

## BUDGET STATEMENT NUMBER 2

### DEPARTMENTAL ESTIMATES

# Vote 7

## Department of Housing, Local Government and Traditional Affairs

	2006/07 To be appropriated	2007/08	2008/09
MTEF allocations	R1 250 606 000	R1 481 703 000	R1 612 097 000
Statutory Amount	R 625 000		

Political office bearer

M.E.C of Housing Local Government & Traditional Affairs

Administering Department

Department of Housing Local Government & Traditional Affairs

Accounting Officer

Head of Department

### 1. Overview

#### Core functions and responsibilities

The core functions of the Department are the following:

- To facilitate housing delivery
- To rehabilitate dysfunctional areas with the notion of economic and social amenities development i.e. Informal Settlement Upgrading
- To provide for the effective and efficient management of housing assets i.e. Rental and Social Housing
- To provide housing subsidy and ensuring quality management of housing products
- To promote Rural and Farm Housing Development
- To promote and facilitate viable and sustainable local governance
- To promote integrated development and planning
- 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.

## **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)
- Revitalize and support Traditional Institutions

## **Demands and Changes in Services**

The housing policies have not been able to address realities on the ground, hence, a shift to a policy termed Breaking New Ground. This policy makes a shift from the traditional RDP housing delivery to the creation of integrated sustainable human settlements.

The paradigm shift has emerged with an approach of inclusiveness in terms of provision of social and economic amenities during the creation of sustainable human settlements.

The advent of developmental local governance has ushered in a participatory decision making approach to ensure that the real needs of communities are adequately addressed. To this end, the recruitment, training and deployment of community development workers and the capacitation of ward committees are being vigorously pursued to ensure that decisions around development issues are well informed by the grassroots.

In line with the National Framework on Traditional Leadership and Governance Act of 2003 the department is transforming traditional institutions to be in line with the democratic principles of the constitution.

In compliance with the provisions of the constitution on co-operative governance as well as the Inter-governmental Relations Act, the department will develop an implementation plan on the creation of the required intergovernmental structures that will ensure cooperation and co-ordination among the various spheres of government

## **Acts, rules and regulations**

- Annual Division of Revenue Act
- Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
- Borrowing Powers of Provincial Government Act, 1996 (Act 48 of 1996)
- Employment Equity Act, 1998 (Act 55 of 1998)
- The Housing Act, 1997 (Act No 107 of 1997)
- Prevention of Illegal Eviction from Unlawful Occupation of Land Act (1998)
- The Housing Consumer Protection Measures Act of 1998
- The Rental Housing Act of 1999
- Home Loan and Mortgage Disclosure Act of 2000
- Municipal Structures Act 1998
- Municipal Systems Act 2000
- Municipal Demarcation Act 1998
- Disaster Management Act, (Act 57 of 2002)
- Municipal Finance Management Act, (Act 56 Of 2003)

- House of Traditional Leaders Act 1995
- Traditional Leadership & Governance Framework Act 2003
- Traditional Leadership & Governance Framework Act(Eastern Cape) 2005
- Occupational Health and Safety Act, 1993 (Act 85 of 1993)
- Constitution of the Republic of South Africa, (Act 108 of 1996)
- Rural Areas Act, (Act 9 of 1987)
- Skills Development Act, (Act 97 of 1998)
- Public Finance Management Act

## **Budget decisions**

The Department of Housing, Local Government and Traditional Affairs is committed to promoting and ensuring developmental local government, acceleration of housing delivery resulting in sustainable human settlements as well as promoting and facilitating viable and sustainable traditional leadership and institutions.

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

- The implementation of Learnership programme
- The implementation Community Development Worker programme
- The implementation of Traditional Leadership Legislation
- The creation of Sustainable Human Settlements
- Building capacity of communities, provincial department and municipalities

## **2. Review of the current financial year (2005/06)**

### **Housing**

- Awareness workshop on development of Housing Sector Plans was conducted for all Municipalities and 3 Municipalities identified as pilots i.e. Mnquma, Elundini & Sakhisizwe
- 100 Candidates trained on Land Administration at Provincial, Municipal and Traditional Institutions
- 5 Associations established i.e. ECBA, BBA, Inxili, Youth, Women & Physically challenged people
- 8899 jobs created
- 10552 Title deeds issued for approved housing beneficiaries
- 1000 units translating to R29,2 million allocated to Women and 500 units translating to R12,9 million allocated to Youth
- Women contractors taken through Project Management training workshop & 1 week on- the- job exposure on housing development processes conducted for Youth.
- R572million expenditure with 29 663 Housing Units completed as follows:
  - 8804 = NMMM
  - 4753= Cacadu
  - 743 =BCM
  - 3150 Amathole DM
  - 5942= Chris Hani
  - 3600= Ukhahlamba
  - 1990= O. R. Tambo
  - 681= Alfred Nzo

- Project Support Office established from voluntary membership of strategic partners and providing support to the branch. Seven meetings held focused on;
  - Alternative building material
  - Housing development scorecard
  - Qualitative Housing development
  - Analysing expenditure trends
  - Occupational/health and safety standards

## Local Government

The department was able to conduct diagnostic exercise for all municipalities, to be able to direct support appropriately. According to the said diagnostic exercise, 27 (including the 19 Project Consolidate) municipalities were identified to be in dire need of support. This served as a foundation to strengthen the capacity of municipalities on a number of functional areas, notably:

- The assessment of 21 municipal IDPs
- Initiatives towards effective Public Participation, through recruitment, training and deployment of CDWs, and training of Ward Committees,
- Implementation of the Formal Training for Managers in Municipalities, focussing on Human Resource Management, Financial Management and Local Economic Development, to mention a few;

The department also;

- Facilitated the signing of the agreements with the European Commission, UNDP and the Swedish Embassy in South Africa, for Local Economic Development, Municipal Support and Disaster Management, respectively;
- Intervened in terms of Section 139 of the Constitution in the municipalities of Nyandeni and Elundini;
- Initiated the review of the Provincial Spatial Development Plan (PSDP), and
- Rendered support to the Independent Electoral Commission (IEC) to facilitate provision of voting station infrastructure.

