

# VOTE 7

## DEPARTMENT OF HOUSING

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To be appropriated by Vote	R 2 081 462 000
Responsible MEC	MEC for Housing
Administering department	Department of Housing
Accounting officer	Head of Department

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### 1. STRATEGIC OVERVIEW AND KEY POLICY AREAS

#### Vision

To be a province where all households inhabit quality homes in vibrant and sustainable communities.

#### Mission

To provide appropriate quality services, tenure, housing in targeted precincts and communities working in partnership with stakeholders.

#### Core Mandate

The core mandate of the department is to build sustainable communities in the province through the provision of land, tenure, services and housing.

#### Overview of the Main Services to be delivered by the Department

Arising from the department's strategic plan, the following Strategic Housing Priorities have been identified to be the services delivered by the department:

- Densify existing locations through in-situ upgrades and second dwelling homes;
- Eradicate all informal settlements by 2014;
- Redevelop all hostels in Gauteng by 2009, through conversions and/or refurbishments in the provision of affordable rental accommodation;
- Seek and provide alternative tenure accommodation;
- Regenerate specific areas through housing that is integrated and sustainable; and
- Identify and acquire well located land that is suitable for sustainable housing development.

#### Strategic Objectives

The performance plan for the 2006/07 financial year is informed by the provincial priorities and the National Comprehensive Human Settlement Plan on Breaking New Ground. This policy framework was developed in response to the need for housing while taking cognisance of the lessons learned in implementing housing policy over the past 10 years, as well as, enhancing and consolidating achievements made to date.

One of the most visible manifestations of the apartheid past was the creation of racially divided communities. The apartheid government invested heavily in white demarcated areas at the expense of black townships, which were devoid of any social amenities, recreational facilities and economic activities.

The new term of government commenced in April 2004 and culminated into a 5 year Strategic Plan for 2004 to 2009, based on an evaluation of delivery during the first 10 years of democracy. Of significance is the desperate increasing need for housing which is matched by limited budget resources. In implementing the National Comprehensive Human Settlement Plan, known as the Breaking New Ground (BNG) Strategy, the department, in line with the priorities of the Gauteng Provincial Government (GPG), developed the following main focus areas:

- Formalisation of all informal settlements through in-situ upgrades by 2009;
- Eradication of informal settlements in Gauteng by 2014;

- Densification and infill within underutilised locations through mixed-use and mixed-income developments for cross-subsidisation, in order to optimally maximise access to socio-economic opportunities;
- Provision of affordable rental accommodation through the redevelopment of all hostels in Gauteng by the year 2009 through conversions and/or refurbishments;
- Regeneration of impoverished urban environments through integrated and sustainable housing developments;
- Development on well located land that supports sustainability.

### **Legislative Mandates**

The department derives its mandate from the following pieces of legislation:

- Environmental Impact Assessment (EIA) Regulations (GN R. 1182 and 1183) promulgated in terms of Sections 21, 22, and 26 of the Environment Conservation Act, 1989
- Section 26 of the Constitution of the Republic of South Africa, 1996
- Urban and Rural Frameworks, 1996
- Housing White Paper; the Housing Act, 1997 (as amended)
- Gauteng Housing Act, 1998 (as amended), which governs the existence of the Gauteng Department of Housing and outlines the vision for housing in Gauteng
- National Environmental Management Act, 1998
- Prevention of Illegal Eviction from Unlawful Occupation of Land Act, 1998
- The Housing Consumer Protection Measures Act, 1998
- Rental Housing Act, 1999
- Public Finance Management Act, 1999
- The National Housing Code, 2000 which outlines the fundamental principles that govern housing policy in South Africa
- The Home Loan and Mortgage Disclosure Act, 2000
- Sectional Title Act which provides for the division of buildings into sections and for the acquisition of separate ownership in sections coupled with joint ownership in common property.

### **Legislative Shortcomings of the National Housing Act and Housing Code**

A few major challenges the department faces concerns the legislative shortcomings of the National Housing Act. The Act does not consciously make provision for any criminal sanctions in the Housing Code. Although criminal offences can be dealt with in terms of other legislation, the unique nature and scope of the referred Act and the Code would render enforcement of penalties difficult. Identified gaps have led to the following problems:

- Abuse of the Individual Owned and Project Linked Subsidy Schemes;
- Non-Availability of Designated Beneficiaries;
- Shortcomings of the Existing Special Needs Programme.

## **2. REVIEW OF THE 2005/06 FINANCIAL YEAR**

The key priority areas are informed by the departmental strategic objectives on Breaking New Ground guided by the 5 year departmental strategy; emphasis and focus is on the following priorities:-

- Formalisation of informal settlements
- Densification of existing settlements
- Renovation of hostels
- Provision of alternative housing
- Strengthening relations with communities through the services of Community Workers
- Capacitating municipalities

### **Good Urban Governance**

The department has established a fully functional Programme Management Office (PMO) internally to streamline accountability and enhance efficiency in the management and implementation of projects. The 6 municipal PMOs in Ekurhuleni, Sedibeng, Metsweding, West Rand, City of Johannesburg and Tshwane were successfully established during 2004/05 and 2005/06 in order to link the implementation of housing projects between the two spheres of government, and ultimately enhance resource capacity at local level.

### **Upgrading of Informal Settlements**

The department has embarked on the process of addressing the 600,000 unit backlog on basic services and infrastructure development by 2009. This involves an incremental two phased approach:

- Formalisation of informal settlements through the provision of basic services, infrastructure and sanitation by 2009;
- Eradication of informal settlements in Gauteng through provision of the top structures by 2014.

To align the existing housing programmes with the challenge of formalizing informal settlements by 2009, and the eradication thereof by 2014, the following subprogrammes have been prioritized as instrumental in implementing the defined targets:

#### **Essential Services (provision of water, bulk infrastructure and sanitation)**

The department initiated the registration of informal settlements in May 2004 as a departure point.

The registration process gathered the following information:

- There are 392 informal settlements, with 450,000 households in Gauteng;
- 50 percent of these settlements are found within well located land that can be developed;
- The highest number of the settlements is concentrated within the jurisdiction of the City of Johannesburg with a total 145,470 households.

During the current financial year, 85,000 stands will be serviced with basic services, water and sanitation through the Essential Services programme. This resulted in 2,927 jobs being created. The target of 85,000 stands has subsequently been reduced to 60,000 stands, of which 57,300 stands had been delivered by 31 August 2005. As a result of the decrease in the number of stands to be delivered the department has subsequently increased the number of Top Structure developments from 40,000 units to 60,000 units.

#### **People's Housing Process**

The People's Housing Process (PHP) has made it possible for households to participate in the planning, design and implementation of their own structures. The PHP emphasises the optimum utilisation of local contractors to stimulate local economies and increase the number of households participating in the mainstream economy. The implementation of PHP projects is accomplished largely through established Community Based Support Organisations and Housing Support Centres facilitated by the department. During the 2005/06 financial year, 3,369 housing units were built through the PHP facilitating 870 jobs. In support of the 16 Days of No Violence against Women and Children, 16 houses were built in 16 days in Ivory Park; and the beneficiaries of these houses were all women between the ages 55 and 80 years. As a contribution towards poverty alleviation, the PHP facilitated the establishment of food gardens for subsistence purposes within 20 established Housing Support Centres.

#### **Urban Regeneration**

Urban Regeneration involves the integrated revitalisation of strategic urban localities by cooperative partnerships between the three spheres of government, various line function departments and the private sector, for the ultimate stimulation of local economies and creation of sustainable jobs to fundamentally improve the quality of life and alleviate poverty within these communities.

