

VOTE 7

DEPARTMENT OF HOUSING

To be appropriated by Vote	R 2 637 948 000
Responsible MEC	MEC for Housing
Administering Department	Department of Housing
Accounting Officer	Head of Department

1. OVERVIEW

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.

The strategic objectives of the department remain enforceable, namely:

- To build an effective, efficient and caring government in the delivery of housing;
- To facilitate, fund, manage the provision of tenure and appropriate quality services and houses;
- To facilitate and project manage the implementation of broad-based Urban Regeneration;
- To densify housing on well located land as well as diversifying housing stock of various markets;
- To complete all targeted time-bound projects;
- To contribute to national policy processes and address gaps that hinder sustainable development; and
- To mainstream implementation of the Expanded Public Works Programme (EPWP) and labour intensive methods.

In an effort to achieve the above mentioned objectives the department has begun to refocus its approach from a developmental aspect namely moving away from the normal provision of an Reconstruction and Development Programme (RDP) houses to a Mix Development, Mix Income and Mixed Land Use perspective. As a result hereof targeted developmental areas have been earmarked with the view in fast tracking housing development. The housing development process is therefore undertaken in line with the principles of the Breaking New Ground policy framework on well located land. The appointments of Professional Resource Teams (PRTs) have been established in order to provide the necessary capacity to municipalities as well as the department.

The above objectives will be achieved through:

- Fast tracking of top structure delivery in the province by engaging established developers in targeted projects where delivery can be achieved within minimum period;
- Provision of housing in targeted areas in line with GDS and Global City Region approach in order align our delivery and provide housing and shelter to various communities without barriers;
- The Department of Housing has regionalized its operations and teams have been appointed for each municipality;
- Engage the financial institutions and private sector to invest in infrastructure development and housing development in line with Social Contract Principles and Financial Services Charter;

Implementation and promotion of mixed income settlements in each Municipal area in line with the principles of the Breaking New Ground.

Legislative mandate

The Gauteng Department of Housing derives its mandate from amongst other the following legislation; the Constitution of the Republic of South Africa (Act No. 108 of 1996), the Housing Act (No. 107 of 1997) as amended and the Gauteng Housing Act and various other pieces of legislation mentioned herein under. But most importantly, from the political directives from the Executive Authority.

- Sectional Titles Act (Act No. 95 of 1986) as amended deals with and provides for the division of buildings into sections and for the acquisition of separate ownership in sections coupled with joint ownership in common property. It further provides for the transfer of ownership of sections and real rights in sections.
- The National Housing Act (No 107. of 1997) as amended provides for the responsibilities of the various spheres of Government with regard to Housing delivery.
- The Gauteng Housing Act of 1998 provides for and governs the existence of the Gauteng Department of Housing.
- The Housing Consumer Protection Measures Act (Act No 95 of 1998) provides for the protection of housing consumers and establishes the National Home Builders Council.
- Prevention of Illegal Eviction from Unlawful Occupation of Land Act (Act No.19 of 1998) as amended provides for the prohibition of unlawful eviction as well as the procedures for the eviction of unlawful occupiers.
- The Public Finance Management Act (Act No.1 of 1999) as amended, enable public sector managers to manage accountability in terms of eliminating waste and corruption in the use of public funds.
- The Rental Housing Act (Act No. 50 of 1999) defines Government's responsibilities in the rental housing sector; promote rental housing, establishes Rental housing Tribunal and provides for conflict resolution.
- The Home Loan and Mortgage Disclosure Act (Act 63 of 2000) provides for the promotion of equity and fairness in lending and disclosure by financial institutions.

External activities and events relevant to budget decisions

The Gauteng Province has experienced a marked increase in the formation of new informal settlements. The main driving actor that contributes to an increasing number of households in informal settlements is urbanization, and this trend is likely to continue into the future. This goes hand in hand with rising unemployment and continued marginalisation of the urban poor (rendering women and children as the most vulnerable in society).

The provincial housing waiting list continues to grow at a pace that far outstrips the growth in the available subsidies allocated to the department. The growth in the list is stimulated by the rapid urbanisation of the South African population, where Gauteng, as an urban province, is bearing the brunt of the growth. An overall increase in the waiting list and the housing backlog translates in a funding need - over and above that already indicated in the MTEF.

Cross boundary issues

The Gauteng provincial Government inherited part of the Kungwini municipality as a result of the abolishment of the Cross border municipalities. The Kungwini municipality had already commenced two housing projects which are still under implementation. Should these projects not be completed before the end of this current financial year 2005/06, the department will be required to fund the completion of these projects to the value of R6 million during the 2007/08 financial year.

With regard to the Tshwane cross borders transfers, the department inherited 25 housing projects with the total budget of R951 million, one project has been completed. Should the 24 projects not be completed before the end of 2006/07, the department will be required to fund the completion of these projects and a further R100 million will be required for this process.

2. REVIEW OF THE 2006/07 FINANCIAL YEAR

The challenge that faces the department is the continuous pressure to provide appropriate quality services, tenure, housing in targeted precincts and communities within the limited budget constraints. The department is exploring alternative funding sources including emphasis on Private Public Partnerships to complement the existing budget allocations.

Local municipalities as the implementing agents for the department lack capacity to deliver services. The departments' response to this challenge has been to focus on building capacity within the municipalities through the establishment of regional offices of which incorporates a fully fledged Programme Management Office (PMO). Furthermore, the department and the Department of Provincial and Local Government (DPLG) have agreed to establish the Provincial Capacity Building Steering Committee in dealing with prevalent capacity building issues to deliver housing projects at municipal level.

Such an agreement includes consultation with other sister departments. The Programme Management Office (PMO) system of the department will form the basis for integrated project management system to be utilised by the DPLG. Below is the progress on the major projects of the department:-

Formal housing development

The departments delivery plans and programmes are derived from the National Comprehensive Human Settlement Plan commonly called Breaking New Ground (BNG). In terms of our plans this year we want to speed up delivery by focusing on those projects and programmes that will give us high and visible impact in the shortest period. These programmes are formulated, aligned and coordinated in such a manner that they should make a visible dent on housing backlog and in our fight against poverty.

First and foremost our programmes are underpinned by a clear strategy. This strategy attempts to redress the apartheid spatial development patterns that perpetuated a false sense of racial supremacy on one hand and inferiority on the other. The delivery for the department is as follows:

Eradication of informal settlements

- 17,911 stands were serviced to address the 600,000 unit backlog on basic services;
- Community builder – 3,509 housing units;
- People's Housing Process – 797 housing units.

Subsidy administration

- Relocation subsidies – 14 subsidies;
- Individual subsidies – 227 subsidies.

Densification on well located land and ensuring affordable housing

- Hostel conversion and upgrade – 98 units.

Transfer of ownership

- Transfer of Residential Properties (TORPS) – 300 title deeds;
- Regularisation and Transfer of Ownership programme (RETRO) – 5,617 title deeds.