## 3. Outlook for the upcoming financial year (2006/07)

The department will focus on the following areas:

### Housing

#### • Breaking New Ground (BNG)

The purpose of BNG is to eradicate Informal Settlements located at the periphery of industrialised Urban Areas. The policy brings about participation of other Sector Departments in provision of social and r

#### • Unblocking of blocked projects

The slow movement in RDP housing delivery due to the use of emerging contractors, political conflicts on the ground etc. has resulted in the escalation of costs and erosion due to high inflation on the approved financial contracts. Some of the projects approved as far back as 1996 upwards are stalled due to reasons mentioned above. To date an amount of R250 million is required to unblock the blocked projects. A national policy has since been approved to unblock same until March 2008

#### • Emergency Housing

Natural disasters have caused havoc in various parts of the province especially Transkei since 1996. This area forms part of a huge backlog in repairing houses and to date R183 million is required for this service.

#### • Rectification programme

MINMEC took a decision to rectify all shoddy work emanating from RDP housing delivery from 1994 to 2002. Another era starts from 1930 to 1994 and policies have been approved for both eras. The total costing so far for the province is ± R164, 6m subject to verification to be done by service providers.

## Local Government

The department is aware of the transformation phases through which municipalities have to pass, in order to comply with the Developmental Local Government Model and requirements. We can confidently say that most of our municipalities are in the final stages of the Consolidation Phase. This can be gauged by the submission of 95.5% of Municipal Integrated Development Plans (ie 43 out of 45 municipal IDP's).

In consideration of the Constitutional Mandate setting out roles and responsibilities of this department, it became necessary to review our strategic focus for the year 2006/2007. Hence the programme will be focussing on its key strategic objectives in order to ensure the achievement of the reviewed Strategic Goal, which seeks to "create capacitated, viable, stable, developmental and sustainable municipalities". This will be achieved through the following Strategic Objectives:

- Promotion, development and implementation of proper, institutional and administrative systems,
- Promotion of Good Governance, and
- Promotion of Integrated Planning, Land, Infrastructure, and sustainable local economic development

These strategic objectives will translate into the following priority programmes, that are linked to the National Spatial Development Perspective (NSDP), Provincial Growth and Development Plan (PGDP) and Municipal Integrated Development Plans (IDPs):

- **Municipal Support and Mentoring Programme**

This seeks to support and monitor municipal compliance to statutes, policies, institutional capacity, public participation, to improved service delivery targets and special projects. To render appropriate and effective municipal support, a detailed diagnostic survey is to be conducted in all our municipalities;

- **Municipal Infrastructure and Free Basic Services,**

Most municipalities in the province are rural in character; consequently suffer from infrastructure backlogs which impact negatively on service delivery. For the year 2006/2007 the department will put its energies on eradication of bucket system and closely monitor and evaluate the utilisation of MIG. Further to the above, the department will ensure the increased implementation of Free Basic Services by facilitating the establishment database for Indigent in municipalities.

- **Integrated sustainable local economic development (rural and urban)**

The department acknowledges the existence of the East-West Divide in terms of development in the province. To tackle this we have been focussing on local, rural and urban development programmes. As we continue with the above, we have redefined our approach to concentrate on the removal of barriers to indigenous entrepreneurship and local economic development. To this end, we are integrating the local government support fund (LGSF), supported by the European Union in our endeavours to enhance municipal development capacity. Our initial focus will be on the six district municipalities and the Nelson Mandela Metro.

Further to the above, urban re-engineering will be sharpened to include two more urban centres, over and above the three existing nodes.

- **Project Consolidate**

To discharge the government's responsibility on providing seamless governance, the department continues to deepen its focus on provincial municipalities identified in Project Consolidate. To this end we will, additionally, engage the United Development Programme (UNDP).

## 4. Receipts and financing

### Summary of receipts

Table 4.1 below depicts the sources of funding for the vote.

**Table 4.1 Summary of receipts: Housing, Local Government and Traditional Affairs**

Receipts R'000	Outcome						Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05	Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
<b>Treasury funding</b>										
Equitable share	580 569	728 743	376 564	419 065	419 065	419 064	<b>480 192</b>	14.59	519 868	556 248
Conditional grants	639 951	707 738	654 913	581 218	581 218	581 218	<b>761 994</b>	31.10	952 994	1 046 566
Financing	( 380 499 )	( 208 456 )	( 45 240 )		57 029	45 992	( 100.00 )			
<b>Total Treasury funding</b>	<b>840 021</b>	<b>1 228 025</b>	<b>986 237</b>	<b>1 000 283</b>	<b>1 057 312</b>	<b>1 046 274</b>	<b>1 242 186</b>	18.72	1 472 862	1 602 814
<b>Departmental receipts</b>										
Tax receipts										
Sales of goods and services other than capital assets	3 020	1 623	375	5 998	5 998	6 057	<b>6 487</b>	7.10	6 792	6 792
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	1 560	9 015	8 094	1 945	1 945	3 997	<b>1 933</b>	( 51.64 )	2 049	2 491
Sales of capital assets		1 025	1 558							
Financial transactions in assets and liabilities		1 183	1 303							
<b>Total departmental receipts</b>	<b>4 580</b>	<b>12 846</b>	<b>11 330</b>	<b>7 943</b>	<b>7 943</b>	<b>10 054</b>	<b>8 420</b>	( 16.25 )	8 841	9 283
<b>Total receipts</b>	<b>844 601</b>	<b>1 240 871</b>	<b>997 567</b>	<b>1 008 226</b>	<b>1 065 255</b>	<b>1 056 328</b>	<b>1 250 606</b>	18.39	1 481 703	1 612 097

## 5. Payment summary

### Programme summary

Table 5.1 below indicates the budget or estimated expenditure per programme and Table 5.2 per economic classification (in summary). Details of the Government Financial Statistics (GFS) economic classifications are attached as an annexure to this vote.

**Table 5.1 Summary of payments and estimates: Housing, Local Government and Traditional Affairs**

Programme R'000	Outcome						Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	% Change from Revised estimate
				2006/07	2005/06	2007/08				2008/09
1. Administration	73 277	71 834	82 368	74 541	83 112	75 739	80 329	6.06	88 337	97 981
2. Housing	516 768	894 963	660 648	645 398	671 629	667 967	824 207	23.39	1 019 689	1 117 570
3. Local Government	180 104	173 013	144 040	142 189	157 573	157 162	161 624	2.84	175 667	186 980
4. Development & Pplanning	24 786	35 986	44 917	66 884	66 884	63 116	80 414	27.41	87 926	93 742
5. Traditional Leaders	49 666	65 075	65 594	79 214	86 057	92 344	104 032	12.66	110 084	115 824
Total payments and estimates	844 601	1 240 871	997 567	1 008 226	1 065 255	1 056 328	1 250 606	18.39	1 481 703	1 612 097

## Summary by economic classification

**Table 5.2 Summary of provincial payments and estimates by economic classification: Housing, Local Government and Traditional Affairs**

