

# Department Of Housing, Local Government And Traditional Affairs

**Vote 7**

---

To be appropriated by Vote	R1 060 864
Statutory amount	R 718,000
Responsible MEC	MEC for Housing, Local Government and Traditional Affairs
Administrating department	Department of Housing, Local Government and Traditional Affairs
Accounting officer	Accounting Officer for the Department of Housing, Local Government and Traditional Affairs

---

## 1. Overview

In the context of the State of the Nation Address by the President on 14 February 2003, and the State of the Province Address by the Premier, to the Legislature on 21 February 2003, this department will intensify its work in facilitating the provision of houses, municipal infrastructure, and the building of viable municipalities

### Core functions

The core functions of the Department are the following:

- **Housing Development**

- To facilitate housing delivery
- Promoting the effective and efficient delivery of national and provincial housing programmes
- To rehabilitate dysfunctional areas with the notion of economic and social development
- To provide for the effective and efficient management of housing assets

- **Developmental Local Government**

- To promote and facilitate viable and sustainable local governance
- To promote integrated development and planning

- **Traditional Affairs**

- To promote and facilitate viable and sustainable Traditional Institutions

### Vision

An efficiently and effectively managed department, in partnership with all stakeholders wherein all communities enjoy access to basic services

### Mission

To facilitate and promote the stabilisation, consolidation and development of sustainable municipalities and traditional institutions, and delivery of housing through effective stakeholder participation, integrated planning and capacity building.

## Overview of the main services

- Receiving and prompt processing of housing subsidy applications
- Prompt payment of housing development service providers
- Management of land development applications
- Assisting municipalities to access appropriately located land for integrated housing development through a process of land release
- Strengthen the capacity of municipalities through strategic interventions
- Assist in implementation of Integrated Rural/Urban Programmes.
- Promote good governance and administration in municipalities
- Assist municipalities in developing Integrated Development Plans (IDP's)
- Revitalise and support Traditional Institutions

## Analysis of the demand and expected changes

The weakness in the administrative capacity of municipalities is placing great financial and leadership demands on the Department.

The department is expected to play a leading role in facilitating the devolution of powers and functions from the provincial departments to municipalities. This is in line with the Provincial Growth and Development Plan (PGDP). Further, the department faces a huge challenge of ensuring compliance with the legal framework governing operations in local government as well as monitoring quality of services rendered, thereby ensuring value for money.

## Legislation

The Eastern Cape Department of Housing, Local Government and Traditional Affairs derives its mandate from the following Legislative framework:

PROGRAMME	LEGISLATION	DESCRIPTION
Housing	The Housing Act, 1997 (Act No 107 of 1997)	Makes provision for granting housing subsidies for low income earners
	Prevention of Illegal Eviction from Unlawful Occupation of Land Act (1998)	Makes provision for a fair and equitable process to be followed when evicting people who have unlawfully invaded land, from their homes.
	The Housing Consumer Protection Measures Act of 1998	Provides for the establishment of a statutory regulating body for homebuilders. The National Home Builders Registration Council will register every builder and regulate the home building industry by formulating and enforcing a code of conduct
	The Rental Housing Act of 1999	Creates mechanisms to promote the provision of rental housing and the proper functioning of the rental housing market.
	Home Loan and Mortgage Disclosure Act of 2000	Provides for the establishment of the Office of Disclosure and the monitoring of financial institutions serving the housing credit needs of communities
Developmental Local	Municipal Structures Act 1998	Provides for the establishment of

PROGRAMME	LEGISLATION	DESCRIPTION
Government		municipalities in accordance with the requirements relating to and types of municipalities; provides for an appropriate division of functions and powers between categories of municipality; regulates the internal systems, structures and office-bearers of municipalities
	Municipal Systems Act 2000	Provides for the core principles, mechanisms, and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities and ensure universal access to essential services that are affordable to all
	Municipal Demarcation Act 1998	Provides for criteria and procedures for the determination of municipal boundaries by an independent authority
	Disaster Management Act 2002	To provide for an integrated and co-ordinated disaster management policy
	Municipal Finance Management Act 2003	Provides for a sound financial management in municipalities
Traditional Affairs	House of Traditional Leaders Act 1995	To provide for the establishment of the House of Traditional Leaders
	Traditional Leaders & Governance Framework Affairs Bill	To provide for the functions and roles of traditional leaders

### Events/external activities relevant to the budget decisions

Developments which have a bearing on the budget decisions of this department are the following:

The Learnership programme

The Community Development Worker programme

The Traditional Affairs Bill

The uniform budget structure programme prescribed by National Treasury

Currently, the Province is characterised by municipalities which, have a weak administrative capacity. Section 155(6)(b) of the Constitution mandates the Department to “promote the development of local government capacity to enable municipalities to perform their functions and manage their own affairs”. This demands that sizable portions of the budget be allocated for this purpose with milestones to measure the impact of funding.

The Outreach Program of the Provincial Cabinet often has consequences which have financial implications. Invariably this is in the form of projects associated with poverty alleviation.

## **2. Review of the 2003/04 Financial Year**

When we were planning and budgeting for the 2003/04 financial year we listed the following as the challenges that face the department

- The impact of the devolution of powers and functions to municipalities from provincial departments
- The impact of finalisation of division of powers and functions between district and local municipalities
- The implementation and co-ordination of both the Integrated Sustainable Rural Development Programme (ISRDP) and the Urban Renewal Programme (URP)
- The IDP process which should be the driver of our provincial and national budgets in line with the state wide planning enunciated by the Presidential Co-ordinating Council
- Funding the Transformation of municipalities
- Deepening the understanding and practice of developmental local government
- Increasing the spending rate in housing development

Devolution of powers has proved to be such an enormous challenge that it had to be included in the Provincial Growth and Development Plan. This department is expected to play a leading role in the pursuit of the goal of devolution of powers and functions from provincial departments to municipalities.

The framework and structures for driving the Integrated Sustainable Rural Development Programme and the Urban Renewal Programme are in place. Projects have been identified and initiated. More funding will be required to accelerate service delivery in these two crucial programmes.

All municipalities have done their Integrated Developmental Plans (IDP's). All the budgets of the provincial departments should now be influenced by these plans.

Funding the transformation of municipalities as well as traditional institutions remains a huge challenge because of the magnitude of the task and processes involved.

Spending in housing development is improving although challenges still remain to be overcome.

## **3. Outlook for the 2004/05 Financial Year**

As a leader in local government affairs this department is expected to play a vital role in elections which are due in the coming year. Notwithstanding that the responsibility for elections lies with the Department of Home Affairs, this department is expected to perform certain functions which have financial implications.

