

VOTE 6

LOCAL GOVERNMENT AND HOUSING

To be appropriated	R 4 511 575 000
Responsible MEC	MEC for Local Government and Housing
Administering Department	Department of Local Government and Housing
Accounting Officer	Head of Department

1. OVERVIEW

Vision

We are an accountable department which builds integrated, sustainable communities that enjoy a good quality of life through promoting participatory governance.

Mission

We lead the provision of human settlements and coordinate the effective functioning of local government to promote sustained development in communities.

Values

We have adopted values informed by the Batho Pele (People First) principles of the South African Public Service. Our specific focus is on respect, integrity, responsibility, accountability and fairness.

Core mandate

The Department's core mandate is to ensure the provision of housing and the effective functioning of local government across the province in order to build sustainable communities and facilitate shared and equitable social and economic growth and development. In this regard, some of the core functions of our department include the following:

- Developing Gauteng Provincial Government (GPG) local government support and housing development policies that will strengthen local government service delivery, provide houses for all and build sustainable communities.
- Develop and implement programmes and projects that give effect to GPG local government support and housing policies, as reflected in its short, medium and long-term plans.
- Provide key support services to local government in implementing the Municipal Finance Management Act (MFMA), local economic development (LED), community development workers (CDW), Expanded Public Works Programme (EPWP) and infrastructure development programmes funded through the Municipal Infrastructure Grant (MIG).
- Advise on and approve Integrated Development Plans (IDPs).
- Manage the housing delivery process and transform settlements, especially the 20 prioritised townships, into sustainable and vibrant communities.
- Provide key housing services in respect of subsidies, rental housing policies.

Legislative and other mandate

Constitutional mandate

Our mandate is derived from chapters 3, 6 and 7 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996). Based on our revised core mandate and on the broader mandate derived from the Constitution, the primary role of the Gauteng Provincial Department of Local Government and Housing is to provide capacity support to the municipalities and to promote and facilitate the provision of adequate housing in the province.

Legislative mandate

The following legislative mandate guides the implementation of our programmes

- Housing Act (Act No. 107 of 1997), as amended
- Housing Consumers Protection Measures Act (Act No. 95 of 1998), amended by Act No 27 of 1999
- Rental Housing Act (Act No. 50 of 1999)
- Abolition of Certain Title Conditions Act (Act No. 43 of 1999)
- Prevention of Illegal Eviction and Unlawful Occupation of Land Act (Act No. 19 of 1998)
- Constitutional Court judgement of 2000, on the enforceability of social and economic rights
- Gauteng Province Housing Act (Act No. 12 of 1998 as amended)
- National Building Regulations and Building Standards Act (Act No. 103 of 1977)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Public Finance Management Act (Act No. 1 of 1999)
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003)
- National Environmental Management Act (Act No. 107 of 1998), as amended by Act No. 8 of 2004
- Deeds Registries Act (Act No. 47 of 1937)
- Extension of Security of Tenure Act (Act No. 62 of 1997)
- Land Administration Act (Act No. 2 of 1995)
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994)
- Municipal Finance Management Act (Act No. 56 of 2003)
- Expropriation Act (1951), as repealed by Act No. 63 of 1975
- State Land Disposal Act (Act No. 48 of 1961)
- Local Government: Municipal Demarcation Act (Act No. 27 of 1998)
- Local Government: Municipal Structure Act (Act No. 117 of 1998)
- Local Government: Municipal Systems Act (Act No. 32 of 2000)
- Local Government: Municipal Property Rate Act (Act No. 6 of 2004)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)

Policy Mandate

Our department is guided by the following policies and strategies:

- Provincial Growth and Development Strategy (PGDS)
- Breaking New Ground Strategy (BNG)
- Global City Region (GCR) Strategy
- National Framework for Local Economic Development in South Africa (2006 – 2011)
- National Spatial Development Perspective
- National Housing Policy
- National Housing Code
- Integrated development plans (IDPs) of the municipalities in the province

2. REVIEW OF THE 2009/10 FINANCIAL YEAR

The key features characterising the 2009/10 financial year are, firstly, the commencement of the new term of governance which resulted in the formulation of the Gauteng 2009-2014 Medium Term Strategic Framework (including new provincial strategic priorities) and the reconfiguration of GPG departments; and secondly, the economic downturn that resulted in the reprioritisation of budgets.

Amongst other results of the reconfiguration of GPG departments was the merger of the former Department of Local Government and the former Department of Housing to establish the Department of Local Government and Housing ("the Department" hereafter). The structure of the Department will be final in March 2010.

Based on the 2014 Medium Term Strategic Framework, the province formulated and adopted seven new provincial strategic priorities. The Department, in turn, created four strategic goals based on three out of the seven new provincial strategic priorities. The four departmental strategic goals are: (a) building cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements; (b) strengthening the developmental state by enhancing participatory governance and building the capacity and capability of local government to achieve its constitutional mandate; (c) building an inclusive economic environment which is conducive to the creation of decent work; and (d) strengthening and aligning the

Department's organisational capacity and capability to deliver on its mandate. The three new provincial strategic priorities informing these departmental strategic goals are: (a) creating decent work and building a growing, inclusive economy; (b) building cohesive and sustainable communities; and (c) strengthening the developmental state and good governance.

The economic downturn resulted in the reprioritisation of the 2009/10 budget that had been tabled prior to the commencement of the new term of governance. The Department revised its performance targets downwards (that is, the number of stands serviced and number of houses built) at the end of the second quarter of the 2008/09 financial year as well as in March 2009 in preparing for the 2009/10 financial year. The other reason for the reprioritisation was to fund the requirements of the new political mandate within the tabled budget.

The Department contributed to the key programmes and projects giving effect to the new provincial strategic priorities as follows:

Cohesive Communities: Prioritising water, sanitation, electricity and refuse removal: The Department, jointly with the Rand Water Board and the Department of Water Affairs and Forestry (DWAF), implemented the Water Demand Management and Water Loss Strategy in all municipalities to locate and reduce water losses, improve water demand management and increase financial savings. Furthermore, the Department completed the Provincial Integrated Energy Strategy following extensive consultations with stakeholders from government, industry, the energy sector and civil society. The Department assisted municipalities with alternative energy master plans and supported the implementation of energy saving projects.

Cohesive Communities: Effective coordination and implementation of integrated programmes in municipalities and GPG: The Mixed-housing Programme anticipates achieving the set annual target of building 4 142 project-linked houses by the end of the financial year. A total of 3 403 project-linked houses had been built by the end of the third quarter. The Department exceeded the annual targets for servicing stands and delivering houses by the end of the second quarter. The annual targets for servicing stands and delivering houses are respectively 5 948 and 15 253. However, the Department had serviced 6 250 stands and built 15 881 houses by the end of the second quarter. These numbers will increase during the fourth quarter given that the work-in-progress will have been completed.

Cohesive Communities: Revision of targets for formalisation and eradication of informal settlements: Based on the economic downturn and the budget reprioritisation, the Department revised targets for the eradication of informal settlements by increasing the number of serviced stands from 4 134 to 5 462 whilst reducing the number of houses to be built in 2009/10 from 30 880 to 13 521.

Cohesive Communities: Integrated strategy on the rehabilitation of Merafong across spheres: The Department, in collaboration with the Office of the Premier, initiated the process for incorporating Merafong into Gauteng Province. An Implementation Protocol and Service Level Agreement were signed between the North West and Gauteng provinces.