Economic classification R'000	Outcome			Main appro- p-riation Adjusted appro- p-riation Revised estimate			Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
				2006/07	2005/06	2007/08	2008/09			
Current payments	249 379	305 718	289 343	290 347	294 672	292 046	356 641	22.12	381 359	407 027
Compensation of employees	173 138	178 148	172 569	196 870	197 815	197 223	261 781	32.73	275 324	288 978
Goods and services	76 241	127 557	92 441	93 477	96 857	94 823	94 860	0.04	106 035	118 049
Interest and rent on land										
Financial transactions in assets and liabilities		13	24 333							
Unauthorised expenditure										
Transfers and subsidies to	591 543	927 778	706 217	707 781	750 314	750 498	862 891	14.98	1 067 101	1 169 983
Provinces and municipalities	125 496	134 945	133 358	126 563	143 039	143 223	100 897	( 29.55)	114 547	123 417
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households	466 047	792 833	572 859	581 218	607 275	607 275	761 994	25.48	952 554	1 046 566
Payments for capital assets	3 679	7 375	2 007	10 098	19 233	13 785	31 074	125.42	33 243	35 087
Buildings and other fixed structures	276	1 958		4 891	11 734	8 349	25 364	203.80	26 821	28 216
Machinery and equipment	3 403	5 417	2 007	5 207	7 499	5 436	5 710	5.04	6 422	6 871
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	844 601	1 240 871	997 567	1 008 226	1 064 219	1 056 329	1 250 606	18.39	1 481 703	1 612 097

**Table 5.3 Summary of departmental transfers to public entities: Housing, Local Government and Traditional Affairs**

Public entities R'000	Outcome						Medium-term estimate			
							% Change from Revised estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05	Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	2006/07	2005/06	2007/08	2008/09
None										
Total departmental transfers to public entities										



**Table 5.4 Summary of departmental transfers to local government by category: Housing, Local Government and Traditional Affairs**

Departmental transfers R'000	Outcome						Medium-term estimate			
							% Change from Revised estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05	Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	2006/07	2005/06	2007/08	2008/09
Category A			1 900	5 612	5 612	5 612		(100.00)		
Category B	84 377	110 377	90 889	96 711	113 187	113 360	100 897	(10.99)	114 547	123 417
Category C	41 119	24 568	40 569	24 240	24 240	24 251		(100.00)		
Total departmental transfers to local government	125 496	134 945	133 358	126 563	143 039	143 223	100 897	(29.55)	114 547	123 417

Note: Excludes regional services council levy.

**Table 5.5 Summary of departmental Public-Private Partnership projects: Housing, Local Government and Traditional Affairs**

Project description R'000	Total cost of project						Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
				Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	2006/07	2005/06	2007/08	2008/09
Projects under implementation										
PPP unitary charge	None									
Advisory fees										
Revenue generated (if applicable)										
Project monitoring cost										
New projects										
PPP unitary charge										
Advisory fees										
Revenue generated (if applicable)										
Project monitoring cost										
Total Public-Private Partnership projects										

## 6. Programme Description

### Programme 1: Administration

**Purpose:** This programme is responsible for giving strategic leadership to the department and corporate support to the three core functions of the department.

#### Analysis per sub-programme

##### Sub-programme 1.1: Office of the MEC

Providing Political Leadership in the department

##### Sub-programme 1.2: Corporate Services

Provide overall administration and support services to the department.

### Policy developments

Development of departmental policies is done in line with National and Provincial Policies with the participation of departmental officials and stakeholders.

#### Changes: policy, structures, services establishment, etc. Geographic distribution of services:

The implementation of the new structure of takes into account the new policy changes such as Breaking New Ground in Housing Development and the Traditional Leadership and Institutions and Finance & Supply Chain Management.

**Table 6.1 Summary of payments and estimates: Housing, Local Government and Traditional Affairs – Programme 1: Administration**

Sub-programme R'000	Outcome			Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
							2006/07 2005/06	2007/08 2005/06	2008/09 2005/06	2008/09 2005/06
1. Office of the MEC		312	915	757	757	825	799	(3.15)	839	881
2. Corporate Services	73 277	71 522	81 453	73 784	82 355	74 914	79 530	6.16	87 498	97 100
Total payments and estimates	73 277	71 834	82 368	74 541	83 112	75 739	80 329	6.06	88 337	97 981

**Table 6.2 Summary of payments and estimates by economic classification: Housing, Local Government and Traditional Affairs - Programme 1: Administration**

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
				Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	2006/07	2005/06	2007/08	2008/09
Current payments	65 259	62 477	80 145	69 334	75 609	69 726	74 619	7.02	81 915	91 110
Compensation of employees	33 832	34 083	32 470	33 314	35 610	33 182	37 446	12.85	39 342	41 196
Goods and services	31 427	28 381	37 577	36 020	39 999	36 544	37 173	1.72	42 573	49 914
Interest and rent on land										
Financial transactions in assets and liabilities		13	10 098							
Unauthorised expenditure										
Transfers and subsidies to	5 124	4 140	211		4	649		( 100.00 )		
Provinces and municipalities	5 124	4 140	211		4	649		( 100.00 )		
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households										
Payments for capital assets	2 894	5 217	2 012	5 207	7 499	5 364	5 710	6.45	6 422	6 871
Buildings and other fixed structures						48		( 100.00 )		
Machinery and equipment	2 894	5 217	2 012	5 207	7 499	5 316	5 710	7.41	6 422	6 871
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	73 277	71 834	82 368	74 541	83 112	75 739	80 329	6.06	88 337	97 981

## Programme 2: Housing

**Purpose:** To facilitate the creation of sustainable human settlements.

### Analysis per sub-programme

The program is divided into the following sub-programs and responsibilities:

#### Sub-programme 2.1: Office of the Head of Housing

To provide for the co-ordination of all housing functions

#### Sub-programme 2.2: Housing Planning and Research

To plan holistically for integrated and sustainable human settlements

#### Sub-programme 2.3: Housing Performance/Subsidy Management

To manage effective and efficient delivery of housing through subsidy programmes

#### Sub-programme 2.4: Urban renewal and human settlement redevelopment

To develop economically viable socially equitable and environmentally sustainable human settlements

#### Sub-programme 2.5: Housing Asset Management

To provide for the effective and efficient management of housing assets

### Policy developments:

Policy development through building capacity of municipalities, provincial officials and other role players

### Changes: policy, structure, service establishment, etc. Geographic distribution of services:

Breaking New Ground as a new national policy initiative is being incorporated into the provincial approach to human settlement development

### Expenditure trends analysis:

Expenditure on housing development had a steady increase from R461 million in 2002/03 to R795 million in 2003/04 with a slight drop to R618 million in 2004/05 due to austerity measures in the province at the time. It is projected to be R607million in 2005/06.

