

# VOTE 8

## DEPARTMENT OF HUMAN SETTLEMENTS

To be appropriated by vote in 2014/15	R 4 968 101 000
Responsible MEC	MEC for Human Settlements
Administering Department	Department of Human Settlements
Accounting Officer	Head of Department of Human Settlements

### 1. OVERVIEW

#### Vision

We are an accountable department, which builds integrated, sustainable communities that enjoy 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 a set of values that are informed by the Batho Pele (People First) principles of the South African Public Service and as an organisation; our specific focus is on the following:

- Respect;
- Integrity;
- Responsibility;
- Accountability; and
- Fairness.

#### Strategic Objectives

Build cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements

- Provide and develop integrated infrastructure for the creation of cohesive communities;
- To acquire, manage and develop, suitable and well located land (including state-owned land and other properties) for the creation of sustainable human settlements; and
- To provide and facilitate the development of innovative and quality housing solutions.

#### Build an inclusive economic environment which is conducive to the creation of decent work

- Develop and implement a strategy on creating decent work in the housing and local government sector that would contribute at least 60,000 sustainable jobs by 2015; and
- Develop and implement a structured engagement programme with local government, organised communities and other stakeholders, to support the creation of an inclusive economic environment which is conducive to the creation of decent work.

#### Strengthen and align the Department's organisational capacity and capability to deliver on its mandate

- Implement a Human Resource Development Strategy;
- Develop the departmental service delivery business model;
- Create a consultative and participative environment for customers and stakeholders; and
- Finalise the integration of the two branches to deliver effectively against the department mandate.

### Core functions and responsibilities

Based on our revised core mandate and on the broader mandate derived from the Constitution, ultimately the primary role of the Gauteng Provincial Department of Human Settlement is to promote and facilitate the provision of adequate housing in its province. In this regard, some of the core functions of our department include the following:

- Revising Gauteng Provincial housing policies that will strengthen local government service delivery, to provide houses for all in order to build sustainable communities;
- Developing and implementing programmes and projects that give effect to the GPG housing policies as reflected in its short, medium and long term plans; and
- Managing the housing delivery process and transforming informal settlements, especially in priority townships, into sustainable and vibrant communities; and providing key service in respect of subsidies and rental housing.

### Main services

The department delivers quality housing to the Gauteng province through the Human Settlement grant from National Department of Human Settlements and develops integrated infrastructure for the creation of cohesive communities. It is responsible for managing provincial housing assets through the property management programme and the redistribution or transfer of properties to beneficiaries.

### Outcomes

The presidency has identified 14 outcomes in the Medium Term Strategic Framework (MTSF) to address the main strategic priorities for government. The estimates provide the framework from which to align the budget of the Gauteng Department of Human Settlements. The Department has formulated outcomes that are aligned to the key outputs of the Outcome 8: Sustainable human settlements and improved quality of household life and its outputs, which are:

- Accelerated Delivery of Housing Opportunities;
- More Efficient Land Utilization; and
- Improved Property Market.

To ensure the alignment of the budget to government's prescribed outcomes, the department has developed performance indicators that are informed by the National and Provincial priorities.

### Accelerated delivery of housing opportunities

The budget allocated for this output/outcome focuses on human settlement programmes of action, of building cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. The allocated budget for this outcome is also to promote the effective and efficient delivery of national and provincial programmes. In 2014/15 financial year, a substantial portion (R3.726 billion) of the 2014/15 funding is allocated to new infrastructure representing new housing units and stands. While R604.8 million, R92.2 million, R7 million has been allocated to the upgrading of the hostels, rectification of the housing stock and for the maintenance of the existing infrastructure namely hostels and other Human Settlements assets. In Summary a total of 10 407 stands will be serviced and 24 187 housing units will be constructed and delivered by the five regions in 2014/15 financial year.

### More efficient land utilisation

The budget related to this outcome is through programme 2. The allocated budget is meant to acquire properties for development for the provision of human settlements and to assist in addressing the location of future settlements on well-located land which are closer to economic opportunities mostly as a result of in-migration to the Province from other areas. The budget allocation for the 2014/15 financial year also relates to vesting of properties within record time to the provincial government and other relevant entities or institutions.

### External activities and events relevant to budget decisions

The growing numbers to the Province from other provinces within the country and neighbouring countries have a serious impact and put significant pressure on the delivery of houses and other services to the communities in Gauteng. Statistics South Africa estimated the population growth in Gauteng to be 0.5 per cent and is expected to remain relatively at the same rate for the foreseeable future. Statistics South Africa further highlights that a percentage of economically unemployed South Africans stood at 23 per cent, whereas pointing out that the average salary for South Africans was R8 380 during the same period. The above statistics support the fact that the province is experiencing a high level of unemployment due to in-migration, whilst there is a need to increase funding for the increase in the number of poor people who cannot afford to buy houses. The slowdown in economic conditions and the reduction in government spending pose challenges in terms of the number of

units of houses the department can deliver during the financial year.

#### **Acts, rules and regulations**

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- National Environmental Management Act (Act No. 107 of 1998, as amended by Act No. 8 of 2004);
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Construction Industry Development Board Act (Act no. 38 of 2000);
- 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);
- National Building Regulations and Building Standards Act (Act No. 103 of 1977);
- State Land Disposal Act (Act No. 48 of 1961) ;and
- Deeds Registries Act ( Act No. 47 of 1937).

#### **Legislative and other mandates**

The core mandate of the Department 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.

#### **Policy mandate**

The department is guided by the following policies and strategies:

- Provincial Growth and Development Strategy (PGDS);
- Breaking New Ground (BNG) Strategy;
- Global City Region (GCR) Strategy;
- National Housing Policy; and
- National Housing Code.

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2013/14)**

### **Outcome 8: Sustainable Human Settlements and improved quality of household life**

#### **Output 1: Accelerated delivery of housing opportunities**

The number of new housing units completed in the province across all housing programmes being utilised by the department at the end of the third quarter is 17 738 against the annual target of 27 994. The Department has serviced a total 3 481 stands against the annual target of 5 539 households to be connected to basic services as part of the Informal Settlements Upgrading Programme. Furthermore the department created a total of 11 538 jobs in the housing sector by the end of the third quarter.