## 4. Receipts and Financing

The following sources of funding are used for the Vote:

**Table 4.1: Summary of receipts: Vote 7: Housing, Local Government & Traditional Affairs**

	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
<b>Treasury Funding</b>	<b>771,864</b>	<b>897,613</b>	<b>929,581</b>	<b>1,119,139</b>	<b>1,119,139</b>	<b>1,119,139</b>	<b>1,053,129</b>	<b>1,022,320</b>	<b>1,077,231</b>
Equitable Share	205,892	314,862	351,212	411,401	411,401	411,401	398,216	428,405	447,681
Conditional Grants	559,327	545,136	578,369	707,738	707,738	707,738	654,913	593,915	629,550
Other	6,645	37,615							
<b>Departmental Receipts</b>	<b>6,068</b>	<b>5,720</b>	<b>4,580</b>	<b>4,064</b>	<b>4,064</b>	<b>4,064</b>	<b>7,735</b>	<b>7,943</b>	<b>8,420</b>
Tax receipts									
Non-tax receipts	6,068	5,720	4,580	4,064	4,064	4,064	7,735	7,943	8,420
Sale of goods & serv. other than cap. assets	6,068	5,720	3,020	4,064	4,064	2,418	5,998	6,119	6,487
Interest, dividends and rent on land			1,560			1,646	1,737	1,824	1,933
	<b>777,932</b>	<b>903,333</b>	<b>934,161</b>	<b>1,123,203</b>	<b>1,123,203</b>	<b>1,123,203</b>	<b>1,060,864</b>	<b>1,030,263</b>	<b>1,085,651</b>

## 5. Departmental summary

**Table 5.1: Summary by program for Vote 7: Housing, Local Government & Traditional Affairs**

	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
<b>PAYMENTS</b>									
R thousand									
1. Administration	89,454	57,379	73,277	77,654	77,654	80,409	93,386	92,583	98,724
2. Housing	564,347	329,634	516,768	739,122	739,122	739,042	703,509	675,048	715,678
3. Local Government	65,268	171,358	204,890	241,089	241,089	223,428	195,058	193,788	199,234
4. Traditional Affairs	45,420	48,014	49,666	65,338	65,338	65,067	68,911	68,844	72,015
<b>Total by program</b>	<b>764,489</b>	<b>606,385</b>	<b>844,601</b>	<b>1,123,203</b>	<b>1,123,203</b>	<b>1,107,946</b>	<b>1,060,864</b>	<b>1,030,263</b>	<b>1,085,651</b>

**Table 5.2: Summary by economic classification for Vote 7: Housing, Local Gov & Traditional Affairs**

	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
<b>PAYMENTS</b>									
R thousand									
<b>Current payments</b>	<b>268,854</b>	<b>217,825</b>	<b>249,435</b>	<b>288,544</b>	<b>288,544</b>	<b>273,176</b>	<b>290,811</b>	<b>295,662</b>	<b>310,745</b>
Compensation of employees	213,041	176,657	173,138	185,470	185,470	177,510	175,938	182,499	189,306
Goods and services	55,813	41,168	76,297	103,074	103,074	95,666	114,873	113,163	121,439
<b>Transfers and subsidies to:</b>	<b>489,320</b>	<b>386,229</b>	<b>591,544</b>	<b>827,300</b>	<b>827,300</b>	<b>827,300</b>	<b>755,510</b>	<b>722,010</b>	<b>760,913</b>
Local government	18,847	92,369	125,497	175,342	175,342	175,342	146,610	141,527	145,700
Public corporations and private enterprises				10,000	10,000	10,000	10,000	11,035	11,598
Households	470,473	293,860	466,047	641,958	641,958	641,958	598,900	569,448	603,615
<b>Payments for capital assets</b>	<b>6,315</b>	<b>2,331</b>	<b>3,622</b>	<b>7,359</b>	<b>7,359</b>	<b>7,470</b>	<b>14,543</b>	<b>12,591</b>	<b>13,993</b>

**Table 5.2: Summary by economic classification for Vote 7: Housing, Local Gov & Traditional Affairs**

PAYMENTS	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
R thousand	1	2	3	4	5	6	7	8	9
Buildings and other fixed structures							6,843	4,891	5,255
Machinery and equipment	6,315	2,331	3,622	7,359	7,359	7,470	7,700	7,700	8,738
<b>Total payments</b>	<b>764,489</b>	<b>606,385</b>	<b>844,601</b>	<b>1,123,203</b>	<b>1,123,203</b>	<b>1,107,946</b>	<b>1,060,864</b>	<b>1,030,263</b>	<b>1,085,651</b>

**Table 5.3: Summary of departmental transfers to public entities**

	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	appropri	appropri	estimate			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
R thousand									
Eastern Cape Municipal Dev Corporation				10,000	10,000	10,000	10,000	11,035	11,598
<b>Total departmental transfers to public entities</b>				<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>11,035</b>	<b>11,598</b>

**Table 5.4: Summary of departmental transfers to local government by category**

	Outcome			Main	Adjusted	Revised	Medium-term estimates		
	Audited	Audited	Audited	appropri	appropri	estimate			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
R thousand									
Categories A B & C	18,847	92,369	125,497	175,342	175,342	175,342	146,610	141,527	145,700
<b>Total departmental transfers to local government</b>	<b>18,847</b>	<b>92,369</b>	<b>125,497</b>	<b>175,342</b>	<b>175,342</b>	<b>175,342</b>	<b>146,610</b>	<b>141,527</b>	<b>145,700</b>

## 6. Programme description

### 6.1 Programme1: Administration

To provide strategic management and overall administration of the department

**Table 6.1.1: Summary by subprogram for Program 1: Administration**

PAYMENTS R thousand	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
1.1: MEC				677	677	11	718	757	795
1.2: Corporate Services	89,454	57,379	73,277	76,977	76,977	80,398	92,668	91,826	97,929
<b>Total by Subprogram</b>	<b>89,454</b>	<b>57,379</b>	<b>73,277</b>	<b>77,654</b>	<b>77,654</b>	<b>80,409</b>	<b>93,386</b>	<b>92,583</b>	<b>98,724</b>

MEC's remuneration payable as from April 2003: Salary: R718 000

**Table 6.1.2: Summary by economic classification for Program 1: Administration**

PAYMENTS R thousand	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
<b>Current payments</b>	<b>87,139</b>	<b>52,453</b>	<b>65,316</b>	<b>66,155</b>	<b>66,155</b>	<b>68,799</b>	<b>85,686</b>	<b>84,883</b>	<b>89,986</b>
Compensation of employees	69,778	31,430	33,832	30,052	30,052	33,880	32,117	33,314	34,580
Goods and services	17,361	21,023	31,484	36,103	36,103	34,919	53,569	51,569	55,406
<b>Transfers and subsidies to:</b>		<b>2,785</b>	<b>5,124</b>	<b>4,140</b>	<b>4,140</b>	<b>4,140</b>			
Local government		2,785	5,124	4,140	4,140	4,140			
<b>Payments for capital assets</b>	<b>2,315</b>	<b>2,141</b>	<b>2,837</b>	<b>7,359</b>	<b>7,359</b>	<b>7,470</b>	<b>7,700</b>	<b>7,700</b>	<b>8,738</b>
Machinery and equipment	2,315	2,141	2,837	7,359	7,359	7,470	7,700	7,700	8,738
<b>Total payments</b>	<b>89,454</b>	<b>57,379</b>	<b>73,277</b>	<b>77,654</b>	<b>77,654</b>	<b>80,409</b>	<b>93,386</b>	<b>92,583</b>	<b>98,724</b>

## 6.2 Programme 2: Housing

This program is responsible for integrated housing development including access to land and social infrastructure. The program is divided into the following sub-programs and responsibilities:

