

Vote 7

Department of Housing, Local Government and Traditional Affairs

Table 7.1

	2007/08	2008/09	2009/10
R thousand	To be appropriated		
MTEF allocations	1 574 138	1 808 127	2 063 745
of which			
Current payments	390 188	406 855	425 913
Transfers and subsidies	1 150 717	1 366 710	1 601 887
Payments for capital assets	33 233	34 562	35 945
Statutory Amount	905	951	999
Political office bearer	MEC for Housing, Local Government & Traditional Affairs		
Administering Department	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 a view to enhance economic and social development
- To provide for the effective and efficient management of housing assets i.e. Rental and Social Housing
- To provide housing subsidies and ensure 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 effective department that seeks to ensure viable and sustainable local and traditional institutions and champions optimal service delivery.

Mission

The EC DHLGTA promotes the stabilisation, consolidation and development of sustainable municipalities, traditional institutions and integrated human settlements

Main services

- To facilitate the implementation of National Housing Programmes
- Eradication of the bucket toilet system
- Promote good governance and administration in municipalities
- Assisting municipalities to access appropriately located land for integrated housing development through a process of land release
- Assist municipalities in developing Integrated Development Plans (IDPs)
- Revitalize and support Traditional Leaders Institutions
- Development and marketing of traditional leadership policies and legislation.
- Provision of management support and secretariat services to the Provincial House of Traditional Leaders.
- Promote and encourage the participation of traditional councils and communities in developmental issues.
- Provision of support to institutions of traditional leadership.

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 capacitating of ward committees are being vigorously pursued to ensure that decisions around development issues are well informed by the communities.

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
- Local Government Transition Act 1993
- 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
- Public Service Act, 1994 as amended,
- PSCBC resolutions these regulate the administration of the public service, and conditions of service
- Labour Relations Act
- White Paper on Batho Pele
- Promotion of Access to Information Act
- Basic Conditions of Employment Act
- Preferential Procurement Policy Framework Act
- Control of Access to Public Premises Act
- Minimum Information on Security Act
- General Recognised Accounting Practice Act
- Inter-governmental Relations Framework Act 13,2005
- Municipal Use Regulation Act 15 of 1987
- Land Use Planning Ordinance 15 of 1985
- Townships Ordinance 33 of 1934
- Development Facilitation Act
- Municipal Property Rates Act
- Skills Levy Act
- Treasury Regulation
- Public Service Regulation

- Broad Based Black Economic Empowerment Act No 53 of 2003
- Preferential Procurement Policy Framework Act No 5 of 2000 and
- National Treasury Practice Notes

Budget decisions

The Department of Housing, Local Government and Traditional Affairs is committed to promoting and ensuring developmental local government, acceleration of housing delivery to enhance 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 2006/07

Housing

Breaking New Ground

Five pilots projects on Sustainable Human Settlements were implemented in Buffalo City (Duncan Village, Mbashe (Elliotdale) and Nelson Mandela Bay Metropolitan Municipality (Zanemvula), King Sabata Dalindyebo (Ngangelizwe) and Mquma Municipality (Butterworth Siyanda).

Unblocking of Blocked Projects:

Of the 128 identified blocked projects, the unblocking process for 102 projects has been effected. 80 projects are under construction. Procurement processes are being conducted for the unblocking of the remaining projects. A Memorandum of Understanding has been entered into between the MEC and Thubelisha Homes, a parastatal to implement the programme in various areas. Thubelisha Homes is a parastatal of the National Department of Housing. One of its mandate is to unblock Housing Projects on behalf of the National and Provincial Housing Departments

Emergency Housing

R32m has been set aside to implement the programme in four areas viz; Nelson Mandela Bay Municipality, OR Tambo and Chris Hani and Alfred Nzo District Municipalities.

Klippaat Project for 380 units is complete at cost of R 3 million

Alfred Nzo for 551 units at R18 m is under construction. No units completed yet

Chris Hani for 124 units at R 5 m and OR Tambo for 250 units at R 8 m are at the approval stages

Rectification Programme

The provincial rectification programme is made-up of 60 projects comprising of over 19,000 units which were identified through submissions made through Project Managers by municipalities. National Home Builders Registration Council (NHBRC) has been appointed to undertake the provincial rectification programme and the scope of this appointment includes both assessments and reparation of the defective houses. So far over

8,000 units have been assessed and the remaining 11,000 units are expected to be assessed before the end of March 2007. Actual reparation work is planned to start in April 2007 and projects to be prioritised will be based on the results of the assessments and budget allocated for the programme over the period.

Challenges:

Monitoring Capacity

- Shortage of technical staff due to high vacancy rate have adversely affected the frequency of inspection of housing construction and therefore compromises compliance with norms and standards.
- Rising housing demand (estimated at 797 000 houses by 2005) against low capacity levels of implementing agents to meet the demand in terms of scale, pace and quality.
- Policy tensions arising out of the 40sqm vs 30sqm national norm, which carry an unintended consequence on the quality of the final housing product vs. the capacity of the emerging contractors.
- Scarcity of suitable and well-located land for housing development.
- Inadequate technical and professional competence for project management, monitoring and evaluation.
- Inadequate risk and integrity management capacity in the planning and implementation of housing projects.
- Lack of research capacity that supports evidence-based planning in housing development, at provincial and local government spheres.
- Under-expenditure threat that is occasioned by inadequate capacity of implementing agencies and a non-responsive Service Delivery Model.
- Monitoring & Evaluation capacity constraints
- Use of PHP vehicle with the predominant involvement of Emerging contractors whose performance have been hampered by lack of adequate skills and resource constraints.
- Municipalities as developers also with capacity challenges
- Provincial policy of building 40 m² versus national standard of units measuring 30 m² with no additional funding

Operational and administration factors:

- Material supply constraints
- Contractors lack of requisite skills and site labour turnover
- Conveyance delays
- Beneficiary registration delays

Local Government

The department has continued to pilot most of the critical aspects of the Developmental Local Government Model during the past year. The department has harvested some valuable lessons worthy of extension to the rest of the province from this exercise. The following are examples worth mentioning;

- Establishment of Ward Committees,
- Improving the IDP Assessment Systems and Tools,
- Centralisation of Intergovernmental Relations at District Municipal level for all Public Sector
- Service Providers (as identified by the 2005/06 IDP Engagement Process) in order to improve
- service delivery and register better impact, and
- The integration of Matatiele Local Municipality as part of the implementation of the recently passed Cross-boundary Legislation.

