

**Vote 11****Department of Human Settlements****Table 11.1: Summary of departmental allocation**

R' 000	2010/11 To be appropriated	2011/12	2012/13
<b>MTEF allocations</b>	<b>1 826 049</b>	<b>2 043 393</b>	<b>2 814 543</b>
of which			
Current payments	225 199	238 264	250 125
Transfers and subsidies	1 599 261	1 802 873	2 561 647
Payments for capital assets	1 589	2 256	2 771
<b>Statutory Amount</b>	<b>1 492</b>	<b>1 586</b>	<b>1 676</b>
Responsible MEC	<b>MEC for Human Settlements</b>		
Administering Department	<b>Human Settlements</b>		
Accounting Officer	<b>Head of Department</b>		

**1 Overview****1.1 Vision**

A department at the centre of creating integrated sustainable human settlements in Eastern Cape.

**1.2 Mission**

Facilitate and coordinate provision of quality, integrated and sustainable human settlement that offers our communities a better living environment.

**1.3 Strategic Goals**

- Eradicating the housing backlog through the accelerated development of integrated sustainable human settlements by providing quality and sustainable living environment which is essential for social upliftment and restoring human dignity.
- Facilitate the existence of a legislative and policy environment that is informed by well-researched integrated planning to ensure the development of decent human settlements in the Eastern Cape.
- Provide political and administrative leadership and support that ensures a well managed, effective and efficient pro-poor department.

**1.4. Policy Directives**

- The policy directive on the norms and standards of a typical Eastern Cape home is 40 square metres (internal and external plastering and ceiling) on at least a 250 square metre stand. The home design should be durable enough to withstand the prevailing local climatic conditions.
- The enactment of a Provincial Act to prevent the mushrooming of informal settlements.
- At least 10% of planned human settlements to be set aside for military veterans, people with disabilities and other vulnerable groups.
- Rural settlement policy has been developed which should guide all provincial rural settlement development.

## **1.5 Main services**

- Administration and Strategic Support Services
- Asset Acquisition and Land Administration Services
- Project Management and Quality Assurance Services
- Housing Facilitation, Emerging Contractors Empowerment and Subsidy Administration Services
- Housing Policy, Planning and Research Services
- Consumer Education, Capacitation and Accreditation of Municipalities Services
- Legal and Contract Management Services
- Monitoring and Evaluation Services
- Corporate and information Communication Technologies Services
- Corporate Communication Services
- Corporate Secretariat services
- Financial and Procurement Services

## **1.6 The core functions and responsibilities**

- Rural settlement
- Informal settlement development and upgrading
- Rental and social housing
- Secure tenure and land acquisition
- Provision of title deeds to home owners
- Approval of housing projects to eliminate backlog
- Installation of services that include other amenities

## **1.7 Demands and Expected Changes in the Services and the Resources**

The mandate of the department is expanded to include all aspects of the sustainable human settlement as espoused in the 2004 cabinet approved Breaking New Ground Policy, commonly known as BNG.

The Vancouver Declaration on Human Settlements (1976) defines human settlements as the “totality of the human community, whether city, town or village, with all the social, material, organisational and cultural elements that sustain it”. The fabric of human settlements consists of physical elements and services that provide the material support. These physical components comprise of three elements namely;

*Shelter:* Super-structures of different size, type and material, erected by mankind for security, privacy and protection from the elements and for his singularity of purpose.

*Infrastructure:* A complex network designed to deliver or remove from the shelter, people, goods, energy or information

*Services:* Cover aspects required by the community for the fulfilment of its functions as a social body such as, education, health, culture, welfare, recreation and nutrition.

The department, as the lead department, will have to coordinate the provision of sustainable human settlements in the province. In addition, issues regarding the greening of communities, alternative energy and the use of other environmentally friendly technologies will out of necessity be part of the new way of thinking.

The transition from housing to human settlements will present its unique challenges. The department may have to absorb functions and personnel from other departments who are functionaries in specific areas of expertise such as sanitation and urban development. Instilling an organisational mind shift from pigeon holed implementation of housing or sanitation or urban development to a coordinated and integrated approach to service delivery is fundamental to successful implementation. Given the above exposition of the broadened mandate, the name change from “Housing” to “Human Settlement” is necessary and inevitable. However, this requires that the work of the department is an embodiment of human settlements beyond housing. The department will then have to be reorganised and refocused from housing provision to creating sustainable human settlement.

As part of facilitating human settlements programme, the department is expected to engage in a more elaborated community and stakeholders consultations. Successful project planning and implementation is greatly dependent on community participation which demands a new set of competence within the ambit of social facilitation which is central to integrated development approach.

### **1.8. Acts, rules and regulation**

- The Housing Act, 1997 (Act No. 107 of 1997)
- Prevention of Illegal Eviction from Unlawful Occupation of Land Act, 1998
- The Housing Consumer Protection Measures Act, 1998
- The Rental Housing Act, 1999 as amended
- Social Housing Act, No.16 of (2008) Home Loan and Mortgage Disclosure Act, 2000
- Skills Development Act & Skills Development Levies Act
- Promotion of Access to Information Act 2 of 2000 (as amended)
- Broad Based Black Economic Empowerment Act, No 53 of 2003
- Preferential Procurement Policy Framework Act, No 5 of 2000
- Control of Access to Public Premises Act
- Promotion of Administrative Justice Act (No. 3 of 2000)
- The Protected Disclosures Act (PDA) (No. 26 of 2000)
- The Financial Intelligence Centre Act (FICA) (No. 38 of 2001)
- Division of Revenue Act
- Inter-governmental Relations Framework Act of 2005
- Minimum Information on Security Act
- Public Finance Management Act 105, 1999
- Transforming Public Service Delivery White Paper (Batho Pele)
- Public Service Act and Regulations
- Labour Relations Act
- Occupational Health and Safety Act
- White Paper: A new Housing policy and Strategy for South Africa, 1994
- National Housing Code, 2000 (Revised)
- The Comprehensive Plan for the Development of Sustainable Human Settlements (Breaking New Ground, 2004)
- National Environmental Management Act

## **2. Review of the current financial year 2009/10**

Fundamental to the challenges faced by the Department of Human Settlements is the skewed spatial development patterns that the new democratic order inherited from the apartheid spatial planning regime. It is also important to note that the policy framework demands a much more rigorous and scientific planning process which requires that municipalities anticipate housing demand, articulate its form and determine locality that is relevant in addressing housing need with the available resources to support specific deliverables (e.g. informal settlement eradication, social housing units etc.).

### *Housing Delivery*

- The department has as at 31 December 2009 completed 10 455 housing units and serviced 6,914 out of 7,790 sites planned. A total of 11 721 housing units are at various stages of construction. This performance amounts to 88% of the set target
- As at the end of December, 3 819 units were completed. The rectification programme is meant to rebuild or renovate all the houses that have structural defects and to rehabilitate internal services.
- Enrolment of 18 577 units through NHBRC exceeding target of 6 800.
- The department successfully registered 55 emerging contractors exceeding the target of five.
- The department has as at 31 December 2009 acquired 3 land parcels equivalent to 38ha.

## **3. Outlook for the coming financial year 2010/11**

The Medium Term Strategic Framework (MTSF) outlines the speeding up of economic growth and the transformation of the economy to create decent work and sustainable livelihoods as a key priority. This priority is aligned to the national priority of sustainable human settlements and improvement of the quality of households' life. To implement this, the department will ensure the advancement of SMMEs across the built environment sector.

Another key priority outlined in the MTSF is the building of social and economic infrastructure. To realize the objective of this priority the department will enhance the provision of affordable and sustainable human settlements. In addressing the MTSF priority of rural development, land, agrarian reform and food security: the department will accelerate the provision of housing for rural development and strengthen the provision of sustainable livelihood through human settlements. The bolstering of the fight against crime and corruption will be through the introduction of sound good corporate governance including fighting crime and corruption

The department has set out its 5 year Strategic Plan to build no less than One Hundred and twenty three thousand (123 000) quality houses through an incremental output from 19 000 to 22 000 per annum. Clearing off the provincial backlog of 750 506 units' lies at the heart of the delivery thrust. The overall output required is a huge gap between what the department is able to deliver given the available resources. The success of the department's endeavours is dependent on deepening the understanding of the current backlogs and factors that impact on housing delivery.