### Service delivery measures:

PROGRAMME 2: Housing							
Sub-programme 2.1: Office of the Head of Housing							
Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
To provide strategic leadership, coordination and monitoring	Performance of the sub-programmes		75%	80%	85%	90%	95%

**Sub-programme 2.2: Housing Planning and Research**

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
To facilitate and manage the development of housing policy, planning and capacity development	Number of policies/guidelines approved	Provincial policies	1	3	2	1	1
	Number of municipal housing sector plans incorporated into the IDP's	Housing sector plans	1	3	2	1	2
	Number of municipalities accredited for level one			2	1	1	1

**Sub-programme 2.3: Housing Performance/Subsidy**

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
To provide subsidies to qualifying beneficiaries in accordance with the housing policy	Number of subsidies approved		23 149	20 813	20 241	24 000	25 500

**Sub-programme 2.4: Urban renewal and human settlement redevelopment**

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Co-ordinate the rehabilitation of dysfunctional urban areas with the notion of economic and social amenities development	Number of urban/rural human settlement projects implemented	Urban renewal projects	3	3	Function transferred to local government branch	-	-
Administer project management and quality control	Percentage compliance with norms and standards	Human settlements	40%	3 100%	4 100%	7 100%	10 100%

**Sub-programme 2.5: Housing asset management**

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
To administer housing assets, social housing, rental housing and land related issues	Number of housing assets transferred and sold	Number of flats and houses transferred and sold		100	120	112	
	Number of units transferred under the Enhanced Extended Discount Benefit Scheme	Number of beneficiaries provided with title deeds	1 073	852	1 500	3 500	5 000

**Table 6.3 Summary of payments and estimates: Housing, Local Government and Traditional Affairs – Programme 2: Housing**

Sub-programme R'000	Outcome			Main appro- priation  2005/06	Adjusted appro- priation  2005/06	Revised estimate  2005/06	Medium-term estimate			
	Audited  2002/03	Audited  2003/04	Audited  2004/05				% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
1. Head of Housing	9 692	5 074	14 401	13 933	10 327	10 672	14 716	37.89	15 510	16 295
2. Housing Planning and Research			3 244	1 641	5 753	8 014	1 759	(78.05)	1 905	2 016
3. Housing Performance Subsidy Management	481 614	804 118	578 347	593 796	617 221	614 608	775 343	26.15	966 784	1 061 555
4. Urban Renewal and Human Settlement Redevelopment	14 853	75 035	59 501	30 092	30 266	28 863	26 065	(9.69)	28 750	30 591
5. Housing Asset Management	10 609	10 736	5 155	5 936	8 062	5 811	6 324	8.83	6 740	7 113
Total payments and estimates	516 768	894 963	660 648	645 398	671 629	667 968	824 207	23.39	1 019 689	1 117 570

**Table 6.4 Summary of payments and estimates by economic classification: Housing, Local Government and Traditional Affairs – Programme 2:**

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05	Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
<b>Current payments</b>	55 598	100 301	43 023	58 149	58 079	54 506	<b>62 213</b>	14.14	67 135	71 004
Compensation of employees	30 724	28 096	23 858	37 358	37 358	33 772	<b>39 413</b>	16.70	41 538	43 615
Goods and services	24 874	72 205	15 830	20 791	20 721	20 734	<b>22 800</b>	9.96	25 597	27 389
Interest and rent on land										
Financial transactions in assets and liabilities			3 335							
Unauthorised expenditure										
<b>Transfers and subsidies to</b>	460 830	794 505	617 630	587 249	613 550	613 390	<b>761 994</b>	24.23	952 554	1 046 566
Provinces and municipalities	( 5 216 )	1 672	44 771	6 031	6 275	6 115	( 100.00 )			
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households	466 046	792 833	572 859	581 218	607 275	607 275	<b>761 994</b>	25.48	952 554	1 046 566
<b>Payments for capital assets</b>	340	157	( 5 )			71	( 100.00 )			
Buildings and other fixed structures										
Machinery and equipment	340	157	( 5 )			71	( 100.00 )			
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
<b>Total economic classification</b>	516 768	894 963	660 648	645 398	671 629	667 967	<b>824 207</b>	23.39	1 019 689	1 117 570

### **Programme 3: Local Government**

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

#### **Analysis per sub-programme:**

##### **Sub-programme 3.1 & 3.2: Office of the Head of Developmental Local Government**

To provide management, strategic direction, and support services towards the promotion developmental local government

##### **Sub-programme 3.3: Municipal Administration**

To provide support and monitor municipalities in respect of capacity building and community participation.

##### **Sub-programme 3.4: Municipal Finance**

To facilitate and monitor the implementation of an efficient and effective financial management systems in municipalities

##### **Sub-programme 3.5: Municipal Infrastructure**

To facilitate support and monitor the implementation of the municipal infrastructure grant (MIG) and infrastructure development in municipalities.

##### **Sub-programme 3.6: Disaster Management**

To promote the establishment of effective and efficient disaster management systems

#### **Policy Development**

The introduction of the Municipal Property Rates Act will undoubtedly influence the budget of this programme. Funds will have to be provided to assist municipalities in the valuation of properties.

#### **Changes: policy, structure, service establishment, etc. Geographic distribution of services:**

The introduction of programmes such as the Community Development Worker Programme and Project Consolidate has necessitated a review of the organogram to ensure alignment with strategic plan.