The department is currently implementing Urban Regeneration Projects within Alexandra, Bekkersdal and Evaton. The following represents the achievements for 2005/06 on the three urban renewal projects:

#### **Alexandra Renewal Project**

- Over 1,200 houses have been built;
- Extensive work is in progress on integrating roads into the main travel routes and motorways of the surrounding areas such as Wynberg, Marlboro and Sandton;
- Upgrading of the electricity supply, water and sewer reticulation has advanced significantly since the initial implementation of the project;
- A fully fledged central Social Services office for the delivery of social services was established;
- 3 ambulances were purchased for the upgraded clinics and currently Edenvale Hospital is being upgraded;
- The construction of the Nelson Mandela Yard Precinct is in progress;
- Upgrading of sports facilities in Alex stadium, Altrek and No 3 Square has commenced;
- About 8,000 families were relocated from the banks of the Jukskei river;
- Rehabilitation of the Jukskei River for sustenance of the ecosystem is in progress;
- 2,054 trees were planted for the creation of a habitable living environment;
- Upgrading of the cemetery has commenced;
- 2 existing parks have been upgraded and 3 new parks built;
- Alex Transit Village was completed with 500 units;
- London Road and London Bridge were upgraded;
- A new Police Station for Alex is currently being built;
- A Local Business Support Centre was established;

- 53 people were trained in basic project management, 64 service providers were trained in computer skills and basic project management skills, and parents were trained in parenting skills with emphasis on foster care and orphan care.

#### **Bekkersdal Renewal Project**

- Established a transit camp for relocation of 402 households;
- Successfully relocated 171 households to the transit camp;
- Completed the building of 2,400 toilet structures;
- Launched the completion of an Information Hub for disseminating development information within the Bekkersdal community;
- Completed an audit of violence affected houses;
- Purchased 3 waste disposal containers, and begun the implementation of a waste management program;
- Installed 2 high mast lights in the transit camp, and 8 in formal Bekkersdal.

#### **Evaton Renewal Project**

- Completed all planning requirements during 2004/05 for successful implementation of projects during the 2005/06 financial year.

#### **Upgrading of Backyard Shacks**

The programme of Backyard Upgrading started in April 2005/06 and was communicated to all metros and districts. The registration of backyard shacks in the 20 priority townships has started, approximately 70,000 families out of the targeted 100,000 families have been registered. Orlando East has been identified as the pilot project. Thubelisha homes have been appointed to implement the pilot; the tender for construction has been advertised and subsidy registration will commence on 26 October 2005. Discussions have also started with the National Home Builders Regulatory Council (NHBRC) to start a pilot in Boipatong, the lessons learnt from the pilot project will inform the rollout process for the backyard upgrading programme.

The strategy to address the upgrading of backyard shacks in Alexandra is a complex one which requires further conceptualisation. The key issues which need to be addressed involve the resolution of the owner/ tenant relationship, the exploration of various options of compensating the original owner and the need for consultation on the demolition and reconstruction of the actual yard. A detailed business and implementation plan for the upgrading programme still needs to be developed. The output for the 2005/06 financial year is 30,000 units as well as the provision of 20 socio-economic facilities. Cooperative governance and consultation will be crucial to the success of this process.

#### **Refurbishment and/or conversions of hostels within strategic locations**

The department has segmented all hostel accommodation into 7 geographic clusters for conversion into affordable rental accommodation. Emergency intervention for the upgrade and/or conversion of 33 hostels has commenced in 2005/06 to ensure habitable and sustainable living environments integrated into the wider urban community. The process focuses largely on water reticulation, visible lighting, improved access control, repairs to windows and doors, as well as unblocking the sewer mains. The projects on emergency intervention broadly entail improvements to the physical condition of the building structures, as well as the implementation of Health and Safety standards. We have completed 828 units in 6 different hostels. The department deployed Technical Resource Groups and Social Housing Institutions to assist with implementation and management of the plan.

#### **Management and transfer of rental stock**

There are two subprogrammes involved in the transfer of rental properties:

- Transfer of Rental Properties (TORPS);
- Regularisation and Transfer of Ownership (RETRO).

TORPS is aimed at promoting home ownership through the facilitation of the transfer of claimed and undisputed title deeds, particularly within the former black areas where occupation was previously characterised by long term leaseholds. A total of 16,766 properties were transferred to their rightful owners through TORPS in 2005/06, 1,766 more than the annual target of 15,000. RETRO promotes home ownership through the regularization and transfer of ownership of provincial and municipal owned houses. A total of 4,700 provincial owned houses were transferred to the previously own affairs beneficiaries in areas such as Eldorado Park, Ennerdale and Lenasia through RETRO in 2005/06.

In accordance with government's constitutional responsibility to ensure that every South African has access to adequate housing, the Department of Housing aims to guarantee that there is a supply of affordable permanent residential structures, which give access to basic services, privacy and protection against the elements. Housing went through a comprehensive

policy consultation process, which culminated in the Gauteng Department of Housing summit in July 2005. The policy gaps and new policy and research needs have been identified from this process and have been drawn into the department's comprehensive plan for the development of sustainable human settlements. One of the initiatives which contribute to the effective delivery of services and products to the people of Gauteng was the careful review of the important recommendations made by the Land Use Task Team (LUTT) around issues of land.

The Gauteng Provincial SubCommittee for Growth and Development had initiated the Land Use Task Team (some of main recommendations that flowed from these discussions include:

- A directional change in the integrated delivery of low cost housing with the most cost effective delivery density and form being applied;
- That housing development is integrated with the development of associated infrastructure and social amenities on suitable land with access to zones of economic opportunity;
- The implementation of a pilot programme with immediate effect to verify and update the financial model and to gear-up for a large scale rollout. The implementation of 2 high quality pilots, one with higher density at an inner city location and the other with lower density in a more peripheral but good location.

The recommendations are supported by the certain key principles including:

- Recognising that housing is the most significant influence on land use and spatial patterns;
- Investigating alternative housing typologies and densities of our settlements to optimise infrastructure, transportation, etc;
- Creating a compact urban form close to economic opportunities;
- Supporting urban regeneration and optimising existing infrastructure in a manner that normalises and promotes sustainable communities;
- Incentivising mixed income establishments;
- Supporting the delivery of low income housing on well located land.

To support the department's strategic planning initiatives, the e-Land system was deployed as an evaluation tool. E-Land serves as an ideal platform for data integration (between various departments and institutions, including the Departments of Agriculture, Conservation and Environment, Development Planning, Housing and Public Transport, Roads and Works) and is utilised to negotiate land parcels for development based on the availability and suitability criteria within the decision support system.

### 3. OUTLOOK FOR THE 2006/07 FINANCIAL YEAR

#### **New Border Demarcations**

There is a political decision that the borders of the Gauteng province are going to be adjusted with effect from January 2006. As a result, parts of the Gauteng province are going to be incorporated into the provinces of the North West and Mpumalanga. Some of the departmental projects are located in these areas, including the Bekkersdal Urban Renewal Project. Also, some of the settlements of the North West province are to be incorporated into the Gauteng province. These changes may pose a challenge in terms of the redistribution of resources and services.

#### **Partnerships for Housing Delivery**

In line with the Breaking New Ground Strategy, the Banking Sector has committed itself to partner with the department in order to deliver residential rental units at scale. An initial combined facility of R90 million is currently available for this purpose, aimed at providing residential property investors with a maximum of 90 percent finance to acquire multi-unit residential buildings in Gauteng. The tenants who will lease the residential units from the property investor or Social Housing Institution are individuals with an income of up to R7,500 per month. Previously, individuals within this income band would not qualify for a housing subsidy. The challenge for the department is to put up systems and capacity in order to manage the reinvigorated housing market.

#### **Land Access and Release for Purpose of Housing Development**

The department is implementing and promoting mixed-income, mixed-tenure and mixed land use sustainable housing development. The new projects to be rolled out during the 2006/07 financial year will reflect this strategy. Densification of settlements within well located areas becomes important. The well located land in the Gauteng province is increasingly costly and some of these parcels of land are owned by private individuals. Land accessibility and release has proven difficult. Uncertainties with regard to the purchase and possible contestation of the release of land parcels for housing development may impede the rapid delivery of mixed developments at scale.

### Urban Regeneration

The Urban Renewal programme focuses on the integrated redevelopment of urban communities at scale, to cultivate sustainable local economies. New emphasis has been placed on the 20 priority townships, which are broken down into three areas, namely;

- Backyard Upgrading programme
- Socio-economic amenities
- Vacant land Infill

The Backyard Upgrading programme links to the provincial strategy which seeks to eradicate all informal settlements by 2014. In the old townships, the densities are very high, this programme will seek to:

- De-densify the backyard
- Regularise the Landlord/ Tenant Relations
- Transfer the Housing programme

The Departmental strategy indicates that the development of socio-economic amenities should be implemented through consolidating and channelling funding and construction through multipurpose clusters by functional departments and spheres of government and promoting active participation by municipalities, NGOs, and CBOs in maintenance and operations.