Cohesive Communities: Relocation of communities on dolomite land including reviewing appropriate areas for relocation: The Department drafted a three-phase strategy for dolomite risk management in Merafong. The strategy requires the involvement of stakeholders such as the departments of Health, Education and Public Safety in relocating approximately 27 000 households in Merafong South.

Developmental State: Renew Local Democracy and Leadership: The Department continued with implementation of the Public Participation Framework in the 2009/10 financial year, the key focus being on improving and strengthening the capacity of ward committees. The other key focus was to assist municipalities to develop a calendar for ward committee meetings. The calendar assisted with strengthening mechanisms for providing feedback to communities and addressing challenges related to reporting issues referred to the councils. Impact assessment on the work of the CDW was completed, with recommendations. The report and its recommendations were used to review the CDW Institutional Model. The Department reviewed ward profiles to improve their quality and update the information contained in them. The door to door campaign was intensified with monthly, quarterly and annual targets of houses to be visited by each CDW being given.

The metro system of local government and the powers and functions studies were reviewed and submitted to the Executive Council (EXCO) for decision. The study on norms and standards for service delivery in a Global City

Region was completed and submitted to EXCO in 2009/10. The Department reviewed municipal by-laws with the aim of repealing them where appropriate and creating a data base of repealed by-laws. This will lead to capacitating municipalities to enforce by-laws.

The Department developed the Traditional Leaders Framework as a plan for putting into effect and building upon the Traditional Leadership and Governance Bill. In strengthening support for municipalities, the Department initiated and implemented a number of initiatives in technical capacity, financial management, organisational transformation and development and revenue enhancement within municipalities. These included:

- Operation Clean Audit aimed at supporting municipalities that received disclaimers and adverse audit opinions.
- Implementation of the Revenue Enhancement and Debt Management Model.
- Establishment of revenue enhancement entities.
- Capacity development of municipal officials in accounting and implementing a learnership programme in basic accounting.
- Capacity building for oversight functions such as Section 79 Committees and MPACs
- Capacity building for internal audit officials.
- Capacitating women councillors through the Women Councillors Mentorship Programme.
- Implementing institutional transformation and development support by rolling out the HRD model to all municipalities.

The Monitoring and Evaluation (M&E) Framework System is implemented in consultation with municipalities and other relevant stakeholders. This includes compilation of quarterly and annual municipal performance reports, monitoring municipal compliance to financial management legislation and reviewing municipal budgets and financial management reports. The Department's emphasis is to ensure that the monitoring reports inform both the province and municipalities on challenging areas in municipalities. This will also help to inform support initiatives in areas that require to be addressed in municipalities.

The Department established disaster management and fire brigade services systems and provincial disaster management structures in line with disaster management legislation. The Department fully implemented fire and rescue services regulations, norms and standards to ensure their functionality and to monitor disaster risks.

3. OUTLOOK FOR THE 2010/11 FINANCIAL YEAR

In 2010/11 service delivery by the Department will address the provincial strategic priorities through the Department's strategic goals.

The Department aligns the strategic goal of "building cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements" with the provincial strategic priority of building cohesive and sustainable communities.

The Department plans to develop integrated infrastructure that will create cohesive communities through the rural infrastructure development and upgrade programme, Urban Renewal Programme and 20 Prioritised Townships Programme.

The rural infrastructure development programme will deliver alternative sanitation to 150 households; build 150 houses using sustainable building technology and service 150 stands for rural communities. The urban renewal programme plans to implement the Urban Renewal Master Plan for the Winterveldt and Marabastad areas during the next five years (with plan approval set to take place in 2010/11). The financial years 2010/11 and 2011/12 will see the conclusion of the Alexandra, Evaton and Bekkersdal Urban Renewal Programmes. The 20 Prioritised Township Programme plans to continue upgrading 10 townships per annum based on a revised strategy entailing provision of a basket of services to one township per municipality. The Department plans to expand this programme to cover four townships in addition to the 20 originally chosen over the next five years. It is planned that this programme will have an approved plan in 2010/11.

The Department will facilitate the development of innovative quality housing solutions through the Mixed-Housing Development Programme, Eradication Of Informal Settlements Programme, Alternative Tenure Programme and Gauteng Integrated Energy Strategy.

In developing mixed housing on well-located land, the Department plans to service approximately 27 500 stands and build approximately 35 500 houses over the five year term. The contribution in 2010/11 towards these targets is building 7 800 houses and servicing 6 100 stands. To eradicate informal settlements, the relevant programme will deliver 13 500 houses and service 3 800 stands throughout the province. The Alternative Tenure Programme will build 2 700 community rental units and 940 backyard units as well as provide 740 units of affordable rental accommodation from social housing institutions (SHIs). The SHIs provide rental and cooperative tenure options for low to middle income families who are under- or un-served. The Department developed the Gauteng Integrated Energy Strategy to address electricity shortages and explore alternative sources of energy. This strategy involves implementation of 35 alternative energy projects in all municipalities over five years, and will commence with the implementation of five projects in 2010/11. The energy efficiency projects focus on government buildings and housing developments. The strategy also involves the use of solar and wind energy sources, resulting in the installation of 36 000 solar geysers in 2010/11.

In line with the departmental strategic goal and provincial strategic priority of strengthening the developmental state and good governance, the Department plans to strengthen municipal institutions of governance and the capacity to deliver services as well as advance regulation of the environment for sustainable human settlement. The Department will enhance the efficiency of community development workers, continue with incorporation of Metsweding District Municipality into Tshwane Metropolitan Municipality, establish functional traditional leadership structures and improve disaster management through implementing the NBCR and USAR systems and provincial fire safety regulations.

Subsequent to review of the CDW model based on the impact assessment report completed in 2009/10, the Department will implement the recommendations in 2010/11. The CDW programme will expand to include the 23 additional Merafong CDWs subsequent to Gauteng's takeover of service delivery in this area in 2010/11. Implementation of the plan for incorporating Metsweding municipality into Tshwane Metro will take place in 2010/11 based on the de-establishment of Metsweding municipality and extension of Tshwane Municipality's boundaries to include Metsweding. The Department plans to establish functional traditional institutions after the enactment of the Traditional Leadership and Governance Bill developed in the previous financial year. The Disaster Management Centre (DMC) will complete the second phase of both the Nuclear Biological and Chemical Response (NBCR) System and the Urban Search and Rescue (USAR) System. The USAR is a team of volunteer emergency response specialists from the South African public and private sector emergency and ancillary services, comprising multi-disciplinary taskforces such as specialist rescuers, trauma doctors, paramedics, K9 search dog units, civil engineers, and chemical and safety specialists. The DMC also plans to implement a system for monitoring emergency service responsiveness in 2010/11 subsequent to approval of the Provincial Fire Safety Regulations, Norms and Standards in the previous year.