#### **Expenditure trends analysis:**

None



## Service delivery measures:

### PROGRAMME 3: Local Government

#### Sub-programme 3.1 & 2: Office of the Head of development Local Government

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)

#### Sub-programme 3.2: Municipal administration

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Facilitation and coordination of proper and effective administrative and management systems	Municipal Administrative and management systems in place.		42 Municipalities	17 Project Consolidate Municipalities	27 PC Municipalities	20 Municipalities	20 Municipalities
Effective community participation	Functional Ward Committees		10 Municipalities	7 Municipalities	10 Municipalities	10 Municipalities	12 Municipalities

#### Sub-programme 3.3: Municipal Finance

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Well performing municipalities	No. of Municipalities with audited reports, annual reports, Performance contracts of Managers		19 Municipalities	45 Municipalities	15 Municipalities	15 Municipalities	15 Municipalities

#### Sub-programme 3.4: Municipal Infrastructure

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Facilitation of Development, upgrading and maintenance of infrastructure	No. of Municipalities with well functioning Project Management Units		9 Municipalities	22 Municipalities	9 Municipalities	10 Municipalities	10 Municipalities

#### Sub-programme 3.5: Disaster Management

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Effective Disaster Management and Emergency Services	Readiness to respond to disasters and emergencies		9 Municipalities	9 Municipalities	9 Municipalities	9 Municipalities	9 Municipalities

**Table 6.5 Summary of payments and estimates: Housing, Local Government and Traditional Affairs – Programme 3: Local Government**

Sub-programme R'000	Outcome						Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05	Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
1. Head of Local Government	45 151	36 390	19 578	16 629	15 813	14 028	<b>17 500</b>	24.75	18 395	19 324
2. Head of Local Governance				4 617	4 617	175	<b>3 932</b>	2146.86	4 140	4 352
3. Municipal Administration	58 194	70 503	18 575	33 331	33 331	35 104	<b>48 393</b>	37.86	51 841	54 867
4. Municipal Finance	56 326	66 120	44 784	35 083	35 083	31 884	<b>35 172</b>	10.31	38 581	41 211
5. Municipal Infrastructure	20 433		36 699	29 097	29 097	35 692	<b>28 791</b>	(19.33)	31 911	34 221
6. Disaster Management			24 404	23 432	39 632	40 279	<b>27 836</b>	(30.89)	30 799	33 005
<b>Total payments and estimates</b>	<b>180 104</b>	<b>173 013</b>	<b>144 040</b>	<b>142 189</b>	<b>157 573</b>	<b>157 162</b>	<b>161 624</b>	2.84	175 667	186 980

**Table 6.6 Summary of provincial payments and estimates by economic classification – Programme 3: Local Government**

Economic classification R'000	Outcome			Main appro- p-riation Adjusted appro- p-riation Revised estimate			Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
				2006/07	2005/06	2007/08	2008/09			
Current payments	74 923	68 201	85 257	65 735	64 891	66 728	102 929	54.25	109 688	115 857
Compensation of employees	64 869	53 571	43 426	40 104	39 288	40 352	81 177	101.17	85 236	89 498
Goods and services	10 054	14 630	30 931	25 631	25 603	26 376	21 752	( 17.53 )	24 452	26 359
Interest and rent on land										
Financial transactions in assets and liabilities			10 900							
Unauthorised expenditure										
Transfers and subsidies to	105 181	104 812	58 783	76 454	92 682	90 434	58 695	( 35.10 )	65 979	71 123
Provinces and municipalities	105 181	104 812	58 783	76 454	92 682	90 434	58 695	( 35.10 )	65 979	71 123
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households										
Payments for capital assets										
Buildings and other fixed structures										
Machinery and equipment										
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	180 104	173 013	144 040	142 189	157 573	157 162	161 624	2.84	175 667	186 980

## Programme 4: Development and Planning

**Purpose:** To promote Integrated developmental planning.

**Analysis per sub-programme:**

### Sub-programme 4.1: Office of the Head of Development and Planning

To provide the management and strategic direction of municipal development and planning

### Sub-programme 4.2: Spatial Planning

To facilitate support and monitor the development and implementation of spatial development plans

### Sub-programme 4.3: Development Administration/Land Use Management

To facilitate and monitor land surveying, valuations and land use management in municipalities.

### Sub-programme 4.4: Integrated Development and Planning

To support and monitor the preparation and implementation of municipal IDP's.

### Sub-programme 4.5: Local Economic Development and Planning (LED)

To facilitate support and monitor local economic development programmes in municipalities

## Expenditure trends analysis:

None

PROGRAMME 4: Development and Local Government							
Sub-programme 4.1: Office of the Head of Development & Planning							
Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Sub-programme 4.2: Spatial Planning							
Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Facilitation of Settlement Planning	Approved settlement plans		20 Municipalities	12 Municipalities	10 Municipalities	12 Municipalities	14 Municipalities
Facilitation of compilation of spatial development frameworks (SDFs)	Number of reviewed and adopted Spatial Development Frameworks		5 Municipalities	31 Municipalities	12 Municipalities	12 Municipalities	13 Municipalities
Facilitation of effective land use management	Number of municipalities implementing zoning schemes		4 Municipalities	9 Municipalities	8 Municipalities	6 Municipalities	6 Municipalities
Facilitation of the review and alignment of Provincial Spatial Development Plan (PSDP) to PGDP	Reviewed PSDP aligned to PGDP				1 Provincial Plan		

**Sub-programme 4.3: Development Administration/Land Use Management**

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Facilitation of Cadastral Survey	Approved general plans		16 Municipalities	11 Municipalities	10 Municipalities	12 Municipalities	14 Municipalities
Facilitation of valuation of properties	Number of municipal valuation rolls		9 Municipalities	7 Municipalities	8 Municipalities	8 Municipalities	8 Municipalities

**Sub-programme 4.4: Integrated Development and Planning**

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Facilitation and coordination of developed IDP's.	No. of IDP's assessed and Institutional PMS adopted		16 Municipalities	45 Municipalities	15 Municipalities	15 Municipalities	15 Municipalities

**Sub-programme 4.5: Local Economic and Development Planning (LED)**

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Provision of Free Basic Services	No. of Municipalities providing Free Basic Services to designated Households.		-	10 PC	7 PC	10 Municipalities	10 Municipalities
Sustainable Local Economic Development	No. of Municipalities with functional systems for LGSF (LED) and Project Management Units		24 Municipalities	24 Municipalities	6 DM's	7 Municipalities	8 Municipalities
Facilitation, monitoring sustainable Rural Development and Urban renewal	No. of municipalities with systems for Urban and Rural Development Programs		5 Municipalities	5 Municipalities	6 Nodes	6 Nodes	6 Nodes

**Table 6.7 Summary of payments and estimates: Housing, Local Government and Traditional Affairs – Programme 4: Development and Planning**

Sub-programme R'000	Outcome			Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
1. Head of Development and Planning				4 616	4 616	222	3 945	24.75	18 395	19 324
2. Spatial Planning	20 391	27 735	7 182	8 056	8 056	7 744	11 875	2146.86	4 140	4 352
3. Development Administration and Land Use Management			12 600	17 676	17 676	16 435	21 976	37.86	51 841	54 867
4. Integrated Development Planning (IDP)	4 395	8 251	7 521	18 154	18 154	18 670	15 569	10.31	38 581	41 211
5. Local Economic Development (LED)			17 614	18 382	18 382	20 045	27 049	(19.33)	31 911	34 221
Total payments and estimates	24 786	35 986	44 917	66 884	66 884	63 116	80 414	2.84	175 667	186 980