#### **Output 2: More efficient land utilisation**

The department has acquired, managed and developed 11 land parcels to date, against the annual target of 15 parcels in the following areas:

- Golden Gardens Remainder of Portion 8 of the farm Rietkuil 554 IQ;
- Portion 205 of the Farm Nooitgedacht (13,93 Ha);
- Portion 2 of Erf 188 Meyerton Farms;
- Kokosi Extension 7 -Portion 6 of the farm Leeuspruit (99,81ha);
- Remainder of Portion 7 Leeuspruit (60 Ha);
- Zandspruit - Remainder of Portion 67 (7,66 Ha);
- Zandspruit- Remainder of Portion 42 (17,99 Ha);
- Princess Plot - Holding 114 (1,07 ha);
- Princess Plot Holding 92 (1,07 ha);
- Zandfontein - Portion 37 and 38 of the Farm Zandfontein 317 JR; and
- Diepsloot North - Portion 119 of the Farm Driefontein 682 IR (Diepsloot).

#### **Output 3: Improved Property Market**

For the period under review, the department has transferred 1 729 residential properties to beneficiaries through the Enhanced Extended Discount Benefit Programme. A total of 5 commercial properties have been disposed and a total number of 5 disputes between landlords and tenants have been resolved for approval. The department has devolved a total of 20 housing properties to various stakeholders.

### 3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2014/15)

#### Outcome 8: Sustainable human settlements and improved quality of household life

##### Output 1: Accelerated delivery of housing opportunities

The department will provide differentiated quality housing solutions through the implementation of the various national housing programmes, by utilising the Human Settlements Development Conditional Grant, and by the eradication of informal settlements. During the 2014/15 financial year, the department plans to service 10 407 stands and to build 24 187 houses and complete 1 333 community residential units.

The department aims to make available housing opportunities in line with approved empowerment policies and to allocate 30 984 houses. In terms of the Gender, Youth and People with Disabilities (GEYODI) allocation policy, the distribution of the houses will be as follows:

- Women-headed households: 50 per cent (15 188);
- Child-headed households: 10 per cent (3 038);
- Indigent people: 40 per cent (12 150); and
- People with disabilities: 2 per cent (608).

##### Output 2: More efficient land utilisation

The department plans to acquire 15 well-located land parcels for the development of affordable housing, social and rental housing initiatives, and addressing the gap in the housing market. These pockets of land range between 3-9 hectares in extent and are located within well-established residential areas across the province.

##### Output 3: Improved property market

The Finance-Linked Individual Subsidy Programme (FLISP) was revised in order to cater for individuals who earn up to R15 000 a month (R3 500 -R15 000 income bracket) – a significant increase from the previous R10 000 target). As part of improving the property market, the department will set aside 15 land parcels for the implementation of FLISP.

##### Output 4: Access to basic services

The achievement of universal access to basic services is also an important national output that the department supports, although it is the primary responsibility of the Department of Cooperative Governance and Traditional Affairs (COGTA). In its supportive role, the Department is planning to deliver 10 407 serviced stands for informal settlements. Services in this regard include access to basic water, basic sanitation and electricity.

#### Challenges

The challenges that are being experienced by the Department can be summarised as follows:

- Continuous increase in housing demand (housing backlog);
- Distressed infrastructure as a result of rapid urbanisation and in migration;
- Increase in the number of informal settlements across the province, which places a huge financial burden on the province and the municipalities, particularly when providing basic services;
- Growth in the gap market demand in line with the revised threshold;
- Difficulties in the acquisition of suitable and well-located land for human settlements development as a result of exorbitant prices by private owners; and
- Lack of relevant in-house professional expertise.

#### Mitigating Measures

The following are some of the mitigating measures that require implementation to address the challenges presented in the preceding section:

- Maximising the utilisation of resources through improved coordination with municipalities (exploitation of efficiency gains) to address housing backlogs, coupled with effective monitoring and evaluation thereof by GDHS;
- Strengthening existing partnerships with municipalities, other government departments, the private sector, commercial banks, and other government agencies for improved institutional support towards the development of sustainable human settlements, and in the process giving attention to the gap market and rental accommodation; and
- Develop a five year land acquisition plan with annual targets jointly with municipalities; Undertake regular audit and analysis of provincial state-owned and privately-owned land.

## 4. REPRIORITISATION

The department continues to review its operations to identify cost savings and eliminate identified inefficiencies. These savings will invariably lead to reprioritisation. The department continues to explore cheaper alternative building technologies.

## 5. PROCUREMENT

The budget of R3.9 million for advertising and the process of procurement is in line with the supply chain framework and the procurement is as per request from various units within the department. There is an open tender process for requests above R1million and quotations are requested for less than R500 000. The audit costs are budgeted at R 6 million and the signing of the contract with the Auditor General takes place towards the end of the financial year. For bursaries for employees the department budget R1 million and issued application forms in September of every calendar year. The budget for consultants or professional business and advisory services amounts to R 8.6 million which will be put on open tender when the services are required.

The agency and support or outsourced services are put on open tender as and when required. The estimated procurement budget for operating lease is R 4 million, however there is no tender process since it is an ongoing activity as per lease agreement.

## 6. RECEIPTS AND FINANCING

### 6.1. Summary of receipts

TABLE 8.1: SUMMARY OF RECEIPTS: DEPARTMENT OF HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Equitable share	651 673	456 532	472 105	508 099	508 099	508 099	548 460	582 210	614 287
Conditional grants	3 771 831	3 804 647	4 003 776	4 108 399	4 108 399	4 108 399	4 419 641	5 065 766	5 631 437
Human Settlements Grant	3 771 831	3 804 647	4 003 776	4 108 399	4 108 399	4 108 399	4 417 641	5 065 766	5 631 437
EPWP							2 000		
<b>Total receipts</b>	<b>4 423 504</b>	<b>4 261 179</b>	<b>4 475 881</b>	<b>4 616 498</b>	<b>4 616 498</b>	<b>4 616 498</b>	<b>4 968 101</b>	<b>5 647 976</b>	<b>6 245 724</b>

The department's receipts include the conditional grant from the National Department of Human Settlements and equitable share received from the Gauteng Provincial Treasury. The grant allocation is for the implementation of national and provincial housing programmes and the equitable share is primarily for carrying out the operational activities of the Department.

Total receipts for the 2010/11 financial year amounted to R4.4 billion, decreased to R4.2 billion in 2011/12 and recovered to R4.4 billion during the 2012/13 financial year. The total budget in the 2013/14 financial year is R4.6 billion and increases slightly to R4.9 billion in the 2014/15 financial year. The increase emanates due to the allocation received for the EPWP grant of R2million, the fact that the quantum subsidies for the delivery of houses which have increased as well as the accreditation process which is placed on hold at the moment. The provincial allocations and conditional grants allocated to the Department during the 2014/15 Medium Term Expenditure Framework (MTEF) period provides for continuation of the Alexandra Urban Renewal Project, Inner City Renewal.