Urban regeneration programme

Focusing on top 20 townships, including backyard dwellings and hostels redevelopment. Interdepartmental and intergovernmental co-operation will be established to facilitate delivery in this regard. This will ultimately result in the upgrading of impoverished communities through housing developments in stimulating local economies through job creation to build sustainable integrated settlements. As much as this has become a national and provincial priority, the funding hereof emanates from the existing housing grant allocated to the province. This conditional grant has not increased to accommodate the additional mandate. Suffice to mention that the resolution taken by the MEC for Finance and Economic Affairs was that the provincial earmarked allocation should be defined as Alexandra renewal project allocation but an allocation towards urban renewal in the broader context which incorporates Evaton and Bekkersdal.

The department has formed partnerships with various stakeholders, including the beneficiaries in expediting delivery and ensuring that we achieve our strategic objectives. We have initiated dialogue with the private sector, specifically the financial partnerships in improving the affordability of housing by the residents of Gauteng, and enhancing on the quality of the product.

- Of significance is the partnership with the Social Housing Institutions that the department has embarked upon in ensuring that we restructure apartheid urban form through infill developments in maximizing proximity to socio-economic opportunities by all residents. The department has prioritized quality of housing delivery through promotion of innovation and design in stimulating creativity in the design of affordable housing settlements.

The Gauteng Partnership Fund has been established as a strategic response to the funding shortcomings experienced by the social housing sector. Its key focus is to attract private sector finance for affordable housing by enabling Social Housing Institutions in Gauteng to obtain financing on favourable terms for the development of housing units for people in the low and middle-income market. The fund will, through this scheme, provide a more secure and stable social housing sector, as the mechanism will benefit housing associations and indirectly its tenants, and will contribute towards the social housing goal of providing quality housing at affordable rates. The scheme will provide banks and other financial institutions with a form of security that will make it easier to facilitate financial assistance for housing projects in the low- to-middle income bracket. The Gauteng Partnership Fund would henceforth be mandated to address the social housing delivery mechanisms of income levels from R1,500 and above in terms of leveraging funding and joint venture agreements.

Housing Performance/ Subsidy programme

The outputs and targets for this programme have been structured to cater for the priorities and increased mandate of government over the next five years. The key priorities impacting directly on the housing programme are the formalization of all informal settlements that can be formalized by 2009; a focus on addressing the backlog as captured by the Gauteng waiting-list specifically for beneficiaries who applied in 1996 and 1997 and the contribution towards poverty eradication and job creation through the implementation of the EPWP. Outputs and targets have been significantly reduced due to funding constraints for the new fiscal year (2006/07) and the subsequent 4 years of which would not address the fundamental delivery objectives as per the new mandate of government. This has led to a direct funding requirement.

Essential Services

During the 2005/2006 financial year 85,000 serviced stands was targeted to be delivered through the Essential Services programme, however this was revised to 29,750 to contribute towards the formalisation of all upgradeable informal settlements. For the 2006/2007 financial year the said target has been further reduced to 13,418 by virtue of the fact that the budgetary constraints. As at 31st July 2006, 16,820 stands were serviced. 14,000 houses will be built through the "Community Builder Programme linked to the guidelines of the Expanded Public Works Programme and 2,972 jobs will be created. For the year to date ending 31st of August 2006, 699 houses were built. Feasibility studies will be conducted.

People's Housing Process

The department has changed its policy from using municipalities as support organisations to using Community Based Organisations (CBO's). More focus will be placed on ensuring the quality of processes and development of sustainable community organizations by capacitating them to build for themselves. It is anticipated that 5,000 houses will be built through the CBO's and 1,045 jobs will be created. For the year to date ending 31st August 2006, 1,851 houses were built. The success of the CBO's and attainment of delivery targets is dependent on a fully functional Accounting and Technical Centre (ATC). The centre is currently increasing capacity by recruiting staff and implementing systems, these will ensure that the centre is fully functional in the new financial year.

Project linked

Project linked programmes will deliver on new formal housing projects where mixed income developments are deemed feasible and site circumstances are favourable, as well as completing existing contractual commitments. For the year to date ending 31st August 2006, 3,655 serviced stands were delivered and 954 houses were built. Housing units will be built in Doornkop, Alexandra ext 7, Vlakfontein West and Green field.

Social Housing

This programme facilitates institutional subsidies for the purpose of establishing capacity for the provision of sustainable, affordable, and secure tenure options for mixed income households by providing technical support and funding. The vehicles through which social housing units are delivered are the social housing Institutions.

The following projects will be undertaken in the next year:-

- Building of units in Alexandra and Freedom square
 - Inner city regeneration and rehabilitation
- Medium density social housing
 - 2 000 units will be completed
- Affordable Rental Accommodation (ARA)
 - ARA unit deals with the transformation and redevelopment of hostels from single gender dormitory

type of accommodation to Affordable Rental Accommodation. The programme will offer residents the following range of options: rental or ownership of property; single, communal or self-contained family units. For the year to date ending 31st of August 2006, 216 beds were supplied.

Urban Renewal and Human Settlement Redevelopment

This programme is implemented through integrated development projects operated by local, provincial, national departments and support agencies; co-ordinated by this department. The areas in which this programme invests are Alexandra, Bekkersdal and Evaton. The Urban Renewal Programme contributes to poverty alleviation, creating a caring and responsive government, reducing unemployment and creating a better life for all. Service delivery targets for Alexandra will be as follows:

- 80 percent completion of the London/ Rautenbach road;
- 80 percent electrification master plan completed;
- Relocation of families;
- Transfer and upgrade Erven in Alex and the completion of M2 and HJ hostel;
- Land procured.

Bekkersdal is a settlement in the West Rand located on dolomitic land, which exponentially increases the risk of sinkhole formation and collapse of the settlement. The area is prone to being emergency high-risk, with a high rate of fire breakouts and potential for flooding. The service delivery targets for Bekkersdal will be as follows:

- 90 percent electricity master plan completed;
- Relocation of families ;
- Procure Land;
- Waste Management Programme will be completed by the end of September 2006 as opposed to the original plan of July 2006.

Evaton has similar historical characteristics to Alexander and Bekkersdal in terms of high unemployment, low affordability levels and poor socio-economic conditions. The service delivery targets for Evaton will be as follows:

- 85 percent of the bucket system will be eradicated by the end of the 2005/06 financial year;
- 90 percent electricity master plan completed;
- Relocation of families;
- Land procured.

Housing Asset Management

The Regularisation and Transfer of Ownership programme (RETRO) will include other municipal owned stock, where applicable and implementable. The plan for the year is to dispose of all vacant land for optimum value promoting integrated developments that contribute towards the attainment of sustainable communities. Commercial property will be sold "voetstoots" where they are stand-alone. The shopping complexes/centres will be refurbished and then sold at market value on the open market. The following are the projects in which the department will be involved:

- Transfer of houses to owners to facilitate homeownership;
- 500 000 old TORPS properties and 100 000 own affairs properties will be audited in the current financial year;
- Adjudication of cases brought before the Rental Tribunal resolved by the Gauteng Rental Housing Tribunal;
- 800 properties will be sold ;
- Maintenance – Kersiesdorp;
- Scheduled and non-scheduled maintenance;
- Disposal of land parcels not viable for housing purposes;
- 28 land availability agreements signed;
- Description and number of capital projects.