Sub-programme	Objective
<b>Office of the Head of Housing</b> <b>Housing Planning and Research</b>  <b>Housing Performance/Subsidy Programmes</b>  <b>Urban Renewal and Human Settlement Redevelopment</b>  <b>Housing Asset Management</b>	<b>To provide for the co-ordination of all housing functions</b> <ul style="list-style-type: none"> <li>• To provide administrative and/or transversal project management services</li> <li>• To provide a regulatory framework for housing delivery</li> <li>• To develop provincial multi-year housing delivery plans</li> <li>• To conduct housing research</li> </ul> <ul style="list-style-type: none"> <li>• To promote the effective and efficient delivery of National and Provincial Housing Programmes</li> <li>• To rehabilitate dysfunctional urban areas with the notion of economic and social development</li> <li>• To provide for effective and efficient management of housing assets</li> </ul>

**Table 6.2.1: Summary by subprogram for Program 2: Housing**

PAYMENTS R thousand	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
2.1: Office of the Head of Housing	2	1,894	9,692	1,897	1,897	3,993	4,806	4,965	5,166
2.2: Housing Planning and Research									
2.3: Housing Perf \ Subsidy Progs	484,233	310,480	481,614	660,680	660,680	660,693	614,084	585,068	619,947
2.4: Urban Ren & Human Settle. Rdv	73,802	9,231	14,853	65,155	65,155	65,148	73,438	73,492	78,542
2.5: Housing Asset Management	6,310	8,029	10,609	11,390	11,390	9,208	11,181	11,523	12,023
<b>Total by Subprogram</b>	<b>564,347</b>	<b>329,634</b>	<b>516,768</b>	<b>739,122</b>	<b>739,122</b>	<b>739,042</b>	<b>703,509</b>	<b>675,048</b>	<b>715,678</b>

**Table 6.2.2: Summary by economic classification for Program 2: Housing**

PAYMENTS R thousand	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
<b>Current payments</b>	<b>71,773</b>	<b>33,979</b>	<b>39,300</b>	<b>66,164</b>	<b>66,164</b>	<b>66,091</b>	<b>59,759</b>	<b>60,750</b>	<b>63,876</b>
Compensation of employees	66,813	29,940	30,724	31,955	31,955	34,589	36,015	37,358	38,743
Goods and services	4,960	4,039	8,576	34,209	34,209	31,502	23,744	23,392	25,133
<b>Transfers and subsidies to:</b>	<b>488,574</b>	<b>295,548</b>	<b>477,129</b>	<b>672,958</b>	<b>672,958</b>	<b>672,951</b>	<b>643,750</b>	<b>614,298</b>	<b>651,802</b>
Local government	18,101	1,688	11,082	31,000	31,000	30,993	44,850	44,850	48,187
Households	470,473	293,860	466,047	641,958	641,958	641,958	598,900	569,448	603,615
<b>Payments for capital assets</b>	<b>4,000</b>	<b>107</b>	<b>339</b>						
Machinery and equipment	4,000	107	339						
<b>Total payments</b>	<b>564,347</b>	<b>329,634</b>	<b>516,768</b>	<b>739,122</b>	<b>739,122</b>	<b>739,042</b>	<b>703,509</b>	<b>675,048</b>	<b>715,678</b>



## 6.3 Programme 3: Local Government

Aim: To promote developmental local government, consolidation and stabilization of sustainable municipalities through effective community participation, co-ordinated planning and capacity building.

The program performs the following functions:

- Consolidation and stabilization of new municipalities.
- Promote Local Economic Development
- Facilitate effective disaster management systems.
- Promotion of youth development programs in municipalities.
- Facilitate and co-ordinate implementation of Integrated Sustainable Rural Development Programme.
- Facilitate and co-ordinate implementation of Urban Renewal Program.
- Manage, monitor, review and evaluate performance management of municipalities.

The programme is divided into the following sub-programmes and sub-sub-programmes

Sub-programme: Office of the Head of Local Government

To provide for co-ordination of all local government functions

### Sub-Programme: Local Governance

Sub-Sub-Programme	Objective
Municipal Administration	To provide management and support services to local government within the regulatory framework
Municipal Finance	To monitor and support municipalities to ensure financially viable and sustainable municipalities in accordance with applicable Acts
Municipal Infrastructure	To facilitate and monitor infrastructure development within municipalities to ensure sustainable municipal infrastructure development
Disaster Management	To co-ordinate and facilitate disaster management at provincial and local level to ensure the establishment of effective and efficient disaster management mechanisms

### Sub-Programme: Development and Planning

Sub-sub-programme	Objective
Spatial Planning	To promote and facilitate provincial spatial frameworks for development at municipalities
Development Administration/Land Use Management	To promote orderly development
Integrated Development and Planning	To promote effective and efficient integrated development planning
Local Economic	To promote Local Economic Development

Development(LED)

**Table 6.3.1: Summary by subprogram for Program 3: Local Government**

PAYMENTS R thousand	Outcome			Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
3.1: Off of the Hd of Dev Loc Govt	1,580	44,105	45,151	42,289	42,289	28,132	27,303	28,295	29,372
3.2: Municipal Administration	17,420	37,213	58,194	83,473	83,473	83,980	22,278	24,243	19,209
3.3: Municipal Finance	27,375	66,860	56,326	63,867	63,867	60,879	60,056	59,589	63,675
3.4: Municipal Infrastructure			20,433	8,643	8,643	8,650	9,169	9,770	10,356
3.5: Disaster Management							24,531	24,713	26,404
3.6: Spatial Planning	18,893	23,180	20,391	32,498	32,498	31,425	9,408	9,433	10,048
3.7: Dev Admin \ Land Use Mngnt							16,411	16,791	17,767
3.8: Integrated Dev & Plannng (IDP)			4,395	10,319	10,319	10,362	9,400	8,392	8,979
3.9: Loc Eco Dev (LED) \ Dev & Plan							16,502	12,562	13,424
<b>Total by Subprogram</b>	<b>65,268</b>	<b>171,358</b>	<b>204,890</b>	<b>241,089</b>	<b>241,089</b>	<b>223,428</b>	<b>195,058</b>	<b>193,788</b>	<b>199,234</b>

**Table 6.3.2: Summary by economic classification for Program 3: Local Government**

PAYMENTS R thousand				Main	Adjusted	Estimated	Medium-term estimates		
	Audited	Audited	Audited	Appropri	Appropri	Actual			
	2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
<b>Current payments</b>	<b>64,522</b>	<b>87,495</b>	<b>96,798</b>	<b>93,231</b>	<b>93,231</b>	<b>75,563</b>	<b>83,298</b>	<b>86,076</b>	<b>90,123</b>
Compensation of employees	32,164	74,948	68,282	70,532	70,532	56,110	57,278	59,414	61,618
Goods and services	32,358	12,547	28,516	22,699	22,699	19,453	26,020	26,662	28,505
<b>Transfers and subsidies to:</b>	<b>746</b>	<b>83,780</b>	<b>107,922</b>	<b>147,858</b>	<b>147,858</b>	<b>147,865</b>	<b>111,760</b>	<b>107,712</b>	<b>109,111</b>
Local government	746	83,780	107,922	137,858	137,858	137,865	101,760	96,677	97,513
Public corporations and private enterprises				10,000	10,000	10,000	10,000	11,035	11,598
<b>Payments for capital assets</b>		83	170						
Machinery and equipment		83	170						
<b>Total payments</b>	<b>65,268</b>	<b>171,358</b>	<b>204,890</b>	<b>241,089</b>	<b>241,089</b>	<b>223,428</b>	<b>195,058</b>	<b>193,788</b>	<b>199,234</b>

