

VOTE 7

DEPARTMENT OF HOUSING

To be appropriated by Vote	R3 101 521 000
Responsible MEC	MEC for Housing
Administration 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 department is guided by the Breaking New Ground strategy (BNG), Growth and Development Strategy and the Global City Region strategy.

The five key pillars of the department incorporate principles espoused in the above-mentioned strategies and we are committed to their implementation. These five pillars focus on the following:

- Dealing with issues of quantity and quality as mutually inclusive components of the same housing delivery process;
- Mainstreaming the participatory development paradigm;
- Transforming settlements, especially the 20 Prioritised Townships, into sustainable and vibrant communities;
- Implementing the rental housing policy and subsidy; and
- Promoting good urban governance.

The department has revised its operational structure and programmes to comply with the policies, principles and strategies that guide its daily operations for Mixed Housing Developments, Eradication of Informal Settlements, Alternative Tenure, Urban Renewal Programmes (URP) and the Twenty Prioritised Township Programme (20 PTP).

Key performance indicators

Gauteng Department of Housing commits to the following key performance indicators in the actualization of its five-year strategy 2004 to 2009:

- Ensure that Gauteng citizens have access to affordable housing.
- Ensure that the social housing sector is attractive to financiers and developers.
- Ensure coordination of integrated infrastructure developments in priority areas.
- Effective and efficient administrative systems, which focuses on customer requirements.
- Ensure that efforts in housing development add to job creation and poverty alleviation.
- Ensure that there is increased participation of women and other vulnerable groups (the disabled and youth) in wealth and job creation ventures and
- Ensure that there is continued mobilization, involvement and participation of all sectors of society in the delivery of housing.

Policy imperatives

The department has finalized the Inclusionary Housing Policy, which proposes that future private developments provide for 20 percent of the value or units of private development to cater for middle-income housing. The department is currently drafting the implementation guidelines working in tandem with municipalities.

Legislative mandate

The Gauteng Department of Housing derives its mandate from, amongst others, the following legislations; 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. Most importantly, from the political directives of the Executive Authority.

- 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.
- The Public Finance Management Act (Act No.1 of 1999) as amended, enables 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 Gauteng Housing Act of 1998 provides for and governs the existence of the Gauteng Department of Housing.
- 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 Housing Consumer Protection Measures Act (Act No 95 of 1998) provides for the protection of housing consumers and establishes the National Home Builders Council.
- 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 and
- 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.

External activities and events relevant to budget decisions

Gauteng Province has experienced a marked increase in the formation of new informal settlements. Urbanization is the main driving factor contributing to an increase in the number of households in informal settlements, and this trend is likely to continue into the future. This goes hand in hand with rising unemployment and continued marginalization of the urban poor.

The housing waiting list has a high number of applicants that have been on the system since 1996. Some of the beneficiaries have moved and changed places of residence around Gauteng. During periods of housing allocations, some beneficiaries could not be located. Due to the non-integration of the waiting list to the housing subsidy system, the number of applicants on the waiting list could not be counter balanced with the beneficiaries on the housing subsidy system.

The waiting list system has through an independent audit conducted by Gauteng Audit Services, found to have a high number of outdated beneficiary information, as well as flaws in the system design. The department is in the process of replacing the waiting list with a reliable housing demand database.

This necessitated the undertaking of the informal settlement registration process in 2005. The registration process recorded a total number of 405 informal settlements across the province. The department's initial investigation noted that 50 percent of the settlements could be upgraded in-situ; however, further geo-technical investigations and studies concluded that only 30 percent or 122 settlements could follow the in-situ upgrading route.

The Housing Department through its Broad Based Black Economic Empowerment programmes (BBBEE) has already provided 16 percent of its contracts to women and will continue to deliver on this mandate. The department has allocated an amount of R200 million over a period of three years to this project. This will include provision of support through mentoring and provide capacity building to women contractors.

The department has also set a target of above 5 percent of all procurement for young people in terms of ownership and participation. With the assistance of the Gauteng Youth Commission, the department is currently developing a database of young people and is participating in the Youth Intergovernmental Task Team.

The learnership and internship programmes implemented in 2004/05 are extended to include the Construction

SETA in 2008/09 to benefit young people in the province. The learnership and internship intake for the year 2008/09 will supersede that of previous years.

2. REVIEW OF THE 2007/08 FINANCIAL YEAR

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 were completed. This challenge has now been addressed in that the department has ensured that once services have been installed house construction commences immediately rendering the process as a continual progression in terms of housing delivery.

The timeframes for the completion of both Peoples Housing Process (PHP) and Community Builders Programme (CBP) are dependent on a number of factors including support from the community and ward committees; the size of the project; the availability of technical skills; the capacity of the support organization and housing support centre. Consequently, 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 established a partnership with established developers who are developing housing projects at risk. The Gauteng Partnership Fund (GPF) will bridge the finance gap by leveraging funds to finance the housing delivery process, as well as presenting their commitment towards government's objectives and political pronouncements of creating Integrated Human Settlements in line with the BNG Strategy. Similarly, partnerships with the banking sector, such as ABSA, Standard Bank, First National Bank, have resulted in the stakeholders concerned joining hands in assisting the department establish mixed land use, mixed tenure approach.

Partnerships have been established with the Gauteng Partnership Fund; Xhasa Accounting and Technical Centre; Community Builders Programme and Peoples Housing Process.

Partnership with Youth Organisations and Commissions and other formations are being pursued. The department has outsourced the function of professional services attached to the housing delivery process. Professional Resource Teams comprising of quantity surveyors, engineers, architects, health and safety officers, construction managers among others, have been established to co-share of functions in to fast-track housing delivery in the province.

Formalisation and Eradication of Informal Settlements

This programme aims to address the provincial priorities to meet vision 2014 and those to half poverty and unemployment; build safe, secure, and sustainable communities. It is targeting the upgrading and eradication of informal settlements by 2014, which requires a delivery rate of 42 000 units per annum.

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

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

There are 405 registered informal settlements in Gauteng and to date, 76 have been formalized, and 41 eradicated and 10 deferred to North West Province due to the new municipal demarcations.

For the 2008/09 financial year, up to the third quarter, 22 496 serviced stands will be delivered through the In-situ upgrade programme to contribute towards the formalization of all upgradeable informal settlements; 14 553 houses in 2008/09 houses will be built through the Eradication of Informal Settlements programme.

Mixed Housing Development

This programme aims to use innovative approaches to deliver large-scale sustainable housing in the shortest time possible and help reduce the current housing backlog. The department has also solicited the participation of the private sector as a partner in the provision of housing. This partnership affords the beneficiary a choice to access the subsidy to supplement a bond i.e. Finance-linked subsidy. Mixed income developments will ensure that communities are socially well integrated well located for economic development.