4. RECEIPTS AND FINANCING

4.1 Summary of receipts

TABLE 1: SUMMARY OF RECEIPTS: LOCAL GOVERNMENT AND HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Equitable share	616 214	361 124	673 598	809 200	913 820	913 820	739 744	740 602	709 404
Conditional grants	1 765 666	2 547 223	2 823 711	3 187 086	3 187 086	3 187 086	3 771 831	4 322 945	4 068 497
Total receipts	2 381 880	2 908 347	3 497 309	3 996 286	4 100 906	4 100 906	4 511 575	5 063 547	4 777 901

The Department's main source of funding is the Integrated Human Settlement Conditional Grant from the national department. Secondary funding comes from the provincial equitable share. During the seven year period under review conditional grant receipts increased from R1.759 billion in 2006/07 to R4 068 billion in the 2012/13 financial year. The Department's provincial equitable share increased from R583 million in 2006/07 to R709 million during the 2012/13 MTEF. The increase is attributable to the introduction of municipal support assistance and the establishment of the Provincial Disaster Management Centre as well as the increase in employment of CDWs.

The provincial allocation and conditional grants allocated to the Department during 2010/11 MTEF provide for finalising the Alexandra Urban Renewal Projects, rehabilitation of the 20 Prioritised Townships Programme and providing financial assistance to municipalities. The Department's budget receipts increased from R3 996 billion in 2009/10 to R4 511 billion by R515 million in the 2010/11 financial year, an increase of R 515 million or 13 percent. The increase is mainly due to the Housing Conditional Grant which enables the provision of housing and the eradication of informal settlements to continue. The department receipts grow from R4 511 billion to 4 777 billion, an annual average of 3.2 percent over the 2010/11 MTEF.

4.2 Departmental receipts collection

TABLE 2.DEPARTMENTAL RECEIPTS: LOCAL GOVERNMENT AND HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	335	153	236	430	260	371	432	432	452
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	209	703	410	300	484	535	302	301	317
Sales of capital assets									
Transactions in financial assets and liabilities	2 614	2 992	1 805	3 260	4 510	4 593	3 262	3 262	3 425
Total departmental receipts	3 158	3 848	2 451	3 990	5 254	5 499	3 996	3 995	4 194

The Department's own revenue is mostly generated through sales of goods and services other than capital assets, interest and rent on land and financial transactions in assets and liabilities. The Department's revenue collection has grown by 22 percent from R3.2 million in 2006/07 to R3.8 million in 2007/08. Budgeted revenue collection for the 2009/10 financial year increased from R3.990 million to R5.254 million during in the adjustment budget process. The increase is mainly due to financial transactions in assets and liabilities which includes revenue generated from servitude granted to ESKOM. Over the 2010 MTEF, the revenue budget increases minimally from R3.9 million to R4.2 million in 2012/13 the steady increase is due to the tariff charged for rental stock of housing remaining unchanged. The department has a revenue enhancement strategy for better debt collection.

5. PAYMENT SUMMARY

5.1 Key assumptions

The 2010 MTEF budget took into consideration salary increases and the full cost of improving employment conditions (ICS). The impact of anticipated cost increases for goods and services, consistent with the outlook for inflation, was taken into account. The Department is responsible for supporting and monitoring local government by promoting integrated service delivery and ensuring the provision of housing and the effective functioning of local government across the province.

5.2 Programme summary

TABLE 3: SUMMARY OF PAYMENTS AND ESTIMATES: LOCAL GOVERNMENT AND HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1.Administration	127 791	195 848	292 499	285 593	283 604	311 490	288 710	307 450	306 277
2.Human Settlement	2 048 737	2 897 346	3 069 760	3 527 023	3 614 045	3 834 918	4 055 254	4 585 582	4 293 091
3.Cooperative Governance	164 076	213 455	264 205	179 026	199 301	199 041	164 497	167 179	175 001

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
4.Traditional Institutional Development		2 162	3 699	4 626	3 956	3 951	3 114	3 336	3 532
Total payments and estimates	2 340 604	3 308 811	3 630 163	3 996 268	4 100 906	4 349 400	4 511 575	5 063 547	4 777 901

5.3 Summary of economic classification

TABLE 4: SUMMARY OF ECONOMIC CLASSIFICATION: LOCAL GOVERNMENT AND HOUSING

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	266 298	459 033	562 143	547 132	576 470	600 049	568 265	595 777	597 503
Compensation of employees	148 071	261 756	345 134	378 894	393 937	409 861	425 752	457 929	466 104
Goods and services	118 227	197 277	217 009	168 238	182 533	190 188	142 513	137 848	131 399
Interest and rent on land									
Transfers and subsidies to:	1 994 767	2 811 146	3 056 420	3 434 086	3 436 586	3 662 893	3 932 900	4 457 160	4 169 553
Provinces and municipalities	20 770	10 999	79 920	11 000	14 000	14 000			
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	1 973 997	2 800 147	2 976 500	3 423 086	3 422 586	3 648 893	3 932 900	4 457 160	4 169 553
Payments for capital assets	79 490	38 528	11 555	15 050	87 850	86 404	10 410	10 610	10 845
Buildings and other fixed structures	48 765								
Machinery and equipment	30 725	38 528	11 555	15 050	7 850	6 404	10 410	10 610	10 845
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets					80 000	80 000			
Software and other intangible assets									
Payments for financial assets	49	104	45			54			
Total economic classification	2 340 604	3 308 811	3 630 163	3 996 268	4 100 906	4 349 400	4 511 575	5 063 547	4 777 901

Departmental expenditure during the period 2006/07 to 2008/09 grew from R2 340 billion to R3 308 billion at an average annual rate of 25.5 percent. The expenditure can mostly be attributed to programme 2: Human Settlement, mainly the Human Settlement Grant which drives expenditure within the programme. The growing expenditure at an annual average growth rate of 51.6 percent in programme 1: Administration was mainly because of the reallocation of some programme objectives to Corporate Services as a result of which the budget allocation and therefore spending increased.

Spending on compensation of employees increased by a significant 117 percent from 2006/07 to 2007/08 and a further 13.2 percent to 2008/09. This was an annual average increase of 43 percent and resulted from the

Xhosa Accounts and Technical Centre personnel being absorbed into the Department after its closure. During 2009/10 the compensation of employees budget amounted to R 378 million, which was adjusted upwards by R15 million or 4 percent to fund the increase in personnel expenditure as a result of the improvement in conditions of service for all public servants during the financial year.

Total expenditure on goods and services increased considerably by 66.9 percent from the 2006/07 to the 2007/08 financial years, from R118 million to R197 million. It increased by a further R19 million to R217 million in the 2008/09 financial year. The very large increase in 2007/08 was due to the introduction of new projects, especially once off housing projects. During 2009/10 the goods and services budget amounted to R168 million showing a decrease of R49 million or 22 percent when compared to R217 million in the previous financial year.

Total transfers have increased from R1 994 billion to R4.2 billion over the seven-year period under review. The increase in transfers is mainly due to the human settlement grant budget. This increased from R3.4 billion in 2009/10 to R3.9 billion in 2010/11 (or 14 percent). It increased at an annual average rate of 3.4 percent over the MTEF.

Expenditure on capital payments declined from R79 million in 2006/07 to R10 million in the 2011/13 financial year. This is because until the 2006/07 financial year, the department used capital expenditure to defray personnel expenditure. This practice was disallowed by direction of the national Department of Housing. In the 2009/10 adjustment budget R80 million is allocated to the Department for the purchase of land. This is a refund for the land purchased for the development of mixed housing that will address the backlog in the Diepsloot area. The funds will be utilised to provide 7600 housing opportunities for various income groups.