## 6.2. Departmental receipts collection

TABLE 8.2: DEPARTMENTAL RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Tax receipts									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sales of goods and services other than capital assets	234	595	1 825	347	347	347	376	393	414
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	132	10		309			329	344	362
Sales of capital assets									
Transactions in financial assets and liabilities	838	18 856	10 876	3 313	3 313	3 313	3 530	3 692	3 888
<b>Total departmental receipts</b>	<b>1 204</b>	<b>19 461</b>	<b>12 701</b>	<b>3 969</b>	<b>3 660</b>	<b>3 660</b>	<b>4 235</b>	<b>4 429</b>	<b>4 664</b>

The department generates most of its revenue from parking fees, sales of tender documents and collection of rental from the departmental properties. The department's revenue remains relatively stable over the MTEF period and increases slightly due to cash collected from hostel dwellers as a result of the success in the collection methods implemented by the department. During the 2010/11 financial year, the department's receipts amounted to R1.2 million, collected revenue during the 2011/12 and 2012/13 financial years increased to R19.4 million and R12.7 million respectively.

The significant increase in revenue collected was due to recovery of an over payment to suppliers. In the 2013/14 financial year receipts are projected to decrease to R3.6 million when compared to the previous year collection of R12.7 million. The main sources of income for the department in the 2013/14 financial year comprises of sales of goods and services other than capital assets, interest, dividends and rent on land and transactions in financial assets and liabilities. The department anticipates that an increase in revenue due to the increase in parking fees, tenders and commission earned on third Party payments. The receipts are projected to slightly recover and remain stable at R4.2 million in 2014/15 to R4.6 million over the MTEF period.

## 6.3 Donor Funding

N/A

# 7. PAYMENT SUMMARY

## 7.1 Key assumptions

- The Department has budgeted for a 6.4 percent wage increase for the 2014 MTEF and assumptions are based on the projected Consumer Price Inflation (CPI);
- The following elements have been taken into account when determining personnel and other economic classifications for the new MTEF;
- Number of staff and possible changes over the MTEF;
- Basic salary cost including Improvement of Conditions of Service adjustments from 1<sup>st</sup> April each year;
- Increased take-up of benefits such as medical aid and home owners' allowance based on bargaining council agreements;
- Inflation related items such as goods and services based on headline CPI projections;
- Provision for the eradication of informal settlements through-out the province; and
- Provision for upgrading of infrastructure services.

## 7.2 Programme summary

TABLE 8.3: SUMMARY OF PAYMENTS AND ESTIMATES: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	249 889	247 525	220 968	205 929	208 722	208 872	226 164	287 665	311 015
2. Housing, Needs, Research and Planning	9 497	8 694	10 821	14 422	14 522	14 612	15 788	16 558	17 436
3. Housing Development	3 943 050	3 844 953	4 103 039	4 317 871	4 318 121	4 315 126	4 639 859	5 251 477	5 820 106
4. Housing Assets Property Management	98 007	85 024	86 769	78 276	78 276	78 862	86 290	92 276	97 167
<b>Total payments and estimates</b>	<b>4 300 443</b>	<b>4 186 196</b>	<b>4 421 597</b>	<b>4 616 498</b>	<b>4 619 641</b>	<b>4 617 472</b>	<b>4 968 101</b>	<b>5 647 976</b>	<b>6 245 724</b>

## 7.3 Summary per economic classification

TABLE 8.4: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>376 691</b>	<b>340 952</b>	<b>362 337</b>	<b>427 166</b>	<b>427 309</b>	<b>427 332</b>	<b>458 729</b>	<b>488 130</b>	<b>521 883</b>
Compensation of employees	245 651	247 082	298 769	320 437	320 580	320 581	348 460	372 402	393 149
Goods and services	131 040	93 870	63 568	106 729	106 729	106 751	110 269	115 728	128 734
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>3 918 154</b>	<b>3 831 990</b>	<b>4 047 556</b>	<b>4 178 382</b>	<b>4 181 382</b>	<b>4 178 966</b>	<b>4 497 820</b>	<b>5 147 762</b>	<b>5 711 005</b>
Provinces and municipalities	282								
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	3 917 872	3 831 990	4 047 556	4 178 382	4 181 382	4 178 966	4 497 820	5 147 762	5 711 005
<b>Payments for capital assets</b>	<b>5 598</b>	<b>13 039</b>	<b>10 460</b>	<b>10 950</b>	<b>10 950</b>	<b>11 174</b>	<b>11 552</b>	<b>12 084</b>	<b>12 835</b>
Buildings and other fixed structures			5 359						
Machinery and equipment	5 598	9 096	5 101	10 950	10 950	10 950	11 552	12 084	12 835
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		3 943				224			
<b>Payments for financial assets</b>		<b>215</b>	<b>1 244</b>						
<b>Total economic classification:</b>	<b>4 300 443</b>	<b>4 186 196</b>	<b>4 421 597</b>	<b>4 616 498</b>	<b>4 619 641</b>	<b>4 617 472</b>	<b>4 968 101</b>	<b>5 647 976</b>	<b>6 245 724</b>

The table above shows that departmental expenditure increased from R4.3 billion in the 2010/11 financial year to R4.4 billion in the 2012/13 financial year. The decline in 2011/12 was mainly as a result of the decrease in the equitable share receipts that resulted from the top-slicing on all provincial departments. In the 2013/14 financial year the budget for the department amounted to R4.6 billion and grows to R6.2 billion over the MTEF. The largest share of the budget is allocated to the Human Settlements Programme, which aims to establish sustainable human settlements where all citizens have access to housing and other social amenities.

In Programme 1: Administration expenditure reflects a steady decline from R249 million in 2010/11 to R220 million in 2012/13 mainly because of the reduction in goods and service allocation. The budget decreased slightly in 2013/14 to R206 million and increased to R209 million during the adjustment budget. The increase in the adjustment budget relates to additional funding of R143 000 for the migration of personnel from GDF and an amount of R3 million allocated as part of the Expanded Public Works Programme conditional grant for job creation. Over the MTEF, the budget grows from R226 million in 2014/15 to R288 million in 2015/15 and to R311 million in the outer year. The additional funding over the MTEF caters for the re-grading of clerks, the improvement of conditions of employment, and the filling of vacant positions that are critical following the de-merger of the former Department of Local Government and Housing.