## 6.4 Programme 4: Traditional Affairs

To promote and facilitate viable and sustainable Traditional Institutions

The programme consists of the following sub-programmes

Sub-programme	Objective
Traditional Institutional Arrangements	To manage institutional, administrative and financial framework of traditional institutions
Traditional Institutions Resource Administration	To draw administrative policy guidelines, capacity building programmes and to implement capacity building programmes
Rural Development Facilitation	To support and strengthen the development capacity for structures of the institution of Traditional Leadership

**Table 6.4.1: Summary by subprogram for Program 4: Traditional Affairs**

PAYMENTS	Outcome			Main	Adjusted	Estimated			
	Audited	Audited	Audited	Appropri	Appropri	Actual	Medium-term estimates		
	R thousand	2000/01	2001/02	2002/03	2003/04		2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
4.1: Tradl Instl Arrangements							12,758	12,926	13,712
4.2: Trad Resource Admin	45,420	48,014	49,666	65,338	65,338	65,067	52,880	52,609	54,783
4.3: Tradl Affairs Integ\ Dev Fac							3,273	3,309	3,520
4.4: Traditional Land Admin									
<b>Total by Subprogram</b>	<b>45,420</b>	<b>48,014</b>	<b>49,666</b>	<b>65,338</b>	<b>65,338</b>	<b>65,067</b>	<b>68,911</b>	<b>68,844</b>	<b>72,015</b>

**Table 6.4.2: Summary by economic classification for Program 4: Traditional Affairs**

PAYMENTS	Outcome			Main	Adjusted	Estimated			
	Audited	Audited	Audited	Appropri	Appropri	Actual	Medium-term estimates		
	R thousand	2000/01	2001/02	2002/03	2003/04		2004/05	2005/06	2006/07
	1	2	3	4	5	6	7	8	9
<b>Current payments</b>	<b>45,420</b>	<b>43,898</b>	<b>48,021</b>	<b>62,994</b>	<b>62,994</b>	<b>62,723</b>	<b>62,068</b>	<b>63,953</b>	<b>66,760</b>
Compensation of employees	44,286	40,339	40,300	52,931	52,931	52,931	50,528	52,413	54,365
Goods and services	1,134	3,559	7,721	10,063	10,063	9,792	11,540	11,540	12,395
<b>Transfers and subsidies to:</b>		<b>4,116</b>	<b>1,369</b>	<b>2,344</b>	<b>2,344</b>	<b>2,344</b>			
Local government		4,116	1,369	2,344	2,344	2,344			
<b>Payments for capital assets (1)</b>			276				6,843	4,891	5,255
Buildings and other fixed structures							6,843	4,891	5,255
Machinery and equipment			276						
<b>Total payments</b>	<b>45,420</b>	<b>48,014</b>	<b>49,666</b>	<b>65,338</b>	<b>65,338</b>	<b>65,067</b>	<b>68,911</b>	<b>68,844</b>	<b>72,015</b>

## 6.5. Programme 5: Service delivery measures

### 6.5.1 Programme Two: Housing

Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
Construction and completion of 23149 housing units	Number of housing units completed	30 000 housing units	23149 housing units
Capacitating of municipalities to enable them to deal with land related matters	Number of municipalities capable of dealing with land matters		6 district municipalities and 1 Metro

Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
Facilitating the development of functional housing units within municipalities with suitably trained housing personnel	Number of housing practitioners trained	100 housing practitioners trained	100 housing practitioners trained
Job creation through utilisation of SMME's, emerging contractors, ABE's and joint ventures	Number of jobs created (in person days)	700 000 jobs created (in person days)	150 000 job opportunities created (in person days)
Transfer of rental stock to qualifying occupiers/municipalities	Number of rental houses transferred	40 000 houses to be transferred	35 000 houses to be transferred
Improved rental collection	Rent collected in rands		R5 million

### 6.2.1 Programme Three: Local Government

Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
Assistance to municipalities in designing organograms based on powers and functions	Number of municipalities with designed and approved organograms based on powers and functions and job descriptions	10 municipalities	10 municipalities
Assistance to municipalities in consolidation of constituent administrative units	Number of municipalities assisted and who have unified municipal organisational structures and correctly placed personnel	10 municipalities	10 municipalities
Assistance to municipalities in adopting rules of order and in compiling roles and responsibilities for councillors and officials	Number of municipalities assisted and who have adopted rules of order and delegation policies	10 municipalities	10 municipalities
Assistance to municipalities in	Number of municipalities assisted and who have	10 municipalities	10 municipalities

Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
developing Skills Development and Employment Equity Plans	approved Skills Development and Employment Equity Plans		
Assistance to municipalities with the development of performance agreements for municipal managers	Number of municipalities assisted and who have performance contracts for municipal managers	10 municipalities	10 municipalities
Facilitation of the establishment of the Eastern Cape Municipal Development Corporation whose objective will be coordinated support to municipalities	Functional Eastern Cape Municipal Development Corporation		Fully functioning and resourced Eastern Cape Development Corporation
Co-ordination of the training of Ward Committee members	Functional ward committees with trained members	10 municipalities	10 municipalities
Assistance to municipalities in establishing and maintaining appropriate financial systems, customised policies and by-laws	Number of municipalities producing accurate bills or statements and having appropriate debt management		45 municipalities
Assistance to municipalities in reviewing integrated development plans	Number of integrated development plans (IDP's) that comply with the Municipal Systems Act		45 municipalities
Assistance to municipalities in developing settlement plans which are aligned to IDP's	Number of planned sites within municipalities		15 000 planned sites
Assistance to municipalities in updating Zoning Schemes	Number of municipalities with updated Zoning Schemes		10 municipalities
Assistance to municipalities in	Number of municipalities which have been successfully		16 municipalities

Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
developing and compiling valuating rolls	assisted in developing and compiling valuation rolls		
Strengthening of disaster management satellite centres	Number of operational disaster management satellite centres		6 district municipalities and 1 Metro
Facilitation of the formation of local disaster advisory forums in municipalities	Number of local disaster advisory forums		38 local municipalities
Assistance to municipalities in developing and completing Disaster Management Policy Framework and Plan as required by the Act	Number of municipalities with operational disaster management policy framework and plans		6 District municipalities and 1 Metro
Provision of fire-fighting equipment	Number of municipalities provided with fire-fighting equipment		4 District municipalities
Facilitation of the training of municipal officials and volunteers in certified disaster management, first aid and fire-fighting courses	Number of officials and volunteers trained		200 officials, councillors and volunteers
Assistance to municipalities with the establishment of District Economic Development Forums	Number of district municipalities which have been assisted and have established district economic development forums		6 District Municipalities
Assistance to district municipalities with the establishment of income generating projects for the disabled	Number of income projects established for the disabled		3 projects providing approximately 27 jobs for the disabled
Assistance to municipalities to manage , monitor, and evaluate LED, ISRDP and URP projects	Number of projects evaluated		40 projects

Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
Improved performance at municipal level	Number of municipalities participating in the performance monitoring and evaluation and rewarding project		45 municipalities
Establishing Monitoring and evaluating systems for municipalities	Number of municipalities where M & E systems have been established		10 municipalities
Established sustainable economic development projects in nodal areas	Number of economic development projects and amount spent in funding projects		R4 500 000