The department has extended the Mixed Housing Development over and above the identified flagship projects in

Municipalities, for implementation in line with the BNG principles (integrated housing) as follows:

Cosmo City, Doornkop (Johannesburg), Limbo Park, Austin View and K206 (Alexandra), Leeupoort (Ekurhuleni), Nelmapius, Thorn tree View and Olievenhoutbosch (Tshwane), Azaadville/Kagiso, Middlevlei and Droogeheuwel in the West Rand. To date, the department has delivered 476 serviced stands (Water and sewer) and has build 1 006 houses within the Cosmo City Project and projects in Doornkop are scheduled to begin in March 2008.

Alternative Tenure

The Alternative Tenure Programme includes social housing, backyard rental, and hostel redevelopment for affordable rental accommodation. Providing alternative tenure through rental accommodation alleviates 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, to revitalize 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.

The backyard upgrade programme involves building backyard accommodation and or providing financial assistance to the landlord to build and /or upgrade backyard accommodations in line with the required standards. The backyard upgrade currently piloted at Orlando East, Soweto and Boipatong in Sedibeng consists of two or three bedrooms each of 11 square meters with shower and a toilet of three square meters. The target for the number of beneficiaries assisted for the 2007/08 financial year was set at 750; to date 689 beneficiaries have assisted.

Hostel redevelopment programme involves upgrading and /or conversion of public sector hostels into rental accommodation in the form of family units. This programme targets households earning R1 500 and below per month.

Urban Renewal Programmes

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 because 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 Prioritised Township Programme (20 PTP)

The 20 PTP is aimed at the rehabilitation of infrastructure of the twenty old established townships. With the Gauteng Provincial Government (GPG) now implementing a plan to consolidate province's role as a globally competitive city region, the strategy requires special focus to grow the economy and involve these marginalised townships in economic activity to ensure an end to the inequality and uneven development between the urban centres and the periphery.

The programme has started to provide new infrastructure and rehabilitate existing social and economic infrastructure. All these initiatives are aimed at building sustainable communities and contributing to poverty eradication efforts. The environment is receiving quality improvements and the necessary protection, to ensure a healthy and safe environment for the communities. The townships have been made economically viable and socially habitable with the necessary infrastructure capable of providing for all the needs of the communities.

All the projects are to be completed by 2009. The townships that form part of the programme are Atteridgeville/ Saulsville, 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.

3. OUTLOOK FOR THE 2008/09 FINANCIAL YEAR

The Gauteng Department of Housing has recently reviewed the work done, informed by the mid-term review report which provides an indication that the department is on track in attaining its targets for the five-year period. This therefore necessitates sustenance on operation and introduces innovations looking at 2008/09 to 2014 and beyond. Critical to the outcome of this five-year strategic plan is an agreement and willingness to act with urgency to deliver services in a manner befitting the round up of the current provincial political administration mandate from communities and the executive council.

The Department of Housing is in the business of housing development to serve the community of Gauteng. We are governed by values that seek to build sustainable communities. We stand for quality service. We work towards the provision of a variety of tenure where members of various communities will have access to affordable housing within targeted precincts and communities. All our efforts are geared towards the creation of sustainable human settlements. We are prepared to go into this period with vigour and energy based on work that we have done currently and in the past. Since the introduction and implementation of the Breaking new Ground Strategy, the department has made great strides in ensuring that we have targeted projects in all the regions of the province where the strategy will be realized in full. We are proud to say without any fear of contradiction that Gauteng is on the right path to implement the BNG strategy, which will usher us into 2014 and where the face of Gauteng would have changed for the better

The department further identified and focused on the five key priorities, these being: formalisation and eradication of Informal Settlement, Mixed housing Development, provision of Alternative Tenure products, Urban Renewal Programmes and as well as the 20 Prioritised Township Programme.

Eradication of Informal Settlements

The conditional grant received from the National Department of Housing is primarily for financing the implementation of both 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, such as community-based centres (halls, welfare and sports centres). 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 2009 and eradication of such by 2014 as per the Division of Revenue Act on housing grants. During the 2008/09 financial year, the department plans to service 26 000 stands and build 35 406 houses within the eradication of informal settlements programme.

Mixed-Housing Development

The programme is in line with government's objectives to build sustainable human settlements as encapsulated in the BNG comprehensive plan. The objective is to create integrated communities, and to 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 settled on well-located land closer to areas of economic development and opportunities.

The department plans to deliver 30 000 serviced stands and build 30 000 houses through this programme, of these 2 500 bonded housing will be subsidized through the Finance Credit Link. The advantages of mixed-housing development are to:

- promote social integration;
- create opportunities for the poor to be integrated into the mainstream of the housing market
- cross-subsidize basic services and savings on infrastructure development;
- allows various housing typologies to accommodate various targeted beneficiaries
- provide large scale housing projects;
- mixed land use, including provision of social and economic amenities;
- mixed typologies, mixed income on well located land; and
- link mixed development to established developers to increase the speed of service delivery and ensure quality.

Mixed Housing Development has been extended to Linbro Park, Austin View and K206 (Alexandra), Leeupoort (Ekurhuleni), Nellmapius, Thorntree View and Olievenhoutbosch (Tshwane) Azaadville/Kagiso, Middlevlei and Droogeheuvel (West Rand).

Alternative Tenure

- The department's programme on Social and Rental housing aims to provide alternative tenure options through rental accommodation to alleviate the housing backlog.
- The department plans to deliver 4 500 units through Alternative Tenure to facilitate the regeneration and rehabilitation of inner city housing and
- Redevelop 9 500 hostel units as part of the Hostel Redevelopment programme in the year 2008/09.

Urban Renewal and Human Settlement Redevelopment

Urban Regeneration involves integrated revitalization of strategic urban localities through cooperative partnerships with the three spheres of government, various line function departments and the private sector. The purpose is to stimulate local economies and promote the creation of sustainable jobs which remains fundamental in poverty alleviation and in improving the quality of life of all communities. The department is currently implementing Urban Regeneration Projects within Alexander, Bekkersdal and Evaton.

In line with GPG priorities the three urban renewal projects have been identified and implemented with a new and vigorous approach which aims to deliver visible impact in the shortest time possible. Urban regeneration projects are aimed at using visible development to create an impact that will attract new investors for commercial and other developments.

The department has conducted impact assessment and analysis of the manner of project implementation in the past and after wide consultation, the following implementation strategies inform the delivery process Implementation strategies:

- Prioritize infrastructure projects using private sector partnerships for visible impact and
- Drive Local Economic Development (LED) projects using private sector Community Social Investment projects to ensure sustainable livelihoods.

The department will implement 90 projects for Alexandra, 70 for Evaton and 60 for Bekkersdal. These are high visible infrastructure projects. A total of 1 500 new jobs are projected to be created in the process covering the three areas.

Twenty Prioritised Township Programme

The programme has started to provide new and rehabilitate existing social and economic infrastructure including internal and external township 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 in process to ensure a healthy and safe environment for all communities.

These townships will be made economically viable and socially habitable with the necessary infrastructure capable of providing for all the needs of the communities. 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.