The Vacant Land Infill programme looks at identifying pockets of land for the development of housing within the 20 priority townships to accommodate the excess people from the backyard.

## 4. REVENUE AND FINANCING

### 4.1 Summary of Revenue

The equitable share funding for the department is primarily utilised for the operational activities of the department, however a significant portion of this funding is a provincial earmarked allocation for the Alexandra, Bekkersdal and Evaton Urban Renewal projects. The conditional grant received from the National Department of Housing is primarily for the purpose of financing the implementation of the National and Provincial Housing strategy and programmes. Conditional grants continue to increase significantly over the MTEF; this is intended to facilitate the establishment and maintenance of habitable, stable and sustainable human settlements in which all citizens have access to selected social and economic amenities. It will also fund the progressive eradication of informal settlements.

Table 1: SUMMARY OF REVENUE

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Equitable share	216,791	234,826	300,503	295,182	411,490	411,490	315,796	323,309	314,366
Conditional Grants	1,263,566	1,001,104	1,139,723	1,352,805	1,352,805	1,352,805	1,765,666	2,197,223	2,414,079
<b>Total Revenue: Treasury</b>									
<b>Funding Vote 7</b>	<b>1,480,357</b>	<b>1,235,930</b>	<b>1,440,226</b>	<b>1,647,987</b>	<b>1,764,295</b>	<b>1,764,295</b>	<b>2,081,462</b>	<b>2,520,532</b>	<b>2,728,445</b>

### 4.2 Departmental Receipts collection

Departmental receipts collected decreased year-on-year from 2003/04 to 2004/05 by 68 percent mainly due to an amount received from Department of Development Planning and Local Government in the 2003/04 financial year in respect of the land fund. Over the MTEF, revenue has been projected at an average of R5,8 million for each financial year which is consistent with the current collection trend.

Table 2: DETAILED DEPARTMENTAL RECEIPTS

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
<b>Tax receipts</b>									
Casino taxes									
Motor vehicle licenses									
Horse racing									



	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Other taxes									
<b>Non-tax receipts</b>	<b>135</b>	<b>356</b>	<b>133</b>	<b>117</b>	<b>117</b>	<b>117</b>	<b>117</b>	<b>97</b>	<b>97</b>
Sale of goods and services other than capital assets	2	2	11	9	9	9	9	7	7
Sale of goods and services produced by department	2	2	11	9	9	9	9	7	7
Sales by market establishments	2	2	11	9	9	9	9	7	7
Administrative fees									
Other sales									
Sales of scrap, waste arms and other used current goods (excluding capital assets )									
Fines, penalties and forfeits									
Interest, dividends and rent on land	133	354	122	108	108	108	108	90	90
Interest	91	310	70	60	60	60	60	48	48
Dividends									
Rent on land	42	44	52	48	48	48	48	42	42
<b>Transfers received from:</b>	<b>5,139</b>	<b>6,065</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,400</b>	<b>2,400</b>
Other governmental units									
Universities and technikons									
Foreign government									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions	5,139	6,065	2,500	2,500	2,500	2,500	2,500	2,400	2,400
<b>Sales of capital assets</b>	<b>2,759</b>	<b>2,076</b>	<b>3,000</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,500</b>	<b>2,400</b>	<b>2,400</b>
Land and subsoil assets	2,759	2,076	3,000	2,500	2,500	2,500	2,500	2,400	2,400
Other capital assets									
<b>Financial transactions in assets and liabilities</b>	<b>1,355</b>	<b>11,719</b>	<b>824</b>	<b>815</b>	<b>815</b>	<b>815</b>	<b>815</b>	<b>810</b>	<b>810</b>
<b>Total Departmental Receipts: Vote 7</b>	<b>9,388</b>	<b>20,216</b>	<b>6,457</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,932</b>	<b>5,707</b>	<b>5,707</b>

## 5. PAYMENT SUMMARY

### 5.1 Expenditure Trends for the Vote

Total expenditure is expected to increase significantly from R1,4 billion spent in 2002/03 to a budget of R2,7 billion in 2008/09. This growth is particularly rapid between 2004/05 and 2007/08 (22 percent year-on-year average growth) due to the intensification of housing programmes in terms of the full rollout of the Breaking New Ground Strategy. This has been facilitated by a growth in the housing conditional grant allocation of 30,5 per cent year-on-year from 2005/06 to 2006/07, 25 per cent from 2006/07 to 2007/08 and 9,9 per cent from 2007/08 to 2008/09. The budget growth also includes an allocation of R20 million (in 2006/07) and R15 million (in 2007/08) in respect of the Growth and Development Strategy target for the 20 Priority Townships programme. Due to the delays and problems experienced in the Alexandra Urban Renewal Project, which should have been handed over to the City of Johannesburg by 31 March 2008; the programme will continue to be administered by the department until the end of the 2008/09 financial year. The allocation in terms of the Alexandra project is R171,5 million in 2006/07 and R175 million for both the 2007/08 and 2008/09 financial years respectively.

Table 3: PROGRAMME SUMMARY DEPARTMENT OF HOUSING

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
1 Administration	110,032	111,260	78,064	82,276	80,994	97,236	74,918	84,425	91,600
2 Housing Planning and Research	50,210	6,438	7,090	8,331	9,395	9,130	10,284	12,432	12,154
3 Housing Performance / Subsidy Programmes	1,129,251	903,544	1,010,107	1,200,644	1,192,570	1,403,652	1,550,152	1,966,668	2,182,244
4 Urban Renewal and Human Settlement Redevelopment	127,806	150,177	222,114	305,504	417,420	255,680	380,630	389,846	374,566
5 Housing Asset Management		51,614	76,760	51,232	63,916	189,751	65,478	67,161	67,881
<b>Total Payments &amp; Estimates: Vote 7</b>	<b>1,417,299</b>	<b>1,223,033</b>	<b>1,394,135</b>	<b>1,647,987</b>	<b>1,764,295</b>	<b>1,955,449</b>	<b>2,081,462</b>	<b>2,520,532</b>	<b>2,728,445</b>

Table 4: SUMMARY OF ECONOMIC CLASSIFICATION DEPARTMENT OF HOUSING

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
<b>Current payments</b>	<b>114,691</b>	<b>136,647</b>	<b>130,985</b>	<b>123,406</b>	<b>119,848</b>	<b>168,627</b>	<b>126,078</b>	<b>141,434</b>	<b>147,491</b>
Compensation of employees	73,146	83,470	87,229	81,776	72,659	123,979	93,378	101,861	103,918
Goods and services	33,741	43,163	33,413	28,593	39,747	38,775	32,700	39,573	43,573
Interest and rent on land	7,804	10,014	10,081	13,037	7,442	5,856			
Financial transactions in assets and liabilities			262			17			
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>	<b>1,295,827</b>	<b>1,082,255</b>	<b>1,240,765</b>	<b>1,507,706</b>	<b>1,601,814</b>	<b>1,773,847</b>	<b>1,897,013</b>	<b>2,308,786</b>	<b>2,509,642</b>
Provinces and municipalities						321			
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	1,295,827	1,082,255	1,240,765	1,507,706	1,601,814	1,773,526	1,897,013	2,308,786	2,509,642
<b>Payments for capital assets</b>	<b>6,781</b>	<b>4,131</b>	<b>22,385</b>	<b>16,875</b>	<b>42,633</b>	<b>12,975</b>	<b>58,371</b>	<b>70,312</b>	<b>71,312</b>
Buildings and other fixed structures			18,199	12,161	38,120		53,925	64,516	65,516
Machinery and equipment	6,781	4,131	4,186	4,714	4,513	3,832	4,446	5,796	5,796
Cultivated assets									
Software and other intangible assets						9,143			
Land and subsoil assets									
<i>Of which: Capitalised compensation</i>				12,161	32,316	32,316	39,256	42,480	42,480
<b>Total Economic Classification: Vote 7</b>	<b>1,417,299</b>	<b>1,223,033</b>	<b>1,394,135</b>	<b>1,647,987</b>	<b>1,764,295</b>	<b>1,955,449</b>	<b>2,081,462</b>	<b>2,520,532</b>	<b>2,728,445</b>

## 6. PROGRAMME DESCRIPTION AND INPUT

### PROGRAMME 1: ADMINISTRATION

#### Programme description

The main aim of the Administration programme is to provide overall management within the department in accordance with the statutory regulations and other prescripts.