#### 6.2.2 Programme Four: Traditional Affairs

Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
Establishing multi-purpose centres in great places and regional authorities	Number of multi-purpose centres established		6 multi-purpose centres
Renovation, maintenance and reconstruction of Traditional Authority offices, Regional Authority offices and provision of park-homes as offices	Number of renovated and reconstructed Traditional Authority and Regional Authority offices and park-homes provided		15 Traditional Authorities and 8 Park-homes
Training of members of the House of Traditional Leaders on the law and mandate establishing the House of Traditional Leaders	Number of members trained		All members of the House of Traditional Leaders
Rationalisation of provincial legislation to be in line with National Framework Legislation	Existence of uniform legislation on traditional leadership in the province		31 March 2005

## 6.3 Other programme information

### 6.3.1 Personnel numbers and cost

Table 6.3.1: Personnel numbers and costs<sup>1</sup>: Vote 7: Department of Housing, Local Gov & Traditional Affairs

	As at 31 March 2000	As at 31 March 2001	As at 31 March 2002	As at 31 March 2003	As at 31 March 2004	As at 31 March 2005
<b>Personnel numbers</b>						
Programme 1: Administration	97	71	62	88	79	71
Programme 2: Housing	264	193	266	194	175	157
Programme 3: Local Government	2279	1665	1,048	551	496	446
Programme 4: Traditional Affairs	138	101	210	338	304	274
<b>Total</b>	<b>2,778</b>	<b>2,030</b>	<b>1,586</b>	<b>1171</b>	<b>1,054</b>	<b>949</b>
Total personnel cost (R thousand)	197,937	213,041	176,657	173,138	185,470	175,938
Unit cost (R thousand)	71	105	111	148	176	185

### 6.3.2 Training

Table 6.3.2: Expenditure on training: Department of Housing, Local Gov & Traditional Affairs

R thousand	Outcome			Main appropri	Adjusted appropri 2003/04	Revised estimate	Medium-term estimates		
	Audited 2000/01	Audited 2001/02	Audited 2002/03				2004/05	2005/06	2006/07
Programme 1: Administration	754	1,463	308	1,479	1,479	418	1,760	1,825	1,893
Programme 2: Housing	0	0	0	0	0	0	0	0	0
Programme 3: Local Government	0	0	0	0	0	0	0	0	0
Programme 4: Traditional Affairs	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>754</b>	<b>1,463</b>	<b>308</b>	<b>1,479</b>	<b>1,479</b>	<b>418</b>	<b>1,760</b>	<b>1,825</b>	<b>1,893</b>



## **Annexure B to Budget Statement 2**

**Table B.1: Payments and estimates by economic classification**

The following table must be presented for each programme

**Table B.1: Payments and estimates by economic classification: Programme 1 Administration**

R thousand	Outcome			Main appropri	Adjusted appropri	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
<b>Current payments</b>	<b>87,139</b>	<b>52,453</b>	<b>65,316</b>	<b>66,155</b>	<b>66,155</b>	<b>68,799</b>	<b>85,686</b>	<b>84,883</b>	<b>89,986</b>
Compensation of employees	69,778	31,430	33,832	30,052	30,052	33,880	32,117	33,314	34,580
Salaries and wages	69,778	31,430	33,832	30,052	30,052	33,880	32,117	33,314	34,580
Goods and services	17,361	21,023	31,484	36,103	36,103	34,919	53,569	51,569	55,406
of which									
Training of staff	754	1,463	308	1,479	1,479	418	1,760	1,825	1,893
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>0</b>	<b>2,785</b>	<b>5,124</b>	<b>4,140</b>	<b>4,140</b>	<b>4,140</b>	<b>0</b>	<b>0</b>	<b>0</b>
Provinces and municipalities	0	2,785	5,124	4,140	4,140	4,140	0	0	0
<b>Transfers and subsidies to<sup>1</sup>: - continued</b>									
Public corporations and private enterprises <sup>5</sup>	0	0	0	0	0	0	0	0	0
<b>Payments for capital assets</b>	<b>2,315</b>	<b>2,141</b>	<b>2,837</b>	<b>7,359</b>	<b>7,359</b>	<b>7,470</b>	<b>7,700</b>	<b>7,700</b>	<b>8,738</b>
Machinery and equipment	2,315	2,141	2,837	7,359	7,359	7,470	7,700	7,700	8,738
<b>Total</b>	<b>89,454</b>	<b>57,379</b>	<b>73,277</b>	<b>77,654</b>	<b>77,654</b>	<b>80,409</b>	<b>93,386</b>	<b>92,583</b>	<b>98,724</b>

**Table B.2: Payments and estimates by economic classification: Programme 2 Housing**

R thousand	Outcome			Main appropri ation	Adjusted appropri ation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
<b>Current payments</b>	<b>71,773</b>	<b>33,979</b>	<b>39,300</b>	<b>66,164</b>	<b>66,164</b>	<b>66,091</b>	<b>59,759</b>	<b>60,750</b>	<b>63,876</b>
Compensation of employees	66,813	29,940	30,724	31,955	31,955	34,589	36,015	37,358	38,743
Salaries and wages	66,813	29,940	30,724	31,955	31,955	34,589	36,015	37,358	38,743
Goods and services	4,960	4,039	8,576	34,209	34,209	31,502	23,744	23,392	25,133
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>488,574</b>	<b>295,548</b>	<b>477,129</b>	<b>672,958</b>	<b>672,958</b>	<b>672,951</b>	<b>643,750</b>	<b>614,298</b>	<b>651,802</b>
Provinces and municipalities	488,574	295,548	477,129	672,958	672,958	672,951	643,750	614,298	651,802
Municipalities	18,101	1,688	11,082	31,000	31,000	30,993	44,850	44,850	48,187
Municipal agencies and funds	470,473	293,860	466,047	641,958	641,958	641,958	598,900	569,448	603,615
<b>Transfers and subsidies to<sup>1</sup>: - continued</b>									
Public corporations and private enterprises <sup>5</sup>	0	0	0	0	0	0	0	0	0
<b>Payments for capital assets</b>	<b>4,000</b>	<b>107</b>	<b>339</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Machinery and equipment	4,000	107	339	0	0	0	0	0	0
<b>Total</b>	<b>564,347</b>	<b>329,634</b>	<b>516,768</b>	<b>739,122</b>	<b>739,122</b>	<b>739,042</b>	<b>703,509</b>	<b>675,048</b>	<b>715,678</b>

**Table B.2: Payments and estimates by economic classification: Programme 3 Local Government**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
<b>Current payments</b>	<b>64,522</b>	<b>87,495</b>	<b>96,798</b>	<b>93,231</b>	<b>93,231</b>	<b>75,563</b>	<b>83,298</b>	<b>86,076</b>	<b>90,123</b>
Compensation of employees	32,164	74,948	68,282	70,532	70,532	56,110	57,278	59,414	61,618
Salaries and wages	32,164	74,948	68,282	70,532	70,532	56,110	57,278	59,414	61,618
Goods and services	32,358	12,547	28,516	22,699	22,699	19,453	26,020	26,662	28,505
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>746</b>	<b>83,780</b>	<b>107,922</b>	<b>147,858</b>	<b>147,858</b>	<b>147,865</b>	<b>111,760</b>	<b>107,712</b>	<b>109,111</b>
Provinces and municipalities	746	83,780	107,922	137,858	137,858	137,865	101,760	96,677	97,513
<b>Transfers and subsidies to<sup>1</sup>: - continued</b>									
Public corporations and private enterprises <sup>5</sup>	0	0	0	10000	10000	10000	10000	11035	11598
Other transfers				10000	10000	10000	10000	11035	11598
<b>Payments for capital assets</b>	<b>0</b>	<b>83</b>	<b>170</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Machinery and equipment	0	83	170	0	0	0	0	0	0
<b>Total</b>	<b>65,268</b>	<b>171,358</b>	<b>204,890</b>	<b>241,089</b>	<b>241,089</b>	<b>223,428</b>	<b>195,058</b>	<b>193,788</b>	<b>199,234</b>

