

HUMAN SETTLEMENTS

Budget summary

| R million | 2024/25 | | | | 2025/26 | 2026/27 |
|---|------------------|-------------------------|-----------------------------|-----------------|-----------------|-----------------|
| | Current payments | Transfers and subsidies | Payments for capital assets | Total | Total | Total |
| MTEF allocation | | | | | | |
| Administration | 517.8 | – | 2.7 | 520.5 | 538.2 | 562.3 |
| Integrated Human Settlements Planning and Development | 180.5 | 22 615.1 | 0.8 | 22 796.4 | 23 856.2 | 24 629.3 |
| Informal Settlements | 104.1 | 7 766.2 | 497.0 | 8 367.3 | 8 118.9 | 6 523.9 |
| Rental and Social Housing | 78.6 | 864.1 | 0.2 | 942.9 | 984.8 | 1 029.8 |
| Affordable Housing | 86.1 | 431.9 | 0.4 | 518.4 | 539.8 | 567.0 |
| Total expenditure estimates | 967.1 | 31 677.3 | 501.2 | 33 145.6 | 34 037.8 | 33 312.4 |

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

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

Vote purpose

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

Mandate

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

Selected performance indicators

Table 33.1 Performance indicators by programme and related priority

| Indicator | Programme | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|---|---|---------------------|---------|---------|-----------------------|--------------|----------------|----------------|
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Number of integrated implementation plans for priority development areas completed per year | Integrated Human Settlements Planning and Development | Priority 5: Spatial integration, human settlements and local government | 19 | 49 | 42 | 11 | 15 | – ¹ | – ¹ |
| Number of fully subsidised houses delivered per year | Integrated Human Settlements Planning and Development | | 45 551 | 28 351 | 33 892 | 60 000 | 41 275 | 43 338 | 45 050 |
| Number of title deeds registered for new (post-2014) developments per year | Integrated Human Settlements Planning and Development | | 17 210 | 5 592 | 6 412 | 129 368 | 11 434 | 12 006 | 12 606 |
| Number of informal settlements upgraded to phase 3 per year | Informal Settlements | | 0 | 14 | 21 | 300 | 152 | 160 | 168 |
| Number of serviced sites delivered per year | Informal Settlements | | 39 273 | 42 046 | 25 322 | 60 000 | 49 666 | 52 149 | 54 756 |
| Number of affordable rental units delivered per year | Rental and Social Housing | | 1 856 | 2 771 | 3 182 | 3 200 | 1 935 | 4 000 | 4 000 |

Table 33.1 Performance indicators by programme and related priority (continued)

| Indicator | Programme | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|--|---------------------------|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Number of community residential units delivered per year | Rental and Social Housing | Priority 5: Spatial integration, human settlements and local government | 1 006 | 767 | 490 | 1 000 | 675 | 709 | 744 |
| Number of finance-linked individual subsidy programme subsidies allocated to approved beneficiaries per year | Affordable Housing | | 3 161 | 6 253 | 5 811 | 7 713 | 5 797 | 6 065 | 6 352 |

1. Target expected to be achieved by 2024/25.

Expenditure overview

Over the medium term, the department will focus on promoting spatial integration and providing security of tenure by developing integrated human settlements, upgrading informal settlements, and providing affordable housing to low-income and middle-income households. The department aims to conclude the policy, programme and legislative review process to finalise the human settlements white paper and code over the MTEF period, which is expected to provide an overarching policy framework for the delivery of sustainable human settlements programmes. The department will also continue to support and facilitate capacity-building initiatives in provinces and municipalities to implement human settlements programmes and ensure that housing opportunities are delivered effectively.

Cabinet-approved reductions of R3.1 billion in 2024/25, R4 billion in 2025/26 and R6.7 billion in 2026/27 have been effected on the department's budget, but are unlikely to have a significant effect on performance. Despite these reductions, the department's budget is set to increase at an average annual rate of 1.6 per cent, from R31.8 billion in 2023/24 to R33.3 billion in 2026/27. This increase is mainly driven by transfers to provinces, municipalities and public entities, which are expected to account for 95.5 per cent (R95.9 billion) of the department's total budget over the medium term. To fund the implementation of human settlements programmes through the *human settlements development grant*, the *urban settlements development grant* and the *informal settlements upgrading partnership grant*, among others, transfers are expected to increase at an average annual rate of 1.5 per cent, from R30.4 billion in 2023/24 to R31.7 billion in 2026/27.

Developing integrated human settlements

To promote the development and delivery of spatially integrated human settlements, the department plans to finalise 15 integrated plans over the medium term to guide the implementation of projects within the 136 nationally declared priority development areas. In collaboration with provinces and municipalities, the department also expects to deliver 129 663 subsidised houses and issue 36 046 title deeds to beneficiaries from low-income households over the medium term. This will be done using funds amounting to R42.1 billion from the *human settlements development grant*. A further R27.8 billion over the same period is allocated through the *urban settlements development grant* for metropolitan municipalities to implement bulk and related infrastructure projects. To fund these conditional grants, allocations to the *Integrated Human Settlements Planning and Development* programme are expected to increase at an average annual rate of 5 per cent, from R21.3 billion in 2023/24 to R24.6 billion in 2026/27.

Upgrading informal settlements

As a policy priority for the department, the upgrading of informal settlements is intended to provide households in these areas with secure tenure and access to basic services such as water and sanitation, lighting and refuse removal. In support of this, R101.9 million over the medium term is allocated for the provision of project-level technical support to continue to build capacity in provinces and municipalities towards developing comprehensive plans to upgrade informal settlements. The department will augment internal capacity to run its capacity-building and sector support programmes by appointing professional resource teams for the upgrading of informal settlements and the provision of affordable rental housing. As a result, spending on consultants is

expected to increase at an average annual rate of 21 per cent, from R120.9 million in 2023/24 to R214.1 million in 2026/27.

Over the medium term, the *informal settlements upgrading partnership grant* will enable provinces and municipalities to upgrade and formalise a targeted 480 settlements and deliver 156 571 stands with access to municipal services. Funding for these interventions is within the *Informal Settlements* programme, in which spending is expected to decrease at an average annual rate of 8.3 per cent, from R8.5 billion in 2023/24 to R6.5 billion in 2026/27, due to Cabinet-approved reductions on transfers to the grant.

Facilitating affordable housing

To create a functional residential property market, the department's affordable and social housing programmes provide housing finance and spatially integrated affordable rental housing options to low-income and middle-income households. The department plans to build 9 935 rental housing units in strategically located areas and deliver 2 128 community residential units at an estimated cost of R3 billion over the medium term in the *Rental and Social Housing* programme. Spending in this programme is expected to increase at an average annual rate of 3.3 per cent, from R933.3 million in 2023/24 to R1 billion in 2026/27. The Social Housing Regulatory Authority will continue to invest in the affordable rental housing market by providing a projected R2.4 billion in capital subsidies over the medium term through the consolidated capital grant. Through this allocation, the authority will increase the supply of new rental housing stock, and disburse R77.4 million through the institutional investment grant to build capacity in the social housing sector.

Through the National Housing Finance Corporation, the department plans to help unserved segments of the housing market by providing a targeted 18 214 finance-linked individual subsidies to households that earn above the qualifying income level to get a full housing subsidy but not enough to qualify for housing finance. Spending in the *Affordable Housing* programme is expected to decrease at an average annual rate of 1 per cent, from R584.1 million in 2023/24 to R567 million in 2026/27, mainly as a result of Cabinet-approved reductions to the department's budget. This decrease is unlikely to negatively affect the programme's overall performance.

Expenditure trends and estimates

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

| Programmes | | | | | | | | | | | | |
|--|-----------------|-----------------|-----------------|------------------------|-------------------------|---------------------------------|----------------------------------|-----------------|-----------------|-------------------------|---------------------------------|--|
| 1. Administration | | | | | | | | | | | | |
| 2. Integrated Human Settlements Planning and Development | | | | | | | | | | | | |
| 3. Informal Settlements | | | | | | | | | | | | |
| 4. Rental and Social Housing | | | | | | | | | | | | |
| 5. Affordable Housing | | | | | | | | | | | | |
| Programme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) | |
| R million | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2020/21 - 2023/24 | | 2024/25 | 2025/26 | 2026/27 | 2023/24 - 2026/27 | | |
| Programme 1 | 399.2 | 416.7 | 482.5 | 498.8 | 7.7% | 1.4% | 520.5 | 538.2 | 562.3 | 4.1% | 1.6% | |
| Programme 2 | 26 002.0 | 21 179.7 | 21 971.6 | 21 268.2 | -6.5% | 72.7% | 22 796.4 | 23 856.2 | 24 629.3 | 5.0% | 70.0% | |
| Programme 3 | 511.2 | 7 972.7 | 8 914.7 | 8 473.5 | 155.0% | 20.8% | 8 367.3 | 8 118.9 | 6 523.9 | -8.3% | 23.8% | |
| Programme 4 | 1 162.3 | 850.9 | 906.9 | 933.3 | -7.1% | 3.1% | 942.9 | 984.8 | 1 029.8 | 3.3% | 2.9% | |
| Programme 5 | 700.9 | 539.5 | 581.9 | 584.1 | -5.9% | 1.9% | 518.4 | 539.8 | 567.0 | -1.0% | 1.7% | |
| Subtotal | 28 775.5 | 30 959.5 | 32 857.5 | 31 758.0 | 3.3% | 100.0% | 33 145.6 | 34 037.8 | 33 312.4 | 1.6% | 100.0% | |
| Total | 28 775.5 | 30 959.5 | 32 857.5 | 31 758.0 | 3.3% | 100.0% | 33 145.6 | 34 037.8 | 33 312.4 | 1.6% | 100.0% | |
| Change to 2023 Budget estimate | | | | - | | | (3 147.2) | (4 036.9) | (6 653.7) | | | |

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

| Economic classification | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
|---|-----------------|-----------------|-----------------|------------------------|-------------------------|--------------------------------|----------------------------------|-----------------|-----------------|-------------------------|--------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R million | | | | | 2020/21 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 | 2026/27 |
| Current payments | 626.3 | 679.0 | 705.6 | 856.6 | 11.0% | 2.3% | 967.1 | 1 009.7 | 1 058.6 | 7.3% | 2.9% |
| Compensation of employees | 352.5 | 359.3 | 370.8 | 415.0 | 5.6% | 1.2% | 433.3 | 452.3 | 473.1 | 4.5% | 1.3% |
| Goods and services ¹ | 273.8 | 319.7 | 334.7 | 441.6 | 17.3% | 1.1% | 533.8 | 557.3 | 585.5 | 9.9% | 1.6% |
| of which: | | | | | 0.0% | 0.0% | | | | 0.0% | 0.0% |
| Advertising | 15.5 | 10.5 | 5.3 | 22.5 | 13.1% | 0.0% | 26.4 | 27.6 | 28.9 | 8.7% | 0.1% |
| Computer services | 31.9 | 46.8 | 50.8 | 74.0 | 32.4% | 0.2% | 77.4 | 80.8 | 84.5 | 4.5% | 0.2% |
| Consultants: Business and advisory services | 66.0 | 70.8 | 28.8 | 120.9 | 22.3% | 0.2% | 193.8 | 202.1 | 214.1 | 21.0% | 0.6% |
| Operating leases | 43.3 | 43.1 | 43.7 | 46.6 | 2.5% | 0.1% | 40.8 | 42.6 | 44.6 | -1.5% | 0.1% |
| Property payments | 11.6 | 12.0 | 14.3 | 18.4 | 16.6% | 0.0% | 18.5 | 19.3 | 20.2 | 3.1% | 0.1% |
| Travel and subsistence | 12.4 | 35.9 | 63.1 | 56.5 | 65.9% | 0.1% | 62.9 | 66.0 | 69.0 | 6.9% | 0.2% |
| Interest and rent on land | - | 0.0 | 0.0 | - | 0.0% | 0.0% | - | - | - | 0.0% | 0.0% |
| Transfers and subsidies¹ | 28 141.5 | 30 272.5 | 32 141.7 | 30 363.9 | 2.6% | 97.2% | 31 677.3 | 32 505.3 | 31 707.5 | 1.5% | 95.5% |
| Provinces and municipalities | 26 080.9 | 28 719.4 | 30 480.7 | 28 736.0 | 3.3% | 91.7% | 30 126.7 | 30 886.3 | 30 014.7 | 1.5% | 90.6% |
| Departmental agencies and accounts | 2 048.4 | 1 545.3 | 1 652.5 | 1 615.8 | -7.6% | 5.5% | 1 540.6 | 1 608.5 | 1 681.9 | 1.3% | 4.9% |
| Foreign governments and international organisations | 3.5 | 2.2 | 4.1 | 4.1 | 6.0% | 0.0% | 4.3 | 4.5 | 4.7 | 4.5% | 0.0% |
| Households | 8.7 | 5.6 | 4.4 | 8.0 | -3.0% | 0.0% | 5.7 | 6.0 | 6.3 | -7.7% | 0.0% |
| Payments for capital assets | 7.7 | 7.6 | 10.0 | 537.5 | 312.6% | 0.5% | 501.2 | 522.9 | 546.2 | 0.5% | 1.6% |
| Buildings and other fixed structures | - | - | - | 523.3 | 0.0% | 0.4% | 496.8 | 518.3 | 541.4 | 1.1% | 1.6% |
| Machinery and equipment | 7.7 | 7.5 | 10.0 | 14.2 | 23.0% | 0.0% | 4.4 | 4.6 | 4.8 | -30.4% | 0.0% |
| Payments for financial assets | 0.1 | 0.5 | 0.2 | 0.0 | -31.4% | 0.0% | - | - | - | -100.0% | 0.0% |
| Total | 28 775.5 | 30 959.5 | 32 857.5 | 31 758.0 | 3.3% | 100.0% | 33 145.6 | 34 037.8 | 33 312.4 | 1.6% | 100.0% |

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

Transfers and subsidies expenditure trends and estimates

Table 33.3 Vote transfers and subsidies trends and estimates

| | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
|---|-------------------|-------------------|-------------------|------------------------|-------------------------|--------------------------------|----------------------------------|-------------------|-------------------|-------------------------|--------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R thousand | | | | | 2020/21 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 | 2026/27 |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 1 283 | 2 620 | 1 677 | 2 605 | 26.6% | - | - | - | - | -100.0% | - |
| Transfers to households | 1 283 | 2 620 | 1 677 | 2 605 | 26.6% | - | - | - | - | -100.0% | - |
| Other transfers to households | | | | | | | | | | | |
| Current | 7 435 | 2 974 | 2 725 | 5 345 | -10.4% | - | 5 720 | 5 976 | 6 250 | 5.4% | - |
| Transfers to households | 6 482 | - | 514 | - | -100.0% | - | - | - | - | - | - |
| Bursaries for non-employees | 953 | 2 974 | 2 211 | 5 345 | 77.7% | - | 5 720 | 5 976 | 6 250 | 5.4% | - |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 1 322 659 | 832 186 | 861 343 | 814 795 | -14.9% | 3.2% | 777 510 | 811 823 | 848 827 | 1.4% | 2.6% |
| Housing Development Agency | 233 604 | 235 379 | 242 716 | 243 649 | 1.4% | 0.8% | 254 591 | 265 997 | 278 183 | 4.5% | 0.8% |
| Community Schemes Ombud Service | 23 597 | 24 022 | 24 817 | - | -100.0% | 0.1% | - | - | - | - | - |
| Estate Agency Affairs Board | 24 000 | - | - | - | -100.0% | - | - | - | - | - | - |
| Social Housing Regulatory Authority: Operations | 69 345 | 70 248 | 72 738 | 73 073 | 1.8% | 0.2% | 76 355 | 79 776 | 83 431 | 4.5% | 0.2% |
| Social Housing Regulatory Authority: Institutional investment grant | 22 428 | 22 725 | 23 534 | 23 623 | 1.7% | 0.1% | 24 684 | 25 790 | 26 972 | 4.5% | 0.1% |
| Social Housing Regulatory Authority: Rental relief | 300 000 | - | - | - | -100.0% | 0.2% | - | - | - | - | - |
| National Housing Finance Corporation: Finance-linked individual subsidy programme: Operations | 15 435 | 18 824 | 19 510 | 19 585 | 8.3% | 0.1% | 20 465 | 21 382 | 22 362 | 4.5% | 0.1% |
| National Housing Finance Corporation: Finance-linked individual subsidy programme | 334 250 | 460 988 | 478 028 | 454 865 | 10.8% | 1.4% | 401 415 | 418 878 | 437 879 | -1.3% | 1.4% |
| National Housing Finance Corporation: Debt relief | 300 000 | - | - | - | -100.0% | 0.2% | - | - | - | - | - |
| Capital | 725 747 | 713 146 | 791 144 | 800 958 | 3.3% | 2.5% | 763 051 | 796 716 | 833 027 | 1.3% | 2.5% |
| Social Housing Regulatory Authority: Consolidated capital grant | 725 747 | 713 146 | 791 144 | 800 958 | 3.3% | 2.5% | 763 051 | 796 716 | 833 027 | 1.3% | 2.5% |
| Provinces and municipalities | | | | | | | | | | | |
| Municipal bank accounts | | | | | | | | | | | |
| Capital | 10 738 403 | 11 416 629 | 11 677 797 | 11 655 358 | 2.8% | 37.6% | 13 220 318 | 13 967 439 | 14 752 875 | 8.2% | 42.5% |
| Urban settlements development grant | 10 572 145 | 7 404 711 | 7 352 273 | 7 596 178 | -10.4% | 27.2% | 8 705 124 | 9 249 964 | 9 819 273 | 8.9% | 28.0% |
| Municipal emergency housing grant | 166 258 | 66 471 | 52 888 | - | -100.0% | 0.2% | - | - | - | - | - |
| Informal settlements upgrading partnership grant: Municipalities | - | 3 945 447 | 4 272 636 | 4 059 180 | - | 10.2% | 4 515 194 | 4 717 475 | 4 933 602 | 6.7% | 14.4% |

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

| R thousand | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|-------------------|-------------------|-------------------|------------------------|-------------------------|---------------------------------|----------------------------------|-------------------|-------------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| Provincial revenue funds | 15 342 512 | 17 302 732 | 18 802 940 | 17 080 689 | 3.6% | 56.7% | 16 906 419 | 16 918 840 | 15 261 861 | -3.7% | 52.4% |
| Capital | 14 892 297 | 13 402 961 | 14 255 610 | 13 254 681 | -3.8% | 46.2% | 13 655 425 | 14 149 080 | 14 332 006 | 2.6% | 43.9% |
| Human settlements development grant | 162 559 | – | – | – | -100.0% | 0.1% | – | – | – | – | – |
| Title deeds restoration grant | 287 656 | 10 053 | 426 242 | – | -100.0% | 0.6% | – | – | – | – | – |
| Provincial emergency housing grant | – | 3 889 718 | 4 121 088 | 3 826 008 | – | 9.8% | 3 250 994 | 2 769 760 | 929 855 | -37.6% | 8.5% |
| Informal settlements upgrading partnership grant: Provinces | | | | | | | | | | | |
| Foreign governments and international organisations | 3 455 | 2 168 | 4 120 | 4 120 | 6.0% | – | 4 305 | 4 498 | 4 704 | 4.5% | – |
| Current | 2 584 | 1 448 | 3 192 | 3 333 | 8.9% | – | 3 333 | 3 479 | 3 636 | 2.9% | – |
| Habitat Foundation | 871 | 720 | 928 | 787 | -3.3% | – | 972 | 1 019 | 1 068 | 10.7% | – |
| Cities Alliance | | | | | | | | | | | |
| Total | 28 141 494 | 30 272 455 | 32 141 746 | 30 363 870 | 2.6% | 100.0% | 31 677 323 | 32 505 292 | 31 707 544 | 1.5% | 100.0% |