The implementation and assessment of Project Consolidate has confirmed the need to implement the Hands-on Support to municipalities for a sustained period of time (at least five years). The implementation of various International Cooperation Programmes (including UNDP, EU and SIDA) during the course of 2006/07 financial year proved invaluable for strengthening our Service Delivery Systems and Project Management Capacity. The piloting of the Siyenza Manje Partnership among DBSA, District municipalities and the Department has yielded resounding success where the six Engineers and a Financial Manager were hired by DBSA and deployed to six district municipalities. This exercise translated to the broad plan for the next five years to procure scarce professional skills centrally, and deploy them where they are needed most.

As part of assessing and evaluating the progress made by municipalities in implementing the Developmental Local Government Model, the second municipal diagnostic exercise conducted by the department revealed that municipalities in the province are currently performing at between 51%-75% of their capacity. This represents an overall improvement of 14% of all municipalities, and 16% of Project Consolidate Municipalities, on the previous year.

The department is embarking on the preparation of generic municipal organisational structures which will be customized to the conditions, needs, powers and functions of particular municipalities. The department has assessed 41 out of 45 municipalities for credible IDPs. The enforcement of Municipal Institutional Performance Management for all municipalities has started earnestly this financial year. 17 municipalities have now complied with the legal annual reporting requirements.

The department has started to guide municipalities in the implementation of the Property Rates Act, and is receiving positive response from municipalities.

Furthermore the department will host a Local Government Summit from which proven principles and best practices on good governance, service delivery and intergovernmental relations will flow.

Challenges

- Lack of capacity to monitor the municipalities
- Political instability in the municipalities
- Understanding of roles and responsibilities by political office bearers and municipal managers
- Municipalities not being able to perform assigned powers and functions
- Lack of capacity within the municipal officials
- Lack of commitment within officials and councillors during training sessions
- Most municipalities are unable to account for finances transferred to them.
- Municipalities operate without policies
- High vacancy rates in critical posts

Traditional Affairs

The following achievements are recorded:

- Outreach project on participation of traditional leaders in the proceedings of municipalities.
- Awareness workshops on the transformation of tribal authorities into traditional councils .
- Development of mechanism for transformation of traditional authorities into traditional council that are headed by headmen.
- Appointment of 220 ex Ciskei headmen
- Lack of policies/frameworks as required by the white paper and legislation on traditional leadership and governance
- Facilitation of synergistic partnerships between municipalities and traditional councils
- Provision of resources to newly formed/transformed traditional institutions
- Capacitation of newly formed traditional institutions
- Filling of all critical posts for the branch and Provincial House of Traditional Leaders (PHoTL)
- Facilitation of the transfer of Umzimkulu Traditional Councils from the Eastern Cape to KwaZulu Natal.
- Facilitation of the resolution of traditional leadership disputes.
- Provision of physical infrastructure for the Institution of Traditional Leadership (constructions of PHoTL and Traditional Council Offices).
- Formulation of Regulations in terms of the Traditional Leadership and Governance Act No. 4 of 2005 (Eastern Cape).

3. Outlook for the coming financial year 2007/08

Housing priorities

- Breaking New Ground (BNG)
Given the national deadline of 2014 for the eradication of informal settlements this remains a priority. Additional projects have been identified within this programme in King Sabatha Dalindyebo (KSD) and Mquma Municipalities
- Emergency Housing
Natural disasters are still causing havoc in various parts of the province hence this remains a priority for the department. The province has a backlog of 11 000 destroyed houses amounting to R400 000, whilst at the same time current occurrences are addressed. R 38 m has been set aside in this regard
- Rectification programme
Given the extent of the need for rectification of housing stock in various areas in the province the focus still remains for the identified areas. The scope of the programme has since increased to include all the rectification requirements of the province. Currently 60 projects with just over 19,000 units have been submitted and approved for assessment and will be followed up by actual repair. Services of the NHBRC have been secured to undertake assessment of the houses with defects and do the actual repair.
- Finalisation of old projects
A close out process has been embarked upon in order to finalise old projects and therefore reduce the volume of projects to enable proper management, monitoring and evaluation.

- Improve on the department's Quality Assurance and Project Management capacity.
- Improvements to Quality Assurance work-processes, methods and reporting instruments:
- Development of a standardized set of reporting instruments to effectively respond to the disclaimer issues.
- Work-flow and responsibility arrangements to ensure greater Quality Assurance effectiveness, impact and accountability
- Build Departmental Project Management Capacity:

Fill the project management and technical staff positions created through approval of the new organogram.

Local Government

- Five Year Local government Strategic Agenda

The department's focus for 2007/08 onwards, expands on the lessons learnt from our experiences in the 2005/06 and 2006/07 financial years. As a result the department's Strategic Goal has been revised to reflect the attainment of "Viable and sustainable municipalities delivering basic services and supporting good governance principles". This will be achieved through the following Strategic Objectives:

- Appropriate institutional and administrative systems promoted in all municipalities
- Good governance practices promoted in all municipalities
- Effective integrated planning for land, infrastructure and sustainable development promoted in all municipalities.

The Five Year Local Government Strategic Agenda correctly captures and articulates the improvements in our institutional, regulatory and implementation approaches and systems. The main thrust of this agenda is elaborated through the following priorities:

- Mainstreaming hands-on support to Local Government to improve municipal governance, performance and accountability
- Addressing the structure and governance arrangements of the State in order to better strengthen, support and monitor Local Government.
- Refining and strengthening the policy, regulatory and fiscal environment for Local Government and giving greater attention to the enforcement measures.

These priorities mandate the department, together with other State partners, to sharpen and concentrate their municipal support and resources to the following Key Performance Areas:

- Municipal Transformation and Organisational Development

- Municipal Human Resource Capacity
- Municipal Financial Viability and Management
- Good Governance and Public Participation
- Municipal Spatial and Land Development
- Basic Service Delivery (including Bucket-toilet Eradication, Disaster Management and Emergency Services)
- Local Economic Development (including support to rural and urban nodes as well as World Cup initiatives)

The department will start to jointly determine and plan the 2007/08 municipal projects during the current financial year, along the IDP Process which started in September 2006. This will allow the department to comply with the provisions of the MFMA.

Traditional Affairs

The focus during the 2007/08 financial year will be the following:

- Substantially developed and implemented legislation and policies regarding traditional leadership
- Promotion of participation of traditional leaders in services delivery initiatives
- Adequate support to Provincial House of Traditional Leaders (PHoTL)
- Formulation of legislation that establishes Local Houses.
- Proper monitoring for effective functioning of traditional councils.
- Capacitating of Traditional Leaders.
- Improvement of the Conditions of Service of Traditional Leaders.
- Promotion of cooperative governance.