### **Urbanization**

People continue to leave the rural hinterland in search of better services and economic prospects in urban areas. Responding to the expectations of people that converge on the few cities of the province is a reality with attendant problems of urban congestion, environmental degradation, burgeoning population of under and unemployed workers and sprawling informal settlements. This further deepens regional imbalances and put pressures on the infrastructure and services capabilities of the urban centres.

### **Integrated Regional Planning**

Planning for the provision of economic and social infrastructure is continuously being up-scaled in order to improve integration and maximize the impact on the well-being of people particularly in rural areas. To this end, focus will be placed on the development and revitalisation of education, sport and health infrastructure whilst the provision of affordable housing and the development of sustainable human settlements will also be speeded up.”

### **Strengthening Local Government**

In terms of powers and functions, housing is a concurrent function ascribed to national and provincial departments. However, in terms of the Housing Act, “every municipality must, as part of the municipality’s integrated development planning, take all reasonable and necessary steps within the framework of national and provincial housing legislation and policy to ensure that the inhabitants of its area of jurisdiction have access to adequate housing on a progressive basis”. However, due to capacity constraints in some municipalities, the department will pursue the developer role, whilst simultaneously supporting those municipalities that demonstrate its capacity to perform housing functions.

### **Legislative and Policy changes**

To further accelerate delivery of quality and integrated human settlements several policy and legislative changes are in the pipeline at:-

#### *National level:*

- Amendment of the Housing Act to align it to the ethos and principles underpinning the creation of sustainable human settlements
- The Sectional Titles Management Bill for the management of the administration of Sectional Title Schemes
- The Community Ombud Service Legislation to establish a dispute resolution mechanism for all community housing schemes
- The Land Use Management Scheme which is being piloted by the Department Rural Development and Land Reform
- The draft land acquisition funding framework proposal
- Establishment and operation of a Human Settlement Band bank
- Development Finance Institution Reform

#### *Provincial level:*

- Implementation of the legislation on preventing the mushrooming of informal settlement
- Implementation of the rural human settlement policy within the ambit of the provincial rural development strategy

Guided by the changing internal, external operating environment and the need for delivery of houses in an effective and efficient manner, the department sets out to increase the quality, pace and scale of its deliverables so as to respond to the eminent circumstances. Listed below are strategic priority areas for the upcoming MTEF period.

- Provision of housing for rural development and Strengthen sustainable livelihoods through human settlements
- Support job creation through rural housing development and application of EPWP principles in the installation of services and construction of houses
- Ensure advancement of SMME across the built environment sector

- Increase participation of cooperatives in housing development and expand social housing institutions
- Provision of affordable and sustainable human settlements
- A multi-year research and innovation agenda in alternative technologies and indigenous knowledge systems
- Fraud and Corruption Reduction
- Improving organisational mechanisms for planning, monitoring, evaluation and reporting towards a more coherent and integrated approach to service delivery
- Building a departmental framework for strong and effective management of special programmes, towards effective mainstreaming in all departmental programmes

The Department plans to improve and accelerate housing delivery by focusing on quality improvement measures through implementation of comprehensive informal settlement upgrading plan, roll-out of emerging contractor policies, proactive planning of projects and central planning approaches, streamline internal processes flows and non-financial data processing.

The table below details provides both qualitative and quantitative insight to the intended overall housing delivery.

Deliverables	Targets
Land Acquisition	50 ha (4 parcels)
Title deeds transfer	12 000 title deeds
Social and Rental Housing	970 houses
Site Services	8 000 sites
Alternative Technology	4 projects
Rectification	4 280 houses
Integrated residential development program	22 000 houses
Job Creation	9 000 jobs

### **Programme 1**

The Department of Housing has finalized its Service Delivery Model (SDM). To assume a developer status, the SDM has to be reviewed and costed according to the expansion of the role of the department as per the National outcome. The department as a lead department will have to coordinate the provision of Integrated Sustainable Human Settlements in the Province.

### **Programme 2**

With regards to Rural Development, the Rural Housing Demand Study was conducted and this led to the formulation of the Rural Housing Policy. A total of 29 new multi-year rural human settlement projects yielding 10 234 houses to value of R 696 million will commence during the 2010/11 financial year.

### Programme 3

Implementation of multi-year projects for inclusive/ mixed mode housing development will encourage private sector investment to lower income housing and the struggling gap market segments. Projects of mixed mode development are identified in Port Alfred (Thornhill), Ngangelizwe, Duncan Village, Hunters, Retreat and South End.

The department plans to deliver 22 000 housing units and service 8 000 sites in the 2010/11 financial year. This will be delivered through various housing instruments which include the Peoples Housing Process, Integrated Rural Development Programme, Project Linked Subsidies, Informal Settlement Upgrading, Consolidation Subsidies and Rural Subsidies. Four projects are to be implemented through the utilisation of innovative construction methods and alternative building technologies in housing construction.

### Programme 4

The department is planning to acquire four (50ha) strategically located, suitable land parcels. In consultation with Local Municipalities, the department has identified and set aside land parcels for the development of Community Residential Units.

These land parcels are in the following areas; Camdeboo, King Sabata Dalindyebo (includes one building that has been identified for refurbishment), Kouga, Nelson Mandela Bay Metro, Lukhanji, and Intsika Yethu municipalities.

The development of four new social housing projects (Emerald Sky phase 5, Reservoir Mews, Southernwood in East London and Park Towers in Nelson Mandela Bay Metro) will commence in the new financial year. The department plans to complete 990 social rental units for the 2010/11 financial year.

## 4. Receipts and financing

**Table 11.2: Summary of departmental receipts**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
Equitable share	58 683	55 829	176 820	149 269	206 195	140 888	213 546	225 980	237 932	51.57
Conditional grants	636 705	337 423	1040 842	1313 378	1313 378	1325 026	1 599 146	1802 873	2 561647	20.69
Departmental receipts	447	2 088	11411	12 142	12 142	9 942	13 357	14 540	14 964	34.35
<b>Total receipts</b>	<b>695 835</b>	<b>395 340</b>	<b>1 229 073</b>	<b>1 474 789</b>	<b>1 531 715</b>	<b>1 475 856</b>	<b>1 826 049</b>	<b>2 043 393</b>	<b>2 814 543</b>	<b>23.73</b>

**Table 11.2: Summary of departmental receipts by economic classification**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
Tax receipts										
Casino taxes										
Horse racing taxes										
Liquor licences										
Motor vehicle licences										
Sales of goods and services	447	2 088	1718	4 403	4 403	3 680	2 844	3 610	3 487	( 22.72)
Transfers received										
Fines, penalties and forfeits										
Interest, dividends and rent on			9 330	7 739	7 739	6 038	10 513	10 930	11 477	74.11
Sales of capital assets			206			29				( 100.00)
Transactions in financial assets			157			195				( 100.00)
<b>Total departmental receipts</b>	<b>447</b>	<b>2 088</b>	<b>11 411</b>	<b>12 142</b>	<b>12 142</b>	<b>9 942</b>	<b>13 357</b>	<b>14 540</b>	<b>14 964</b>	<b>34.35</b>

Table 11.2 above provides a summary of receipts of the Department of Housing. In the main, there are two revenue sources for the department, namely; the conditional grant and the equitable share. As can be seen in the afore-mentioned table, over 90 per cent of the annual allocation of the department is coming from the Integrated Housing and Human Settlement Development Grant. For the 2010 financial

year, total receipts for the department is estimated at R1, 8 billion. Receipts for the department are expected to increase significantly over the medium term and reach R2, 8 billion in the 2012/13 financial year.

## 5. Payment summary

### Key Assumptions

Certain assumptions provide a framework to government officials for setting priorities, determining service levels and allocating limited financial resources. The following assumption and factors were taken into account in finalizing the budget allocation:

Inflation rate (*Source: MTBPS 2009*)

- 2010/11: 6.4 %;
- 2011/12: 5.9%;
- 2012/13: 5.7%.