Personnel information

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

| Programmes | | | | | | | | | | | | | | | | | | | |
|--|---|--|------------|--------------------------|------------|--|--------------|------------|------------|--------------|------------|-------------------------|----------------------------------|-------------------|------------|--------------|------------|--------------|---------------|
| 1. Administration | | | | | | | | | | | | | | | | | | | |
| 2. Integrated Human Settlements Planning and Development | | | | | | | | | | | | | | | | | | | |
| 3. Informal Settlements | | | | | | | | | | | | | | | | | | | |
| 4. Rental and Social Housing | | | | | | | | | | | | | | | | | | | |
| 5. Affordable Housing | | | | | | | | | | | | | | | | | | | |
| Number of posts estimated for 31 March 2024 | Number of posts additional to the establishment | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | Average growth rate (%) | Average: Salary level/ Total (%) | | | | | | |
| | | Actual 2022/23 | | Revised estimate 2023/24 | | Medium-term expenditure estimate 2024/25 | | 2025/26 | | 2026/27 | | | | 2023/24 - 2026/27 | | | | | |
| | | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | | | | | | | | |
| Human Settlements | | | | | | | | | | | | | | | | | | | |
| Salary level | 568 | – | 570 | 370.8 | 0.7 | 587 | 415.0 | 0.7 | 584 | 433.3 | 0.7 | 579 | 452.3 | 0.8 | 575 | 473.1 | 0.8 | -0.7% | 100.0% |
| 1 – 6 | 142 | – | 142 | 38.2 | 0.3 | 135 | 38.7 | 0.3 | 138 | 41.5 | 0.3 | 138 | 44.0 | 0.3 | 138 | 46.5 | 0.3 | 0.7% | 23.6% |
| 7 – 10 | 203 | – | 203 | 116.7 | 0.6 | 200 | 120.7 | 0.6 | 200 | 128.1 | 0.6 | 201 | 136.2 | 0.7 | 201 | 144.2 | 0.7 | 0.1% | 34.5% |
| 11 – 12 | 109 | – | 109 | 106.5 | 1.0 | 122 | 123.7 | 1.0 | 122 | 131.4 | 1.1 | 124 | 142.7 | 1.2 | 122 | 149.7 | 1.2 | 0.3% | 21.1% |
| 13 – 16 | 78 | – | 80 | 103.6 | 1.3 | 91 | 125.1 | 1.4 | 85 | 125.2 | 1.5 | 78 | 121.8 | 1.6 | 75 | 124.6 | 1.7 | -6.5% | 14.1% |
| Other | 36 | – | 36 | 5.8 | 0.2 | 39 | 6.8 | 0.2 | 39 | 7.2 | 0.2 | 39 | 7.6 | 0.2 | 39 | 8.1 | 0.2 | – | 6.7% |
| Programme | 568 | – | 570 | 370.8 | 0.7 | 587 | 415.0 | 0.7 | 584 | 433.3 | 0.7 | 579 | 452.3 | 0.8 | 575 | 473.1 | 0.8 | -0.7% | 100.0% |
| Programme 1 | 393 | – | 393 | 221.9 | 0.6 | 397 | 244.6 | 0.6 | 397 | 256.9 | 0.6 | 391 | 263.3 | 0.7 | 389 | 275.4 | 0.7 | -0.7% | 67.7% |
| Programme 2 | 68 | – | 68 | 57.4 | 0.8 | 78 | 68.9 | 0.9 | 77 | 71.8 | 0.9 | 78 | 76.7 | 1.0 | 77 | 80.2 | 1.0 | -0.5% | 13.3% |
| Programme 3 | 39 | – | 39 | 33.2 | 0.9 | 40 | 37.2 | 0.9 | 38 | 37.6 | 1.0 | 40 | 43.2 | 1.1 | 39 | 45.1 | 1.1 | -0.1% | 6.7% |
| Programme 4 | 9 | – | 11 | 10.6 | 1.0 | 12 | 13.0 | 1.1 | 11 | 12.5 | 1.1 | 11 | 13.2 | 1.2 | 11 | 13.9 | 1.2 | -3.1% | 2.0% |
| Programme 5 | 59 | – | 59 | 47.7 | 0.8 | 60 | 51.4 | 0.9 | 60 | 54.5 | 0.9 | 59 | 55.9 | 1.0 | 58 | 58.5 | 1.0 | -1.1% | 10.2% |

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

2. Rand million.

Departmental receipts

Table 33.5 Departmental receipts by economic classification

| R thousand | Audited outcome | | | Adjusted estimate | Revised estimate | Average growth rate (%) | Average: Receipt item/ Total (%) | Medium-term receipts estimate | | | Average growth rate (%) | Average: Receipt item/ Total (%) |
|---|-----------------|--------------|--------------|-------------------|------------------|-------------------------|----------------------------------|-------------------------------|------------|------------|-------------------------|----------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | | 2023/24 | 2024/25 | 2025/26 | | |
| Departmental receipts | 365 | 1 065 | 1 842 | 1 092 | 1 092 | 44.1% | 100.0% | 336 | 338 | 340 | -32.2% | 100.0% |
| Sales of goods and services produced by department | 205 | 202 | 211 | 233 | 233 | 4.4% | 19.5% | 222 | 224 | 226 | -1.0% | 43.0% |
| Sales by market establishments of which: | 61 | 54 | 55 | 70 | 70 | 4.7% | 5.5% | 71 | 72 | 73 | 1.4% | 13.6% |
| Parking | 61 | 54 | 55 | 70 | 70 | 4.7% | 5.5% | 71 | 72 | 73 | 1.4% | 13.6% |
| Administrative fees of which: | 144 | 148 | 156 | 161 | 161 | 3.8% | 14.0% | 150 | 151 | 152 | -1.9% | 29.2% |
| Commission on insurance | 144 | 148 | 156 | 161 | 161 | 3.8% | 14.0% | 150 | 151 | 152 | -1.9% | 29.2% |
| Other sales of which: | – | – | – | 2 | 2 | – | – | 1 | 1 | 1 | -20.6% | 0.2% |
| Replacement of security cards | – | – | – | 2 | 2 | – | – | 1 | 1 | 1 | -20.6% | 0.2% |
| Sales of scrap, waste, arms and other used current goods | 1 | 3 | 4 | 6 | 6 | 81.7% | 0.3% | 4 | 4 | 4 | -12.6% | 0.9% |
| of which: | | | | | | | | | | | | |
| Wastepaper | 1 | 3 | 4 | 6 | 6 | 81.7% | 0.3% | 4 | 4 | 4 | -12.6% | 0.9% |

Table 33.5 Departmental receipts by economic classification (continued)

| | Audited outcome | | | Adjusted estimate | Revised estimate | Average growth rate (%) | Average: Receipt item/ Total (%) | Medium-term receipts estimate | | | Average growth rate (%) | Average: Receipt item/ Total (%) |
|--|-----------------|--------------|--------------|-------------------|------------------|-------------------------|----------------------------------|-------------------------------|------------|------------|-------------------------|----------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R thousand | | | | | | | | | | | | |
| Interest, dividends and rent on land | 30 | 30 | 210 | 110 | 110 | 54.2% | 8.7% | 110 | 110 | 110 | - | 20.9% |
| Interest | 30 | 30 | 210 | 110 | 110 | 54.2% | 8.7% | 110 | 110 | 110 | - | 20.9% |
| Sales of capital assets | - | - | 633 | - | - | - | 14.5% | - | - | - | - | - |
| Transactions in financial assets and liabilities | 129 | 830 | 784 | 743 | 743 | 79.3% | 57.0% | - | - | - | -100.0% | 35.3% |
| Total | 365 | 1 065 | 1 842 | 1 092 | 1 092 | 44.1% | 100.0% | 336 | 338 | 340 | -32.2% | 100.0% |

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

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

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|-----------------|--------------|--------------|------------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R million | | | | | | | | | | | |
| Ministry | 57.1 | 55.9 | 65.2 | 61.7 | 2.6% | 13.3% | 59.1 | 60.7 | 62.8 | 0.6% | 11.5% |
| Departmental Management | 56.3 | 55.6 | 75.6 | 73.5 | 9.3% | 14.5% | 88.8 | 93.0 | 97.5 | 9.9% | 16.6% |
| Corporate Services | 181.8 | 197.5 | 233.7 | 233.8 | 8.7% | 47.1% | 244.3 | 251.5 | 263.0 | 4.0% | 46.8% |
| Property Management | 51.7 | 51.5 | 53.2 | 60.8 | 5.6% | 12.1% | 55.9 | 58.4 | 61.1 | 0.2% | 11.1% |
| Financial Management | 52.3 | 56.2 | 54.9 | 69.0 | 9.7% | 12.9% | 72.4 | 74.5 | 77.9 | 4.1% | 13.9% |
| Total | 399.2 | 416.7 | 482.5 | 498.8 | 7.7% | 100.0% | 520.5 | 538.2 | 562.3 | 4.1% | 100.0% |
| Change to 2023 Budget estimate | | | | - | | | (10.0) | (11.0) | (12.0) | | |
| Economic classification | 393.0 | 408.9 | 473.1 | 488.4 | 7.5% | 98.1% | 517.8 | 535.3 | 559.4 | 4.6% | 99.1% |
| Current payments | 216.7 | 213.9 | 221.9 | 244.6 | 4.1% | 49.9% | 256.9 | 263.3 | 275.4 | 4.0% | 49.1% |
| Compensation of employees | 176.2 | 195.0 | 251.2 | 243.9 | 11.4% | 48.2% | 260.9 | 272.0 | 284.0 | 5.2% | 50.0% |
| Goods and services | 14.6 | 9.5 | 4.9 | 22.0 | 14.4% | 2.8% | 25.9 | 27.1 | 28.3 | 8.8% | 4.9% |
| of which: | | | | | | | | | | | |
| Advertising | 16.2 | 26.5 | 35.1 | 40.9 | 36.0% | 6.6% | 42.0 | 43.9 | 45.9 | 3.9% | 8.1% |
| Computer services | 5.0 | 4.5 | 6.1 | 13.8 | 40.6% | 1.6% | 17.4 | 17.7 | 18.0 | 9.3% | 3.2% |
| Consultants: Business and advisory services | 43.3 | 43.1 | 43.7 | 46.6 | 2.5% | 9.8% | 40.8 | 42.6 | 44.6 | -1.5% | 8.2% |
| Operating leases | 11.6 | 12.0 | 14.3 | 18.4 | 16.6% | 3.1% | 18.5 | 19.3 | 20.2 | 3.1% | 3.6% |
| Property payments | 5.6 | 25.1 | 45.4 | 30.4 | 75.6% | 5.9% | 33.1 | 34.8 | 36.3 | 6.2% | 6.3% |
| Travel and subsistence | - | 0.0 | 0.0 | - | - | - | - | - | - | - | - |
| Interest and rent on land | 1.1 | 1.9 | 1.3 | 1.9 | 19.5% | 0.3% | - | - | - | -100.0% | 0.1% |
| Transfers and subsidies | 1.1 | 1.9 | 1.3 | 1.9 | 19.5% | 0.3% | - | - | - | -100.0% | 0.1% |
| Households | 5.1 | 5.7 | 8.0 | 8.5 | 18.4% | 1.5% | 2.7 | 2.8 | 3.0 | -29.6% | 0.8% |
| Payments for capital assets | 5.1 | 5.6 | 8.0 | 8.5 | 18.4% | 1.5% | 2.7 | 2.8 | 3.0 | -29.6% | 0.8% |
| Machinery and equipment | - | 0.1 | - | - | - | - | - | - | - | - | - |
| Software and other intangible assets | 0.0 | 0.3 | 0.1 | 0.0 | -11.6% | - | - | - | - | -100.0% | - |
| Payments for financial assets | 399.2 | 416.7 | 482.5 | 498.8 | 7.7% | 100.0% | 520.5 | 538.2 | 562.3 | 4.1% | 100.0% |
| Total | 399.2 | 416.7 | 482.5 | 498.8 | 7.7% | 100.0% | 520.5 | 538.2 | 562.3 | 4.1% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 1.4% | 1.3% | 1.5% | 1.6% | - | - | 1.6% | 1.6% | 1.7% | - | - |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 1.0 | 1.9 | 0.8 | 1.9 | 23.3% | 0.3% | - | - | - | -100.0% | 0.1% |
| Transfers to households | 1.0 | 1.9 | 0.8 | 1.9 | 23.3% | 0.3% | - | - | - | -100.0% | 0.1% |
| Other transfers to households | | | | | | | | | | | |
| Current | 0.1 | - | 0.5 | - | -100.0% | - | - | - | - | - | - |
| Transfers to households | 0.1 | - | 0.5 | - | -100.0% | - | - | - | - | - | - |

Personnel information

Table 33.7 Administration personnel numbers and cost by salary level¹

| Number of posts estimated for 31 March 2024 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Average growth rate (%) | Average: Salary level/ Total (%) | | | | | | |
|---|---|--|----------|-----------|------------------|--------------|------------|----------------------------------|--------------|------------|------------|-------------------|------------|-------------------------|----------------------------------|------------|------------|--------------|------------|--------------|---------------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | | | |
| | | 2022/23 | | 2023/24 | | 2024/25 | | 2025/26 | | 2026/27 | | 2023/24 - 2026/27 | | | | | | | | | |
| | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | | | |
| Administration | | 393 | – | – | 393 | 221.9 | 0.6 | 397 | 244.6 | 0.6 | 397 | 256.9 | 0.6 | 391 | 263.3 | 0.7 | 389 | 275.4 | 0.7 | -0.7% | 100.0% |
| Salary level | 393 | – | – | – | 393 | 221.9 | 0.6 | 397 | 244.6 | 0.6 | 397 | 256.9 | 0.6 | 391 | 263.3 | 0.7 | 389 | 275.4 | 0.7 | -0.7% | 100.0% |
| 1 – 6 | 133 | – | – | – | 133 | 35.2 | 0.3 | 123 | 34.5 | 0.3 | 126 | 37.1 | 0.3 | 126 | 39.3 | 0.3 | 126 | 41.5 | 0.3 | 0.8% | 31.8% |
| 7 – 10 | 127 | – | – | – | 127 | 73.7 | 0.6 | 127 | 77.4 | 0.6 | 127 | 82.2 | 0.6 | 127 | 87.1 | 0.7 | 127 | 92.2 | 0.7 | – | 32.3% |
| 11 – 12 | 54 | – | – | – | 54 | 49.5 | 0.9 | 59 | 56.3 | 1.0 | 59 | 59.8 | 1.0 | 59 | 63.5 | 1.1 | 59 | 67.3 | 1.1 | – | 15.0% |
| 13 – 16 | 43 | – | – | – | 43 | 57.7 | 1.3 | 49 | 69.5 | 1.4 | 46 | 70.7 | 1.5 | 40 | 65.9 | 1.6 | 38 | 66.3 | 1.8 | -8.0% | 11.0% |
| Other | 36 | – | – | – | 36 | 5.8 | 0.2 | 39 | 6.8 | 0.2 | 39 | 7.2 | 0.2 | 39 | 7.6 | 0.2 | 39 | 8.1 | 0.2 | – | 9.9% |

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

2. Rand million.

Programme 2: Integrated Human Settlements Planning and Development

Programme purpose

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

Objectives

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

Subprogrammes

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

- *Capacity Building and Sector Support* improves intergovernmental coordination and provides sector-specific technical capacity to provinces and municipalities.

Expenditure trends and estimates

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

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average Expenditure/ Total (%) |
|--|-----------------|-----------------|-----------------|------------------------|-------------------------|--------------------------------|----------------------------------|-----------------|-----------------|-------------------------|--------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R million | | | | | 2020/21 - 2023/24 | | 2024/25 | 2025/26 | 2026/27 | 2023/24 - 2026/27 | |
| Management for Integrated Human Settlements Planning and Development | 1.6 | 1.7 | 0.9 | 3.9 | 33.2% | - | 4.1 | 4.3 | 4.4 | 4.7% | - |
| Macro Sector Planning | 9.4 | 11.6 | 12.6 | 18.5 | 25.2% | 0.1% | 19.5 | 20.2 | 21.2 | 4.6% | 0.1% |
| Macro Policy and Research | 36.5 | 39.3 | 35.1 | 53.4 | 13.5% | 0.2% | 55.6 | 59.1 | 61.8 | 5.0% | 0.2% |
| Monitoring and Evaluation | 35.0 | 44.7 | 37.4 | 63.6 | 22.0% | 0.2% | 66.3 | 70.0 | 73.2 | 4.8% | 0.3% |
| Public Entity Oversight | 281.2 | 259.4 | 267.5 | 243.6 | -4.7% | 1.2% | 254.6 | 266.0 | 278.2 | 4.5% | 1.1% |
| Grant Management | 25 627.0 | 20 807.7 | 21 607.9 | 20 850.9 | -6.6% | 98.3% | 22 360.5 | 23 399.0 | 24 151.3 | 5.0% | 98.1% |
| Capacity Building and Sector Support | 11.2 | 15.4 | 10.0 | 34.3 | 45.4% | 0.1% | 35.9 | 37.5 | 39.2 | 4.5% | 0.2% |
| Total | 26 002.0 | 21 179.7 | 21 971.6 | 21 268.2 | -6.5% | 100.0% | 22 796.4 | 23 856.2 | 24 629.3 | 5.0% | 100.0% |
| Change to 2023 Budget estimate | | | | | | | (1 577.0) | (1 767.3) | (2 315.1) | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 92.4 | 111.4 | 94.8 | 171.5 | 22.9% | 0.5% | 180.5 | 190.2 | 199.0 | 5.1% | 0.8% |
| Compensation of employees | 55.2 | 57.7 | 57.4 | 68.9 | 7.6% | 0.3% | 71.8 | 76.7 | 80.2 | 5.2% | 0.3% |
| Goods and services | 37.2 | 53.6 | 37.4 | 102.7 | 40.2% | 0.3% | 108.7 | 113.6 | 118.8 | 5.0% | 0.5% |
| of which: | | | | | | | | | | | |
| Administrative fees | 0.1 | 0.3 | 0.7 | 1.5 | 182.8% | - | 1.3 | 1.3 | 1.4 | -1.6% | - |
| Communication | 0.9 | 1.4 | 1.7 | 1.7 | 20.9% | - | 1.7 | 1.7 | 1.8 | 3.0% | - |
| Computer services | 15.6 | 20.3 | 15.6 | 33.2 | 28.5% | 0.1% | 35.4 | 37.0 | 38.7 | 5.2% | 0.2% |
| Consultants: Business and advisory services | 13.4 | 17.1 | 7.4 | 51.1 | 56.3% | 0.1% | 52.3 | 54.7 | 57.2 | 3.8% | 0.2% |
| Travel and subsistence | 1.9 | 4.6 | 5.4 | 9.1 | 69.9% | - | 11.4 | 11.9 | 12.5 | 11.0% | - |
| Venues and facilities | 2.7 | 5.2 | 2.8 | 1.5 | -18.3% | - | 1.8 | 1.9 | 2.0 | 10.2% | - |
| Transfers and subsidies | 25 908.3 | 21 067.6 | 21 875.8 | 21 094.6 | -6.6% | 99.5% | 22 615.1 | 23 665.0 | 24 429.5 | 5.0% | 99.2% |
| Provinces and municipalities | 25 627.0 | 20 807.7 | 21 607.9 | 20 850.9 | -6.6% | 98.3% | 22 360.5 | 23 399.0 | 24 151.3 | 5.0% | 98.1% |
| Departmental agencies and accounts | 281.2 | 259.4 | 267.5 | 243.6 | -4.7% | 1.2% | 254.6 | 266.0 | 278.2 | 4.5% | 1.1% |
| Households | 0.1 | 0.6 | 0.4 | 0.1 | -16.0% | - | - | - | - | -100.0% | - |
| Payments for capital assets | 1.2 | 0.7 | 0.9 | 2.1 | 21.4% | - | 0.8 | 0.9 | 0.9 | -23.9% | - |
| Machinery and equipment | 1.2 | 0.7 | 0.9 | 2.1 | 21.4% | - | 0.8 | 0.9 | 0.9 | -23.9% | - |
| Payments for financial assets | 0.0 | 0.0 | - | - | -100.0% | - | - | - | - | - | - |
| Total | 26 002.0 | 21 179.7 | 21 971.6 | 21 268.2 | -6.5% | 100.0% | 22 796.4 | 23 856.2 | 24 629.3 | 5.0% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 90.4% | 68.4% | 66.9% | 67.0% | - | - | 68.8% | 70.1% | 73.9% | - | - |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 0.1 | 0.6 | 0.4 | 0.1 | -16.0% | - | - | - | - | -100.0% | - |
| Transfers to households | 0.1 | 0.6 | 0.4 | 0.1 | -16.0% | - | - | - | - | -100.0% | - |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 281.2 | 259.4 | 267.5 | 243.6 | -4.7% | 1.2% | 254.6 | 266.0 | 278.2 | 4.5% | 1.1% |
| Housing Development Agency | 233.6 | 235.4 | 242.7 | 243.6 | 1.4% | 1.1% | 254.6 | 266.0 | 278.2 | 4.5% | 1.1% |
| Community Schemes Ombud Service | 23.6 | 24.0 | 24.8 | - | -100.0% | 0.1% | - | - | - | - | - |
| Estate Agency Affairs Board | 24.0 | - | - | - | -100.0% | - | - | - | - | - | - |
| Provinces and municipalities | | | | | | | | | | | |
| Municipal bank accounts | | | | | | | | | | | |
| Capital | 10 572.1 | 7 404.7 | 7 352.3 | 7 596.2 | -10.4% | 36.4% | 8 705.1 | 9 250.0 | 9 819.3 | 8.9% | 38.2% |
| Urban settlements development grant | 10 572.1 | 7 404.7 | 7 352.3 | 7 596.2 | -10.4% | 36.4% | 8 705.1 | 9 250.0 | 9 819.3 | 8.9% | 38.2% |
| Provincial revenue funds | | | | | | | | | | | |
| Capital | 15 054.9 | 13 403.0 | 14 255.6 | 13 254.7 | -4.2% | 61.9% | 13 655.4 | 14 149.1 | 14 332.0 | 2.6% | 59.8% |
| Human settlements development grant | 14 892.3 | 13 403.0 | 14 255.6 | 13 254.7 | -3.8% | 61.7% | 13 655.4 | 14 149.1 | 14 332.0 | 2.6% | 59.8% |
| Title deeds restoration grant | 162.6 | - | - | - | -100.0% | 0.2% | - | - | - | - | - |