**Table B.2: Payments and estimates by economic classification: Programme 4 Traditional Affairs**

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03						
<b>Current payments</b>	<b>45,420</b>	<b>43,898</b>	<b>48,021</b>	<b>62,994</b>	<b>62,994</b>	<b>62,723</b>	<b>62,068</b>	<b>63,953</b>	<b>66,760</b>
Compensation of employees	44,286	40,339	40,300	52,931	52,931	52,931	50,528	52,413	54,365
Salaries and wages	44,286	40,339	40,300	52,931	52,931	52,931	50,528	52,413	54,365
Goods and services	1,134	3,559	7,721	10,063	10,063	9,792	11,540	11,540	12,395
<b>Transfers and subsidies to<sup>1</sup>:</b>	<b>0</b>	<b>4,116</b>	<b>1,369</b>	<b>2,344</b>	<b>2,344</b>	<b>2,344</b>	<b>0</b>	<b>0</b>	<b>0</b>
Provinces and municipalities	0	4,116	1,369	2,344	2,344	2,344	0	0	0
<b>Transfers and subsidies to<sup>1</sup>: - continued</b>									
<b>Payments for capital assets</b>	<b>0</b>	<b>0</b>	<b>276</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,843</b>	<b>4,891</b>	<b>5,255</b>
Buildings and other fixed structures	0	0	0	0	0	0	6843	4891	5255
Buildings							6843	4891	5255
Machinery and equipment	0	0	276	0	0	0	0	0	0
<b>Total</b>	<b>45,420</b>	<b>48,014</b>	<b>49,666</b>	<b>65,338</b>	<b>65,338</b>	<b>65,067</b>	<b>68,911</b>	<b>68,844</b>	<b>72,015</b>

**Table B.3: Details on transfers to local government**

The following information for transfers to local government must be presented in annexure to each Vote:

**Table B.3: Transfers to local gov by transfer/grant type, category and municipality: Housing, Local Gov & Traditional Affairs**

R thousand	Outcome			Main appropri	Adjusted appropri	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2004/05	2005/06	2006/07
	2000/01	2001/02	2002/03	2003/04					
Rural Economic Development Zone (REDZ)		2773	5124	4140	4140	0	4368	0	0
Category A									
Municipality 1 Nelson Mandela Metro									
Category B		0	0	1900	1900		2500	0	0
Amahlali Municipality				300	300				
Mbhashe Municipality							1700		
Ndlambe Municipality				500	500		300		
Nkonkobe Municipality							500		
Ikhwezi Municipality				500	500				
Makana Municipality				600	600				
Category C		2773	5124	2240	2240	0	1868	0	0
Chris Hani		2773							
Amathole			1800	300	300				
O R Tambo			1000	1040	1040		368		
Ukhahlamba			1197	500	500				
Cacadu			1127				1500		
Alfred Nzo				400	400				
Unallocated									
Municipal Support Programme	17436	49026	17345	46633	46633	46633	41984	41184	44248
Category A	0	0	0	0	0	0	0	0	0
Nelson Manadela Metro									
Category B	17436	25500	9845	9478	9478	9478	17231	15978	17342
Amahlali Municipality	321	500							
Baviaans	253	761	360	360	360	360	693	635	682
Blue Crane	812	500	125	125	125	125	241	221	237
Elundini	311	700	305	30	30	30	587	583	626
Emalahleni	167	700	435	435	435	435	837	768	825
Engcobo	1100	875	500	500	500	500	659	604	825
Gariep	0	1000	125	100	100	100	241	220	237
Great Kei	341	600	435	435	435	435	837	768	825
Ikhwezi	410	1500					659	604	649
Qaukeni	1179	855	500	500	500	500	659	604	649
Inkwanca	6	600	100	100	100	100	192	176	189
Intsika Yethu	1100	850	500	500	500	500	659	604	649
Inxuba Yethemba		500	255	255	255	255	491	450	483
King Sabata Dalindyebo		750	125	125	125	125	241	221	237
Koukamma		885	435	435	435	435	837	768	825
Lukhanji	274	500							
Maletswai	554	700	125	125	125	125	241	221	237
Mbhashe	1085	850	500	500	500	500	659	604	649
Mnquma							659	604	649
Mbizana	1686	850	500	500	500	500	659	604	649
Mhlontlo	1390	850	500	500	500	500	658	604	649
Ngqushwa	488	600	435	435	435	435	837	768	825
Nkonkobe	430	2333	175	175	175	175	337	309	331
Ntabankulu	1282	850	500	500	500	500	659	604	649

**Table B.3: Transfers to local gov by transfer/grant type, category and municipality: Housing, Local Gov & Traditional Affairs**

Table D.5: Transfers to local gov by transfer grant type, category and municipality: Housing, Local Gov & Traditional Affairs										
R thousand		Outcome			Main appropri	Adjusted appropri	Revised estimate	Medium-term estimates		
		Audited	Audited	Audited						
		2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
Nxuba		172	625	305	305	305	305	587	583	627
Nyandeni		1253	850	500	500	500	500	659	604	649
Port St Johns		32	700	270	270	270	270	520	476	512
Sakhisizwe		22	600	305	305	305	305	587	583	627
Senqu			617	75	8	8	8	144	132	142
Sundays River		268	583	150	150	150	150	289	265	284
Tsolwana		258	600	305	305	305	305	587	583	627
Umzimkhulu		1100	908	500	500	500	500	658	604	649
Umzimvubu		1142	908	500	500	500	500	658	604	649
Category C		0	23526	7500	11100	11100	11100	11069	10148	11211
Alfred Nzo			3000	750	750	750	750	988	906	973
Amathole			11526	3500	7100	7100	7100	6459	5921	6671
Cacadu				500	500	500	500			
Chris Hani			3000	1000	1000	1000	1000	1317	1208	1296
OR Tambo			3000	1000	1000	1000	1000	1317	1207	1298
Ukhahlamba			3000	750	750	750	750	988	906	973
Unallocated					26055	26055	26055	13684	15058	15695
Disaster Funds		6767	14544	16178	33000	30000	0	19914	19914	21396
Category A		100	80	1644	3000	3000	0	2000	2000	2000
Nelson Mandela Metro		100	80	1644	3000	3000		2000	2000	2000
Category B		767	436	3734	2000	4000	0	2000	2000	2000
Amahlati Municipality		310								
Buffalo City			308	3734	2000	2000		1000	1000	1000
King Sabata Dalindyebo						2000		1000	1000	1000
Mhlontlo			128							
Nkonkobe		457								
Category C		5900	13820	10800	28000	23000	0	15914	15914	17396
Alfred Nzo		2640	3700	1000	3000	3000		1500	1500	1500
Amathole		840	3000	2500	7200	5600		4914	4914	4000
Cacadu		200	1920	1000	2000	2000		2000	2000	4396
Chris Hani		690	500	1000	6400	4700		4000	2000	4000
OR Tambo		840	3000	4300	4000	4000		2000	2000	2000
Ukhahlamba		690	1700	1000	5400	3700		1500	3500	1500
Unallocated			208							
Youth Development		0	1000	623	1000	1000	1000	1000	1000	1000
Category A		0	0	0	0	0	0	0	0	0
Nelson Mandela Metro										
Category B		0	0	0	0	0	0	0	0	0
Category C		0	1000	623	1000	750	750	750	750	750
Alfred Nzo				156	250	250	250	250	250	250
Amathole				156	250					
Cacadu			500							
Chris Hani			500							
OR Tambo				156	250	250	250	250	250	250
Ukhahlamba				155	250	250	250	250	250	250
Unallocated						250	250	250	250	250
Municipal Performance		0	0	2692	3626			0	0	0
Category A		0	0	0	0			0	0	0
Nelson Mandela Metro										
Category B		0	0	500	0			0	0	0