5.4 Transfers

TABLE 5: SUMMARY OF DEPARTMENTAL TRANSFERS TO MUNICIPALITIES BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Category A	9 075	5 083	5 700	7 500	9 500	7 500			
Category B			57 852		500				
Category C	11 695	5 916	16 368	3 500	4 000	3 500			
Total Departmental transfers to Local Government	20 770	10 999	79 920	11 000	14 000	11 000			

Funds transferred to municipalities are based on business plans which explain how the money will be utilised. The transfers to municipalities have decreased mainly due to the discontinuation of Local Government Capacity grants and water and sanitation transfers in the 2004/05 financial year. During 2008/09 transfers to municipalities increased drastically due to water projects in municipalities. The Department plans to transfer HIV/Aids funds to municipalities over the MTEF. These funds will be budgeted for and transferred to municipalities after the Department of Health and Social Development has finalised its processes during the next financial year.

5.5 Infrastructure payments

TABLE 6: SUMMARY OF INFRASTRUCTURE BUDGET BY CATEGORY

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Payments for infrastructure by category									
New and replacement assets	2 053 856	1 268 484	2 541 449	2 346 035	2 343 035	2 346 035	3 788 625	4 297 842	4 052 497
Existing infrastructure assets	388 488	1 071 821	251 741	1 086 051	1 086 051	1 086 051	153 206	168 239	125 968
Upgrades and additions	354 500	720 694	240 570	626 337	626 337	626 337	73 000	52 350	54 968
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-	9 206	44 889	-
Maintenance and repairs	33 988	351 127	11 171	459 714	459 714	459 714	71 000	71 000	71 000

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current infrastructure	33 988	351 127	11 171	459 714	459 714	459 714	71 000	71 000	71 000
Capital infrastructure	2 408 356	1 989 178	2 782 019	2 972 372	2 972 372	2 972 372	3 870 831	4 395 081	4 107 465
Total infrastructure	2 442 344	2 340 305	2 793 190	3 432 086	3 429 086	3 432 086	3 941 831	4 466 081	4 178 465

A by-product of departmental projects has been the cross-subsidization of basic services and infrastructure and savings on infrastructural development. The issue of choice within affordability has been translated into reality as various types of housing based on the prevailing socio-economic conditions offer maximum choice to citizens. Already work is under way in areas such as Pennsville (2800 housing units), Chief Albert Luthuli Ext 6 (5 389 housing units), Olivenhoutbosch Ext 36 (4 452 housing units), Thorntree View (17 000 housing units), Cosmo City (14 800 housing units) and K206 in Alexandra (3 199 housing units). The Department has also started work on three more areas – Doornkop in Soweto (24 100 housing units), Chief Mogale in Kagiso (9 315 housing units) and Midlevel in Mohlakeng (3 495 housing units). Once the planning process has been completed, the Department will move to areas such as Lady Selbourne (6 000 housing units), Danville (2 000 housing units), and Willows (10 977 housing units).

By 2014 Gauteng will have implemented 14 of the 20 Prioritised Townships Programme projects across the province. This will result in over 150 000 housing units delivered over a 5-year period. This will allow the Department to deal effectively with the “market gap”. All these projects are undertaken with the full co-operation and participation of local authorities and the private sector, especially the financial institutions.

There was a target of tarring all roads in these townships by 2009. Much effort was needed by all stakeholders to achieve the target, as some municipalities could only rely on Municipal Infrastructure Grant funding for implementation of their roads projects whilst others did not have the necessary counter-funding to provide level tarred roads with storm water systems.

The Department of Roads and Transport on the other hand had to reprioritize its MTEF provincial roads budget to finance roads in the 20 prioritized townships. The backlog at the start of the programme was estimated at 3 022 kilometres and these included storm water drainage and walkways. A total of 812 kilometres have been completed to date which means there is still a backlog of 2 158 kilometres.

Bekkersdal Renewal Project Turnaround Strategy

Bekkersdal Renewal Project has adopted a new regional approach to housing development within the West Rand, relocating informal dwellings on unsafe and dolomitic ground to new housing development in areas such as Middleville/Droogeheuwel and Westonaria South. In the 2009/10 financial year, the Department plans to service 1510 stands and build 1800 mixed housing development units within the Bekkersdal area.

Alexandra Renewal Project (ARP)

All projects planned for 2008/2009 are in progress. There are currently 18 housing projects under way. The focus is on the upgrading of educational facilities and construction of four new schools. The local Business Support Centre is fully functional and provides support services to small and emerging businesses.

Hostels

Depending on qualification criteria, current hostel dwellers and residents from surrounding communities will be provided with accommodation from amongst the following types: affordable rental units, community rental units, transitional rental and RDP (walk up) flats. The focus has been on completing the following thirteen hostels – Diepkloof, Meadowlands, Orlando West, Dube, Kagiso, Mohlakeng, Saulsville, Mamelodi, Refilwe, Sebokeng, Boipatong, Sethokga and Buyafuthi.

6. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

The Administration Programme renders corporate support to the Department. It enables the Department's business units to perform efficiently by providing HR support, financial management support, strategic planning support, ITC and facilities support. 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 ensure that Human Resource Management is a strategic partner to all units in the Department;
- To provide effective legal services to the Department;
- To provide efficient and effective facilities management to the Department;
- To provide effective, efficient and stable ICT infrastructure and support to the Department;
- To ensure prudent financial management, efficient and effective procurement systems and to ensure that financial planning and budgeting is aligned to the Department's strategic plan;
- To provide for the functioning of the Office of the MEC and legislative support services;
- To ensure maintenance of 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 departmental operations;
- 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; registry; revenue management; communication and customer relations management.

TABLE 7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Office of the MEC	11 013	12 286	24 585	26 391	25 244	22 383	22 396	28 672	29 378
2. Corporate Services	116 778	183 562	267 914	259 202	258 360	289 107	266 314	278 778	276 899
Total payments and estimates	127 791	195 848	292 499	285 593	283 604	311 490	288 710	307 450	306 277

TABLE 8: SUMMARY OF ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	109 282	170 277	267 130	262 255	260 916	285 548	265 291	283 287	281 249
Compensation of employees	63 777	98 212	157 375	175 821	174 074	181 565	188 399	202 808	209 690
Goods and services	45 505	72 065	109 755	86 434	86 842	103 983	76 892	80 479	71 559
Interest and rent on land									
Transfers and subsidies to:	15 212	16 906	16 553	17 988	17 488	21 255	18 019	18 563	19 193
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Public corporations and private enterprises									
Non-profit institutions									
Households	15 212	16 906	16 553	17 988	17 488	21 255	18 019	18 563	19 193
Payments for capital assets	3 248	8 561	8 771	5 350	5 200	4 633	5 400	5 600	5 835
Buildings and other fixed structures									
Machinery and equipment	3 248	8 561	8 771	5 350	5 200	4 633	5 400	5 600	5 835
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	49	104	45			54			
Total economic classification	127 791	195 848	292 499	285 593	283 604	311 490	288 710	307 450	306 277

Total programme expenditure increased from R127 million in 2006/07 to R287 million in 2008/09 at an average annual rate of 51.2 percent. The increased rate of expenditure is due to the reallocation of some programme objectives to Corporate Services, which resulted in budget re-allocation and ultimately increased expenditure for the programme. In addition the increased spending on compensation of employees was due to personnel expenditure resulting from the Department absorbing Xhasa Accounts and Technical Centre personnel after its closure in the 2007/08 financial year.