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 possible by the delivery of decent schools, clinics sport and recreational facilities, lighting, 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. In the 2008/09 financial year 90 kilometres of roads will be tarred and seven parks established and rehabilitated.

4. RECEIPTS AND FINANCING

4.1 Summary of receipts

TABLE 1: SUMMARY OF RECEIPTS: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Equitable share	300,503	320,497	377,393	440,725	461,874	461,874	521,548	558,534	417,702
Conditional grants	1,139,723	1,352,805	1,759,822	2,197,223	2,197,223	2,197,223	2,579,973	3,004,847	3,569,998
Total receipts	1,440,226	1,673,302	2,137,215	2,637,948	2,659,097	2,659,097	3,101,521	3,563,381	3,987,700

The equitable share is primarily for the purposes of conducting the operational activities of the department. The funds also include the Alexandra, Urban Renewal Projects as well as for the rehabilitation of the 20 Prioritised Townships Programme. This revenue source reflects an average decrease of 7 percent over the MTEF.

The conditional grant received from the National Department of Housing is to finance the implementation of national and provincial housing programmes. It is to facilitate the establishment and maintenance of habitable, stable, and sustainable human settlements in which all citizens will have access to social and economic amenities, such as community halls, sports and welfare centres. The grant is to also fund the progressive eradication of informal settlements on a phased basis in accordance with the goals to reduce slum dwellers by formalizing informal settlements by 2009 and eradication of such by 2014 as per the Division of Revenue Act on housing grants. Conditional grants allocations show an average growth of 5 percent over the 2008 MTEF.

4.2 Departmental receipts collection

TABLE 2: DEPARTMENTAL RECEIPTS: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	1,862	1,692	274	97	97	300	330	360	360
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land			197	2,400	2,400	220	240	270	270

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Sales of capital assets	78			2,400	2,400				
Financial transactions in assets and liabilities	3,872	148	2,189	810	810	2,400	2,640	2,900	2,900
Total departmental receipts	5,812	1,840	2,660	5,707	5,707	2,920	3,210	3,530	3,530

The total revenue collected as at 31 March 2007 amounts to R2.920 million that is 49.22 percent of the budgeted R5.707 million. Actual amount collected is R7.967 million, this is not reflect on the department's revenue report as revenue received for the sale of capital assets is not deposited into the departmental revenue account but into the debtors trading account. If this were taken into account, the departments' revenue account would have exceeded the budgeted collection. Over the MTEF, revenue is projected at an average of R3.423 million for each financial year, which is consistent with the current collection trend.

5. PAYMENT SUMMARY

TABLE 3: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
1. Administration	78,064	78,017	88,478	151,593	157,452	157,452	214,296	218,597	219,765
2. Housing Needs, Research and Planning	7,090	7,513	7,495	15,432	14,232	14,232	15,504	19,730	19,730
3. Housing Development, Implementation Planning and Targets	1,232,221	1,522,259	1,979,315	2,379,433	2,396,423	2,396,423	2,803,873	3,234,332	3,657,483
4. Housing Asset Management	76,760	65,513	61,927	91,490	90,990	90,990	67,848	90,722	90,722
Total payments and estimates: Housing	1,394,135	1,673,302	2,137,215	2,637,948	2,659,097	2,659,097	3,101,521	3,563,381	3,987,700

The total indicative allocated budget between 2004/05 to 2010/11 has increased, at an annual average of 19.1 percent, from R1.4 billion to R4 billion. The growth is because of the intensification of housing programmes in terms of the Breaking New Ground Strategy. This has been facilitated by a growth in the Integrated Housing and Human Settlement Grant Allocation. The allocation in terms for the Alexandra Renewal project increases from R175 million in 2008/09 to R195 million in 2009/10 and then decreases to R38 million in the 2010/11 financial year. The amount decreases as the project is anticipated to end at the end of the 2010/11 financial year.

The Alexandra Urban Renewal project experienced some delays and problems, such as the general unwillingness of people to be relocated and the undermining of the de-densification efforts, which should have been handed over to the City of Johannesburg by 31 March 2008. The department will continue to administer the project until the end of the 2008/09 financial year.

For the 2007/08 financial year, Administration increased at a rate of 78 percent due to the transfer of personnel of hostels from the Department of Public transport, Roads and Works. Housing Needs Research and Planning increased by 47.3 percent to fund a new Needs Research business unit.

Over the MTEF, total expenditure for the vote is expected to increase by 27.3 percent to fund the establishment of new sub-programmes Needs and Research for undertaking of key functions for the department such as research, municipal support (PMO) and registration of institutions. Housing Asset Management budget allocation was adjusted to set-up regional offices within the province.

TABLE 4: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	130,985	111,380	118,581	243,929	267,088	267,088	307,547	324,034	325,202
Compensation of employees	87,230	69,916	81,914	173,347	173,133	173,133	207,734	216,220	216,414
Goods and services	33,412	41,396	36,667	70,582	93,955	93,955	99,813	107,814	108,788
Interest and rent on land	10,081								
Financial transactions in assets and liabilities	262	68							
Transfers and subsidies	1,240,765	1,506,700	1,967,065	2,387,223	2,383,713	2,383,713	2,789,974	3,234,847	3,657,998
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	1,240,765	1,506,700	1,967,065	2,387,223	2,383,713	2,383,713	2,789,974	3,234,847	3,657,998
Payments for capital assets	22,385	55,222	51,569	6,796	8,296	8,296	4,000	4,500	4,500
Buildings and other fixed structures	18,199	52,210	48,765						
Machinery and equipment	4,186	3,012	2,804	6,796	8,296	8,296	4,000	4,500	4,500
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total Economic Classification: Housing	1,394,135	1,673,302	2,137,215	2,637,948	2,659,097	2,659,097	3,101,521	3,563,381	3,987,700

Current payments for the 2007/08 financial year have increased by 125 percent year-on-year. Compensation of employees increased at a rate of 111.4 percent and goods and services at 155 percent. This was to accommodate the restructuring within the department. New posts were created to decentralize the core business of the department into regions resulting in the appointment of additional personnel, new office space, services and equipment to run and maintain operations.

Transfers and subsidies increased on average from 2004/05 to 2010/11 at a rate of 28 percent from R1.2 billion to R3.7 billion. This is resulted from the department being allocated more funds for Integrated Housing and Human Settlement conditional grant to intensify the delivery of houses.

Capital expenditure has over the period, 2004/05 to 2010/11, decreased on average by 23.5 percent as the department, up until the 2006/07 financial year, utilized the funds to defray personnel capital expenditure. National Department of Housing has since issued a directive disallowing this practice.

The significant increase in expenditure on machinery and equipment between 2006/07 and 2007/08 is due to the establishment of the regional offices, resulting in additional office equipment procured. This will stabilize over the MTEF period.