4. Receipts and financing

Table 7.2 Summary of receipts

Summary of total receipts										
Department of Housing, Local Government & Traditional Affairs										
Receipts R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10	% Change from Revised estimate 2006/07
Treasury funding										
Equitable share	435 142	413 416	465 952	480 192	490 442	235 904	512 743	547 826	572 477	117.35
Conditional grants	792 883	572 818	607 719	761 994	761 994	761 994	1 052 554	1 251 018	1 481 567	38.13
Financing										
Total Treasury funding	1 228 025	986 234	1 073 671	1 242 186	1 252 436	997 898	1 565 297	1 798 844	2 054 044	56.86
Departmental receipts										
Tax receipts										
Sales of goods and services other than capital assets	3 831	2 417	3 066	6 487	6 487	5 650	6 811	7 152	7 478	20.55
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	9 015	8 913	5 484	1 933	1 933	5 590	2 030	2 131	2 223	(63.69)
Sales of capital assets			504							
Financial transactions in assets and liabilities										
Total departmental receipts	12 846	11 330	9 054	8 420	8 420	11 240	8 841	9 283	9 701	(21.34)
Total receipts	1 240 871	997 564	1 082 725	1 250 606	1 260 856	1 009 138	1 574 138	1 808 127	2 063 745	55.99

5. Payment summary

Key Assumptions

In drafting this budget, the revised inflation projection (CPIX) for the current MTEF period as published in the 2006 Medium Term Budget Policy Statement have been taken into consideration.

In addition, the projected salaries increase of 6 per cent in 2007/08, 5 per cent in 2008/09 and 5 per cent in 2009/10 effective 1 July of 2007 as well as the carry through costs of these increases have been catered for in the programme/sub-programme allocation

The carry through costs of all personnel related adjustments and pay progression of 1 per cent of the wage bill effective from 1 July 2007 has been factored in.

Provision has also been made for the pay progression of the SMS staff, departmental training needs as well as the human resource plan for the department.

Table 7.3 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 7.3 Summary of payments and estimates

Summary of payments and estimates: Department of Housing, Local Government & Traditional Affairs										
Programme R'000	Outcome						Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06	Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	2007/08	2008/09	2009/10	% Change from Revised estimate 2006/07
1. Administration	71 834	82 406	83 111	80 329	86 612	83 880	102 215	106 137	110 869	21.86
2. Housing	894 963	660 607	666 327	824 207	820 810	624 290	1 101 981	1 319 456	1 553 127	76.52
3. Local Government	208 999	188 957	243 684	242 038	224 748	205 758	241 852	248 618	259 556	17.54
4. Traditional Affairs	65 075	65 594	89 603	104 032	128 686	95 210	128 090	133 916	140 193	34.53
5. Traditional Leaders										
Total payments and estimates	1 240 871	997 564	1 082 725	1 250 606	1 260 856	1 009 138	1 574 138	1 808 127	2 063 745	55.99

Table 7.4 Summary of payments and estimates by economic classification

Summary of provincial payments and estimates by economic classification: Department of Housing, Local Government & Traditional Affairs										
Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06	Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	2007/08	2008/09	2009/10	% Change from Revised estimate 2006/07
Current payments	305 718	289 380	303 232	356 641	357 669	330 699	390 188	406 855	425 913	17.99
Compensation of employees	178 148	171 847	193 822	261 781	264 700	238 512	286 258	300 571	315 599	20.02
Goods and services	127 557	93 200	96 099	94 860	92 969	92 187	103 930	106 284	110 314	12.74
Interest and rent on land										
Financial transactions in assets and liabilities	13	24 333	13 311							
Unauthorised expenditure										
Transfers and subsidies to	927 895	706 177	769 474	862 891	872 113	668 171	1 150 717	1 366 710	1 601 887	72.22
Provinces and municipalities	135 062	133 359	161 755	100 897	110 119	101 281	114 547	115 692	120 320	13.10
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households	792 833	572 818	607 719	761 994	761 994	566 890	1 036 170	1 251 018	1 481 567	82.78
Payments for capital assets	7 258	2 007	10 019	31 074	31 074	10 268	33 233	34 562	35 945	223.66
Buildings and other fixed structures	1 958		6 946	25 364	25 364	4 919	26 821	27 894	29 010	445.25
Machinery and equipment	5 300	2 007	3 073	5 710	5 710	5 349	6 412	6 668	6 935	19.87
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	1 240 871	997 564	1 082 725	1 250 606	1 260 856	1 009 138	1 574 138	1 808 127	2 063 745	55.99

Table 7.5 Summary of departmental transfers to local government by category

Summary of departmental transfers to local government by category Department of Housing, Local Government & Traditional Affairs										
Departmental transfers R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised				% Change
	2003/04	2004/05	2005/06	2006/07	2006/07	2006/07	2007/08	2008/09	2009/10	from Revised estimate 2006/07
Category A		2 343	14 796	3 885	3 885	3 885	15 130	4 279	4 276	289.45
Category B		44 488	53 456	29 959	29 959	29 959	32 570	24 451	27 543	8.72
Category C		33 236	86 421	65 473	65 473	65 473	66 147	86 962	88 501	1.03
Unallocated / unclassified	135 062	53 292	7 082	1 580	10 803	1 964	700			
Total departmental transfers to local government	135 062	133 359	161 755	100 897	110 120	101 281	114 547	115 692	120 320	

Note: Excludes regional services council levy.

6. Programme Description

Programme 1: Administration

Purpose

The purpose of Programme 1: Administration is to give strategic leadership to the department and corporate support to the three core functions of the department.

