 March 2019			Number and cost <sup>2</sup> 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 (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost	
Human Settlements			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	-0.1%	100.0%
Salary level	557	25	597	345.9	0.6	628	376.9	0.6	629	405.7	0.6	629	436.1	0.7	626	464.5	0.7		
1 – 6	142	6	156	38.3	0.2	143	37.5	0.3	143	40.2	0.3	142	43.2	0.3	142	46.5	0.3	-0.2%	22.7%
7 – 10	215	3	230	101.1	0.4	224	109.4	0.5	224	117.2	0.5	225	126.9	0.6	223	135.1	0.6	-0.1%	35.7%
11 – 12	118	7	121	95.5	0.8	125	101.6	0.8	125	109.2	0.9	125	117.0	0.9	125	125.1	1.0	–	19.9%
13 – 16	80	9	88	106.8	1.2	96	121.0	1.3	97	131.1	1.4	97	140.5	1.4	96	148.6	1.5	–	15.4%
Other	2	–	2	4.2	2.1	40	7.5	0.2	40	8.0	0.2	40	8.6	0.2	40	9.1	0.2	–	6.4%
Programme	557	25	597	345.9	0.6	628	376.9	0.6	629	405.7	0.6	629	436.1	0.7	626	464.5	0.7	-0.1%	100.0%
Programme 1	367	20	403	207.2	0.5	421	223.8	0.5	422	239.7	0.6	422	257.9	0.6	419	273.6	0.7	-0.2%	67.0%
Programme 2	75	3	79	57.6	0.7	83	61.5	0.7	83	69.2	0.8	83	74.2	0.9	83	79.4	1.0	–	13.2%
Programme 3	87	2	88	62.1	0.7	96	72.0	0.7	96	75.2	0.8	96	80.7	0.8	96	86.5	0.9	–	15.3%
Programme 4	28	–	27	19.0	0.7	28	19.7	0.7	28	21.7	0.8	28	23.3	0.8	28	25.0	0.9	–	4.5%

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

2. Rand million.

## Departmental receipts

**Table 38.8 Departmental receipts by economic classification**

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2015/16	2016/17	2017/18					2019/20	2020/21	2021/22		
R thousand												
<b>Departmental receipts</b>	<b>1 237</b>	<b>539</b>	<b>603</b>	<b>850</b>	<b>850</b>	<b>-11.8%</b>	<b>100.0%</b>	<b>242</b>	<b>251</b>	<b>262</b>	<b>-32.4%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>199</b>	<b>201</b>	<b>203</b>	<b>204</b>	<b>204</b>	<b>0.8%</b>	<b>25.0%</b>	<b>223</b>	<b>231</b>	<b>240</b>	<b>5.6%</b>	<b>56.0%</b>
Sales by market establishments	66	66	63	64	64	-1.0%	8.0%	62	66	70	3.0%	16.3%
of which:												
Parking	66	66	63	64	64	-1.0%	8.0%	62	66	70	3.0%	16.3%
Administrative fees	–	–	–	–	–	–	–	157	160	164	–	30.0%
of which:												
Commission on insurance	–	–	–	–	–	–	–	157	160	164	–	30.0%
Other sales	133	135	140	140	140	1.7%	17.0%	4	5	6	-65.0%	9.7%
of which:												
Replacement of security cards	133	135	140	140	140	1.7%	17.0%	4	5	6	-65.0%	9.7%
<b>Sales of scrap, waste, arms and other used current goods</b>	<b>3</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>10.1%</b>	<b>0.4%</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>14.5%</b>	<b>1.4%</b>
of which:												
Wastepaper	3	3	4	4	4	10.1%	0.4%	6	6	6	14.5%	1.4%
<b>Interest, dividends and rent on land</b>	<b>166</b>	<b>20</b>	<b>53</b>	<b>22</b>	<b>22</b>	<b>-49.0%</b>	<b>8.1%</b>	<b>13</b>	<b>14</b>	<b>16</b>	<b>-10.1%</b>	<b>4.0%</b>
Interest	166	20	53	22	22	-49.0%	8.1%	13	14	16	-10.1%	4.0%
<b>Transactions in financial assets and liabilities</b>	<b>869</b>	<b>315</b>	<b>343</b>	<b>620</b>	<b>620</b>	<b>-10.6%</b>	<b>66.5%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>38.6%</b>
<b>Total</b>	<b>1 237</b>	<b>539</b>	<b>603</b>	<b>850</b>	<b>850</b>	<b>-11.8%</b>	<b>100.0%</b>	<b>242</b>	<b>251</b>	<b>262</b>	<b>-32.4%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

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



## Programme 2: Human Settlements Policy, Strategy and Planning

### Programme purpose

Manage the development of policy 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 a new human settlements policy and legislation by March 2020.
- Facilitate the national rollout of human settlements programmes and related projects by managing and monitoring the planning frameworks and processes of the programmes on an ongoing basis.
- Improve the development of sustainable human settlements by assessing identified municipalities for accreditation on an ongoing basis.
- Improve cooperation and collaboration in the sector by managing intergovernmental and sector relations with all stakeholders in the value chain of human settlements development by coordinating 32 intergovernmental forums and 14 stakeholder partnerships by March 2022.

### 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 38.11 Human Settlements Policy, Strategy and Planning expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Management for Policy, Strategy and Planning	7 420	7 561	7 067	8 083	2.9%	8.5%	8 407	8 870	9 361	5.0%	8.1%
Human Settlements Policy Frameworks	29 177	27 949	29 685	33 387	4.6%	33.9%	38 686	41 588	44 422	10.0%	36.9%
Human Settlements Strategy and Planning	39 141	51 090	63 102	51 211	9.4%	57.6%	57 564	61 298	65 302	8.4%	55.0%
<b>Total</b>	<b>75 738</b>	<b>86 600</b>	<b>99 854</b>	<b>92 681</b>	<b>7.0%</b>	<b>100.0%</b>	<b>104 657</b>	<b>111 756</b>	<b>119 085</b>	<b>8.7%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				2 900			8 691	9 145	10 116		

**Table 38.11 Human Settlements Policy, Strategy and Planning expenditure trends and estimates by subprogramme and economic classification**

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Current payments	72 882	79 016	85 224	87 124	6.1%	91.4%	101 170	107 939	114 870	9.7%	96.0%
Compensation of employees	49 805	53 422	57 583	61 526	7.3%	62.7%	69 198	74 203	79 420	8.9%	66.4%
Goods and services <sup>1</sup>	23 077	25 591	27 641	25 598	3.5%	28.7%	31 972	33 736	35 450	11.5%	29.6%
of which:											
Minor assets	158	27	76	642	59.6%	0.3%	1 281	1 353	1 428	30.5%	1.1%
Catering: Departmental activities	628	521	870	1 045	18.5%	0.9%	1 359	1 433	1 512	13.1%	1.2%
Communication	1 311	1 257	1 705	1 662	8.2%	1.7%	1 538	1 622	1 712	1.0%	1.5%
Consultants: Business and advisory services	2 149	1 099	3 362	5 908	40.1%	3.5%	10 827	11 442	11 910	26.3%	9.4%
Travel and subsistence	14 240	14 821	11 624	10 890	-8.5%	14.5%	11 201	11 800	12 467	4.6%	10.8%
Venues and facilities	2 892	6 537	5 498	2 875	-0.2%	5.0%	3 323	3 506	3 699	8.8%	3.1%
Interest and rent on land	—	3	—	—	—	—	—	—	—	—	—
Transfers and subsidies <sup>1</sup>	1 609	7 028	13 869	4 316	38.9%	7.6%	3 085	3 395	3 770	-4.4%	3.4%
Foreign governments and international organisations	1 368	1 923	2 121	4 246	45.9%	2.7%	3 085	3 395	3 770	-3.9%	3.4%
Public corporations and private enterprises	—	5 000	10 932	—	—	4.5%	—	—	—	—	—
Households	241	105	816	70	-33.8%	0.3%	—	—	—	-100.0%	—
Payments for capital assets	1 221	546	754	1 238	0.5%	1.1%	402	422	445	-28.9%	0.6%
Machinery and equipment	1 221	546	754	1 238	0.5%	1.1%	402	422	445	-28.9%	0.6%
Payments for financial assets	26	10	7	3	-51.3%	—	—	—	—	-100.0%	—
Total	75 738	86 600	99 854	92 681	7.0%	100.0%	104 657	111 756	119 085	8.7%	100.0%
Proportion of total programme expenditure to vote expenditure	0.3%	0.3%	0.3%	0.3%	—	—	0.3%	0.3%	0.3%	—	—
Details of transfers and subsidies											
Households											
Social benefits											
Current	241	—	816	70	—	0.3%	—	—	—	—	—
Transfers to households	69	—	792	—	—	0.2%	—	—	—	—	—
Employee social benefits	—	—	—	70	—	0.1%	—	—	—	—	—
Leave gratuity	172	—	24	—	45.9%	—	—	—	—	-3.9%	—
Households											
Other transfers to households											
Current	—	105	—	—	-33.8%	—	—	—	—	-100.0%	—
Gifts and donations	—	105	—	—	0.5%	—	—	—	—	-28.9%	—
Foreign governments and international organisations											
Current	1 368	1 923	2 121	4 246	0.5%	2.7%	3 085	3 395	3 770	-28.9%	3.4%
Habitat Foundation	1 368	1 923	2 121	3 516	—	2.5%	2 400	2 695	3 050	—	2.7%
Cities Alliance	—	—	—	730	—	0.2%	685	700	720	—	0.7%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	—	5 000	10 932	—	-51.3%	4.5%	—	—	—	-100.0%	—
Council for Scientific and Industrial Research	—	5 000	10 932	—	7.0%	4.5%	—	—	—	8.7%	—

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

**Table 38.12 Human Settlements Policy, Strategy and Planning personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2019			Number and cost <sup>2</sup> 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 (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Human Settlements Policy, Strategy and Planning																			
Salary level	75	3	79	57.6	0.7	83	61.5	0.7	83	69.2	0.8	83	74.2	0.9	83	79.4	1.0	–	100.0%
1 – 6	5	1	7	2.2	0.3	5	1.3	0.3	5	1.4	0.3	5	1.6	0.3	5	1.7	0.3	–	6.0%
7 – 10	25	–	24	9.9	0.4	26	11.7	0.4	26	13.2	0.5	26	14.2	0.5	26	15.3	0.6	–	31.3%
11 – 12	28	2	29	23.6	0.8	32	24.5	0.8	32	27.5	0.9	32	29.5	0.9	32	31.5	1.0	–	38.6%
13 – 16	17	–	19	21.9	1.2	20	24.1	1.2	20	27.0	1.4	20	28.9	1.4	20	30.9	1.5	–	24.1%

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

2. Rand million.

## Programme 3: Human Settlements Delivery Support

### Programme purpose

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

### Objectives

- Improve the delivery rate of housing projects, including blocked projects and informal settlement upgrading projects, by providing technical support to all provinces and municipalities for the planning and implementation of strategic programmes and projects on an ongoing basis.
- Promote better human settlements outcomes in informal settlements by implementing the national upgrading support programme in 117 municipalities over the next three years.
- Ensure and verify the delivery of quality housing opportunities by monitoring and evaluating the performance of provinces and municipalities, as reported in the housing subsidy system, through project-level site visits, review sessions and workshops on a quarterly basis.
- Develop professional and institutional capacity to support roles and responsibilities at the provincial and municipal spheres by managing training and skills development programmes for officials and communities on an ongoing basis.
- 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 38.13 Human Settlements Delivery Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Management for Human Settlements Delivery Support	7 533	6 837	11 248	9 031	6.2%	5.1%	8 869	9 407	9 976	3.4%	3.2%
Programme Management Unit	70 587	99 926	102 148	189 016	38.9%	68.4%	202 236	267 321	283 170	14.4%	79.9%
Chief of Operations	42 676	44 979	43 151	47 958	4.0%	26.5%	47 641	50 408	53 329	3.6%	16.9%
<b>Total</b>	<b>120 796</b>	<b>151 742</b>	<b>156 547</b>	<b>246 005</b>	<b>26.8%</b>	<b>100.0%</b>	<b>258 746</b>	<b>327 136</b>	<b>346 475</b>	<b>12.1%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				–			(2 299)	(2 688)	(2 323)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>111 806</b>	<b>142 702</b>	<b>145 695</b>	<b>230 780</b>	<b>27.3%</b>	<b>93.5%</b>	<b>246 932</b>	<b>314 673</b>	<b>333 325</b>	<b>13.0%</b>	<b>95.5%</b>
Compensation of employees	57 991	59 933	62 129	71 950	7.5%	37.3%	75 152	80 694	86 478	6.3%	26.7%
Goods and services <sup>1</sup>	53 815	82 760	83 566	158 832	43.4%	56.1%	171 780	233 979	246 847	15.8%	68.9%
of which:											
Communication	1 156	1 002	1 773	2 071	21.5%	0.9%	1 985	2 094	2 209	2.2%	0.7%
Computer services	39	11 764	14 534	27 460	789.6%	8.0%	29 017	30 613	32 296	5.6%	10.1%
Consultants: Business and advisory services	24 143	51 303	22 289	104 492	63.0%	30.0%	116 735	175 905	185 580	21.1%	49.5%
Consumables: Stationery, printing and office supplies	269	605	524	1 964	94.0%	0.5%	2 386	2 517	2 655	10.6%	0.8%
Travel and subsistence	11 987	10 497	15 374	14 767	7.2%	7.8%	13 528	14 272	15 058	0.7%	4.9%
Operating payments	635	485	248	1 350	28.6%	0.4%	1 972	2 080	2 193	17.6%	0.6%
Interest and rent on land	–	9	–	–	–	–	–	–	–	–	–

Economic classification			Average:			Average:
-------------------------	--	--	----------	--	--	----------