Programme 2: Housing Needs, Planning and Research expenditure decreased from R9.5 million in the 2010/11 financial year to R8.7 million in 2011/12 before increasing to R10.8 million in 2012/13. However, the programme budget increased from R14 million in the 2013/14 financial year to R17 million in the outer year of the MTEF. The budget will ensure alignment of housing plans with Integrated Development Plans (IDPs), conduct research into the demand for housing and facilitate, undertake housing delivery planning. The programme provides a regulatory framework for housing delivery, the development of policy guidelines and provides provincial inputs on housing legislation.

The largest share of the budget is allocated to Programme 3: Housing Development Programme, which aims to establish sustainable human settlements where all citizens have access to housing and other social amenities. The programme expenditure grew from R3.9 billion in the 2010/11 financial year to R4.1 billion in 2012/13. Through the Mixed Housing programme the department delivered 17 182 housing units in 2013/14 financial year. The budget increases to R4.3 billion in 2013/14 to R4.6 billion in 2014/15 financial year. For the period under review, the budget grows to R5.8 billion in 2016/17 to ensure the accelerated delivery of housing opportunities.

In Programme 4: Housing Assets Property Management, expenditure amounts to R98 million in 2010/11 and decreases to R86.8 million in 2012/13 and further decreasing to R78.3 million in the 2013/14 main appropriation. Over the MTEF the budget recovers to R86.3 million in 2014/15 before reaching R97.2 million in 2016/17. This allocation is used mainly to coordinate, manage and oversee the maintenance of departmental immovable assets in the form of flats, hostels, and vacant stands, and to encourage and support the provision of necessary tools and personnel for the performance of maintenance work at these Departmental Immovable Assets

Expenditure on compensation of employees increased from R246 million in 2010/11 to R299 million in 2012/13.. In the 2013/14 financial year, the budget for personnel amounted R320 million, and during the adjustment budget an additional amount of R143 000 was allocated for the migration of employees from GDF to the departments. The personnel budget grows from R349 million in 2014/15 financial year to R393 million in 2016/17. The increase includes the additional funding for the re-grading of clerks and Improvement of Conditions of Services. The increased allocation is mainly attributable to the yearly general increment as agreed upon by the Bargaining Council as well as the filling of critical vacant posts in the Department. The total expenditure for goods and services declined considerably from R131 million in the 2010/11 financial year, to R63 million in the 2012/13 financial year. In 2013/14 the allocation for goods and services increased to R107 million mainly to address the budget pressure that department is experiencing because of increased cost of operations. The budget increases to R129 million for the outer year of the MTEF period.

Transfers and subsidies increased from R3.9 billion in 2010/11 to R4.1 billion in 2012/13. The growth in transfers and subsidies is driven by the growth in Human Settlement Conditional grant to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlement. For the 2013/14 financial year the total allocation for transfers and subsidies amounted to R4.2 billion and it increases to R4.5 billion in 2014/15. The significant increase of R319 million in the 2014/15 financial year is for the accelerated delivery in housing projects and the eradication of informal settlement in the province. The allocation increases to R5.7 billion for 2016/17.

Expenditure for machinery and equipment fluctuates, increasing from R6 million in the 2010/11 financial year to R9 million in 2011/12 and declining to R5 million in 2012/13. Thereafter, in 2013/14 the budget increases to R11 million and remains relatively constant at R13 million in the outer year of the MTEF. The budget is mainly for the procurement of equipment as part of the tools of trade for personnel to carry out their functions.

#### **7.4 Infrastructure payments**

Please refer to the Estimates of Capital Expenditure for the details on Infrastructure Payments.

##### **7.4.1 Departmental infrastructure payments:**

For information on infrastructure payments refer to Estimates of Capital Expenditure (ECE)

##### **7.4.2 Departmental Public-Private-Partnership (PPP) projects**

N/A



## 7.5 Transfers

### 7.5.1 Transfers to public entities

N/A

### 7.5.2 Transfers to other entities

N/A

### 7.5.3 Transfers to local government

N/A

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

The main goal of this programme is to strengthen and align the department's organisational capacity and capability to deliver on its mandate. It enables the department's business units to perform efficiently by providing corporate support (human resources, financial management, supply chain, ICT and facilities support). The programme ensures effective leadership, management and administrative support to the core business divisions through continuous refinement of organisational strategy and structure in compliance with appropriate legislation and practice. The programme outputs are as a reflection of governments' Outcome 12, which seeks to achieve "An efficient, effective and developmental oriented public service and an empowered, fair and inclusive citizenship".

#### Programme objectives

- To ensure that the supply chain processes for the department are conducted in a manner that is fair, transparent, equitable, competitive and cost effective; and that the management and operation of the function is efficient, effective, and adds value to the strategic objectives of the Department;
- 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 with 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; and
- To ensure good corporate governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility within departmental operations.

TABLE 8.6: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 1: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Office of the MEC									
2. Corporate Services	249 889	247 525	220 968	205 929	208 722	208 872	226 164	287 665	311 015
<b>Total payments and estimates</b>	<b>249 889</b>	<b>247 525</b>	<b>220 968</b>	<b>205 929</b>	<b>208 722</b>	<b>208 872</b>	<b>226 164</b>	<b>287 665</b>	<b>311 015</b>

Office of the MEC, the programme the expenditure and budget appears under department of Cooperative Governance and Traditional Affairs

## Vote 8 - Human Settlements • EPRE - 2014/15

TABLE 8.7: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>240 359</b>	<b>230 850</b>	<b>212 452</b>	<b>194 856</b>	<b>197 649</b>	<b>197 575</b>	<b>214 357</b>	<b>275 281</b>	<b>297 864</b>
Compensation of employees	131 890	151 337	153 626	122 764	122 907	122 907	138 173	196 664	208 097
Goods and services	108 469	79 513	58 826	72 092	74 742	74 668	76 184	78 617	89 767
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>3 932</b>	<b>14 864</b>	<b>2 171</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>255</b>	<b>300</b>	<b>316</b>
Provinces and municipalities	282								
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	3 650	14 864	2 171	123	123	123	255	300	316
<b>Payments for capital assets</b>	<b>5 598</b>	<b>1 596</b>	<b>5 101</b>	<b>10 950</b>	<b>10 950</b>	<b>11 174</b>	<b>11 552</b>	<b>12 084</b>	<b>12 835</b>
Buildings and other fixed structures									
Machinery and equipment	5 598	1 596	5 100	10 950	10 950	10 950	11 552	12 084	12 835
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets						224			
<b>Payments for financial assets</b>		<b>215</b>	<b>1 244</b>						
<b>Total economic classification</b>	<b>249 889</b>	<b>247 525</b>	<b>220 968</b>	<b>205 929</b>	<b>208 722</b>	<b>208 872</b>	<b>226 164</b>	<b>287 665</b>	<b>311 015</b>

The table above indicates that the programme's expenditure shows a declining trend from R249.9 million in 2010/11 to R221 million decreases in 2012/13 financial year. During the 2013/14 financial year the budget amounted to R205.9 million which is a further decrease of R15 million, or 6 per cent, when compared to the previous financial year. However, year on year the budget increased from R205.9 million in the 2013/14 to R226 million in the 2014/15 financial year.