- The purpose of Sub-programme 1.1: Office of the MEC is to provide Political Leadership in the department
- The objective of Sub-programme 1.2: Corporate governance is to 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 7.6 Summary of payments and estimates – Programme 1: Administration**Table 8.9: Summary of payments and estimates - Programme 1: Administration**

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited						
	2003/04	2004/05	2005/06				2007/08	2008/09	2009/10
1. Office of the MEC	312	915	828	799	853	631	905	950	998
2. Corporate Services	71,522	81,491	82,283	79,530	85,759	58,774	101,310	105,186	109,870
Total	71,834	82,406	83,111	80,329	86,612	59,405	102,215	106,136	110,868

Table 7.6 Summary of provincial payments and estimates by economic classification – Programme 1: Administration

Summary of provincial payments and estimates by economic classification - Programme 1: Administration Department of Housing, Local Government & Traditional Affairs										
Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main appro- priation	Adjusted appro- priation	Revised estimate				% Change from Revised estimate
	2003/04	2004/05	2005/06	2006/07	2006/07	2006/07	2007/08	2008/09	2009/10	2006/07
Current payments	62 477	80 184	79 707	74 619	80 700	78 176	95 803	99 469	103 934	22.55
Compensation of employees	34 083	31 748	32 696	37 446	44 902	39 079	54 719	57 455	60 328	40.02
Goods and services	28 381	38 338	37 150	37 173	35 798	39 097	41 084	42 014	43 606	5.08
Interest and rent on land										
Financial transactions in assets and liabilities	13	10 098	9 861							
Unauthorised expenditure										
Transfers and subsidies to	4 140	210	402		202	355				(100.00)
Provinces and municipalities	4 140	210	402		202	355				(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	5 217	2 012	3 002	5 710	5 710	5 349	6 412	6 668	6 935	19.87
Buildings and other fixed structures										
Machinery and equipment	5 217	2 012	3 002	5 710	5 710	5 349	6 412	6 668	6 935	19.87
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	71 834	82 406	83 111	80 329	86 612	83 880	102 215	106 137	110 869	21.86

Programme 2: Housing

The purpose of Programme 2: Housing is to facilitate the creation of sustainable human settlements.

The program is divided into five sub-programmes with the following aims and objectives:

- Sub-programme 2.1: Office of the Head of Housing helps to develop, advise and coordinate strategic leadership.
- Sub-programme 2.2: Housing Planning and Research manages and monitors Housing Research and Policy formulation and facilitates municipal accreditation and stakeholders capacity building
- Sub-programme 2.3: Housing Performance facilitates and monitors the implementation of National and Provincial Housing Programmes
- Sub-programme 2.4: Housing Project Management and Quality Control renders Housing Project Management and quality Assurance Services
- Sub-programme 2.5: Social/Rental Housing and Land Facilitation aims to facilitate, coordinate & manage the implementation of the Rental, Social Housing Programmes and Land Facilitation for housing development

Policy developments:

The policy on rectification has a huge budgetary implication for the province. The development of the Housing Development Plan will enable the department to align housing provision and budget with the demand on the ground.

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

The development of the Housing Sector Plan, will kick start a process where municipalities will have a housing chapter incorporated into their IDPs therefore enabling targeted delivery. Provision has been made in the revised structure of the programme for Project Management and Quality Assurance component.

Service delivery measures

Service delivery measures-Programme 2: Housing				
Output type	Performance measures	Performance targets		
		2006/07 Est. Actual	2007/08 Estimate	
1. Housing Subsidies	Number of Housing subsidy units approved & implemented	20,241	24,000	
Particular on Municipal Housing Forum	Number of Housing Development Plans reviewed	1	0	
	Number of Housing Development Plans completed	1	0	
Identify Municipal Housing needs	Number of Integrated Development Plans reviewed	3	33	
	No. of training programmes developed	2	2	
	No. of BEEE and SMME trained in Housing delivery	20	46	
	Number of housing consumers trained	50	6,500	
	No. of municipalities with dedicated housing components	17	17	
	No. of municipalities accredited	1	1	
2. Upgrading of informal settlements	Number of informal settlements upgraded		5	

Table 7.7 Summary of payments and estimates – Programme 2: Housing

Summary of payments and estimates - Programme 2: Housing Department of Housing, Local Government & Traditional Affairs										
Sub-programme R'000	Outcome						Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06							% Change from Revised estimate 2006/07
				Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	2007/08	2008/09	2009/10	
1. Office of the Head of Housing	5 074	14 400	10 688	14 716	13 716	11 166	15 833	16 614	17 439	41.80
2. Housing Planning & Research		3 244	7 974	1 759	7 759	6 996	8 909	9 333	9 791	27.34
3. Housing Performance / Subsidy Management	804 118	578 306	616 059	775 343	771 843	577 624	1 041 776	1 256 874	1 487 701	80.36
4. Urban Renewal & Human Settlement Development	75 035	59 501	24 545	26 065	21 165	21 926	22 728	23 340	24 270	3.66
5. Housing Asset Management	10 736	5 156	7 061	6 324	6 327	6 578	7 130	7 441	7 792	8.39
6. Housing Administration							5 605	5 854	6 134	
Total payments and estimates	894 963	660 607	666 327	824 207	820 810	624 290	1 101 981	1 319 456	1 553 127	8.39

Table 7.8 Summary of payments and estimates by economic classification – Programme 2: Housing

Summary of provincial payments and estimates by economic classification - Programme 2: Housing Department of Housing, Local Government & Traditional Affairs										
Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06	Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	2007/08	2008/09	2009/10	% Change from Revised estimate 2006/07
Current payments	100 301	43 023	51 965	62 213	58 798	57 377	65 811	68 438	71 560	14.70
Compensation of employees	28 096	23 858	30 475	39 413	35 881	34 662	41 539	43 616	45 796	19.84
Goods and services	72 205	15 830	18 040	22 800	22 917	22 715	24 272	24 822	25 764	6.85
Interest and rent on land										
Financial transactions in assets and liabilities		3 335	3 450							
Unauthorised expenditure										
Transfers and subsidies to	794 622	617 589	614 291	761 994	762 012	566 913	1 036 170	1 251 018	1 481 567	82.77
Provinces and municipalities	1 789	44 771	6 572		18	23				(100.00)
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households	792 833	572 818	607 719	761 994	761 994	566 890	1 036 170	1 251 018	1 481 567	82.78
Payments for capital assets	40	(5)	71							
Buildings and other fixed structures										
Machinery and equipment	40	(5)	71							
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	894 963	660 607	666 327	824 207	820 810	624 290	1 101 981	1 319 456	1 553 127	76.52

Programme 3: Local Government

Purpose:

The purpose of Programme 3: Local government is to promote developmental local government, consolidation and stabilization of sustainable municipalities through effective community participation, co-ordinated planning and capacity building.