					Adjusted appropriation	Average growth rate (%)	Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total (%)
R thousand	Audited outcome											
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Transfers and subsidies¹	7 865	8 195	10 098	10 476	10.0%	5.4%	10 974	11 578	12 215	5.3%	3.8%	
Higher education institutions	—	3 500	—	3 500	—	1.0%	3 500	3 500	3 500	—	1.2%	
Households	7 865	4 695	10 098	6 976	-3.9%	4.4%	7 474	8 078	8 715	7.7%	2.7%	
Payments for capital assets	1 083	790	548	4 704	63.2%	1.1%	840	885	935	-41.6%	0.6%	
Machinery and equipment	1 083	776	548	4 704	63.2%	1.1%	840	885	935	-41.6%	0.6%	
Software and other intangible assets	—	14	—	—	—	—	—	—	—	—	—	
Payments for financial assets	42.0	55	206	43.0	0.8%	0.1%	—	—	—	-100.0%	—	
Total	120 796	151 742	156 547	246 005	26.8%	100.0%	258 746	327 136	346 475	12.1%	100.0%	
Proportion of total programme expenditure to vote expenditure	0.4%	0.5%	0.5%	0.8%	—	—	0.8%	0.9%	0.9%	—	—	
Details of transfers and subsidies												
Household												
Social benefits												
Current	564	108	278	84	—	0.2%	—	—	—	—	—	—
Transfers to households	564	108	155	84	—	0.1%	—	—	—	—	—	—
Employee social benefits	—	—	123	—	—	—	—	—	—	—	—	—
Households												
Other transfers to households												
Current	7 301	4 587	9 820	6 892	—	4.2%	7 474	8 078	8 715	—	2.6%	
Bursaries for non-employees	7 301	4 587	9 820	6 892	-3.9%	4.2%	7 474	8 078	8 715	7.7%	2.6%	
Higher education institutions												
Current	—	3 500	—	3 500	—	1.0%	3 500	3 500	3 500	—	1.2%	
Mangosuthu University of Technology	—	3 500	—	3 500	63.2%	1.0%	3 500	3 500	3 500	-41.6%	1.2%	

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Number of posts	
-----------------	--

31 March 2019			Number and cost <sup>2</sup> 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 (%)	Average: Salary level/Total (%)	
		2017/18			2018/19			2019/20			2020/21			2021/22					2018/19 - 2021/22
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Human Settlements Delivery Support			88	62.1	0.7	96	72.0	0.7	96	75.2	0.8	96	80.7	0.8	96	86.5	0.9	–	100.0%
Salary level	87	2	6	1.5	0.2	6	1.6	0.3	6	1.7	0.3	6	1.8	0.3	6	2.0	0.3	–	6.3%
1 – 6	6	1	6	1.5	0.2	6	1.6	0.3	6	1.7	0.3	6	1.8	0.3	6	2.0	0.3	–	6.3%
7 – 10	42	–	41	20.1	0.5	46	25.0	0.5	46	26.2	0.6	46	28.3	0.6	46	30.4	0.7	–	47.9%
11 – 12	23	–	26	21.4	0.8	25	21.7	0.9	25	22.7	0.9	25	24.3	1.0	25	26.0	1.0	–	26.0%
13 – 16	16	1	15	19.1	1.3	19	23.6	1.2	19	24.6	1.3	19	26.3	1.4	19	28.1	1.5	–	19.8%

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

2. *Rand million.*

$$= \frac{1}{2} \left( \frac{1}{2} + \frac{1}{2} \right) = \frac{1}{2}$$

access to housing finance and developing partnerships with the financial sector.

- Accelerate the delivery of housing and human settlements by providing funding from the *human settlements development grant*, the *urban settlements development grant*, the *informal settlements upgrading partnership grant*, the *title deeds restoration grant*, the *emergency housing grant* and transfers to public entities on an ongoing basis.

- Improve access to housing finance by collaborating with the private sector and related entities to develop mechanisms to increase market penetration and provide loans to low- and middle-income households on an ongoing basis.
- Ensure equal access to housing finance through monitoring the lending practices of the financial sector by publishing an annual report on mortgage finance.

### Subprogrammes

- *Management for Housing Development Finance* provides strategic leadership to the programme.
- *Chief Investment Officer* monitors the spending and performance of provinces and municipalities implementing housing and human settlements programmes, mobilises the financial sector to provide financial resources to human settlements development, and monitors and reports on the lending patterns by financial institutions through the Office of Disclosure.
- *Human Settlements Development Grant* reflects the conditional allocation 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 to support broader urban development.
- *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.
- *Title Deeds Restoration Grant* reflects the conditional grant allocation to provinces for the eradication of backlogs in issuing title deeds. The grant ends in 2020/21.
- *Emergency Housing Grant* reflects the allocation of funds related to emergency housing in provinces and municipalities.
- *Informal Settlements Upgrading Partnership Grants* reflects the conditional grant allocation to metropolitan cities and provinces for the upgrading of informal settlements.

### Expenditure trends and estimates

**Table 38.15 Housing Development Finance expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Management for Housing Development Finance	1 036	2 137	2 713	4 453	62.6%	—	4 590	4 804	5 030	4.1%	—
Chief Investment Officer	19 974	20 001	22 975	22 481	4.0%	0.1%	24 721	26 530	28 423	8.1%	0.1%
Human Settlements Development Grant	18 302 675	18 283 991	19 969 343	18 266 647	-0.1%	60.5%	18 779 815	15 936 617	15 397 240	-5.5%	50.8%
Contributions	448 906	782 395	1 317 031	1 159 034	37.2%	3.0%	1 222 884	1 481 146	1 693 307	13.5%	4.1%
Urban Settlements Development Grant	10 554 345	10 839 468	11 382 247	11 306 137	2.3%	35.6%	12 045 386	9 716 794	9 373 053	-6.1%	31.5%
Municipal Human Settlements Capacity Grant	100 000	—	—	—	-100.0%	0.1%	—	—	—	—	—
Title Deeds Restoration Grant	—	—	—	518 655	—	0.4%	547 700	577 823	—	-100.0%	1.2%
Emergency Housing Grant	—	—	—	400 000	—	0.3%	426 000	453 691	478 644	6.2%	1.3%
Informal Settlements Upgrading Partnership Grants	—	—	—	—	—	—	—	6 000 571	8 705 739	—	10.9%
<b>Total</b>	<b>29 426 936</b>	<b>29 927 992</b>	<b>32 694 309</b>	<b>31 677 407</b>	<b>2.5%</b>	<b>100.0%</b>	<b>33 051 096</b>	<b>34 197 976</b>	<b>35 681 436</b>	<b>4.0%</b>	<b>100.0%</b>
Change to 2018 Budget estimate				100 127			191 748	(653 082)	(1 739 381)		

**Table 38.15 Housing Development Finance expenditure trends and estimates by subprogramme and economic classification**

Economic classification				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Current payments	20 123	22 049	25 444	26 682	9.9%	0.1%	29 229	31 249	33 362	7.7%	0.1%
Compensation of employees	15 590	17 534	19 018	19 690	8.1%	0.1%	21 675	23 278	24 952	8.2%	0.1%
Goods and services <sup>1</sup>	4 533	4 515	6 426	6 992	15.5%	—	7 554	7 971	8 410	6.3%	—
of which:											
Minor assets	184	—	26	132	-10.5%	—	299	317	336	36.5%	—
Communication	214	264	384	409	24.1%	—	431	455	480	5.5%	—
Consultants: Business and advisory services	116	—	1 199	2 399	174.5%	—	1 684	1 777	1 875	-7.9%	—
Consumables: Stationery, printing and office supplies	255	66	152	293	4.7%	—	1 563	1 649	1 740	81.1%	—
Travel and subsistence	1 616	1 503	1 658	2 487	15.5%	—	2 645	2 791	2 945	5.8%	—
Venues and facilities	44	43	156	298	89.2%	—	315	332	350	5.5%	—
Transfers and subsidies <sup>1</sup>	29 244 937	29 805 857	32 518 621	31 570 496	2.6%	99.5%	32 971 785	34 166 642	35 647 983	4.1%	99.8%
Provinces and municipalities	28 957 020	29 123 459	31 351 590	30 491 439	1.7%	96.9%	31 798 901	32 685 496	33 954 676	3.7%	95.8%
Departmental agencies and accounts	287 906	682 395	1 167 031	1 079 034	55.3%	2.6%	1 172 884	1 481 146	1 693 307	16.2%	4.0%
Households	11	3	—	23	27.9%	—	—	—	—	-100.0%	—
Payments for capital assets	876	86	244	229	-36.1%	—	82	85	91	-26.5%	—
Machinery and equipment	876	86	244	229	-36.1%	—	82	85	91	-26.5%	—
Payments for financial assets	161 000	100 000	150 000	80 000	-20.8%	0.4%	50 000	—	—	-100.0%	0.1%
Total	29 426 936	29 927 992	32 694 309	31 677 407	2.5%	100.0%	33 051 096	34 197 976	35 681 436	4.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1	1	1	1	—	—	1	1	1	—	—
Details of transfers and subsidies											
Households											
Social benefits											
Current	11	3	—	23	1.7%	—	—	—	—	3.7%	—
Employee social benefit	—	—	—	23	55.3%	—	—	—	—	16.2%	—
Leave gratuity	11	3	—	—	—	—	—	—	—	—	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	178 696	258 007	315 373	335 394	1.7%	—	449 178	718 399	888 661	3.7%	—
Social Housing Regulatory Authority: Operational	34 560	36 392	46 815	51 980	55.3%	—	65 761	69 378	73 194	16.2%	—
Housing Development Agency	104 615	147 512	210 668	222 177	—	—	229 311	241 939	255 245	—	—
Housing Development Agency: National upgrading support programme	—	10 000	—	—	—	—	—	—	—	—	—
National Housing Finance Corporation: Finance-linked individual subsidy programme	—	—	—	—	—	0.9%	5 000	15 750	20 000	—	1.8%
Operational	—	—	—	—	—	—	—	—	—	—	—
Community Schemes Ombud Service	39 521	30 020	29 400	31 105	—	0.1%	32 847	34 654	36 560	—	0.2%
Social Housing Regulatory Authority: Institutional investment	—	28 083	20 490	20 132	27.9%	0.6%	21 259	22 428	23 662	-100.0%	0.7%
Social Housing Regulatory Authority: Regulations	—	6 000	8 000	10 000	-36.1%	—	—	—	—	-26.5%	—
National Housing Finance Corporation: Finance-linked individual subsidy programme	—	—	—	—	—	0.1%	95 000	334 250	480 000	—	0.1%
Capital	109 210	424 388	851 658	743 640	—	1.7%	723 706	762 747	804 646	—	2.3%
Social Housing Regulatory Authority: Consolidated capital grant	109 210	424 388	851 658	743 640	—	1.7%	723 706	762 747	804 646	—	2.3%

**Table 38.15 Housing Development Finance expenditure trends and estimates by subprogramme and economic classification**

Details of transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome											
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Capital	10 654 345	10 839 468	11 382 247	11 446 137	–	35.8%	12 194 486	12 860 871	13 924 409	–	37.5%
Urban settlements development grant	10 554 345	10 839 468	11 382 247	11 306 137	–	35.6%	12 045 386	9 716 794	9 373 053	–	31.5%
Municipal human settlements capacity grant	100 000	–	–	–	–	0.1%	–	–	–	–	–
Municipal emergency housing grant	–	–	–	140 000	–	0.1%	149 100	158 792	167 526	–	0.5%
Informal settlements upgrading partnership grant: Municipalities	–	–	–	–	–	–	–	2 985 285	4 383 830	–	5.5%
Provinces and municipalities											
Provinces											
Provincial revenue funds											
Current	–	–	–	518 655	–	0.4%	547 700	577 823	–	–	1.2%
Title deeds restoration grant	–	–	–	518 655	23.4%	0.4%	547 700	577 823	–	38.4%	1.2%
Capital	18 302 675	18 283 991	19 969 343	18 526 647	14.6%	60.7%	19 056 715	19 246 802	20 030 267	12.1%	57.1%
Human settlements development grant	18 302 675	18 283 991	19 969 343	18 266 647	28.5%	60.5%	18 779 815	15 936 617	15 397 240	4.7%	50.8%
Provincial emergency housing grant	–	–	–	260 000	–	0.2%	276 900	294 899	311 118	–	0.8%
Informal settlements upgrading partnership grant: Provinces	–	–	–	–	–	–	–	3 015 286	4 321 909	5.5%	5.5%

1. Estimates of National Expenditure data tables are available and can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

## Personnel information

**Table 38.16 Housing Development Finance personnel numbers and cost by salary level<sup>1</sup>**

Number of posts estimated for 31 March 2019			Number and cost <sup>2</sup> 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 (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
Housing Development Finance			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	28	—	27	19.0	0.7	28	19.7	0.7	28	21.7	0.8	28	23.3	0.8	28	25.0	0.9	—	100.0%
1 – 6	1	—	1	0.2	0.2	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	1	0.4	0.4	—	3.6%
7 – 10	14	—	14	6.2	0.4	14	6.5	0.5	14	7.1	0.5	14	7.7	0.5	14	8.3	0.6	—	50.0%
11 – 12	8	—	7	5.4	0.8	8	6.4	0.8	8	7.0	0.9	8	7.5	0.9	8	8.0	1.0	—	28.6%
13 – 16	5	—	5	7.2	1.4	5	6.6	1.3	5	7.2	1.4	5	7.7	1.5	5	8.3	1.7	—	17.9%

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

2. 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 38.17 National Home Builders Registration Council performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of home builders registered per year	Regulation	Outcome 8: Sustainable human settlements and improved quality of household life	4 384	4 879	3 435	3 518	3 050	3 218	3 395
Number of home builders registration renewal per year	Regulation		12 602	13 343	13 832	12 919	11 938	12 595	13 287
Number of homes enrolled in the non-subsidy sector per year	Regulation		49 612	51 990	56 506	50 485	60 485	64 114	67 320
Number of homes enrolled in the subsidy sector per year	Regulation		77 004	74 149	66 691	105 308	61 923	65 019	68 270
Number of home builders to be trained per year	Regulation		2 463	1 739	2 357	2 120	2 247	2 382	2 525
Number of home inspectors to be trained per year	Regulation		310	607	587	530	562	596	631
Number of inspections in the subsidy sector per year <sup>1</sup>	Protection		230 103	94 528	83 369	112 179	98 152	83 292	80 473
Number of inspections in the non-subsidy sector per year	Protection		258 446	113 379	75 176	50 485	55 518	58 294	61 209
Number of homes enrolled late in the non-subsidy sector per year	Protection		1 030	1 287	1 020	2 120	2 120	2 120	2 120

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

### Expenditure analysis

The National Home Builders Registration Council's focus over the medium term will continue to be on the professionalisation of the home building sector, and increasing the number of homes enrolled and inspected, in line with its core regulatory function. Over the medium term, the council is expected to concentrate on activities that protect home owners, and enrol 195 212 subsidy and 191 919 non-subsidy homes.