As such, the budget grows from R226 million in 2014/15 financial year to R311 million for the outer year of the MTEF. The allocated funding will ensure that the department strengthen governance, combat fraud and corruption, and enhance security and risk management, by conducting internal audits and facilitating external audits, while ensuring the implementation of and compliance to Minimum Information Security Standards and other security legislation. Improved service delivery is achieved through the provision of cost effective and efficient Information and Communication Technology (ICT) solutions and services, facilities, logistics and records management support services, aligned to the organisation's core objectives.

The Sub-programme 1: Office of the MEC has no expenditure or budget for period under review because the function has moved to Cooperative Governance and Traditional Affairs (COGTA). However, the sub-program still ensures the provision of administrative and political support through the development and implementation of key systems and strategies, and submission of reports and plans against stipulated timeframes within the financial year for both Human settlement and COGTA.

The programme's expenditure on compensation of employees increases from R132 million in 2010/11 to R153 million in 2012/13 before decreasing to R123 million in the 2013/14 financial year. It increases to R138 million in the 2014/15 financial year and increases significantly to R197 million and R208 million for 2015/16 and 2016/17 respectively. The increase is mainly to fill vacant positions, to increase the capacity within the department support services, which is part of the recruitment drive of the Department. Additional funding is allocated for the migration of personnel that was affected during the 2013/14 adjustment budget.

Goods and services expenditure has declined significantly from R108 million to R58 million between the 2010/11 and 2012/13 financial year. The decrease was part of the cost cutting measures by the department where budget allocation for goods and service were reduced. However, the budget in goods and services increases from R72 million in the 2013/14 financial year to R76 million in 2014/15. Thereafter, the budget slightly increases to R79 million and R90 million for 2015/16 and 2016/17 respectively. The budget increases will cater for software licences and refurbishment.

## PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

### Programme description

This Programme aims to facilitate and undertake housing delivery planning, identify housing needs, provide a regulatory framework for housing delivery, the development of policy guidelines, provide provincial inputs on housing legislation and many amendments associated with these, develop provincial multi-year housing delivery plans, ensure alignment of housing plans with IDPs, and conduct research into the demand for housing.

This programme promotes effective and efficient delivery of Provincial and Local governments' housing programmes. It also concentrates on the integrated redevelopment of urban communities at scale and cultivating sustainable local economies. Attached to this programme are other transversal functions that include quality assurance, research and development, and input to policy development, planning and housing support.

### Programme objectives

- Develop and implement departmental policies and initiate research to achieve the strategic objectives;
- To facilitate the realignment and compliance with the regulatory environment for sustainable human settlements;
- Develop the Annual Performance Plans and the 5 year Strategic Plan;
- Implement, revise and review the Department's Programme of Action (PoA); and
- Provide support to various Directorates in the Department on the development of Performance Indicators for both the APP and PoA.

TABLE 8.8: SUMMARY OF PAYMENTS AND ESTIMATES: PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	2 921	3 107	3 631	3 964	3 964	3 968	4 375	4 575	4 817
2. Policy	3 451	3 194	3 650	4 097	4 097	4 102	3 847	4 224	4 448
3. Planning	2 598	2 376	3 540	3 099	3 199	3 280	3 928	3 954	4 164
4. Research	527	17		3 262	3 262	3 262	3 638	3 805	4 007
<b>Total payments and estimates</b>	<b>9 497</b>	<b>8 694</b>	<b>10 821</b>	<b>14 422</b>	<b>14 522</b>	<b>14 612</b>	<b>15 788</b>	<b>16 558</b>	<b>17 436</b>

TABLE 8.9: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>8 970</b>	<b>8 694</b>	<b>10 821</b>	<b>11 160</b>	<b>11 260</b>	<b>11 350</b>	<b>12 150</b>	<b>12 753</b>	<b>13 429</b>
Compensation of employees	8 120	8 681	10 759	11 016	11 016	11 016	11 720	12 260	12 910
Goods and services	850	13	62	144	244	334	430	493	519
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>527</b>			<b>3 262</b>	<b>3 262</b>	<b>3 262</b>	<b>3 638</b>	<b>3 805</b>	<b>4 007</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	527			3 262	3 262	3 262	3 638	3 805	4 007
<b>Payments for capital assets</b>									
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									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>9 497</b>	<b>8 694</b>	<b>10 821</b>	<b>14 422</b>	<b>14 522</b>	<b>14 612</b>	<b>15 788</b>	<b>16 558</b>	<b>17 436</b>

Expenditure for this programme increased from R9 million to R11 million between the 2010/11 and 2012/13 financial year. The increase was to ensure that the Inclusionary Housing Incentives chapter was completed for insertion into Bill. In the 2011/12 financial year the Bill was initiated and submitted for pre-certification. Thereafter the Draft Bill was completed and submitted for pre-certification in the 2012/13 financial year. The budget further increases by R2 million from R14 million in the 2013/14 financial year to R16 million in the 2014/15 financial year, which represent 7 per cent. Further increases are R16 million and R17 million in 2015/16 and 2016/17 respectively. The budget is mainly to develop and implement departmental policies, initiate research to achieve the strategic objectives and to facilitate the realignment and compliance with the regulatory environment for sustainable human settlements.

The budget on sub-programme: Policy is mainly to ensure that the Inclusionary Housing Bill is approved and promulgated as an Act with the Implementation Plan approved for implementation by the end of 2014/15 financial year. The budget declines from R4 million in the 2013/14 financial year to R3.8 million in the 2014/15 financial year. However the allocation recovers to R4.2 million in the 2015/16 financial year and remains constant at R4.4 million in the final year of the MTEF period. The increased budget caters for the development and approval of the Gauteng Rental Housing Strategy.