Personnel information

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

| Number of posts estimated for 31 March 2024 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Average growth rate (%) | Average: Salary level/ Total (%) | | | | | |
|--|---|--|----------|-----------|------------------|------------|-----------|----------------------------------|------------|-----------|-------------|------------|-----------|-------------------------|----------------------------------|-----------|-------------|------------|--------------|---------------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | | |
| | | 2022/23 | | Unit cost | 2023/24 | | Unit cost | 2024/25 | | Unit cost | 2025/26 | | Unit cost | | | 2026/27 | | Unit cost | | |
| Integrated Human Settlements Planning and Development | | 68 | – | 68 | 57.4 | 0.8 | 78 | 68.9 | 0.9 | 77 | 71.8 | 0.9 | 78 | 76.7 | 1.0 | 77 | 80.2 | 1.0 | –0.5% | 100.0% |
| Salary level | | | | | | | | | | | | | | | | | | | | |
| 1–6 | 2 | – | 2 | 0.7 | 0.4 | 6 | 2.1 | 0.4 | 6 | 2.3 | 0.4 | 6 | 2.4 | 0.4 | 6 | 2.6 | 0.4 | – | 7.8% | |
| 7–10 | 31 | – | 31 | 17.8 | 0.6 | 31 | 18.7 | 0.6 | 31 | 19.8 | 0.6 | 32 | 21.6 | 0.7 | 32 | 22.8 | 0.7 | 0.7% | 40.5% | |
| 11–12 | 23 | – | 23 | 23.8 | 1.0 | 26 | 28.0 | 1.1 | 26 | 29.8 | 1.1 | 26 | 31.6 | 1.2 | 26 | 33.5 | 1.3 | – | 33.6% | |
| 13–16 | 12 | – | 12 | 15.1 | 1.3 | 15 | 20.0 | 1.3 | 14 | 19.9 | 1.4 | 14 | 21.1 | 1.5 | 13 | 21.3 | 1.6 | –4.1% | 18.2% | |

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

2. Rand million.

Programme 3: Informal Settlements

Programme purpose

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

Objectives

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

Subprogrammes

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

Expenditure trends and estimates

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

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--|-----------------|----------------|----------------|------------------------|-------------------------|---------------------------------|----------------------------------|----------------|----------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R million | | | | | | | | | | | |
| Management for Informal Settlements | 4.7 | 2.9 | 1.3 | 5.0 | 2.0% | 0.1% | 5.3 | 5.5 | 5.8 | 4.7% | 0.1% |
| Grant Management | 471.2 | 7 930.4 | 8 894.7 | 8 435.6 | 161.6% | 99.5% | 8 296.1 | 8 043.5 | 6 444.7 | -8.6% | 99.2% |
| Capacity Building and Sector Support | 35.2 | 39.4 | 18.7 | 32.9 | -2.3% | 0.5% | 66.0 | 69.9 | 73.5 | 30.7% | 0.8% |
| Total | 511.2 | 7 972.7 | 8 914.7 | 8 473.5 | 155.0% | 100.0% | 8 367.3 | 8 118.9 | 6 523.9 | -8.3% | 100.0% |
| Change to 2023 Budget estimate | | | | - | | | (1 352.5) | (2 040.0) | (4 100.4) | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 57.0 | 60.7 | 41.5 | 63.3 | 3.6% | 0.9% | 104.1 | 113.2 | 118.8 | 23.3% | 1.3% |
| Compensation of employees | 30.9 | 32.2 | 33.2 | 37.2 | 6.4% | 0.5% | 37.6 | 43.2 | 45.1 | 6.6% | 0.5% |
| Goods and services | 26.1 | 28.5 | 8.2 | 26.1 | - | 0.3% | 66.5 | 70.0 | 73.7 | 41.4% | 0.8% |
| <i>of which:</i> | | | | | | | | | | | |
| Communication | 0.4 | 0.5 | 0.6 | 1.3 | 46.2% | - | 1.4 | 1.4 | 1.5 | 4.0% | - |
| Consultants: Business and advisory services | 21.7 | 25.5 | 4.1 | 11.9 | -18.1% | 0.2% | 52.9 | 55.8 | 58.8 | 70.2% | 0.6% |
| Consumables: Stationery, printing and office supplies | 0.0 | 0.0 | 0.0 | 2.1 | 288.3% | - | 2.2 | 2.3 | 2.4 | 4.6% | - |
| Travel and subsistence | 0.5 | 0.8 | 2.7 | 6.0 | 131.0% | - | 6.3 | 6.6 | 6.9 | 4.9% | 0.1% |
| Operating payments | 0.2 | 0.0 | 0.0 | 2.7 | 131.6% | - | 1.2 | 1.2 | 1.3 | -22.4% | - |
| Venues and facilities | 1.9 | 0.9 | 0.4 | 0.7 | -26.3% | - | 0.8 | 0.8 | 0.9 | 4.5% | - |
| Transfers and subsidies | 454.0 | 7 911.8 | 8 872.9 | 7 885.2 | 159.0% | 97.1% | 7 766.2 | 7 487.2 | 5 863.5 | -9.4% | 92.1% |
| Provinces and municipalities | 453.9 | 7 911.7 | 8 872.9 | 7 885.2 | 159.0% | 97.1% | 7 766.2 | 7 487.2 | 5 863.5 | -9.4% | 92.1% |
| Households | 0.1 | 0.1 | - | - | -100.0% | - | - | - | - | - | - |
| Payments for capital assets | 0.3 | 0.2 | 0.3 | 525.0 | 1178.9% | 2.0% | 497.0 | 518.5 | 541.7 | 1.0% | 6.6% |
| Buildings and other fixed structures | - | - | - | 523.3 | - | 2.0% | 496.8 | 518.3 | 541.4 | 1.1% | 6.6% |
| Machinery and equipment | 0.3 | 0.2 | 0.3 | 1.7 | 90.3% | - | 0.2 | 0.3 | 0.3 | -46.1% | - |
| Total | 511.2 | 7 972.7 | 8 914.7 | 8 473.5 | 155.0% | 100.0% | 8 367.3 | 8 118.9 | 6 523.9 | -8.3% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 1.8% | 25.8% | 27.1% | 26.7% | - | - | 25.2% | 23.9% | 19.6% | - | - |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 0.1 | 0.1 | - | - | -100.0% | - | - | - | - | - | - |
| Transfers to households | 0.1 | 0.1 | - | - | -100.0% | - | - | - | - | - | - |
| Provinces and municipalities | | | | | | | | | | | |
| Municipal bank accounts | | | | | | | | | | | |
| Capital | 166.3 | 4 011.9 | 4 325.5 | 4 059.2 | 190.1% | 48.6% | 4 515.2 | 4 717.5 | 4 933.6 | 6.7% | 57.9% |
| Municipal emergency housing grant | 166.3 | 66.5 | 52.9 | - | -100.0% | 1.1% | - | - | - | - | - |
| Informal settlements upgrading partnership grant: Municipalities | - | 3 945.4 | 4 272.6 | 4 059.2 | - | 47.5% | 4 515.2 | 4 717.5 | 4 933.6 | 6.7% | 57.9% |
| Provincial revenue funds | | | | | | | | | | | |
| Capital | 287.7 | 3 899.8 | 4 547.3 | 3 826.0 | 136.9% | 48.5% | 3 251.0 | 2 769.8 | 929.9 | -37.6% | 34.2% |
| Provincial emergency housing grant | 287.7 | 10.1 | 426.2 | - | -100.0% | 2.8% | - | - | - | - | - |
| Informal settlements upgrading partnership grant: Provinces | - | 3 889.7 | 4 121.1 | 3 826.0 | - | 45.8% | 3 251.0 | 2 769.8 | 929.9 | -37.6% | 34.2% |

Personnel information

Table 33.11 Informal Settlements personnel numbers and cost by salary level¹

| Number of posts estimated for 31 March 2024 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Average growth rate (%) | Average: Salary level/ Total (%) | | | | |
|---|---|--|------|-----------|------------------|---------|-----------|----------------------------------|------|-----------|--------|-------------------|-----------|-------------------------|----------------------------------|-----------|-----|-------|--------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | |
| | | 2022/23 | | 2023/24 | | 2024/25 | | 2025/26 | | 2026/27 | | 2023/24 - 2026/27 | | | | | | | |
| | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Informal Settlements | | | | | | | | | | | | | | | | | | | |
| Salary level | 39 | – | 39 | 33.2 | 0.9 | 40 | 37.2 | 0.9 | 38 | 37.6 | 1.0 | 40 | 43.2 | 1.1 | 39 | 45.1 | 1.1 | -0.1% | 100.0% |
| 1–6 | 2 | – | 2 | 0.7 | 0.3 | 1 | 0.3 | 0.3 | 1 | 0.3 | 0.3 | 1 | 0.3 | 0.3 | 1 | 0.4 | 0.4 | – | 2.6% |
| 7–10 | 16 | – | 16 | 8.8 | 0.6 | 15 | 8.7 | 0.6 | 15 | 9.3 | 0.6 | 15 | 9.8 | 0.7 | 15 | 10.4 | 0.7 | – | 38.3% |
| 11–12 | 13 | – | 13 | 14.7 | 1.1 | 16 | 18.0 | 1.2 | 16 | 19.1 | 1.2 | 18 | 23.6 | 1.3 | 17 | 24.4 | 1.4 | 3.5% | 42.1% |
| 13–16 | 8 | – | 8 | 9.1 | 1.1 | 8 | 10.2 | 1.3 | 6 | 8.9 | 1.4 | 6 | 9.4 | 1.5 | 6 | 10.0 | 1.6 | -8.0% | 17.0% |

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

2. Rand million.

Programme 4: Rental and Social Housing

Programme purpose

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

Objectives

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

Subprogrammes

- *Management for Rental and Social Housing* provides strategic leadership to the programme.
- *Public Entity Oversight* provides regulatory, strategic and governance oversight of the Social Housing Regulatory Authority and oversees compliance with and performance against the entity's mandate and related legislation.
- *Capacity Building and Sector Support* manages capacity-development programmes, improves coordination and provides technical support in the affordable rental housing sector.

Expenditure trends and estimates

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

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average Expenditure/ Total (%) |
|--|-----------------|--------------|--------------|------------------------|-------------------------|--------------------------------|----------------------------------|--------------|----------------|-------------------------|--------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R million | | | | | | | | | | | |
| Management for Rental and Social Housing | 3.1 | 3.4 | 3.2 | 4.3 | 11.4% | 0.4% | 4.5 | 4.7 | 4.9 | 4.7% | 0.5% |
| Public Entity Oversight | 1 117.5 | 806.1 | 887.4 | 897.7 | -7.0% | 96.2% | 864.1 | 902.3 | 943.4 | 1.7% | 92.7% |
| Capacity Building and Sector Support | 41.7 | 41.3 | 16.3 | 31.4 | -9.0% | 3.4% | 74.3 | 77.8 | 81.4 | 37.4% | 6.8% |
| Total | 1 162.3 | 850.9 | 906.9 | 933.3 | -7.1% | 100.0% | 942.9 | 984.8 | 1 029.8 | 3.3% | 100.0% |
| Change to 2023 Budget estimate | | | | - | | | (99.0) | (104.2) | (109.1) | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 38.1 | 44.7 | 19.1 | 35.0 | -2.8% | 3.5% | 78.6 | 82.2 | 86.1 | 35.1% | 7.2% |
| Compensation of employees | 9.4 | 11.3 | 10.6 | 13.0 | 11.2% | 1.1% | 12.5 | 13.2 | 13.9 | 2.4% | 1.4% |
| Goods and services | 28.6 | 33.4 | 8.5 | 22.0 | -8.4% | 2.4% | 66.1 | 69.0 | 72.2 | 48.6% | 5.9% |
| of which: | | | | | | | | | | | |
| Communication | 0.2 | 0.2 | 0.2 | 0.4 | 26.8% | - | 0.4 | 0.5 | 0.5 | 4.6% | - |
| Consultants: Business and advisory services | 25.6 | 23.3 | 6.5 | 16.5 | -13.6% | 1.9% | 59.7 | 62.4 | 65.3 | 58.2% | 5.2% |
| Contractors | 0.0 | 1.0 | 0.0 | 0.3 | 164.5% | - | 0.3 | 0.3 | 0.3 | 4.4% | - |
| Consumables: Stationery, printing and office supplies | 0.0 | 0.1 | 0.0 | 0.7 | 379.9% | - | 0.7 | 0.7 | 0.8 | 5.3% | 0.1% |
| Travel and subsistence | 2.8 | 2.0 | 1.6 | 3.3 | 5.9% | 0.3% | 4.0 | 4.2 | 4.3 | 9.3% | 0.4% |
| Venues and facilities | 0.0 | 4.2 | 0.1 | 0.3 | 211.5% | 0.1% | 0.3 | 0.3 | 0.4 | 9.6% | - |
| Transfers and subsidies | 1 123.9 | 806.1 | 887.7 | 897.7 | -7.2% | 96.4% | 864.1 | 902.3 | 943.4 | 1.7% | 92.7% |
| Departmental agencies and accounts | 1 117.5 | 806.1 | 887.4 | 897.7 | -7.0% | 96.2% | 864.1 | 902.3 | 943.4 | 1.7% | 92.7% |
| Households | 6.4 | - | 0.3 | - | -100.0% | 0.2% | - | - | - | - | - |
| Payments for capital assets | 0.3 | 0.1 | 0.1 | 0.7 | 40.6% | - | 0.2 | 0.2 | 0.2 | -31.3% | - |
| Machinery and equipment | 0.3 | 0.1 | 0.1 | 0.7 | 40.6% | - | 0.2 | 0.2 | 0.2 | -31.3% | - |
| Total | 1 162.3 | 850.9 | 906.9 | 933.3 | -7.1% | 100.0% | 942.9 | 984.8 | 1 029.8 | 3.3% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 4.0% | 2.7% | 2.8% | 2.9% | - | - | 2.8% | 2.9% | 3.1% | - | - |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | - | - | 0.3 | - | - | - | - | - | - | - | - |
| Transfers to households | - | - | 0.3 | - | - | - | - | - | - | - | - |
| Other transfers to households | | | | | | | | | | | |
| Current | 6.4 | - | 0.0 | - | -100.0% | 0.2% | - | - | - | - | - |
| Transfers to households | 6.4 | - | 0.0 | - | -100.0% | 0.2% | - | - | - | - | - |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 391.8 | 93.0 | 96.3 | 96.7 | -37.3% | 17.6% | 101.0 | 105.6 | 110.4 | 4.5% | 10.6% |
| Social Housing Regulatory Authority: Operations | 69.3 | 70.2 | 72.7 | 73.1 | 1.8% | 7.4% | 76.4 | 79.8 | 83.4 | 4.5% | 8.0% |
| Social Housing Regulatory Authority: Institutional investment grant | 22.4 | 22.7 | 23.5 | 23.6 | 1.7% | 2.4% | 24.7 | 25.8 | 27.0 | 4.5% | 2.6% |
| Social Housing Regulatory Authority: Rental relief | 300.0 | - | - | - | -100.0% | 7.8% | - | - | - | - | - |
| Capital | 725.7 | 713.1 | 791.1 | 801.0 | 3.3% | 78.7% | 763.1 | 796.7 | 833.0 | 1.3% | 82.1% |
| Social Housing Regulatory Authority: Consolidated capital grant | 725.7 | 713.1 | 791.1 | 801.0 | 3.3% | 78.7% | 763.1 | 796.7 | 833.0 | 1.3% | 82.1% |