The council's spending is mainly in relation to its regulatory function: inspecting homes, and training home builders and inspectors. The council is expected to inspect 261 917 subsidy houses and 175 021 non-subsidy houses over the medium term. Total expenditure is expected to increase at an average annual rate of 5.4 per cent, from R805.2 million in 2018/19 to R943.1 million in 2021/22. The number of personnel in the council is expected to remain stable at 645 over the medium term. As such, spending on compensation of employees increases from R484.6 million in 2018/19 to R569 million in 2021/22, in line with inflation.

The council generates revenue mainly through home enrolment fees, registration and renewal fees for home builders, technical services, and interest and dividends. Total revenue is expected to increase at an average annual rate of 9.7 per cent, from R1.2 billion in 2018/19 to R1.6 billion in 2021/22.

### Programmes/Objectives/Activities

**Table 38.18 National Home Builders Registration Council expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2021/22
R thousand											
Administration	370 489	298 935	306 585	296 547	-7.2%	38.9%	312 857	330 064	348 218	5.5%	36.9%
Regulation	269 447	307 782	252 682	272 794	0.4%	33.9%	285 716	301 431	318 009	5.2%	33.8%
Protection	247 870	205 162	199 424	235 815	-1.6%	27.2%	248 785	262 468	276 904	5.5%	29.3%
<b>Total</b>	<b>887 806</b>	<b>811 879</b>	<b>758 691</b>	<b>805 156</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>847 358</b>	<b>893 963</b>	<b>943 131</b>	<b>5.4%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

**Table 38.19 National Home Builders Registration Council statements of historical financial performance and position**

Statement of financial performance								Average: Outcome/ Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 088 164</b>	<b>1 138 108</b>	<b>1 255 914</b>	<b>1 300 172</b>	<b>1 263 610</b>	<b>1 378 054</b>	<b>1 355 910</b>	<b>1 228 221</b>	<b>101.6%</b>
Sale of goods and services other than capital assets	812 856	801 115	868 612	879 420	863 175	774 988	931 449	803 759	93.8%
of which:									
Sales by market establishment	812 856	798 900	868 612	876 021	861 775	769 386	929 965	801 759	93.5%
Home enrolment fees	671 697	700 273	716 100	798 498	785 091	718 781	848 680	757 708	98.5%
Fee revenue	68 908	42 311	117 512	32 865	34 984	43 459	37 083	21 051	54.0%
Technical services revenue	72 250	56 316	35 000	44 658	41 700	7 146	44 202	23 000	67.9%
Other sales	—	2 215	—	3 399	1 400	5 602	1 484	2 000	458.3%
Other non-tax revenue	275 308	336 993	387 302	420 752	400 435	603 066	424 461	424 462	120.0%
<b>Total revenue</b>	<b>1 088 164</b>	<b>1 138 108</b>	<b>1 255 914</b>	<b>1 300 172</b>	<b>1 263 610</b>	<b>1 378 054</b>	<b>1 355 910</b>	<b>1 228 221</b>	<b>101.6%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>839 488</b>	<b>887 806</b>	<b>812 113</b>	<b>811 879</b>	<b>843 860</b>	<b>758 691</b>	<b>915 375</b>	<b>805 156</b>	<b>95.7%</b>
Compensation of employees	451 374	411 431	418 203	426 444	470 604	453 806	498 742	484 598	96.6%
Goods and services	362 947	463 323	367 393	362 065	338 840	281 424	380 171	297 137	96.9%
Depreciation	25 166	13 052	26 517	23 370	34 416	23 449	36 462	23 421	68.0%
Interest, dividends and rent on land	—	—	—	—	—	12	—	—	—
<b>Total expenses</b>	<b>839 488</b>	<b>887 806</b>	<b>812 113</b>	<b>811 879</b>	<b>843 860</b>	<b>758 691</b>	<b>915 375</b>	<b>805 156</b>	<b>95.7%</b>
<b>Surplus/(Deficit)</b>	<b>248 676</b>	<b>250 302</b>	<b>443 801</b>	<b>488 293</b>	<b>419 750</b>	<b>619 362</b>	<b>440 535</b>	<b>423 065</b>	
<b>Statement of financial position</b>									
Carrying value of assets	350 901	219 419	325 418	199 558	299 001	179 302	271 651	257 185	68.6%
of which:									
Acquisition of assets	(190 000)	(43 295)	(49 740)	(3 834)	(8 000)	(4 747)	(8 000)	(37 400)	34.9%
Investments	5 187 337	5 127 473	5 548 978	5 600 623	5 915 218	6 208 779	6 304 590	6 559 355	102.4%
Inventory	208	13 881	222	13 180	238	13 158	255	10 180	5 460.3%
Receivables and prepayments	29 324	22 138	27 916	45 289	31 013	14 296	31 987	19 750	84.4%
Cash and cash equivalents	109 182	251 859	109 059	204 921	108 334	331 050	107 697	87 068	201.5%
<b>Total assets</b>	<b>5 676 952</b>	<b>5 634 770</b>	<b>6 011 593</b>	<b>6 063 571</b>	<b>6 353 804</b>	<b>6 746 585</b>	<b>6 716 180</b>	<b>6 933 538</b>	<b>102.5%</b>
Accumulated surplus/(deficit)	4 145 968	4 037 164	4 405 943	4 531 272	4 681 800	5 159 134	4 970 776	5 253 529	104.3%
Capital and reserves	43 420	31 007	36 035	25 193	28 244	16 693	20 024	42 497	90.3%
Trade and other payables	191 629	196 569	202 469	126 050	201 699	125 015	204 282	122 355	71.2%
Provisions	1 295 935	1 370 029	1 367 146	1 381 056	1 442 061	1 445 743	1 521 098	1 515 157	101.5%
<b>Total equity and liabilities</b>	<b>5 676 952</b>	<b>5 634 770</b>	<b>6 011 593</b>	<b>6 063 571</b>	<b>6 353 804</b>	<b>6 746 585</b>	<b>6 716 180</b>	<b>6 933 538</b>	<b>102.5%</b>

## Statements of estimates of financial performance and position

**Table 38.20 National Home Builders Registration Council statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
	Revised estimate			2019/20	2020/21	2021/22		
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 228 221</b>	<b>2.6%</b>	<b>100.0%</b>	<b>1 457 481</b>	<b>1 537 643</b>	<b>1 622 213</b>	<b>9.7%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	803 759	0.1%	64.9%	901 919	951 525	1 003 858	7.7%	62.8%
of which:								
Sales by market establishment	801 759	0.1%	64.7%	899 819	949 309	1 001 521	7.7%	62.6%
Home enrolment fees	757 708	2.7%	59.2%	837 781	883 859	932 471	7.2%	58.5%
Fee revenue	21 051	-20.8%	2.8%	37 888	39 972	42 170	26.1%	2.4%
Technical services revenue	23 000	-25.8%	2.7%	24 150	25 478	26 880	5.3%	1.7%
Other sales	2 000	-3.3%	0.3%	2 100	2 216	2 337	5.3%	0.1%
Other non-tax revenue	424 462	8.0%	35.1%	555 562	586 118	618 355	13.4%	37.2%
<b>Total revenue</b>	<b>1 228 221</b>	<b>2.6%</b>	<b>100.0%</b>	<b>1 457 481</b>	<b>1 537 643</b>	<b>1 622 213</b>	<b>9.7%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>805 156</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>847 358</b>	<b>893 963</b>	<b>943 131</b>	<b>5.4%</b>	<b>100.0%</b>
Compensation of employees	484 598	5.6%	54.7%	511 251	539 370	569 035	5.5%	60.3%
Goods and services	297 137	-13.8%	42.7%	313 480	330 721	348 911	5.5%	37.0%
Depreciation	23 421	21.5%	2.6%	22 628	23 872	25 185	2.5%	2.7%
<b>Total expenses</b>	<b>805 156</b>	<b>-3.2%</b>	<b>100.0%</b>	<b>847 358</b>	<b>893 963</b>	<b>943 131</b>	<b>5.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>423 065</b>			<b>610 123</b>	<b>643 680</b>	<b>679 082</b>		

**Table 38.20 National Home Builders Registration Council statements of estimates of financial performance and position**

Statement of financial position		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R thousand	2018/19							
Carrying value of assets	257 185	5.4%	3.4%	240 608	226 802	220 706	-5.0%	3.3%
of which:								
Acquisition of assets	(37 400)	-4.8%	-0.4%	(8 000)	(8 000)	(8 000)	-40.2%	-0.2%
Investments	6 559 355	8.6%	92.5%	6 762 069	7 009 424	7 224 254	3.3%	95.2%
Inventory	10 180	-9.8%	0.2%	8 180	6 180	4 180	-25.7%	0.1%
Receivables and prepayments	19 750	-3.7%	0.4%	18 466	17 686	18 748	-1.7%	0.3%
Cash and cash equivalents	87 068	-29.8%	3.5%	82 715	78 579	74 650	-5.0%	1.1%
<b>Total assets</b>	<b>6 933 538</b>	<b>7.2%</b>	<b>100.0%</b>	<b>7 112 038</b>	<b>7 338 671</b>	<b>7 542 538</b>	<b>2.8%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	5 253 529	9.2%	74.7%	5 360 355	5 467 562	5 576 913	2.0%	74.9%
Capital and reserves	42 497	11.1%	0.5%	35 605	58 333	50 662	6.0%	0.6%
Trade and other payables	122 355	-14.6%	2.3%	114 886	120 631	126 662	1.2%	1.7%
Provisions	1 515 157	3.4%	22.6%	1 601 192	1 692 145	1 788 301	5.7%	22.8%
<b>Total equity and liabilities</b>	<b>6 933 538</b>	<b>7.2%</b>	<b>100.0%</b>	<b>7 112 038</b>	<b>7 338 671</b>	<b>7 542 538</b>	<b>2.8%</b>	<b>100.0%</b>

## Personnel information

**Table 38.21 National Home Builders Registration Council personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> 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 (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
National Home Builders Registration Council																			
Salary level	645	645	636	453.8	0.7	645	484.6	0.8	645	511.3	0.8	645	539.4	0.8	645	569.0	0.9	5.5%	100.0%
1 – 6	23	23	22	3.6	0.2	23	3.9	0.2	23	4.1	0.2	23	4.3	0.2	23	4.6	0.2	5.5%	3.6%
7 – 10	369	369	366	197.5	0.5	369	209.2	0.6	369	222.0	0.6	369	234.3	0.6	369	247.2	0.7	5.7%	57.2%
11 – 12	193	193	191	173.6	0.9	193	185.2	1.0	193	195.3	1.0	193	206.1	1.1	193	217.5	1.1	5.5%	29.9%
13 – 16	54	54	51	64.3	1.3	54	70.3	1.3	54	72.8	1.3	54	76.8	1.4	54	81.0	1.5	4.8%	8.4%
17 – 22	6	6	6	14.7	2.5	6	16.0	2.7	6	17.0	2.8	6	17.9	3.0	6	18.7	3.1	5.3%	0.9%

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 38.22 Community Schemes Ombud Service performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
Number of community schemes registered per year <sup>1</sup>	Regulation	Entity mandate	— <sup>2</sup>	7 434	17 446	30 000	30 000	20 000	10 000
Number of governance documents assessed for quality assurance per year	Regulation		— <sup>2</sup>	208	1 561	1 500	2 000	2 000	2 000
Number of certificates issued for quality assured governance documents per year	Regulation		— <sup>2</sup>	— <sup>2</sup>	961	1 500	2 000	2 000	2 000
Percentage of disputes resolved through conciliation per year <sup>3</sup>	Regulation		— <sup>2</sup>	47.5% (285/600)	33.6% (874/2 598)	70%	80%	85%	90%

1. Indicator reworded to measure community schemes registered and not just governance documents.

2. No historical data available.

3. Indicator reworded to measure all disputes resolved through conciliation.

## Expenditure analysis

Over the MTEF period, the Community Schemes Ombud Service will focus on providing dispute resolution and adjudication services; regulating the conduct of parties in community schemes; providing quality assurance of all scheme governance documentation; and conducting stakeholder training, consumer education and awareness campaigns for property owners, occupiers and other stakeholders.

The entity generates revenue through levies for the registration of community schemes, service fees and interest; and receives operational funding from the department. Its expenditure is expected to increase at an average annual rate of 6.7 per cent, from R245.1 million in 2018/19 to R298 million in 2021/22.

## Programmes/Objectives/Activities

**Table 38.23 Community Schemes Ombud Service expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administration	55 169	45 181	117 995	141 393	36.8%	84.5%	153 139	157 361	162 389	4.7%	56.3%
Regulation	–	–	26 341	95 746	–	14.3%	106 212	116 258	126 278	9.7%	40.6%
Education and Training	–	–	2 279	7 972	–	1.2%	8 412	8 874	9 361	5.5%	3.2%
<b>Total</b>	<b>55 169</b>	<b>45 181</b>	<b>146 615</b>	<b>245 111</b>	<b>64.4%</b>	<b>100.0%</b>	<b>267 763</b>	<b>282 493</b>	<b>298 028</b>	<b>6.7%</b>	<b>100.0%</b>

## Statements of historical financial performance

**Table 38.24 Community Schemes Ombud Service statements of historical financial performance**

Statement of financial performance										Average: Outcome/Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19	
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>1 747</b>	<b>1 314</b>	<b>1 548</b>	<b>30 929</b>	<b>102 526</b>	<b>176 562</b>	<b>113 079</b>	<b>213 826</b>		<b>193.1%</b>
Sale of goods and services other than capital assets	–	–	–	30 392	96 150	170 824	105 765	200 000		198.7%
of which:										
Administrative fees	–	–	–	30 392	96 150	170 824	105 765	200 000		198.7%
Community scheme levy income	–	–	–	30 392	96 100	170 824	105 710	200 000		198.8%
Dispute resolution service income	–	–	–	–	50	–	55	–		–
Other non-tax revenue	1 747	1 314	1 548	537	6 376	5 738	7 314	13 826		126.1%
<b>Transfers received</b>	<b>39 521</b>	<b>39 521</b>	<b>23 920</b>	<b>30 029</b>	<b>29 400</b>	<b>29 400</b>	<b>31 105</b>	<b>31 105</b>		<b>104.9%</b>
<b>Total revenue</b>	<b>41 268</b>	<b>40 835</b>	<b>25 468</b>	<b>60 958</b>	<b>131 926</b>	<b>205 962</b>	<b>144 184</b>	<b>244 931</b>		<b>161.2%</b>
<b>Expenses</b>										
<b>Current expenses</b>	<b>41 268</b>	<b>55 169</b>	<b>40 059</b>	<b>45 181</b>	<b>131 926</b>	<b>146 615</b>	<b>144 184</b>	<b>245 111</b>		<b>137.7%</b>
Compensation of employees	14 652	30 464	31 204	31 204	56 934	34 408	62 626	110 544		124.9%
Goods and services	26 616	21 243	8 855	13 977	68 992	110 499	74 958	122 567		149.5%
Depreciation	–	3 462	–	–	6 000	1 704	6 600	12 000		136.2%
Interest, dividends and rent on land	–	–	–	–	–	4	–	–		–
<b>Total expenses</b>	<b>41 268</b>	<b>55 169</b>	<b>40 059</b>	<b>45 181</b>	<b>131 926</b>	<b>146 615</b>	<b>144 184</b>	<b>245 111</b>		<b>137.7%</b>
<b>Surplus/(Deficit)</b>	<b>–</b>	<b>(14 334)</b>	<b>(14 591)</b>	<b>15 777</b>	<b>–</b>	<b>59 347</b>	<b>–</b>	<b>(180)</b>		