Personnel related adjustments (*Source: MTBPS 2009*)

- 2010/11: 5.3% (1 July 2009);
- 2011/12: 5.5%
- 2012/13: 5%;

**Table 11.3: Summary of payments and estimates by programme**

		2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	%
R' 000		Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			change from 2009/10
1.	Administration	12 314	13 238	111 356	1395 332	1424 261	1368 166	93 410	99 812	105 419	(93.17)
2.	Housing Planning And Research	6 828	4 588	15 066	15 697	15 313	15 248	17 067	17 633	18 516	1193
3.	Housing Development	669 267	370 214	93 302	51362	83 657	83 481	1 708 369	198 348	2 682 630	1946.42
4.	Housing Asset Management	7 426	7 300	9 349	12 398	8 484	8 971	7 203	7 600	7 978	(19.71)
Total payments and estimates		695 835	395 340	1 229 073	1 474 789	1 531 715	1 475 856	1 826 049	2 043 393	2 814 543	23.73

Table 11.3 shows the summary of payments and estimates for the 2010/11 MTEF. Total expenditure by the department has increased significantly over the years. Expenditure increases from R695.8 million in the 2006/07 financial year to an estimated revised expenditure of R1, 5 billion in the 2009/10 financial year. The budget for the department increases from an adjusted budget of R1, 5 billion in the 2009/10 financial year to R1, 8 billion in the 2010/11 financial year. The increase is due to the additional funding through the Integrated Housing Development Grant as well as additional funding for the equitable share.



**Table 11.4: Summary of payments and estimates by economic classification**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
Current payments	59 113	57 917	151 741	153 291	204 513	201 843	225 199	238 264	250 125	11.57
Compensation of employees	37 688	44 110	97 446	106 413	141 171	141 530	158 229	166 778	175 385	11.80
Goods and services	21 425	13 807	54 295	46 878	63 343	60 313	66 970	71 486	74 740	11.04
Interest and rent on land										
Transfers and subsidies	636 722	337 423	1 060 842	1 313 378	1 315 665	1 261 656	1 599 261	1 802 873	2 561 647	26.76
Provinces and municipalities	23		20 000							
Departmental agencies and accounts										
Universities and technikons										
Foreign governments and international										
Public corporations and private										
Non-profit institutions										
Households	636 699	337 423	1 040 842	1 313 378	1 315 665	1 261 656	1 599 261	1 802 873	2 561 647	26.76
Payments for capital assets			16 490	8 120	11 537	12 357	1 589	2 256	2 771	(87.14)
Buildings and other fixed structures										
Machinery and equipment			16 490	8 120	11 537	12 357	1 589	2 256	2 771	(87.14)
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
Of which: Capitalised compensation										
Of which: Capitalised goods and services										
Payments for capital assets										
Total economic classification	695 835	395 340	1 229 073	1 474 789	1 531 715	1 475 856	1 826 049	2 043 393	2 814 543	23.73

Table 11.4 above shows the summary of payments and estimates according to economic classification. The integrated housing development grant is classified under transfers and subsidies. The budget for transfers and subsidies increases by 26.3 percent due to the increase in the conditional grant allocation. Compensation of employees has increased from an adjusted budget R141 million in the 2009/10 financial year to an estimated allocation of R158 million in the 2010/11 financial year. The increase is in line with the department's goal of maintaining qualified technical capacity within the department.

## 6. Programme Description

### Programme 1: Administration

#### Purpose

Administration has an internal and external focus. It provides leadership, and strategic management in accordance with applicable legislations and policies. Furthermore it performs a support function to the various programmes and Sub Programmes within Vote 11. The programme enables the department to function efficiently and effectively by rendering the critical services through the following Sub Programmes; Office of the Member of Executive Council, Office of the Head of Department, Office of the Chief Operations Officer, Office of the Chief Financial Officer, Strategic Management, and Legal Advisory and Contract Services.

The purpose of each sub-programme is detailed below:

- *Office of the MEC:* provides political leadership and legislative interface between government, civil society and all other stakeholders. In addition it provides the MEC with strategic and operational support.
- *Office of the HOD:* provides strategic leadership and management guidance on policy implementation in ensuring Programmes delivery through utilisation of budgeted funds and human capital. In addition it fights fraud, corruption and ensure compliance with Minimum Information Security Standards in the Department of Housing.
- *Office of the CFO:* facilitates good governance, financial viability, internal controls, institutionalises supply chain management and manages statutory required reporting in line with legislative prescripts and regulation.
- *Chief Operations Officer:* facilitates and coordinates the implementation of Housing delivery programmes

- **Strategic Management:** provides managerial support and coordination, targeted policy support and streamlined administrative support to the Head of Department. It also coordinates and oversees the operations of the department which include strategic planning, corporate communications, monitoring and evaluation, stakeholder engagement.
- **Legal and Contracts Services:** providing optimal legal advisory services, updated and effective legislation as well as Contract Management Services within the department.
- **Corporate Services:** provides the overall administration and support services to the department. Ensures adequate organisational capacity that meets the institutional needs so as to gear the department to deliver on its mandate. This responsibility includes the provision, development and retainment of competent workforce, facilitation of institutional development and provision of interoperable ICT solutions. The programme is also responsible to coordinate the implementation of transformation and change programmes enshrined in Batho Pele within the department and driving institutionalisation of a culture of innovation and excellence so as to enhance operational effectiveness and efficiency.

**Table 11.5: Summary of payments and estimates - Programme 1: Administration**

R' 000		2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
		Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1.	Office of the MEC				4 758	4 450	4 437	4 978	5 241	5 519	12.19
2.	Office of the HOD				2 222	6 228	6 493	7 010	7 394	7 795	7.96
3.	Office of the CFO				1350 837	1365 987	1311785	33 920	37 210	39 499	(97.41)
4.	Chief Operations Office				1770	1009	1007	1 058	1 116	1 176	5.06
5.	Strategic Management				9 237	12 812	12 899	13 809	14 530	15 302	7.05
6.	Legal and Contract Services				3 945	5 724	4 334	6 769	7 119	7 494	56.18
7.	Corporate Services	12 314	13 238	1111356	22 563	28 051	27 201	25 866	27 202	28 634	(4.91)
Total payments and estimates		12 314	13 238	1 111 356	1 395 332	1 424 261	1 368 156	93 410	99 812	105 419	(93.17)

Table 11.5 above shows a summary of payments and estimated allocation for Programme 1. The budget for the programme has decreased from an adjusted budget of R1, 4 billion in the 2009/10 financial year to R93.4 million in the 2010/11 financial year. The decrease is due to the function shift as the Integrated Housing Development grant has moved from programme 1 to programme 3 and the funds follow function principle has been applied.

**Table 11.6: Summary of payments and estimates by economic classification - Programme 1: Administration**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
Current payments	12 307	13 238	54 024	73 854	98 544	95 630	91 821	97 556	102 648	(3.98)
Compensation of employees	12 008	12 272	26 661	4104	47 259	47 419	50 830	53 677	56 630	7.19
Goods and services	299	966	27 363	32 840	51285	48 211	40 991	43 879	46 018	(14.98)
Interest and rent on land										
Transfers and subsidies	7	1 040 842	1 313 378	1 314 302	1 260 291					(100.00)
Provinces and municipalities	7									
Departmental agencies and accounts										
Universities and technikons										
Foreign governments and international										
Public corporations and private enterprises										
Non-profit institutions										
Households		1040 842	1313 378	1314 302	1260 291					(100.00)
Payments for capital assets		16 490	8 100	11 415	12 235		1 589	2 256	2 771	(87.01)
Buildings and other fixed structures										
Machinery and equipment		16 490	8 100	11 415	12 235		1 589	2 256	2 771	(87.01)
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
Of which: Capitalised compensation										
Of which: Capitalised goods and services										
Payments for capital assets										
Total economic classification	12 314	13 238	1 111 356	1 395 332	1 424 261	1 368 156	93 410	99 812	105 419	(93.17)

Table 11.6 above reflects the summary of payments and estimates according to economic classification for Programme 1. Compensation of employees has increased from the revised estimate of R47, 4 million in 2009/10 to R50, 8 million in 2010/11 reflecting an increase of R3, 4 million. The increase in the budget for compensation of employees is due to the increased personnel costs. Goods and services decreases by R7, 2 million and payments for Capital assets will decrease by R10, 6 million. The decrease is due to the relocation of the Integrated Housing Development Grant from programme one to programme three.

## Programme 2: Housing Planning and Research

The purpose of the Programme is to facilitate the existence of a legislative and policy environment that is conducive to housing development within the Province. It also coordinates evidence-based integrated housing development planning, renders ongoing support to municipalities and provincial housing stakeholders in order to participate meaningfully in housing delivery.