Personnel information

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

| Number of posts estimated for 31 March 2024 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate (%) | Average: Salary level/ Total (%) | |
|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|---------|------|-----------|---------|------|-----------|-------------------------|----------------------------------|--------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | |
| | | 2022/23 | | | 2023/24 | | | 2024/25 | | | 2025/26 | | | 2026/27 | | | | | |
| | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | 2023/24 - 2026/27 | | |
| Rental and Social Housing | | | | | | | | | | | | | | | | | | | |
| Salary level | 9 | – | 11 | 10.6 | 1.0 | 12 | 13.0 | 1.1 | 11 | 12.5 | 1.1 | 11 | 13.2 | 1.2 | 11 | 13.9 | 1.2 | -3.1% | 100.0% |
| 7 – 10 | 4 | – | 4 | 2.3 | 0.6 | 4 | 2.4 | 0.6 | 4 | 2.5 | 0.6 | 4 | 2.6 | 0.7 | 4 | 2.7 | 0.7 | -1.3% | 33.8% |
| 11 – 12 | 3 | – | 3 | 3.0 | 1.0 | 3 | 3.1 | 1.0 | 3 | 3.3 | 1.1 | 3 | 3.5 | 1.2 | 3 | 3.6 | 1.2 | -0.8% | 25.7% |
| 13 – 16 | 2 | – | 4 | 5.4 | 1.3 | 5 | 7.5 | 1.4 | 4 | 6.7 | 1.5 | 4 | 7.2 | 1.6 | 4 | 7.6 | 1.7 | -5.8% | 40.4% |

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

2. Rand million.

Programme 5: Affordable Housing

Programme purpose

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

Objectives

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

Subprogrammes

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

Expenditure trends and estimates

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

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--------------------------------------|-----------------|--------------|--------------|------------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R million | | | | | | | | | | | |
| Management for Affordable Housing | 1.9 | 2.8 | 4.7 | 4.2 | 29.5% | 0.6% | 4.4 | 4.6 | 4.9 | 5.1% | 0.8% |
| Public Entity Oversight | 656.6 | 489.6 | 508.6 | 491.8 | -9.2% | 89.2% | 439.2 | 458.3 | 478.9 | -0.9% | 84.6% |
| Capacity Building and Sector Support | 42.4 | 47.2 | 68.6 | 88.2 | 27.6% | 10.2% | 74.9 | 76.9 | 83.3 | -1.9% | 14.6% |
| Total | 700.9 | 539.5 | 581.9 | 584.1 | -5.9% | 100.0% | 518.4 | 539.8 | 567.0 | -1.0% | 100.0% |
| Change to 2023 Budget estimate | | | | – | | | (108.7) | (114.5) | (117.2) | | |

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

| Economic classification | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average Expenditure/ Total (%) |
|---|-----------------|--------------|--------------|------------------------|-------------------------|--------------------------------|----------------------------------|-------------------|--------------|-------------------------|--------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2020/21 - 2023/24 | 2024/25 | | |
| R million | | | | | | | | | | | |
| Current payments | 45.9 | 53.3 | 77.1 | 98.4 | 29.0% | 11.4% | 86.1 | 88.7 | 95.4 | -1.0% | 16.7% |
| Compensation of employees | 40.1 | 44.2 | 47.7 | 51.4 | 8.6% | 7.6% | 54.5 | 55.9 | 58.5 | 4.4% | 10.0% |
| Goods and services | 5.7 | 9.2 | 29.4 | 47.0 | 101.9% | 3.8% | 31.7 | 32.7 | 36.9 | -7.7% | 6.7% |
| of which: | | | | | | | | | | | |
| Administrative fees | – | 0.0 | 1.5 | 1.6 | – | 0.1% | 1.6 | 1.6 | 1.6 | 1.5% | 0.3% |
| Catering: Departmental activities | 0.3 | 0.4 | 3.7 | 1.4 | 67.2% | 0.2% | 1.5 | 1.6 | 1.7 | 8.3% | 0.3% |
| Communication | 1.0 | 1.2 | 1.3 | 1.5 | 15.2% | 0.2% | 1.6 | 1.5 | 1.6 | 2.4% | 0.3% |
| Consultants: Business and advisory services | 0.5 | 0.4 | 4.7 | 27.6 | 285.9% | 1.4% | 11.4 | 11.6 | 14.8 | -18.7% | 3.0% |
| Travel and subsistence | 1.6 | 3.4 | 8.0 | 7.7 | 68.4% | 0.9% | 8.2 | 8.6 | 9.0 | 5.2% | 1.5% |
| Venues and facilities | 0.8 | 1.5 | 6.8 | 3.2 | 55.5% | 0.5% | 3.4 | 3.6 | 3.8 | 6.0% | 0.6% |
| Transfers and subsidies | 654.2 | 485.0 | 504.1 | 484.6 | -9.5% | 88.4% | 431.9 | 450.7 | 471.2 | -0.9% | 83.2% |
| Departmental agencies and accounts | 649.7 | 479.8 | 497.5 | 474.5 | -9.9% | 87.3% | 421.9 | 440.3 | 460.2 | -1.0% | 81.3% |
| Foreign governments and international organisations | 3.5 | 2.2 | 4.1 | 4.1 | 6.0% | 0.6% | 4.3 | 4.5 | 4.7 | 4.5% | 0.8% |
| Households | 1.1 | 3.1 | 2.4 | 6.0 | 78.7% | 0.5% | 5.7 | 6.0 | 6.3 | 1.4% | 1.1% |
| Payments for capital assets | 0.9 | 0.9 | 0.6 | 1.2 | 11.5% | 0.2% | 0.4 | 0.4 | 0.4 | -29.5% | 0.1% |
| Machinery and equipment | 0.9 | 0.9 | 0.6 | 1.2 | 11.5% | 0.2% | 0.4 | 0.4 | 0.4 | -29.5% | 0.1% |
| Payments for financial assets | 0.0 | 0.2 | 0.0 | – | -100.0% | – | – | – | – | – | – |
| Total | 700.9 | 539.5 | 581.9 | 584.1 | -5.9% | 100.0% | 518.4 | 539.8 | 567.0 | -1.0% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 2.4% | 1.7% | 1.8% | 1.8% | – | – | 1.6% | 1.6% | 1.7% | – | – |
| Details of transfers and subsidies | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 0.1 | 0.1 | 0.2 | 0.6 | 87.9% | – | – | – | – | -100.0% | – |
| Transfers to households | 0.1 | 0.1 | 0.2 | 0.6 | 87.9% | – | – | – | – | -100.0% | – |
| Other transfers to households | | | | | | | | | | | |
| Current | 1.0 | 3.0 | 2.2 | 5.3 | 77.7% | 0.5% | 5.7 | 6.0 | 6.3 | 5.4% | 1.1% |
| Bursaries for non-employees | 1.0 | 3.0 | 2.2 | 5.3 | 77.7% | 0.5% | 5.7 | 6.0 | 6.3 | 5.4% | 1.1% |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 649.7 | 479.8 | 497.5 | 474.5 | -9.9% | 87.3% | 421.9 | 440.3 | 460.2 | -1.0% | 81.3% |
| National Housing Finance Corporation: Finance-linked individual subsidy programme: Operations | 15.4 | 18.8 | 19.5 | 19.6 | 8.3% | 3.0% | 20.5 | 21.4 | 22.4 | 4.5% | 3.8% |
| National Housing Finance Corporation: Finance-linked individual subsidy programme | 334.3 | 461.0 | 478.0 | 454.9 | 10.8% | 71.8% | 401.4 | 418.9 | 437.9 | -1.3% | 77.5% |
| National Housing Finance Corporation: Debt relief | 300.0 | – | – | – | -100.0% | 12.5% | – | – | – | – | – |
| Foreign governments and international organisations | | | | | | | | | | | |
| Current | 3.5 | 2.2 | 4.1 | 4.1 | 6.0% | 0.6% | 4.3 | 4.5 | 4.7 | 4.5% | 0.8% |
| Habitat Foundation | 2.6 | 1.4 | 3.2 | 3.3 | 8.9% | 0.4% | 3.3 | 3.5 | 3.6 | 2.9% | 0.6% |
| Cities Alliance | 0.9 | 0.7 | 0.9 | 0.8 | -3.3% | 0.1% | 1.0 | 1.0 | 1.1 | 10.7% | 0.2% |

Personnel information

Table 33.15 Affordable Housing personnel numbers and cost by salary level¹

| Salary level | Number of posts estimated for 31 March 2024 | Number of posts additional to the establishment | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Average growth rate (%) | Average Salary level/ Total (%) | | | |
|--------------------|---|---|--|-----------|---------|------------------|---------|-----------|----------------------------------|-----------|---------|-----------|-------------------|-----------|-------------------------|---------------------------------|-----|-------|--------|
| | | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | | | 2022/23 | | 2023/24 | | 2024/25 | | 2025/26 | | 2026/27 | | 2023/24 - 2026/27 | | | | | | |
| | | | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | | | | | |
| Affordable Housing | 59 | – | 59 | 47.7 | 0.8 | 60 | 51.4 | 0.9 | 60 | 54.5 | 0.9 | 59 | 55.9 | 1.0 | 58 | 58.5 | 1.0 | -1.1% | 100.0% |
| 1 – 6 | 5 | – | 5 | 1.7 | 0.3 | 5 | 1.8 | 0.4 | 5 | 1.9 | 0.4 | 5 | 2.0 | 0.4 | 5 | 2.1 | 0.4 | – | 8.4% |
| 7 – 10 | 25 | – | 25 | 14.0 | 0.6 | 23 | 13.5 | 0.6 | 23 | 14.3 | 0.6 | 23 | 15.1 | 0.7 | 23 | 16.0 | 0.7 | – | 38.8% |
| 11 – 12 | 16 | – | 16 | 15.6 | 1.0 | 18 | 18.2 | 1.0 | 18 | 19.3 | 1.1 | 18 | 20.5 | 1.1 | 17 | 21.0 | 1.2 | -1.3% | 30.1% |
| 13 – 16 | 13 | – | 13 | 16.4 | 1.3 | 14 | 18.0 | 1.3 | 14 | 19.0 | 1.4 | 13 | 18.3 | 1.4 | 13 | 19.4 | 1.5 | -3.2% | 22.6% |

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

2. Rand million.

Entities

Community Schemes Ombud Service

Selected performance indicators

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|------------------------------|---|--------------------------|--------------------------|----------------------------|-----------------------|--------------|---------|---------|
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Percentage of community schemes registered per year | Regulation | Priority 5: Spatial integration, human settlements and local government | 100% (1 127) | 100% (925) | 98% (1 213/ 1 232) | 25% | 80% | 80% | 80% |
| Percentage of registered community schemes compliant with legislative frameworks per year | Regulation | | - ¹ | - ¹ | 60% (726/ 1 213) | 65% | 70% | 75% | 80% |
| Percentage of governance documents assessed for quality assurance per year | Regulation | | 84% (1 287/ 1 538) | 80% (1 444/ 1 806) | 99% (1 752/ 1 773) | 95% | 95% | 95% | 95% |
| Percentage of disputes resolved through conciliation per year | Regulation | | 28% (331/ 1 191) | 73% (1 783/ 2 436) | 100% (3 762) | 90% | 90% | 90% | 90% |
| Percentage of disputes adjudicated within 90 days per year | Regulation | | 27% (109/ 410) | 28% (741/ 2 642) | 97% (5 861/ 6 069) | 90% | 90% | 90% | 90% |
| Percentage of disputes assessed within 30 days per year | Regulation | | - ¹ | - ¹ | 99% (10 748/ 10 869) | 90% | 95% | 95% | 95% |
| Percentage of disputes quality assured within 7 days per year | Regulation | | - ¹ | - ¹ | 100% (6 008) | 95% | 95% | 95% | 95% |
| Number of training and education sessions conducted for scheme executives and owners per year | Education and training | | 18 | 73 | 103 | 85 | 90 | 95 | 100 |
| Number of historically disadvantaged individuals trained per year | Education and training | | 10 | 23 | 22 | 40 | 50 | 50 | 50 |

1. No historical data available.

Entity overview

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

Over the medium term, the ombud will focus on strengthening its regulation, dispute resolution, and education and training functions. By 2026/27, it plans to ensure that 80 per cent of community scheme governance documents are registered and compliant with legislative frameworks and that 90 per cent of all disputes are resolved through conciliation. To contribute to reducing barriers to entry for the property market, the ombud plans to train 150 historically disadvantaged individuals to become scheme governance managing agents. Expenditure for these activities is within the regulation, and education and training programmes, which have a combined allocation of R552.9 million over the MTEF period, comprising 38 per cent of the budget.

Total expenditure is expected to decrease at an average annual rate of 9.2 per cent, from R632.7 million in 2023/24 to R474.1 million in 2026/27. This is mainly due to an expected decrease in the collection of community scheme levies and the discontinuation of the entity's operational transfer. To manage this, the entity will delay its expansion project in the administration programme and transformation initiatives in the education and training programme. Levies paid by community schemes account for an estimated 86.8 per cent (R1.3 billion) of the ombud's revenue over the period ahead. Revenue is expected to decrease in line with expenditure.

Programmes/Objectives/Activities

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

| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
|------------------------|-----------------|--------------|--------------|------------------|-------------------------|--------------------------------|----------------------------------|-------------------|--------------|-------------------------|--------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2020/21 - 2023/24 | 2024/25 | | |
| Administration | 74.2 | 97.4 | 254.1 | 441.2 | 81.2% | 66.2% | 272.3 | 261.5 | 273.6 | -14.7% | 62.0% |
| Regulation | 40.2 | 54.0 | 78.3 | 158.6 | 58.1% | 28.5% | 143.1 | 170.8 | 178.7 | 4.1% | 33.4% |
| Education and training | 6.7 | 10.5 | 13.7 | 33.0 | 70.3% | 5.3% | 17.5 | 20.9 | 21.9 | -12.8% | 4.6% |
| Total | 121.1 | 161.9 | 346.1 | 632.7 | 73.5% | 100.0% | 432.9 | 453.3 | 474.1 | -9.2% | 100.0% |

Statement of financial performance

Table 33.18 Community Schemes Ombud Service statements of financial performance

| Statement of financial performance | | | | | | | | | | | |
|--|-----------------|--------------|--------------|------------------|-------------------------|--------------------------------|----------------------------------|-------------------|--------------|-------------------------|--------------------------------|
| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2020/21 - 2023/24 | 2024/25 | | |
| Revenue | 189.0 | 268.8 | 352.0 | 632.7 | 49.6% | 93.5% | 432.9 | 453.3 | 474.1 | -9.2% | 100.0% |
| Non-tax revenue | 183.0 | 262.8 | 333.7 | 408.2 | 30.7% | 82.2% | 408.2 | 427.4 | 447.1 | 3.1% | 86.8% |
| Sale of goods and services other than capital assets of which: | | | | | | | | | | | |
| Administrative fees | 182.5 | 262.3 | 333.7 | 408.2 | 30.8% | 82.1% | 408.2 | 427.4 | 447.1 | 3.1% | 86.8% |
| Community scheme levy income | 182.5 | 262.3 | 333.7 | 408.2 | 30.8% | 82.1% | 408.2 | 427.4 | 447.1 | 3.1% | 86.8% |
| Sales by market establishments | 0.5 | 0.5 | 0.0 | - | -100.0% | 0.1% | - | - | - | - | - |
| Dispute resolution service income | 0.5 | 0.5 | 0.0 | - | -100.0% | 0.1% | - | - | - | - | - |
| Other non-tax revenue | 6.1 | 6.0 | 18.3 | 224.5 | 232.8% | 11.3% | 24.7 | 25.9 | 27.1 | -50.6% | 13.2% |
| Transfers received | 23.6 | 24.0 | 24.8 | - | -100.0% | 6.5% | - | - | - | - | - |
| Total revenue | 212.6 | 292.8 | 376.8 | 632.7 | 43.8% | 100.0% | 432.9 | 453.3 | 474.1 | -9.2% | 100.0% |
| Expenses | 121.1 | 161.9 | 346.1 | 632.7 | 73.5% | 100.0% | 432.9 | 453.3 | 474.1 | -9.2% | 100.0% |
| Current expenses | 121.1 | 161.9 | 346.1 | 632.7 | 73.5% | 100.0% | 432.9 | 453.3 | 474.1 | -9.2% | 100.0% |
| Compensation of employees | 83.5 | 97.9 | 129.7 | 209.3 | 35.9% | 50.0% | 195.9 | 237.4 | 248.4 | 5.9% | 45.8% |
| Goods and services | 35.9 | 62.1 | 212.3 | 419.3 | 126.9% | 48.9% | 229.4 | 207.9 | 217.4 | -19.7% | 52.7% |
| Depreciation | 1.7 | 1.9 | 4.0 | 4.2 | 35.5% | 1.1% | 7.6 | 8.0 | 8.3 | 25.8% | 1.5% |
| Total expenses | 121.1 | 161.9 | 346.1 | 632.7 | 73.5% | 100.0% | 432.9 | 453.3 | 474.1 | -9.2% | 100.0% |
| Surplus/(Deficit) | 91.6 | 131.0 | 30.7 | - | -100.0% | - | - | - | - | - | - |

Personnel information

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

| Community Schemes Ombud Service | Number of posts estimated for 31 March 2024 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | Average growth rate of personnel posts (%) | Average: salary level/Total (%) | | | | | | |
|---------------------------------|---|----------------------------------|--|--------------|------------|------------------|--------------|------------|----------------------------------|--------------|------------|--|---------------------------------|------------|------------|--------------|------------|----------|---------------|
| | Number of funded posts | Number of approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | | | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | | | | | | | | | | | | |
| Salary level | 280 | 280 | 280 | 129.7 | 0.5 | 280 | 209.3 | 0.7 | 280 | 195.9 | 0.7 | 280 | 237.4 | 0.8 | 280 | 248.4 | 0.9 | - | 100.0% |
| 1 – 6 | 39 | 39 | 39 | 3.4 | 0.1 | 39 | 4.8 | 0.1 | 39 | 4.5 | 0.1 | 39 | 5.4 | 0.1 | 39 | 5.7 | 0.1 | - | 13.9% |
| 7 – 10 | 158 | 158 | 158 | 59.5 | 0.4 | 158 | 96.2 | 0.6 | 158 | 90.1 | 0.6 | 158 | 109.2 | 0.7 | 158 | 114.2 | 0.7 | - | 56.4% |
| 11 – 12 | 58 | 58 | 58 | 39.0 | 0.7 | 58 | 63.1 | 1.1 | 58 | 59.0 | 1.0 | 58 | 71.6 | 1.2 | 58 | 74.8 | 1.3 | - | 20.7% |
| 13 – 16 | 24 | 24 | 24 | 25.8 | 1.1 | 24 | 41.8 | 1.7 | 24 | 39.1 | 1.6 | 24 | 47.4 | 2.0 | 24 | 49.6 | 2.1 | - | 8.6% |
| 17 – 22 | 1 | 1 | 1 | 2.1 | 2.1 | 1 | 3.4 | 3.4 | 1 | 3.2 | 3.2 | 1 | 3.9 | 3.9 | 1 | 4.0 | 4.0 | - | 0.4% |

1. Rand million.

Housing Development Agency

Selected performance indicators

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|-----------------------------------|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Number of informal settlements supported to upgrade to phase 3 per year | Development management operations | Priority 5: Spatial integration, human settlements and local government | 191 | 204 | 241 | 124 | 130 | 137 | 144 |
| Number of hectares of well-located land released for human settlements development per year | Built environment operations | | 2 116 | 3 243 | 1 659 | 1 000 | 1 000 | 1 000 | 1 000 |

Entity overview

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

Over the medium term, the agency will focus on acquiring and developing 3 000 hectares of well-located land for human settlements projects, and providing planning, management and technical support for the upgrading of 411 informal settlements to ensure secure tenure and access to basic services. It will also assist the department in finalising integrated plans for priority development areas. Spending on these projects is within the built environment and operations programme, which represents 58.8 per cent (R944.3 million) of the agency's budget over the period ahead.