#### Programme objectives

- To provide for the functioning of the Office of the MEC;



- To ensure that the department maintains an effective, efficient and transparent risk management, financial systems and controls in order to safeguard departmental assets;
- To ensure good corporate governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility within the operation of the department;
- To provide corporate and financial support services to the department - Financial and Management Accounting; Transport/Fleet Management; Supply Chain Management; Human Resources Management; Legal Services; Information Technology Systems; Facilities Management; Communications and Customer Relations Management.

Table 5: ADMINISTRATION

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
1 Office of the MEC	4,616	9,732	6,421	6,042	6,525	14,438	6,485	8,570	10,805
2 Corporate Services	105,416	101,528	71,643	76,234	74,469	82,798	68,433	75,855	80,795
<b>Total Payments &amp; Estimates: Administration</b>	<b>110,032</b>	<b>111,260</b>	<b>78,064</b>	<b>82,276</b>	<b>80,994</b>	<b>97,236</b>	<b>74,918</b>	<b>84,425</b>	<b>91,600</b>

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
<b>Current payments</b>	<b>59,997</b>	<b>76,400</b>	<b>74,858</b>	<b>71,098</b>	<b>69,827</b>	<b>87,533</b>	<b>62,542</b>	<b>68,199</b>	<b>75,374</b>
Compensation of employees	30,147	32,929	38,562	37,247	37,650	51,194	40,654	43,255	46,430
Salaries and wages	26,311	28,257	24,038	25,038	25,441	35,836	28,625	30,528	33,983
Social Contributions	3,836	4,672	14,524	12,209	12,209	15,358	12,029	12,727	12,447
Goods and services	22,046	33,457	26,215	20,814	24,735	30,482	21,888	24,944	28,944
<i>of which</i>									
<i>Consultancy, audit and</i>									
<i>Contract fees</i>	4,549	10,727	5,152	485	485	485	500	650	650
<i>IT Expenses</i>	4,591	5,936	6,419	3,727	3,727	3,727	4,230	4,300	4,300
<i>Maintenance</i>	900	436	2,053	2,232	2,232	2,232	2,340	2,390	2,390
<i>Legal Fees State Attorney Advice</i>			2,140	1,068	1,068	1,068	1,500	1,600	1,600
<i>Stationery</i>			1,060	1,935	1,935	1,935	1,980	1,990	1,990
<i>Other Items</i>	12,006	16,358	9,391	11,367	15,288	21,035	1,133	14,014	18,014
Interest and rent on land	7,804	10,014	10,081	13,037	7,442	5,856			
Interest	7,804	10,014	10,081	13,037	7,442	5,856			
Rent on land									
Financial transactions in assets and liabilities						1			
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>	<b>44,000</b>	<b>31,483</b>		<b>8,238</b>	<b>8,238</b>	<b>6,729</b>	<b>8,230</b>	<b>10,630</b>	<b>10,630</b>
Provinces and municipalities						138			
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities						138			
Municipalities						138			
Municipalities agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Universities and technikons									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	44,000	31,483		8,238	8,238	6,591	8,230	10,630	10,630
Social benefit									
Other transfers to households	44,000	31,483		8,238	8,238	6,591	8,230	10,630	10,630
<b>Payments for capital assets</b>	<b>6,035</b>	<b>3,377</b>	<b>3,206</b>	<b>2,940</b>	<b>2,929</b>	<b>2,974</b>	<b>4,146</b>	<b>5,596</b>	<b>5,596</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	6,035	3,377	3,206	2,940	2,929	2,974	4,146	5,596	5,596
Transport equipment									
Other machinery and equipment	6,035	3,377	3,206	2,940	2,929	2,974	4,146	5,596	5,596
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
<b>Total Economic Classification:</b>									
<b>Administration</b>	<b>110,032</b>	<b>111,260</b>	<b>78,064</b>	<b>82,276</b>	<b>80,994</b>	<b>97,236</b>	<b>74,918</b>	<b>84,425</b>	<b>91,600</b>

## PROGRAMME 2: HOUSING PLANNING AND RESEARCH

### Programme description

The main aim of the Housing Planning and Research programme is to enhance and sustain the strategic direction of the department by providing effective and efficient support for strategic planning needs, and to articulate a strategic guide map to ensure that programmes are implemented are in line with the strategic plan of the department.

### Programme objectives

- To provide administrative and/ or transversal project management services;
- To provide regulatory framework for housing delivery in respect of policy guidelines, proclamation of legislation and outline the policy development and approval process;
- To develop provincial multi-year strategic housing plans, aligning provincial and municipal housing plans and integrated development plans;
- To conduct housing research through information gathering, analysis and reporting within specific time frames;
- To provide housing related training and capacity building for municipalities and departmental programmes;
- To coordinate the activities of the Municipal Housing Development Planning process with the principles of Land Use Development Management;
- To ensure an integrated management approach to service delivery;
- To establish and manage the Spatial Information System of the department to proactively guide and monitor development;
- To render a planning support service to the department to proactively guide and monitor development.

Table 6: HOUSING PLANNING AND RESEARCH

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
1 Investment Management	27,379								
2 Administration	2,422	1,837	1,095	1,218	1,456	3,949	3,170	3,948	3,670
3 Policy	18,022	2,875	2,432	1,627	1,201	957	5,164	6,234	6,234
4 Planning	2,387	1,726	1,063	992	1,831	4,224	1,950	2,250	2,250
5 Research			1,080	1,036	1,240				

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
5 Municipal Support (Programme Management Office)			1,420	3,458	3,667				
<b>Total Payments &amp; Estimates:</b>									
<b>Housing Planning &amp; Research</b>	<b>50,210</b>	<b>6,438</b>	<b>7,090</b>	<b>8,331</b>	<b>9,395</b>	<b>9,130</b>	<b>10,284</b>	<b>12,432</b>	<b>12,154</b>

  

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
<b>Current payments</b>	<b>22,214</b>	<b>6,342</b>	<b>6,934</b>	<b>8,061</b>	<b>9,125</b>	<b>8,884</b>	<b>10,284</b>	<b>12,432</b>	<b>12,154</b>
Compensation of employees	16,015	3,443	5,642	6,262	6,313	7,229	6,843	7,741	7,463
Salaries and wages	13,296	2,954	4,178	3,924	3,975	5,061	4,720	5,224	5,224
Social Contributions	2,719	489	1,464	2,338	2,338	2,168	2,123	2,517	2,239
Goods and services	6,199	2,899	1,292	1,799	2,812	1,655	3,441	4,691	4,691
of which									
Consultancy, Audit and									
Contract fees	1,466	1,217	565	401	401	201	500	600	600
Other Items	4,733	1,682	727	1,398	2,411	1,454	1,441	2,491	2,491
Capacity Building							1,500	1,600	1,600
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>	<b>27,700</b>					<b>21</b>			
Provinces and municipalities						16			
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities						16			
Municipalities						16			
Municipalities agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Universities and technikons									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	27,700					5			
Social benefit									
Other transfers to households	27,700					5			
<b>Payments for capital assets</b>	<b>296</b>	<b>96</b>	<b>156</b>	<b>270</b>	<b>270</b>	<b>225</b>			
Buildings and other fixed structures									

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Buildings									
Other fixed structures									
Machinery and equipment	296	96	156	270	270	225			
Transport equipment									
Other machinery and equipment	296	96	156	270	270	225			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
<b>Total Economic Classification:</b>									
<b>Housing Planning &amp; Research</b>	<b>50,210</b>	<b>6,438</b>	<b>7,090</b>	<b>8,331</b>	<b>9,395</b>	<b>9,130</b>	<b>10,284</b>	<b>12,432</b>	<b>12,154</b>