5.1 Infrastructure payments

TABLE 5: SUMMARY OF INFRASTRUCTURE BUDGET BY CATEGORY

R thousand	Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2007/08			2008/09	2009/10	2010/11
New Construction	1,250,402	1,268,484	1,268,484	1,652,273	1,940,684	2,505,835
Rehabilitation/Upgrading	720,694	720,694	720,694	514,634	590,337	590,337
Maintenance	76,225	76,225	76,225	413,066	473,826	473,826
Unallocated Programmes	274,902	274,902	274,902	175,000	195,000	38,000
Total Infrastructure: Housing	2,322,223	2,340,305	2,340,305	2,754,973	3,199,847	3,607,998

The infrastructure programme of the department focuses on key programmes relating to mixed-housing development, formalization and eradication of informal settlements, alternative tenure, urban renewal programme and twenty prioritised township programme.

The mixed-income housing development will ensure that communities are well integrated socially and are settled on well-located land closer to areas of economic development and opportunities. Eradication of informal settlement programme aims at establishing and maintaining habitable, stable and sustainable human settlement in which all citizens will have access to selected social and economic amenities. Alternative tenure programme seeks to alleviate housing backlog, regenerate and rehabilitate the inner city housing and to redevelop hostels units. Urban renewal programme aims at stimulating local economies and promoting the creation of sustainable jobs. The twenty priority townships programme seeks to use integrate marginalized townships planning and intergovernmental sphere coordination to deliver these upgrades through upgrading infrastructure and new builds and development of economic centres of activity to promote economic regeneration.

Amongst the planned outputs for the infrastructure programme is (1) building of 30 000 and 35 406 houses through mixed housing development and the eradication of informal settlement programmes respectively; (2) creation of 1 500 new jobs through the implementation of the Urban Regeneration Projects within Alexander, Bekkersdal and Evaton; (3) redevelopment of 9 363 units in hostels and (4) resurfacing of 90 kilometres of roads in the 20 Prioritised Townships Programmes.

6. PROGRAMME INFORMATION

PROGRAMME 1: ADMINISTRATION

Programme description

The main aim of the programme is to ensure effective leadership, management and administrative support to the core business divisions through continuous refinement of organizational strategy and structure in compliance with appropriate legislation and best practice.

Programme objectives

- To provide for the functioning of the Office of the MEC and legislative support services;
- 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; Registrar; Revenue 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	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
1. Office of the MEC	6,421	5,910	8,165	8,570	8,570	8,570	21,155	22,155	22,155
2. Corporate Services	71,643	72,107	80,313	143,023	148,882	148,882	193,141	196,442	197,610
Total payments and estimates: Administration	78,064	78,017	88,478	151,593	157,452	157,452	214,296	218,597	219,765

The total budget increases at an annual average rate of 26 percent from R78 million in 2004/05 to R220 million in 2010/11. Over the MTEF, the annual average growth rate decreases to 3 percent due to the shifting of hostels to programme 4: Housing Asset Management. The increase of 37.2 percent between the 2006/07 and 2007/08 financial year is due to the re-alignment of the department's objectives from programme 2: Housing Needs, Research and Planning, to programme 1: Administration. The 147 percent increase in the office of the MEC is due to the expansion of the mandate of the programme.

TABLE 7: SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	74,858	68,995	77,526	133,574	137,933	137,933	198,322	202,109	203,277
Compensation of employees	38,562	37,193	45,052	78,255	78,955	78,955	120,993	123,731	123,925
Goods and services	26,215	31,800	32,474	55,319	58,978	58,978	77,329	78,378	79,352
Interest and rent on land	10,081								
Financial transactions in assets and liabilities		2							
Transfers and subsidies		6,490	8,280	11,223	11,223	11,223	11,974	11,988	11,988

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households		6,490	8,280	11,223	11,223	11,223	11,974	11,988	11,988
Payments for capital assets	3,206	2,532	2,672	6,796	8,296	8,296	4,000	4,500	4,500
Buildings and other fixed structures									
Machinery and equipment	3,206	2,532	2,672	6,796	8,296	8,296	4,000	4,500	4,500
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:									
Administration	78,064	78,017	88,478	151,593	157,452	157,452	214,296	218,597	219,765

Incorporated under Administration is R12 million for households, Development Communication, Corporate Communication and Media all enabling the department to facilitate community participation at all housing projects level. The aim is to establish a high level of awareness for departmental programmes, positive media coverage and feedback. It also aims to improve service delivery and contract management system.

PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

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 and
- To render a planning support service to the department to proactively guide and monitor development.

TABLE 8: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
1. Administration	1,095	1,236	2,315	6,757	6,557	6,557	5,669	6,714	6,714
2. Needs							2,000	3,000	3,000
3. Policy	2,432	2,524	3,439	4,145	3,845	3,845	2,110	3,234	3,234
4. Planning	3,563	3,753	1,741	4,530	3,830	3,830	3,675	4,587	4,587
5. Research							2,050	2,195	2,195
Total payments and estimates: Housing Needs, Research and Planning	7,090	7,513	7,495	15,432	14,232	14,232	15,504	19,730	19,730

The total budget increase, at an annual average rate of 18.6 percent from R7 million in 2004/05 to R20 million in 2010/11, was to fund the introduction of a fully functional research business unit.

TABLE 9: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	6,934	7,408	7,495	15,432	14,232	14,232	13,504	16,730	16,730
Compensation of employees	5,642	5,503	6,276	10,741	9,541	9,541	9,163	10,079	10,079
Goods and services	1,292	1,905	1,219	4,691	4,691	4,691	4,341	6,651	6,651
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies							2,000	3,000	3,000
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Non-profit institutions									
Households							2,000	3,000	3,000
Payments for capital assets	156	105							
Buildings and other fixed structures									
Machinery and equipment	156	105							
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:									
Housing Needs, Research and Planning	7,090	7,513	7,495	15,432	14,232	14,232	15,504	19,730	19,730

Over the MTEF, the average growth rate of 11.5 percent is due to increased expenditure on compensation of employees and use of goods on the new sub-programmes Needs and Research.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

HOUSING NEEDS, RESEARCH AND PLANNING

Sub-Programme	Key Measurable Objectives	Performance Measures	2007/08 Estimates	Performance Targets		
				2008/09	2009/10	2010/11
Policy	To provide a regulatory framework for enhanced and accelerated Housing Delivery.	Develop policies/ guidelines to meet the needs of core dept programmes	3	2	2	2
		Acts, Regulations and Amendments proclaimed around housing issues to meet core programmes	1	1 Anti Corruption Bill	1	1
Strategic Planning	To enhance and sustain the strategic direction of the Department	Departmental Strategic Plan review sessions Alignment of departmental strategy within MHDPS Provincial Housing Summit	2 review sessions per fiscal year	2 review sessions per fiscal year	2 review sessions per fiscal year	2 review sessions per fiscal year
Development Planning	To co-ordinate the activities of the Municipal Housing Development Planning process with the principals of Land Use Development Management	Provincial Housing Development plan	1	1	1	1
		Municipal Housing Sector plans in place	6 MHDP for each of the Municipal regions of Gauteng	6 MHDP for each of the Municipal regions of Gauteng	6 MHDP for each of the Municipal regions of Gauteng	6 MHDP for each of the Municipal regions of Gauteng
		Number of developed and facilitated Precinct Plans	15 Precinct plans	15 Precinct plans	15 Precinct plans	15 Precinct plans