The Sub-programme: Research had no budget allocation in the 2012/13 financial year and in 2013/14 a total of R3.3 million was allocated to the subprogram to conduct research and develop innovative methods to address housing needs throughout the financial year. The funding is increased to R3.6 million in the 2014/15 financial year and to R3.8 million and R4 million over the MTEF. The growth in the budget will fund four research projects to be conducted annually which include: FLISP target market affordability & financial Institutions lending pattern; Human Settlements Satisfaction Survey; Informal Settlements Upgrading Programme; and Understanding Demand and Backlog in the Gauteng Province. During the 2014/15 financial year the sub-programme aims to conduct the following research projects: Settlement patterns; Economic Value of the low cost housing in the property market; and Human Settlements Customer Satisfaction Survey. In the outer years the planned research projects are: Human Settlements Customer Satisfaction survey; Gauteng Rental Housing Strategy; the cost of housing vs subsidy quantum; and Perception of beneficiaries on different housing typologies.

Sub-programme: Planning the allocation on this sub-programme grows from R3 million in the 2013/14 financial year to R3.9 million in 2014/15. There is a further increase to R4.4 million over the MTEF period. The budget is mainly to facilitate the development and alignment of the departmental planning frameworks, inter alia: Annual Performance Plans, Multi-year Housing Development Plan, Medium Term Budget Policy Statements, and Programmes of Action, as per the national and provincial mandates annually.

## SERVICE DELIVERY MEASURES

### PROGRAMME 2: HOUSING, NEEDS, RESEARCH AND PLANNING

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Sub Programme: Policy</b>			
Number of Act passed and /or policy guidelines approved	3	3	3
<b>Sub Programme: Planning</b>			
Number of municipalities capacitated and supported with regard to human settlement(housing) development planning	12	12	12
<b>Sub Programme: Research</b>			
Number of research projects approved	2	2	2
Number off research papers completed	2	2	2

### PROGRAMME 3: HOUSING DEVELOPMENT

#### Programme description

The main aim of the Housing Development Implementation Programme is to promote effective and efficient delivery of National and Provincial Housing Programmes, and it focuses on the integrated redevelopment of urban communities at scale to cultivate sustainable local economies.

#### Programme objectives

- To provide and develop integrated infrastructure for the creation of cohesive communities;
- To promote home ownership ;

- Substantially reducing levels of unemployment;
- Creating a healthy and clean living environment;
- Providing engineering services at an affordable and sustainable level;
- Reducing levels of crime and violence;
- Upgrading existing housing environments and creating additional affordable housing opportunities;
- Alleviating poverty;
- Creating sustainable livelihoods;
- Creating a caring and responsive government;
- Reducing unemployment;
- Creating a better life for all; and
- Implementation of integrated- high impact- time bound- targeted interventions.

TABLE 8.10: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	113 381	105 336	144 423	221 150	218 400	218 399	232 222	200 096	210 590
2. Financial Interventions	118 369	332 858	344 887	298 924	298 924	298 930	572 059	662 842	697 973
3. Incremental Interventions	3 300 422	2 687 693	2 815 026	3 106 260	3 109 260	3 106 260	3 271 974	3 814 971	4 241 237
4. Social and Rental Intervention	352 463	607 081	518 942	624 768	624 768	624 768	503 444	529 219	623 607
5. Rural Intervention	58 415	111 985	279 761	66 769	66 769	66 769	60 160	44 349	46 699
<b>Total payments and estimates</b>	<b>3 943 050</b>	<b>3 844 953</b>	<b>4 103 039</b>	<b>4 317 871</b>	<b>4 318 121</b>	<b>4 315 126</b>	<b>4 639 859</b>	<b>5 251 477</b>	<b>5 820 106</b>

TABLE 8.11: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: PROGRAMME 3: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>113 381</b>	<b>101 393</b>	<b>139 064</b>	<b>221 150</b>	<b>218 400</b>	<b>218 406</b>	<b>232 222</b>	<b>200 096</b>	<b>210 590</b>
Compensation of employees	91 660	87 059	134 384	186 657	186 657	186 657	198 567	163 478	172 142
Goods and services	21 721	14 334	4 680	34 493	31 743	31 749	33 655	36 618	38 448
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>3 829 669</b>	<b>3 739 617</b>	<b>3 958 616</b>	<b>4 096 721</b>	<b>4 099 721</b>	<b>4 096 721</b>	<b>4 407 637</b>	<b>5 051 381</b>	<b>5 609 516</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	3 829 669	3 739 617	3 958 616	4 096 721	4 099 721	4 096 721	4 407 637	5 051 381	5 609 516
<b>Payments for capital assets</b>		<b>3 943</b>	<b>5 359</b>			<b>(1)</b>			
Buildings and other fixed structures			5 359						
Machinery and equipment						(1)			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		3 943							
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>3 943 050</b>	<b>3 844 953</b>	<b>4 103 039</b>	<b>4 317 871</b>	<b>4 318 121</b>	<b>4 315 126</b>	<b>4 639 859</b>	<b>5 251 477</b>	<b>5 820 106</b>

The programme expenditure increased from R3.9 billion to R4.1 billion for the 2010/11 and 2012/13 financial years respectively. This shows year- on-year budget growth of 4 per cent. In the 2013/14 financial year the programme budget amounted to R4.3 billion and increases to R4.6 billion in the 2014/15 financial year. The programme allocation continues to grow from R4.6 billion to R5.3 billion and R5.8 billion in 2015/16 and 2016/17 respectively. The programme estimates to ensure that the department continues to deliver in its key priority programmes, which are Mixed Housing Development, Eradication of informal settlement, Alternative Tenure, Urban Renewal Programme and Priority Township Programme (PTP).

The Sub-programme: Administration expenditure relates to Alexandra Renewal Project, Inner City, and the Renewal Master Plan for Winterveldt and the 20PTP.

The Sub-programme: Financial Intervention recorded significant growth in expenditure from R118 million in 2010/11 to R345 million in the 2012/13 financial year. The increase in the budget was to intensify programmes that facilitate immediate access of housing goods and services, creating an enabling environment and providing implementation support. A total of 17 houses were built for individuals with non-credit-linked subsidies, whereas, a total 707 houses were built for individuals with credit-linked subsidies by the end of the 2012/13 financial year. During the 2013/14 financial year the budget declines to R299 million, mainly because the Department had planned to transfer most of the funds to municipalities that have been accredited. However 60 houses were built for relocation assistance. In 2014/15 financial year the programme budget grew significantly when compared to the previous financial year. The large budget increase of R274 million is mainly attributed to the houses targeted to be built for the Finance Linked Individual Subsidy Programme. The programme budget further increases to R663 million and R698 million in 2015/16 and 2016/17 respectively. The estimated budget growth will cater for the 2 292 houses targeted to be built for the Finance Linked Individual Subsidy Programme.