**KEY OUTPUTS AND SERVICE DELIVERY MEASURES: HOUSING PLANNING AND RESEARCH**

Subprogramme	Key Measurable Objectives	Performance Measures	2006/07 (target)	2006/07 (target)	2006/07 (target)
Registrar	To register and accredit housing institutions to meet corporate governance principles and departmental objectives	No. of institutions registered	16	16	16
	To monitor corporate governance, financial and non-financial performance and compliance	No. of institutions accredited or identified for capacity building	16	16	16
	Coordinate the Registrar functions to other Provinces stakeholders and ensure community participation	No. of Institutions monitored	16	16	16
	Facilitate Capacitation of Housing Institutions, HSC, SO, and PMO offices	No. of established institutions with bankable business plans	6	6	6
	Advise on growth and sustainability of the rental housing sector	No. of Housing agencies capacitated	12	12	12
		Report to MEC			
		No. of PMO Offices Support trained on Basic Programme Management	1	1	1
		Number of Users Trained - Enhanced Programme Management Training	50 Users trained	50 Users trained	50 Users trained
			50 Users trained	50 Users trained	50 Users trained
		Number of users trained on Train the Trainer System Training	30 Municipality and 15 Departmental users trained	30 Municipality and 15 Departmental users trained	30 Municipality and 15 Departmental users trained
			Fully utilised system	Fully utilised system	Fully utilised system
Programme Management Information System	To establish and manage the Spatial Information Systems of the department to proactively guide and monitor development	Percentage increase in system utilisation			

**PROGRAMME 3: HOUSING PERFORMANCE / SUBSIDY PROGRAMMES****Programme description**

The main aim of the Housing performance/ Subsidy Programmes is to promote effective and efficient delivery of National and Provincial Housing Programmes.

**Programme objectives**

- To improve the accuracy of the data on the waiting list in relation to beneficiary needs and profiles in order to enable a better response to beneficiary queries and the planning requirements of the department;
- To improve the project management and monitoring of the implementation of all housing projects and programmes;
- To provide an effective and efficient beneficiary administration service;
- To address the 600,000 unit backlog on basic services and infrastructure by 2009;
- To address rural housing needs in Gauteng;
- To deepen the involvement of communities as decision makers in the housing delivery process;
- To focus on the development of Greenfield, well located, integrated, higher density housing;

- To create a Community Builder Programme that focuses on job creation, training and capacitation;
- To increase the use of labour intensive construction methods in the installation of services through the Essential Services programme;
- To increase the total number of projects that utilise labour intensive methods;
- To maximise job creation in the construction of houses through the PHP programme.

Table 7: HOUSING PERFORMANCE / SUBSIDY PROGRAMMES

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
1 Subsidy Administration	1,106,830	885,051	193,365	34,050	48,413	32,160	21,652	23,262	22,982
2 Individual			37,123	41,772	41,772	46,205	58,575	75,378	75,378
3 Project Linked	8,321	8,694	621,079	767,781	746,184	843,596	1,118,130	1,521,519	1,737,375
4 Peoples Housing Process		9,799	64,452	76,948	76,108	143,051	75,818	74,688	74,688
5 Institutional	14,100		30,173	131,912	131,912	159,564	129,973	128,034	128,034
6 Hostels			8,294	65,956	65,956	75,553	64,987	63,998	63,998
7 Relocation			55,621	65,956	65,956	87,254	64,987	63,998	63,998
8 Disaster Management/ Emergency Programme				3,078	3,078	3,078	3,033	2,988	2,988
9 Rural Housing				13,191	13,191	13,191	12,997	12,803	12,803
<b>Total Payments &amp; Estimates: Housing Performance/ Subsidy Programmes</b>	<b>1,129,251</b>	<b>903,544</b>	<b>1,010,107</b>	<b>1,200,644</b>	<b>1,192,570</b>	<b>1,403,652</b>	<b>1,550,152</b>	<b>1,966,668</b>	<b>2,182,244</b>

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
<b>Current payments</b>	<b>30,571</b>	<b>27,287</b>	<b>23,151</b>	<b>22,667</b>	<b>16,980</b>	<b>29,755</b>	<b>29,550</b>	<b>36,113</b>	<b>35,833</b>
Compensation of employees	25,361	24,758	20,160	20,155	10,350	27,302	25,012	29,549	29,269
Salaries and wages	21,760	21,242	14,112	14,007	5,202	19,111	17,298	20,488	20,488
Social Contributions	3,601	3,516	6,048	6,148	5,148	8,191	7,714	9,061	8,781
Goods and services	5,210	2,529	2,991	2,512	6,630	2,453	4,538	6,564	6,564
<i>of which</i>									
<i>Consuntancy, Audit and</i>									
<i>Contract fees</i>	2,359	536	950						
<i>Other items</i>	2,851	1,993	1,579	1,001	5,119	942	1,918	3,554	3,554
<i>Stationery</i>			462	455	455	455	490	510	510
<i>Subsistence and Travelling</i>									
<i>Allowances</i>				1,056	1,056	1,056	2,130	2,500	2,500
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>	<b>1,098,348</b>	<b>875,865</b>	<b>974,303</b>	<b>1,169,159</b>	<b>1,147,563</b>	<b>1,367,811</b>	<b>1,489,269</b>	<b>1,892,257</b>	<b>2,108,113</b>
Provinces and municipalities						59			
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities						59			
Municipalities						59			
Municipalities									
agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Universities and technikons									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	1,098,348	875,865	974,303	1,169,159	1,147,563	1,367,752	1,489,269	1,892,257	2,108,113
Social benefit									
Other transfers to households	1,098,348	875,865	974,303	1,169,159	1,147,563	1,367,752	1,489,269	1,892,257	2,108,113
<b>Payments for capital assets</b>	<b>332</b>	<b>392</b>	<b>12,653</b>	<b>8,818</b>	<b>28,027</b>	<b>6,086</b>	<b>31,333</b>	<b>38,298</b>	<b>38,298</b>
Buildings and other fixed structures			12,143	7,499	26,813		31,333	38,298	38,298
Buildings			12,143	7,499	26,813		31,333	38,298	38,298
Other fixed structures									
Machinery and equipment	332	392	510	1,319	1,214	441			
Transport equipment									
Other machinery and equipment	332	392	510	1,319	1,214	441			
Cultivated assets									
Software and other intangible assets						5,645			
Land and subsoil assets									
<i>Of which: Capitalised compensation</i>				7,499	27,654	27,654	31,333	38,298	38,298
<b>Total Economic Classification: Housing Performance/Subsidy Programmes</b>	<b>1,129,251</b>	<b>903,544</b>	<b>1,010,107</b>	<b>1,200,644</b>	<b>1,192,570</b>	<b>1,403,652</b>	<b>1,550,152</b>	<b>1,966,668</b>	<b>2,182,244</b>

**KEY OUTPUTS AND SERVICE DELIVERY MEASURES: HOUSING PERFORMANCE/ SUBSIDY PROGRAMMES**

Subprogramme	Key Measurable Objectives	Performance Measures	2006/07 (target)	2007/08 (target)	2008/09 (target)
Subsidy Administration	To provide for the administration of subsidies	Minimum no. of applications received/ processed and approved % total captured against new applications	60,000 100% capturing of all receipts	60,000 100% capturing of all receipts	60,000 100% capturing of all receipts
	To improve project management and implementation monitoring for all housing projects and programmes	Compliance /accreditation received	Achieve 100 percent quality control against standards	Achieve 100 percent quality control against standards	Achieve 100 percent quality control against standards
	To ensure quality housing products	Minimum no. of applications/ renewals captured	24,000	24,000	24,000
	To manage the claims	No of claims processed within PFMA cycle – 21 days	100 % of Claims equivalent to the total budget	100 % of Claims equivalent to the total budget	100 % of Claims equivalent to the total budget
Individual	To provide Individual subsidies to beneficiaries in accordance with Housing Policies	No of subsidies to be provided	1,783	1,783	1,783
People's Housing process (PHP)	To provide PHP subsidies to beneficiaries in accordance with the Housing Policies	No. of projects completed	50 Projects	50 Projects	50 Projects
		No. of Housing Support Centres sustained	20	20	20
		No. of organisation established	20	20	
		No. of food gardens completed	20	20	
		No. of HSCs transformed	10	10	
		No. of houses built	5,000	5,000	5,000