Sub-Programme	Key Measurable Objectives	Performance Measures	2007/08 Estimates	Performance Targets		
				2008/09	2009/10	2010/11
Research	To conduct housing Research by gathering information and to undertake research analysis and reporting	Research to meet the needs of core department programmes and to ensure that the department achieves its mandate.	3	4 research projects to be completed to enable housing delivery.	2 research projects estimated Impact of Provincial Housing Programme	1 research project estimated. Review of Provincial Housing Programmes

PROGRAMME 3: HOUSING DEVELOPMENT, IMPLEMENTATION, PLANNING AND TARGETS

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 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 and
- To ensure enhancement of integrated and sustainable development of urban regeneration.

TABLE 10: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING DEVELOPMENT, IMPLEMENTATION PLANNING AND TARGETS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
1. Administration	196,895	40,601	54,961	55,433	75,933	75,933	64,873	70,473	70,481
2. Individual Housing Subsidies and Support to Municipalities	92,744	66,232	10,814	317,000	317,000	317,000	327,000	367,500	431,000
3. Informal Settlement Upgrading	685,531	1,021,151	1,369,079	1,621,000	1,500,000	1,500,000	1,798,000	2,162,359	2,529,951

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
4. Social and Rental Intervention	257,051	394,275	544,461	339,000	460,490	460,490	566,000	586,000	568,371
5. Rural Intervention				47,000	43,000	43,000	48,000	48,000	57,679
Total payments and estimates: Housing Development Implementation	1,232,221	1,522,259	1,979,315	2,379,433	2,396,423	2,396,423	2,803,873	3,234,332	3,657,482

The total budget increases at an annual average rate of 20 percent from R 1.2 billion in 2004/05 to R 3.7 billion in 2010/11 is mainly due to an increase in conditional allocation made available to provinces annually. The sub-programmes structure has been reviewed to be in line with the National Housing Strategy.

TABLE 11: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT, IMPLEMENTATION PLANNING AND TARGETS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	24,627	15,801	20,721	55,433	75,933	75,933	79,873	85,473	85,473
Compensation of employees	21,315	11,114	18,490	48,259	49,045	49,045	64,699	68,299	68,299
Goods and services	3,312	4,634	2,231	7,174	26,888	26,888	15,174	17,174	17,174
Interest and rent on land									
Financial transactions in assets and liabilities		53							
Transfers and subsidies	1,188,773	1,460,518	1,922,697	2,324,000	2,320,490	2,320,490	2,724,000	3,148,859	3,572,010
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households	1,188,773	1,460,518	1,922,697	2,324,000	2,320,490	2,320,490	2,724,000	3,148,859	3,572,010
Payments for capital assets	18,821	45,940	35,897						
Buildings and other fixed structures	18,199	45,565	35,765						
Machinery and equipment	622	375	132						
Cultivated assets									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Housing Development, Implementation, Planning and Targets	1,232,221	1,522,259	1,979,315	2,379,433	2,396,423	2,396,423	2,803,873	3,234,332	3,675,483

During the Adjustment budget, R19 million was rolled over for the finalization of Alexandra Renewal Project hence the significant increase under goods and services during 2007/08 financial year.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

HOUSING DEVELOPMENT, IMPLEMENTATION PLANNING AND TARGETS

Sub-Programme	Key Measurable Objectives	Performance Measures	2007/08 Estimates	Performance Targets		
				2008/09	2009/10	2010/11
Mixed Housing Development	To focus on the development of flagship projects, well located, integrated, higher density housing	No. of houses built	2 250	30 000	30 000	30 000
		No. of stands built	7 728	27 500	1 728	2 578
		Finance credit link houses subsidised		2 500	2 500	
Alternative Tenure	To facilitate the regeneration and rehabilitation of inner City housing (Better Building Programmes) as defined in the MHDPs	No. of Affordable Rental Projects delivered	2 000	4 500	2 000	2 500
		To create humane conditions and restore human dignity to residents (transformation of hostels to CRU)	7 585	9 500	7 500	3 000
		No. of self contained units delivered in 54 hostels = 37 000 units				
Eradication of Informal Settlements	To formalise and eradicate informal settlement	No. of backyard constructed with 2 or 3 units and ablution facility	1 000	1 000	1 000	1 000
		No. of stands	22 496	26 000	13 613	12 000
		No. of houses	14 553	35 406	40 000	40 000

Sub-Programme	Key Measurable Objectives	Performance Measures	2007/08 Estimates	Performance Targets		
				2008/09	2009/10	2010/11
Urban Renewal	To coordinate and implement high visible infrastructure projects	Projects meeting delivery targets/ No. of projects completed	Alex – 80 Bekkersdal - 50 Evaton - 60	Alex – 90 Bekkersdal - 60 Evaton - 70	Alex – 95 Bekkersdal - 65 Evaton - 75	Alex – 100 Bekkersdal - 70 Evaton - 80
	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 2007	Funding assessed for 3 areas by end of December 2008	Funding assessed for 3 areas by end of December 2009	Funding assessed for 3 areas by end of December 2010
Twenty Priority Townships Programme	To facilitate regeneration and rehabilitation of targeted urban environment	No. of facilities constructed and/or renovated	39	38	37	37
Emergency Programme	To provide housing assistance to beneficiaries during emergency circumstances	Estimate no. of household assisted (based on historic need for budget purposes)		As and when the need arises	As and when the need arises	As and when the need arises

PROGRAMME 4: HOUSING ASSET MANAGEMENT

Programme description

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

Programme objectives

- To capacitate social housing Institutions so as to accelerate housing delivery;
- To facilitate the stabilization 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 Mixed Housing Development Programmes (MHDP) 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; and
- To deliver social housing units in targeted presidential projects.

TABLE 12: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING ASSET MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
1. Administration	1,223	15,836	25,839	39,490	38,990	38,990	15,848	19,722	19,722
2. Sale and Transfer of Housing Properties	74,040	17,056	15,290	14,000	14,000	14,000	14,000	17,000	17,000
3. Devolution of Housing Properties							1,000	1,000	1,000

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
4. Enhanced Extended Discount Benefit Scheme				10,000	10,000	10,000	10,000	12,000	12,000
5. Housing Properties Maintenance	1,497	32,621	20,798	28,000	28,000	28,000	27,000	41,000	41,000
Total payments and estimates: Housing Asset Management	76,760	65,513	61,927	91,490	90,990	90,990	67,848	90,722	90,722

A new programme structure was approved, coupled with the new standard chart of accounts in 2007/08. Expenditure increases of 47.55 percent between 2006/07 amounting to R62 million to R91 million in 2007/08 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. In the year 2008/09 the hostels will be re-aligned to Programme 1: Administration hence the decrease in the budget.