## Statements of estimates of financial performance

**Table 38.25 Community Schemes Ombud Service statements of estimates of financial performance**

Statement of financial performance										Average: Expenditure/Total (%)
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)			
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22			
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>213 826</b>	<b>446.0%</b>	<b>56.7%</b>	<b>234 587</b>	<b>247 489</b>	<b>261 101</b>	<b>6.9%</b>			<b>87.6%</b>
Sale of goods and services other than capital assets	200 000	–	53.6%	220 000	232 100	244 866	7.0%			82.1%
of which:										
Administrative fees	200 000	–	53.6%	220 000	232 100	244 866	7.0%			82.1%
Community scheme levy income	200 000	–	53.6%	220 000	232 100	244 866	7.0%			82.1%
Dispute resolution service income	–	–	–	–	–	–	–			–
Other non-tax revenue	13 826	119.1%	3.1%	14 587	15 389	16 235	5.5%			5.5%
<b>Transfers received</b>	<b>31 105</b>	<b>-7.7%</b>	<b>43.3%</b>	<b>32 847</b>	<b>34 654</b>	<b>36 560</b>	<b>5.5%</b>			<b>12.4%</b>
<b>Total revenue</b>	<b>244 931</b>	<b>81.7%</b>	<b>100.0%</b>	<b>267 434</b>	<b>282 143</b>	<b>297 661</b>	<b>6.7%</b>			<b>100.0%</b>

Statement of financial performance		Average:			Average:
------------------------------------	--	----------	--	--	----------

	Revised estimate	Average growth rate (%)	Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ Total (%)
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Expenses</b>								
<b>Current expenses</b>	<b>245 111</b>	<b>64.4%</b>	<b>100.0%</b>	<b>267 763</b>	<b>282 492</b>	<b>298 028</b>	<b>6.7%</b>	<b>100.0%</b>
Compensation of employees	110 544	53.7%	48.2%	123 034	135 338	148 872	10.4%	47.2%
Goods and services	122 567	79.4%	48.7%	132 069	133 798	135 066	3.3%	48.0%
Depreciation	12 000	51.3%	3.1%	12 660	13 356	14 091	5.5%	4.8%
<b>Total expenses</b>	<b>245 111</b>	<b>64.4%</b>	<b>100.0%</b>	<b>267 763</b>	<b>282 492</b>	<b>298 028</b>	<b>6.7%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(180)</b>			<b>(330)</b>	<b>(349)</b>	<b>(367)</b>		

## Table 38.26 Community S

Number of posts		
-----------------	--	--

estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number	
Number of funded posts		Number of posts on approved establishment																Average growth rate (%)	Average: Salary level/Total (%)
			Actual			Revised estimate			Medium-term expenditure estimate										
			2017/18			2018/19			2019/20			2020/21			2021/22				
Community Schemes Ombud Service			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	132	132	61	34.4	0.6	132	110.5	0.8	132	123.0	0.9	132	135.3	1.0	132	148.9	1.1	10.4%	100.0%
1 – 6	23	23	24	2.0	0.1	23	2.8	0.1	23	3.1	0.1	23	3.4	0.1	23	3.8	0.2	10.5%	17.4%
7 – 10	63	63	18	10.2	0.6	63	33.3	0.5	63	37.2	0.6	63	40.9	0.6	63	45.0	0.7	10.5%	47.7%
11 – 12	21	21	8	7.1	0.9	21	26.1	1.2	21	29.1	1.4	21	32.0	1.5	21	35.3	1.7	10.5%	15.9%
13 – 16	24	24	11	15.1	1.4	24	46.0	1.9	24	51.3	2.1	24	56.4	2.4	24	62.1	2.6	10.5%	18.2%
17 – 22	1	1	–	–	–	1	2.3	2.3	1	2.4	2.4	1	2.5	2.5	1	2.7	2.7	5.5%	0.8%

1. Rand million.

—

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.

**T-11 39375 : : A Aff : D**

Indicator	Programme/Objective/Activity	MTSF outcome	Past	Current	Projections
-----------	------------------------------	--------------	------	---------	-------------

			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of complaints received, investigated and resolved per year	Compliance	Entity mandate	3 131	6 857	6 998	4 750	4 512	4 287	4 287
Number of Estate Agents Fidelity Fund certificate renewed per year	Compliance		36 561	43 395	42 007	49 899	53 392	57 129	61 128
Number of estate agencies inspected per year	Compliance		474	63	108	700	800	800	800
Value of claims recovered per year	Compliance		R2.5m	R9.7m	–	R24m	R25.7m	R27.5m	R28m
Number of non-principal agents enrolled for the national qualifications framework level 4 professional designation examination per year	Education and training		1 526	911	1 141	1 070	1 145	1 225	1 310

**Table 38.27 Estate Agency Affairs Board performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of principal agents enrolled for the national qualifications framework level 5 professional designation examination per year	Education and training	Entity mandate	324	139	195	321	343	368	393
Number of candidates enrolled in the continuous professional development programme per year	Education and training		9 000	13 856	20 747	15 000	16 050	17 174	18 376

### Expenditure analysis

The focus of the Estate Agency Affairs Board over the medium term will be on professionalising the estate agency sector through education and training, and enforcing compliance with legislation and regulations. This includes resolving complaints and claims against estate agents, and facilitating professional designation training and education for estate agents.

The board generates revenue mainly through levies and contributions from estate agents, examination fees, management fees, and the administration of the Estate Agents Fidelity Fund. Expenditure is expected to increase at an average annual rate of 7 per cent, from R151.6 million in 2018/19 to R185.8 million in 2021/22.

### Programmes/Objectives/Activities

**Table 38.28 Estate Agency Affairs Board expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2015/16	2016/17	2017/18		2015/16 - 2018/19	Average: Expenditure/Total (%)	2019/20	2020/21	2021/22	2018/19 - 2021/22	Average: Expenditure/Total (%)
Administration	61 454	119 208	70 409	88 501	12.9%	59.3%	94 692	101 318	108 408	7.0%	58.4%
Compliance	29 844	30 796	33 568	37 711	8.1%	23.9%	40 351	43 175	46 198	7.0%	24.9%
Education and training	24 132	25 136	18 559	25 424	1.8%	16.8%	27 204	29 108	31 146	7.0%	16.8%
<b>Total</b>	<b>115 430</b>	<b>175 140</b>	<b>122 536</b>	<b>151 636</b>	<b>9.5%</b>	<b>100.0%</b>	<b>162 247</b>	<b>173 601</b>	<b>185 752</b>	<b>7.0%</b>	<b>100.0%</b>

### Statements of historical financial performance

**Table 38.29 Estate Agency Affairs Board statements of historical financial performance**

Statement of financial performance		Budget		Audited outcome		Budget		Audited outcome		Budget		Audited outcome		Budget estimate		Revised estimate		Average: Outcome/Budget (%)	
R thousand		2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19									
<b>Revenue</b>																			
<b>Non-tax revenue</b>		<b>118 364</b>		<b>115 568</b>		<b>131 048</b>		<b>118 777</b>		<b>146 048</b>		<b>123 192</b>		<b>143 874</b>		<b>166 942</b>		<b>97.2%</b>	
Sale of goods and services other than capital assets		106 701		104 215		116 521		103 261		130 543		110 361		131 474		150 541		96.5%	
<i>of which:</i>																			
Administrative fees		51 493		51 681		52 272		52 095		53 191		52 464		56 042		71 609		107.0%	
Sales by market establishment		55 208		52 534		64 249		51 166		77 352		57 897		75 432		78 932		88.4%	
Contributions		35 999		18 067		30 760		20 994		30 216		23 734		41 120		42 120		76.0%	
Examinations		19 209		34 467		33 489		30 172		47 136		34 163		34 312		36 812		101.1%	
Other non-tax revenue		11 663		11 353		14 527		15 516		15 505		12 831		12 400		16 401		103.7%	
<b>Total revenue</b>		<b>118 364</b>		<b>115 568</b>		<b>131 048</b>		<b>118 777</b>		<b>146 048</b>		<b>123 192</b>		<b>143 874</b>		<b>166 942</b>		<b>97.2%</b>	
<b>Expenses</b>																			
<b>Current expenses</b>		<b>113 322</b>		<b>115 430</b>		<b>128 120</b>		<b>175 140</b>		<b>140 504</b>		<b>122 536</b>		<b>139 560</b>		<b>151 636</b>		<b>108.3%</b>	
Compensation of employees		73 058		66 870		81 788		73 908		91 212		85 895		90 657		102 179		97.7%	
Goods and services		35 266		45 028		41 433		97 143		43 211		32 665		42 397		43 527		134.5%	
Depreciation		4 998		3 532		4 899		4 089		6 081		3 976		6 506		5 930		78.0%	
<b>Total expenses</b>		<b>113 322</b>		<b>115 430</b>		<b>128 120</b>		<b>175 140</b>		<b>140 504</b>		<b>122 536</b>		<b>139 560</b>		<b>151 636</b>		<b>108.3%</b>	
<b>Surplus/(Deficit)</b>		<b>5 042</b>		<b>138</b>		<b>2 928</b>		<b>(56 363)</b>		<b>5 545</b>		<b>656</b>		<b>4 314</b>		<b>15 306</b>			

## Statements of estimates of financial performance

**Table 38.30 Estate Agency Affairs Board statements of estimates of financial performance**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>166 942</b>	<b>13.0%</b>	<b>100.0%</b>	<b>178 628</b>	<b>191 132</b>	<b>204 511</b>	<b>7.0%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	150 541	13.0%	89.2%	161 080	172 355	184 420	7.0%	90.2%
of which:								
Administrative fees	71 609	11.5%	43.5%	76 622	81 985	87 724	7.0%	42.9%
Sales by market establishment	78 932	14.5%	45.7%	84 458	90 370	96 696	7.0%	47.3%
Contributions	42 120	32.6%	19.5%	45 069	48 224	51 599	7.0%	25.2%
Examinations	36 812	2.2%	26.3%	39 389	42 146	45 097	7.0%	22.1%
Other non-tax revenue	16 401	13.0%	10.8%	17 548	18 777	20 091	7.0%	9.8%
<b>Total revenue</b>	<b>166 942</b>	<b>13.0%</b>	<b>100.0%</b>	<b>178 628</b>	<b>191 132</b>	<b>204 511</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>151 636</b>	<b>9.5%</b>	<b>100.0%</b>	<b>162 247</b>	<b>173 601</b>	<b>185 752</b>	<b>7.0%</b>	<b>100.0%</b>
Compensation of employees	102 179	15.2%	59.4%	109 332	116 984	125 174	7.0%	67.4%
Goods and services	43 527	-1.1%	37.5%	46 570	49 827	53 313	7.0%	28.7%
Depreciation	5 930	18.9%	3.1%	6 345	6 790	7 265	7.0%	3.9%
<b>Total expenses</b>	<b>151 636</b>	<b>9.5%</b>	<b>100.0%</b>	<b>162 247</b>	<b>173 601</b>	<b>185 752</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>15 306</b>			<b>16 381</b>	<b>17 531</b>	<b>18 760</b>		

## Personnel information

**Table 38.31 Estate Agency Affairs Board personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment													Number			
Salary level	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Estate Agency Affairs Board			117	85.9	0.7	132	102.2	0.8	132	109.3	0.8	132	117.0	0.9	132	125.2	0.9	7.0%	100.0%
1 – 6	7	7	6	0.8	0.1	7	1.3	0.2	7	1.4	0.2	7	1.5	0.2	7	1.6	0.2	7.1%	5.3%
7 – 10	54	54	44	16.5	0.4	53	19.5	0.4	53	20.9	0.4	53	22.3	0.4	53	23.9	0.5	7.1%	40.2%
11 – 12	48	48	41	31.3	0.8	45	35.2	0.8	45	37.7	0.8	45	40.4	0.9	45	43.3	1.0	7.1%	34.1%
13 – 16	26	26	24	34.1	1.4	25	40.8	1.6	25	43.6	1.7	25	46.6	1.9	25	49.8	2.0	6.9%	18.9%
17 – 22	2	2	2	3.2	1.6	2	5.4	2.7	2	5.8	2.9	2	6.1	3.1	2	6.5	3.3	6.6%	1.5%

1. Rand million.

## Estate Agents Fidelity Fund

### Expenditure analysis

One of the functions of the Estate Agency 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, interest earned on trust accounts held by estate agents, and claims recovered.

Expenditure is expected to decrease at an average annual rate of 1.2 per cent, from R146.2 million in 2018/19 to R141.1 million in 2021/22, mainly as a result of fewer claims expected to be paid out because of improved compliance and greater professionalism in the estate agency sector. The fund is expected to remain sustainable, with net assets expected to increase from R639 million in 2018/19 to R742.9 million in 2021/22.