Subprogramme	Key Measurable Objectives	Performance Measures	2006/07 (target)	2007/08 (target)	2008/09 (target)
	To increase the total number of projects that utilise labour intensive methods	Percentage of projects targeted (Subject to soil condition and design standards)	100% of all PHP Projects	100% of all PHP Projects	100% of all PHP Projects
	To maximise job creation in the construction of houses through the PHP Programme	No. of jobs created	83	83	83
Consolidation (Community Builder)	To provide Consolidation subsidies to beneficiaries in accordance with Housing Policies	No. of Houses	40,000	60,000	70,000
	To create a Community Builder Programme that focuses on job creation, training and capacitation	No. of jobs created	667	1,000	1,167
Relocation	To provide Relocation subsidies to beneficiaries in accordance with Housing Policies	No. of relocated subsidies approved	2,166	2,166	2,166
Emergency Programme	To provide housing assistance to beneficiaries during emergency circumstances	Development of Business Plan to be approved by the MEC Estimate no. of household assisted (based on historic need for budget purposes)	As the need arises 87 subsidies or 2 events per year	As the need arises 87 subsidies or 2 events per year	As the need arises 87 subsidies or 2 events per year
Rural	To provide Rural subsidies to beneficiaries in accordance with Housing Policies	No. of projects completed	2 Projects houses construction 5 detail design and planning 5 facilitations	5 projects house construction 5 projects detail design and planning	10 projects House construction 5 projects detail design and planning
Essential Services	To provide Essential Services Subsidies to beneficiaries	No. of serviced stands	120,000	150,000	170,000
	To provide Top Structures to MEC priority projects	No. of houses built	14,000	14,000	14,000
	To increase the total number of projects that utilise labour intensive methods	Percentage of projects targeted (Subject to soil condition and design standards)	100% of all Essential Services Projects	100% of all Essential Services Projects	100 % of all Essential Services Projects
	To increase the use of labour intensive construction methods in the installation of services through the Essential Services Programme	No. of jobs created	233	233	233
National Home Builders Regulatory Council (NHBRC) Enrolment	To enroll with the NHBRC for the purpose of conducting quality control management in respect of formal housing development	No. of projects to be enrolled with the NHBRC	All Projects	All Projects	All Projects
Social Housing	To capacitate Social Housing Institutions (SHIs) so that they can effectively manage the business themselves	Criteria for a fully capacitated SHI approved by MEC No. of fully capacitated SHIs	Revision of Criteria and application thereof to SHIs 20 fully Capacitated SHIs	Revision of Criteria and application thereof to SHIs 10 fully capacitated	All accredited SHIs capacitated
	To facilitate an enabling environment that allows delivery of Social housing	Financial framework document No. of ventures with Financial Institutions	Revise financing mechanism 10	10	10
	To phase out Special Needs Housing and facilitate interaction with provincial line departments	Model approved by MEC No. of bed spaces facilitated	Model review 240 bed spaces		
	To provide housing assistance to Department of Housing staff	Programme designed and approved by MEC No. of Staff assisted	50	50	50
	To facilitate the regeneration and rehabilitation of inner city housing (Better Building Programme) as defined in the MHDPs	No. of units delivered	2,000	1,700	3,000
	To facilitate medium density housing (rental, instalment sale and cooperative housing)	No. of units completed	5,000	10,000	12,000

Subprogramme	Key Measurable Objectives	Performance Measures	2006/07 (target)	2007/08 (target)	2008/09 (target)
Social Housing	To facilitate medium density housing (rental, instalment sale and cooperative housing)	No. of units completed	5,000	10,000	12,000
	To create humane conditions and restore human dignity to residents (transformation of hostels to Affordable Rental Accommodation)	Consensus reached with residents and local authorities No. of hostels converted and units delivered (54 hostels = 37,000)	7,000	10,000	15,000
	To implement short term emergency intervention measures to address the threats to health and safety	No. of projects completed	Hand over to Management Bodies		

## PROGRAMME 4 : URBAN RENEWAL AND HUMAN SETTLEMENT REDEVELOPMENT

### Programme description

The Urban Renewal Programme focuses on the integrated redevelopment of urban communities at scale to cultivate sustainable local economies. The province has identified three areas that require urban renewal intervention, Alexandra, Bekkersdal and Evaton.

### Programme objectives

- To establish structures and agreements that will ensure effective coordination of all relevant departments and all spheres of government;
- To foster cooperation and coordinate resources in all phases of project life cycle;
- To improve the project management of the various projects;
- To mobilise community participation at all phases of the project life cycle;
- To facilitate the normalisation of the housing environment in targeted areas;
- To undertake the successful and sustainable management of selected urban regeneration projects, so as to enhance the economic and social viability of neighbourhoods;
- To reduce levels of unemployment through the stimulation of income generating opportunities;
- To ensure enhancement of integrated and sustainable development of urban regeneration.

Table 8: URBAN RENEWAL AND HUMAN SETTLEMENT REDEVELOPMENT

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
1 Administration		1,288	3,530	5,738	6,612	6,025	11,225	14,028	13,748
2 Urban Renewal	89,610	124,738	189,811	295,636	406,678	246,370	369,405	375,818	360,818
3 Human Settlement Redevelopment Programme	38,196	24,151	28,773	4,130	4,130	3,285			
<b>Total Payments &amp; Estimates:</b>									
<b>Urban Renewal &amp; Human Settl.</b>	<b>127,806</b>	<b>150,177</b>	<b>222,114</b>	<b>305,504</b>	<b>417,420</b>	<b>255,680</b>	<b>380,630</b>	<b>389,846</b>	<b>374,566</b>

  

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
<b>Current payments</b>	<b>1,909</b>	<b>3,288</b>	<b>1,476</b>	<b>1,213</b>	<b>1,247</b>	<b>6,829</b>	<b>1,305</b>	<b>1,610</b>	<b>1,330</b>
Compensation of employees	1,623	2,639	1,155	612	629	5,670	706	1,000	720
Salaries and wages	1,393	2,264	808	428	445	3,969	424	504	504
Social Contributions	230	375	347	184	184	1,701	282	496	216
Goods and services	286	649	321	601	618	1,143	599	610	610
<i>of which</i>									
<i>Other Items</i>	<i>286</i>	<i>649</i>	<i>321</i>	<i>601</i>	<i>618</i>	<i>1,143</i>	<i>599</i>	<i>610</i>	<i>610</i>
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities						16			
Unauthorised expenditure									

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
<b>Transfers and subsidies to:</b>	125,779	146,750	214,470	299,529	411,411	245,218	369,433	375,818	360,818
Provinces and municipalities						13			
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities						13			
Municipalities						13			
Municipalities									
agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Universities and technikons									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	125,779	146,750	214,470	299,529	411,411	245,205	369,433	375,818	360,818
Social benefit									
Other transfers to households	125,779	146,750	214,470	299,529	411,411	245,205	369,433	375,818	360,818
<b>Payments for capital assets</b>	<b>118</b>	<b>139</b>	<b>6,168</b>	<b>4,762</b>	<b>4,762</b>	<b>3,633</b>	<b>9,892</b>	<b>12,418</b>	<b>12,418</b>
Buildings and other fixed structures			6,056	4,662	4,662		9,592	12,218	12,218
Buildings			6,056	4,662	4,662		9,592	12,218	12,218
Other fixed structures									
Machinery and equipment	118	139	112	100	100	135	300	200	200
Transport equipment									
Other machinery and equipment	118	139	112	100	100	135	300	200	200
Cultivated assets									
Software and other intangible assets						3,498			
Land and subsoil assets									
<i>Of which: Capitalised compensation</i>				4,662	4,662	4,662	9,592	4,182	4,182
<b>Total Economic Classification:</b>									
<b>Urban Renewal &amp; Human Settl.</b>	<b>127,806</b>	<b>150,177</b>	<b>222,114</b>	<b>305,504</b>	<b>417,420</b>	<b>255,680</b>	<b>380,630</b>	<b>389,846</b>	<b>374,566</b>

## KEY OUTPUTS AND SERVICE DELIVERY MEASURES: URBAN RENEWAL AND HUMAN SETTLEMENT REDEVELOPMENT

Subprogramme	Key Measurable Objectives	Performance Measures	2006/07 (target)	2007/08 (target)	2008/09 (target)
Targeted Development Zones — Top Twenty Townships	To facilitate affordable rental accommodation (including the upgrading of Backyard rentals)	No. of infills and Backyard shacks addressed	40,000	50,000	60,000
	To reduce levels of unemployment through the stimulation of income generating opportunities	No. of jobs created	667	833	1 000
Social and Economic Amenities	To facilitate regeneration and rehabilitation of targeted urban environments	No. of Social Amenities developed	50	100	150

**PROGRAMME 5 : HOUSING ASSET MANAGEMENT****Programme description**

The Gauteng Housing Asset Management programme is responsible for the efficient management of provincial assets through property management.