**Table 6.8 Summary of payments and estimates by economic classification: Housing, Local Government and Traditional Affairs – Programme 4: Development and Planning**

Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
				Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	2006/07	2005/06	2007/08	2008/09
Current payments	5 578	11 623	15 526	22 806	22 806	17 260	38 212	121.39	39 358	41 449
Compensation of employees	3 413	9 171	13 491	19 310	19 310	14 630	33 344	127.92	35 011	36 763
Goods and services	2 165	2 452	2 035	3 496	3 496	2 630	4 868	85.10	4 347	4 686
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to	19 038	24 321	29 391	44 078	44 078	45 856	42 202	( 7.97 )	48 568	52 294
Provinces and municipalities	19 038	24 321	29 391	44 078	44 078	45 856	42 202	( 7.97 )	48 568	52 294
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households										
Payments for capital assets	170	43								
Buildings and other fixed structures										
Machinery and equipment	170	43								
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	24 786	35 987	44 917	66 884	66 884	63 116	80 414	27.41	87 926	93 743

## **Programme 5: Traditional Affairs**

**Purpose:** To promote and facilitate viable and Sustainable Traditional Institutions

**Analysis per sub-programme:**

### **Sub-programme 5.1: Traditional Institutional Arrangements**

To manage institutional administrative and financial framework of traditional institutions. It is further responsible to assist in the formulation, development and implementation of policy and legislation, fulfil duties in dispute resolution and Anthropological Services.

### **Sub-programme 5.2: Traditional Resource Administration**

To manage and resource the institutions of traditional leadership, draw administrative policy guidelines and capacity building programmes and the implementation of capacity building programmes.

### **Sub-programme 5.3: Traditional Affairs Integration/Development Facilitation**

To integrate traditional institutions with local government structures, improves access to community services, empowerment of traditional leadership and support structures and strengthening of functional linkages with municipalities.

### **Sub-programme 5.4: Office of the Head of Traditional Affairs**

To provide strategic leadership to the branch.

## **Policy developments:**

There is new legislation in the form of the Traditional Leadership and Governance Framework Act which was passed by the National Parliament in 2003. This has cascaded to the province through the passing of the Provincial Traditional Leadership and Governance Act in 2005.

The aim of this legislation is:

- To set out a national framework and norms and standards that will define the place and role of traditional leadership within the new system of democratic governance;
- To transform the institution in line with constitutional imperatives; and
- To restore the integrity and legitimacy of the institution of traditional leadership in line with customary law and practices
- Implementing this legislation requires that certain policies be developed to guide the practitioners and officials in performing this task. This policy development will vigorously pursued by the department during the MTEF period

## **Changes: policy, structure, service establishment, etc. Geographic distribution of services:**

During the MTEF period Local Houses as required by the new legislation will be established in district municipalities.

## **Expenditure trends analysis:**

None



## Service Delivery Measures:

### PROGRAMME 5: Traditional Affairs

#### Sub-programme 5.1: Traditional Institutional Arrangements

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Assist in the implementation and review of appropriate policies and legislation.	Number of policies developed	5 policies to be developed			3	2	
Promote culture and ceremonial activities.	Number of cultural activities performed		3	3	3	3	3

#### Sub-programme 5.2: Traditional Resource Administration

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Implementation and review of policies and legislation	Number of policies and legislation implemented	5 policies			3 policies 1 act	2 policies	
Provide support to traditional councils, Provincial House and Local Houses/ traditional institutions	Number of facilities built for traditional councils and the Provincial House of Traditional Leaders	(a) Completion of the construction of offices for PHOTL			27 traditional council facilities Construction of offices for PHOTL starts	27 traditional council facilities Offices for PHOTL completed	27 traditional council facilities Construction of chamber for PHOTL

#### Sub-programme 5.3: Traditional Affairs Integration/Development Facilitation

Measurable objective	Performance measure	Output	Year-1 2004/05 (actual)	Base year 2005/06 (estimate)	Year 1 2006/07 (target)	Year 2 2007/08 (target)	Year 3 2008/09 (target)
Integration of traditional leadership institutions with municipalities	Number of summits held between the two institutions				2	2	2

**Table 6.9 Summary of payments and estimates: Housing, Local Government and Traditional Affairs – Programme 5: Traditional Affairs**

Sub-programme R'000	Outcome			Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
1. Traditional Institutional Arrangements			43 694	8 540	38 721	37 964	21 553	24.75	18 395	19 324
2. Traditional Resource Administration	49 666	65 075	19 044	68 537	45 647	52 689	80 203	2146.86	4 140	4 352
3. Traditional Affairs Integration / Traditional Development Facilitation				1 036			1 109	37.86	51 841	54 867
4. Head of Traditional Affairs			2 856	1 101	1 689	1 691	1 167	10.31	38 581	41 211
5. Provincial House of Traditional Affairs								(19.33)	31 911	34 221
Total payments and estimates	49 666	65 075	65 594	79 214	86 057	92 344	104 032	2.84	175 667	186 980

**Table 6.10 Summary of payments and estimates by economic classification: Housing, Local Government and Traditional Affairs – Programme 5: Traditional Affairs**

Economic classification R'000	Outcome			Main appro- priation  Adjusted appro- priation  Revised estimate			Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
				2006/07	2005/06	2007/08	2008/09			
Current payments	48 021	63 117	65 390	74 323	74 323	83 826	78 668	( 6.15 )	39 358	41 449
Compensation of employees	40 300	53 228	59 324	66 784	66 884	75 287	70 401	( 6.49 )	74 197	77 907
Goods and services	7 721	9 889	6 066	7 539	7 439	8 539	8 267	( 3.19 )	9 066	9 701
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to	1 369		204			169		( 100.00 )		
Provinces and municipalities	1 369		204			169		( 100.00 )		
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households										
Payments for capital assets	276	1 958		4 891	11 734	8 349	25 364	203.80	26 821	28 216
Buildings and other fixed structures	276	1 958		4 891	11 734	8 349	25 364	203.80	26 821	28 216
Machinery and equipment										
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	49 666	65 075	65 594	79 214	86 057	92 344	104 032	12.66	110 084	115 824