Programme 3: Local government has eleven sub-programmes with the following responsibilities:

- Sub-programme 3.1: Office of the Head of Developmental Local government provides management, strategic direction, and support services towards the promotion of developmental local government
- Sub-programme 3.2: Municipal Administration provides support and monitor municipalities in respect of capacity building and community participation.
- Sub-programme 3.3: Municipal Finance facilitates and monitors the implementation of efficient and effective financial management systems in municipalities
- Sub-programme 3.4: Municipal Infrastructure facilitates support and monitor the implementation of the municipal infrastructure grant (MIG) and infrastructure development in municipalities.
- Sub-programme 3.5: Disaster Management aims to promote the establishment of effective and efficient disaster management systems.
- Sub-programme 3.6: Spatial Planning aims to facilitate, support and monitor the development and implementation of spatial development plans.
- Sub-programme 3.7: Development Administration /Land Use Management aims to facilitate and monitor land surveying, valuations and land use management in municipalities.
- Sub-programme 3.8: Integrated Development and Planning supports and monitors the preparation and implementation of municipal IDPs.
- Sub-programme 3.9: Local Economic Development aims to facilitate, support and monitor local economic development programmes in municipalities.
- Sub-programme 3.10: Office of Head of Local Governance provides the management and strategic direction of municipal governance.
- Sub-programme 3.11: Office of the Head of Development and Planning provides the management and strategic direction of municipal development and planning.

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.

Service delivery measures-Programme 3 Local Government			
Output type	Performance measures	Performance targets	
		2006/07 Est. Actual	2007/08 Estimate
The establishment of functional institutional structures in all municipalities	No.of municipalities assisted with the establishment of functional ward committees that provide ward priorities	27	12
	No.of municipalities assisted with the establishment and administration of audit committees in the line with MFMA implementation plan		11
	No.of Water Services Authorities Assessed	10	9
Effective Disaster management and Emergency Services	No.of municipalities supported with establishing Disaster Management centres	20	7
	Declared disaster areas supported as required	6	As required
	No.of functionaries trained in disaster management	100	100
	No.of Municipalities with fire service equipment	6	16
Credible IDP's Processes	Adopted IDP's submitted by 31 st July	45	45
	Support District Municipalities with functional Municipal PMS framework by 31 March 2008	45	45
Effective spatial Planning	Prioritized municipalities with adopted Spatial Development Framework in terms of Municipal Systems Act,by 31st May of each year	4 SDFs monitoring and evaluation in progress and progress reports are prepared	6 SDFs in municipalities
	Prioritized municipalities with approved valuation rolls in terms of the MPRA by 30th June of each year	7	12

Table 7.9 Summary of payments and estimates – Programme 3: Local Government

Summary of payments and estimates - Programme 3: Local Government Department of Housing, Local Government & Traditional Affairs										
Sub-programme R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised				% Change
	2003/04	2004/05	2005/06	appropriation 2006/07	appropriation 2006/07	estimate 2006/07	2007/08	2008/09	2009/10	from Revised estimate 2006/07
1. Head of Developmental Local Government	36 390	19 578	13 595	17 500	12 800	11 952	13 286	13 943	14 636	11.16
2. Head of Local Governance			249	3 932	3 932	3 701	4 087	4 287	4 499	10.43
3. Head of Development & Planning			594	3 945	1 075	962	1 324	1 386	1 453	37.63
4. Municipal Admin	70 503	18 575	63 417	48 393	35 993	31 424	23 611	24 291	25 335	(24.86)
5. Municipal Finance	66 120	44 784	33 149	35 172	34 116	33 182	36 731	37 727	39 342	10.70
6. Municipal Infrastructure		36 699	32 919	28 791	30 391	30 498	33 366	34 053	35 496	9.40
7. Disaster Management		24 404	43 430	27 836	28 661	29 637	31 517	32 155	33 520	6.34
8. Spatial Planning	27 735	7 182	7 936	11 875	9 726	7 829	11 602	11 976	12 518	48.19
9. Development Admin / Land Use		12 600	17 610	21 976	16 890	16 289	20 502	21 019	21 937	25.86
10. IDP	8 251	7 521	11 388	15 569	24 376	14 100	18 012	18 432	19 226	27.74
11. LED & Planning		17 614	19 397	27 049	26 788	26 184	31 249	31 955	33 331	19.34
12. Municipal Public Participation							16 565	17 394	18 263	
Total payments and estimates	208 999	188 957	243 684	242 038	224 748	205 758	241 852	248 618	259 556	17.54

Table 7.10 Summary of payments and estimates by economic classification – Programme 3: Local Government

Summary of provincial payments and estimates by economic classification - Programme 3: Local Government Department of Housing, Local Government & Traditional Affairs										
Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised				% Change
	2003/04	2004/05	2005/06	appropriation 2006/07	appropriation 2006/07	estimate 2006/07	2007/08	2008/09	2009/10	from Revised estimate 2006/07
Current payments	79 823	100 783	89 152	141 141	114 903	104 924	127 305	132 926	139 236	21.33
Compensation of employees	62 741	56 917	56 470	114 521	89 240	81 665	99 997	104 998	110 247	22.45
Goods and services	17 082	32 966	32 682	26 620	25 663	23 259	27 308	27 928	28 989	17.41
Interest and rent on land										
Financial transactions in assets and liabilities		10 900								
Unauthorised expenditure										
Transfers and subsidies to	129 133	88 174	154 532	100 897	109 845	100 834	114 547	115 692	120 320	13.60
Provinces and municipalities	129 133	88 174	154 532	100 897	109 845	100 834	114 547	115 692	120 320	13.60
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	43									
Buildings and other fixed structures										
Machinery and equipment	43									
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	208 999	188 957	243 684	242 038	224 748	205 758	241 852	248 618	259 556	17.54

Programme 4: Traditional Affairs

The purpose of Programme 4: Traditional Affairs is to promote and facilitate viable and sustainable Traditional Institutions

The programme comprises 3 sub-programmes with the following responsibilities:

- Sub-programme 4.1: Traditional Institutional Arrangements has the responsibility to manage institutional administrative and financial framework of traditional institutions.

This sub-programme includes

- The House of Traditional Leaders
- Local Houses

It also assists in the formulation, development and implementation of policy and legislation, fulfils duties in dispute resolution and Anthropological Services.

- Sub-programme 4.2: Traditional Resource Administration manages and resources the institutions of traditional leadership, draws administrative policy guidelines and capacity building programmes and implements capacity building programmes.
- Sub-programme 4.3: Traditional Affairs Integration/Development Facilitation seeks to integrate traditional institutions with local government structures. This sub-programme improves access to community services, empowerment of traditional leadership and support structures and strengthening of functional linkages with municipalities.
- Sub-programme 4.4: Office of the Head of Traditional Affairs helps to provide strategic leadership to the branch.