Due to the extensive need for professional expertise in the agency's work, compensation of employees accounts for an estimated 53.1 per cent (R888.5 million) of total spending over the medium term. To manage increased spending on compensation of employees, the agency plans to keep its number of personnel constant over the MTEF period. The agency will also spend a significant portion of its goods and services budget on consultants for them to acquire technical expertise to augment internal capacity for support services in municipal and provincial projects. As such, spending on goods and services is expected to account for 46.7 per cent (R735.4 million) of the agency's total spending over the medium term. Total expenditure is expected to increase at an average annual rate of 1.6 per cent, from R541 million in 2023/24 to R566.8 million in 2026/27.

The agency expects to derive 48.1 per cent (R798.8 million) of its revenue over the MTEF period through operational transfers from the department and the remainder through provincial projects and programme management fees. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

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

| R million | Audited outcome | | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|-----------------------------------|-----------------|--------------|--------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|-------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | | | | 2024/25 | 2025/26 | 2026/27 | | |
| Administration | 81.0 | 106.3 | 125.1 | 154.1 | 23.9% | 29.5% | 156.4 | 163.2 | 170.6 | 3.5% | 29.7% | |
| Strategic support | 30.4 | 37.9 | 15.6 | 24.2 | -7.4% | 7.3% | 23.4 | 24.5 | 25.7 | 2.0% | 4.5% | |
| Development management operations | 31.3 | 26.9 | 28.7 | 32.2 | 0.9% | 7.9% | 37.8 | 39.5 | 41.4 | 8.7% | 7.0% | |
| Built environment operations | 151.6 | 198.8 | 207.5 | 330.5 | 29.7% | 55.3% | 300.5 | 314.6 | 329.1 | -0.1% | 58.8% | |
| Total | 294.3 | 369.9 | 377.0 | 541.0 | 22.5% | 100.0% | 518.1 | 541.9 | 566.8 | 1.6% | 100.0% | |

Statement of financial performance

Table 33.22 Housing Development Agency statements of financial performance

| Statement of financial performance | | | | | | | | | | | Average: Expenditure/ Total (%) | Average: Expenditure/ Total (%) |
|--|-----------------|--------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|-------------------|-------------------------|---------------------------------|---------------------------------|
| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) | |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2020/21 - 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 - 2026/27 | 2023/24 - 2026/27 | | |
| Revenue | | | | | | | | | | | | |
| Non-tax revenue | 170.4 | 155.7 | 233.6 | 297.3 | 20.4% | 46.5% | 263.5 | 275.9 | 288.6 | -1.0% | 51.9% | |
| Sale of goods and services other than capital assets of which: | 120.7 | 146.9 | 216.8 | 274.9 | 31.6% | 40.9% | 257.5 | 269.6 | 282.0 | 0.9% | 50.0% | |
| Administrative fees | 13.5 | 37.8 | 50.9 | 50.6 | 55.2% | 8.3% | 52.6 | 55.1 | 57.6 | 4.5% | 10.0% | |
| Management fees | 13.5 | 37.8 | 50.9 | 50.6 | 55.2% | 8.3% | 52.6 | 55.1 | 57.6 | 4.5% | 10.0% | |
| Sales by market establishments | 107.2 | 109.1 | 165.9 | 224.3 | 27.9% | 32.7% | 204.9 | 214.5 | 224.4 | - | 40.1% | |
| Provincial projects | 107.2 | 109.1 | 165.9 | 224.3 | 27.9% | 32.7% | 204.9 | 214.5 | 224.4 | - | 40.1% | |
| Other non-tax revenue | 49.7 | 8.8 | 16.8 | 22.4 | -23.3% | 5.6% | 6.0 | 6.3 | 6.6 | -33.6% | 1.9% | |
| Transfers received | 233.6 | 235.4 | 242.7 | 243.6 | 1.4% | 53.5% | 254.6 | 266.0 | 278.2 | 4.5% | 48.1% | |
| Total revenue | 404.0 | 391.1 | 476.3 | 541.0 | 10.2% | 100.0% | 518.1 | 541.9 | 566.8 | 1.6% | 100.0% | |
| Expenses | | | | | | | | | | | | |
| Current expenses | 294.3 | 369.9 | 377.0 | 541.0 | 22.5% | 100.0% | 518.1 | 541.9 | 566.8 | 1.6% | 100.0% | |
| Compensation of employees | 164.6 | 172.4 | 172.9 | 262.0 | 16.8% | 49.2% | 282.8 | 296.1 | 309.7 | 5.7% | 53.1% | |
| Goods and services | 126.4 | 194.7 | 197.6 | 276.6 | 29.8% | 49.8% | 234.4 | 244.9 | 256.1 | -2.5% | 46.7% | |
| Depreciation | 3.2 | 2.8 | 6.4 | 2.3 | -10.3% | 1.0% | 0.9 | 1.0 | 1.0 | -24.2% | 0.2% | |
| Total expenses | 294.3 | 369.9 | 377.0 | 541.0 | 22.5% | 100.0% | 518.1 | 541.9 | 566.8 | 1.6% | 100.0% | |
| Surplus/(Deficit) | 109.7 | 21.2 | 99.4 | - | -100.0% | - | - | - | - | - | - | |

Personnel information

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

| Number of posts estimated for 31 March 2024 | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: salary level/ Total (%) | | |
|---|--|----------------------------------|---------|---------|-----|------------------|-------|---------|----------------------------------|---------|-----|---------|-------|-------------------|-----|--|----------------------------------|------|--------|
| | Number of approved funded posts | Number of posts on establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | | | 2022/23 | 2023/24 | | 2023/24 | | 2024/25 | | 2025/26 | | 2026/27 | | 2023/24 - 2026/27 | | | | | |
| Housing Development Agency | 266 | 266 | 206 | 172.9 | 0.8 | 266 | 262.0 | 1.0 | 265 | 282.8 | 1.1 | 265 | 296.1 | 1.1 | 265 | 309.7 | 1.2 | 5.7% | 100.0% |
| Salary level | | | | | | | | | | | | | | | | | | | |
| 1 – 6 | 6 | 6 | 6 | 1.3 | 0.2 | 6 | 2.0 | 0.3 | 6 | 2.1 | 0.4 | 6 | 2.2 | 0.4 | 6 | 2.3 | 0.4 | 5.1% | 2.3% |
| 7 – 10 | 122 | 122 | 105 | 59.1 | 0.6 | 122 | 81.3 | 0.7 | 121 | 87.0 | 0.7 | 121 | 91.1 | 0.8 | 121 | 95.3 | 0.8 | 5.4% | 45.7% |
| 11 – 12 | 58 | 58 | 48 | 45.1 | 0.9 | 58 | 55.1 | 0.9 | 59 | 64.5 | 1.1 | 59 | 67.6 | 1.1 | 59 | 70.7 | 1.2 | 8.7% | 22.1% |
| 13 – 16 | 75 | 75 | 43 | 59.2 | 1.4 | 75 | 109.1 | 1.5 | 74 | 114.3 | 1.5 | 74 | 119.6 | 1.6 | 74 | 125.1 | 1.7 | 4.6% | 28.0% |
| 17 – 22 | 5 | 5 | 4 | 8.1 | 2.0 | 5 | 14.5 | 2.9 | 5 | 14.8 | 3.0 | 5 | 15.5 | 3.1 | 5 | 16.2 | 3.2 | 3.9% | 1.9% |

1. Rand million.

National Home Builders Registration Council

Selected performance indicators

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|------------------------------|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Number of new home builders registered per year | Regulation | Priority 5: Spatial integration, human settlements and local government | 2 802 | 3 595 | 3 535 | 3 400 | 3 502 | 3 670 | 3 780 |
| Number of home builder registration renewals per year | Regulation | | 13 773 | 14 395 | 14 080 | 15 950 | 15 950 | 16 428 | 16 920 |
| Number of home builders trained per year | Regulation | | 2 823 | 2 664 | 2 045 | 2 300 | 2 500 | 2 800 | 3 000 |

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|------------------------------|--|---------------------|----------------|---------------|-----------------------|--------------|---------|---------|
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Number of home inspectors trained per year | Regulation | Priority 5: Spatial integration, human settlements and local government | 733 | 801 | 933 | 750 | 800 | 850 | 900 |
| Number of inspections in the subsidy sector per year | Protection | | 23 231 | 23 631 | 24 038 | 28 000 | 29 000 | 29 600 | 30 170 |
| Number of inspections in the non-subsidy sector per year | Protection | | 24 501 | 28 079 | 32 180 | 28 000 | 31 400 | 32 030 | 32 670 |
| Percentage of home enrolment applications approved in the subsidy sector per year | Regulation | | - ¹ | - ¹ | 100% (29 247) | 100% | 100% | 100% | 100% |
| Percentage of home enrolment applications approved in the non-subsidy sector per year | Regulation | | - ¹ | - ¹ | 100% (49 833) | 100% | 100% | 100% | 100% |

1. No historical data available.

Entity overview

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

The council's strategic focus over the medium term is on strengthening its regulatory function by registering 10 952 new home builders and renewing the registration status of 49 298 home builders. To enforce compliance with technical building standards, the council plans to conduct 88 770 inspections on all registered homes in the subsidy sector, and 96 100 inspections on all registered homes in the non-subsidy sector.

Due to the labour-intensive nature of the council's work, compensation of employees accounts for an estimated 66.6 per cent (R2 billion) of total expenditure over the MTEF period, increasing at an average annual rate of 3 per cent, from R622.5 million in 2023/24 to R680.2 million in 2026/27. To contain expenditure on compensation of employees, the council will maintain its number of personnel at 610 over the medium term. Total expenditure is also expected to increase at an average annual rate of 3 per cent, from R934.5 million in 2023/24 to R1 billion in 2026/27.

The entity derives its revenue through fees for home enrolment, registrations and renewals; fees for technical services; and interest and dividends earned on the warranty fund. Revenue is expected to increase at an average annual rate of 3.6 per cent, from R1.5 billion in 2023/24 to R1.6 billion in 2026/27, mainly due to a projected steady increase in building activity in the non-subsidy sector.

Programmes/Objectives/Activities

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

| R million | Audited outcome | | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|----------------|-----------------|----------------|----------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|----------------|-------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | | | | 2024/25 | 2025/26 | 2026/27 | | |
| Administration | 313.5 | 603.5 | 973.0 | 333.5 | 2.1% | 48.2% | 343.5 | 353.8 | 364.4 | 3.0% | 35.7% | |
| Regulation | 289.4 | 295.3 | 374.1 | 349.3 | 6.5% | 31.3% | 359.7 | 370.5 | 381.6 | 3.0% | 37.4% | |
| Protection | 179.2 | 190.4 | 235.2 | 251.8 | 12.0% | 20.5% | 259.3 | 267.1 | 275.1 | 3.0% | 26.9% | |
| Total | 782.0 | 1 089.2 | 1 582.3 | 934.5 | 6.1% | 100.0% | 962.6 | 991.5 | 1 021.2 | 3.0% | 100.0% | |

Statements of financial performance, cash flow and financial position

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

| Statement of financial performance | | | | | | | | | | | | |
|---|-----------------|----------------|----------------|-----------------|-------------------|-------------------------|---------------------------------|----------------------------------|-------------------|-------------|-------------------------|---------------------------------|
| R million | Audited outcome | | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2020/21 - 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 - 2026/27 | | | |
| Revenue | | | | | | | | | | | | |
| Non-tax revenue | 1 518.8 | 2 373.3 | 1 978.6 | 1 451.1 | -1.5% | 100.0% | 1 494.6 | 1 539.4 | 1 611.8 | 3.6% | 100.0% | |
| Sale of goods and services other than capital assets | 649.2 | 1 454.7 | 794.3 | 945.1 | 13.3% | 52.3% | 973.4 | 1 002.6 | 1 049.7 | 3.6% | 65.1% | |
| <i>of which:</i> | | | | | | | | | | | | |
| <i>Sales by market establishments</i> | 620.2 | 1 418.2 | 727.7 | 911.6 | 13.7% | 50.0% | 938.9 | 967.1 | 1 012.5 | 3.6% | 62.8% | |
| <i>Insurance premium revenue</i> | 562.6 | 1 354.0 | 644.6 | 824.7 | 13.6% | 45.9% | 849.5 | 875.0 | 916.1 | 3.6% | 56.8% | |
| <i>Fee revenue</i> | 52.5 | 59.2 | 73.0 | 74.8 | 12.5% | 3.7% | 77.1 | 79.4 | 83.1 | 3.6% | 5.2% | |
| <i>Technical services revenue</i> | 5.1 | 5.0 | 10.1 | 12.0 | 32.8% | 0.5% | 12.4 | 12.7 | 13.3 | 3.6% | 0.8% | |
| Other sales | 29.0 | 36.5 | 66.7 | 33.5 | 5.0% | 2.3% | 34.5 | 35.5 | 37.2 | 3.6% | 2.3% | |
| Other non-tax revenue | 869.6 | 918.6 | 1 184.2 | 506.0 | -16.5% | 47.7% | 521.2 | 536.8 | 562.0 | 3.6% | 34.9% | |
| Total revenue | 1 518.8 | 2 373.3 | 1 978.6 | 1 451.1 | -1.5% | 100.0% | 1 494.6 | 1 539.4 | 1 611.8 | 3.6% | 100.0% | |
| Expenses | | | | | | | | | | | | |
| Current expenses | 782.0 | 1 089.2 | 1 582.3 | 934.5 | 6.1% | 100.0% | 962.6 | 991.5 | 1 021.2 | 3.0% | 100.0% | |
| Compensation of employees | 483.7 | 556.9 | 581.1 | 622.5 | 8.8% | 54.1% | 641.2 | 660.4 | 680.2 | 3.0% | 66.6% | |
| Goods and services | 276.3 | 510.1 | 978.1 | 289.7 | 1.6% | 43.7% | 298.4 | 307.4 | 316.6 | 3.0% | 31.0% | |
| Depreciation | 22.0 | 22.2 | 23.2 | 22.3 | 0.5% | 2.2% | 23.0 | 23.7 | 24.4 | 3.0% | 2.4% | |
| Interest, dividends and rent on land | - | - | 0.0 | - | - | - | - | - | - | - | - | |
| Total expenses | 782.0 | 1 089.2 | 1 582.3 | 934.5 | 6.1% | 100.0% | 962.6 | 991.5 | 1 021.2 | 3.0% | 100.0% | |
| Surplus/(Deficit) | 736.8 | 1 284.1 | 396.2 | 516.5 | -11.2% | | 532.0 | 548.0 | 590.6 | 4.6% | | |
| Cash flow statement | | | | | | | | | | | | |
| Cash flow from operating activities | 4.6 | 132.0 | (0.2) | 19.4 | 62.0% | 100.0% | 19.9 | 20.3 | 21.0 | 2.6% | 100.0% | |
| Receipts | | | | | | | | | | | | |
| Non-tax receipts | 709.7 | 857.2 | 876.7 | 945.1 | 10.0% | 100.0% | 973.3 | 1 002.4 | 1 032.5 | 3.0% | 100.0% | |
| Sales of goods and services other than capital assets | 692.7 | 829.6 | 833.7 | 915.1 | 9.7% | 96.6% | 942.4 | 970.6 | 999.7 | 3.0% | 96.8% | |
| <i>of which:</i> | | | | | | | | | | | | |
| <i>Sales by market establishment</i> | 620.2 | 820.7 | 810.0 | 911.6 | 13.7% | 93.0% | 938.9 | 967.1 | 996.1 | 3.0% | 96.5% | |
| <i>Insurance premium revenue</i> | 562.6 | 756.5 | 726.9 | 824.7 | 13.6% | 84.4% | 849.5 | 875.0 | 901.2 | 3.0% | 87.3% | |
| <i>Fee revenue</i> | 52.5 | 59.2 | 73.0 | 74.8 | 12.5% | 7.6% | 77.1 | 79.4 | 81.8 | 3.0% | 7.9% | |
| <i>Technical services revenue</i> | 5.1 | 5.0 | 10.1 | 12.0 | 32.8% | 0.9% | 12.4 | 12.7 | 13.1 | 3.0% | 1.3% | |
| Other sales | 72.5 | 8.9 | 23.7 | 3.5 | -63.6% | 3.6% | 3.5 | 3.5 | 3.6 | 1.0% | 0.4% | |
| Other tax receipts | 17.0 | 27.7 | 43.0 | 30.0 | 20.8% | 3.4% | 30.9 | 31.8 | 32.8 | 3.0% | 3.2% | |
| Total receipts | 709.7 | 857.2 | 876.7 | 945.1 | 10.0% | 100.0% | 973.3 | 1 002.4 | 1 032.5 | 3.0% | 100.0% | |
| Payment | | | | | | | | | | | | |
| Current payments | 697.2 | 715.9 | 855.8 | 925.7 | 9.9% | 98.8% | 953.5 | 982.1 | 1 011.5 | 3.0% | 100.0% | |
| Compensation of employees | 483.7 | 556.9 | 581.1 | 622.5 | 8.8% | 69.7% | 641.2 | 660.4 | 680.2 | 3.0% | 67.2% | |
| Goods and services | 213.5 | 159.1 | 274.8 | 303.2 | 12.4% | 29.1% | 312.3 | 321.6 | 331.3 | 3.0% | 32.8% | |
| Interest and rent on land | - | - | 0.0 | - | - | - | - | - | - | - | - | |
| Payments for financial assets | 8.0 | 9.2 | 21.1 | - | -100.0% | 1.2% | - | - | - | - | - | |
| Total payments | 705.2 | 725.2 | 876.9 | 925.7 | 9.5% | 100.0% | 953.5 | 982.1 | 1 011.5 | 3.0% | 100.0% | |
| Net cash flow from investing activities | 85.7 | (9.7) | (47.7) | 259.6 | 44.7% | 100.0% | 270.0 | 270.0 | 278.1 | 2.3% | 100.0% | |
| Acquisition of property, plant, equipment and intangible assets | (7.9) | (1.8) | (13.6) | (8.4) | 1.8% | 8.5% | (8.7) | (8.7) | (9.0) | 2.3% | -3.2% | |
| Acquisition of software and other intangible assets | - | (5.4) | (0.1) | - | - | 13.8% | - | - | - | - | - | |
| Other flows from investing activities | 93.6 | (2.6) | (34.1) | 267.9 | 42.0% | 77.7% | 278.7 | 278.7 | 287.0 | 2.3% | 103.2% | |
| Net increase/(decrease) in cash and cash equivalents | 90.3 | 122.3 | (48.0) | 279.0 | 45.7% | 12.4% | 289.8 | 290.3 | 299.0 | 2.3% | 100.0% | |
| Statement of financial position | | | | | | | | | | | | |
| Carrying value of assets | 128.8 | 113.2 | 103.4 | 159.8 | 7.5% | 1.4% | 138.6 | 191.0 | 169.5 | 2.0% | 1.5% | |
| <i>of which:</i> | | | | | | | | | | | | |
| <i>Acquisition of assets</i> | (7.9) | (1.8) | (13.6) | (8.4) | 1.8% | 100.0% | (8.7) | (8.7) | (9.0) | 2.3% | 100.0% | |
| Investments | 7 356.0 | 8 319.0 | 8 799.8 | 9 225.8 | 7.8% | 90.4% | 9 760.1 | 10 440.1 | 10 753.3 | 5.2% | 90.8% | |
| Inventory | 9.5 | 7.8 | 6.6 | 5.3 | -17.8% | 0.1% | 3.8 | 2.3 | 2.4 | -23.5% | - | |
| Receivables and prepayments | 30.8 | 36.5 | 43.5 | 30.4 | -0.4% | 0.4% | 27.7 | 25.2 | 25.9 | -5.2% | 0.2% | |
| Cash and cash equivalents | 857.1 | 675.3 | 627.3 | 721.9 | -5.6% | 7.8% | 794.1 | 873.5 | 899.7 | 7.6% | 7.4% | |
| Total assets | 8 382.3 | 9 151.9 | 9 580.6 | 10 143.3 | 6.6% | 100.0% | 10 724.2 | 11 532.1 | 11 850.9 | 5.3% | 100.0% | |
| Accumulated surplus/(deficit) | 6 628.9 | 7 913.0 | 8 309.2 | 8 825.7 | 10.0% | 84.8% | 9 357.8 | 9 905.8 | 10 496.4 | 5.9% | 87.2% | |
| Capital and reserves | 3.7 | 3.7 | 3.7 | 1.1 | -33.4% | - | 29.7 | 26.9 | 27.7 | 194.7% | 0.2% | |
| Trade and other payables | 72.7 | 188.5 | 122.5 | 149.5 | 27.2% | 1.4% | 92.5 | 92.5 | 95.3 | -13.9% | 1.0% | |
| Provisions | 1 627.3 | 992.4 | 1 099.3 | 1 122.1 | -11.7% | 13.2% | 1 203.4 | 1 469.9 | 1 193.4 | 2.1% | 11.3% | |
| Derivatives financial instruments | 49.7 | 54.3 | 45.9 | 44.9 | -3.4% | 0.5% | 40.8 | 37.1 | 38.2 | -5.2% | 0.4% | |
| Total equity and liabilities | 8 382.3 | 9 151.9 | 9 580.6 | 10 143.3 | 6.6% | 100.0% | 10 724.2 | 11 532.1 | 11 850.9 | 5.3% | 100.0% | |