There is a need to undertake and create a culture of evidence-based policy and housing development planning within the Province. This has however posed a challenge to the department to nurturing capacity for housing research and management thereof, hence the delineation of Housing Policy and Research Sub Programme into two distinctive and yet mutually-inclusive specialties: Housing Policy Development & Analysis and Housing Research.

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

- *Administration*: provides strategic leadership and management support to Directorates within the Programme, lead and informs an evidence-based housing development in the Province.
- *Policy*: facilitate ongoing housing policy and legislation development and review.
- *Planning*: facilitate the development of credible, integrated multi- year housing development plans
- *Needs and Research*: coordinates and manages province-wide housing research programmes, needs and comparative models

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

Housing Knowledge Management, previously reported under Policy Development, is now positioned under Research Unit.

**Table 11.7: Summary of payments and estimates - Programme 2: Housing Planning And Research**

Table 11.7: Summary of payments and estimates - Programme 2: Housing Planning and Research										
R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1. Administration	6 828	4 588	6 732	6 768	7 996	7 878	8 577	8 685	9 120	8.87
2. Needs			1329	1886	1861	1252	1 954	2 058	2 161	56.07
3. Policy			1988	1298	1075	1092	1 301	1371	1440	19.14
4. Planning			3 218	3 049	2 171	2 152	2 560	2 700	2 835	18.96
5. Research			1799	2 696	2 210	2 874	2 675	2 819	2 960	(6.92)
<b>Total payments and estimates</b>	<b>6 828</b>	<b>4 588</b>	<b>15 066</b>	<b>15 697</b>	<b>15 313</b>	<b>15 248</b>	<b>17 067</b>	<b>17 633</b>	<b>18 516</b>	<b>11.93</b>

Table 11.7 above shows the summary of payments and estimates for programme 2 for the 2010 MTEF. The budget for the programme increases by 12 per cent from the 2009/10 financial year to the 2010/11 financial year. The increase is due to the drive to increase technical staff capacity within the department. The estimated budget allocation for the programme is expected to decline in the outer years of the MTEF period due to the decrease in the equitable share allocation of the department in the period.

**Table 11.8: Summary of payments and estimates by economic classification - Programme 2: Housing Planning And Research**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
Current payments	6 822	4 588	15 066	15 697	15 254	15 188	17 026	17 633	18 516	12.10
Compensation of employees	6 193	3 835	9 129	12 103	12 516	12 588	13 766	14 224	14 935	9.36
Goods and services	629	753	5 937	3 594	2 738	2 600	3 260	3 409	3 581	25.38
Interest and rent on land										
Transfers and subsidies	6				59	60	41			(31.67)
Provinces and municipalities	6									
Departmental agencies and accounts										
Universities and technikons										
Foreign governments and international										
Public corporations and private enterprises										
Non-profit institutions										
Households					59	60	41			(31.67)
Payments for capital assets										
Buildings and other fixed structures										
Machinery and equipment										
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
Of which: Capitalised compensation										
Of which: Capitalised goods and services										
Payments for capital assets										
Total economic classification	6 828	4 588	15 066	15 697	15 313	15 248	17 067	17 633	18 516	11.93

Table 11.8 above shows the summary of payments and estimates of programme 2 by economic classification. The budget for the programme decreases from an adjusted budget of R15, 3 million in the 2009/10 financial year to

R17 million in the 2010/11 financial year which represents an increase of R1, 8 million. The budget for compensation of employees has increased from the adjusted allocation of R12, 5 million in 2009/10 to a projected budget of R13, 8 million in 2010/11. The increase is due to the introduction of additional skilled personnel to improve housing delivery.

### Service delivery measures

Output type	Performance measures	2009/10	2010/11	2011/12	2012/13
Housing Policies	Number of policies / Acts developed or reviewed	4	4	6	6
Housing Development Plans	Number of Plans developed / reviewed and submitted	2	2	2	2
Housing research	Number of research projects conducted	5	3	3	3
Municipal support and capacity building programme	No. of accredited training programmes developed	2	2	2	2

### Programme 3: Housing Programmes Facilitation and Administration

#### Description and objectives

The purpose of the programme is to facilitate the provision of integrated sustainable human settlements and social amenities, including the development, capacitation and participation of small and medium enterprise and other vulnerable groups, utilising the broad range of housing subsidy programmes which include rural housing development.

The Programme is divided into five sub-programmes with the following objectives:

- *Administration*: provides administrative and management support to directorates within the programme.
- *Individual Subsidies and Rural Intervention*; facilitates and administer the provision of housing subsidies to qualifying beneficiaries. Plan, facilitate and develop well located, quality housing infrastructure that is within building regulations, housing norms and standards while promoting integrated and sustainable human settlements.
- *Informal Settlement Upgrading*: facilitate, promote, and manage integrated human settlement development.
- *Rural Intervention (Emerging Contractor Development)*: provides support services to emerging contractors and other vulnerable groups.
- *Social and Rental Intervention*: facilitates, coordinates and promotes development and management of social housing rental stock, within designated restructuring zones, monitoring and support to Social Housing Institutions, facilitates the implementation of Hostel Redevelopment/Upgrading programme (Community Residential Units programme), coordinates the implementation of the Rental Housing Act including the implementation of fair rental practices, the resolution of Landlord and Tenants disputes and supporting establishment of the Rental Housing Tribunal and provision of administrative support.
- *Project Management and Quality Assurance (Programme 3.1)*: provides efficient and management and monitoring of housing projects by implementing and monitoring housing projects through various subsidy instruments in terms of national and provincial policy. Coordinate project planning, implement housing projects and ensure adequate provision of quality assurance services district-wide and provincially.

- **Grant Management:** provides for the administration and management of the Integrated Housing and Human Settlement Development Grant (IHHSDDG) in line with the Division of Revenue Act. It also provides financial and non-financial performance of the grant through the Housing Subsidy System.

It is within this programme where strategic partnerships have been established with a broad range of external stakeholders namely, Development Bank of Southern Africa (DBSA), National Housing Finance Corporation, ABSA DEVCO and the Housing Development Agency, including the banking sector, Private Sector, Non-Governmental Organisations and other Government institutions.

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

Structural changes in the Programme are as follows:

- The programme name has changed from Housing Programmes Facilitation and Development to Housing Development.
- The responsibility Housing Finance, now a sub-programme Grant Management, has moved from within the Office of the CFO in Programme 1 to Programme 3

**Table 11.9: Summary of payments and estimates - Programme 3: Housing Programme Facilitation And Administration**

Administration				2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
R' 000				Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1.	Administration		4 425	754	6 974	1631	1618	2 158	2 274	2 387	33.37		
2.	Individual Housing Subsidies	669 267	351509	61405	6 158	6 734	6 731	5 508	5 814	6 105	(18.17)		
3.	Informal Settlement Upgrading		14 280	27 234	4 224	4 722	4 758	5 156	5 442	5 714	8.36		
4.	Social and Rental Intervention			2 246	3 324	3 679	3 590	4 865	5 135	5 391	35.52		
5.	Rural Intervention			1663	3 236	3 317	3 338	3 673	3 874	4 068	10.04		
6.	Project Management and Quality Assurance				27 446	63 574	63 446	84 201	89 070	93 259	32.71		
7.	Grant Management							1 602 808	1806 739	2 565 706			
Total payments and estimates		669 267	370 214	93 302	51 362	83 657	83 481	1 708 369	1 918 348	2 682 630	1946.42		

Table 11.9 above shows the summary of payments and estimates for programme 3 by sub-programme. The budget for the programme increases from an adjusted budget of R83, 6 million in the 2009/10 financial year to R1, 7 billion in the 2010/11 financial year. The increase is due the shifting of the Integrated Housing Development Grant from Programme 1 to Programme 3. The restructuring of the Conditional Grant from Programme 1 has resulted in the addition of a new sub-programme, Grant Management, within Programme 3.