Policy developments

There is a 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.

Service delivery measures

Service delivery measures-Programme 4 Traditional Affairs			
Output type	Performance measures	Performance targets	
		2006/07 Est. Actual	2007/08 Estimate
1. Development of a plan to ensure full compliance with legislation relating to traditional leadership institutions.	Level of compliance with Legislation All legislation and policies regarding traditional leaders are implemented	Implementation of legislation	Continuous transformation of tribal authorities into traditional councils
2. Promulgation of legislation on Local Houses	Establishment of Local Houses in accordance with the Act on Traditional Leadership and Governance	Draft in place	Policy formulation on Local Houses. Finalization of the legislation.
3. Facilitate the assignment by both National and Provincial Governments of functions of Traditional Leadership	Level of stake holders satisfaction with powers and functions	None	Consultative meetings with Provincial Departments and National departments
4. Traditional councils are constituted in line with Act 41 of 2003 and Act 4 of 2005	Traditional Council are constituted	120 Traditional Councils are constituted	109 Traditional Council are constituted
5. Construction of PHoTL and Traditional Council Offices	Agreement with stakeholders on completed structures	Structural design complete (PHoTL)	Construction of PHoTL and further six Traditional Council offices
6. Capacity building strategy for PHoTL is developed and implemented	Development and implementation in place	Training on Management and Leadership skills (Modules 3 & 4)	Development and implementation of skills programme

Table 7.11 Summary of payments and estimates – Programme 4: Traditional Affairs

Summary of payments and estimates - Programme 4: Traditional Affairs Department of Housing, Local Government & Traditional Affairs										
Sub-programme R'000	Outcome						Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	2007/08
1. Head of Traditional Affairs		2 856	2 173	1 167	1 167	1 978	1 028	1 074	1 125	(48.03)
2. Traditional Institutional Arrangements		43 694	50 989	21 553	72 079	65 183	67 734	70 798	74 086	3.91
3. Traditional Resource Administration	65 075	19 044	36 441	80 203	55 223	27 786	58 707	61 406	64 318	111.28
4. Traditional Integration Facilitation Development				1 109	217	263	621	638	664	136.12
Total payments and estimates	65 075	65 594	89 603	104 032	128 686	95 210	128 090	133 916	140 193	34.53

Table 7.12 Summary of payments and estimates by economic classification – Programme 4: Traditional Affairs

Summary of provincial payments and estimates by economic classification - Programme 4: Traditional Affairs Department of Housing, Local Government & Traditional Affairs										
Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06	Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	2007/08	2008/09	2009/10	% Change from Revised estimate 2006/07
Current payments	63 117	65 390	82 408	78 668	103 268	90 222	101 269	106 022	111 183	12.24
Compensation of employees	53 228	59 324	74 181	70 401	94 677	83 106	90 003	94 502	99 228	8.30
Goods and services	9 889	6 066	8 227	8 267	8 591	7 116	11 266	11 520	11 955	58.32
Interest and rent on land										
Financial transactions in assets and liabilities										
Unauthorised expenditure										
Transfers and subsidies to		204	249		54	69				(100.00)
Provinces and municipalities		204	249		54	69				(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	1 958		6 946	25 364	25 364	4 919	26 821	27 894	29 010	445.25
Buildings and other fixed structures	1 958		6 946	25 364	25 364	4 919	26 821	27 894	29 010	445.25
Machinery and equipment										
Cultivated assets										
Software and other intangible assets										
Land and subsoil assets										
Total economic classification	65 075	65 594	89 603	104 032	128 686	95 210	128 090	133 916	140 193	34.53

7. Personnel numbers and costs**Table 7.13 Personnel numbers and costs**

Personnel numbers and costs: Department of Housing, Local Government & Traditional Affairs							
Programme R'000	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	As at 31 March 2010
1. Administration	229	180	180	180	190	180	184
2. Housing	148	118	140	150	167	186	190
3. Local Government	507	201	220	260	165	280	286
4. Traditional Affairs							
5. Traditional Leaders	156	152	300	439	439	439	448
Total personnel numbers	1 040	651	840	1 029	961	1 085	1 107
Total personnel cost (R'000)	178 148	171 847	193 822	261 781	264 700	238 512	286 258
Unit cost (R'000)	171	264	231	254	275	220	259

Table 7.14 Personnel numbers and costs

Departmental personnel numbers and costs										
Department of Housing, Local Government & Traditional Affairs										
Description	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10	% Change from Revised estimate 2006/07
Total for department										
Personnel numbers (head count)	1 040	651	840	1 029	1 029	1 029	961	1 085	1 107	(6.61)
Personnel cost (R'000)	178 148	171 847	193 822	261 781	264 700	238 512	286 258	300 571	315 599	20.02
Human resources component										
Personnel numbers (head count)										
Personnel cost (R'000)	7 778	9 698	8 788	9 745	9 745	9 745	10 281	10 877	11 476	5.50
Head count as % of total for department										
Personnel cost as % of total for department	4.37	5.64	4.53	3.72	3.68	4.09	3.59	3.62	3.64	
Finance component										
Personnel numbers (head count)										
Personnel cost (R'000)	9 026	4 579	5 106	5 142	5 142	5 142	5 425	5 739	6 055	5.50
Head count as % of total for department										
Personnel cost as % of total for department	5.07	2.66	2.63	1.96	1.94	2.16	1.90	1.91	1.92	
Full time workers										
Personnel numbers (head count)	1 040	651	840	1 029	1 029	1 029	961	1 085	1 107	(6.61)
Personnel cost (R'000)	178 148	171 847	193 822	261 781	264 700	238 512	286 258	300 571	315 599	20.02
Head count as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
Personnel cost as % of total for department	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	
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										
Personnel numbers (head count)										
Personnel cost (R'000)										
Head count as % of total for department										
Personnel cost as % of total for department										

Training

Table 7.14 Payments on Training

Payments on training: Department of Housing, Local Government & Traditional Affairs										
Programme R'000	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10	% Change from Revised estimate 2006/07
1. Administration	698	1 036	1 887	2 537	2 537	2 537	2 666	2 781	2 906	5.08
<i>of which</i>										
Subsistence and travel										
Payments on tuition	698	1 036	1 887	2 537	2 537	2 537	2 666	2 781	2 906	
Other										
Total payments on training	698	1 036	1 887	2 537	2 537	2 537	2 666	2 781	2 906	5.08