## 7. Other programme information

### Personnel numbers and costs

**Table 7.1 Personnel numbers and costs:**

Programme R'000	As at 31 March 2003	As at 31 March 2004	As at 31 March 2005	As at 31 March 2006	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009
1. Administration	188	229	180	180	180	190	190
2. Housing	194	148	118	140	150	167	186
3. Local Government	629	507	201	220	260	265	280
4. Traditional Affairs	438	156	152	300	439	439	439
<b>Total personnel numbers</b>	1 449	1 040	651	840	1 029	1 061	1 095
Total personnel cost (R'000)	173 138	178 149	172 569	197 223	261 781	275 324	288 979
Unit cost (R'000)	119	171	265	235	254	259	264

**Table 7.2 Departmental personnel number and cost:**

Description	Outcome						Medium-term estimate						
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate						
				Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	2006/07	2005/06	2007/08	2008/09			
Total for department													
Personnel numbers (head count)				1 449	1 040	651	840	840	840	1 029	22.50	1 061	1 095
Personnel cost (R'000)				173 138	178 148	172 569	196 870	197 815	197 223	261 781	32.73	275 324	288 978
Human resources component													
Personnel numbers (head count)						60	56	56	56	60	7.14	60	60
Personnel cost (R'000)						9 698	7 057	9 357	9 357	7 445	(20.43)	7 818	8 209
Head count as % of total for department						9	7	7	7	6		6	5
Personnel cost as % of total for department						6	4	5	5	3		3	3
Finance													
Personnel numbers (head count)						29	30	30	30	35	16.67	35	35
Personnel cost (R'000)						11 668	16 403	16 399	16 399	17 305	5.52	18 239	19 153
Head count as % of total for department						4	4	4	4	3		3	3
Personnel cost as % of total for department						7	8	8	8	7		7	7
Full time workers													
Personnel numbers (head count)				1 449	1 040	651	840	840	840	1 029	22.50	1 061	1 095
Personnel cost (R'000)				173 138	178 148	172 569	196 870	197 815	197 223	261 781	32.73	275 324	288 978
Head count as % of total for department				100	100	100	100	100	100	100		100	100
Personnel cost as % of total for department				100	100	100	100	100	100	100		100	100
Part-time workers													
Personnel numbers (head count)													
Personnel cost (R'000)													
Head count as % of total for department													
Personnel cost as % of total for department													
Contract workers													

## Training

Table 7.3 Payments on training:

Programme R'000	Outcome						Medium-term estimate			
							% Change from Revised estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05	Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	2006/07	2005/06	2007/08	2008/09
1. Administration	871	698	1036	3 928	1 004	1 004	1 094	8.96	1 155	1 133
<i>of which</i>										
Subsistence and travel				85			89		94	
Payments on tuition	871	698	1036	3 843	1 004	1 004	1 005		1 061	1 133
Other										
2. Housing										
<i>of which</i>										
Subsistence and travel										
Payments on tuition										
Other										
3. Local Government										
<i>of which</i>										
Subsistence and travel										
Payments on tuition										
Other										
4. Traditional Affairs										
<i>of which</i>										
Subsistence and travel										
Payments on tuition										
Other										
Total payments on training	871	698	1036	3 928	1 004	1 004	1 094	8.96	1 155	1 133

**Table 7.4 Information on training:**

Description	Outcome						Medium-term estimate			
							% Change from Revised estimate			
	2002/03	2003/04	2004/05	Main appropriation 2005/06	Adjusted appropriation 2005/06	Revised estimate 2005/06	2006/07	2005/06	2007/08	2008/09
Number of staff	1 449	1 040	651	840	840	840	1 029	22.50	1 061	1 095
Number of personnel trained of which			448	782	470	470	821	74.68	862	904
Male			214	300	223	223	315	41.26	331	347
Female			234	482	247	247	506	104.86	531	557
Number of training opportunities of which			30	30	40	40	32	(20.00)	33	34
Tertiary			2		3	3		(100.00)		
Workshops			28		37	37	32	(13.51)	33	34
Seminars										
Other				30						
Number of bursaries offered			41	14	13	13	28	115.38	28	28
Number of interns appointed			37	57	47	47	162	244.68	165	168
Number of learnerships appointed				70			105		110	115
Number of days spent on training				134						

**Reconciliation of structural changes****Table 7.5 Reconciliation of structural changes**

Programme for 2005/06			Programme for 2006/07		
Programme R'000	2006/07 Equivalent		Programme R'000	Pro-gramme	Sub-pro-gramme
	Pro-gramme	Sub-pro-gramme			
None					

Table B.1 Specification of receipts: Housing, Local Government and Traditional Affairs

Receipts R'000	Outcome			Main appro- piation 2005/06	Adjusted appro- piation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate 2005/06	2006/07	2007/08	2008/09
<b>Tax receipts</b>										
Casino taxes										
Motor vehicle licences										
Horseracing										
Other taxes										
<b>Sales of goods and services other than capital assets</b>	3 020	1 623	375	5 998	5 998	6 057	<b>6 487</b>	7.10	6 792	6 792
Sales of goods and services produced by department (excluding capital assets)	3 020	1 623	375	5 998	5 998	6 057	<b>6 487</b>	7.10	6 792	6 792
Sales by market establishments										
Administrative fees										
Other sales	3 020	1 623	375	5 998	5 998	6 057	<b>6 487</b>	7.10	6 792	6 792
<i>Of which</i>										
Boarding & Lodging										
Commission on insurance	377	328	298	3 590	3 590	3 590	<b>3 829</b>	6.66	4 059	4 059
External exams										
Health patient fees										
House rent	2 478	1 222	77	2 408	2 408	2 467	<b>2 658</b>	7.74	2 733	2 733
Lab services										
Letting of property										
Lost library books										
Miscellaneous Capital Receipts										
Parking										
Registration, tuition & exam fees										
Sales of agricultural products										
Sales		2								
Sport gatherings										
Subsidised Motor Transport										
Tender documentation										
Trading account surplus										
Tuition fees										
Vehicle repair service										
Other	165	71								
Sales of scrap, waste, arms and other used current goods (excluding capital assets)										



Table B.1 Specification of receipts (*continued*)