Personnel information

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

| Number of posts estimated for 31 March 2024 | | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average salary level/ Total (%) |
|---|----------------------------------|---|--|-------|-----------|------------------|-------|-----------|----------------------------------|-------|-----------|---------|-------|-----------|---------|-------|-----------|--|---------------------------------|
| Number of funded posts | Number of approved establishment | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | | | 2022/23 | | | 2023/24 | | | 2024/25 | | | 2025/26 | | | 2026/27 | | | | |
| | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | 2023/24 - 2026/27 | |
| National Home Builders Registration Council | | | 610 | 581.1 | 1.0 | 610 | 622.5 | 1.0 | 610 | 641.2 | 1.1 | 610 | 660.4 | 1.1 | 610 | 680.2 | 1.1 | - | 100.0% |
| Salary level | 610 | 610 | 610 | 581.1 | 1.0 | 610 | 622.5 | 1.0 | 610 | 641.2 | 1.1 | 610 | 660.4 | 1.1 | 610 | 680.2 | 1.1 | - | 100.0% |
| 1 – 6 | 29 | 29 | 29 | 4.2 | 0.1 | 29 | 4.5 | 0.2 | 29 | 4.6 | 0.2 | 29 | 4.7 | 0.2 | 29 | 4.9 | 0.2 | - | 4.8% |
| 7 – 10 | 320 | 320 | 320 | 214.8 | 0.7 | 320 | 230.1 | 0.7 | 320 | 237.0 | 0.7 | 320 | 244.1 | 0.8 | 320 | 251.4 | 0.8 | - | 52.5% |
| 11 – 12 | 137 | 137 | 137 | 155.2 | 1.1 | 137 | 168.3 | 1.2 | 140 | 171.3 | 1.2 | 140 | 176.4 | 1.3 | 140 | 181.7 | 1.3 | 0.7% | 22.8% |
| 13 – 16 | 119 | 119 | 119 | 188.6 | 1.6 | 119 | 202.1 | 1.7 | 116 | 208.1 | 1.8 | 116 | 214.4 | 1.8 | 116 | 220.8 | 1.9 | -0.8% | 19.1% |
| 17 – 22 | 5 | 5 | 5 | 18.3 | 3.7 | 5 | 17.6 | 3.5 | 5 | 20.2 | 4.0 | 5 | 20.8 | 4.2 | 5 | 21.4 | 4.3 | - | 0.8% |

1. Rand million.

National Housing Finance Corporation

Selected performance indicators

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|---|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Value of approvals per year | Subsidy housing | Priority 5: Spatial integration, human settlements and local government | R98m | R114m | R29m | R45m | R52m | R85m | R126m |
| Value of disbursements for social housing per year | Social and rental housing finance | | R89m | R70m | R152m | R26m | R14m | R75m | R180m |
| Value of approvals for social housing per year | Social and rental housing finance | | R219m | R216m | R74m | R164m | R189m | R217m | R260m |
| Value of approvals for private rental per year | Social and rental housing finance | | R43m | R173m | R206m | R160m | R184m | R212m | R254m |
| Number of subsidy applications received and captured per year | Grant facilitation: Finance-linked individual subsidy programme | | 2 411 | 3 632 | 4 640 | 5 028 | 4 437 | 4 630 | 4 840 |
| Number of subsidy applications approved per year | Grant facilitation: Finance-linked individual subsidy programme | | 2 120 | 2 935 | 4 283 | 4 641 | 4 096 | 4 274 | 4 468 |
| Number of subsidies disbursed per year | Grant facilitation: Finance-linked individual subsidy programme | | 1 136 | 3 268 | 4 107 | 3 713 | 3 277 | 3 419 | 3 574 |
| Value of funds leveraged from financial institutions per year | Grant facilitation: Finance-linked individual subsidy programme | R1bn | R1.5bn | R2.3bn | R1.8bn | R1.6bn | R1.6bn | R1.7bn | |

Entity overview

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

Over the medium term, the corporation will continue to focus on increasing access to affordable housing finance to intermediaries such as social housing institutions, retail financial intermediaries that provide micro loans for home improvements, and developers and emerging contractors who invest in affordable rental housing stock. It also plans to extend partnerships with financial institutions and non-traditional lenders to create differentiated loan products to expand the reach of affordable housing finance to different segments within the affordable rental market. As the corporation leverages more funds from the private sector, it expects to increase its loan book from R4 billion in 2023/24 to R4.2 billion in 2026/27.

To further increase access to affordable housing finance, the department has revised the finance-linked individual subsidy programme policy to extend to non-mortgage housing products. The subsidy now applies to housing finance alternatives such as: unsecured loans through retail intermediaries, loans from community-based schemes, rent-to-buy options and the augmentation of personal savings to purchase non-bonded homes. As such, the corporation expects to disburse a targeted 10 270 subsidies to first-time home buyers over the MTEF period. This subsidy has a total allocation of R1.3 billion over the period ahead, comprising an estimated 39 per cent of the corporation's budget. Total expenditure is expected to increase nominally, at an average annual rate of 0.2 per cent.

The corporation expects to derive 62.5 per cent (R2.2 billion) of its revenue over the MTEF period through transfers from the department and interest on loans. It will derive the remainder of its revenue through income from its controlled entities (the corporation's subsidiaries), rental properties and management fees. Total revenue is expected to decrease nominally, at an average annual rate of 0.1 per cent.

Programmes/Objectives/Activities

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

| R million | Audited outcome | | | Revised estimate 2023/24 | Average growth rate (%) 2020/21 - 2023/24 | Average: Expenditure/Total (%) 2020/21 - 2023/24 | Medium-term expenditure estimate | | | Average growth rate (%) 2023/24 - 2026/27 | Average: Expenditure/Total (%) 2023/24 - 2026/27 |
|---|-----------------|----------------|----------------|-----------------------------|--|---|----------------------------------|----------------|----------------|--|---|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2024/25 | 2025/26 | 2026/27 | | |
| Administration | 179.8 | 209.5 | 206.4 | 244.5 | 10.8% | 19.9% | 379.2 | 336.1 | 308.2 | 8.0% | 28.4% |
| Programme management | 31.2 | 48.3 | 66.8 | 66.5 | 28.7% | 4.9% | 75.2 | 69.9 | 68.6 | 1.1% | 6.3% |
| Subsidy housing | 146.7 | 2.8 | 3.8 | 5.3 | -66.9% | 4.6% | 7.2 | 6.9 | 6.4 | 6.1% | 0.6% |
| Social and rental housing finance | 107.0 | 273.7 | 196.0 | 54.4 | -20.2% | 14.6% | 83.9 | 83.4 | 73.9 | 10.8% | 6.6% |
| Grant facilitation: Finance-linked individual subsidy programme | 67.1 | 341.8 | 384.9 | 491.0 | 94.2% | 29.0% | 431.5 | 442.5 | 459.9 | -2.2% | 41.0% |
| Affordable housing finance | 317.2 | 249.7 | 336.8 | 221.1 | -11.3% | 27.0% | 185.5 | 181.6 | 172.0 | -8.0% | 17.1% |
| Total | 849.0 | 1 125.8 | 1 194.7 | 1 082.7 | 8.4% | 100.0% | 1 162.6 | 1 120.4 | 1 089.0 | 0.2% | 100.0% |

Statement of financial performance

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

| Statement of financial performance | | | | | | | | | | | |
|---|-----------------|----------------|----------------|-----------------------------|--|---|----------------------------------|----------------|----------------|--|---|
| R million | Audited outcome | | | Revised estimate 2023/24 | Average growth rate (%) 2020/21 - 2023/24 | Average: Expenditure/Total (%) 2020/21 - 2023/24 | Medium-term expenditure estimate | | | Average growth rate (%) 2023/24 - 2026/27 | Average: Expenditure/Total (%) 2023/24 - 2026/27 |
| | 2020/21 | 2021/22 | 2022/23 | | | | 2024/25 | 2025/26 | 2026/27 | | |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 575.8 | 718.7 | 896.4 | 746.7 | 9.1% | 57.5% | 823.8 | 764.3 | 759.0 | 0.5% | 62.9% |
| Sale of goods and services other than capital assets | 476.7 | 644.4 | 766.2 | 613.0 | 8.7% | 49.0% | 657.8 | 617.1 | 612.5 | - | 50.9% |
| of which: | | | | | | | | | | | |
| Administrative fees | 1.8 | 1.9 | 2.1 | - | -100.0% | 0.1% | - | - | - | - | - |
| Levies from property sales transactions | 1.8 | 1.9 | 2.1 | - | -100.0% | 0.1% | - | - | - | - | - |
| Sales by market establishments | 474.9 | 642.5 | 764.1 | 613.0 | 8.9% | 48.9% | 657.8 | 617.1 | 612.5 | - | 50.9% |
| Sale of houses | 28.7 | 2.6 | 0.2 | - | -100.0% | 0.6% | - | - | - | - | - |
| Interest on advances | 232.4 | 379.9 | 468.0 | 344.5 | 14.0% | 27.8% | 336.4 | 297.9 | 277.3 | -7.0% | 25.5% |
| Rental income, management fees, fees on loans for construction projects | 44.9 | 92.9 | 94.1 | 32.9 | -9.9% | 5.2% | 78.5 | 73.8 | 77.5 | 33.1% | 5.4% |
| Revenue from controlled entities | 168.9 | 167.0 | 201.8 | 235.7 | 11.7% | 15.2% | 242.8 | 245.5 | 257.7 | 3.0% | 20.0% |
| Other non-tax revenue | 99.1 | 74.3 | 130.2 | 133.7 | 10.5% | 8.6% | 166.0 | 147.2 | 146.5 | 3.1% | 12.1% |
| Transfers received | 649.7 | 479.8 | 520.1 | 474.5 | -9.9% | 42.2% | 421.9 | 440.3 | 460.2 | -1.0% | 36.8% |
| Total revenue | 1 225.4 | 1 198.6 | 1 416.5 | 1 221.1 | -0.1% | 100.0% | 1 245.7 | 1 204.6 | 1 219.2 | -0.1% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 488.0 | 794.3 | 818.1 | 608.3 | 7.6% | 63.2% | 761.2 | 701.5 | 651.1 | 2.3% | 61.0% |
| Compensation of employees | 145.8 | 147.0 | 123.9 | 179.1 | 7.1% | 14.3% | 250.1 | 246.1 | 230.0 | 8.7% | 20.3% |
| Goods and services | 236.2 | 392.1 | 411.3 | 277.0 | 5.5% | 30.7% | 343.0 | 277.9 | 260.4 | -2.0% | 26.0% |
| Depreciation | 1.5 | 2.6 | 2.4 | 2.3 | 16.0% | 0.2% | 22.3 | 32.0 | 24.7 | 119.6% | 1.8% |
| Interest, dividends and rent on land | 104.5 | 252.6 | 280.5 | 149.8 | 12.8% | 18.0% | 145.8 | 145.5 | 136.1 | -3.2% | 13.0% |
| Transfers and subsidies | 361.0 | 331.5 | 376.6 | 474.5 | 9.5% | 36.8% | 401.4 | 418.9 | 437.9 | -2.6% | 39.0% |
| Total expenses | 849.0 | 1 125.8 | 1 194.7 | 1 082.7 | 8.4% | 100.0% | 1 162.6 | 1 120.4 | 1 089.0 | 0.2% | 100.0% |
| Surplus/(Deficit) | 376.4 | 72.7 | 221.8 | 138.4 | -28.4% | | 83.1 | 84.1 | 130.2 | -2.0% | |

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

| Cash flow statement | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--|-----------------|----------------|----------------|------------------|-------------------------|---------------------------------|----------------------------------|----------------|----------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R million | | | | | | | | | | | |
| Cash flow from operating activities | 825.8 | (130.5) | 251.0 | 284.1 | -29.9% | 100.0% | 174.0 | 181.9 | 209.3 | -9.7% | 100.0% |
| Receipts | | | | | | | | | | | |
| Non-tax receipts | 546.3 | 531.3 | 657.4 | 760.3 | 11.6% | 53.3% | 800.8 | 740.2 | 733.7 | -1.2% | 61.5% |
| Sales of goods and services other than capital assets | 476.7 | 475.8 | 576.0 | 655.0 | 11.2% | 46.7% | 657.8 | 617.1 | 612.5 | -2.2% | 51.5% |
| of which: | | | | | | | | | | | |
| Administrative fees | 1.8 | 1.9 | 2.1 | – | -100.0% | 0.1% | – | – | – | – | – |
| Levies from property sales transactions | 1.8 | 1.9 | 2.1 | – | -100.0% | 0.1% | – | – | – | – | – |
| Sales by market establishment | 474.9 | 473.9 | 573.9 | 655.0 | 11.3% | 46.5% | 657.8 | 617.1 | 612.5 | -2.2% | 51.5% |
| Sale of houses | 28.7 | 2.6 | 0.2 | – | -100.0% | 0.7% | – | – | – | – | – |
| Interest on advances | 232.4 | 210.3 | 266.3 | 344.5 | 14.0% | 22.4% | 336.4 | 297.9 | 277.3 | -7.0% | 25.4% |
| Rental income, management fees, fees on loans for construction projects | 44.9 | 93.9 | 105.7 | 32.9 | -9.9% | 6.1% | 78.5 | 73.8 | 77.5 | 33.1% | 5.3% |
| Revenue from controlled entities | 168.9 | 167.0 | 201.8 | 235.7 | 11.7% | 16.5% | 242.8 | 245.5 | 257.7 | 3.0% | 19.9% |
| Other tax receipts | 69.6 | 55.5 | 81.4 | 105.2 | 14.8% | 6.6% | 143.0 | 123.1 | 121.2 | 4.8% | 10.0% |
| Transfers received | 649.7 | 479.8 | 497.5 | 474.5 | -9.9% | 45.1% | 421.9 | 440.3 | 460.2 | -1.0% | 36.4% |
| Financial transactions in assets and liabilities | 16.8 | 12.5 | 20.1 | 28.4 | 19.1% | 1.6% | 23.0 | 24.1 | 25.3 | -3.8% | 2.0% |
| Total receipts | 1 212.8 | 1 023.7 | 1 175.1 | 1 263.1 | 1.4% | 100.0% | 1 245.7 | 1 204.6 | 1 219.2 | -1.2% | 100.0% |
| Payment | | | | | | | | | | | |
| Current payments | 326.0 | 392.6 | 445.1 | 529.6 | 17.6% | 55.1% | 670.3 | 603.8 | 572.1 | 2.6% | 58.1% |
| Compensation of employees | 139.1 | 145.8 | 143.0 | 179.1 | 8.8% | 20.6% | 250.1 | 246.1 | 230.0 | 8.7% | 22.1% |
| Goods and services | 82.4 | 147.5 | 173.3 | 200.7 | 34.5% | 18.3% | 274.3 | 212.2 | 206.0 | 0.9% | 21.8% |
| Interest and rent on land | 104.5 | 99.4 | 128.7 | 149.8 | 12.8% | 16.2% | 145.8 | 145.5 | 136.1 | -3.2% | 14.2% |
| Transfers and subsidies | 61.0 | 173.0 | 221.0 | 449.5 | 94.6% | 25.1% | 401.4 | 418.9 | 437.9 | -0.9% | 41.9% |
| Payments for financial assets | – | 588.6 | 258.0 | – | – | 19.7% | – | – | – | – | – |
| Total payments | 387.0 | 1 154.2 | 924.0 | 979.0 | 36.3% | 100.0% | 1 071.7 | 1 022.7 | 1 009.9 | 1.0% | 100.0% |
| Net cash flow from advancing activities (financial institutions only) | (226.0) | (673.0) | (123.0) | 499.0 | -230.2% | 100.0% | 433.0 | 219.0 | 177.0 | -29.2% | 100.0% |
| Disbursements and other payments | (710.0) | (1 016.5) | (780.8) | (345.0) | -21.4% | 257.7% | (368.0) | (433.0) | (471.0) | 10.9% | -154.5% |
| Repayments and other receipts | 484.0 | 343.5 | 657.7 | 844.0 | 20.4% | -157.7% | 801.0 | 652.0 | 648.0 | -8.4% | 254.5% |
| Net cash flow from investing activities | 634.2 | 937.7 | 33.1 | 21.0 | -67.9% | 100.0% | (31.0) | (14.0) | (18.0) | -195.0% | 100.0% |
| Acquisition of property, plant, equipment and intangible assets | (1.2) | (2.1) | (1.1) | – | -100.0% | -0.9% | (2.0) | (1.5) | (1.5) | – | 6.4% |
| Acquisition of software and other intangible assets | (2.5) | – | – | – | -100.0% | -0.1% | (101.0) | (12.5) | (16.5) | – | 126.7% |
| Proceeds from the sale of property, plant, equipment and intangible assets | 0.8 | – | 0.1 | – | -100.0% | 0.1% | 72.0 | – | – | – | -58.1% |
| Other flows from investing activities | 637.1 | 939.9 | 34.0 | 21.0 | -67.9% | 100.9% | – | – | – | -100.0% | 25.0% |
| Net cash flow from financing activities | 462.4 | 264.5 | 182.7 | (947.7) | -227.0% | 100.0% | (399.8) | (359.9) | (427.4) | -23.3% | 100.0% |
| Borrowing activities | (105.7) | (51.1) | (33.6) | (44.0) | -25.3% | -14.0% | (41.0) | (23.0) | (7.0) | -45.8% | 5.7% |
| Other flows from financing activities | 568.2 | 315.6 | 216.4 | (903.7) | -216.7% | 114.0% | (358.8) | (336.9) | (420.4) | -22.5% | 94.3% |
| Net increase/(decrease) in cash and cash equivalents | 1 696.4 | 398.8 | 343.8 | (143.5) | -143.9% | 62.7% | 176.2 | 27.0 | (59.1) | -25.6% | 100.0% |
| Statement of financial position | | | | | | | | | | | |
| Carrying value of assets | 85.8 | 63.0 | 85.8 | 155.9 | 22.0% | 1.3% | 98.0 | 79.7 | 72.6 | -22.5% | 1.3% |
| of which: | | | | | | | | | | | |
| Acquisition of assets | (1.2) | (2.1) | (1.1) | – | -100.0% | – | (2.0) | (1.5) | (1.5) | – | – |
| Investments | 1 266.2 | 1 161.2 | 1 139.8 | 1 214.0 | -1.4% | 16.3% | 1 232.3 | 1 250.5 | 1 265.5 | 1.4% | 16.3% |
| Inventory | 11.3 | 11.2 | – | – | -100.0% | 0.1% | – | – | – | – | – |
| Loans | 3 952.2 | 4 080.6 | 4 183.1 | 4 046.6 | 0.8% | 55.5% | 3 944.5 | 4 055.5 | 4 211.1 | 1.3% | 53.3% |
| Receivables and prepayments | 50.4 | 39.9 | 49.6 | 23.4 | -22.6% | 0.6% | 23.4 | 23.4 | 23.4 | – | 0.3% |
| Cash and cash equivalents | 1 463.4 | 1 862.2 | 2 206.0 | 2 062.5 | 12.1% | 25.8% | 2 238.7 | 2 265.7 | 2 206.6 | 2.3% | 28.8% |
| Taxation | 37.3 | 38.0 | 65.6 | – | -100.0% | 0.5% | – | – | – | – | – |
| Total assets | 6 866.6 | 7 256.1 | 7 730.0 | 7 502.4 | 3.0% | 100.0% | 7 537.0 | 7 675.0 | 7 779.2 | 1.2% | 100.0% |
| Accumulated surplus/(deficit) | 1 988.2 | 2 085.0 | 2 306.8 | 2 445.2 | 7.1% | 30.0% | 2 507.9 | 2 570.6 | 2 678.5 | 3.1% | 33.4% |
| Capital and reserves | 1 069.4 | 1 069.4 | 1 069.4 | 1 069.4 | – | 14.6% | 1 069.4 | 1 069.4 | 1 069.4 | – | 14.0% |
| Capital reserve fund | 1 656.7 | 1 656.7 | 1 656.7 | 1 656.7 | – | 22.6% | 1 656.7 | 1 656.7 | 1 656.7 | – | 21.7% |
| Borrowings | 1 324.1 | 1 314.4 | 1 314.4 | 1 098.1 | -6.0% | 17.3% | 1 075.3 | 1 069.8 | 1 064.3 | -1.0% | 14.1% |
| Trade and other payables | 59.3 | 54.6 | 106.9 | 40.4 | -12.0% | 0.9% | 40.4 | 40.4 | 40.4 | – | 0.5% |
| Taxation | – | 0.6 | 2.7 | – | – | – | – | – | – | – | – |
| Provisions | 49.0 | 41.2 | 10.6 | 51.2 | 1.5% | 0.5% | 51.2 | 51.2 | 51.2 | – | 0.7% |
| Managed funds | 675.7 | 991.3 | 1 207.5 | 1 097.1 | 17.5% | 13.4% | 1 097.4 | 1 097.2 | 1 099.1 | 0.1% | 14.4% |
| Derivatives financial instruments | 44.2 | 43.0 | 55.0 | 44.2 | – | 0.6% | 38.6 | 119.6 | 119.6 | 39.4% | 1.0% |
| Total equity and liabilities | 6 866.6 | 7 256.1 | 7 730.0 | 7 502.4 | 3.0% | 100.0% | 7 537.0 | 7 675.0 | 7 779.2 | 1.2% | 100.0% |