In Sub-programme: Incremental Intervention expenditure shows a decline from R3.3 billion in 2010/11 to R2.8 billion in 2012/13. The decrease was mainly attributed to the reduction of goods and services expenditure. The sub-programme budget increases from R3.1 billion in the 2013/14 financial year to R3.3 billion in 2014/15. The budget will provide servicing of 1 193 stands and building of 2 175 houses for Project-linked subsidies. Furthermore, the programme plans to service a total of 2 376 stands and build 200 houses/units for the Integrated Residential Development Programme. Through this programme the department plans to complete 18 748 houses/units for Informal Settlements Upgrading over the MTEF. The programme budget estimates show the budget for 2015/16 and 2016/17 as R3.8 billion and R4.2 billion respectively. The estimated budget growth provides for the planned target of 55 782 new housing units to be completed in the province across all housing programmes being utilised by the province in 2015/16 and 2016/17 financial years.

Sub-programme: Social and Rental intervention spending grew significantly from R352 million to R607 million between the 2010/11 and 2011/12 financial years. The trend continues as the budget grows from R518 million to R624 million in 2012/13 to 2013/14 financial years respectively. The growth in expenditure for the programme was driven by the growing demand for housing, resulting from the significant growth in-migration to the province. The 2014/15 budget of R503 million shows a decline of R121 million. However, the estimated budget recovers at R529 million in 2015/16 and R624 million in the 2016/17 financial year. The total budget in the budget will provide for the 280 units to be built for Institutional subsidies and 3 634 Community Residential Units (CRU) to be converted/up-graded over the MTEF period. In addition, the sub-programme plans to construct 647 units for CRUs and service 900 stands for rural housing.

Expenditure on compensation of employees increased from R92 million in 2010/11 to R134 million in 2012/13. This is as a result of organisational restructuring because of the de-merger of the two departments and of the wage agreement resolutions from the bargaining council. The decline in compensation of employees over the MTEF from R199 million in 2014/15 to R172 million in 2016/17 is attributed to the Department reducing its personnel budget after costing the approved organisational structure.

The declining trend of goods and services expenditure from R21.7 million in 2010/11 to R4.6 million in 2012/13 is due to reclassification of earmarked funds relating to the 20PTP for township upgrading, and to the number of precinct plans that were developed and approved. However, the budget increases to R34.5 million for 2013/14, declining to R34 million in the 2014/15 financial year. Thereafter the estimated budget grows from R37 million in the 2015/16 financial year to R38 million for the outer year of the MTEF period.

Transfers and subsidies increased from R3.8 billion in 2010/11 to R4 billion in 2012/13 financial year. Further increases were recorded in 2013/14 at R4.1 billion mainly to provide for payments to contractors and service providers involved with housing such as the Alexandra Renewal Project and the Housing Development Project. For the period under review, transfers and subsidies grow from R4.4 billion to R5.1 billion and 5.6 billion for the respective years of the MTEF. The transfers and subsidies indicate growth over the MTEF, mainly driven by growth in the Integrated Human Settlement Conditional Grant.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: HOUSING DEVELOPMENT

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Sub-programme: Financial Interventions</b>			
Number of houses built for individual credit-linked subsidies	26	26	26
Number of land parcels acquired for human settlement development	20	20	20
<b>Sub-Programme: Incremental Interventions</b>			
Number of stands serviced for project-linked subsidies	4 744	4 744	4 744
Number of Houses/units completed for project-linked Subsidies	6 544	6 544	6 544
Number of stands serviced for Integrated Residential Development Programme: Phase1: Planning and Services	12 528	12 528	12 528
Number of houses/units completed for Integrated Residential Development Programme: Planning and Services	7 850	7 850	7 850
<b>Sub-Programme: Social and Rental Housing</b>			
Number of Rental units built for social housing: Operational support	1 200	1 200	1 200
Number of rental units built for social housing: Capital grants for rental housing	1 025	1 025	1 025
Number of Crus converted/upgraded	850	850	850

### PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

#### Programme description

The purpose of the programme is to promote home ownership to the historically disadvantaged communities, and to strategically coordinate, manage and oversee the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands, and to encourage and support the provision of necessary tools and personnel for the performance of maintenance work at these departmental immovable assets. Furthermore, it is to motivate, guide and manage the provision of tenure for occupants of the immovable assets and promote home ownership through sectionalisation of flats. Lastly, it is to dispose of the department's commercial properties.

#### Programme objectives

- To capacitate social housing institutions so as to accelerate housing delivery;
- To facilitate the stabilisation of the sectional title environment;
- To provide housing assistance to departmental staff;
- To promote home ownership;
- To deliver housing units in targeted presidential projects; and
- To facilitate affordable rental accommodation (including upgrade of backyard rentals and non-transferable stock).

TABLE 8.12: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
1. Administration	13 981	7 515							
2. Sales and Transfer of Housing Properties	43 357	36 695	44 876	33 576	33 576	39 247	36 590	39 576	41 674
3. Devolution of Housing Properties	60			1 156	1 156	1 157	1 656	2 156	2 270
4. Housing Properties Maintenance	40 609	40 814	41 893	43 544	43 544	38 458	48 044	50 544	53 223
<b>Total payments and estimates</b>	<b>98 007</b>	<b>85 024</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>



## Vote 8 - Human Settlements • EPRE - 2014/15

**TABLE 8.13: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION:HOUSING ASSETS MANAGEMENT PROPERTY MANAGEMENT**

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>13 981</b>	<b>15</b>							
Compensation of employees	13 981	5							
Goods and services		10							
Interest and rent on land									
<b>Transfers and subsidies to</b>	<b>84 026</b>	<b>77 509</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>
Provinces and municipalities									
Departmental agencies and accounts									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	84 026	77 509	86 769	78 276	78 276	78 862	86 290	92 276	97 167
<b>Payments for capital assets</b>	<b>7 500</b>								
Buildings and other fixed structures									
Machinery and equipment		7 500							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>98 007</b>	<b>85 024</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>

This programme mainly deals with the Extended Discount Benefit Scheme and transfer of housing properties to beneficiaries. The Housing Assets and Property Management programme budget decreases from R98 million in the 2010/11 financial year, to R86.8 million in 2012/13. The allocation for the programme increased from R78 million during 2013/14, to R86 million in 2014/15 to R97 million in 2016/17, in order to transfer more properties to beneficiaries and to devolve rental stock to municipalities.