**Table B.3: Transfers to local gov by transfer/grant type, category and municipality: Housing, Local Gov & Traditional Affairs**

Table D.5: Transfers to local gov by transfer/grant type, category and municipality: Housing, Local Gov & Traditional Affairs									
R thousand	Outcome			Main appropri	Adjusted appropri	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
		2000/01	2001/02	2002/03	2003/04			2004/05	2005/06
Koukamma			500						
Category C	0	0	1021	626	0	0	0	0	0
Alfred Nzo			15	33					
Amathole			809	132					
Cacadu			66	148					
Chris Hani			51	132					
OR Tambo			51	115					
Ukhahlamba			29	66					
Unallocated			1171	3000					
Urban Renewal	0	0	0	0	13000	0	0	0	0
Category A	0	0	0	0	0	0	0	0	0
Nelson Mandela Metro									
Category B	0	0	0	0	5000	0	0	0	0
King Sabata Dalindyebo					5000				
Category C	0	0	0	0	0	0	0	0	0
Unallocated					8000				
Integrated Sustainable Rural Development Programme	0	0	0	0	4500	5265	0	0	0
Category A	0	0	0	0	0	0	0	0	0
Nelson Mandela Metro									
Category B	0	0	0	0	0	0	0	0	0
Category C	0	0	0	0	3000	0	0	0	0
Chris Hani					1000				
OR Tambo					1000				
Ukhahlamba					1000				
Unallocated					1500	5265			
Local Economic Development	0	0	0	0	5500	3318	0	0	0
Category A	0	0	0	0	4600	0	0	0	0
Nelson Mandela Metro					4600				
Category B	0	0	0	0	400	0	0	0	0
Inxuba Yethemba					300				
Senqu					100				
Category C	0	0	0	0	500	0	0	0	0
Alfred Nzo					400				
Ukhahlamba					100				
Unallocated						3318			
Planning	0	0	0	0	21007	0	4500	4412	4781
Category A	0	0	0	0	0	0	0	0	0
Nelson Mandela Metro									
Category B	0	0	0	0	17839	0	0	0	0
Amahlati Municipality					350				
Baviaans					150				
Buffalo City					550				
Camdeboo					1184				
Elundini					150				
Emalahleni					150				
Engcobo					150				
Gariep					135				
Great Kei					150				
Ikhwezi					150				

**Table B.3: Transfers to local gov by transfer/grant type, category and municipality: Housing, Local Gov & Traditional Affairs**

R thousand	Outcome			Main appropri	Adjusted appropri	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
	2000/01	2001/02	2002/03				2004/05	2005/06	2006/07
Qaukeni					150				
Inkwanca					391				
Intsika Yethu					258				
King Sabata Dalindyebo					282				
Kouga					745				
Koukamma					300				
Lukhanji					1069				
Makana					391				
Maletswai					650				
Mbhashe					438				
Mnquma					1454				
Mbizana					1517				
Mhlontlo					492				
Ndlambe					100				
Ngqushwa					1180				
Nkonkobe					1673				
Ntabankulu					904				
Nxuba					505				
Nyandeni					150				
Port St Johns					55				
Sakhisizwe					456				
Senqu					310				
Sundays River					55				
Tsolwana					400				
Umzimkhulu					795				
<b>Category C</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Unallocated</b>					3168		4500	4412	4781
<b>DEPARTMENT</b>	<b>18847</b>	<b>92369</b>	<b>125497</b>	<b>175342</b>	<b>175342</b>	<b>175342</b>	<b>146610</b>	<b>141527</b>	<b>145700</b>
<b>Category A</b>	<b>100</b>	<b>80</b>	<b>1644</b>	<b>3000</b>	<b>7600</b>	<b>0</b>	<b>2000</b>	<b>2000</b>	<b>2000</b>
Nelson Mandela Metro	100	80	1644	3000	7600	0	2000	2000	2000
<b>Category B</b>	<b>17715</b>	<b>25208</b>	<b>13144</b>	<b>12943</b>	<b>37102</b>	<b>9043</b>	<b>20894</b>	<b>17210</b>	<b>18517</b>
Amahlati Municipality	631	500	0	300	650	0	0	0	0
Baviaans	253	761	360	360	510	360	693	635	682
Blue Crane	812	500	125	125	125	125	241	221	237
Buffalo City	0	308	3734	2000	2550	0	1000	1000	1000
Camdeboo	0	0	0	0	1184	0	0	0	0
Elundini	311	700	305	30	180	30	587	583	626
Emalahleni	167	700	435	435	585	435	837	768	825
Engcobo	1100	875	500	500	650	500	659	604	825
Gariep	0	1000	125	100	235	100	241	220	237
Great Kei	341	600	435	435	585	435	837	768	825
Ikhwezi	410	1500	0	500	650	0	659	604	649
Qaukeni	1179	855	500	500	650	500	659	604	649
Inkwanca	6	600	100	100	491	100	192	176	189
Intsika Yethu	1100	850	500	500	758	500	659	604	649
Inxuba Yethemba	0	500	255	255	555	255	491	450	483
King Sabata Dalindyebo	0	750	125	125	7407	125	1241	1221	1237
Kouga	0	0	0	0	745	0	0	0	0
Koukamma	0	885	435	435	735	435	837	768	825
Lukhanji	274	500	0	0	1069	0	0	0	0

**Table B.3: Transfers to local gov by transfer/grant type, category and municipality: Housing, Local Gov & Traditional Affairs**

Table B.5: Transfers to local gov by transfer grant type, category and municipality: Housing, Local Gov & Traditional Affairs										
R thousand		Outcome			Main appropri	Adjusted appropri	Revised estimate	Medium-term estimates		
		Audited	Audited	Audited						
		2000/01	2001/02	2002/03	2003/04			2004/05	2005/06	2006/07
Makana	0	0	0	600	991	0	0	0	0	
Maletswai	554	700	125	125	775	125	241	221	237	
Mbhashe	1085	850	500	500	938	500	2359	604	649	
Mnquma	0	0	0	0	1454	0	659	604	649	
Mbizana	1686	850	500	500	2017	500	659	604	649	
Mhlontlo	1390	850	500	500	992	500	658	604	649	
Ndlambe	0	0	0	500	600	0	300	0	0	
Ngqushwa	0	0	0	0	100	0	0	0	0	
Nkonkobe	887	2333	175	175	1848	175	837	309	331	
Ntabankulu	1282	850	500	500	1404	500	659	604	649	
Nxuba	172	625	305	305	810	305	587	583	627	
Nyandeni	1253	850	500	500	650	500	659	604	649	
Port St Johns	32	700	270	270	325	270	520	476	512	
Sakhisizwe	22	600	305	305	761	305	587	583	627	
Senqu	0	617	75	8	418	8	144	132	142	
Sundays River	268	583	150	150	205	150	289	265	284	
Tsolwana	258	600	305	305	705	305	587	583	627	
Umzimkhulu	1100	908	500	500	1295	500	658	604	649	
Umzimvubu	1142	908	500	500	500	500	658	604	649	
Category C	0	41119	24568	42466	40090	11350	29601	26812	29357	
Alfred Nzo		6700	1921	4433	4800	1000	2738	2656	2723	
Amathole		14526	8765	14982	13000	7100	11373	10835	10671	
Cacadu		2420	2193	2148	2000	0	3500	2000	4396	
Chris Hani		6773	2051	7532	6700	1000	5317	3208	5296	
OR Tambo		6000	6507	6405	7290	1250	3935	3457	3548	
Ukhahlamba		4700	3131	6966	6300	1000	2738	4656	2723	
Unallocated	1032	25962	86141	116933	90550	154949	94115	95505	95826	