**Table 11.10: Summary of payments and estimates by economic classification - Programme 3: Housing Programme Facilitation And Administration**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	<b>32 562</b>	<b>32 791</b>	<b>73 302</b>	<b>51 342</b>	<b>82 442</b>	<b>82 265</b>	<b>109 149</b>	<b>115 475</b>	<b>120 983</b>	<b>32.68</b>
Compensation of employees	13 225	22 188	54 469	42 559	74 049	73 711	87 625	92 532	97 158	18.88
Goods and services	19 337	10 603	18 833	8 783	8 393	8 554	21 524	22 943	23 825	15.62
Interest and rent on land										
<b>Transfers and subsidies</b>	<b>636 705</b>	<b>337 423</b>	<b>20 000</b>		<b>1 093</b>	<b>1 094</b>	<b>1 599 220</b>	<b>1 802 873</b>	<b>2 561 647</b>	<b>146 080.99</b>
Provinces and municipalities	6		20 000							
Departmental agencies and accounts										
Universities and technikons										
Foreign governments and international										
Public corporations and private enterprises										
Non-profit institutions										
Households	636 699	337 423			1093	1094	1 599 220	1 802 873	2 561 647	146 080.99
<b>Payments for capital assets</b>				<b>20</b>	<b>122</b>	<b>122</b>				<b>(100.00)</b>
Buildings and other fixed structures										
Machinery and equipment				20	122	122				(100.00)
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
<i>Of which: Capitalised compensation</i>										
<i>Of which: Capitalised goods and services</i>										
<b>Payments for capital assets</b>										
<b>Total economic classification</b>	<b>669 267</b>	<b>370 214</b>	<b>93 302</b>	<b>51 362</b>	<b>83 657</b>	<b>83 481</b>	<b>1 708 369</b>	<b>1 918 348</b>	<b>2 682 630</b>	<b>1946.42</b>

Table 11.10 above shows the summary of payments and estimates by economic classification. Compensation of employees has increased from the revised estimate of R73, 7 million in 2009/10 to R87, 6 million in the 2010/11 financial year representing a R13, 9 million or 18.9 per cent increase. The increase is attributable to the relocation of the district management staff from programme 1 to programme 3. The budget for goods and services has increased significantly from the adjusted budget of R8, 3 million in 2009/10 to R21, 5 million in 2010/11. The large increase is due to the function shift emanating from the relocation of the Integrated Housing Development grant and provision of support services to the grant.

The increased funding over the 2010 MTEF is meant to enable the province to respond effectively to the provincial housing development needs.

## Service delivery measures

Output type	Performance measures	2009/10	2010/11	2011/12	2012/13
Housing Subsidies	Number of non-credit linked subsidies approved	9 000	10 500	11 000	11 500
Emergency Housing Programme	Number of temporary shelters erected	1 241	1 300	1 500	2 000
Human Settlements Upgrading	Number of BNG projects supported	6	8	8	8
Construction of Social Amenities /Multi Purpose Centres	Number of Social Amenities / Multi Purpose Centres constructed	-	1	2	2
Unblock blocked projects	Number of projects unblocked	120	46	35	35
Integrated Residential	Number of housing units constructed and completed	19 000	22 000	23 000	25 000
Development programme	Number of sites serviced	12 000	8 000	21 200	22 472
Rectification of defective houses post 1994	Number of defective houses rectified (post 1994)	2 500	3 869	4 800	5 100
Alternative technology projects	Number of projects (innovative construction methods, building technologies, materials and sanitation alternatives)	4	-	-	-

## Programme 4: Housing Asset Management

### Description and objectives

The purpose of Housing Asset Management is to facilitate, co-ordinate and manage the implementation of the Social Housing Programme, Rental Housing Programmes and land acquisition for housing development purposes. Further the programme is tasked with the mandate of promoting home ownership through Enhanced Extended Discount Benefit Scheme (EEDBS) and maintain state rental housing stock. The programme comprises of five sub-programmes with the following objectives:

- *Administration*: provides administration and management support to sub-programmes.
- *Sale and transfer of housing properties*: is responsible for the management of housing immovable assets, the housing debtor system including rental sales and 90 per cent loan debtor contracts, the maintenance of the housing assets and asset register, and the transfer of same to beneficiaries.
- *Devolution of housing properties*: is responsible for the facilitation, co-ordination of disposal of provincial state land for housing development as well as assisting municipalities to acquire private and public land for housing development. Furthermore is mandated to facilitate transfer of residential sites to subsidy beneficiaries and promote the upgrading of land tenure rights for housing development.
- *Enhanced extended discount benefit scheme*: is responsible for monitoring and co-ordination of implementation of the enhanced extended discount benefit scheme that relates to the transfer of old rental stock to qualifying beneficiaries as well as facilitate rectification thereof.
- *Housing properties maintenance*: is responsible for the management of housing immovable assets, the housing debtor system including rental sales and 90 per cent loan debtor contracts, the maintenance of the housing assets and asset register, and the transfer of same to beneficiaries.

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

The new policy requires that social housing project can only be approved within identified and approved restructuring zones. The province has approved provisional restructuring zones in two municipalities namely; Nelson Mandela Bay Metro and Buffalo City.

**Table 11.11: Summary of payments and estimates - Programme 4: Housing Asset Management**

Table 11.17: Summary of payments and estimates - Programme 4: Housing Asset Management											
R ' 000		2006/07		2007/08	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
		Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1.	Administration	7 426	7 300	3 803	1 101	2 110	2 708	1 432	1511	1586	(47.12)
2.	Sale and Transfer of Housing Properties			1 180	2 548	987	987	1 046	1 103	1 158	5.98
3.	Devolution of Housing Properties			2 193	4 208	3 138	2 962	2 808	2 963	3 111	(5.20)
4.	Enhanced Extended Discount Benefit Scheme			14 16	2 816	19 12	19 17	1 797	1897	1991	(6.26)
5.	Housing Properties Maintenance			757	1725	338	397	120	126	132	(69.77)
Total payments and estimates		7 426	7 300	9 349	12 398	8 484	8 971	7 203	7 600	7 978	(19.71)

Table 11.11 above shows the summary of payments and estimates for programme 4. The budget for the programme decreases from an adjusted budget of R8, 4 million in the 2009/10 financial year to R7, 2 million in the 2010/11 financial year. Devolution of Housing Properties receives the largest share of the programme's estimated budget for the 2010/11 financial year. The decrease is due to the reclassification of personnel as a result of the staff audit process undertaken in the 2009/10 financial year. A section of staff were shifted to other programmes.



**Table 11.12: Summary of payments and estimates by economic classification - Programme 4: Housing Asset Management**

	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
R' 000	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
Current payments	7 422	7 300	9 349	12 398	8 273	8 760	7 203	7 600	7 978	(17.77)
Compensation of employees	6 262	5 815	7 187	10 737	7 347	7 812	6 008	6 345	6 662	(23.09)
Goods and services	1 160	1 485	2 162	1 661	927	948	1 195	1 255	1 316	26.05
Interest and rent on land										
Transfers and subsidies	4				211	211				(100.00)
Provinces and municipalities	4									
Departmental agencies and accounts										
Universities and technikons										
Foreign governments and international										
Public corporations and private enterprises										
Non-profit institutions										
Households					211	211				(100.00)
Payments for capital assets										
Buildings and other fixed structures										
Machinery and equipment										
Heritage assets										
Specialised military assets										
Biological assets										
Land and sub-soil assets										
Software and other intangible assets										
Of which: Capitalised compensation										
Of which: Capitalised goods and services										
Payments for capital assets										
Total economic classification	7 426	7 300	9 349	12 398	8 484	8 971	7 203	7 600	7 978	(19.71)

Table 11.12 above shows the summary of payments and estimates by economic classification. Compensation of employees decreases from an adjusted budget of R7, 3 million in the 2009/10 financial year to R6 million in the 2010/11 financial year. The decrease is due to the reclassification of personnel within the department. Goods and services increases by R0, 3 million or 26.1 per cent. Compensation of employees will constitute 83 percent of the budget allocation for the programme in the 2011/financial year.