3. OUTLOOK FOR THE 2007/08 FINANCIAL YEAR

The new term of government in April 2004 culminated into a five year strategic plan for 2004-2009, based on evaluation of delivery during the first ten years of democracy. This document will provide an encapsulation of the lessons learnt and challenges confronted in housing delivery during the past ten years which necessitated review of performance outputs during the new term of government. Of significance is the desperate need to sufficiently match the increasing housing need with the necessary budget in achieving the targets committed to in our five-

year strategic plan.

In terms of our plans this year we want to speed up delivery by focusing on those projects and programmes that will give us high and visible impact in the shortest period. These programmes are formulated, aligned and coordinated in such a manner that they should make a visible dent on housing backlog and in our fight against poverty.

On the 1st of September 2004 National Cabinet approved the Breaking New Ground Housing Plan for the development of human settlements in the next five years. Facets of the plan which introduce a new trajectory for housing delivery in South Africa that premised on the concept of human settlements, the plan provides a framework for the integration and the building of homes in healthy and secure living environments where everyone will have access to the services and goods produced by society. It provides for the provision of a total package of infrastructure such as clinics, schools, police stations, community facilities and clinics within the vicinity of actually built homes, in facilitation of good governance. The main focus areas of the department are to ensure that:

- Formalize of all informal settlements through in situ upgrades by 2009 and eradication of informal settlements in Gauteng Province by 2014;
- Densify and infill within underutilised locations through mixed-use and mixed-income developments for cross-subsidisation, in order to optimally maximize access to socio-economic opportunities;
- Provide affordable rental accommodation through redevelopment of all hostels in Gauteng by the year 2009 through conversions and/or refurbishments;
- Regenerate impoverished urban environments through integrated and sustainable housing developments;
- Develop on well located land that supports sustainability;
- Undertake the rectification of all houses in line with the Servcon report, and development of community rental facilitation / backyard rental.

Eradication of informal settlements

During the 2007/2008 financial year 13,418 stands for 2007/8 serviced stands will be delivered through the Essential Services programme to contribute towards the formalisation of all upgradeable informal settlements; 21,161 houses in 2007/08 houses will be built through the Eradication of informal Settlements programme.

Mixed housing development

This is in line with the government's objectives to build sustainable human settlements as encapsulated in the Breaking New Grounds comprehensive plan. The objective is to create integrated communities, and do away with the old apartheid system of spatial planning whereby people were segregated according to colour and wealth. Mixed income developments will ensure that communities are well integrated (social integration) and are well located for economic development.

Advantages of mixed housing development

- Promotes social integration;
- Creates opportunities for the poor to be integrated into the mainstream of housing market;
- Cross-subsidization of basic services and savings on infrastructure development;
- It allows for various housing typologies, which will allow for various targeted beneficiaries.

Department has identified flagships projects per region for implementation in line with Breaking New Ground (BNG) principles (integrated housing) as follows:

- The provision of large scale housing projects;
- Mixed land use, including provision of social and economic amenities;
- Mixed typologies, mixed income on well located land;
- To be linked to established developers as a strategy to bring them back to housing development.

The following projects form part of the programme of Mixed Developments:

Cosmo City, Doornkop (Johannesburg), Linbro Park, Austin View and K206 (Alexandra), Leeupoort (Ekurhuleni), Nellmapius, Thorntree View and Olievenhoutbosch (Tshwane) Azaadville/Kagiso, Middlevlei and Droogeheuwel (West Rand).

Alternative tenure

The department's Programme on Social and Rental Housing is aimed at providing alternative tenure options through rental accommodation in alleviating our housing backlog. This is also with the realization that not all the residents of Gauteng are inclined and/or able to own houses based on their economic capabilities and social obligations. The majority of the migration population prefers habitable homes within proximity to the socio-economic amenities

to minimize the transport costs involved in travelling from the peripheral residential areas to work opportunities. Social and Rental Housing is also intended to optimise utilization of government investment within inner-city locations through infill housing opportunities in revitalizing such locations to curb urban blight and associated social ills. Hence, this programme seeks to create humane conditions and restore human dignity to residents as well as to implement short term emergency intervention measures to address the threats to health and safety.

Urban renewal and human settlement redevelopment

The Urban Renewal Programme (URP) has, as its primary focus, the revitalization of historically ravaged urban localities through harnessing local opportunities to stimulate local economies and alleviate poverty. It is partly funded by subsidies and partly through provincial allocation. The programme is implemented through an interdepartmental initiative by the three spheres of government in the implementation of integrated development projects coordinated by this department. The three spheres are working in partnership with community structures on various implementation projects in ensuring ownership and sustainability of government investment. The urban Renewal projects currently under implementation are in Alexandra, Bekkersdal and Evaton.

Communities residing in the old established townships are locked into poverty traps as a result of shortage of jobs, insufficient transport to employment opportunities, poor infrastructure and housing. The quality of life of these communities can be substantially improved by identifying the critical township priorities (needs), which must be addressed to create a sustainable living environment and implement projects to service these priorities.

Twenty (20 Ptp) Priority Township Programme

The 20 PTP Programme seeks to remove the marginalisation of old townships. With the GPG now implementing a plan to consolidate Gauteng's role as a globally competitive city region, the strategy to build it into a competitive city region, requires a special focus to growing the economy and to involve these marginalised townships in economic activity to ensure an end to the inequality and uneven development between the urban centres and their outskirts.

- The programme has started to provide new and rehabilitate existing social and economic infrastructure including internal and external townships services. All these initiatives are aimed at building sustainable communities and to contribute to poverty eradication efforts;
- Through this programme, the environment is receiving the necessary protection and improvements in the quality of the environment are being made to ensure a healthy and safe environment for the communities;
- Hundreds and thousands of jobs will be created for local people residing in the townships prioritized townships;
- These townships have been made more economically viable, socially habitable with the entire necessary infrastructure capable of providing for all the needs of communities and been made beautiful.

All the projects to be undertaken are to be completed by 2009. The townships that form part of the programme are Atteridgeville/Suutsville, Soshanguve, Mamelodi, Kagiso, Munsieville, Mohlakeng, Boipatong, Bophelong, Sharpeville, Sebokeng, Ratanda, Katlehong, Kwatsaduza (KwaThema, Tsakane, and Duduza) Wattville, Daveyton, Tembisa, Refilwe, Rethabiseng, as well as Orlando and Zola in Soweto.

The focus is on building safe and sustainable communities where all residents have decent shelter with the opportunities and a vibrant and supportive community life. The provision of social infrastructure and services has so far managed to enhance local economic development through creating short term jobs and opportunities for emerging contractors.

The vision of GPG still remains to have the programme completed by 2009. It is envisaged that at the end of the programme, all streets in the townships will have been tarred and each area having a vibrant commercial and transport hub and where the lives of citizens of Gauteng will have changed for the better. This we believe would have been made possible by the delivery of decent schools, clinics, sport and recreational facilities, lightning, storm water drains, multipurpose centres, libraries and taxi ranks. Parks are being built to provide open spaces and measures have been put in place to ensure that the programme is well implemented and to end successfully.