## Table B.4: Definitions

This list of definitions is not exhaustive. The final version will be presented when the national norms and standards for service delivery measures have been finalised. Provinces are advised to read this in conjunction with the Treasury Guidelines: Preparing budget submissions and the Guidelines for Implementing the New Economic Reporting Format.

Activities	Actions or steps taken to carry out a programme or produce an output.
Category A municipality	A metropolitan municipality that has exclusive executive and legislative authority in its area.
Category B municipality	A local municipality that shares municipal executive and legislative authority in its area with a district municipality within whose area it falls
Category C municipality	A district municipality that has municipal executive and legislative authority in an area that includes more than one municipality
Effectiveness	The extent to which policy objectives, operational goals and other intended effects are achieved.
Input	A resource used by a department to produce its outputs; this includes labour, other goods and services, capital assets, financial assets and intangible assets.
Objective	<p>A statement of specific results to be achieved over a specified period. An objective can be “to provide public ordinary school education to 456 789 learners during the next financial year”. It can also be “to increase the pass rate by 6 per cent”.</p> <p><i>Measurable objectives</i> are defined as specific, quantifiable outcomes that can be achieved within a foreseeable time period. They serve as a roadmap for achieving the department’s goals and define the actual impact on the public rather than focussing on the level of effort that is expended. They are tools to assess the effectiveness of an agency’s performance and the public benefit that is derived.</p> <p>At this stage, it is worth explaining the various components of the above description. Measurable objectives are described as quantifiable outcomes, as opposed to outputs</p>
Key measurable objective	An objective for the most important measurable results that will be achieved in terms of service delivery. “To provide public ordinary school education for 456 789 learners” is a key measurable objective for the department of education. A key measurable objective can also be “an increase in the pass rate of 6 per cent”.
Output	Outputs are the final goods and services produced or delivered by departments to clients that are external to the departments. Outputs may be defined as the ‘what’ that departments deliver or provide, contributing towards meeting the outcomes that government wants to achieve.
Outcome	Outcomes are the end social and economic result of public policies or programmes, and mainly refer to changes in the general state of well being in the community. Examples include a safe and secure environment, healthy citizens, reduction in repeat offenders, reduced poverty levels and stable and self-sufficient families.
Performance measure	A quantitative parameter used to measure expected outcomes in terms of the general performance dimensions of quantity, quality, cost and timeliness. “To provide public ordinary school education to 456 789 learners” is a quantitative performance measure. “To increase the pass rate” is a quality measure.
Service delivery measure	Quantitative information about how much service a programme has delivered. “To have provided public ordinary school education to 456 789

Activities	Actions or steps taken to carry out a programme or produce an output.
Service delivery indicators	learners" is a measure of output. Should it be impossible to quantify the service delivery, an indicator can be used – generally an outcomes measure that verifies the result of service delivery. For road safety issues, the "improvement in road safety" may be a more relevant measurable objective than "the number of speed traps" or "information campaigns". The "improvement in road safety" will be the service delivery indicator for the road safety programme. A service delivery indicator can also be defined as a performance indicator.
Quality indicators	The quality of a service can rarely be quantified. Indicators such as the teacher/learner ratio pass rate or drop-out rates must be used to give some impression of quality.

**Table B.5: Budgeting for service delivery**

Housing output measures			
Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
Construction and completion of 23149 housing units	Number of housing units completed	30 000 housing units	23149 housing units
Capacitating of municipalities to enable them to deal with land related matters	Number of municipalities capable of dealing with land matters		6 district municipalities and 1 Metro
Facilitating the development of functional housing units within municipalities with suitably trained housing personnel	Number of housing practitioners trained	100 housing practitioners trained	100 housing practitioners trained
Job creation through utilisation of SMME's, emerging contractors, ABE's and joint ventures	Number of jobs created (in person days)	700 000 jobs created (in person days)	150 000 job opportunities created (in person days)
Transfer of rental stock to qualifying occupiers/municipalities	Number of rental houses transferred	40 000 houses to be transferred	35 000 houses to be transferred
Improved rental collection	Rent collected in rands		R5 million

Developmental Local Government Output Measures			
Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
Construction and completion of 23149	Number of housing units	30 000 housing units	23149 housing units

Output Type	Performance measure	Performance targets	
		2003/04 estimated actual	2004/05 estimate
housing units	completed		
Capacitating of municipalities to enable them to deal with land related matters	Number of municipalities capable of dealing with land matters		6 district municipalities and 1 Metro
Facilitating the development of functional housing units within municipalities with suitably trained housing personnel	Number of housing practitioners trained	100 housing practitioners trained	100 housing practitioners trained
Job creation through utilisation of SMME's, emerging contractors, ABE's and joint ventures	Number of jobs created (in person days)	700 000 jobs created (in person days)	150 000 job opportunities created (in person days)
Transfer of rental stock to qualifying occupiers/municipalities	Number of rental houses transferred	40 000 houses to be transferred	35 000 houses to be transferred

**Table 6.1.3: Reconciliation of structural changes: Department of Housing, Local Govt & Trad. Affairs**

Programmes for 2003/04			Programmes for 2004/05		
	2004/05 Equivalent				
	Prog	Sub-prog		Prog	Sub-prog
1. Executive	1	1	Administration	1	
			Office of the MEC		1.1
			Corporate Services		1.2
			Housing		
			Office of Head of Hous		2.1
2. Housing	3	8	Housing Planning	2	2.2
			Housing Perf & Subsidy		2.3
			Urban Ren & Human Set		2.4
			Housing Assets Mangt		2.5
			Local Government		
			Office of the Head of Local Govt		3.1
			Municipal Admin		3.2
			Municipal Finance		3.3
3. Developmental	1		Municipal Infrastructure	3	3.4
Local Govt			Disaster Management		3.5
			Spatial Planning		3.6
			Develop. Admin & Land Use		3.7
			Int. Dev & Planning		3.8
			Local Economic Development		3.9
			Traditional Affairs		
			Traditional Institution Arrangement		4.1
Corporate Services &	4	4.1,4.2,4.3,4.4,4.5	Traditional Resource Admin	4	4.2
Traditional Affairs			Traditional Affairs Institute		4.3
			Traditional Land Admin		4.4
Programme 5: Demogr.	5	5.1,5.2,5.3	Programme 5: Population Development Trends	5	5.1,5.2,5.3
Trends & Anal. On Social Dev					