### Service delivery measures.

Output type	Performance measures	2009/10	2010/11	2011/12	2012/13
Aquisition of well located, suitable land for integrated human settlements	Number of land parcels aquired	7	4	5	6
Transfer of housing stock to qualifying beneficiaries	Number of units transferred to through the Enhanced Extended Discount Benefit Scheme	3,000	1,500	1,250	1,000
State owned housing stock maintainance	Number of state owned housing stock maintained	400	1,179	1,000	900
Recitification of defective houses (pre 1994)	Number of units recified pre 1994	2,530	441	1,000	600
Social Housing and CRU	Number of rental units completed	731	970	1,150	3,361

## 7. Other programme information

### 7.1 Personnel numbers and cost

**Table 11.13: Personnel numbers and costs**

Programme R'000	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	As at 31 March 2012	As at 31 March 2013
1. Administration	37	38	157	149	149	149	147
2. Housing Planning And Research	21	18	34	73	73	73	72
3. Housing Development	47	87	248	294	294	294	304
4. Housing Asset Management	27	26	30	39	39	39	22
<b>Total personnel numbers</b>	<b>132</b>	<b>169</b>	<b>469</b>	<b>555</b>	<b>555</b>	<b>555</b>	<b>545</b>
Total personnel cost (R'000)	37 688	44 110	97 446	141 530	158 229	166 778	175 385
Unit cost (R'000)	286	261	208	255	285	301	322



## 7.2 Training

Table 11.14: Departmental personnel numbers and costs

R' 000	2006/07			2007/08			2008/09			2009/10			2010/11			2011/12			2012/13			% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates															
<b>Total for department</b>																						
Personnel numbers (head count)	132	169	469	555	555	555	545	557	557												(180)	
Personnel cost (R'000)	37 688	44 110	97 446	106 413	141 171	141 530	158 229	166 778	175 385												1180	
<i>of which</i>																						
<b>Human resources component</b>																						
Personnel numbers (head count)	11	11	11	24	24	24	33	33	33												37.50	
Personnel cost (R'000)	4 202	4 572	1811	2 914	2 914	6 154	11 655	3 255	3 431												89.39	
Head count as % of total for department	8.33	6.51	2.35	4.32	4.32	4.32	6.06	5.92	5.92												40.02	
Personnel cost as % of total for	11.15	10.36	186	2.74	2.06	4.35	7.37	1.95	1.96												69.40	
<b>Finance component</b>																						
Personnel numbers (head count)				30	30	30	39	39	39												30.00	
Personnel cost (R'000)				11081	8 723	8 783	8 579	8 028	8 547												(2.32)	
Head count as % of total for department				5.41	5.41	5.41	7.16	7.00	7.00												32.39	
Personnel cost as % of total for				10.41	6.18	6.21	5.42	4.81	4.87												(12.63)	
<b>Full time workers</b>																						
Personnel numbers (head count)	121	158	452	385	385	385	347	361	361												(9.87)	
Personnel cost (R'000)	33 486	39 538	92 188	84 978	121 069	119 975	128 995	137 841	145 201												7.52	
Head count as % of total for department	91.67	93.49	96.38	69.37	69.37	69.37	63.67	64.81	64.81												(8.22)	
Personnel cost as % of total for	88.85	89.64	94.60	79.86	85.76	84.77	81.52	82.65	82.79												(3.83)	
<b>Contract workers</b>																						
Personnel numbers (head count)				16	16	16	150	132	132												29.31	
Personnel cost (R'000)				6 960	6 960	6 960	9 000	7 910	7 910												29.31	
Head count as % of total for department				20.90	20.90	20.90	27.52	23.70	23.70												31.68	
Personnel cost as % of total for				6.54	4.93	4.92	5.69	4.74	4.51												15.66	

Table 11.15: Payments on training

Table 11.10: Payments on training											
R' 000		2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
		Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
1.	Administration	210	265		420	420	420	650	700	735	54.76
	Subsistence and travel										
	Payments on tuition										
	Other	210	265		420	420	420	650	700	735	54.76
2.	Housing Planning And Research	190	230		300	300					
	Subsistence and travel										
	Payments on tuition										
	Other	190	230		300	300					
3.	Housing Development	205	245		415	415					
	Subsistence and travel										
	Payments on tuition										
	Other	205	245		415	415					
4.	Housing Asset Management	192	225		365	365					
	Subsistence and travel										
	Payments on tuition										
	Other	192	225		365	365					
Total payments on training		797	965		1 500	1 500	420	650	700	735	54.76

Table 11.16: Information on training

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	%
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			change from 2009/10
Number of staff	132	169	469	555	555	555	545	557	557	(180)
Number of personnel trained	112	115	153	238	238	238	286	286	276	20.17
of which										
Male	85	51	52	81	81	81	88	88	78	8.64
Female	27	64	101	157	157	157	198	198	198	26.11
Number of training opportunities	290	302	299	308	308	308	317	317	317	2.92
of which										
Tertiary	268	270	270	270	270	270	273	273	273	1.11
Workshops	13	21	16	23	23	23	30	30	30	30.43
Seminars	9	11	13	15	15	15	14	14	14	(6.67)
Other										
Number of bursaries offered	50	75	80	100	100	100	110	110	110	10.00
Number of interns appointed				150	150	150	120	120	120	(20.00)
Number of learnerships appointed	25	26	32	38	38					
Number of days spent on training	4 100	4 400	4 600	4 600	4 600	4 600	4 700	4 700	4 700	2.17

### 7.3 Reconciliation of structural changes

**Table 11.17: Reconciliation of structural changes**

2009/10		2010/11	
Programme	Sub-programme	Programme	Sub-programme
1. Administration	1. Office of the MEC 2. Office of the HOD 3. Office of the CFO 4. Chief Operations Office 5. Strategic Management 6. Legal and Contract Services 7. Corporate Services	1. Administration	1. Office of the MEC 2. Office of the HOD 3. Office of the CFO 4. Chief Operations Office 5. Strategic Management 6. Legal and Contract Services 7. Corporate Services
2. Housing Planning And Research	1. Administration 2. Needs 3. Policy 4. Planning 5. Research	2. Housing Planning And Research	1. Administration 2. Needs 3. Policy 4. Planning 5. Research
3. Housing Programme Facilitation And Administration	1. Administration 2. Individual Housing Subsidies and Rural Intervention 3. Informal Settlement Upgrading 4. Social and Rental Intervention 5. Rural Intervention 6. Project Management and Quality Assurance	3. Housing Development	1. Administration 2. Individual Housing Subsidies 3. Informal Settlement Upgrading 4. Social and Rental Intervention 5. Rural Intervention 6. Project Management and Quality Assurance 7. Grant Management
4. Housing Asset Management	1. Administration 2. Sale and Transfer of Housing Properties 3. Devolution of Housing Properties 4. Enhanced Extended Discount Benefit Scheme 5. Housing Properties Maintenance	4. Housing Asset Management	1. Administration 2. Sale and Transfer of Housing Properties 3. Devolution of Housing Properties 4. Enhanced Extended Discount Benefit Scheme 5. Housing Properties Maintenance

**Annexure to**  
**Estimates of Provincial Expenditure**  
**Department of Human Settlements**

**Table 11.B1: Specification of departmental own receipts**

R' 000	2006/07			2007/08	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates				
<b>Tax receipts</b>											
Casino taxes											
Horse racing taxes											
Liquor licences											
Motor vehicle licences											
<b>Sales of goods and services other than</b>	447	2 088	17 18	4 403	4 403	3 680	2 844	3 610	3 487	(22.72)	
Sales of goods and services produced by	447	2 088	17 18	4 403	4 403	3 680	2 844	3 610	3 487	(22.72)	
Sales by market establishments											
Administrative fees											
Other sales	447	2 088	17 18	4 403	4 403	3 680	2 844	3 610	3 487	(22.72)	
Of which											
Other	447	2 088	17 18	4 403	4 403	3 680	2 844	3 610	3 487	(22.72)	
Sales of scrap, waste, arms and other used current goods (excluding capital assets)											
<b>Transfers received from:</b>											
<b>Fines, penalties and forfeits</b>											
<b>Interest, dividends and rent on land</b>			9 330	7 739	7 739	6 038	10 513	10 930	11 477	74.11	
Interest			9 330	7 739	7 739	6 038	10 513	10 930	11 477	74.11	
Dividends											
Rent on land											
<b>Sales of capital assets</b>			206			29				(100.00)	
Land and subsoil assets											
Other capital assets			206			29				(100.00)	
<b>Financial transactions in assets and</b>			157			195				(100.00)	
<b>Total departmental receipts</b>	<b>447</b>	<b>2 088</b>	<b>11 411</b>	<b>12 142</b>	<b>12 142</b>	<b>9 942</b>	<b>13 357</b>	<b>14 540</b>	<b>14 964</b>	<b>34.35</b>	