Backyard upgrading

In addressing the needs of this significant market, the department launched a programme called Backyard Upgrade which is currently piloted at Orlando East in Soweto and Boipatong in Sedibeng. The intention is to regularise the erection of backyard accommodation for rental and normalise the landlord-tenant relationship. It forms part of the 20 prioritised township programme was announced by the Premier in this state of the province address in

the Legislature. It is aimed at the rehabilitation of infrastructure of the twenty old established townships.

The department is currently piloting the programme in areas such as Orlando and Boipatong with the aim of delivering a total of 750 units with 2 or 3 bedrooms each of 11 square meter with shower and a toilet of 3 square meters.

The department will be rolling out the project to other identified townships as part of the 20 Prioritised Township Programme once a proper analysis and challenges have been identified and dealt with in the two identified townships above.

On average the lifespan of a housing project from identification of a portion of land to the commencement of installation of services is 18 months. In the past the construction of houses would not commence immediately once the essential services has been completed. This situation has now come an end in that the department has committed itself in that once services have been installed house construction would commence immediately thereafter rendering the process as a continual quantum in terms of housing delivery. The timeframes for the completion of both PHP and CBP are dependent on a number of factors including: support from the community and ward committees; the size of the project and the availability of technical skills and the capacity of the support organisation and housing support centre. As a consequence, housing projects on the budget of the department for any given financial year include a mixture of projects that are at various stages of implementation ranging from the feasibility stage to the housing construction phase.

The department has formed partnerships with various stakeholders, including the beneficiaries in expediting delivery and ensuring that we achieve our strategic objectives. We have initiated dialogue with the private sector, specifically the financial partnerships in improving the affordability of housing by the residents of Gauteng, and enhancing on the quality of the product. Of significance is the partnership with the social housing Institutions that the department has embarked upon in ensuring that we restructure apartheid urban form through infill developments in maximizing proximity to socio-economic opportunities by all residents. The department has prioritized quality of housing delivery through promotion of innovation and design in stimulating creativity in the design of affordable housing settlements.

4. RECEIPTS AND FINANCING

The equitable share voted by Legislature is primarily for the purposes of conducting the operational activities of the department, however it must be noted that the said funding is also in essence a 'conditional grant' from the province for the purposes of undertaking the Alexandra, Bekkersdal and Evaton Urban Renewal Projects as well as for the rehabilitation of the 20 Prioritised Townships. The conditional grant received from the National Department of Housing is primarily for the purpose of financing the implementation of National and Provincial Housing Programmes. It is also intended to facilitate the establishment and maintenance of habitable, stable and sustainable human settlements in which all citizens will have access to selected social and economic amenities. Lastly the purpose of the conditional grant is to progressively eradicate informal settlements on a phased basis in accordance with the goals set out through the target for reducing slum dwellers through formalization of informal settlements by 2014 and eradication of such by 2020 as per the Division of Revenue Act on housing grants.

4.1 Summary of receipts

TABLE 1: SUMMARY OF RECEIPTS: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Equitable share	234,826	300,503	320,497	315,796	406,051	323,694	440,725	444,279	458,417
Conditional grants	1,001,104	1,139,723	1,352,805	1,765,666	1,765,666	1,848,023	2,197,223	2,579,974	2,959,488
Total receipts	1,235,930	1,440,226	1,673,302	2,081,462	2,171,717	2,171,717	2,637,948	3,024,253	3,417,905

4.2 Departmental receipts collection

Departmental receipts collected decreased year on year from 2003/04 to 2004/05 by 68 percent 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. Departmental receipts have subsequently levelled out at the R6 million mark. Over the MTEF, revenue has been projected at an average of R5,7 million for each financial year which is consistent with the current collection trend.

TABLE 2: DEPARTMENTAL RECEIPTS: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	39	1,862	1,692	117	117	117	97	97	97
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	130			2,500	2,500	2,500	2,400	2,400	2,400
Sales of capital assets	10,432	78		2,500	2,500	2,500	2,400	2,400	2,400
Financial transactions in assets and liabilities	294	3872	148	815	815	815	810	810	810
Total departmental receipts	10,895	5,812	1,840	5,932	5,932	5,932	5,707	5,707	5,707

5. PAYMENT SUMMARY

Expenditure trends for the vote

Total expenditure is expected to achieve 18 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 17 percent year-on-year average. The budget growth also includes an allocation of R20 million (in 2006/07) and R65 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 R251 million in 2006/07 and R125 million for both the 2007/08 and 2008/09 financial years respectively.

Housing planning and research

Expenditure on the Housing Policy, Planning and Research programme has been growing steadily as well, increasing from R6,4 million in 2003/04 to R17,1 million in 2008/09. The particularly sharp increase in 2006/07 and 2007/08 were to fund the introduction of a fully fledged Research Business Unit/Subprogramme with the resultant increases in expenditure on compensation of employees and goods and services.

Housing development and implementation

With the adoption of the new generic programme structure for the housing sector and the introduction of the new set of Standard Chart of Accounts, a re-alignment of funding allocation resulted in a decrease in 2002/03, and a subsequent steadily increase of the budget allocation between 2003/04 and 2008/09. The major portion of the funding under this programme relates to the housing subsidy grant of which is classified as transfers to households; hence transfers take up the vast majority of expenditure.

Housing property management

Between 2003/04 and 2004/05 a major shift in terms of budgetary allocations to the sub-programmes had taken place since the adoption of the new programme structure for housing was advocated coupled with the new standard chart of accounts being adopted, of which initially gave rise to an increase from R51,6 million in 2003/04 to R76,7 million in 2004/05. This then changed to R51,2 million in 2005/06 due to the fact that no further transfers would be effected to the Gauteng Partnership Fund insofar as social housing is of concern. The expenditure increase between 2005/06 of R51,2 million to R52,9 million in 2008/09 is marginal due to the fact that many Departmental Own Housing Assets would have been transferred to the beneficiaries and/or devolved to the municipalities resulting in a marginal growth requirement in terms of the budget.

5.1 Programme summary

TABLE 3: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
1 Administration	111,260	78,064	78,017	74,918	86,984	102,324	151,593	166,818	168,930
2 Housing Planning and Research	6,438	7,090	7,513	10,284	8,762	8,762	15,432	16,154	19,380
3 Housing Development Implementation	1,053,721	1,232,221	1,522,259	1,930,782	2,010,785	1,909,599	2,379,433	2,748,873	3,133,373
4 Housing Property Management	51,614	76,760	65,513	65,478	65,186	154,181	91,490	92,348	96,222
Total payments and estimates: Housing	1,223,033	1,394,135	1,673,302	2,081,462	2,171,717	2,174,866	2,637,948	3,024,253	3,417,905

TABLE 4: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Current payments	136,647	130,985	111,380	126,078	128,787	129,258	243,929	263,279	276,417
Compensation of employees	83,470	87,229	69,916	93,378	92,111	92,527	173,347	183,971	190,119
Goods and services	43,163	33,413	41,396	32,700	36,676	36,676	70,582	79,308	81,298
Interest and rent on land	10,014	10,081							
Financial transactions in assets and liabilities		262	68			55			
Transfers and subsidies to:	1,082,255	1,240,765	1,506,700	1,897,013	1,980,798	1,995,191	2,387,223	2,754,974	3,134,488