During 2009/10, the main budget of R285 million was increased by R24 million or 6.3 percent to fund the increase in personnel expenditure as a result of the improvement of condition of services for all public servants during the financial year. The programme budget grows by from R306 million to R25 million represent 2 percent annual average growth over the MTEF.

The Department's expenditure on compensation of employees grew rapidly from R63 million to R98 million between 2006/07 and 2007/08, further increasing to R157 million in 2008/09. The uneven trend is due to higher than inflationary adjustments during the 2006/07.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

Performance Measure/Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
Implemented HRD Strategy and plan	Implementation plan commenced	HRD strategy implemented and monitoring commenced	Monitoring and review of HRD strategy
Improved delivery of quality services and products implemented	Approved departmental business processes and value chains implemented	Approved departmental business processes and value chains monitored for efficiency and effectiveness	Departmental business processes that are compliant to the ISO 9000 standards
Functional and responsive stakeholder structures or forums	Stakeholder Management Plan Implemented	Monitoring and evaluation of Stakeholder Mobilisation Plan	Functional and responsive stakeholder structures or forums in place
Fully merged Department delivering against its mandate	Functions and organisation form implementation commenced	New organisation fully implemented	Organisational improvement

Performance Measure/Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
No. of municipalities adhering to requirements	3 Metros	5 Districts	4 Local municipalities
No. of jobs created	12 000	18 000	15 000
Approved provincial LED Strategy	Approved provincial LED strategy	Implementation	Implementation
Approved Skills Development Programme	Approval and incorporation of the Skills Development Programme into workers' contracts	Implementation	Implementation

PROGRAMME 2: HUMAN SETTLEMENT

Programme description

The Local Governance Programme supports and monitors local government in the province. It aims to ensure that municipalities are viable and sustainable and able to fulfil their constitutional responsibilities. The programme also ensures that communities have access to basic services and government services. Housing Policy and Research undertakes key functions for the Department viz. policy, research, municipal support and registration of institutions. Attached to this programme are other transversal functions that include quality assurance, housing support and strategic planning. The main aim of housing development implementation is to promote effective and efficient delivery of national and provincial housing programmes. It focuses on the integrated redevelopment of urban communities at scale, cultivating sustainable local economies. The province has identified three areas that require urban renewal intervention, Alexandra, Bekkersdal and Evaton.

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

Programme objectives

To improve access to government services for communities by:

- Deepening democracy and good governance;
- Monitoring and evaluating municipal performance;
- Mainstreaming HIV/ AIDS programmes in municipalities;
- Ensuring accelerated municipal basic services and infrastructure delivery to meet national targets;
- Ensuring that municipalities are institutionally viable;
- Supporting and developing capacity of municipalities to become fully functional and sustainable.
- Providing administrative and/or transversal project management services;
- Undertaking successful and sustainable management of selected urban regeneration projects, so as to enhance the economic and social viability of neighbourhoods;
- Reducing levels of unemployment through the stimulation of income generating opportunities;
- Ensuring enhancement of integrated and sustainable urban regeneration.

TABLE 8 : SUMMARY OF PAYMENTS AND ESTIMATES: HUMAN SETTLEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Housing Needs, Research and Planning	7 495	13 485	15 492	19 730	18 152	16 999	18 198	22 162	18 390
2. Housing Development	1 979 315	2 805 260	2 986 755	3 416 571	3 511 179	3 733 103	3 952 554	4 473 309	4 186 309
3. Housing Asset Management Property Management	61 927	78 601	67 513	90 722	84 714	84 816	84 502	90 111	88 392
Total payments and estimates	2 048 737	2 897 346	3 069 760	3 527 023	3 614 045	3 834 918	4 055 254	4 585 582	4 293 091

TABLE 9: SUMMARY OF ECONOMIC CLASSIFICATION: HUMAN SETTLEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	41 055	114 105	109 813	121 925	128 947	127 263	140 393	147 007	142 756
Compensation of employees	36 862	84 037	86 715	95 042	103 642	103 322	112 491	124 164	120 872
Goods and services	4 193	30 068	23 098	26 883	25 305	23 941	27 902	22 843	21 884
Interest and rent on land									
Transfers and subsidies to:	1 958 785	2 783 241	2 959 947	3 405 098	3 405 098	3 627 632	3 914 861	4 438 575	4 150 335
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	1 958 785	2 783 241	2 959 947	3 405 098	3 405 098	3 627 632	3 914 861	4 438 575	4 150 335
Payments for capital assets	48 897				80 000	80 023			
Buildings and other fixed structures	48 765								
Machinery and equipment	132					23			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets					80 000	80 000			
Software and other intangible assets									
Payments for financial assets									
Total economic classification	2 048 737	2 897 346	3 069 760	3 527 023	3 614 045	3 834 918	4 055 254	4 585 582	4 293 091

From 2006/07 to 2008/09 expenditure has increased at an annual average rate of 23.4 percent from R2 048 billion to R3 069 billion. The main budget programme and expenditure driver is the Integrated Human Settlement Grant, and the largest share of expenditure lies with this programme when compared to others. The expenditure is attributable to sub-programme 2: Housing Development which over the next five years will focus on developing mixed-housing on well-located land, servicing approximately 27 500 stands and building approximately 35 500 houses. The Department plans to deliver 13 500 houses and service 3 800 stands throughout the province to eradicate informal settlements.

During the 2009/10 financial year, an additional amount of R80 million was allocated to this programme during the adjustment budget as a refund for land purchased for the development of mixed housing to address the housing backlog in the Diepsloot area. The funds will be utilised to provide 7600 housing opportunities for various income groups. The programme budget increases by R528 million or 13 percent from R3 527 billion in 2009/10 to R4 055 billion in 2010/11. However, the budget decreases over the MTEF from R4 585 billion in 2011/12 to R4 293 billion. The decline in 2012/13 is due to the conclusion of the Alexandra, Evaton and Bekkersdal Urban Renewal Programmes in the 2011/12 financial year.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

Performance Measure /Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
No. of households with alternative sanitation	150	200	150
No. of projects/ settlements provided with sustainable water and sewer solutions	2	4	2
No. of stands serviced	300	2 469	1 235
No. of houses built	1 281	2 282	563
No. of houses built with sustainable building technology	150	200	150
No. of projects supported by the land acquisition plan	Acquisition of land for 5 identified projects	Acquisition of land for 5 identified projects	Acquisition of land for 6 identified projects
Reviewed and approved Land Disposal Policy	Revised Land Disposal Policy Implemented	Revised Land Disposal Policy Implemented	Impact and MTEF review of the Disposal Policy
No. of land inspections undertaken	100 inspections	100 inspections	100 inspections
No. of cases of illegal land use resolved	5 cases investigated	5 cases investigated	5 cases investigated
No. of properties vested	150 properties vested with GPG	150 properties vested with GPG	150 properties vested with GPG
No. of servitudes granted on GPG owned land	10 servitudes granted on GPG owned land	10 servitudes granted on GPG owned land	10 servitudes granted on GPG owned land
Implemented Bulk Infrastructure Plan	Approve bulk infrastructure plan and commence implementation in 1 district & 1 Metro	Implementation in 1 District and 1 Metro	Implementation in 1 District and 1 Metro and M&E

PROGRAMME 3: COOPERATIVE GOVERNANCE**Programme description**

The Development and Planning Programme coordinates and facilitates integrated development and planning in municipalities to ensure that a variety of services are delivered in an integrated and sustainable manner. The programme also supports and monitors municipalities in the province and ensures that communities have access to basic services and government services.