**Programmes/Objectives/Activities****Table 38.32 Estate Agents Fidelity Fund expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22
Administration	70 209	89 648	66 586	146 194	27.7%	100.0%	159 283	131 913	141 147	-1.2%	100.0%
<b>Total</b>	<b>70 209</b>	<b>89 648</b>	<b>66 586</b>	<b>146 194</b>	<b>27.7%</b>	<b>100.0%</b>	<b>159 283</b>	<b>131 913</b>	<b>141 147</b>	<b>-1.2%</b>	<b>100.0%</b>

**Statements of historical financial performance and position****Table 38.33 Estate Agents Fidelity Fund statements of historical financial performance and position**

Statement of financial performance										Average: Outcome/Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2020/21	2015/16 - 2018/19
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>75 043</b>	<b>74 812</b>	<b>77 053</b>	<b>93 743</b>	<b>92 025</b>	<b>79 425</b>	<b>118 201</b>	<b>162 003</b>		<b>113.2%</b>
Sale of goods and services other than capital assets	37 809	46 042	45 858	80 462	86 343	71 021	102 445	107 192		111.8%
<i>of which:</i>										
Administrative fees	26 700	35 417	33 971	52 262	42 565	45 977	66 212	66 212		118.0%
Sales by market establishment	11 109	10 625	11 887	28 200	43 778	25 044	36 233	40 980		101.8%
Other non-tax revenue	37 234	28 770	31 195	13 281	5 682	8 404	15 756	54 811		117.1%
<b>Total revenue</b>	<b>75 043</b>	<b>74 812</b>	<b>77 053</b>	<b>93 743</b>	<b>92 025</b>	<b>79 425</b>	<b>118 201</b>	<b>162 003</b>		<b>113.2%</b>
<b>Expenses</b>										
<b>Current expenses</b>	<b>74 374</b>	<b>70 209</b>	<b>75 845</b>	<b>89 648</b>	<b>85 595</b>	<b>66 586</b>	<b>112 704</b>	<b>146 194</b>		<b>106.9%</b>
Goods and services	74 374	69 754	75 073	89 596	84 995	66 586	112 062	145 552		107.2%
Interest, dividends and rent on land	—	455	772	52	600	—	642	642		57.1%
<b>Total expenses</b>	<b>74 374</b>	<b>70 209</b>	<b>75 845</b>	<b>89 648</b>	<b>85 595</b>	<b>66 586</b>	<b>112 704</b>	<b>146 194</b>		<b>106.9%</b>
<b>Surplus/(Deficit)</b>	<b>669</b>	<b>4 603</b>	<b>1 208</b>	<b>4 095</b>	<b>6 430</b>	<b>12 839</b>	<b>5 497</b>	<b>15 809</b>		
<b>Statement of financial position</b>										
Investments	566 080	138 260	130 716	570 371	621 900	601 895	637 208	637 208		99.6%
Receivables and prepayments	15 554	11 842	13 523	6 722	3 571	5 526	3 821	3 821		76.5%
Cash and cash equivalents	6 246	457 824	468 487	33 423	7 424	3 769	4 339	4 339		102.6%
<b>Total assets</b>	<b>587 880</b>	<b>607 926</b>	<b>612 726</b>	<b>610 516</b>	<b>632 895</b>	<b>611 190</b>	<b>645 368</b>	<b>645 368</b>		<b>99.8%</b>
Accumulated surplus/(deficit)	572 811	578 838	591 015	582 932	619 031	595 771	656 876	639 000		98.2%
Trade and other payables	7 687	14 692	12 805	18 572	7 763	13 656	4 763	6 368		161.4%
Provisions	4 257	67	4 546	—	1 500	—	1 500	—		0.6%
Managed funds (e.g. poverty alleviation fund)	3 125	14 329	4 360	9 012	4 601	1 763	4 601	—		150.4%
<b>Total equity and liabilities</b>	<b>587 880</b>	<b>607 926</b>	<b>612 726</b>	<b>610 516</b>	<b>632 895</b>	<b>611 190</b>	<b>667 740</b>	<b>645 368</b>		<b>99.0%</b>

**Statements of estimates of financial performance and position****Table 38.34 Estate Agents Fidelity Fund statements of estimates of financial performance and position**

Statement of financial performance										Average: Expenditure/Total (%)
	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)		
R thousand	2018/19	2015/16 - 2018/19	2015/16 - 2018/19	2019/20	2020/21	2021/22	2018/19 - 2021/22	2018/19 - 2021/22		
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>162 003</b>	<b>29.4%</b>	<b>100.0%</b>	<b>159 385</b>	<b>132 022</b>	<b>141 263</b>	<b>-4.5%</b>	<b>100.0%</b>		
Sale of goods and services other than capital assets	107 192	32.5%	75.7%	114 225	122 221	130 775	6.9%	80.7%		
<i>of which:</i>										
Administrative fees	66 212	23.2%	50.5%	70 847	75 807	81 112	7.0%	50.0%		
Sales by market establishment	40 980	56.8%	25.3%	43 378	46 414	49 663	6.6%	30.7%		
Other non-tax revenue	54 811	24.0%	24.3%	45 160	9 801	10 488	-42.4%	19.3%		
<b>Total revenue</b>	<b>162 003</b>	<b>29.4%</b>	<b>100.0%</b>	<b>159 385</b>	<b>132 022</b>	<b>141 263</b>	<b>-4.5%</b>	<b>100.0%</b>		
<b>Expenses</b>										
<b>Current expenses</b>	<b>146 194</b>	<b>27.7%</b>	<b>100.0%</b>	<b>159 283</b>	<b>131 913</b>	<b>141 147</b>	<b>-1.2%</b>	<b>100.0%</b>		
Goods and services	145 552	27.8%	99.7%	158 596	131 178	140 361	-1.2%	99.5%		
Interest, dividends and rent on land	642	12.2%	0.3%	687	735	786	7.0%	0.5%		
<b>Total expenses</b>	<b>146 194</b>	<b>27.7%</b>	<b>100.0%</b>	<b>159 283</b>	<b>131 913</b>	<b>141 147</b>	<b>-1.2%</b>	<b>100.0%</b>		
<b>Surplus/(Deficit)</b>	<b>15 809</b>			<b>102</b>	<b>109</b>	<b>116</b>				

**Table 38.34 Estate Agents Fidelity Fund statements of estimates of financial performance and position**

Statement of financial position		Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
	Revised estimate							
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Investments	637 208	66.4%	78.3%	662 752	690 085	738 391	5.0%	98.7%
Receivables and prepayments	3 821	-31.4%	1.1%	4 088	4 375	4 681	7.0%	0.6%
Cash and cash equivalents	4 339	-78.8%	20.5%	4 643	4 968	5 316	7.0%	0.7%
<b>Total assets</b>	<b>645 368</b>	<b>2.0%</b>	<b>100.0%</b>	<b>671 483</b>	<b>699 428</b>	<b>748 388</b>	<b>5.1%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	639 000	3.4%	96.8%	664 670	694 332	742 935	5.2%	99.1%
Trade and other payables	6 368	-24.3%	2.2%	6 813	5 096	5 453	-5.0%	0.9%
<b>Total equity and liabilities</b>	<b>645 368</b>	<b>2.0%</b>	<b>100.0%</b>	<b>671 483</b>	<b>699 428</b>	<b>748 388</b>	<b>5.1%</b>	<b>100.0%</b>

## 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- 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 to accelerate the development of human settlements.

### Selected performance indicators

**Table 38.35 Housing Development Agency performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of national priority programmes provided with programme management and technical support per year	Development management operation	Outcome 8: Sustainable human settlements and improved quality of household life	3	4	6	4	5	5	5
Number of priority projects assessed and ready for implementation per year	Development management operation		— <sup>1</sup>	5	3	15	20	— <sup>2</sup>	— <sup>2</sup>
Number of informal settlements provided with implementation support per year	Development management operation		5	5	6	5	5	5	5
Number of hectares of well-located land released for human settlements development per year	Built environment and implementation		3 559	3 288	3 329	3 000	3 000	3 000	3 000

1. No historical data available.

2. Target expected to be achieved by 2019/20.

### Expenditure analysis

The focus of the Housing Development Agency over the medium term is on facilitating the release of land for human settlements developments led by provinces and municipalities, supporting the upgrading of informal settlements, and providing project packaging and project preparation services for priority projects.

The agency receives operational transfers from the department and generates revenue through project management and professional fees. Expenditure is expected to increase at an average annual rate of 5 per cent, from R425.5 million in 2018/19 to R492 million in 2021/22.

## Programmes/Objectives/Activities

Table 38.36 Housing Development Agency expenditure trends and estimates by programme/objective/activity

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administration	51 050	54 824	70 129	78 582	15.5%	21.4%	82 982	87 546	92 361	5.5%	18.7%
Strategic Support	21 059	26 558	35 968	42 183	26.1%	10.3%	44 419	46 862	49 439	5.4%	10.0%
Development Management Operation	62 092	48 361	61 087	64 447	1.2%	20.7%	67 898	71 560	71 107	3.3%	15.1%
Built Environment and Operation	64 718	119 724	192 879	240 292	54.8%	47.6%	247 953	261 170	279 114	5.1%	56.3%
<b>Total</b>	<b>198 919</b>	<b>249 467</b>	<b>360 063</b>	<b>425 504</b>	<b>28.8%</b>	<b>100.0%</b>	<b>443 252</b>	<b>467 138</b>	<b>492 021</b>	<b>5.0%</b>	<b>100.0%</b>

## Statements of historical financial performance and position

Table 38.37 Housing Development Agency statements of historical financial performance and position

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19	
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>335 984</b>	<b>70 537</b>	<b>114 778</b>	<b>78 243</b>	<b>339 926</b>	<b>152 203</b>	<b>359 302</b>	<b>203 327</b>		<b>43.9%</b>
Sale of goods and services other than capital assets	320 264	54 963	110 828	76 199	318 652	149 888	336 815	200 917		44.4%
of which:										
Administrative fees	9 838	11 388	57 903	31 396	33 409	22 459	35 313	35 020		73.5%
Sales by market establishment	310 426	43 575	52 925	44 803	285 243	127 429	301 502	165 897		40.2%
Other non-tax revenue	15 720	15 574	3 950	2 044	21 274	2 315	22 487	2 410		35.2%
<b>Transfers received</b>	<b>176 183</b>	<b>119 293</b>	<b>167 512</b>	<b>157 512</b>	<b>210 668</b>	<b>210 668</b>	<b>222 177</b>	<b>222 177</b>		<b>91.4%</b>
<b>Total revenue</b>	<b>512 167</b>	<b>189 830</b>	<b>282 290</b>	<b>235 755</b>	<b>550 594</b>	<b>362 871</b>	<b>581 479</b>	<b>425 504</b>		<b>63.0%</b>
<b>Expenses</b>										
<b>Current expenses</b>	<b>512 167</b>	<b>198 919</b>	<b>282 290</b>	<b>249 467</b>	<b>550 594</b>	<b>360 063</b>	<b>581 479</b>	<b>425 504</b>		<b>64.1%</b>
Compensation of employees	105 936	90 376	150 690	150 690	199 416	199 416	210 783	204 982		96.8%
Goods and services	404 796	106 631	129 887	97 064	349 647	158 072	369 091	218 906		46.3%
Depreciation	1 244	1 744	1 641	1 641	1 479	2 499	1 563	1 563		125.6%
Interest, dividends and rent on land	191	168	72	72	52	76	42	53		103.4%
<b>Total expenses</b>	<b>512 167</b>	<b>198 919</b>	<b>282 290</b>	<b>249 467</b>	<b>550 594</b>	<b>360 063</b>	<b>581 479</b>	<b>425 504</b>		<b>64.1%</b>
<b>Surplus/(Deficit)</b>	<b>—</b>	<b>(9 089)</b>	<b>—</b>	<b>(13 712)</b>	<b>—</b>	<b>2 808</b>	<b>—</b>	<b>—</b>		
<b>Statement of financial position</b>										
Carrying value of assets	113 295	31 942	32 168	33 405	35 075	32 653	37 075	37 075		62.1%
of which:										
Acquisition of assets	(819)	(2 722)	(546)	(2 989)	(113)	(1 715)	(119)	(119)		472.3%
Inventory	—	96 336	96 336	98 036	102 938	122 736	108 805	108 805		138.2%
Receivables and prepayments	13 470	97 201	116 325	259 952	272 950	76 572	288 508	288 508		104.5%
Cash and cash equivalents	114 454	552 324	583 254	708 897	744 342	2 374 515	786 769	786 769		198.4%
<b>Total assets</b>	<b>241 218</b>	<b>777 803</b>	<b>828 083</b>	<b>1 100 290</b>	<b>1 155 305</b>	<b>2 606 476</b>	<b>1 221 157</b>	<b>1 221 157</b>		<b>165.6%</b>
Accumulated surplus/(deficit)	72 073	21 236	(2 294)	7 524	7 900	10 332	8 351	8 351		55.1%
Capital and reserves	—	57	60	111	—	111	—	—		465.0%
Finance lease	135	42	44	1 198	1 258	755	1 330	1 330		120.2%
Deferred income	77 110	508 231	573 305	889 657	941 549	2 504 123	995 217	995 217		189.3%
Trade and other payables	32 513	235 766	147 238	186 228	204 597	71 951	216 259	216 259		118.2%
Provisions	59 387	12 471	109 730	15 572	—	19 204	—	—		27.9%
<b>Total equity and liabilities</b>	<b>241 218</b>	<b>777 803</b>	<b>828 083</b>	<b>1 100 290</b>	<b>1 155 305</b>	<b>2 606 476</b>	<b>1 221 157</b>	<b>1 221 157</b>		<b>165.6%</b>

## Statements of estimates of financial performance and position

Table 38.38 Housing Development Agency statements of estimates of financial performance and position

Statement of financial performance										Average: Expenditure/ Total (%)
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)			
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22			
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>203 327</b>	<b>42.3%</b>	<b>40.0%</b>	<b>213 941</b>	<b>225 199</b>	<b>236 777</b>	<b>5.2%</b>			<b>48.1%</b>
Sale of goods and services other than capital assets	200 917	54.0%	37.4%	211 906	223 052	234 512	5.3%			47.6%
of which:										
Administrative fees	35 020	45.4%	8.4%	36 980	39 014	41 160	5.5%			8.3%
Sales by market establishment	165 897	56.1%	29.0%	174 926	184 038	193 352	5.2%			39.3%
Other non-tax revenue	2 410	-46.3%	2.6%	2 035	2 147	2 265	-2.1%			0.5%
<b>Transfers received</b>	<b>222 177</b>	<b>23.0%</b>	<b>60.0%</b>	<b>229 311</b>	<b>241 939</b>	<b>255 245</b>	<b>4.7%</b>			<b>51.9%</b>
<b>Total revenue</b>	<b>425 504</b>	<b>30.9%</b>	<b>100.0%</b>	<b>443 252</b>	<b>467 138</b>	<b>492 022</b>	<b>5.0%</b>			<b>100.0%</b>