TABLE 13: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING ASSET MANAGEMENT

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	24,566	19,176	12,839	39,490	38,990	38,990	15,848	19,722	19,722
Compensation of employees	21,710	16,106	12,096	36,092	35,592	35,592	12,879	14,111	14,111
Goods and services	2,594	3,057	743	3,398	3,398	3,398	2,969	5,611	5,611
Interest and rent on land									
Financial transactions in assets and liabilities	262	13							
Transfers and subsidies	51,992	39,692	36,088	52,000	52,000	52,000	52,000	71,000	71,000
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Households	51,992	39,692	36,088	52,000	52,000	52,000	52,000	71,000	71,000
Payments for capital assets	202	6,645	13,000						
Buildings and other fixed structures		6,645	13,000						
Machinery and equipment	202								
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Housing Asset Management	76,760	65,513	61,927	91,490	90,990	90,990	67,848	90,722	90,722

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

HOUSING ASSET MANAGEMENT

Sub-Programme	Key Measurable Objectives	Performance Measures	2007/08 Estimates	Performance Targets		
				2008/09	2009/10	2010/11
Property Management	To ensure that housing assets are effectively managed and maintained.	Efficient attention to all reported maintenance problems	Effective implementation for the Property Maintenance Policy	All reported maintenance problems attended to	All reported maintenance problems attended to	All reported maintenance problems attended to
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

7. OTHER PROGRAMME INFORMATION

7.1 Personnel numbers and costs

TABLE 14: PERSONNEL NUMBERS AND COSTS: HOUSING

Personnel numbers	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	As at 31 March 2011
1. Administration	253	341	402	808	864	924	924
2. Housing Needs, Research and Planning	30	37	23	26	27	28	28
3. Housing Development, Implementation Planning and Targets	230	101	124	189	204	219	219
4. Housing Asset Management	301	190	209	68	72	77	77
Total personnel numbers	814	669	758	1,091	1,167	1,248	1,248
Total personnel cost (R thousand)	105,428	69,916	81,914	173,133	207,734	216,220	216,414
Unit cost (R thousand)	173	167	152	159	176	171	154

Notes

- 1. The department adopted a new approved structure, which was implemented from 1 April 2007. 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.
- 2. The personnel number increased due to transfer of hostels personnel from Department of Public Transport, Roads and Works

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

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Total for Housing									
Personnel numbers (head count)	814	669	758	1,091	1,091	1,091	1,167	1,248	1,248
Personnel cost (R thousands)	87,229	69,916	81,914	173,347	173,133	173,133	207,734	216,220	216,414
Human resources component									
Personnel numbers (head count)	27	27	27	41	41	41	41	42	42
Personnel cost (R thousands)	876	876	876	8,648	8,648	8,648	9,080	9,180	9,180
Head count as % of total for department	4%	4%	3%	4%	4%	4%	4%	3%	3%
Personnel cost as % of total for department	1%	1%	1%	5%	5%	5%	4%	4%	4%
Finance component									
Personnel numbers (head count)	94	94	94	139	139	139	139	140	141
Personnel cost (R thousands)	19,355	19,355	19,355	27,210	27,210	27,210	28,570	28,890	28,890
Head count as % of total for department	15%	13%	11%	13%	13%	13%	12%	11%	11%
Personnel cost as % of total for department	18%	16%	15%	16%	16%	16%	14%	13%	14%
Full time workers									
Personnel numbers (head count)	390	515	516	536	769	769	693	774	774
Personnel cost (R thousands)	63,163	70,408	70,408	70,408	70,408	70,409	70,408	70,408	70,409
Head count as % of total for department	64%	70%	60%	49%	70%	70%	59%	62%	62%
Personnel cost as % of total for department	60%	58%	54%	41%	41%	41%	34%	33%	33%
Part-time workers									
Personnel numbers (head count)	38	34	34	34	34	34	34	34	34
Personnel cost (R thousands)	1,562	1,283	1,283	1,283	1,283	1,283	1,283	1,283	1,283

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Head count as % of total for department	6%	5%	4%	3%	3%	3%	3%	3%	3%
Personnel cost as % of total for department	1%	1%	1%	1%	1%	1%	1%	1%	1%
Contract workers									
Personnel numbers (head count)	181	184	184	184	184	184	184	184	184
Personnel cost (R thousands)	19,089	17,350	17,350	17,350	17,350	17,350	17,350	17,350	17,350
Head count as % of total for department	30%	25%	21%	17%	17%	17%	16%	15%	15%
Personnel cost as % of total for department	18%	14%	13%	10%	10%	10%	8%	8%	9%

7.2 Training

TABLE 16: PAYMENTS ON TRAINING: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
1. Administration <i>of which</i> <i>Subsistence and travel</i> <i>Payments on tuition</i>	2,626	1,407	1,600	1,496	1,496	1,496	1,710	1,905	2,120
2. Housing Needs, Research and Planning <i>Subsistence and travel</i> <i>Payments on tuition</i>	2,626	1,407	1,600	1,496	1,496	1,496	1,710	1,905	2,120
3. Housing Development, Implementation <i>Planning and Targets</i> <i>Subsistence and travel</i> <i>Payments on tuition</i>				125	125	125	300	420	545
				125	125	125	300	420	545
				687	687	687	780	980	1,105
				687	687	687	780	980	1,105

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
4. Housing Asset Management				292	292	292	210	195	230
Subsistence and travel									
Payments on tuition				292	292	292	210	195	230
Total payments on training: Housing	2,626	1,407	1,600	2,600	2,600	2,600	3,000	3,500	4,000

TABLE 17: INFORMATION ON TRAINING: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Number of staff	814	669	758	1,091	1,091	1,091	1,167	1,248	1,248
Number of personnel trained	217	652	769	860	860	1,091	1,166	1,248	1,248
of which									
Male	89	318	384	420	420	576	606	613	613
Female	128	334	385	440	440	515	560	635	635
Number of training opportunities	3	4	5	4	4	6	4	4	4
of which									
Tertiary									
Workshops	1	2	2	2	2	3	2	2	2
Seminars	2	2	3	2	2	3	2	2	2
Other									
Number of bursaries offered	62	55	20	55	55	41	50	55	60
Number of interns appointed	50	50	50	50	50	72	80	80	80
Number of learnerships appointed	10	23	23	23	23	19	25	25	35
Number of days spent on training									