Programme objectives

- Facilitate and coordinate processes towards ensuring that Municipal Infrastructure Development Plan (MIDPs) are credible, implementable and aligned to national and provincial policies, plans and strategies;
- To coordinate the implementation of the Disaster Management Plan;
- To ensure strategic management of provincial land for economic and social purposes;
- Deepening democracy and good governance;
- Monitoring and evaluating municipal performance;
- Mainstreaming HIV/AIDS programmes in municipalities;
- Supporting and developing the capacity of municipalities to become functional and sustainable.

TABLE 10: SUMMARY OF PAYMENTS AND ESTIMATES: COOPERATIVE GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1. Local Governance	117 725	157 135	138 493	133 963	159 934	161 428	121 030	115 874	121 567
2. Development and Planning	46 351	56 320	125 712	45 063	39 367	37 613	43 467	51 305	53 434
Total payments and estimates	164 076	213 455	264 205	179 026	199 301	199 041	164 497	167 179	175 001

TABLE 11: SUMMARY OF ECONOMIC CLASSIFICATION: COOPERATIVE GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	115 961	173 126	181 612	158 326	182 651	183 287	159 467	162 147	169 966
Compensation of employees	47 432	78 711	99 620	105 405	113 765	122 523	122 275	128 227	132 677
Goods and services	68 529	94 415	81 992	52 921	68 886	60 764	37 192	33 920	37 289
Interest and rent on land									
Transfers and subsidies to:	20 770	10 999	79 920	11 000	14 000	14 006	20	22	25
Provinces and municipalities	20 770	10 999	79 920	11 000	14 000	14 000			
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households						6	20	22	25
Payments for capital assets	27 345	29 330	2 673	9 700	2 650	1 748	5 010	5 010	5 010
Buildings and other fixed structures									
Machinery and equipment	27 345	29 330	2 673	9 700	2 650	1 748	5 010	5 010	5 010
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	164 076	213 455	264 205	179 026	199 301	199 041	164 497	167 179	175 001

Programme expenditure has increased at an annual average rate of 26.5 percent from R164 million to R264 million from the 2006/07 to the 2008/09 financial years. Contributing to the expenditure is the sub-programme: Local Governance with total expenditure of R413 million for the period under review. This expenditure was to ensure provision of key support services to local government through CDWs and the EPWP.

During the 2009/10 adjustment period the programme received an additional allocation of R70 million for the eradication of water backlogs in identified areas. The funds cater for provision of bulk water mains, reticulating water mains, standpipes, and elevated water tanks, construction of reservoirs and water towers and rehabilitation of boreholes and hand pumps. An additional R17 million from national sources (the Internally Displaced People Management grant) was allocated to the Department for expenditure incurred in addressing the xenophobic attacks on foreigners in May 2008.

KEY OUTPUTS AND SERVICE DELIVERY MEASURES

Performance Measure /Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
No. of fully functional ward committees	75 % functional ward committees	Fully functional ward committees	Fully functional Ward Committees
Functional CDW model and programme	Recommend-ations implemented	Monitoring functionality of approved model	Monitoring functionality of approved model
No. of key performance areas targeted to support the creation and sustenance of functional municipalities	Interventions relating to clean audit, institutional transformation and development, capacity and governance	Interventions relating to clean audit, institutional transformation & development, capacity and governance and LED	Interventions relating to Clean Audit, Institutional transformation and development, capacity governance and LED

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Performance Measure /Indicator	Estimated Annual Targets		
	2010/11	2011/12	2012/13
% of the Gauteng Municipal Revenue Enhancement Strategy and Plan implemented by municipalities	50% implementation	70% implementation	90% Implementation
No. of people with critical and scarce skills trained across all municipalities	500 people trained and mentored	500 people trained and mentored	
Integrated planning and budgeting across all municipalities and departments			Impact assessment of all related role-players in 20 PTP approved
Effective inter- governmental co-ordination to deliver the objectives of the 20 PTP			
Allocation of powers and functions (delegation of authority between spheres of government) completed	Implementation of recommendations	Implementation of recommendations completed	Allocations of powers and functions completed
Key enforcement structures and processes implemented	Assess municipal capacity to enforce by-laws	Capacity building and communication of by-laws	Capacity building and communication of by-laws and Monitor impact of reviewed by-laws and enforcement

PROGRAMME 4: TRADITIONAL INSTITUTION DEVELOPMENT

Programme description

To promote and facilitate viable and sustainable traditional institutions and to support and enhance the capacity of traditional authorities. The key performance areas are: traditional institutional administration, traditional resource administration, rural development facilitation and traditional land administration

Programme objectives

- To strengthen co-operative governance between municipalities and traditional leaders;
- To manage the institutional, administrative and financial frameworks of traditional institutions;
- To draw up administrative policy guidelines and to draw up and implement capacity building programmes;
- To support and strengthen the development capacity of traditional leadership and institutions;
- To manage and register traditional land rights

TABLE 13 : SUMMARY OF PAYMENTS AND ESTIMATES: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
1.Traditional Institutional Administration		1 758	3 218	1 581	2 722	2 717	1 114	1 300	1 458
2.Traditional Resource Administration		290	481	1 405	94	94	820	840	860
3.Rural Development Facilitation		114		1 640	1 140	1 140	580	588	597
4.Traditional Land Administration							600	608	617
Total payments and estimates		2 162	3 699	4 626	3 956	3 951	3 114	3 336	3 532

TABLE 14: SUMMARY OF ECONOMIC CLASSIFICATION: TRADITIONAL INSTITUTIONAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments		1 525	3 588	4 626	3 956	3 951	3 114	3 336	3 532
Compensation of employees		796	1 424	2 626	2 456	2 451	2 587	2 730	2 865
Goods and services		729	2 164	2 000	1 500	1 500	527	606	667
Interest and rent on land									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households									
Payments for capital assets		637	111						
Buildings and other fixed structures									
Machinery and equipment		637	111						
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification		2 162	3 699	4 626	3 956	3 951	3 114	3 336	3 532

Programme expenditure is planned to increase by 64 percent from R2 162 million in 2006/07 to R3 532 million in the 2012/13 financial year. Programme expenditure has increased considerably from R2 million to R3.6 million or by 80 percent from the 2007/08 to 2008/09 financial years. The increase came as a result of the incorporation of North-West and Mpumalanga traditional community areas into Gauteng province and the need to provide for the administration of traditional affairs. The budget further increases by R100 million to R4.6 million in 2009/10 when compared to R3.6 million the previous year

7. OTHER PROGRAMME INFORMATION

7.1 Personnel numbers and costs

TABLE 15: PERSONNEL NUMBERS AND COSTS: LOCAL GOVERNMENT AND HOUSING

Personnel numbers	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	537	592	875	867	1205	1205	1205
2. Human Settlement	356	413	297	319	350	425	425
3. Cooperative Governance	571	699	814	805	762	762	762
4. Traditional Institutional Development		5	7	7	7	7	7
Total provincial personnel numbers	1464	1709	1993	1998	2324	2399	2399
Total departmental personnel cost (R thousand)	148 071	261 756	345 134	378 894	425 752	457 929	466 109
Unit cost (R thousand)	202	304	180	178	172	191	195