**Table 38.38 Housing Development Agency statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate							
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
<b>Expenses</b>								
<b>Current expenses</b>	<b>425 504</b>	<b>28.8%</b>	<b>100.0%</b>	<b>443 252</b>	<b>467 138</b>	<b>492 022</b>	<b>5.0%</b>	<b>100.0%</b>
Compensation of employees	204 982	31.4%	52.3%	214 270	224 593	223 783	3.0%	47.5%
Goods and services	218 906	27.1%	47.0%	227 274	240 743	266 339	6.8%	52.1%
Depreciation	1 563	-3.6%	0.6%	1 651	1 742	1 837	5.5%	0.4%
Interest, dividends and rent on land	53	-31.8%	0.0%	57	60	63	5.8%	0.0%
<b>Total expenses</b>	<b>425 504</b>	<b>28.8%</b>	<b>100.0%</b>	<b>443 252</b>	<b>467 138</b>	<b>492 022</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>-</b>			<b>-</b>	<b>-</b>	<b>-</b>		
<b>Statement of financial position</b>								
Carrying value of assets	37 075	5.1%	2.9%	39 151	41 303	43 575	5.5%	3.0%
of which:								
Acquisition of assets	(119)	-64.7%	-0.2%	(126)	(133)	(140)	5.5%	-0.0%
Inventory	108 805	4.1%	8.7%	114 898	121 218	127 885	5.5%	8.9%
Receivables and prepayments	288 508	43.7%	15.7%	304 664	321 421	339 099	5.5%	23.6%
Cash and cash equivalents	786 769	12.5%	72.7%	830 828	876 524	924 733	5.5%	64.4%
<b>Total assets</b>	<b>1 221 157</b>	<b>16.2%</b>	<b>100.0%</b>	<b>1 289 542</b>	<b>1 360 465</b>	<b>1 435 291</b>	<b>5.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	8 351	-26.7%	1.1%	8 818	9 303	9 815	5.5%	0.7%
Finance lease	1 330	216.3%	0.1%	1 404	1 481	1 563	5.5%	0.1%
Deferred income	995 217	25.1%	80.9%	1 050 949	1 108 751	1 169 732	5.5%	81.5%
Trade and other payables	216 259	-2.8%	16.9%	228 370	240 930	254 181	5.5%	17.7%
<b>Total equity and liabilities</b>	<b>1 221 157</b>	<b>16.2%</b>	<b>100.0%</b>	<b>1 289 541</b>	<b>1 360 466</b>	<b>1 435 291</b>	<b>5.5%</b>	<b>100.0%</b>

## Personnel information

**Table 38.39 Housing Development Agency personnel numbers and cost by salary level**

Number and cost <sup>1</sup> of personnel posts filled/planned for on funded establishment															Number				
Number of posts estimated for 31 March 2019															Average growth rate (%)	Average: Salary level/Total (%)			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						2018/19 - 2021/22					
		2017/18			2018/19			2019/20		2020/21		2021/22							
Housing Development Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	223	224	196	199.4	1.0	228	205.0	0.9	230	214.3	0.9	237	224.6	0.9	240	223.8	0.9	3.0%	100.0%
1 – 6	20	20	9	2.5	0.3	14	2.3	0.2	14	2.5	0.2	14	2.6	0.2	14	2.8	0.2	5.8%	6.0%
7 – 10	113	114	107	69.3	0.6	124	62.5	0.5	123	74.0	0.6	133	76.6	0.6	136	81.2	0.6	9.2%	55.2%
11 – 12	24	24	24	22.4	0.9	24	21.3	0.9	24	22.6	0.9	24	23.8	1.0	24	25.2	1.0	5.8%	10.3%
13 – 16	50	50	40	75.0	1.9	50	78.0	1.6	53	72.0	1.4	50	76.0	1.5	50	73.1	1.5	-2.1%	21.7%
17 – 22	16	16	16	30.3	1.9	16	40.9	2.6	16	43.2	2.7	16	45.6	2.8	16	41.5	2.6	0.4%	6.8%

1. Rand million.

## National Housing Finance Corporation

### Mandate

The National Housing Finance Corporation is a development finance institution established in 1996 as a schedule 3A public entity. 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 38.40 National Housing Finance Corporation performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of housing opportunities facilitated through disbursements per year	Strategic investment programme	Outcome 8: Sustainable human settlements and improved quality of household life	182	126	230	205	82	— <sup>1</sup>	— <sup>1</sup>
Number of housing opportunities facilitated through leveraged funds per year <sup>1</sup>	Strategic investment programme		912	1 090	669	819	328	336	336
Value of funds disbursed per year <sup>1</sup>	Strategic investment programme		R77m	R66m	R159m	R102m	R41m	— <sup>1</sup>	— <sup>1</sup>
Value of funds leveraged from the private sector per year	Strategic investment programme		R392m	R472m	R1.2bn	R410m	R164m	R168m	R168m
Number of housing opportunities facilitated through disbursements per year	Wholesale lending programme		1 241	2 599	2 821	2 456	2 313	3 233	2 863
Number of housing opportunities facilitated through leveraged funds per year	Wholesale lending programme		28 051	32 438	25 766	3 154	2 281	2 418	2 563
Value of funds disbursed per year	Wholesale lending programme		R164m	R240m	R262m	R325m	R296m	R448m	R483m
Value of funds leveraged from the private sector per year	Wholesale lending programme		R1.1bn	R1.2bn	R2.2bn	R372m	R402m	R434m	R576m
Value of affordable housing loans disbursed per year	Emerging contractor programme		— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>	R300m	R280m	R400m	R520m
Number of affordable housing loans approved per year	Emerging contractor programme		— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>	15	14	20	26
Number of affordable houses completed per year	Emerging contractor programme		— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>	1 920	1 792	2 560	3 328
Value of subsidy housing loans disbursed per year	Emerging contractor programme		— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>	R95m	R184m	R240m	R264m
Number of subsidy housing loans approved per year	Emerging contractor programme		— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>	30	39	51	56
Number of subsidy houses completed per year	Emerging contractor programme		— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>	5 060	9 200	12 000	13 200
Number of loans disbursed per year	Rural housing programme		— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>	36 804	44 513	39 617	36 843
Value of loans issued to intermediaries per year	Rural housing programme		— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>	R196.1m	R210.6m	R187.4m	R174.3m
Number of finance-linked individual subsidies disbursed per year	Finance-linked individual subsidy programme		— <sup>2</sup>	— <sup>2</sup>	— <sup>2</sup>	1 900	6 685	9 600	1 900

1. Programme is expected to wind down.

2. Historical outcomes for these targets are reported under the National Urban Reconstruction and Housing Agency and Rural Housing Loan Fund, which have merged with the National Housing Finance Corporation.

### Expenditure analysis

Over the medium term, the activities of the National Housing Finance Corporation will be expanded to include those of the Rural Housing Loan Fund and the National Urban Reconstruction and Housing Agency. In October 2018, the corporation acquired the assets and liabilities of the fund and agency in the first step towards the creation of a consolidated housing development finance institution. It is expected that, over the medium term, new legislation will be approved to facilitate its formal establishment.

The consolidated institution is expected to focus on the provision of wholesale funding for the affordable housing market, incremental rural housing construction, infrastructure development and emerging contractors, mainly delivered through non-banking finance institutions and other retail intermediaries. In addition, the corporation will administer the finance-linked individual subsidy programme from 2019/20 onwards.

Expenditure is expected to increase at an average annual rate of 38.6 per cent, from R326.4 million in 2018/19 to R869.3 million in 2021/22, largely driven by the newly acquired functions of the corporation.

The corporation receives its revenue mainly through interest on loans, interest and dividends on investments, and rental income. The entity is expected to receive an additional R50 million equity injection in 2019/20 to support its lending activities.

### Programmes/Objectives/Activities

**Table 38.41 National Housing Finance Corporation expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R thousand	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
Administration	70 072	79 633	87 200	153 935	30.0%	37.9%	175 115	178 923	179 762	5.3%	33.4%
Retail	(8 633)	3 105	6 456	7 373	-194.9%	1.0%	7 969	8 397	8 867	6.3%	1.6%
Strategic investment	5 207	938	5 769	1 051	-41.3%	1.4%	1 146	1 197	1 263	6.3%	0.2%
Wholesale Lending programme	237 321	136 476	93 711	100 214	-25.0%	54.8%	99 386	106 440	105 046	1.6%	20.2%
Programme Management	-	-	-	9 358	-	0.7%	8 886	9 377	9 914	1.9%	1.8%
Emerging contractor programme	-	-	-	24 424	-	1.9%	1 377	11 080	21 599	-4.0%	3.0%
Voucher programme	-	-	-	3 622	-	0.3%	3 825	4 055	4 298	5.9%	0.8%
Rural housing programme	-	-	-	26 401	-	2.0%	35 812	32 739	38 553	13.5%	6.4%
FLISP programme	-	-	-	-	-	-	100 000	350 000	500 000	-	32.6%
<b>Total</b>	<b>303 967</b>	<b>220 151</b>	<b>193 137</b>	<b>326 378</b>	<b>2.4%</b>	<b>100.0%</b>	<b>433 515</b>	<b>702 209</b>	<b>869 301</b>	<b>38.6%</b>	<b>100.0%</b>

### Statements of historical financial performance and position

**Table 38.42 National Housing Finance Corporation statements of historical financial performance and position**

Statement of financial performance										Average: Outcome/ Budget (%)
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		2015/16 - 2018/19
	2015/16		2016/17		2017/18		2018/19			
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>225 107</b>	<b>248 186</b>	<b>233 390</b>	<b>265 727</b>	<b>250 403</b>	<b>293 651</b>	<b>251 377</b>	<b>408 176</b>		<b>126.6%</b>
Sale of goods and services other than capital assets	166 856	187 555	171 086	185 973	174 834	198 598	186 476	309 170		126.0%
of which:										
Administrative fees	2 320	3 008	2 430	4 386	2 176	2 014	2 176	17 432		294.9%
Sales by market establishment	164 536	184 547	168 656	181 587	172 658	196 584	184 300	291 738		123.8%
Other non-tax revenue	58 251	60 631	62 304	79 754	75 569	95 053	64 900	99 006		128.1%
<b>Total revenue</b>	<b>234 988</b>	<b>282 110</b>	<b>233 390</b>	<b>265 727</b>	<b>250 403</b>	<b>293 651</b>	<b>251 377</b>	<b>408 176</b>		<b>128.8%</b>
<b>Expenses</b>										
<b>Current expenses</b>	<b>220 540</b>	<b>303 967</b>	<b>209 511</b>	<b>182 314</b>	<b>241 123</b>	<b>193 136</b>	<b>227 196</b>	<b>326 378</b>		<b>112.0%</b>
Compensation of employees	65 533	51 209	67 002	70 675	75 039	72 032	75 951	133 042		115.3%
Goods and services	133 521	229 844	123 081	91 869	148 342	102 572	135 783	161 862		108.4%
Depreciation	-	1 385	-	-	-	-	-	-		-
Interest, dividends and rent on land	21 486	21 529	19 429	19 770	17 742	18 532	15 462	31 474		123.2%
<b>Total expenses</b>	<b>220 540</b>	<b>303 967</b>	<b>216 677</b>	<b>220 151</b>	<b>241 123</b>	<b>193 136</b>	<b>227 196</b>	<b>326 378</b>		<b>115.3%</b>
<b>Surplus/(Deficit)</b>	<b>14 448</b>	<b>(21 857)</b>	<b>16 713</b>	<b>45 576</b>	<b>9 280</b>	<b>100 515</b>	<b>24 181</b>	<b>81 798</b>		
<b>Statement of financial position</b>										
Carrying value of assets	76 291	90 536	93 240	92 868	93 294	98 326	94 194	106 999		108.9%
of which:										
Acquisition of assets	-	(822)	-	(1 016)	(2 748)	(1 420)	(900)	(2 995)		171.4%
Investments	528 034	733 405	745 637	896 918	884 827	824 626	888 162	832 390		107.9%
Inventory	114 927	95 694	101 487	72 844	64 030	65 539	57 993	100 753		98.9%
Loans	2 078 089	1 808 724	2 005 807	1 818 984	2 061 240	2 085 374	2 323 811	3 021 618		103.1%
Receivables and prepayments	8 649	8 637	13 761	10 650	21 870	21 935	22 418	50 076		136.9%
Cash and cash equivalents	503 092	344 570	216 031	358 113	241 048	330 443	54 716	720 725		172.8%
Taxation	15 534	60 841	37 837	32 554	-	33 912	-	33 912		302.1%
<b>Total assets</b>	<b>3 324 616</b>	<b>3 142 407</b>	<b>3 213 800</b>	<b>3 282 931</b>	<b>3 366 308</b>	<b>3 460 155</b>	<b>3 441 295</b>	<b>4 866 473</b>		<b>110.5%</b>
Accumulated surplus/(deficit)	1 353 721	1 317 379	1 334 091	1 362 954	1 372 233	1 463 469	1 396 414	1 657 459		106.3%
Capital and reserves	880 000	908 525	907 950	931 736	931 736	931 736	931 736	1 169 320		107.9%
Capital reserve fund	530 000	530 000	630 000	630 000	730 000	730 000	810 000	1 506 739		125.8%
Borrowings	265 018	283 360	249 696	249 274	216 379	216 586	183 985	370 468		122.4%
Trade and other payables	22 278	13 408	16 677	17 439	23 170	15 294	23 487	33 311		92.8%
Provisions	16 382	11 142	16 006	19 034	17 549	18 004	18 369	29 187		113.3%
Managed funds (e.g. poverty alleviation fund)	203 847	44 883	25 668	39 225	41 971	52 672	44 909	60 505		62.4%
Derivatives financial instruments	53 370	33 711	33 711	33 269	33 269	32 394	32 394	39 484		90.9%
<b>Total equity and liabilities</b>	<b>3 324 616</b>	<b>3 142 408</b>	<b>3 213 799</b>	<b>3 282 931</b>	<b>3 366 307</b>	<b>3 460 155</b>	<b>3 441 294</b>	<b>4 866 473</b>		<b>110.5%</b>