8. RECONCILIATION OF STRUCTURAL CHANGES

TABLE 18: RECONCILIATION OF STRUCTURAL CHANGES: DEPARTMENT OF HOUSING

Programmes for 2007/08		Programmes for 2008/09	
2007/08 Equivalent			
Programme	Subprogramme	Programme	Subprogramme
		2. Housing Needs, Research and Planning	2. Needs
		2. Housing Needs, Research and Planning	5. Research
4. Housing Development and Implementation	2. Individual Housing Subsidies	3. Housing Development, Implementation, Planning and Targets	2. Individual Housing Subsidies and Support to Municipalities
4. Housing Development and Implementation	3. Housing Finance Linked	3. Housing Development, Implementation, Planning and Targets	2. Individual Housing Subsidies and Support to Municipalities
4. Housing Development and Implementation	4. Relocation Assistance	3. Housing Development, Implementation, Planning and Targets	2. Individual Housing Subsidies and Support to Municipalities
4. Housing Development and Implementation	4. Relocation Assistance	3. Housing Development, Implementation, Planning and Targets	2. Individual Housing Subsidies and Support to Municipalities
4. Housing Development and Implementation	5. Rectification of RDP Stock	3. Housing Development, Implementation, Planning and Targets	2. Individual Housing Subsidies and Support to Municipalities
4. Housing Development and Implementation	6. Social and Economic Facilities	3. Housing Development, Implementation, Planning and Targets	2. Individual Housing Subsidies and Support to Municipalities
4. Housing Development and Implementation	7. Accreditation and Support of Municipalities	3. Housing Development, Implementation, Planning and Targets	2. Individual Housing Subsidies and Support to Municipalities
4. Housing Development and Implementation	8. Procurement of Land	3. Housing Development, Implementation, Planning and Targets	2. Individual Housing Subsidies and Support to Municipalities
4. Housing Development and Implementation	9. NHBRC Enrolment	3. Housing Development, Implementation, Planning and Targets	2. Individual Housing Subsidies and Support to Municipalities
4. Housing Development and Implementation	10. Project Linked Subsidies (Current)	3. Housing Development, Implementation, Planning and Targets	3. Informal Settlement Upgrading (incremental Interventions)
4. Housing Development and Implementation	11. Project Linked Subsidies (Phase 1)	3. Housing Development, Implementation, Planning and Targets	3. Informal Settlement Upgrading (incremental Interventions)
4. Housing Development and Implementation	12. Emergency Housing (Basic Services)	3. Housing Development, Implementation, Planning and Targets	3. Informal Settlement Upgrading (incremental Interventions)
4. Housing Development and Implementation	13. Project Linked Subsidies (Phase 2)	3. Housing Development, Implementation, Planning and Targets	3. Informal Settlement Upgrading (incremental Interventions)
4. Housing Development and Implementation	14. Peoples Housing Process (Current)	3. Housing Development, Implementation, Planning and Targets	3. Informal Settlement Upgrading (incremental Interventions)
4. Housing Development and Implementation	15. Consolidated Subsidies (Current)	3. Housing Development, Implementation, Planning and Targets	3. Informal Settlement Upgrading (incremental Interventions)
4. Housing Development and Implementation	16. Institutional Subsidies	3. Housing Development, Implementation, Planning and Targets	4. Social and Rental Intervention
4. Housing Development and Implementation	17. Urban Restructuring Programme (Higher Density Individual)	3. Housing Development, Implementation, Planning and Targets	4. Social and Rental Intervention
4. Housing Development and Implementation	18. Affordable State Rental Programme	3. Housing Development, Implementation, Planning and Targets	4. Social and Rental Intervention
4. Housing Development and Implementation	19. Backyard Rental Programme	3. Housing Development, Implementation, Planning and Targets	5. Rural Intervention
4. Housing Development and Implementation	20. Farm Worker Housing Assistance	3. Housing Development, Implementation, Planning and Targets	5. Rural Intervention
4. Housing Development and Implementation	21. Rural Housing Programme	3. Housing Development, Implementation, Planning and Targets	5. Rural Intervention

9. CROSS CUTTING ISSUES

Sector Involvement

As a progressive government, the housing department in the current term has evolved to recognise the principle of consistent equality and is thus progressively addressing the rights of various marginalised and disadvantaged groups.

These groups in addition to being disadvantaged as part of the black population under apartheid face further indignities, and are often outside of the mainstream of decision-making and economic opportunities because they are women, differently-abled or because they are either too young or too old.

The Gauteng Department of Housing through its BBBEE programmes has already provided 16 percent of its contracts to women and will continue on this mandate. The department has allocated an amount of R200 million over a period of three years to this project. This will include provision of support through mentoring and provide capacity building to these women contractors.

There will be a continuous consultation between the department and civil society, including youth, women, the aged, differently abled people and related structures.

OUTCOMES AND OUTPUTS TARGETED SPECIFICALLY AT WOMEN AND GIRLS

Outcome	Output	Gender issue	Programme	Sub programme	Indicator/ output	Performance Targets		
						2008/09	2009/10	2010/11
The Gauteng department of housing empowers women contractors and assist them to access skills, training and creates a conducive business environment for them in the province	Training of women in construction at various NQF(National Qualification Framework) levels	Direct allocation of work to women contractors	Programme 1	Development Communication, Corporate Communication and Media	To date the value of projects allocated to women-owned companies is R161 million (10 women contractors were appointed)	R13 million	R13 million	R13 million
Women in the building and construction industry create dynamic role models for young girls to enter the industry	Professional support in the form of mentorship, skills training and promotion of entrepreneurship	Women for Housing and PPC conceived a leadership program for women who want to build their careers in leadership levels in the construction industry.	Programme 1	Development Communication, Corporate Communication and Media	Women for Housing hosts Young Leaders Forum activities, In 2007/08the forum brought together 50 young women(University students and young professionals)	50 young women	50 young women	50 young women
Awareness Campaign	Women's month campaign and full participation in 16 Days of Activism against women and child abuse		Programme 1	Development Communication, Corporate Communication and Media	Target based projects, building 16 houses in the 16 days of activism and handing them over to beneficiaries (Child headed families, disabled women and pensioners)	16 Houses	16 Houses	16 Houses

OUTCOMES AND OUTPUTS WHICH WILL BENEFIT WOMEN EMPLOYEES WITHIN GDOH

Outcome	Output	Gender issue	Programme	Sub programme	Indicator/ output	Performance Target		
						2008/09	2009/10	2010/11
Monitoring of women progress and measures towards achieving gender equality in the work place	Provide education and training for women, employment and business opportunities.	Provide education and training for women, employment and business opportunities.	Programme 1	HR (Transformation unit)	Number of female personnel trained in 2007/08 financial year 515	560 Female personnel	635 Female personnel	635 Female personnel
Optimal employment of women at senior management level	50% 58 SMS post filled	Appoint women in strategic decision making posts	Programme 1	HR (Transformation unit)	50 percent of 58 SMS post, women appointed in strategic decision making posts	50% of senior management	50% of senior management	50% of senior management
Gender sensitive working environment	Awareness programmes on gender related issues	Awareness programmes on gender related issues	Programme 1 and 2	HR (Employee wellness unit) and Housing Policy unit	Implementation of Sexual harassment policy and HIV/AIDS policy	Implementation of Sexual harassment policy and HIV/AIDS policy	Implementation of Sexual harassment policy and HIV/AIDS policy	Implementation of Sexual harassment policy and HIV/AIDS policy
Internship programme	Learnerships and Internship programmes which will be extended to include the Construction SETA	Internship (Youth)	Programme 1	HR	9% of total Personnel	9% of total Personnel	9% of total Personnel	9% of total Personnel