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	1,082,255	1,240,765	1,506,700	1,897,013	1,980,798	1,995,191	2,387,223	2,754,974	3,134,488
Payments for capital assets	4,131	22,385	55,222	58,371	62,132	50,417	6,796	6,000	6,000
Buildings and other fixed structures		18,199	52,210	53,925	58,225	47,017			
Machinery and equipment	4,131	4,186	3,012	4,446	3,907	3,400	6,796	6,000	6,000
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:									
Housing	1,223,033	1,394,135	1,673,302	2,081,462	2,171,717	2,174,866	2,637,948	3,024,253	3,417,905

5.4 Infrastructure payments

5.4.1 Departmental infrastructure payments

TABLE 5: SUMMARY OF INFRASTRUCTURE BUDGET BY CATEGORY

R thousand	Main Appropriation	Adjusted Appropriation	Revised estimate	Medium-term estimates		
	2006/07			2007/08	2008/09	2009/10
New Construction	1,193,922	2,053,856	2,053,856	3,143,860	2,720,728	2,720,728
Rehabilitation/Upgrading	340,232	354,500	354,500			
Maintenance	30,780	30,081	30,081	28,000	28,000	28,000
Other - Machinery & Equipment	4,714	3,907	3,907	6,796	6,000	6,000
Total Infrastructure:						
Housing	1,569,648	2,442,344	2,442,344	3,178,656	2,754,728	2,754,728

6. OTHER PROGRAMME INFORMATION

PROGRAMME 1: ADMINISTRATION

Programme description

The main aim of this 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; Communication and Customer Relations Management.

TABLE 6: SUMMARY OF PAYMENTS AND ESTIMATES : ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
1 Office of the MEC	9,732	6,421	13,142	6,485	10,036	10,036	8,570	10,805	11,806
2 Corporate Service	101,528	71,643	64,875	68,433	76,948	92,288	143,023	156,073	157,125
Total payments and estimates: Administration	111,260	78,064	78,017	74,918	86,984	102,324	151,593	166,878	168,931

TABLE 7: SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Current payments	76,400	74,858	68,995	62,542	75,097	90,437	133,574	148,904	150,943
Compensation of employees	32,929	38,562	37,193	40,654	45,615	60,955	78,255	84,430	85,430
Goods and services	33,457	26,215	31,800	21,888	29,482	29,482	55,319	64,474	65,513
Interest and rent on land	10,014	10,081							
Financial transactions in assets and liabilities			2						
Transfers and subsidies to:	31,483		6,490	8,230	8,280	8,280	11,223	11,974	11,988
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	31,483		6,490	8,230	8,280	8,280	11,223	11,974	11,988
Payments for capital assets	3,377	3,206	2,532	4,146	3,607	3,607	6,796	6,000	6,000
Buildings and other fixed structures									
Machinery and equipment	3,377	3,206	2,532	4,146	3,607	3,607	6,796	6,000	6,000
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:									
Administration	111,260	78,064	78,017	74,918	86,984	102,324	151,593	166,878	168,931

PROGRAMME 2: HOUSING PLANNING AND RESEARCH

Programme description

Housing Policy and Research undertakes key functions for the Department viz. policy, research, municipal support (PMO) and registration of institutions. Attached to this programme are the other transversal functions that include Quality Assurance, Housing Support and Strategic Planning.

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 IDP's;
- 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 co-ordinate 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 8: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING PLANNING & RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
1. Administration	1,837	1,095	1,236	3,170	2,871	2,871	6,757	7,019	8,064
2. Policy	2,875	2,432	2,524	5,164	3,961	3,961	4,145	4,460	5,719
3. Planning	1,726	3,563	3,753	1,950	1,930	1,930	4,530	4,675	5,597
Total payments and estimates: Housing, Planning & Research	6,438	7,090	7,513	10,284	8,762	8,762	15,432	16,154	19,380

TABLE 9: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING, PLANNING & RESEARCH

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Current payments	6,342	6,934	7,408	10,284	8,762	8,762	15,432	16,154	19,380
Compensation of employees	3,443	5,642	5,503	6,843	6,843	6,843	10,741	11,463	12,379
Goods and services	2,899	1,292	1,905	3,441	1,919	1,919	4,691	4,691	7,001
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities									
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	96	156	105						

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Buildings and other fixed structures									
Machinery and equipment	96	156	105						
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Housing, Planning & Research	6,438	7,090	7,513	10,284	8,762	8,762	15,432	16,154	19,380

SERVICE DELIVERY MEASURES

Housing Planning and Research

Sub-programme	Key Measurable Objectives	Performance Measure/ Indicator	2005/06 Actual	2006/07 Estimate	Performance Targets		
					2007/08	2008/09	2009/10
Policy	To provide a regulatory framework for Housing Delivery.	Undertake policies/ guidelines to meet the needs of core dept programmes	5		Approve policies and guidelines as and when required	Approve policies and guidelines as and when required	Approve policies and guidelines as and when required
		Acts, Regulations and Amendments proclaimed around housing issues to meet core programmes	2		Regulations as and when required	Regulations as and when required	Regulations as and when required
Research	To conduct housing research by gathering information and to undertake research analysis and reporting	Research in relation to meet the needs of core dept programmes	3		Research as and when required	Research as and when required	Research as and when required
Capacity Building	To enhance capacity and provide support to municipalities in housing delivery	Develop a business plan on capacity building in line with implementation strategy	Approved Business Plan on Capacity Building. 65 trained officials	Good Urban governance capacity building; 45 trained officials	Approved Business Plan on Capacity building in line with implementation strategy	Approved business plan on capacity building in line with implementation strategy	Approved business plan on capacity building in line with implementation strategy
Accreditation of municipalities	To enhance capacity and provide support to municipalities in housing delivery through accreditation	To manage the incremental process of accreditation in the province	Access capacity requirements	Capacity building an assessment of municipalities readiness	Approval of municipalities for level 1 accreditation	Approval of municipalities for level 1 accreditation Monitor level 1 accredited municipalities performance and initiate capacity building for other levels of accreditation	Approval of municipalities for level 1 accreditation Monitor level 1 accredited municipalities performance and initiate capacity building for other levels of accreditation
Strategic Planning	To enhance and sustain the strategic direction of the department	Departmental strategic plan review sessions	Approved strategic plan available	2 Review sessions per physical year	2 Review sessions per physical year	2 Review sessions per physical year	2 Review sessions per physical year