7.2 Training

TABLE 17: PAYMENTS ON TRAINING: LOCAL GOVERNMENT AND HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Administration	1,872	1,105	1,886	3,786	3,786	3,786	2,655	3,010	3,152
of which									
Subsistence and travel									
Payments on tuition	1,872	1,105	1,886	3,786	3,786	3,786	2,655	3,010	3,152
Human Settlements		1,060	1,290				1,595	1,880	1,880
of which									
Subsistence and travel									
Payments on tuition		1,060	1,290				1,595	1,880	1,880
Cooperative Governance	779		886	770	770	770	957	967	967
of which									
Subsistence and travel									
Payments on tuition	779		886	770	770	770	957	967	967
Traditional Institution Development									
of which									
Subsistence and travel									
Payments on tuition									
Total payments on training	2651	2165	4062	4556	4556	4556	5207	5857	5999

TABLE 18: INFORMATION ON TRAINING: LOCAL GOVERNMENT AND HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Number of staff	1608	886	2050	1959	1959	1959	2398	2460	2460
Number of personnel trained	1026	793	1635	769	769	769	1170	1270	1270
of which									
Male	499	617	800	334	334	334	454	576	576
Female	527	556	835	427	427	427	663	694	694
Number of training opportunities	310	31	62	67	67	67	75	87	87
of which									
Tertiary	35	1	24	24	24	24	27	31	31
Workshops	232	26	11	14	14	14	17	20	20
Seminars	43	4	5	7	7	7	6	7	7
Other				22	22	22	25	29	29
Number of bursaries offered	50	77	75	71	71	71	78	80	80
Number of interns appointed	65	85	100	84	84	84	86	89	89
Number of learnership appointed	23	252	336	311	311	311	241	233	233
Number of days spent on training	243								

7.3 Reconciliation of structural changes

TABLE 19: RECONCILIATION OF STRUCTURAL CHANGES: LOCAL GOVERNMENT AND HOUSING

Programmes for 2009/10			Programmes for 2010/11		
	2009/10 Equivalent				
	Programme	Sub-programme		Programme	Sub-programme
Housing Needs, Research and Planning	2	4 Housing Needs, Research and Planning	Human Settlements	2	1.Housing Needs, Research and Planning
Housing Development	3	2.Housing Development	Human Settlements	2	2.Housing Development
Housing Development	3	3 Housing Development	Human Settlements	2	2.Housing Development

Programmes for 2009/10			Programmes for 2010/11		
	2009/10 Equivalent				
	Programme	Sub-programme		Programme	Sub-programme
Housing Asset Management Property Management	4	Housing Asset Management Property Management	Human Settlements	2	3.Housing Assets Management Property Management
Local Governance	2	1.Municipal Administration 2.Municipal Finance 3. Community Development Workers 4.Capacity Development	Cooperative Governance	2	1.Local Governance
Integrated Development Planning and Service Delivery	3	1 to 4	Cooperative Governance	2	2.Development and Planning
Traditional Institution Management	4	1.Traditional Institution Administration 2.Traditional Resource Administration 3.Rural Development Facilities	Traditional Institutional Development	4	1.Traditional Institution Administration 2.Traditional Resource Administration 3Rural Development Facilities

ANNEXURE TO ESTIMATES OF PROVINCIAL EXPENDITURE

TABLE 20: SPECIFICATION OF RECEIPTS: LOCAL GOVERNMENT AND HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	335	153	236	430	360		360	360	378
Sale of goods and services produced by department (excluding capital assets)	335	153	236	430	360		360	360	378
Sales by market establishments									
Administrative fees									
Other sales	93	33	153	134	158		135	135	140
<i>Of which</i>									
<i>Mark Estab:Non –Res Building</i>	242	120	81	296	310		297	297	312
<i>Other (Specify)</i>									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)				3 675	2 280	1 860	3 780	3 810	3 985
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	12	33	16	30			32	32	32
Interest	209	703	410	300	330		302	301	317
Dividends									
Rent on land									
Sales of capital assets									
Land and subsoil assets									
Other capital assets									
Financial transactions in assets and liabilities	2 614	2 992	1 805	3 260	3 410	3 410		3 262	3 425
Total departmental receipts	3 158	3 848	2 451	3 990	4 100	4 100		3 923	4 120

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TABLE 21: SPECIFICATION OF RECEIPTS: LOCAL GOVERNMENT AND HOUSING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	109 282	170 277	267 130	262 255	260 916	285 548	265 291	283 287	281 249
Compensation of employees	63 777	98 212	157 375	175 821	174 074	181 565	188 399	202 808	209 690
Salaries and wages	53 978	86 655	137 667	150 410	152 783	160 274	165 980	179 155	184 855
Salaries and wages	9 799	11 557	19 708	25 411	21 291	21 291	22 419	23 653	24 835
Goods and services	45 505	72 065	109 755	86 434	86 842	103 983	76 892	80 479	71 559
of which									
Administrative fees									
Advertising	1 286	3 045	4 904	340	340	1	740	756	812
Assets <R5000	64	213	910	124	124		924	938	984
Audit cost: External	3 315	6 448	5 706	4 110	2 561	1 495	5 661	4 210	4 450
Bursaries (employees)	252	276	276	450	450		450	460	500
Catering: Departmental activities	1 120	1 650	2 117	4 194	2 094	62	2 340	2 380	2 540
Communication	3 810	4 984	6 275	5 417	2 220	3 936	4 220	5 270	5 641
Computer services	3 249	881	3 970	3 675	2 280	1 860	3 780	3 810	3 985
Cons/prof:business & advisory services	2 734	757	890	923	202	726	202	211	312
Cons/prof: Infrastructre & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost	1 056	951	1 428	1 000	1 000		1 000	1 100	1 200
Contractors	276	21	10 886	9 555	12 419	2	10 419	10 450	5 565
Agency & support/outsourced services	2 116	7 764	8 094	1 550	1 550		1 550	1 600	1 700
Entertainment	231	98	53	24	24		39	41	49
Government motor transport	5 109	2 710	7 611	1 700	2 278		3 700	3 759	4 063
Housing									
Inventory: Food and food supplies							12	12	15
Inventory: Fuel, oil and gas									
Inventory:Learn & teacher support material									
Inventory: Raw materials									
Inventory: Other consumables									
Inventory: Stationery and printing									
Lease payments									
Owned & leasehold property expenditure						4			
Transport provided dept activity	1 873	4 223	1 043	4 745	3 031	1 621	5 031	5 081	5 278
Travel and subsistence	1 254	552	3 238						
Training & staff development	233		31 156	20 974	20 168	2 022	20 778	19 200	11 796
Operating expenditure		193							
Venues and facilities	3 208	2 866	5 178	5 410	1 493	2 802	2 293	2 303	2 410
Other (big spending items not included above)	1 603	2 165	1 503	3 730	1 800	244	2 681	2 831	2 973
Interest and rent on land									
Interest									
Rent on land									
Transfers and subsidies	15 212	16 906	16 553	17 988	17 488	21 255	18 019	18 563	19 193
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Entities									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	15 212	16 906	16 553	17 988	17 488	21 255	18 019	18 563	19 193
Social benefits			10				31	36	40
Other transfers to households	15 212	16 906	16 543	17 988	17 488	21 255	17 988	18 527	19 153
Payments for capital assets	3 297	8 665	8 816	5 350	5 200	4 687	5 400	5 600	5 835
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	3 248	8 561	8 771	5 350	5 200	4 633	5 400	5 600	5 835
Transport equipment	3 248	8 561	8 771	5 350	5 200	4 633	5 400	5 600	5 835
Other machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	49	104	45			54			
Total economic classification	127 791	195 848	292 499	285 593	283 604	311 490	288 710	307 450	306 277