Table 11.B2: Details of payments and estimates by economic classification

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	%
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			change from 2009/10
Current payments	59 113	57 917	151 741	153 291	204 513	201 843	225 199	238 264	250 125	1157
Compensation of employees	37 688	44 110	97 446	106 413	141 171	141 530	158 229	166 778	175 385	1180
Salaries and wages	34 019	44 110	97 446	106 413	141 171	141 530	158 229	166 778	175 385	1180
Social contributions	3 669									
Goods and services	21 425	13 807	54 295	46 878	63 343	60 313	66 970	71 486	74 740	1104
Of which										
Administrative fees	120	44		6	6	5				(100.00)
Advertising	177	144	4 284	1002	2 113	2 397	2 408	2 519	2 646	0.46
Assets <R5000	55	139	2 728	268	2 736	2 656	1 905	2 156	2 414	(28.28)
Audit cost: External			320	613	4 169	3 970	4 458	5 000	5 830	12.29
Bursaries (employees)				84	84	66	100	105	110	5152
Catering: Departmental activities	208	625	953	1347	1 198	1 117	576	619	649	(48.43)
Communication	28	10	1036	4 647	6 965	7 816	8 447	9 077	8 977	8.07
Computer services			1653	4 300	3 300	2 859	4 500	4 707	4 942	57.40
Cons/prof: business & advisory services	13 389	4 571	7 894	6 917	7 809	5 134	500	523	549	(90.26)
Cons/prof: Infrastructure & planning										
Cons/prof: Laboratory services										
Cons/prof: Legal cost	38		1568	734	1633	617	2 084	2 180	2 289	237.76
Contractors			63	194	492	539	700	849	769	29.87
Agency & support/outourced services										
Entertainment	3		44	175	67	64	20	21	22	(68.75)
Government motor transport			6 579	5 219	10 064	10 709	12 800	13 397	13 662	19.53
Housing										
Inventory: Food and food supplies			76	201	206	205	510	535	562	148.30
Inventory: Other consumables	21		62	520	1040	741	1 076	1 138	1 197	45.21
Inventory: Stationery and printing	97	1306	1240	3 029	3 141	2 401	3 839	4 058	4 264	59.89
Lease payments			1 169	1 225	2 475	2 364	2 600	2 727	3 175	9.98
Owned & leasehold property expenditure										
Transport provided dept activity		2 857	10 635	194						
Travel and subsistence	6 567	2 264	3 084	12 037	12 000	12 769	16 883	18 143	18 763	32.22
Training & staff development			813	1067	317	253	537	562	590	112.25
Operating expenditure	69	195	4 377	1467	1474	2 364	2 470	2 586	2 717	4.48
Venues and facilities	653	1652	5 717	1632	2 055	1 267	557	584	613	(56.02)
Other										
Transfers and subsidies (Total)	636 722	337 423	1060 842	1313 378	1315 665	1261656	1 599 261	1802 873	2 561647	26.76
Provinces and municipalities	23		20 000							
Municipalities	23		20 000							
Municipalities	19		20 000							
Municipal agencies and funds	4									
Households	636 699	337 423	1040 842	1313 378	1315 665	1261656	1 599 261	1802 873	2 561647	26.76
Social benefits					2 287	2 289	115			(94.98)
Other transfers to households	636 699	337 423	1040 842	1313 378	1313 378	1259 367	1 599 146	1802 873	2 561647	26.98
Payments for capital assets			16 490	8 120	11 537	12 357	1 589	2 256	2 771	(87.14)
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment			16 490	8 120	11 537	12 357	1 589	2 256	2 771	(87.14)
Transport equipment										
Other machinery and equipment			16 490	8 120	11 537	12 357	1 589	2 256	2 771	(87.14)
Payments for financial assets										
Total economic classification	695 835	395 340	1 229 073	1 474 789	1 531 715	1 475 856	1 826 049	2 043 393	2 814 543	23.73

**Table 11.B2.1: Details of payments and estimates by economic classification - Programme 1: Administration**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	%
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			change from 2009/10
Current payments	12 307	13 238	54 024	73 854	98 544	95 630	91 821	97 556	102 648	(3.98)
Compensation of employees	12 008	12 272	26 661	4104	47 259	47 419	50 830	53 677	56 630	7.19
Salaries and wages	10 207	12 272	26 661	4104	47 259	47 419	50 830	53 677	56 630	7.19
Social contributions	1801									
Goods and services	299	966	27 363	32 840	51285	48 211	40 991	43 879	46 018	(14.98)
Of which										
Administrative fees			1539	812	1906	2 305	2 408	2 519	2 646	4.47
Advertising		49	2 715	146	2 657	2 629	1 805	2 051	2 304	(31.34)
Assets <R5000				613	4 169	3 970	4 458	5 000	5 830	12.29
Audit cost: External			320		84	84	100	105	110	5.152
Bursaries (employees)					519	519	476	514	539	(10.02)
Catering: Departmental activities	2	2	397	4 647	6 965	7 816	6 503	7 041	6 841	(6.80)
Communication			1036	4 300	3 300	2 859	4 500	4 707	4 942	57.40
Computer services			1653	5 888	7 181	4 690	500	523	549	(89.34)
Cons/prof:business & advisory services		464	2 258	660	1631	615	2 084	2 180	2 289	238.86
Cons/prof: Legal cost			1543							
Contractors			34	194	194	244	300	431	330	22.95
Agency & support/outourced services										
Entertainment			20	28	10	11	20	21	22	8182
Government motor transport			6 579	5 219	10 064	10 709	2 800	2 937	2 679	(73.85)
Housing										
Inventory: Food and food supplies			76	171	162	160	410	430	452	65.61
Inventory: Other consumables			62	517	1037	737	1 006	1065	1 120	36.50
Inventory: Stationery and printing		20	794	2 032	2 758	2 225	2 728	2 894	3 038	22.61
Lease payments			1014	1065	2 265	2 162	2 400	2 518	2 955	110.1
Travel and subsistence	228	359	2 184	4 246	4 030	3 986	5 499	5 808	6 079	37.96
Training & staff development			588	100	100	80	537	562	590	57125
Operating expenditure	13		3 015	1172	1167	1981	2 000	2 094	2 200	0.96
Venues and facilities	56	72	1536	427	1086	437	457	479	503	4.67
Other										
Transfers and subsidies (Total)	7		1040 842	1313 378	1314 302	1260 291				(100.00)
Provinces and municipalities	7									
Municipalities	7									
Municipalities	7									
Households			1040 842	1313 378	1314 302	1260 291				(100.00)
Social benefits					924	924				(100.00)
Other transfers to households			1040 842	1313 378	1313 378	1259 367				(100.00)
Payments for capital assets			16 490	8 100	11415	12 235	1 589	2 256	2 771	(87.01)
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment			16 490	8 100	11415	12 235	1 589	2 256	2 771	(87.01)
Transport equipment										
Other machinery and equipment			16 490	8 100	11415	12 235	1 589	2 256	2 771	(87.01)
Software and other intangible										
Payments for financial assets										
Total economic classification	12 314	13 238	1 111 356	1 395 332	1 424 261	1 368 156	93 410	99 812	105 419	(93.17)

**Table 11.B2.2: Details of payments and estimates by economic classification - Programme 2: Housing Planning And Research**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	6 822	4 588	15 066	15 697	15 254	15 188	17 026	17 633	18 516	12.10
Compensation of employees	6 193	3 835	9 129	12 103	12 516	12 588	13 766	14 224	14 935	9.36
Salaries and wages	5 264	3 835	9 129	12 103	12 516	12 588	13 766	14 224	14 935	9.36
Social contributions	929									
Goods and services	629	753	5 937	3 594	2 738	2 600	3 260	3 409	3 581	25.38
Of which										
Administrative fees	51			6	6	5				(100.00)
Advertising	19	43	58	50	50	59				(100.00)
Assets <R5000				50						
Bursaries (employees)										
Catering: Departmental activities	34	24	144	259	210	177				(100.00)
Communication							235	246	258	
Computer services										
Cons/prof.business & advisory services	98	176	2 286	574	466	280				(100.00)
Entertainment			21	10	10	9				(100.00)
Inventory: Food and food supplies				8	8	12				(100.00)
Inventory: Other consumables	21			3	3	3	20	21	22	566.67
Inventory: Stationery and printing	78		256	288	96	67	321	335	352	379.10
Lease payments			42							
Owned & leasehold property expenditure										
Transport provided dept activity			1403							
Travel and subsistence	237	300	900	1967	1601	1501	2 684	2 807	2 949	78.81
Training & staff development			18	50	50	23				(100.00)
Operating expenditure		117				76				(100.00)
Venues and facilities	91	93	709	329	238	388				(100.00)
Other										
<b>Transfers and subsidies (Total)</b>	6				59	60	41			(3167)
Provinces and municipalities	6									
Municipalities	6									
Municipalities	2									
Municipal agencies and funds	4									
Households					59	60	41			(3167)
Social benefits					59	60	41			(3167)
Other transfers to households										
<b>Payments for capital assets</b>										
<b>Payments for financial assets</b>										
<b>Total economic classification</b>	<b>6 828</b>	<b>4 588</b>	<b>15 066</b>	<b>15 697</b>	<b>15 313</b>	<b>15 248</b>	<b>17 067</b>	<b>17 633</b>	<b>18 516</b>	<b>11.93</b>