Sub-programme	Key Measurable Objectives	Performance Measure/ Indicator	2005/06 Actual	2006/07 Estimate	Performance Targets		
					2007/08	2008/09	2009/10
		Alignment of departmental strategy within MHDPS		Approval of 6 MHDPS for each of the 6 municipal regions	Approval of 6 MHDPS for each of the 6 municipal regions	Approval of 6 MHDPS for each of the 6 municipal regions	Approval of 6 MHDPS for each of the 6 municipal regions
		Provincial Housing Summit			1 Housing summit		1 Housing summit
	Development of the strategic plan	Approved strategic plan & performance plan signed by the HOD & MEC	Approved strategic plan available	Approved strategic plan available	Approved departmental performance plan available	Approved departmental performance plan available	Approved departmental performance plan available Approved Strategic Plan Available
Programme Management Information and Support	To provide effective Ekhaya Capacitation and support and monitor & facilitate the updating of Project related information	No Users trained & supported	50 users trained on enhanced programme management training	50 users trained	50 Users	50 users trained	
	To effectively Develop Maintain and Administer Ekaya	Number of approved developments and enhancements completed. Errors logged vs resolved			Ad-hoc	Ad-hoc	Ad-hoc
	To monitor, report on and analyse programme and project information	No. of standard reports produced No. of ad-hoc reports produced			24 Ad-hoc	24 Ad-hoc	24 Ad-hoc
	To establish and maintain an Operational Information Centre	No. of data sets updated, enhanced and or maintained		Major update on all images and informal settlements data	Major update on all images and informal settlements data	Major update on all images and informal settlements data	Major update on all images and informal settlements data
	To establish and manage the spatial information systems of the department to proactively guide and monitor development	% increase in system utilization		Fully utilized system	Fully utilized system	Fully utilized system	Fully utilized system
Housing Agency Registry	Establish,maintain SLA with social Housing Institutions	No. of SHIs registered with SLAs against annual target for programmes		Continued provision of support to SHIs			
	Monitor, review capacity and determine SHIs to be consolidated and SLAs to be terminated	No. of SHIs capacitated against number registered					
Development planning		Provincial Housing Development plan	1	February 2006	February 2007	February 2008	February 2009
		Municipal Housing Sector plans in place	6	MHDP for each of the 6 municipal regions of Gauteng by January	MHDP for each of the 6 municipal regions of Gauteng by January	MHDP for each of the 6 municipal regions of Gauteng by January	MHDP for each of the 6 municipal regions of Gauteng by January

Sub-programme	Key Measurable Objectives	Performance Measure/ Indicator	2005/06 Actual	2006/07 Estimate	Performance Targets		
					2007/08	2008/09	2009/10
		Identify and develop development frameworks	Feasibility report on the development of frameworks for targeted development zones & rural towns	8 development frameworks	3 development frameworks	3 development frameworks	2 development frameworks
		Number of developed and facilitated Precinct plans		16 Precinct plans	6 Precinct plans	6 Precinct plans	6 Precinct plans
	To co-ordinate the activities of the Municipal Housing Development Planning process with the principals of Land Use Development Management	Evaluate Township management applications	Identify and do a cost benefit analysis on land for the various Programmes in line with their programme needs	All applications received	All applications received	All applications received	All applications received
		Compliance to Planning policies and guidelines		All applications received	All applications received	All applications received	All applications received
		Facilitate integrated Greenfields development on "well located" land		5 projects per year	5 projects per year	5 projects per year	5 projects per year
Quality Assurance	To ensure the delivery of quality houses in formal housing projects	Compliance /Accreditation received in line with National Building regulations		Achieve greater quality of houses against standards	Achieve greater quality of houses against standards	Achieve greater quality of houses against standards	Achieve greater quality of houses against standards
All requests received	To provide technical support to other Directorates within the department	Number of requests received from other directorates		All requests received	All requests received	All requests received	

PROGRAMME 3: HOUSING DEVELOPMENT IMPLEMENTATION

Programme description

The main aim of the Housing Development Implementation is to promote effective and efficient delivery of National and Provincial Housing Programmes, and 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 improve the accuracy of the data on the waiting list in relation to beneficiary needs and profile 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 units 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;
- To establish structures and agreements that will ensure effective coordination ;
- To foster cooperation and coordinate resources in all phases of project life cycle;
- To improve the 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 10: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING DEVELOPMENT & IMPLEMENTATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
1 Administration	886,339	196,895	40,601	32,877	32,902	59,554	55,433	57,873	62,873
2 Individual Housing Subsidies		37,123	54,698	58,575	58,575	37,342	26,000	26,000	26,000
3 Housing Finance-Linked Individual Subsidies							100,000	110,000	150,000
4 Relocation Assistance		55,621	11,534	64,987	64,987	63,123	8,000	8,000	8,500
5 Rectification of RDP Stock 1994-2002							43,000	43,000	43,000
6 Social and Economic Facilities							66,000	66,000	66,000
7 Accreditation and Support of Municipalities							2,000	2,000	2,000
8 Procurement of Land							50,000	50,000	50,000
9 NHBRC Enrolment Fees							22,000	22,000	22,000
10 Project Linked Subsidies (Current)							323,000	423,000	362,000
PHASE 1 : PLANNING AND SERVICES:									
11 Project linked Subsidies (current)							600,000	700,000	800,000
12 Emergency Housing Assistance (basic services)			12	3,033	3,033	2,783	2,000	2,000	2,000
PHASE 2 : TOP STRUCTURE CONSTRUCTION:									
13 Project Linked Subsidies	8,694	446,068	918,696	1,118,130	1,120,129	1,043,339	280,000	280,000	380,000

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
14 Peoples Housing Process (Current)	9,799	64,452	102,442	75,818	74,148	74,148	216,000	216,000	316,000
15 Consolidation Subsidies (Current)							200,000	300,000	400,000
16 Institutional Subsidies		30,173	6,894	129,973	129,973	106,370	111,000	111,000	111,000
17 Urban Restructuring programme (Higher Density Individual)	148,889	218,584	321,460	369,405	449,054	449,054	190,000	175,000	175,000
18 Affordable State Rental Programme (Public)		8,294	65,921	64,987	64,987	62,145	38,000	105,000	105,000
19 Backyard Rental Programme							43,000	48,000	48,000
20 Farm worker Housing assistance							2,000	2,000	2,000
21 Rural Housing Programme				12,997	12,997	11,741	2,000	2,000	2,000
Total payments and estimates: Housing Development & Implementation	1,053,721	1,232,221	1,522,258	1,930,782	2,010,785	1,909,599	2,379,433	2,748,873	3,133,373

TABLE 11: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING, DEVELOPMENT & IMPLEMENTATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Current payments	30,575	24,627	15,801	30,855	22,982	22,479	55,433	57,873	62,873
Compensation of employees	27,397	21,315	11,114	25,718	19,490	15,987	48,259	50,699	53,699
Goods and services	3,178	3,312	4,634	5,137	3,492	3,492	7,174	7,174	9,174
Interest and rent on land									
Financial transactions in assets and liabilities			53						
Transfers and subsidies to:	1,022,615	1,188,773	1,460,518	1,858,702	1,942,278	1,855,487	2,324,000	2,691,000	3,070,500

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	1,022,615	1,188,773	1,460,518	1,858,702	1,942,278	1,855,487	2,324,000	2,691,000	3,070,500
Payments for capital assets	531	18,821	45,939	41,225	45,525	31,633			
Buildings and other fixed structures		18,199	45,565	40,925	45,225	31,333			
Machinery and equipment	531	622	375	300	300	300			
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Housing, Development & Implementation	1,053,721	1,232,221	1,522,258	1,930,782	2,010,785	1,909,599	2,379,433	2,748,873	3,133,373