Table 7.15 Information on training

Information on training Department of Housing, Local Government & Traditional Affairs										
Description	Outcome			Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	Medium-term estimate			
	2003/04	2004/05	2005/06				2007/08	2008/09	2009/10	% Change from Revised estimate 2006/07
Number of staff	1 040	651	840	1 029	1 029	1 029	961	1 085	1 107	(6.61)
Number of personnel trained of which	682	448	376	821	821	821	862	904	944	4.99
Male	274	214	166	315	315	315	331	347	364	5.08
Female	408	234	210	506	506	506	531	557	579	4.94
Number of training opportunities of which										
Tertiary	2									
Workshops	28		1	32	32	32	33	34	36	3.13
Seminars	6									
Other										
Number of bursaries offered	41		11	28	28	28	28	28	29	
Number of interns appointed	37		34	162	162	162	165	168	176	1.85
Number of learnerships appointed	50		41	105	105	105	110	115	121	4.76
Number of days spent on training										

Annexure B to Vote 7

Table B.1 Specification of receipts

Specification of receipts: Department of Housing, Local Government & Traditional Affairs										
Receipts R'000	Outcome						Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	
				2007/08	2008/09	2009/10				
Tax receipts										
Casino taxes										
Motor vehicle licences										
Horseracing										
Other taxes										
Sales of goods and services other than capital assets	3 831	2 417	3 066	6 487	6 487	5 650	6 811	7 152	7 478	20.55
Sales of goods and services produced by department (excluding capital assets)	3 831	2 417	3 066	6 487	6 487	5 650	6 811	7 152	7 478	20.55
Sales by market establishments	3 831	2 417	3 066	6 487	6 487	5 650	6 811	7 152	7 478	20.55
Other										
Sales of scrap, waste, arms and other used current goods (excluding capital assets)										
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on land	9 015	8 913	5 484	1 933	1 933	5 590	2 030	2 131	2 223	(63.69)
Interest	9 015	8 913	5 484	1 933	1 933	5 590	2 030	2 131	2 223	(63.69)
Rent on land										
Sales of capital assets			504							
Land and subsoil assets										
Other capital assets			504							
Financial transactions in assets and liabilities										
Total departmental receipts	12 846	11 330	9 054	8 420	8 420	11 240	8 841	9 283	9 701	(21.34)

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

Summary of payments and estimates by economic classification										
Department of Housing, Local Government & Traditional Affairs										
Economic classification R'000	Outcome						Medium-term estimate			
	Audited	Audited	Audited	Main	Adjusted	Revised				% Change
	2003/04	2004/05	2005/06	appropriation	appropriation	estimate	2007/08	2008/09	2009/10	from Revised estimate
				2006/07	2006/07	2006/07				2006/07
Current payments	305 718	289 380	303 232	356 641	357 669	330 699	390 188	406 855	425 913	17.99
Compensation of employees	178 148	171 847	193 822	261 781	264 700	238 512	286 258	300 571	315 599	20.02
Salaries and wages	151 426	146 070	165 398	221 839	225 189	202 740	242 637	254 772	267 509	19.68
Social contributions	26 722	25 777	28 424	39 942	39 511	35 772	43 621	45 800	48 090	21.94
Goods and services	127 557	93 200	96 099	94 860	92 969	92 187	103 930	106 284	110 314	12.74
Of which										
Consultancy fees			853	2 390	2 390	2 390	2 512	2 620	2 738	5.10
Consultants and specialised services										
Training			1 887	2 537	2 537	2 537	2 666	2 781	2 906	5.08
Transport										
Travel and subsistence			2 057	2 309	2 309	2 309	2 427	2 532	2 646	5.11
Other	127 557	93 200	91 302	87 624	85 733	84 951	96 325	98 351	102 024	13.39
Interest and rent on land										
Interest										
Rent on land										
Financial transactions in assets and liabilities	13	24 333	13 311							
Unauthorised expenditure										
Transfers and subsidies to (Current)	927 895	706 177	769 474	862 891	872 113	668 171	1 150 717	1 366 710	1 601 887	72.22
Provinces and municipalities	135 062	133 359	161 755	100 897	110 119	101 281	114 547	115 692	120 320	13.10
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities	135 062	133 359	161 755	100 897	110 119	101 281	114 547	115 692	120 320	13.10
Municipalities	135 062	133 359	161 755	100 897	110 119	101 281	114 547	115 692	120 320	13.10
of which										
Regional services council levies										
Municipal agencies and funds										
Departmental agencies and accounts										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households	792 833	572 818	607 719	761 994	761 994	566 890	1 036 170	1 251 018	1 481 567	82.78
Social benefits										
Other transfers to households	792 833	572 818	607 719	761 994	761 994	566 890	1 036 170	1 251 018	1 481 567	82.78
Transfers and subsidies to (Capital)										

Table B.2 Summary of payments and estimates by economic classification (continued)

Summary of payments and estimates by economic classification										
Department of Housing, Local Government & Traditional Affairs										
Economic classification R'000	Outcome						Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06				Main appro- priation 2006/07	Adjusted appro- priation 2006/07	Revised estimate 2006/07	
								2007/08	2008/09	2009/10
Transfers and subsidies to (Total)	927 895	706 177	769 474	862 891	872 113	668 171	1 150 717	1 366 710	1 601 887	72.22
Provinces and municipalities	135 062	133 359	161 755	100 897	110 119	101 281	114 547	115 692	120 320	13.10
Provinces										
Provincial Revenue Funds										
Provincial agencies and funds										
Municipalities	135 062	133 359	161 755	100 897	110 119	101 281	114 547	115 692	120 320	13.10
Municipalities	135 062	133 359	161 755	100 897	110 119	101 281	114 547	115 692	120 320	13.10
of which										
Regional services council levies										
Municipal agencies and funds										
Departmental agencies and accounts										
Social security funds										
Entities receiving transfers										
Universities and technikons										
Public corporations and private enterprises										
Foreign governments and international organisations										
Non-profit institutions										
Households	792 833	572 818	607 719	761 994	761 994	566 890	1 036 170	1 251 018	1 481 567	82.78
Social benefits										
Other transfers to households	792 833	572 818	607 719	761 994	761 994	566 890	1 036 170	1 251 018	1 481 567	82.78
Payments for capital assets	7 258	2 007	10 019	31 074	31 074	10 268	33 233	34 562	35 945	223.66
Buildings and other fixed structures	1 958		6 946	25 364	25 364	4 919	26 821	27 894	29 010	445.25
Buildings	1 958		6 946	25 364	25 364	4 919	26 821	27 894	29 010	445.25
Other fixed structures										
Machinery and equipment	5 300	2 007	3 073	5 710	5 710	5 349	6 412	6 668	6 935	19.87
Transport equipment										
Other machinery and equipment	5 300	2 007	3 073	5 710	5 710	5 349	6 412	6 668	6 935	19.87
Cultivated assets										
Total economic classification	1 240 871	997 564	1 082 725	1 250 606	1 260 856	1 009 138	1 574 138	1 808 127	2 063 745	55.99