**Table 11.B2.3: Details of payments and estimates by economic classification - Programme 3: Housing Programme Facilitation And Administration**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
Current payments	32 562	32 791	73 302	51342	82 442	82 265	109 149	115 475	120 983	32.68
Compensation of employees	13 225	22 188	54 469	42 559	74 049	73 711	87 625	92 532	97 158	18.88
Salaries and wages	13 225	22 188	54 469	42 559	74 049	73 711	87 625	92 532	97 158	18.88
Social contributions										
Goods and services	19 337	10 603	18 833	8 783	8 393	8 554	21 524	22 943	23 825	15.62
Of which										
Administrative fees	30	14								
Advertising	89	101	2 687	140	157	33				(100.00)
Assets <R5000	55	76	13	72	68	16	100	105	110	525.00
Catering: Departmental activities	132	553	400	463	445	391	100	105	110	(74.42)
Communication	23						1 624	1700	1784	
Computer services										
Cons/prof/business & advisory services	12 890	3 118	2 483	30	30	32				(100.00)
Contractors			29		270	267	400	418	439	49.81
Agency & support/outourced services										
Entertainment	3			130	40	39				(100.00)
Government motor transport							10 000	10 460	10 983	
Housing										
Inventory: Food and food supplies				17	27	25	100	105	110	300.00
Inventory: Other consumables						1	50	52	55	4900.00
Inventory: Stationery and printing	19	1283	188	641	274	101	700	735	774	593.07
Lease payments			113	160	210	202	200	209	220	(0.99)
Owned & leasehold property expenditure										
Transport provided dept activity		2 857	8 090	194						
Travel and subsistence	5 607	1127		4 972	5 715	6 597	7 680	8 457	8 613	16.42
Training & staff development			81	910	160	150				(100.00)
Operating expenditure	52	73	1362	295	307	307	470	492	517	53.09
Venues and facilities	437	1401	3 387	759	690	393	100	105	110	(74.55)
Other										
Transfers and subsidies (Total)	636 705	337 423	20 000		1093	1094	1 599 220	1802 873	2 561 647	146080.99
Provinces and municipalities	6		20 000							
Municipalities	6		20 000							
Municipalities	6		20 000							
Municipal agencies and funds										
Households	636 699	337 423			1093	1094	1 599 220	1802 873	2 561 647	146080.99
Social benefits							74			(93.24)
Other transfers to households	636 699	337 423			1093	1094	1 599 146	1802 873	2 561 647	
Payments for capital assets				20	122	122				(100.00)
Buildings and other fixed structures										
Buildings										
Other fixed structures										
Machinery and equipment				20	122	122				(100.00)
Transport equipment										
Other machinery and equipment				20	122	122				(100.00)
Payments for financial assets										
Total economic classification	669 267	370 214	93 302	51 362	83 657	83 481	1 708 369	1 918 348	2 682 630	1946.42



**Table 11.B2.4: Details of payments and estimates by economic classification - Programme 4: Housing Asset Management**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Current payments</b>	7 422	7 300	9 349	12 398	8 273	8 760	7 203	7 600	7 978	(17.77)
Compensation of employees	6 262	5 815	7 187	10 737	7 347	7 812	6 008	6 345	6 662	(23.09)
Salaries and wages	5 323	5 815	7 187	10 737	7 347	7 812	6 008	6 345	6 662	(23.09)
Social contributions	939									
Goods and services	1 160	1 485	2 162	1 661	927	948	1 195	1 255	1 316	26.05
Of which										
Administrative fees	39	30								
Advertising	69									
Assets <R5000		14			11	11				(100.00)
Catering: Departmental activities	40	46	12	106	24	20				(100.00)
Communication	5	10					85	90	94	
Computer services										
Cons/prof: business & advisory services	401	813	867	425	132	132				(100.00)
Cons/prof: Infrastructure & planning										
Cons/prof: Laboratory services										
Cons/prof: Legal cost	38		25	74	2	2				(100.00)
Contractors					28	28				(100.00)
Agency & support/outourced services				7	7	5				(100.00)
Entertainment			3	5	9	8				(100.00)
Inventory: Food and food supplies				68	13	8				
Inventory: Stationery and printing		3	2				90	94	100	1025.00
Lease payments										
Owned & leasehold property expenditure										
Transport provided dept activity			142							
Travel and subsistence	495	478		852	654	685	1 020	1 071	1 122	48.91
Training & staff development			26	7	7					
Operating expenditure	4	5								
Venues and facilities	69	86	85	117	41	49				(100.00)
Other										
Interest and rent on land										
Interest										
Rent on land										
<b>Transfers and subsidies (Total)</b>	4				211	211				(100.00)
Provinces and municipalities	4									
Municipalities	4									
Municipalities	4									
Municipal agencies and funds										
Households					211	211				(100.00)
Social benefits					211	211				(100.00)
Other transfers to households										
<b>Payments for capital assets</b>										
<b>Payments for financial assets</b>										
<b>Total economic classification</b>	<b>7 426</b>	<b>7 300</b>	<b>9 349</b>	<b>12 398</b>	<b>8 484</b>	<b>8 971</b>	<b>7 203</b>	<b>7 600</b>	<b>7 978</b>	<b>(19.71)</b>

**Table 11.B4: Summary of departmental transfers to municipalities**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Category A</b>										
<b>Category B</b>	23		20 000							
Amahlathi										
Buffalo City	23									
Ndlambe			20 000							
Unallocated										
<b>Category C</b>										
Unallocated										
<b>Total transfers to loc</b>	<b>23</b>		<b>20 000</b>							

**Table 11.B5: Summary of payments and estimates by district and local municipality**

R' 000	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13	% change from 2009/10
	Audited			Main budget	Adjusted budget	Revised estimate	Medium-term estimates			
<b>Category A</b>	343 727	158 949	203 938	730 994	730 994	522 447	829 291	845 001	883 026	58.73
Nelson Mandela Metro	343 727	158 949	203 938	730 994	730 994	522 447	829 291	845 001	883 026	58.73
<b>Category B</b>										
Sundays River Valley										
<b>Category C</b>	352 108	236 391	1 025 135	743 795	800 721	953 409	996 758	1 135 179	1 864 794	4.55
Alfred Nzo	2 640	2 757	1566	5 615	5 615	97 460	121 095	170 204	595 864	24.25
Amathole	27 548	28 768	216 345	58 586	58 586	183 167	188 831	127 051	103 768	3.09
Cacadu	123 017	77 969	272 987	261 616	261 616	205 800	205 149	317 725	378 067	(0.32)
Chris Hani	70 063	53 166	241 569	149 001	149 001	182 221	160 825	215 945	170 429	(11.74)
OR Tambo	74 706	48 014	178 057	158 875	173 534	194 920	173 771	150 359	138 896	(10.85)
Ukhahlamba	54 134	25 716	114 611	110 104	152 371	89 841	147 087	153 895	477 769	63.72
Unallocated										
Unallocated / unclassified								63 213	66 723	
<b>Total payments and estimates</b>	<b>695 835</b>	<b>395 340</b>	<b>1 229 073</b>	<b>1 474 789</b>	<b>1 531 715</b>	<b>1 475 856</b>	<b>1 826 049</b>	<b>2 043 393</b>	<b>2 814 543</b>	<b>23.73</b>