SERVICE DELIVERY MEASURES

Development and implementation

Sub-programme	Key Measurable Objectives	Performance Measure/ Indicator	2005/06 Actual	2006/07 Estimate	Performance Targets		
					2007/08	2008/09	2009/10
Mixed Housing Development	To focus on the development of Greenfield, well located, integrated, higher density housing	No. of subsidies provided	1686	1810	352	352	352
		No of serviced stands	6369	14625	5358	5358	5358
		No of Houses built	3515	14625	5358	5358	5358
		Bonded houses subsidised			3159	3159	3159

Sub-programme	Key Measurable Objectives	Performance Measure/ Indicator	2005/06 Actual	2006/07 Estimate	Performance Targets		
					2007/08	2008/09	2009/10
Alternative Tenure	To capacitate social housing Institutions so that they can effectively manage the business themselves	Criteria for a fully capacitated SHI approved by MEC	Criteria developed and applied in the granting of grants to SHIs	Revision of Criteria and application thereof to SHIs	Revision of Criteria and application thereof to SHIs		
	Revision of Criteria and application thereof to SHIs	No. fully capacitated SHI	8 fully capacitated SHI	18 Fully capacitated SHI	20 Fully capacitated SHI	10 Fully capacitated SHI	All accredited SHI capacitated
	To phase out Special Needs Housing and facilitate interaction with provincial line departments	No. bed spaces facilitated	125 bed spaces	600	176		
	To provide housing assistance to Department of Housing staff	Programme designed and approved by MEC No. of staff assisted	Programme design completed	50			
	To facilitate the regeneration and rehabilitation of inner City housing (Better building Programmes0 as defined in the MHDPs	No. of units delivered	100	1000	352	352	352
	To facilitate medium density housing (rental, instalment sale and cooperative housing)	No. of units completed Old policy New Policy	1,135 housing units	3000	704 1,056	704 1,056	704 1,056
	To provide transitional housing	No. of units developed				176	176
	To create humane conditions and restore human dignity to residents (transformation of hostels to ARA)	Consensus reached with residents and local authorities No. of self contained units delivered in 54 hostels = 37 000 units	765	5,000	4,400	4,400	4,400
	To implement short term emergency intervention measures to address the threats to health and safety	No. of projects completed	48 Projects	Hand over to management bodies	Hand over to management bodies		
	To facilitate affordable rental accommodation (including upgrade of Backyard rentals)	No. of registered backyard No. of backyard constructed with 2 or 3 units and ablution facility	137,000 36	30 000 units 1,000	40 000 units 1,000	50 000 units 1,000	60 000 units 1,000
Eradication of Informal Settlements	To provide essential Services Subsidies to beneficiaries	No. of serviced stands	36,912	60,000	13,418	13,418	13,418
	To provide top Structures	No. of houses built No. of relocated subsidies approved	15,015 426	39,000 200	21,161 70	21,161 70	21,161 70

Sub-programme	Key Measurable Objectives	Performance Measure/ Indicator	2005/06 Actual	2006/07 Estimate	Performance Targets		
					2007/08	2008/09	2009/10
Urban Renewal	To reclaim the functions of the overall lead consultant back into the Department	Full effective management of function by department	100% efficiency levels in Alexandra 0% in Evaton & Bekkersdal	80% efficiency levels	95% efficiency levels	100% efficiency levels	100% efficiency levels
	To foster cooperation and co-ordinate resources in all phases of project life cycle	Funding allocation meeting delivery targets	Funding assessed for 3 areas by end of December 2005 – 100% achieved	Funding assessed for 3 areas by end of December 2006	Funding assessed for 3 areas by end of December 2007	Funding assessed for 3 areas by end of December 2008	Funding assessed for 3 areas by end of December 2009
		Funding raised as a percentage of an annual budget	12% Annual budget	15% Annual budget	15% Annual budget	15% Annual budget	15% Annual budget
	To reduce levels of unemployment through the stimulation of income generating opportunities (What initiatives should be put in place to stimulate job creation: LED Projects; SMME, learner ships	Projects meeting delivery targets/ no. of projects completed	Alex 62, Bekkersdal 29, Evaton 44 projects completed	Alex 70, Bekkersdal 35, Evaton 50	Alex 75, Bekkersdal 40, Evaton 55	Alex 80, Bekkersdal 50, Evaton 60	Alex 80, Bekkersdal 50, Evaton 60
		No. of jobs created in both URA projects including learner ship programmes	Alexandra 200 jobs, Bekkersdal 300 jobs, Evaton 100 jobs.	Alexandra 300, Bekkersdal 400, Evaton 300	Alexandra 300, Bekkersdal 400, Evaton 300	Alexandra 400, Bekkersdal 400, Evaton 400	Alexandra 400, Bekkersdal 400, Evaton 400
Top Twenty Priority Townships	To facilitate regeneration and rehabilitation of targeted urban environment	No. of facilities constructed and/or renovated		20	100	150	150
	To develop housing on infill sites	No. of houses developed on infill sites	3 sites identified				
Emergency Programme	To provide housing assistance to beneficiaries during emergency circumstances	Development of Business Plan to be approved by the MEC					
	Developed a Proforma business plan	Address the need	As the need arises	As the need arises	As the need arises		
		Estimate no. of household assisted (based on historic need for budget purposes)	9,006 subsidies		As and when the need arises	As and when the need arises	As and when the need arises

PROGRAMME 4 : HOUSING PROPERTY 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 department staff;
- To facilitate the regeneration and rehabilitation of Inner City housing (Better Build Programme) as defined in the MHDP's as well as targeted urban environments in order to promote urban integrations;
- To facilitate medium-density housing (rental, instalment sale and cooperative housing);
- To facilitate affordable rental accommodation (including upgrade 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 12: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING PORPRTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
1. Administration	1,417	1,223	15,836	9,766	21,946	16,173	39,490	40,348	44,222
2 Sale and Transfer of Housing Properties	49,219	74,040	17,056	9,442	9,442	113,064	14,000	14,000	14,000
3 Enhanced Extended Discounting Benefit Scheme							10,000	10,000	10,000
4 Housing Properties Maintenance	978	1,497	32,621	46,270	33,798	24,944	28,000	28,000	28,000
Total payments and estimates: Housing Property Management	51,614	76,760	65,513	65,478	65,186	154,181	91,490	92,348	96,222

TABLE 13: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING, PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Current payments	23,330	24,566	19,176	22,397	21,946	7,580	39,490	40,348	44,222
Compensation of employees	19,701	21,710	16,106	20,163	20,163	5,742	36,092	37,379	38,611
Goods and services	3,629	2,594	3,057	2,234	1,783	1,783	3,398	2,969	5,611
Interest and rent on land									
Financial transactions in assets and liabilities		262	13			55			

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Transfers and subsidies to:	28,157	51,992	39,692	30,081	30,240	131,424	52,000	52,000	52,000
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	28,157	51,992	39,692	30,081	30,240	131,424	52,000	52,000	52,000
Payments for capital assets	127	202	6,645	13,000	13,000	15,177			
Buildings and other fixed structures			6,645	13,000	13,000	15,177			
Machinery and equipment	127	202							
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Housing, Property Management	51,614	76,760	65,513	65,478	65,186	154,181	91,490	92,348	96,222