**Programme objectives**

- To capacitate Social Housing Institutions so as to accelerate housing delivery;
- To facilitate the stabilisation of the Sectional Title environment;
- To facilitate an enabling environment that allows for the delivery of Social housing including facilitating the involvement of financial institutions;
- To phase out Special Needs Housing and facilitate interactions with provincial departments;
- To improve project management capacity of all projects implemented under this programme;
- To provide housing assistance to staff;
- To facilitate the regeneration and rehabilitation of Inner City housing (Better Build Programme) as defined in the Municipal Housing Development Plans as well as targeted urban environments in order to promote urban integration;
- To facilitate medium density housing (rental, instalment sale and cooperative housing);
- To facilitate affordable rental accommodation (including the upgrading of Backyard rentals and non-transferable stock);
- To promote home ownership;
- To dispose of commercial property and vacant land owned by the department in the most economical manner;
- To deliver Social housing units in targeted presidential projects.

**Table 10: HOUSING ASSET MANAGEMENT**

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
1 Administration		1,417	1,223	9,278	16,981	24,551	9,766	10,449	10,169
2 Maintenance				33,370	34,529	156,616	46,270	46,326	47,326
3 Management of Assets		42,059	61,074						
4 Management of Rental Stock		7,160	5,471						
5 Affordable Rental Accommodation		978	1,497						
6 Transfers of Rental Stock			7,495	8,584	12,406	8,584	9,442	10,386	10,386
<b>Total Payments &amp; Estimates:</b>									
<b>Housing Asset Management</b>	<b>0</b>	<b>51,614</b>	<b>76,760</b>	<b>51,232</b>	<b>63,916</b>	<b>189,751</b>	<b>65,478</b>	<b>67,161</b>	<b>67,881</b>

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
<b>Current payments</b>		<b>23,330</b>	<b>24,566</b>	<b>20,367</b>	<b>22,669</b>	<b>35,626</b>	<b>22,397</b>	<b>23,080</b>	<b>22,800</b>
Compensation of employees		19,701	21,710	17,500	17,717	32,584	20,163	20,316	20,036
Salaries and wages		16,903	14,630	12,250	12,467	22,809	14,026	14,026	14,026
Social Contributions		2,798	7,080	5,250	5,250	9,775	6,137	6,290	6,010
Goods and services		3,629	2,594	2,867	4,952	3,042	2,234	2,764	2,764
of which									
Consuntancy,Audit and Contract fees		483	282	1,100	1,100	800	900	1,010	1,010
Other Items		3,146	1,985	1,555	1,555	2,030	1,034	1,444	1,444
Maintenance			327	212	212	212	300	310	310
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities			262						
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>		<b>28,157</b>	<b>51,992</b>	<b>30,780</b>	<b>34,602</b>	<b>154,068</b>	<b>30,081</b>	<b>30,081</b>	<b>30,081</b>
Provinces and municipalities						95			
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities						95			

	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Municipalities						95			
Municipalities agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers									
Universities and technikons									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households		28,157	51,992	30,780	34,602	153,973	30,081	30,081	30,081
Social benefit									
Other transfers to households		28,157	51,992	30,780	34,602	153,973	30,081	30,081	30,081
<b>Payments for capital assets</b>		<b>127</b>	<b>202</b>	<b>85</b>	<b>6,645</b>	<b>57</b>	<b>13,000</b>	<b>14,000</b>	<b>15,000</b>
Buildings and other fixed structures					6,645		13,000	14,000	15,000
Buildings									
Other fixed structures					6,645		13,000	14,000	15,000
Machinery and equipment		127	202	85		57			
Transport equipment									
Other machinery and equipment		127	202	85		57			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
<b>Total Economic</b>									
<b>Classification: Housing</b>									
<b>Asset Management</b>	<b>0</b>	<b>51,614</b>	<b>76,760</b>	<b>51,232</b>	<b>63,916</b>	<b>189,751</b>	<b>65,478</b>	<b>67,161</b>	<b>67,881</b>

## KEY OUTPUTS AND SERVICE DELIVERY MEASURES: HOUSING ASSET MANAGEMENT

Subprogramme	Key Measurable Objectives	Performance Measures	2006/07 (target)	2007/08 (target)	2007/08 (target)
Property Management	To ensure that housing assets are effectively maintained	No. of scheduled maintenance projects completed	2 Projects	1 Project	1 Project
		No. of unscheduled (day-to-day) maintenance interventions	2,999	1,500	1,000
	To manage the effective sale of Housing Assets	No. of Properties sold	1,000	1,500	2,000
	To ensure effective and efficient debt management process	Potential income received from rentals and instalments as a percentage of raisings	15%	15%	15%
	To effectively manage housing assets	% of average occupancy of houses	95% Occupancy	95% Occupancy	95% Occupancy
		Rating of the Physical State of housing assets Average income received per sale of housing assets			
DUMA - Property Management	To improve the project management capacity of all projects implemented under this programme	Quality project management No. of land availability agreements signed	100% capturing All developable vacant land disposed of 100% municipal	100% capturing	

Subprogramme	Key Measurable Objectives	Performance Measures	2006/07 (target)	2007/08 (target)	2007/08 (target)
		Strategy for Non-Transferable stock approved by MEC	stock managed under new strategy	100% municipal stock managed under new strategy	
	To dispose of commercial property owned by the Department in the most economical manner	No. of commercial properties sold "voetstoets"	Disposed of all free standing corner shops voetstoets		100% municipal stock managed under new strategy
	To provide administrative services to the Housing Asset Management Programme	Quality administrative services	Maintain updated registers	Maintain updated registers	
	To ensure orderly land utilisation	No. of residential/commercial properties and community facilities built No. of non-habitable land disposed of in square metres and hectares	Project implementation stage with targeted numbers	Project implementation stage with targeted numbers	Maintain updated registers
Gauteng Partnership Fund (GPF)	To increase the number of units facilitated through GPF resources	No. of units facilitated	5,307	2,839	
	To capacitate Social Housing Institutions (SHIs) through the GPF Capacity Fund	No. of capacitated SHIs	10	10	
Transfer of Rental Properties (TORPS)	To facilitate homeownership (First and Third Directive)	No. of applications processed	20,000	Target will be achieved in 2006/07	Target will be achieved in 2006/07
		No. of units transferred	10,559	10,559	8,882
Rental Tribunal	To regulate the relationship between Landlord/Tenant	No. of cases resolved	2,000	2,500	3,000
		Business Plan approved by MEC	Review of business plan	Review of business plan	

## 7. OTHER PROGRAMME INFORMATION

### 7.1. Personnel Information

Post numbers	2005/06				2006/07			
	Post establishment	Posts Filled	Posts Vacant	Vacancy rate	Post establishment	Posts Filled	Posts Vacant	Vacancy rate
Programme 1: Administration	401	336	75	19%	401	366	75	19%
Programme 2: Policy and Research	45	23	22	49%	45	41	4	9%
Programme 3: Housing Performance/Subsidy	334	176	148	44%	334	166	148	44%
Programme 4: Urban Renewal and Human Settlement	44	35	9		44	25	9	
Programme 5: Assets Management	234	163	71	30%	234	223	71	30%
<b>Total Post Numbers: Vote 7</b>	<b>1,058</b>	<b>733</b>	<b>325</b>	<b>31%</b>	<b>1058</b>	<b>821</b>	<b>307</b>	<b>29%</b>