Personnel information

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

| Number of posts estimated for 31 March 2024 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: salary level/ Total (%) | |
|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|---------|------|-----------|---------|------|-----------|--|----------------------------------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | |
| | | 2022/23 | | | 2023/24 | | | 2024/25 | | | 2025/26 | | | 2026/27 | | | 2023/24 - 2026/27 | | |
| 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 | 157 | 157 | 147 | 123.9 | 0.8 | 157 | 179.1 | 1.1 | 162 | 250.1 | 1.5 | 162 | 246.1 | 1.5 | 162 | 230.0 | 1.4 | 1.1% | 100.0% |
| 1 – 6 | 14 | 14 | 15 | 2.2 | 0.1 | 14 | 2.8 | 0.2 | 14 | 3.8 | 0.3 | 14 | 3.8 | 0.3 | 14 | 3.5 | 0.3 | – | 8.7% |
| 7 – 10 | 53 | 53 | 36 | 14.8 | 0.4 | 53 | 30.6 | 0.6 | 53 | 41.3 | 0.8 | 53 | 40.7 | 0.8 | 53 | 38.0 | 0.7 | – | 33.0% |
| 11 – 12 | 35 | 35 | 27 | 16.6 | 0.6 | 35 | 33.0 | 0.9 | 35 | 44.5 | 1.3 | 35 | 43.8 | 1.3 | 35 | 40.9 | 1.2 | – | 21.8% |
| 13 – 16 | 47 | 47 | 60 | 67.2 | 1.1 | 47 | 80.7 | 1.7 | 52 | 117.4 | 2.3 | 52 | 115.5 | 2.2 | 52 | 107.9 | 2.1 | 3.4% | 31.6% |
| 17 – 22 | 8 | 8 | 9 | 23.1 | 2.6 | 8 | 31.9 | 4.0 | 8 | 43.1 | 5.4 | 8 | 42.4 | 5.3 | 8 | 39.6 | 5.0 | – | 5.0% |

1. Rand million.

Property Practitioners Fidelity Fund

Entity overview

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

Expenditure is expected to increase at an average annual rate of 13.8 per cent, from R75.1 million in 2023/24 to R110.9 million in 2026/27, due to increased management fees as a result of the additional categories of real estate practitioners introduced in the Property Practitioners Act (2019). The fund derives its revenue through interest earned on trust accounts by property practitioners, and contributions from property practitioners. Revenue is expected to increase in line with expenditure.

Programmes/Objectives/Activities

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

| R million | Audited outcome | | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|----------------|-----------------|-------------|-------------|-------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | | | | 2024/25 | 2025/26 | 2026/27 | | |
| Administration | 70.5 | 71.4 | 58.5 | 75.1 | 2.2% | 100.0% | 101.5 | 106.1 | 110.9 | 13.8% | 100.0% | |
| Total | 70.5 | 71.4 | 58.5 | 75.1 | 2.2% | 100.0% | 101.5 | 106.1 | 110.9 | 13.8% | 100.0% | |

Statements of financial performance, cash flow and financial position

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

| Statement of financial performance | | | | Revised estimate | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
|---|----------------|---------------|---------------|------------------|-------------------------|---------------|----------------------------------|---------------|---------------|-------------------------|---------------|
| Audited outcome | | | 2023/24 | | 2020/21 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 | 2026/27 |
| R million | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2020/21 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 | 2026/27 |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 94.4 | 77.5 | 110.4 | 75.3 | -7.3% | 100.0% | 101.7 | 106.2 | 111.0 | 13.8% | 100.0% |
| Sale of goods and services other than capital assets | 94.4 | 34.6 | 26.5 | 46.2 | -21.2% | 57.5% | 37.0 | 38.7 | 40.4 | -4.4% | 42.6% |
| <i>of which:</i> | | | | | | | | | | | |
| Administrative fees | 57.7 | 34.6 | 26.5 | 46.2 | -7.1% | 47.8% | 37.0 | 38.7 | 40.4 | -4.4% | 42.6% |
| Interest on trust funds | 47.3 | 26.8 | 22.9 | 37.0 | -7.8% | 38.6% | 30.0 | 31.3 | 32.8 | -4.0% | 34.4% |
| Contribution from estate agents | 1.5 | 2.1 | 2.3 | 3.2 | 29.7% | 2.7% | 7.0 | 7.3 | 7.6 | 33.6% | 6.2% |
| Claims recoveries | 8.2 | 5.7 | 1.3 | 6.0 | -9.8% | 6.3% | - | - | - | -100.0% | 2.0% |
| Discretionary funded projects | 0.8 | - | - | - | -100.0% | 0.2% | - | - | - | - | - |
| Sales by market establishments | 36.7 | - | - | - | -100.0% | 9.7% | - | - | - | - | - |
| Fair value adjustment | 30.3 | - | - | - | -100.0% | 8.0% | - | - | - | - | - |
| Interest on investment | 6.3 | - | - | - | -100.0% | 1.7% | - | - | - | - | - |
| Other income | 0.0 | - | - | - | -100.0% | - | - | - | - | - | - |
| Other non-tax revenue | - | 42.9 | 83.9 | 29.1 | - | 42.5% | 64.7 | 67.6 | 70.6 | 34.4% | 57.4% |
| Total revenue | 94.4 | 77.5 | 110.4 | 75.3 | -7.3% | 100.0% | 101.7 | 106.2 | 111.0 | 13.8% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 70.5 | 71.4 | 58.5 | 75.1 | 2.2% | 100.0% | 101.5 | 106.1 | 110.9 | 13.8% | 100.0% |
| Goods and services | 70.5 | 71.4 | 58.5 | 75.1 | 2.2% | 100.0% | 101.5 | 106.1 | 110.9 | 13.8% | 100.0% |
| Total expenses | 70.5 | 71.4 | 58.5 | 75.1 | 2.2% | 100.0% | 101.5 | 106.1 | 110.9 | 13.8% | 100.0% |
| Surplus/(Deficit) | 24.0 | 6.1 | 51.9 | - | -100.0% | - | - | - | - | - | - |
| Cash flow statement | | | | | | | | | | | |
| Cash flow from operating activities | 19.3 | 18.7 | 51.1 | 4.2 | -40.0% | 100.0% | 9.1 | (25.8) | (27.0) | -286.3% | 100.0% |
| Receipts | | | | | | | | | | | |
| Non-tax receipts | 91.5 | 39.9 | 86.2 | 75.3 | -6.3% | 82.4% | 108.1 | 77.6 | 81.1 | 2.5% | 100.0% |
| Sales of goods and services other than capital assets | 91.5 | 34.6 | 26.5 | 46.2 | -20.3% | 57.5% | 43.4 | 45.5 | 47.6 | 1.0% | 54.7% |
| <i>of which:</i> | | | | | | | | | | | |
| Administrative fees | 89.0 | 34.6 | 26.5 | 46.2 | -19.6% | 56.8% | 43.4 | 45.5 | 47.6 | 1.0% | 54.7% |
| Interest on trust funds | 78.5 | 26.8 | 22.9 | 37.0 | -22.2% | 47.6% | 30.0 | 31.3 | 32.8 | -4.0% | 39.4% |
| Contribution from estate agents | 1.5 | 2.1 | 2.3 | 3.2 | 29.7% | 2.7% | 7.0 | 7.3 | 7.6 | 33.6% | 7.4% |
| Claims recoveries | 8.2 | 5.7 | 1.3 | 6.0 | -9.8% | 6.3% | 6.4 | 6.9 | 7.2 | 6.2% | 7.9% |
| Discretionary funded projects | 0.8 | - | - | - | -100.0% | 0.2% | - | - | - | - | - |
| Sales by market establishment | 2.4 | - | - | - | -100.0% | 0.7% | - | - | - | - | - |
| Interest on investment | 2.4 | - | - | - | -100.0% | 0.7% | - | - | - | - | - |
| Other income | 0.0 | - | - | - | -100.0% | - | - | - | - | - | - |
| Other tax receipts | - | 5.4 | 59.7 | 29.1 | - | 24.9% | 64.7 | 32.1 | 33.5 | 4.9% | 45.3% |
| Financial transactions in assets and liabilities | - | 37.5 | 24.2 | 0.0 | - | 17.6% | - | - | - | -100.0% | - |
| Total receipts | 91.5 | 77.5 | 110.4 | 75.3 | -6.3% | 100.0% | 108.1 | 77.6 | 81.1 | 2.5% | 100.0% |
| Payment | | | | | | | | | | | |
| Current payments | 72.1 | 58.8 | 59.3 | 71.2 | -0.5% | 100.0% | 99.0 | 103.4 | 108.1 | 14.9% | 100.0% |
| Goods and services | 72.1 | 58.8 | 59.3 | 71.2 | -0.5% | 100.0% | 99.0 | 103.4 | 108.1 | 14.9% | 100.0% |
| Total payments | 72.1 | 58.8 | 59.3 | 71.2 | -0.5% | 100.0% | 99.0 | 103.4 | 108.1 | 14.9% | 100.0% |
| Net cash flow from investing activities | (103.5) | (36.4) | 46.8 | (53.0) | -20.0% | 100.0% | (55.4) | (57.8) | (60.4) | 4.5% | 100.0% |
| Other flows from investing activities | (103.5) | (36.4) | 46.8 | (53.0) | -20.0% | 100.0% | (55.4) | (57.8) | (60.4) | 4.5% | 100.0% |
| Net cash flow from financing activities | (21.1) | 26.4 | (63.9) | 53.0 | -236.0% | 100.0% | 55.4 | 57.8 | 60.4 | 4.5% | 100.0% |
| Borrowing activities | (21.1) | 26.4 | (63.9) | 53.0 | -236.0% | 100.0% | 55.4 | 57.8 | 60.4 | 4.5% | 100.0% |
| Net increase/(decrease) in cash and cash equivalents | (105.3) | 8.7 | 34.0 | 4.2 | -134.1% | -18.4% | 9.1 | (25.8) | (27.0) | -286.3% | 100.0% |
| Statement of financial position | | | | | | | | | | | |
| Investments | 586.4 | 622.8 | 576.0 | 624.0 | 2.1% | 95.1% | 654.3 | 641.6 | 672.4 | 2.5% | 95.7% |
| Receivables and prepayments | 7.8 | 2.9 | 44.4 | 2.2 | -34.6% | 2.2% | 12.2 | 12.8 | 13.4 | 83.0% | 1.5% |
| Cash and cash equivalents | 23.2 | 8.7 | 34.0 | 3.2 | -48.5% | 2.7% | 25.0 | 26.1 | 25.4 | 100.0% | 2.9% |
| Total assets | 617.3 | 634.4 | 654.4 | 629.3 | 0.6% | 100.0% | 691.5 | 680.5 | 711.1 | 4.2% | 100.0% |
| Accumulated surplus/(deficit) | 593.6 | 598.8 | 648.9 | 574.5 | -1.1% | 95.2% | 622.3 | 608.2 | 635.6 | 3.4% | 90.0% |
| Trade and other payables | 1.9 | 1.7 | 4.7 | 0.1 | -62.6% | 0.3% | 0.1 | 0.1 | 0.1 | 4.0% | - |
| Provisions | 3.1 | 0.0 | 0.4 | 1.7 | -18.0% | 0.2% | 1.8 | 1.9 | 2.0 | 4.5% | 0.3% |
| Managed funds | 18.7 | 33.9 | 0.4 | 53.0 | 41.4% | 4.2% | 67.3 | 70.3 | 73.5 | 11.5% | 9.7% |
| Total equity and liabilities | 617.3 | 634.4 | 654.4 | 629.3 | 0.6% | 100.0% | 691.5 | 680.5 | 711.1 | 4.2% | 100.0% |

Property Practitioners Regulatory Authority

Selected performance indicators

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|--|------------------------------|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Number of property practitioners registered on the database per year | Compliance | Priority 5: Spatial integration, human settlements and local government | 0 | 6 627 | 6 548 | 8 000 | 10 000 | 13 000 | 15 000 |
| Number of Property Practitioners Fidelity Fund certificates renewed per year | Compliance | | 51 063 | 59 755 | 46 866 | 67 238 | 67 238 | 71 945 | 71 945 |
| Number of estate agencies inspected per year | Compliance | | 166 | 201 | 224 | 210 | 950 | 1 000 | 1 150 |
| Number of property practitioners qualified for professional designations per year | Education and training | | 777 | 1 624 | 3 704 | 1 500 | 1 750 | 2 000 | 2 250 |
| Number of property practitioners compliant with the continuous professional development programme per year | Education and training | | 17 013 | 16 027 | 14 046 | 12 000 | 15 000 | 20 000 | 20 000 |

Entity overview

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

Since the entity transitioned from the Estate Agency Affairs Board to the Property Practitioners Regulatory Authority in February 2022, the number of property practitioners who require a valid registration status and fidelity fund certificate to operate legally has significantly increased. As the authority is now responsible for 10 new categories of property practitioners recognised by the Property Practitioners Act (2019), it plans to register 38 000 property practitioners on its database over the MTEF period. This significant increase in registrations requires increased compliance and enforcement measures. As such, to safeguard the interests of consumers and enhance compliance standards, over the medium term, the authority plans to inspect 3 100 estate agencies and expand its education and training programmes to confer 6 000 professional designations to candidate property practitioners and 55 000 continuous professional development qualifications to property practitioners.

To effectively respond to the increased number of activities in the organisation, the authority plans to increase its number of personnel and invest in software and other intangible assets. To fund an increase in personnel from 141 in 2023/24 to 163 in 2026/27, spending on compensation of employees is set to increase from R117 million in 2023/24 to R151.5 million in 2026/27, accounting for an estimated 63.3 per cent (R429.9 million) of the authority's budget over the period ahead. To ensure the resilience and stability of the authority's ICT and network systems, the acquisition of software and other intangible assets is expected to result in expenditure of R56.5 million over the same period. As such, total expenditure is expected to increase at an average annual rate of 10 per cent, from R181.5 million in 2023/24 to R241.4 million in 2026/27.

The authority expects to derive 61.9 per cent (R440.1 million) of its revenue over the MTEF period through management fees for administering the Property Practitioners Fidelity Fund and examination fees for property practitioners. It will derive the remainder of its revenue through contributions from property practitioners. Revenue is expected to increase at an average annual rate of 8.4 per cent, from R194.2 million in 2023/24 to R247.6 million in 2026/27, mainly driven by additional fees and contributions from new property practitioners.