Housing property management

Sub-programme	Key Measurable Objectives	Performance Measure/ Indicator	2005/06 Actual	2006/07 Estimate	Performance Targets		
					2007/08	2008/09	2009/10
Rental Tribunal	To regulate the relationship between Landlord/Tenant	All reported cases attended to			All reported cases resolved	All reported cases resolved	All reported cases resolved
		Business plan approved by MEC		Complete implementation of business plan	Implementation of business plan	Review approved business plan	

7. OTHER PROGRAMME INFORMATION

7.1 Personnel numbers and costs

TABLE 14: PERSONNEL NUMBERS AND COSTS¹: HOUSING

Personnel numbers	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	267	251	336	553	668	668	668
2 Housing	176	10	23	25	48	48	48
3 Housing Development Implementation	165	172	211	123	235	235	235
4. Housing Property management		176	163	157	297	297	297
Total personnel numbers: Housing	608	609	733	858	1248	1248	1248
Total personnel cost (R thousand)	83,470	87,229	69,916	92,527	173,347	183,971	190,119
Unit cost (R thousand)	137.29	143.23	95.38	107.84	138.90	147.41	152.34

Notes

1. The department adopted a new approved structure which was implemented from 1 April 2006. The department has regionalized the core business and in so doing also created new positions by merging some positions particularly at lower level in order to create a structure that will support the department in achieving its objectives.

TABLE 15: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS : HOUSING

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Total for Housing									
Personnel numbers (head count)	608	609	733	858	858	858	1248	1248	1248
Personnel cost (R thousands)	83,470	87,229	69,916	93,378	92,111	92,527	173,347	183,971	190,119
Human resources component									
Personnel numbers (head count)				27	27	27	41	41	42
Personnel cost (R thousands)				876	876	876	8,648	9,080	9,180
Head count as % of total for province									
Personnel cost as % of total for department									
Finance component									
Personnel numbers (head count)				94	94	94	139	139	140
Personnel cost (R thousands)				19,355	19,355	19,355	27,210	28,570	28,890

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
Head count as % of total for department									
Personnel cost as % of total for department									
Full time workers									
Personnel numbers (head count)	559	572	577	577	578	578	577	577	577
Personnel cost (R thousands)	51,684	63,163	70,408	70,408	70,408	70,408	70,408	70,408	70,408
Head count as % of total for department	87.89%	65.37%	72.58%	72.58%	72.58%	72.58%	72.58%	72.58%	72.58%
Personnel cost as % of total for department	81.16%	75.36%	79.07%	79.07%	79.07%	79.07%	79.07%	79.07%	79.07%
Part-time workers									
Personnel numbers (head count)	38	38	34	34	34	34	34	34	34
Personnel cost (R thousands)	1,312	1,562	1,283	1,283	1,283	1,283	1,283	1,283	1,283
Head count as % of total for department	5.97%	4.34%	4.28%	4.28%	4.28%	4.28%	4.28%	4.28%	4.28%
Personnel cost as % of total for department	2.0%	1.86%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%	1.44%
Contract workers									
Personnel numbers (head count)	39	265	184	184	184	184	184	184	184
Personnel cost (R thousands)	10,688	19,089	17,350	17,350	17,350	17,350	17,350	17,350	17,350
Head count as % of total for province	6.13%	30.29%	23.14%	23.14%	23.14%	23.14%	23.14%	23.14%	23.14%
Personnel cost as % of total for department	16.78%	22.78%	19.49%	19.49%	19.49%	19.49%	19.49%	19.49%	19.49%

Notes

In the Financial Year 2003/04, 2004/05, 2005/06, a report on persal could not be obtained that would provide the required info as per the template.

7.1 Training

TABLE 16: PAYMENTS ON TRAINING: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2003/04	2004/05	2005/06	2006/07			2007/08	2008/09	2009/10
1. Administration of which									
Payments on tuition	912	2626	1407	2600	1600	1600	2600	4000	4000
Total payments on training: Housing	912	2626	1407	2600	1600	1600	2600	4000	4000

7.2 Reconciliation of structural changes

TABLE 17: RECONCILIATION OF STRUCTURAL CHANGES: DEPARTMENT OF HOUSING

Programmes for 2006/07			Programmes for 2007/08		
	2007/08 Equivalent				
	Programme	Subprogramme		Programme	Subprogramme
1. Administration	1	1. Office of the MEC	1. Administration	1	1. Office of the MEC
	1	1. DDG: corporate Service		1	2. DDG: Corporate Service
2. Housing Planning & Research	2	1. Administration (HP&R)	2. Housing Planning & Research	2	1. Administration (HP&R)
	2	2. Policy		2	2. Policy
	2	3. Planning		2	3. Planning
3. Housing Performance Subsidy Programmes	3	1. Administration Subsidy	3. Housing Development Implementation	3	1. Administration Pr 3
	3	2. Individual		3	2. Individual Housing Subsidies
				3	3. Housing Finance-Linked Individual Subsidies
	3	4. Relocation		3	4. Relocation Assistance
	3	5. Hostels		3	5. Rectification of RDP Stock 1994-2002
	3			3	6. social and Economic Facilities
	3			3	7. Accreditation and Support of Municipalities
	3			3	8. Procurement of Land
				3	9. NHBRC Enrolment Fees
	3	10. Project linked		3	10. Project Linked Subsidies (Current)
					PHASE 1 : PLANNING AND SERVICES
				3	11. Project linked Subsidies (current)
	3	12. Disaster Mngt/ Emergency		3	12. Emergency Housing Assistance (basic services)
					PHASE 2 : TOP STRUCTURE CONSTRUCTION
				3	13. Project Linked Subsidies
	3	14. Peoples Housing Process		3	14. Peoples Housing Process (Current)
				3	15. Consolidation Subsidies (Current)

Programmes for 2006/07			Programmes for 2007/08		
	2007/08 Equivalent				
	Programme	Subprogramme		Programme	Subprogramme
	3	16. Institutional		3	16. Institutional Subsidies
				3	17. Urban Restructuring programme (Higher Density Individual)
	3	18. Hostels		3	18. Affordable State Rental Programme (Public
				3	19. Backyard Rental Programme
				3	20. Farm worker Housing assistance
		21. Rural		3	21. Rural Housing Programme
4. Urban Renewal & Human Settlement Redevelopment	4	1. Administration URA & Human	3. Housing Development Implementation	3	1. Administration Pr 3
	4	2. Urban Renewal		3	2. Urban Restructuring Programme
5. Housing Asset Management	5	1. Administration Asset Mngt	4. Housing Property Management	4	1. Administration Pr 4
	5	2. Transfer of Housing Assets		4	2. Housing Properties Maintenance
				4	3. Sale and Transfer of Housing
				4	4. Enhanced Extended Discounting Benefit Scheme

The old structure change to new structure change for 07/08

Program 1: Administration for 07/08 will stay the same

Program 2: Housing, Planning & Research for 07/08 will stay the same

Program 3 Housing Performance Subsidy name will change to Housing Development Implementation and & Program 4: Urban renewal & Human Settlement Redevelopment will merge into programme 3

Program 4: Urban Renewal & Human Settlement Redevelopment will be included in Program 3

Program 5: housing Assets Management name will change to Housing Property Management and will be then Program 4