## Statements of estimates of financial performance and position

**Table 38.43 National Housing Finance Corporation statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Revised estimate								
2018/19		2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R thousand								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>408 176</b>	<b>18.0%</b>	<b>97.0%</b>	<b>401 174</b>	<b>414 472</b>	<b>430 332</b>	<b>1.8%</b>	<b>70.1%</b>
Sale of goods and services other than capital assets	309 170	18.1%	70.0%	312 162	338 632	368 544	6.0%	55.5%
of which:								
Administrative fees	17 432	79.6%	1.9%	18 522	19 583	21 638	7.5%	3.2%
Sales by market establishment	291 738	16.5%	68.0%	293 640	319 049	346 906	5.9%	52.3%
Other non-tax revenue	99 006	17.8%	27.0%	89 012	75 840	61 788	-14.5%	14.6%
<b>Transfers received</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>100 000</b>	<b>350 000</b>	<b>500 000</b>	<b>–</b>	<b>29.9%</b>
<b>Total revenue</b>	<b>408 176</b>	<b>13.1%</b>	<b>100.0%</b>	<b>501 174</b>	<b>764 472</b>	<b>930 332</b>	<b>31.6%</b>	<b>100.0%</b>
<b>Expenses</b>								
<b>Current expenses</b>	<b>326 378</b>	<b>2.4%</b>	<b>95.7%</b>	<b>338 515</b>	<b>367 959</b>	<b>389 301</b>	<b>6.1%</b>	<b>68.8%</b>
Compensation of employees	133 042	37.5%	31.8%	144 639	152 939	162 232	6.8%	28.6%
Goods and services	161 862	-11.0%	55.0%	164 994	188 870	204 887	8.2%	34.5%
Interest, dividends and rent on land	31 474	13.5%	8.8%	28 881	26 150	22 182	-11.0%	5.6%
<b>Transfers and subsidies</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>95 000</b>	<b>334 250</b>	<b>480 000</b>	<b>–</b>	<b>31.2%</b>
<b>Total expenses</b>	<b>326 378</b>	<b>2.4%</b>	<b>100.0%</b>	<b>433 515</b>	<b>702 209</b>	<b>869 301</b>	<b>38.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>81 798</b>			<b>67 659</b>	<b>62 263</b>	<b>61 031</b>		
<b>Statement of financial position</b>								
Carrying value of assets	106 999	5.7%	2.7%	119 652	56 526	61 143	-17.0%	1.7%
of which:								
Acquisition of assets	(2 995)	53.9%	-0.0%	(10 845)	(1 265)	(1 263)	-25.0%	-0.1%
Investments	832 390	4.3%	22.9%	823 033	820 810	672 223	-6.9%	15.9%
Inventory	100 753	1.7%	2.3%	49 539	49 539	49 539	-21.1%	1.3%
Loans	3 021 618	18.7%	58.8%	3 296 409	3 579 202	3 837 628	8.3%	69.1%
Receivables and prepayments	50 076	79.6%	0.6%	42 141	44 739	46 199	-2.7%	0.9%
Cash and cash equivalents	720 725	27.9%	11.6%	610 343	441 313	386 204	-18.8%	10.9%
Taxation	33 912	-17.7%	1.2%	–	–	–	-100.0%	0.2%
<b>Total assets</b>	<b>4 866 473</b>	<b>15.7%</b>	<b>100.0%</b>	<b>4 941 116</b>	<b>4 992 129</b>	<b>5 052 936</b>	<b>1.3%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	1 657 459	8.0%	39.9%	1 733 727	1 796 148	1 856 865	3.9%	35.5%
Capital and reserves	1 169 320	8.8%	27.1%	1 169 320	1 169 320	1 169 320	–	23.6%
Capital reserve fund	1 506 739	41.7%	22.0%	1 556 739	1 556 739	1 556 739	1.1%	31.1%
Borrowings	370 468	9.3%	7.6%	324 576	289 293	252 325	-12.0%	6.2%
Trade and other payables	33 311	35.4%	0.5%	33 091	32 009	31 982	-1.3%	0.7%
Provisions	29 187	37.9%	0.5%	27 586	30 554	33 791	5.0%	0.6%
Managed funds (e.g. poverty alleviation fund)	60 505	10.5%	1.3%	60 304	82 294	110 504	22.2%	1.6%
Derivatives financial instruments	39 484	5.4%	1.0%	35 773	35 773	41 411	1.6%	0.8%
<b>Total equity and liabilities</b>	<b>4 866 473</b>	<b>15.7%</b>	<b>100.0%</b>	<b>4 941 116</b>	<b>4 992 130</b>	<b>5 052 937</b>	<b>1.3%</b>	<b>100.0%</b>

## Personnel information

**Table 38.44 National Housing Finance Corporation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> 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 (%)	Average: Salary level/Total (%)			
			2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
National Housing Finance Corporation			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	138	138	80	72.0	0.9	138	133.0	1.0	123	144.6	1.2	127	152.9	1.2	117	162.2	1.4	6.8%	100.0%
1 – 6	23	23	19	2.9	0.2	23	4.1	0.2	18	3.2	0.2	18	3.3	0.2	8	2.4	0.3	-16.5%	13.1%
7 – 10	48	48	30	17.3	0.6	48	27.0	0.6	42	26.2	0.6	46	30.0	0.7	46	32.4	0.7	6.3%	36.1%
11 – 12	32	32	9	9.9	1.1	32	32.6	1.0	26	36.0	1.4	26	37.3	1.4	26	40.8	1.6	7.7%	21.8%
13 – 16	31	31	21	37.0	1.8	31	55.4	1.8	33	64.5	2.0	33	67.0	2.0	33	70.5	2.1	8.3%	25.9%
17 – 22	4	4	1	4.9	4.9	4	13.9	3.5	4	14.7	3.7	4	15.3	3.8	4	16.3	4.1	5.4%	3.2%

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 38.45 National Urban Reconstruction and Housing Agency performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Value of loans disbursed per year	Affordable housing	Outcome 8: Sustainable human settlements and improved quality of household life	R432.9m	R180.6m	R301.9m	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Number of loans approved per year	Affordable housing		15	8	14	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Number of houses completed per year	Affordable housing		2 261	1 904	1 164	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Value of loans disbursed per year	Infrastructure and community services loans		R8.4m	R12.8m	R9m	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Number of loans approved per year	Infrastructure and community services loans		4	4	2	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Value of loans disbursed per year	Subsidy housing loans		R149.5m	R80.1m	R48.7m	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Number of loans approved per year	Subsidy housing loans		32	28	17	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Number of houses completed per year	Subsidy housing loans		3 984	4 820	1 646	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>

1. Indicators reported under the National Housing Finance Corporation following its merger with the National Urban Reconstruction and Housing Agency and the Rural Housing Loan Fund.

### Expenditure analysis

In October 2018, the National Housing Finance Corporation acquired the assets and liabilities of the National Urban Reconstruction and Housing Agency and the Rural Housing Loan Fund in the first step towards consolidating housing development finance institutions. Over the medium term, it is expected that new legislation will be approved to facilitate the establishment of a new development finance institution for human settlements.

As a result, the activities of the agency as a standalone entity have ceased and will, to a large extent, continue under the expanded business model of the corporation.

### Programmes/Objectives/Activities

**Table 38.46 National Urban Reconstruction and Housing Agency expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
R thousand					2015/16 - 2018/19					2018/19 - 2021/22	
Administration	61 465	65 129	114 819	—	-100.0%	—	—	—	—	—	—
Affordable Housing	20 545	2 989	2 833	—	-100.0%	—	—	—	—	—	—
Programme Management	43 548	50 978	34 995	—	-100.0%	—	—	—	—	—	—
Infrastructure and Community Services Loans	2 750	1	10	—	-100.0%	—	—	—	—	—	—
Subsidy Housing Loans	2 866	3 149	3 771	—	-100.0%	—	—	—	—	—	—
<b>Total</b>	<b>131 174</b>	<b>122 246</b>	<b>156 428</b>	<b>—</b>	<b>-100.0%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>

## Statements of historical financial performance and position

**Table 38.47 National Urban Reconstruction and Housing Agency statements of historical financial performance and position**

Statement of financial performance								Average: Outcome/ Budget (%)	
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>114 278</b>	<b>149 223</b>	<b>195 578</b>	<b>142 566</b>	<b>124 491</b>	<b>138 213</b>	–	–	<b>99.0%</b>
Sale of goods and services other than capital assets	101 338	85 752	174 498	123 707	103 561	107 295	–	–	83.5%
of which:									
Administrative fees	54 604	35 950	112 603	59 889	58 818	52 654	–	–	65.7%
Sales by market establishment	46 734	49 802	61 895	63 818	44 744	54 641	–	–	109.7%
Other non-tax revenue	12 940	63 471	21 080	18 859	20 930	30 918	–	–	206.1%
<b>Total revenue</b>	<b>114 278</b>	<b>149 223</b>	<b>195 578</b>	<b>142 566</b>	<b>124 491</b>	<b>138 213</b>	–	–	<b>99.0%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>94 033</b>	<b>131 174</b>	<b>144 392</b>	<b>121 491</b>	<b>118 607</b>	<b>156 428</b>	–	–	<b>114.6%</b>
Compensation of employees	32 808	34 669	33 398	34 311	36 856	37 706	–	–	103.5%
Goods and services	56 516	66 214	97 207	80 926	74 507	110 286	–	–	112.8%
Depreciation	698	1 102	471	298	0	1 212	–	–	223.4%
Interest, dividends and rent on land	4 011	29 189	13 316	5 956	7 244	7 224	–	–	172.4%
<b>Total expenses</b>	<b>94 033</b>	<b>131 174</b>	<b>144 392</b>	<b>122 246</b>	<b>118 607</b>	<b>156 428</b>	–	–	<b>114.8%</b>
<b>Surplus/(Deficit)</b>	<b>20 245</b>	<b>18 049</b>	<b>51 186</b>	<b>20 320</b>	<b>5 884</b>	<b>(18 215)</b>	–	–	
<b>Statement of financial position</b>									
Carrying value of assets	2 435	1 753	1 334	1 663	1 448	1 955	–	–	102.9%
of which:									
Acquisition of assets	(1 643)	(704)	(419)	(900)	(954)	(1 509)	–	–	103.2%
Investments	3 217	–	–	–	700	–	–	–	–
Loans	386 279	338 909	404 191	378 272	351 211	262 033	–	–	85.8%
Receivables and prepayments	7 139	10 866	11 288	27 419	11 288	2 175	–	–	136.2%
Cash and cash equivalents	206 193	354 154	427 933	281 436	298 226	338 819	–	–	104.5%
Non-current assets held for sale	–	3 138	988	1 300	–	1 300	–	–	580.8%
<b>Total assets</b>	<b>605 264</b>	<b>708 820</b>	<b>845 734</b>	<b>690 090</b>	<b>662 873</b>	<b>606 282</b>	–	–	<b>94.9%</b>
Accumulated surplus/(deficit)	(88 063)	(81 153)	(29 965)	(60 832)	(54 953)	(79 052)	–	–	127.8%
Capital and reserves	38 300	199 284	237 584	237 584	237 584	237 584	–	–	131.4%
Capital reserve fund	560 284	399 300	361 000	361 000	361 000	361 000	–	–	87.4%
Borrowings	75 187	69 975	69 975	69 976	69 976	69 976	–	–	97.6%
Trade and other payables	17 105	24 905	25 538	30 272	41 620	14 870	–	–	83.1%
Provisions	2 451	2 194	2 531	2 228	2 361	1 904	–	–	86.2%
Managed funds (e.g. poverty alleviation fund)	–	94 315	179 071	49 862	5 286	–	–	–	78.2%
<b>Total equity and liabilities</b>	<b>605 264</b>	<b>708 820</b>	<b>845 734</b>	<b>690 090</b>	<b>662 873</b>	<b>606 282</b>	–	–	<b>94.9%</b>

## Personnel information

**Table 38.48 National Urban Reconstruction and Housing Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019		Number and cost <sup>1</sup> 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 (%)	Average: Salary level/Total (%)
		2017/18		2018/19		2019/20		2020/21		2021/22		2018/19 - 2021/22	
National Urban Reconstruction and Housing Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost
Salary level	–	41	37.7	0.9	–	–	–	–	–	–	–	–	–
1 – 6	–	1	0.2	0.2	–	–	–	–	–	–	–	–	–
7 – 10	–	9	3.1	0.3	–	–	–	–	–	–	–	–	–
11 – 12	–	19	16.2	0.9	–	–	–	–	–	–	–	–	–
13 – 16	–	9	11.0	1.2	–	–	–	–	–	–	–	–	–
17 – 22	–	3	7.3	2.4	–	–	–	–	–	–	–	–	–

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. 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 38.49 Rural Housing Loan Fund performance indicators by programme/objective/activity and related outcome**

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of loans disbursed per year	Incremental housing	Outcome 8: Sustainable human settlements and improved quality of household life	39 760	45 512	40 921	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>
Value of loans issued to intermediaries per year	Incremental housing		R168.3m	R286.8m	R238.9m	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>

1. Indicators reported under the National Housing Finance Corporation following its merger with the Rural Housing Loan Fund and National Urban Reconstruction and Housing Agency.

### Expenditure analysis

In October 2018, the National Housing Finance Corporation acquired the assets and liabilities of the Rural Housing Loan Fund and the National Urban Reconstruction and Housing Agency in the first step towards consolidating housing development finance institutions. It is expected that, over the medium term, new legislation will be approved to facilitate the establishment of a new development finance institution for human settlements.

As a result, the activities of the fund as a standalone entity have ceased and will, to a large extent, continue over the medium term under the expanded business model of the corporation.