Annexure to Budget Statement 2

TABLE 19: SPECIFICATION OF RECEIPTS: HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
Sales of goods and services other than capital assets	1,862	1,692	274	97	97	300	330	370	370
Sale of goods and services produced by department (excluding capital assets)	1,862	1,692	274	97	97	300	330	370	370
Sales by market establishments									
Administrative fees									
Other sales	1,862	1,692	274	97	97	300	330	370	370
<i>Of which</i>									
<i>Other: Serv Rend Commission</i>									
<i>Ins</i>			62			70	80	90	90
<i>Rental residence (Pers-inc Park)</i>									
<i>Hostels, Parking</i>	1,862	1,692	212	97	97	230	250	280	280
<i>Sales of scrap, waste, arms and other used current goods (excluding capital assets)</i>									
Transfers received from:									
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land			197	2,400	2,400	220	240	270	270
Interest			197	2,400	2,400	220	240	270	270
Dividends									
Rent on land									
Sales of capital assets	78			2,400	2,400				
Land and subsoil assets									
Other capital assets	78			2,400	2,400				
Financial transactions in assets and liabilities	3,872	148	2,189	810	810	2,400	2,640	2,900	2,900
Total departmental receipts	5,812	1,840	2,660	5,707	5,707	2,920	3,210	3,540	3,540

TABLE 20: SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	74,858	68,995	77,526	133,574	137,933	137,933	198,322	202,109	203,277
Compensation of employees	38,563	37,193	45,052	78,255	78,955	78,955	120,993	123,731	123,925
Salaries and wages	28,922	27,895	45,052	58,691	59,391	59,391	99,656	101,997	100,788
Social contributions	9,641	9,298		19,564	19,564	19,564	21,337	21,734	23,137
Goods and services	26,214	31,800	32,474	55,319	58,978	58,978	77,329	78,378	79,352
of which									
Consultancy, Audit fees	5,151	1,520	1,459	1,500	1,500	1,500	1,700	1,900	1,900
Computer Services	6,419	3,727	3,081	2,000	2,000	2,000	3,200	3,500	3,500
Other Items	14,644	26,553	27,942	51,819	55,478	55,478	72,429	72,978	73,952
Interest and rent on land	10,081								
Interest	10,081								
Rent on land									
Financial transactions in assets and liabilities		2							
Transfers and subsidies		6,490	8,280	11,223	11,223	11,223	11,974	11,988	11,988
Provinces and municipalities									
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
Municipalities of which: Regional service council levies									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households		6,490	8,280	11,223	11,223	11,223	11,974	11,988	11,988
Social benefits									
Other transfers to households		6,490	8,280	11,223	11,223	11,223	11,974	11,988	11,988
Payments for capital assets	3,206	2,532	2,672	6,796	8,296	8,296	4,000	4,500	4,500
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3,206	2,532	2,672	6,796	8,296	8,296	4,000	4,500	4,500
Transport equipment									
Other machinery and equipment	3,206	2,532	2,672	6,796	8,296	8,296	4,000	4,500	4,500
Cultivated assets									
Software and other intangible assets									
Land and subsail assets									
Total economic classification:									
Administration	78,064	78,017	88,478	151,593	157,452	157,452	214,296	218,597	219,765

TABLE 21: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	6,934	7,408	7,495	15,432	14,232	14,232	13,504	16,730	16,730
Compensation of employees	5,642	5,503	6,276	10,741	9,541	9,541	9,163	10,079	10,079
Salaries and wages	4,232	4,127	4,763	8,056	6,856	6,856	6,422	7,109	7,109
Social contributions	1,410	1,376	1,513	2,685	2,685	2,685	2,741	2,970	2,970
Goods and services	1,292	1,905	1,219	4,691	4,691	4,691	4,341	6,651	6,651
<i>of which</i>									
Contract Fees	565	201	200	600	600	600	700	800	800
Other Items	727	1,704	830	3,591	3,591	3,591	3,041	5,251	5,251
GG Vehicles				500	500	500	600	600	600
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies							2,000	3,000	3,000
Provinces and municipalities									
Provinces ²									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities ³									
<i>of which: Regional service council levies</i>									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Non-profit institutions									
Households							2,000	3,000	3,000
Social benefits									
Other transfers to households							2,000	3,000	3,000
Payments for capital assets	156	105							
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	156	105							
Transport equipment									
Other machinery and equipment	156	105							
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification: Housing Needs, Research and Planning	7,090	7,513	7,495	15,432	14,232	14,232	15,504	19,730	19,730

TABLE 23: SUMMARY OF ECONOMIC CLASSIFICATION: HOUSING ASSET MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	24,566	19,176	12,839	39,490	38,990	38,990	15,848	19,722	19,722
Compensation of employees	21,710	16,106	12,096	36,092	35,592	35,592	12,879	14,111	14,111
Salaries and wages	14,630	14,202	12,096	27,069	26,569	26,569	3,659	4,533	4,533
Social contributions	7,080	1,904		9,023	9,023	9,023	9,220	9,578	9,578
Goods and services	2,594	3,057	743	3,398	3,398	3,398	2,969	5,611	5,611
<i>of which</i>									
<i>Other Items</i>	2,594	3,057	480	2,898	2,898	2,898	2,369	5,011	5,011
<i>GG Vehicles</i>				500	500	500	600	600	600
<i>Specify item</i>									
Interest and rent on land									
Interest									
Rent on land									
Financial transactions in assets and liabilities	262	13							
Transfers and subsidies	51,992	39,692	36,088	52,000	52,000	52,000	52,000	71,000	71,000
Provinces and municipalities									
Provinces2									
Provincial Revenue Funds									
Provincial agencies and funds									

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Municipalities ³									
Municipalities									
<i>of which: Regional service council levies</i>									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Provide list of entities receiving transfers ⁴									
Universities and technikons									
Public corporations and private enterprises ⁵									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	51,992	39,692	36,088	52,000	52,000	52,000	52,000	71,000	71,000
Social benefits									
Other transfers to households	51,992	39,692	36,088	52,000	52,000	52,000	52,000	71,000	71,000
Payments for capital assets	202	6,645	13,000						
Buildings and other fixed structures		6,645	13,000						
Buildings		6,645	13,000						
Other fixed structures									
Machinery and equipment	202								
Transport equipment									
Other machinery and equipment	202								
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification:									
Housing Asset Management	76,760	65,513	61,927	91,490	90,990	90,990	67,848	90,722	90,722