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

Transfers to local government by transfers/grant type, category and municipality: Department of Housing, Local Government & Traditional Affairs										
Municipalities R'000	Outcome						Medium-term estimate			
	Audited 2003/04	Audited 2004/05	Audited 2005/06	Main appro- piation 2006/07	Adjusted appro- piation 2006/07	Revised estimate 2006/07	2007/08	2008/09	2009/10	% Change from Revised estimate 2006/07
Category A		2 343	14 796	3 885	3 885	3 885	15 130	4 279	4 276	289.45
Nelson Mandela Metro		2 343	14 796	3 885	3 885	3 885	15 130	4 279	4 276	289.45
Category B		44 488	53 456	29 959	29 959	29 959	32 570	24 451	27 543	8.72
Amahlathi		1 580	1 795	40	40	40		300	340	(100.00)
Baviaans		100	2 325	1 115	1 115	1 115	500	200	340	(55.16)
Blue Crane Route			815	665	665	665	8 146	300	340	1124.96
Buffalo City		1 474	1 620	2 979	2 979	2 979	4 025	3 853	3 686	35.11
Camdeboo		480	585	65	65	65	400	300	340	515.38
Elundini		2 878	1 795	160	160	160		200	340	(100.00)
Emalahleni		353	1 487	410	410	410	400	300	340	(2.44)
Engcobo		750	1 255	650	650	650	500	642	599	(23.08)
Gariep		598	114	730	730	730	300	550	646	(58.90)
Great Kei		1 850	390	340	340	340	450	400	340	32.35
Ikhwezi		860	1 285	526	526	526		5 300	5 700	(100.00)
Ingquza		200								
Inkwanca		473	320	520	520	520		300	340	(100.00)
Intsika Yethu		1 053	1 895	210	210	210	650		340	209.52
Inxuba Yethemba		983	3 020	910	910	910	300	700	769	(67.03)
King Sabata Dalindyebo		3 950	3 551	5 382	5 382	5 382	4 425	4 147	4 352	(17.78)
Kouga		329	7 401	3 937	3 937	3 937	300	300	340	(92.38)
Kou-Kamma		923	784	1 278	1 278	1 278		300	340	(100.00)
Lukanji		3 205	1 937	650	650	650			340	(100.00)
Makana		1 067	1 220	1 470	1 470	1 470	4 845	450	822	
Malethswai		857	500	830	830	830	395	200		
Mbashe		1 816	1 505	670	670	670	800	800	876	
Mbizana		804	1 275	480	480	480	700	700	769	
Mhlontlo		1 591	2 573	180	180	180	450	400	340	
Mnquma		700	888					400	340	
Ndlambe		368	1 203	315	315	315	200	400	340	(36.51)
Ngqushwa		1 513	1 585	140	140	140	150	300	340	
Nkonkobe		3 277	2 142	790	790	790	400	300	340	
Ntabankulu		888	870	160	160	160	150	300	340	
Nxuba		185	492	910	910	910		400	340	
Nyandeni		2 691	1 667	120	120	120	450		340	
Port St Johns		1 030	845	280	280	280	800		340	
Quakeni		1 639	1 056	50	50	50	600		340	
Sakhisizwe		350	462	440	440	440	300		340	
Senqu		1 161	406	230	230	230		300		(100.00)
Sundays River Valley		616	677	615	615	615		300	340	
Tsolwana		810	360	1 110	1 110	1 110	800	341	340	
Umzimkulu		150	1 056							
Umzimvubu		936	300	602	602	602	1 134	768	824	88.37
Unallocated										
Category C		33 236	86 421	65 473	65 473	65 473	66 147	86 962	88 501	1.03
Alfred Nzo		2 102	10 352	6 042	6 042	6 042	7 698	8 066	8 082	27.41
Amathole		7 379	33 634	11 562	11 562	11 562	12 990	27 119	27 675	12.35
Cacadu		6 739	2 524	8 443	8 443	8 443	10 706	10 920	10 912	26.80
Chris Hani		6 523	15 442	16 637	16 637	16 637	13 223	18 400	18 820	(20.52)
OR Tambo		6 354	16 233	9 313	9 313	9 313	12 403	13 079	13 333	33.18
Ukwahlamba		4 139	8 236	13 476	13 476	13 476	9 127	9 378	9 679	(32.27)
Unallocated										
Unallocated / unclassified	135 062	53 292	7 082	1 580	10 803	1 964	700			
Total transfers to local government	135 062	133 359	161 755	100 897	110 120	101 281	114 547	115 692	120 320	13.10

Note: Excludes Regional Service Council levies

Table B.6 Summary of details of expenditure for infrastructure by category

Summary of details of expenditure for infrastructure by category Vote 7: Department of Housing, Local Government and Traditional Affairs																
Categories and Votes	Region/ district	Municipality	Project description	Project duration		Project cost		MTEF 2007/08			MTEF 2008/09			MTEF 2009/10		
				Date: Start	Date: Finish	At start	At completion	Trans- fers R'000	Other costs R'000	Total R'000	Trans- fers R'000	Other costs R'000	Total R'000	Trans- fers R'000	Other costs R'000	Total R'000
1. NEW CONSTRUCTION																
1 Provincial House of Traditional Leaders (PHoTL)	Amathole	Buffalo City	Construction of PHoTL Chamber and Offices	31-Aug-2006	30-Jun-2010	2,539				18,000			18,720			19,468
2 Traditional Council Offices	Various districts	various municipalities	Construction of Traditional Council Offices	5-Jul-2005	30-Jun-2010	4,565				8,821			9,174			9,541
Total own new construction										26,821			27,894			29,010
2. REHABILITATION/UPGRADING																
Total rehabilitation/upgrading										0			0			0
3. OTHER CAPITAL PROJECTS																
Total other capital projects										0			0			0
4. RECURRENT MAINTENANCE																
Total recurrent maintenance										0			0			0
TOTAL										26,821			27,894			29,010