### Programmes/Objectives/Activities

**Table 38.50 Rural Housing Loan Fund expenditure trends and estimates by programme/objective/activity**

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
Administration	4 505	4 935	5 042	—	-100.0%	—	—	—	—	—	—
Incremental housing	47 181	41 765	37 753	—	-100.0%	—	—	—	—	—	—
<b>Total</b>	<b>51 686</b>	<b>46 700</b>	<b>42 795</b>	—	<b>-100.0%</b>	—	—	—	—	—	—

### Statements of historical financial performance and position

**Table 38.51 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	Average: Outcome/ Budget (%)
	2015/16	2016/17	2016/17	2017/18	2017/18	2018/19	2018/19	2019/20	2015/16 - 2018/19
<b>Revenue</b>									
Non-tax revenue	49 476	55 072	51 397	61 463	62 472	62 472	—	—	109.6%
Sale of goods and services other than capital assets	44 209	39 890	44 341	45 667	52 487	52 487	—	—	97.9%
of which:									
Administrative fees	—	—	2 167	—	—	—	—	—	—
Sales by market establishment	44 209	39 890	42 174	45 667	52 487	52 487	—	—	99.4%
Other non-tax revenue	5 267	15 182	7 056	15 796	9 985	9 985	—	—	183.6%
<b>Total revenue</b>	<b>49 476</b>	<b>55 072</b>	<b>51 397</b>	<b>61 463</b>	<b>62 472</b>	<b>62 472</b>	—	—	<b>109.6%</b>
<b>Expenses</b>									
Current expenses	39 870	33 522	41 938	46 700	49 960	42 796	—	—	93.4%
Compensation of employees	13 754	10 720	15 969	17 559	17 633	15 596	—	—	92.6%
Goods and services	13 991	10 827	14 718	17 792	20 954	15 827	—	—	89.5%
Depreciation	850	181	379	212	878	878	—	—	60.3%
Interest, dividends and rent on land	11 275	11 794	10 872	11 137	10 495	10 495	—	—	102.4%
<b>Total expenses</b>	<b>39 870</b>	<b>51 686</b>	<b>41 938</b>	<b>46 700</b>	<b>49 960</b>	<b>42 796</b>	—	—	<b>107.1%</b>
<b>Surplus/(Deficit)</b>	<b>9 606</b>	<b>3 386</b>	<b>9 459</b>	<b>14 763</b>	<b>12 512</b>	<b>19 676</b>	—	—	
<b>Statement of financial position</b>									
Carrying value of assets	1 494	341	282	173	1 855	1 855	—	—	65.2%
of which:									
Acquisition of assets	(2 230)	(96)	(2 760)	(55)	(320)	(711)	—	—	16.2%
Investments	9 564	11 050	9 564	11 657	5 171	5 171	—	—	114.7%
Loans	476 945	329 454	464 517	455 703	472 064	472 064	—	—	88.9%
Receivables and prepayments	118	2 418	118	1 238	13	13	—	—	1 473.5%
Cash and cash equivalents	57 891	213 038	53 047	104 610	153 812	153 812	—	—	178.1%
Taxation	—	18 717	—	18 717	20 527	20 527	—	—	282.4%
<b>Total assets</b>	<b>546 012</b>	<b>575 018</b>	<b>527 528</b>	<b>592 098</b>	<b>653 442</b>	<b>653 442</b>	—	—	<b>105.4%</b>

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

Statement of financial position										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2015/16		2016/17		2017/18		2018/19		2015/16 - 2018/19	
Accumulated surplus/(deficit)	117 564	152 627	119 091	167 390	189 550	189 550	–	–	119.6%	
Capital reserve fund	285 737	285 737	285 737	285 738	335 738	335 738	–	–	100.0%	
Borrowings	140 205	135 421	120 181	132 004	125 784	125 784	–	–	101.8%	
Trade and other payables	999	781	1 019	864	1 437	1 437	–	–	89.2%	
Provisions	1 507	451	1 500	6 102	933	933	–	–	190.0%	
<b>Total equity and liabilities</b>	<b>546 012</b>	<b>575 017</b>	<b>527 528</b>	<b>592 098</b>	<b>653 442</b>	<b>653 442</b>	<b>–</b>	<b>–</b>	<b>105.4%</b>	

**Personnel information****Table 38.52 Rural Housing Loan Fund personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> 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 (%)	Average: Salary level/Total (%)			
		2017/18			2018/19			2019/20		2020/21		2021/22						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Rural Housing Loan Fund		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2018/19 - 2021/22	
Salary level	—	—	17	15.6	0.9	—	—	—	—	—	—	—	—	—	—	—	—	—
1 – 6	—	—	3	0.7	0.2	—	—	—	—	—	—	—	—	—	—	—	—	—
7 – 10	—	—	9	4.9	0.5	—	—	—	—	—	—	—	—	—	—	—	—	—
13 – 16	—	—	3	4.7	1.6	—	—	—	—	—	—	—	—	—	—	—	—	—
17 – 22	—	—	2	5.3	2.6	—	—	—	—	—	—	—	—	—	—	—	—	—

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

Indicator	Programme/Objective/Activity	MTSF outcome	Past			Current	Projections		
			2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
Number of social housing units delivered per year	Project development and funding	Outcome 8: Sustainable human settlements and improved quality of household life	3 054	3 058	3 519	4 820	5 000	6 000	7 000
Number of social housing units approved for capital grant funding per year	Project development and funding		1 979	6 529	6 018	6 500	9 000	10 000	11 000
Number of institutional grants approved per year	Sector development		65	38	40	40	40	40	40
Total number of social housing units under regulation	Compliance, accreditation and regulation		18 580	26 332	32 046	34 688	38 288	42 288	46 288
Number of social housing institutions accredited per year	Compliance, accreditation and regulation		61	65	83	97	100	110	120

**Expenditure analysis**

Over the medium term, the Social Housing Regulatory Authority will focus on building capacity in and accrediting social housing institutions, and providing capital investment in new social housing stock to support the delivery of affordable rental housing.

The authority generates all of its revenue through transfers from the department. Expenditure is expected to increase at an average annual rate of 3.1 per cent, from R825.8 million in 2018/19 to R906.1 million in 2021/22.

**Programmes/Objectives/Activities****Table 38.54 The Social Housing Regulatory Authority expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2015/16	2016/17	2017/18	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22	2018/19 - 2021/22	
R thousand											
Administration	38 597	36 845	44 865	51 980	10.4%	9.7%	55 619	59 512	62 995	6.6%	6.7%
Project Development and Funding	197 507	321 593	598 728	743 640	55.6%	86.9%	728 035	765 902	806 202	2.7%	89.3%
Sector Development	—	13 713	19 696	20 132	—	2.3%	21 541	23 049	24 663	7.0%	2.6%
Compliance, Accreditation and Regulation	2 514	4 701	6 579	10 000	58.4%	1.1%	10 700	11 449	12 250	7.0%	1.3%
<b>Total</b>	<b>238 618</b>	<b>376 852</b>	<b>669 868</b>	<b>825 752</b>	<b>51.3%</b>	<b>100.0%</b>	<b>815 895</b>	<b>859 912</b>	<b>906 110</b>	<b>3.1%</b>	<b>100.0%</b>

**Statements of historical financial performance****Table 38.55 The Social Housing Regulatory Authority statements of historical financial performance**

Statement of financial performance										Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate		
R thousand	2015/16		2016/17		2017/18		2018/19			2015/16 - 2018/19
<b>Revenue</b>										
Non-tax revenue	—	44 144	—	41 356	—	43 556	—	—		—
Other non-tax revenue	—	44 144	—	41 356	—	43 556	—	—		—
<b>Transfers received</b>	<b>508 803</b>	<b>143 714</b>	<b>500 963</b>	<b>494 863</b>	<b>926 963</b>	<b>926 963</b>	<b>825 752</b>	<b>825 752</b>		<b>86.6%</b>
<b>Total revenue</b>	<b>508 803</b>	<b>187 858</b>	<b>500 963</b>	<b>536 219</b>	<b>926 963</b>	<b>970 519</b>	<b>825 752</b>	<b>825 752</b>		<b>91.2%</b>
<b>Expenses</b>										
Current expenses	59 156	41 111	45 222	42 789	58 992	52 394	68 958	67 712		87.8%
Compensation of employees	23 171	17 355	21 342	19 271	29 183	26 201	31 663	34 733		92.6%
Goods and services	35 985	22 390	23 495	23 917	29 385	25 617	36 829	29 979		81.1%
Depreciation	—	1 366	385	(399)	424	576	466	3 000		356.4%
<b>Transfers and subsidies</b>	<b>449 647</b>	<b>197 507</b>	<b>455 741</b>	<b>334 063</b>	<b>867 971</b>	<b>617 474</b>	<b>756 794</b>	<b>758 040</b>		<b>75.4%</b>
<b>Total expenses</b>	<b>508 803</b>	<b>238 618</b>	<b>500 963</b>	<b>376 852</b>	<b>926 963</b>	<b>669 868</b>	<b>825 752</b>	<b>825 752</b>		<b>76.4%</b>
<b>Surplus/(Deficit)</b>	<b>—</b>	<b>(50 760)</b>	<b>—</b>	<b>159 367</b>	<b>—</b>	<b>300 651</b>	<b>—</b>	<b>—</b>		

**Statements of estimates of financial performance****Table 38.56 The Social Housing Regulatory Authority statements of estimates of financial performance**

Statement of financial performance										Average: Expenditure/ Total (%)
	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)			
R thousand	2018/19	2015/16 - 2018/19		2019/20	2020/21	2021/22		2018/19 - 2021/22		
<b>Revenue</b>										
Non-tax revenue	—	-100.0%	8.9%	5 169	5 359	4 608	—			0.4%
Other non-tax revenue	—	-100.0%	8.9%	5 169	5 359	4 608	—			0.4%
<b>Transfers received</b>	<b>825 752</b>	<b>79.1%</b>	<b>91.1%</b>	<b>810 726</b>	<b>854 553</b>	<b>901 502</b>	<b>3.0%</b>			<b>99.6%</b>
<b>Total revenue</b>	<b>825 752</b>	<b>63.8%</b>	<b>100.0%</b>	<b>815 895</b>	<b>859 912</b>	<b>906 110</b>	<b>3.1%</b>			<b>100.0%</b>
<b>Expenses</b>										
Current expenses	67 712	18.1%	11.2%	77 621	82 882	87 558	8.9%			9.3%
Compensation of employees	34 733	26.0%	5.1%	38 699	43 090	45 427	9.4%			4.7%
Goods and services	29 979	10.2%	5.8%	35 712	36 357	38 456	8.7%			4.1%
Depreciation	3 000	30.0%	0.2%	3 210	3 435	3 675	7.0%			0.4%
<b>Transfers and subsidies</b>	<b>758 040</b>	<b>56.6%</b>	<b>88.8%</b>	<b>738 274</b>	<b>777 030</b>	<b>818 552</b>	<b>2.6%</b>			<b>90.7%</b>
<b>Total expenses</b>	<b>825 752</b>	<b>51.3%</b>	<b>100.0%</b>	<b>815 895</b>	<b>859 912</b>	<b>906 110</b>	<b>3.1%</b>			<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>—</b>			<b>—</b>	<b>—</b>	<b>—</b>				

**Personnel information****Table 38.57 The Social Housing Regulatory Authority personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2019			Number and cost <sup>1</sup> 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 (%)	Average: Salary level/Total (%)				
		2017/18			2018/19			2019/20		2020/21		2021/22				2018/19 - 2021/22			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost	Unit cost
The Social Housing Regulatory Authority																			
Salary level	52	53	41	26.2	0.6	51	34.7	0.7	50	38.7	0.8	51	43.1	0.8	51	45.4	0.9	9.4%	100.0%
1 – 6	4	4	–	–	–	4	0.6	0.1	4	1.3	0.3	4	1.4	0.3	4	1.5	0.4	39.1%	7.9%
7 – 10	31	31	21	7.9	0.4	31	13.4	0.4	31	17.1	0.6	32	19.5	0.6	32	20.2	0.6	14.5%	62.1%
11 – 12	7	8	9	5.5	0.6	8	6.9	0.9	8	7.5	0.9	8	8.0	1.0	8	8.6	1.1	7.7%	15.8%
13 – 16	9	9	10	9.8	1.0	7	11.1	1.6	6	10.1	1.7	6	11.2	1.9	6	12.0	2.0	2.7%	12.3%
17 – 22	1	1	1	3.0	3.0	1	2.8	2.8	1	2.7	2.7	1	2.9	2.9	1	3.1	3.1	4.2%	2.0%

1. Rand million.

## Additional tables

**Table 38.A Summary of conditional grants to provinces and municipalities<sup>1</sup>**

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand							
<b>Conditional grants to provinces</b>							
<b>Housing Development Finance</b>							
Human settlements development grant	18 302 675	18 283 991	19 969 343	18 266 647	18 779 815	15 936 617	15 397 240
Title deeds restoration grant	–	–	–	518 655	547 700	577 823	–
Provincial emergency housing grant	–	–	–	260 000	276 900	294 899	311 118
Informal settlements upgrading partnership grant: Provinces	–	–	–	–	–	3 015 286	4 321 909
<b>Total</b>	<b>18 302 675</b>	<b>18 283 991</b>	<b>19 969 343</b>	<b>19 045 302</b>	<b>19 604 415</b>	<b>19 824 625</b>	<b>20 030 267</b>
<b>Conditional grants to municipalities</b>							
<b>Housing Development Finance</b>							
Urban settlements development grant	10 554 345	10 839 468	11 382 247	11 306 137	12 045 386	9 716 794	9 373 053
Municipal human settlements capacity grant	100 000	–	–	–	–	–	–
Municipal emergency housing grant	–	–	–	140 000	149 100	158 792	167 526
Informal settlements upgrading partnership grant: Municipalities	–	–	–	–	–	2 985 285	4 383 830
<b>Total</b>	<b>10 654 345</b>	<b>10 839 468</b>	<b>11 382 247</b>	<b>11 446 137</b>	<b>12 194 486</b>	<b>12 860 871</b>	<b>13 924 409</b>

1. Detail provided in the Division of Revenue Act (2019).

**Table 38.B Summary of expenditure on infrastructure**

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
R thousand										
Departmental infrastructure										
Small projects (total project cost of less than R250 million over the project life cycle)										
Office refurbishment	Refurbish office accomodation	Handed over	236	–	–	–	–	–	–	–
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	On-going	–	18 302 675	18 283 991	19 969 343	18 266 647	18 779 815	15 936 617	15 397 240
Urban settlements development grant	Bulk infrastructure installed	On-going	–	10 554 345	10 839 468	11 382 247	11 306 137	12 045 386	9 716 794	9 373 053
Social Housing Regulatory Authority: Consolidated capital grant	Funding of social housing	On-going	–	109 210	424 388	851 658	743 640	738 414	762 747	804 646
Informal settlements upgrading partnership grant: Provinces	Informal Settlements Upgrading	On-going	–	–	–	–	–	–	3 015 286	4 321 909
Informal settlements upgrading partnership grant: Municipalities	Informal Settlements Upgrading	On-going	–	–	–	–	–	–	2 985 285	4 383 830
Total			236	28 966 230	29 547 847	32 203 248	30 316 424	31 563 615	32 416 729	34 280 678

**Table 38.C Summary of donor funding**

Donor	Project	Programme	Period of commitment	Amount committed	Main economic classification	Spending focus	Audited outcome			Estimate	Medium-term expenditure estimate		
							2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
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	Goods and services	Provision of project level technical support	107	–	–	–	–	–	–
Total				600			107	–	–	–	–	–	–





## 2019 BUDGET

Private Bag X115, Pretoria, 0001 | 40 Church Square, Pretoria, 0002

**Tel** +27 12 315 5944 | **Fax** +27 12 406 9055

**Web:** [www.treasury.gov.za](http://www.treasury.gov.za)



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