TABLE 22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	41 055	114 105	109 813	121 925	128 947	127 263	140 393	147 007	142 756
Compensation of employees	36 862	84 037	86 715	95 042	103 642	103 322	112 491	124 164	120 872
Salaries and wages	30 805	72 874	68 356	73 060	81 660	81 340	89 344	99 745	95 230
Salaries and wages	6 057	11 163	18 359	21 982	21 982	21 982	23 147	24 419	25 642
Goods and services	4 193	30 068	23 098	26 883	25 305	23 941	27 902	22 843	21 884
<i>of which</i>									
<i>Administrative fees</i>									
<i>Advertising</i>	13	201		115	115		80	95	120
<i>Assets <R5000</i>	84	350	74	195	195		174	186	213
<i>Audit cost: External</i>		343							
<i>Bursaries (employees)</i>	3								
<i>Catering: Departmental activities</i>	604	2 786	2 085	2 395	2 395	1 166	1 827	2 176	2 325
<i>Communication</i>	748	2 174	2 126	3 237	3 237	3 309	2 972	3 050	3 220
<i>Computer services</i>		193	135	15	15		15	20	30
<i>Cons/prof:business & advisory services</i>		7 962	928	1 069	1 069		1 062	1 130	1 300
<i>Cons/prof: Infrastructure & planning</i>									
<i>Cons/prof: Laboratory services</i>									
<i>Cons/prof: Legal cost</i>									
<i>Contractors</i>			21	634	634		610	606	661
<i>Agency & support/outsourced services</i>		5				184			

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R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Entertainment	5	3	9	1 008					
Government motor transport		3 455	2 054	3 214	4 222		2 900	3 000	2 100
Housing									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learn & teacher support material									
Inventory: Raw materials									
Inventory: Other consumables									
Inventory: Stationery and printing									
Lease payments									
Owned & leasehold property expenditure									
Transport provided dept activity	215	272	2 080	1 059	1 059	368	1 010	1 090	1 230
Travel and subsistence		5 218	4 968	5 000	5 000			5 300	5 400
Training & staff development									
Operating expenditure									
Venues and facilities	134	1 402	1 715	2 612	2 612	3 805	2 571	2 540	2 700
Other (big spending items not included above)									
Interest and rent on land									
Interest		353		181	181	168	186	210	240
Rent on land	2 387	5 351	6 903	6 149	4 571	14 941	14 495	3 440	2 345
Transfers and subsidies	1 958 785	2 783 241	2 959 947	3 405 098	3 405 098	3 627 632	3 914 861	4 438 575	4 150 335
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Entities									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	1 958 785	2 783 241	2 959 947	3 405 098	3 405 098	3 627 632	3 914 861	4 438 575	4 150 335
Social benefits							18	21	23
Other transfers to households	1 958 785	2 783 241	2 959 947	3 405 098	3 405 098	3 627 632	3 914 843	4 438 554	4 150 312
Payments for capital assets	48 897				80 000	80 023			
Buildings and other fixed structures	48 765								
Buildings									
Other fixed structures	48 765								
Machinery and equipment	132					23			
Transport equipment									
Other machinery and equipment	132					23			

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets					80 000	80 000			
Software and other intangible assets									
Payments for financial assets									
Total economic classification	2 048 737	2 897 346	3 069 760	3 527 023	3 614 045	3 834 918	4 055 254	4 585 582	4 293 091

TABLE 23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: COOPERATIVE GOVERNANCE

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	115 961	173 126	181 612	158 326	182 651	183 287	159 467	162 147	169 966
Compensation of employees	47 432	78 711	99 620	105 405	113 765	122 523	122 275	128 227	132 677
Salaries and wages	41 228	67 041	84 146	85 297	93 657	102 415	101 101	105 823	109 222
Salaries and wages	6 204	11 670	15 474	20 108	20 108	20 108	21 174	22 404	23 455
Goods and services	68 529	94 415	81 992	52 921	68 886	60 764	37 192	33 920	37 289
of which									
Administrative fees	41	881	98	70	70				
Advertising	1 619	6 745	3 044	3 006	3 006	2 668	1 780	1 880	2 209
Assets <R5000									
Audit cost: External									
Bursaries (employees)									
Catering: Departmental activities	905	1 720	908	1 409	1 409	818	1 200	1 100	1 156
Communication	53	876	3 766	3 500	3 500	3 500	2 300	2 300	2 415
Computer services		3 923							
Cons/prof:business & advisory services	54 731	56 432	13 562	11 860	29 648	10 540	8 081	4 566	4 811
Cons/prof: Infrastructre & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost	45	37	14	150	150				
Contractors									
Agency & support/outsourced services	46	701	38 144	9 682	9 682	18 935	8 510	5 471	5 745
Entertainment				300	300				
Government motor transport									
Housing									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory:Learn & teacher support material									
Inventory: Raw materials									
Inventory: Other consumables									
Inventory: Stationery and printing									
Lease payments									
Owned & leasehold property expenditure									
Transport provided dept activity	954	1 642	1 372	1 413	1 413	1 564	1 200	1 350	1 418
Travel and subsistence	281	3 943	3 962	4 283	2 753	4 283	5 775	4 200	4 409
Training & staff development	28	18	21	80	80				
Operating expenditure									
Venues and facilities	1 896	2 708	4 510	3 798	3 798	3 388	4 100	1 900	2 000
Other (big spending items not included above)	534	4 171	2 341	7 730	7 730	6 221	950	800	840
Interest and rent on land									
Interest	5 289	7 672	8 055	3 785	3 492	3 219	2 910	3 210	3 424

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R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Rent on land	2 107	2 946	2 195	1 855	1 855	5 628	386	7 143	8 862
Transfers and subsidies	20 770	10 999	79 920	11 000	14 000	14 006	20	22	25
Provinces and municipalities	20 770	10 999	79 920	11 000	14 000	14 000			
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	20 770	10 999	79 920	11 000	14 000	14 000			
Municipalities	20 770	10 999	79 920	11 000	14 000	14 000			
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Entities									
Universities									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on production									
Other transfers									
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households						6	20	22	25
Social benefits						3	20	22	25
Other transfers to households						3			
Payments for capital assets	27 345	29 330	2 673	9 700	2 650	1 748	5 010	5 010	5 010
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	27 345	29 330	2 673	9 700	2 650	1 748	5 010	5 010	5 010
Transport equipment			679						
Other machinery and equipment	27 345	29 330	1 994	9 700	2 650	1 748	5 010	5 010	5 010
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	164 076	213 455	264 205	179 026	199 301	199 041	164 497	167 179	175 001