#### Personnel numbers and costs: Department of Housing

Personnel numbers	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
Programme 1: Administration	271	267	251	336	366	366
Programme 2: Policy and Research	216	176	10	23	41	41
Programme 3: Housing Performance/Subsidy Programme	191	154	155	176	166	166
Programme 4: Urban Renewal and Human Settlement	9	11	17	35	25	25
Programme 5: Housing Asset Management			176	163	223	223
<b>Total Personnel Numbers: Vote 7</b>	<b>687</b>	<b>608</b>	<b>609</b>	<b>733</b>	<b>821</b>	<b>821</b>
Total personnel cost (R thousand)	73,146	83,470	87,229	72,659	93,378	101,861
Unit cost (R thousand)	106,472	137,286	143,233	99,126	113,737	124,069

### 7.2. Training

R thousand	2002/03	2003/04	2004/05	2005/06			2006/07	2007/08	2008/09
	Audited Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
Programme 1: Administration	774	912	1,626	1,707	1,707	1,707	1,793	1,882	1,882
Programme 2: Policy and Research	98		1,000	1,050	1,050	1,050	1,103	1,158	1,158
<b>Total Expenditure on Training: Vote 7</b>	<b>872</b>	<b>912</b>	<b>2,626</b>	<b>2,757</b>	<b>2,757</b>	<b>2,757</b>	<b>2,896</b>	<b>3,040</b>	<b>3,040</b>



### 7.3. Cross-Cutting Issues

#### Allocations for Women and Gender Equality

#### OUTCOMES AND OUTPUTS WHICH SPECIFICALLY TARGET WOMEN AND GIRLS

Outcome	Output	Gender issue	Performance Indicator	Programme	Subprogramme	Budget Allocated		
						2006/07	2007/08	2008/09
Promote the participation of previously disadvantaged individuals	1/3 of women trained and skilled in the housing construction industry	The construction industry has historically been male dominated; Participation of women/girls must be encouraged	Number of women trained/skilled in house construction	Prog 3: Housing Performance/ Subsidy Programme	People's Housing Process	No budget – secured MOU with Department of Labour	No budget – secured MOU with Department of Labour	No budget – secured MOU with Department of Labour
	1/3 of women employed in the construction of houses (PHP)		Number of women builders employed in the PHP projects across the province	Prog 3: Housing Performance/ Subsidy Programme	People's Housing Process	R2,5 million	R5 million	R5 million
	Increase number of women participating in housing construction and services	Historically the construction of houses was considered a male profession and therefore women were excluded	Number of women or girl construction workers participating in the industry	Prog 3: Housing Performance/ Subsidy Programme	Essential Services Project – linked Rural Housing	R121,3 million R7,2 million See identified programme	R131 million R38,4 million See identified programme	R131 million R38,4 million See identified programme
Alleviate poverty and improve the lives of targeted communities	Identification of gardening groups targeting women and unemployed youth	Historically women have been at the centre of the food production cycle	Number of women participating in the food gardens programme	Prog 3: Housing Performance/ Subsidy Programme	People's Housing Process	R3 million	R3 million	R3 million
	Housing subsidies provided to beneficiaries	Past laws prohibited women from entering into contracts without the consent of their husbands; the laws have changed and women headed households have increased	No of women beneficiaries benefiting	Prog 3: Housing Performance/ Subsidy Programme	Subsidy Administration	R823,7 million 100% female headed household R725,9 million Women indirectly benefiting from male headed households	R823,7 million 100% female headed household R725,9 million Women indirectly benefiting from male headed households	R823,7 million 100% female headed household R725,9 million Women indirectly benefiting from male headed households
	10% of budget spent on women in all functional areas	Women have in the past not been involved in the economy, this seeks to empower them to be self sustainable	Achievement of the targeted output	Prog 4: Urban Renewal Programme	Alexandra Renewal Programme	R17,9 million	R18,9 million	R18,9 million
To create a healthy, empowered self sustaining community, with access to integrated, effective health and social service	Capacitate women on retail and personal services	Women are involved in informal business but lack skills to run sustainable businesses	Number of women capacitated	Prog 4: Urban Renewal Programme	Alexandra Renewal Programme	See identified programme	See identified programme	See identified programme
	Training women on care worker programme	Increased number and high prevalence of HIV/AIDS incidents among women and young adults	Awareness of HIV/AIDS	Prog 4: Urban Renewal Programme	Alexandra Renewal Programme	See identified programme	See identified programme	See identified programme
	Training youth on the prevention of teenage pregnancy	Breakdown of Social Fabric has resulted in increases in teenage pregnancy	Number of Youth (girls) trained	Prog 4: Urban Renewal Programme	Alexandra Renewal Programme	See identified programme	See identified programme	See identified programme

**OUTCOMES AND OUTPUTS OF THE THREE LARGEST SUB-PROGRAMMES AND THEIR IMPLICATIONS FOR GENDER EQUALITY**

Outcome	Output	Gender issue	Performance Indicator	Programme	Subprogramme	Budget Allocated		
						2006/07	2007/08	2008/09
Improve the lives of the under-housed communities	Increase number of women participating in housing construction and services	Historically the construction of houses was considered a male only domain and therefore women were excluded	Number of women or girl construction workers participating in the industry	Prog 3, 4 & 5	Essential Services; People's Housing Process; Project — linked Alexandra Renewal Programme Bekkersdal; Evaton Social Housing; ARA	See identified programmes	See identified programmes	See identified programmes
30% budget spent on women owned companies	Contracts awarded to companies owned by women	Women have in the past not participated in the mainstream economy in terms of owning companies. Such participation is now made possible through the procurement processes	30% of expenditure for women	All programmes	All subprogrammes	See identified programmes	See identified programmes	See identified programmes

**OUTCOMES AND OUTPUTS WHICH WILL BENEFIT WOMEN/PROMOTE GENDER EQUALITY**

Outcome	Output	Gender issue	Performance Indicator	Programme	Subprogramme	Budget Allocated		
						2006/07	2007/08	2008/09
Gender equality and mainstreaming	Improved gender representivity	Recruitment and selection	Percentage women in middle and senior management	Prog 1: Administration	Human Resources	See identified programmes	See identified programmes	See identified programmes
	Recruitment and retention strategy implemented	Scarce skills and expertise	Percentage women in scarce skills positions	Prog 1: Administration	Human Resources	See identified programmes	See identified programmes	See identified programmes
		Employment capacity of Housing	Percentage women with scarce skills retained					
	Number of female managers supported		Number of women empowered and developed for managerial positions	Prog 1: Administration	Human Resources	See identified programmes	See identified programmes	See identified programmes

**OUTCOMES AND OUTPUTS WHICH WILL BENEFIT WOMEN EMPLOYEES WITHIN THE DEPARTMENT OF HOUSING**

Outcome	Output	Gender issue	Performance Indicator	Programme	Subprogramme	Budget Allocated		
						2006/07	2007/08	2008/09
Human Resource Development	Personnel Development Programme developed and training provided : 25	Skills development	Number of females trained: 84	Prog 1: Administration	Human Resources	See identified programmes	See identified programmes	See identified programmes
	Bursaries granted : 47	Number of female beneficiaries	Number of female beneficiaries: 420	Prog 1: Administration	Human Resources	See identified programmes	See identified programmes	See identified programmes

## OUTCOMES AND OUTPUTS WHICH WILL BENEFIT WOMEN/PROMOTE GENDER EQUALITY

Level	Total	Women	Black	Black women	% of Personnel
Superintendent – General	1	1	1	1	
Deputy Director General	3	1	2	1	33%
Chief Director	4	1	4	1	25%
Director	29	8	18	6	32%
Deputy Director	42	13	37	12	31%
Assistant Director	58	29	38	22	50%
<b>Subtotal management</b>	<b>137</b>	<b>53</b>	<b>101</b>	<b>42</b>	<b>39%</b>
Non-management	601	187	372	176	49%
Contract Workers	100	78	51	42	79%
Learners	109	102	68	68	95%
<b>Total No. of Persons</b>	<b>947</b>	<b>420</b>	<b>592</b>	<b>328</b>	<b>58%</b>