Programmes/Objectives/Activities

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

| R million | Audited outcome | | | Revised estimate 2023/24 | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
|------------------------|-----------------|--------------|--------------|-----------------------------|-------------------------|---------------|----------------------------------|--------------|--------------|-------------------------|-------------------|
| | 2020/21 | 2021/22 | 2022/23 | | 2020/21 - 2023/24 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 - 2026/27 | 2023/24 - 2026/27 |
| Administration | 94.7 | 114.3 | 109.5 | 120.5 | 8.4% | 66.8% | 136.9 | 152.6 | 159.4 | 9.8% | 65.9% |
| Compliance | 30.9 | 42.7 | 48.1 | 48.3 | 16.0% | 25.7% | 59.1 | 62.9 | 65.7 | 10.8% | 27.3% |
| Education and training | 10.8 | 13.7 | 12.2 | 12.8 | 5.7% | 7.5% | 14.5 | 15.6 | 16.3 | 8.4% | 6.9% |
| Total | 136.4 | 170.6 | 169.9 | 181.5 | 10.0% | 100.0% | 210.5 | 231.0 | 241.4 | 10.0% | 100.0% |

Statements of financial performance, cash flow and financial position

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

| Statement of financial performance | | | | | | | | | | | |
|---|-----------------|--------------|---------------|-----------------------------|-------------------------|---------------|----------------------------------|--------------|--------------|-------------------------|-------------------|
| R million | Audited outcome | | | Revised estimate 2023/24 | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
| | 2020/21 | 2021/22 | 2022/23 | | 2020/21 - 2023/24 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2023/24 - 2026/27 | 2023/24 - 2026/27 |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 123.3 | 173.5 | 154.5 | 194.2 | 16.4% | 95.9% | 220.8 | 232.9 | 247.6 | 8.4% | 100.0% |
| Sale of goods and services other than capital assets | 91.1 | 128.5 | 120.3 | 147.9 | 17.5% | 72.5% | 190.9 | 200.9 | 213.4 | 13.0% | 83.8% |
| <i>of which:</i> | | | | | | | | | | | |
| Administrative fees | 51.2 | 53.4 | 53.9 | 53.0 | 1.2% | 31.9% | 77.9 | 83.3 | 89.1 | 18.9% | 33.6% |
| Management fees | 51.2 | 53.4 | 53.9 | 53.0 | 1.2% | 31.9% | 77.9 | 83.3 | 89.1 | 18.9% | 33.6% |
| Sales by market establishments | 39.9 | 75.0 | 66.4 | 94.9 | 33.5% | 40.5% | 113.1 | 117.6 | 124.2 | 9.4% | 50.2% |
| Contributions | 26.3 | 28.7 | 25.0 | 32.4 | 7.3% | 16.8% | 52.6 | 54.4 | 58.2 | 21.5% | 21.8% |
| Examinations | 11.2 | 41.3 | 41.4 | 62.5 | 77.2% | 22.6% | 60.5 | 63.2 | 66.1 | 1.9% | 28.3% |
| Rent and other income | 2.4 | 5.1 | - | - | -100.0% | 1.1% | - | - | - | - | - |
| Other non-tax revenue | 32.2 | 45.1 | 34.2 | 46.3 | 12.9% | 23.5% | 29.9 | 32.0 | 34.2 | -9.6% | 16.2% |
| Transfers received | 24.0 | - | - | - | -100.0% | 4.1% | - | - | - | - | - |
| Total revenue | 147.3 | 173.5 | 154.5 | 194.2 | 9.7% | 100.0% | 220.8 | 232.9 | 247.6 | 8.4% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 136.4 | 170.6 | 169.9 | 181.5 | 10.0% | 100.0% | 210.5 | 231.0 | 241.4 | 10.0% | 100.0% |
| Compensation of employees | 95.5 | 101.9 | 88.6 | 117.0 | 7.0% | 61.6% | 133.3 | 145.0 | 151.5 | 9.0% | 63.3% |
| Goods and services | 37.4 | 66.1 | 76.1 | 59.5 | 16.7% | 35.9% | 72.0 | 80.6 | 84.2 | 12.3% | 34.2% |
| Depreciation | 3.5 | 2.6 | 5.2 | 5.1 | 12.8% | 2.5% | 5.2 | 5.5 | 5.7 | 4.1% | 2.5% |
| Transfers and subsidies | - | - | - | 0.0 | - | - | 0.0 | 0.0 | - | -100.0% | - |
| Total expenses | 136.4 | 170.6 | 169.9 | 181.5 | 10.0% | 100.0% | 210.5 | 231.0 | 241.4 | 10.0% | 100.0% |
| Surplus/(Deficit) | 10.8 | 2.9 | (15.4) | 12.7 | 5.6% | | 10.3 | 1.9 | 6.2 | -21.3% | |
| Cash flow statement | | | | | | | | | | | |
| Cash flow from operating activities | (16.0) | 14.1 | 55.8 | 10.4 | -186.8% | 100.0% | 46.7 | 34.1 | 41.0 | 57.8% | 100.0% |
| Receipts | | | | | | | | | | | |
| Non-tax receipts | 97.5 | 176.5 | 152.4 | 184.8 | 23.7% | 95.1% | 220.8 | 216.1 | 231.2 | 7.8% | 100.0% |
| Sales of goods and services other than capital assets | 78.0 | 131.4 | 120.3 | 141.4 | 21.9% | 73.5% | 190.9 | 184.1 | 197.0 | 11.7% | 83.3% |
| <i>of which:</i> | | | | | | | | | | | |
| Administrative fees | 41.4 | 56.4 | 53.9 | 53.0 | 8.6% | 32.5% | 77.9 | 83.3 | 89.1 | 18.9% | 35.3% |
| Management fees | 41.4 | 56.4 | 53.9 | 53.0 | 8.6% | 32.5% | 77.9 | 83.3 | 89.1 | 18.9% | 35.3% |
| Sales by market establishment | 36.6 | 75.0 | 66.4 | 88.4 | 34.2% | 41.0% | 113.1 | 100.8 | 107.8 | 6.8% | 48.1% |
| Contributions | 26.3 | 28.7 | 25.0 | 32.4 | 7.2% | 17.9% | 52.6 | 54.4 | 58.2 | 21.5% | 22.9% |
| Examinations | 4.3 | 41.3 | 41.4 | 62.5 | 144.0% | 22.0% | 60.5 | 46.4 | 49.6 | -7.4% | 26.0% |
| Discretionary funded projects | 0.7 | - | - | - | -100.0% | 0.1% | - | - | - | - | - |
| Rent and other income | 5.3 | 5.1 | - | - | -100.0% | 1.8% | - | - | - | - | - |
| Other tax receipts | 19.5 | 45.1 | 32.1 | 43.4 | 30.5% | 21.5% | 29.9 | 32.0 | 34.2 | -7.6% | 16.7% |
| Transfers received | 24.0 | - | - | - | -100.0% | 4.9% | - | - | - | - | - |
| Total receipts | 121.5 | 176.5 | 152.4 | 184.8 | 15.0% | 100.0% | 220.8 | 216.1 | 231.2 | 7.8% | 100.0% |

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

| R million | Audited outcome | | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|---|-------------------|--------------|--------------|---------------|------------------|-------------------------|---------------------------------|----------------------------------|---------------|----------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | | | | 2024/25 | 2025/26 | 2026/27 | | |
| | 2020/21 - 2023/24 | | | | | | | 2024/25 - 2026/27 | | | | |
| Cash flow statement | | | | | | | | | | | | |
| Payment | | | | | | | | | | | | |
| Current payments | 137.5 | 162.4 | 96.6 | 174.4 | 8.2% | 100.0% | 174.2 | 182.0 | 190.2 | 2.9% | 100.0% | |
| Compensation of employees | 91.9 | 101.4 | 88.6 | 116.9 | 8.4% | 72.0% | 105.3 | 110.0 | 114.9 | -0.6% | 62.1% | |
| Goods and services | 45.6 | 61.0 | 8.0 | 57.5 | 8.0% | 28.0% | 68.9 | 72.0 | 75.2 | 9.4% | 37.9% | |
| Total payments | 137.5 | 162.4 | 96.6 | 174.4 | 8.2% | 100.0% | 174.2 | 182.0 | 190.2 | 2.9% | 100.0% | |
| Net cash flow from investing activities | (1.0) | (1.4) | (3.8) | (11.4) | 124.4% | 100.0% | (20.2) | (21.1) | (22.1) | 24.8% | 100.0% | |
| Acquisition of property, plant, equipment and intangible assets | (1.0) | (1.4) | (3.3) | (3.4) | 49.4% | 79.3% | (2.2) | (2.3) | (2.4) | -10.5% | 15.5% | |
| Acquisition of software and other intangible assets | - | - | (0.5) | (8.0) | - | 20.7% | (18.0) | (18.8) | (19.7) | 34.9% | 84.5% | |
| Net cash flow from financing activities | 21.1 | (3.9) | 37.4 | - | -100.0% | - | - | - | - | - | - | |
| Borrowing activities | 21.1 | (3.9) | 37.4 | - | -100.0% | - | - | - | - | - | - | |
| Net increase/(decrease) in cash and cash equivalents | 4.1 | 8.7 | 89.4 | (0.9) | -160.6% | 15.1% | 26.5 | 13.0 | 19.0 | -375.6% | 100.0% | |
| Statement of financial position | | | | | | | | | | | | |
| Carrying value of assets of which: | 109.2 | 140.4 | 140.2 | 160.9 | 13.8% | 51.1% | 164.4 | 166.4 | 173.9 | 2.6% | 50.0% | |
| Acquisition of assets | (1.0) | (1.4) | (3.3) | (3.4) | 49.4% | 100.0% | (2.2) | (2.3) | (2.4) | -10.5% | 100.0% | |
| Inventories | 0.1 | 0.0 | 0.2 | 0.3 | 61.8% | - | 0.3 | 0.3 | 0.3 | 1.5% | 0.1% | |
| Loans | 18.7 | 33.9 | 3.8 | 23.9 | 8.4% | 7.6% | 23.9 | 23.9 | 25.0 | 1.5% | 7.3% | |
| Receivables and prepayments | 83.9 | 87.7 | 70.1 | 70.6 | -5.6% | 29.6% | 72.7 | 77.9 | 81.4 | 4.8% | 22.7% | |
| Cash and cash equivalents | 11.2 | 8.7 | 66.9 | 43.5 | 57.3% | 11.6% | 65.5 | 79.3 | 82.9 | 24.0% | 20.0% | |
| Total assets | 223.2 | 270.8 | 281.2 | 299.2 | 10.3% | 100.0% | 326.7 | 347.7 | 363.4 | 6.7% | 100.0% | |
| Accumulated surplus/(deficit) | 102.3 | 85.0 | 41.5 | 114.7 | 3.9% | 32.6% | 121.3 | 129.8 | 136.2 | 5.9% | 37.6% | |
| Capital and reserves | 42.6 | 77.4 | 77.4 | 47.0 | 3.3% | 22.7% | 95.0 | 101.1 | 100.0 | 28.6% | 25.3% | |
| Deferred income | - | - | 62.0 | - | - | 5.5% | - | - | - | - | - | |
| Trade and other payables | 56.4 | 77.3 | 78.4 | 99.7 | 20.9% | 28.8% | 85.8 | 95.0 | 105.0 | 1.7% | 29.0% | |
| Provisions | 21.2 | 30.4 | 20.6 | 37.1 | 20.6% | 10.1% | 23.2 | 21.1 | 21.5 | -16.6% | 7.9% | |
| Derivatives financial instruments | 0.6 | 0.7 | 1.2 | 0.7 | 1.8% | 0.3% | 1.4 | 0.7 | 0.7 | 1.5% | 0.3% | |
| Total equity and liabilities | 223.2 | 270.8 | 281.2 | 299.2 | 10.3% | 100.0% | 326.7 | 347.7 | 363.4 | 6.7% | 100.0% | |

Personnel information

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

| Property Practitioners Regulatory Authority | Number of posts estimated for 31 March 2024 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: salary level/ Total (%) |
|---|---|----------------------------------|--|------|-----------|------------------|-------|-----------|----------------------------------|-------|-----------|---------|-------|-----------|---------|-------|-----------|--|----------------------------------|
| | Number of funded posts | Number of approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | | | 2022/23 | | | 2023/24 | | | 2024/25 | | | 2025/26 | | | 2026/27 | | | | |
| | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | |
| Salary level | 166 | 166 | 106 | 88.6 | 0.8 | 141 | 117.0 | 0.8 | 151 | 133.3 | 0.9 | 163 | 145.0 | 0.9 | 163 | 151.5 | 0.9 | 9.0% | 100.0% |
| 1 – 6 | 27 | 27 | 19 | 3.2 | 0.2 | 27 | 5.8 | 0.2 | 27 | 6.0 | 0.2 | 35 | 8.5 | 0.2 | 35 | 8.9 | 0.3 | 15.6% | 20.0% |
| 7 – 10 | 46 | 46 | 30 | 19.4 | 0.6 | 39 | 24.2 | 0.6 | 39 | 25.0 | 0.6 | 39 | 26.1 | 0.7 | 39 | 27.3 | 0.7 | 4.2% | 25.3% |
| 11 – 12 | 75 | 75 | 46 | 40.8 | 0.9 | 57 | 53.1 | 0.9 | 65 | 63.2 | 1.0 | 69 | 69.4 | 1.0 | 69 | 72.5 | 1.1 | 10.9% | 42.0% |
| 13 – 16 | 17 | 17 | 10 | 22.5 | 2.2 | 17 | 31.2 | 1.8 | 19 | 36.4 | 1.9 | 19 | 38.0 | 2.0 | 19 | 39.7 | 2.1 | 8.4% | 12.0% |
| 17 – 22 | 1 | 1 | 1 | 2.7 | 2.7 | 1 | 2.7 | 2.7 | 1 | 2.8 | 2.8 | 1 | 2.9 | 2.9 | 1 | 3.1 | 3.1 | 4.2% | 0.6% |

1. Rand million.

Social Housing Regulatory Authority

Selected performance indicators

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|--|--|---|---------------------|---------|---------|-----------------------|--------------|---------|---------|
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Number of social housing units delivered per year | Project development and funding | Priority 5: Spatial integration, human settlements and local government | 1 856 | 2 771 | 3 182 | 3 200 | 1 935 | 4 000 | 4 000 |
| Number of social housing units approved for capital grant funding per year | Project development and funding | | 4 006 | 3 000 | 3 123 | 3 087 | 3 115 | 3 550 | 3 608 |
| Number of institutional grants approved per year | Sector development | | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Total number of accredited social housing institutions | Compliance, accreditation and regulation | | 95 | 90 | 84 | 100 | 105 | 120 | 130 |
| Total number of social housing units under regulation | Compliance, accreditation and regulation | | 40 628 | 42 533 | 44 114 | 48 000 | 52 317 | 54 666 | 56 234 |

Entity overview

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

The authority's focus over the medium term is on improving access to affordable housing by increasing the supply of new rental housing stock. In giving effect to this, the authority aims to deliver 9 935 social housing units over the MTEF period through the consolidated capital grant, which provides subsidies to reduce the capital cost of constructing rental units and reduce rental costs for tenants.

The authority will continue to build capacity within the sector by disbursing the institutional investment grant, which is allocated R77.4 million over the medium term to assist a targeted 120 social housing institutions to become fully operational, accredited entities that deliver affordable rental units. The authority expects to accredit 355 social housing institutions over the medium term, while the total number of regulated social housing units is expected to reach 56 234 by the end of the MTEF period. Total expenditure is expected to increase at an average annual rate of 1.7 per cent, from R897.7 million in 2023/24 to R943.4 million in 2026/27.

The authority derives all its revenue through transfers from the department. Revenue is expected to increase in line with expenditure over the medium term.

Programmes/Objectives/Activities

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

| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--|-----------------|--------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
| | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| Administration | 67.0 | 73.4 | 67.5 | 66.6 | -0.2% | 8.4% | 69.6 | 72.7 | 76.0 | 4.5% | 7.9% |
| Project development and funding | 587.2 | 748.5 | 836.9 | 801.0 | 10.9% | 89.1% | 763.1 | 796.7 | 833.0 | 1.3% | 88.5% |
| Sector development | 10.5 | 9.1 | 11.8 | 23.6 | 30.9% | 1.6% | 24.7 | 25.8 | 27.0 | 4.5% | 2.8% |
| Compliance, accreditation and regulation | 9.6 | 4.2 | 7.2 | 6.5 | -12.3% | 0.9% | 6.8 | 7.1 | 7.4 | 4.6% | 0.8% |
| Total | 674.4 | 835.3 | 923.4 | 897.7 | 10.0% | 100.0% | 864.1 | 902.3 | 943.4 | 1.7% | 100.0% |

Statement of financial performance

Table 33.40 Social Housing Regulatory Authority statement of financial performance

| Statement of financial performance | | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|------------------------------------|--|-----------------|--------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
| | | 2020/21 | 2021/22 | 2022/23 | | | | 2023/24 | 2024/25 | 2025/26 | | |
| R million | | | | | | | | | | | | |
| Revenue | | | | | | | | | | | | |
| Non-tax revenue | | 12.6 | 74.9 | 95.3 | - | -100.0% | 4.8% | - | - | - | - | - |
| Other non-tax revenue | | 12.6 | 74.9 | 95.3 | - | -100.0% | 4.8% | - | - | - | - | - |
| Transfers received | | 1 117.5 | 806.1 | 887.4 | 897.7 | -7.0% | 95.2% | 864.1 | 902.3 | 943.4 | 1.7% | 100.0% |
| Total revenue | | 1 130.1 | 881.0 | 982.7 | 897.7 | -7.4% | 100.0% | 864.1 | 902.3 | 943.4 | 1.7% | 100.0% |
| Expenses | | | | | | | | | | | | |
| Current expenses | | 78.9 | 78.7 | 76.9 | 74.3 | -2.0% | 9.4% | 77.6 | 81.1 | 84.8 | 4.5% | 8.8% |
| Compensation of employees | | 41.4 | 42.2 | 39.5 | 40.4 | -0.8% | 5.0% | 40.4 | 40.4 | 42.3 | 1.5% | 4.5% |
| Goods and services | | 35.9 | 34.6 | 35.4 | 30.1 | -5.8% | 4.2% | 33.2 | 36.5 | 38.1 | 8.3% | 3.8% |
| Depreciation | | 1.6 | 1.9 | 2.0 | 3.9 | 33.0% | 0.3% | 4.0 | 4.2 | 4.4 | 4.6% | 0.5% |
| Transfers and subsidies | | 595.5 | 756.6 | 846.5 | 823.4 | 11.4% | 90.6% | 786.5 | 821.2 | 858.6 | 1.4% | 91.2% |
| Total expenses | | 674.4 | 835.3 | 923.4 | 897.7 | 10.0% | 100.0% | 864.1 | 902.3 | 943.4 | 1.7% | 100.0% |
| Surplus/(Deficit) | | 455.7 | 45.7 | 59.3 | - | -100.0% | | - | - | - | - | - |

Personnel information

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

| Number of posts estimated for 31 March 2024 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: salary level/ Total (%) | |
|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|---------|------|-----------|---------|------|-----------|--|----------------------------------|--------|
| | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | |
| Number of approved funded posts | Number of posts on approved establishment | 2022/23 | | | 2023/24 | | | 2024/25 | | | 2025/26 | | | 2026/27 | | | 2023/24 - 2026/27 | | |
| | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Social Housing Regulatory Authority | | | | | | | | | | | | | | | | | | | |
| Salary level | 58 | 59 | 56 | 39.5 | 0.7 | 61 | 40.4 | 0.7 | 61 | 40.4 | 0.7 | 61 | 40.4 | 0.7 | 61 | 42.3 | 0.7 | 1.5% | 100.0% |
| 1 – 6 | 12 | 12 | 9 | 3.8 | 0.4 | 12 | 2.6 | 0.2 | 12 | 2.6 | 0.2 | 12 | 2.6 | 0.2 | 12 | 2.6 | 0.2 | 0.0% | 19.7% |
| 7 – 10 | 27 | 27 | 27 | 16.7 | 0.6 | 29 | 13.8 | 0.5 | 29 | 13.8 | 0.5 | 29 | 13.8 | 0.5 | 29 | 13.8 | 0.5 | - | 47.5% |
| 11 – 12 | 11 | 11 | 11 | 6.9 | 0.6 | 11 | 10.3 | 0.9 | 11 | 10.3 | 0.9 | 11 | 10.3 | 0.9 | 11 | 10.4 | 0.9 | 0.4% | 18.0% |
| 13 – 16 | 8 | 9 | 9 | 12.1 | 1.3 | 9 | 13.7 | 1.5 | 9 | 13.7 | 1.5 | 9 | 13.7 | 1.5 | 9 | 15.5 | 1.7 | 4.1% | 14.8% |

1. Rand million.