Receipts R'000	Outcome			Main appropriation 2005/06	Adjusted appropriation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate 2005/06	2006/07	2007/08	2008/09
<b>Transfers received from</b>										
Other governmental units										
Universities and technikons										
Foreign governments										
International organisations										
Public corporations and private enterprises										
Households and non-profit institutions										
<b>Fines, penalties and forfeits</b>										
<b>Interest, dividends and rent on land</b>	1 560	9 015	8 094	1 945	1 945	3 997	<b>1 933</b>	(51.64)	2 049	2 491
Interest	1 560	9 015	8 094	1 945	1 945	3 997	<b>1 933</b>	(51.64)	2 049	2 491
Dividends										
Rent on land										
<b>Sales of capital assets</b>			<b>1 558</b>							
Land and subsoil assets										
Other capital assets			1 558							
<b>Financial transactions in assets and liabilities</b>		697	1 303							
<b>Total departmental receipts</b>	<b>4 580</b>	<b>12 846</b>	<b>11 330</b>	<b>7 943</b>	<b>7 943</b>	<b>10 054</b>	<b>8 420</b>	(16.25)	8 841	9 283

**Table B.2 Summary of payments and estimates by economic classification**

Animal feed										
Audit fees			4 446	3 500	3 500	3 500	4 715	34.71	5 304	5 675
Audit fees: external										
Communication										
Computer equipment										
Consultancy fees	77 535	88 105	29 009	24 908	24 908	24 041	7 568	(68.52)	7 175	7 656
Consultants and specialised services										
Consumables			889	395	395	395	415	5.06	436	460
Contractors										
Contribution to Parmed										
Educational materials										
Infrastructure										
Inventory			1 392	1 570	1 570	1 570	1 650	5.10	1 700	1 785
IT (Data lines)			4 973	7 691	7 691	7 691	6 000	(21.99)	6 300	6 615
Legal fees			2 416	1 971	1 971	1 971	2 070	5.02	2 100	2 200
Library material										
Machinery and equipment										
Maintenance and repairs and running cost			609	750	750	750	800	6.67	840	882
Medical Aid in respect of continuation members										
Medical services										
Medical supplies										
Medicine										
Operating leases			2 245							
Owned and leasehold property			2 418	143	143	143	150		160	170
Printing and publications			298	365	365	365	315	(13.70)	330	350
Scholar transport										
Sport and Recreation Equipment										
Training	871	698	1 036	884	884	884	928	4.98	975	1 025
Transport										
Travel and subsistence			1 288	3 585	3 585	3 585	1 750	(51.19)	1 835	1 920
Utilities (municipal services)										
Veterinary supplies										
Other	( 2 165 )	38 754	41 422	47 715	51 095	49 928	68 499	37.20	78 880	89 311
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities	13 24 333									
Unauthorised expenditure										

**Table B.3     Details on public entities – Name of Public Entity: None**

**Table B.4 Transfers to local government by transfers/grant type, category and municipality**

Municipalities R'000	Outcome						Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
				Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06			-100	
							2006/07	2005/06	2007/08	2008/09
Category A			1 900	5 612	5 612	5 612	(100.00)			
Nelson Mandela Metro			1 900	5 612	5 612	5 612	(100.00)			
Category B	84 377	110 377	90 889	96 711	113 187	113 360	100 897	(10.99)	114 547	123 417
Camdebo			1 184	647	647	647	(100.00)			
Blue Crane Route	500	125	125							
Ikwezi	1 500		650	12 170	12 170	12 170	(100.00)			
Makana			991	1 600	1 600	1 600	(100.00)			
Ndlambe			600	368	368	368	(100.00)			
Sundays River Valley	583	150	205	616	616	616	(100.00)			
Baviaans	761	360	510	100	100	100	(100.00)			
Kouga			745	529	529	529	(100.00)			
Koukamma	885	435	735	924	924	924	(100.00)			
Mbhashe	850	500	938	1 453	1 453	1 453	(100.00)			
Mnquma			1 454	400	400	400	(100.00)			
Great Kei	600	435	585	2 150	2 150	2 150	(100.00)			
Amahlathi	500		650	1 711	1 711	1 711	(100.00)			
Buffalo City	308	3 734	2 550	4 774	4 774	4 774	(100.00)			
Ngqushwa			100	2 091	2 091	2 091	(100.00)			
Nkonkobe	2 333	175	1 848	3 277	3 277	3 277	(100.00)			
Nxuba	625	305	810	185	185	185	(100.00)			
Inxuba Yethemba	500	255	555	1 199	1 199	1 199	(100.00)			
Tsolwana	600	305	705	810	810	810	(100.00)			
Inkwanca	600	100	491	4 540	4 540	4 540	(100.00)			
Lukhanji	500		1 069	3 888	3 888	3 888				
Intsika Yethu	850	500	758	1 239	1 239	1 239				
Emalahleni	700	435	585	2 639	2 639	2 639				
Engcobo	875	500	650	1 050	1 050	1 050				
Sakisizwe	600	305	761	350	350	350				
Mbizana	850	500	2 017	407	407	407				
Ntabankulu	850	500	1 404	888	888	888				
Qaukeni	855	500	650	696	696	696				
Port St Johns	700	270	325	1 030	1 030	1 030				
Nyandeni	850	500	650	2 941	2 941	2 941				
Mhlontlo	850	500	992	1 291	1 291	1 291				
King Sabata Dalindyebo	750	125	7 407	5 094	5 094	5 094				
Elundini	700	305	180	2 662	2 662	2 662				
Senqu	17	75	418	1 161	1 161	1 161				
Maletswai	700	125	775	1 160	1 160	1 160				
Gariep	1 000	125	235	601	601	601				
Umzimkhulu	908	500	1 295	150	150	150				
Umzimvubu	908	500	500	936	936	936	(100.00)			

Municipalities R'000	Outcome			Main appro- priation 2005/06	Adjusted appro- priation 2005/06	Revised estimate 2005/06	Medium-term estimate			
	Audited 2002/03	Audited 2003/04	Audited 2004/05				% Change from Revised estimate			
							2006/07	2005/06	2007/08	2008/09
Category C	41 119	24 568	40 569	24 240	24 240	24 251	(100.00)			
Cacadu District Municipality	2 420	2 193	2 000	5 338	5 338	5 338	(100.00)			
Amatole District Municipality	14 526	8 765	13 000	4 622	4 622	4 622	(100.00)			
Chris Hani District Municipality	6 773	2 051	6 700	5 450	5 450	5 450				
OR Tambo District Municipality	6 000	6 507	7 290	3 618	3 618	3 618	(100.00)			
Ukhahlamba District Municipality	4 700	3 131	6 300	2 643	2 643	2 643	(100.00)			
Alfred Ndzo District Municipality	6700	1921	4800	2569	2569	2569	(100.00)			
Unallocated			479			11	(100.00)			
Total transfers to local government	125496	134945	133358	126 563	143 039	143 223	100 897	(29.55)	114 547	123 417

Note: Excludes regional services council levy.