For this programme the costs of compensation of employees and goods and services are carried by programmes 1 and 3 hence there is no allocation for Administration for the previous financial year throughout the outer years.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: HOUSING ASSETS MANAGEMENT PROPERTY MANAGEMENT

Performance measures	Estimated Annual Targets		
	2014/15	2015/16	2016/17
<b>Sub Programme: Sale and Transfer of housing Properties</b>			
Number of residential properties transferred to beneficiaries through the Enhanced Extended Discount Benefit Scheme (EEDBS)	8 000	8 000	8 000
Number of Commercial properties disposed	1 800	Project complete	Project complete
Number of disputes between landlords and tenants resolved by the Rental Tribunal	1 800	1 900	1 900
<b>Sub Programme: Devolution of Housing Properties</b>			
Number of rental units devolved to municipalities in terms of Section 15 of the Housing Act, 1997	2 500	2 500	2 500
<b>Sub Programme: Housing Property Maintenance</b>			
Number of flats maintained	11	Project Complete	Project Complete
Number of Hostels maintained	6	6	6
Number of vacant stands maintained	200	200	Project completed

## 9. OTHER PROGRAMME INFORMATION

### 9.1 Personnel numbers and costs

TABLE 9.15: PERSONNEL NUMBERS AND COSTS: HUMAN SETTLEMENTS

Personnel numbers	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013	As at 31 March 2014	As at 31 March 2015	As at 31 March 2016	As at 31 March 2017
1. Administration	498	498	498	498	498	498	498
2. Housing Needs Research And Planning	44	44	44	295	295	295	295
3. Housing Development	466	466	466	466	466	466	466
4. Housing Assets Management Property Management	152	152	152	152	152	152	152
<b>Total departmental personnel numbers</b>	<b>1 160</b>	<b>1 160</b>	<b>1,160</b>	<b>1 411</b>	<b>1 411</b>	<b>1 411</b>	<b>1 411</b>
Total provincial personnel cost (R thousand)	245 651	247 082	320 580	298 631	348 460	372 402	393 149
Unit cost (R thousand)	212	213	276	212	247	264	279

TABLE 9.16: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: HUMAN SETTLEMENTS

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13		2013/14		2014/15	2015/16	2016/17
<b>Total for department</b>									
Personnel numbers (head count)	1 160	1 160	1 160	1 411	1 411	1 411	1 411	1 411	1 411
Personnel cost (R thousands)	245 651	247 082	298 769	320 437	320 580	320 580	348 460	372 402	393 149
<b>Human resources component</b>									
Personnel numbers (head count)	58	62	62	62	62	62	62	62	62
Personnel cost (R thousands)	17 411	17 411	17 411	17 411	17 411	17 411	17 411	17 411	17 411
Head count as % of total for department	5.00%	5.34%	5.34%	4.39%	4.39%	4.39%	4.39%	4.39%	4.39%
Personnel cost as % of total for department	7.09%	7.05%	5.83%	5.43%	5.43%	5.43%	5.00%	4.68%	4.43%
<b>Finance component</b>									
Personnel numbers (head count)	82	82	82	82	82	82	82	82	82
Personnel cost (R thousands)	24 214	24 214	24 214	24 214	24 214	24 214	24 214	24 214	24 214
Head count as % of total for department	7.07%	7.07%	7.07%	5.81%	5.81%	5.81%	5.81%	5.81%	5.81%
Personnel cost as % of total for department	9.86%	9.80%	8.10%	7.56%	7.55%	7.55%	6.95%	6.50%	6.16%
<b>Full time workers</b>									
Personnel numbers (head count)	1 160	1 160	1 160	1 411	1 411	1 411	1 411	1 411	1 411
Personnel cost (R thousands)	245 651	245 651	245 651	245 651	245 651	245 651	245 651	245 651	245 651
Head count as % of total for department	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Personnel cost as % of total for department	100.00%	99.42%	82.22%	76.66%	76.63%	76.63%	70.50%	65.96%	62.48%
<b>Part-time workers</b>									
Personnel numbers (head count)									
Personnel cost (R thousands)									
Head count as % of total for department									
Personnel cost as % of total for department									
<b>Contract workers</b>									
Personnel numbers (head count)	72	44	44	36	36	36	36	36	36
Personnel cost (R thousands)	20 710	20 710	20 710	20 710	20 710	20 710	20 710	20 710	20 710
Head count as % of total for department	6.21%	3.79%	3.79%	2.55%	2.55%	2.55%	2.55%	2.55%	2.55%
Personnel cost as % of total for department	8.43%	8.38%	6.93%	6.46%	6.46%	6.46%	5.94%	5.56%	5.27%

## Vote 8 - Human Settlements • EPRE - 2014/15

For the period under review the table above indicates personnel numbers and personnel cost estimates relating to the Human Settlement. The department reviewed its organisational structure in finalising the de-merger of the former Department of Local Government and Housing. This was done to ensure that the Department has adequate human resources to drive the implementation of its various programmes. The departmental structure has been reviewed to ensure filling of posts in accordance with the availability of funds. The number of contract workers declines substantially from the 2010/11 financial year, with contract workers being absorbed as permanent staff members.

### 9.2 Training

TABLE 8.17: PAYMENTS ON TRAINING: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>1. Administration</b>	394	1 307	2 062	7 120	7 120	7 120	6 410	9 050	9 050
Subsistence and travel									
Payments on tuition	394	1 307	2 062	7 120	7 120	7 120	6 410	9 050	9 050
Other									
<b>2. Housing Needs Research And Planning</b>									
Subsistence and travel									
Payments on tuition									
Other									
<b>3. Housing Development</b>									
Subsistence and travel									
Payments on tuition									
Other									
<b>4. Housing Assets Management Property Management</b>									
Subsistence and travel									
Other									
<b>Total payments on training</b>	<b>394</b>	<b>1 307</b>	<b>2 062</b>	<b>7 120</b>	<b>7 120</b>	<b>7 120</b>	<b>6 410</b>	<b>9 050</b>	<b>9 050</b>

The Training Development Unit is established under Programme 1: Administration which serves as a support Programme to the department. All the training activities are centralised to Programme1 for the entire Department.

TABLE 8.18: INFORMATION ON TRAINING: HUMAN SETTLEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Number of staff	1 160	1 160	1 160	1 411	1 411	1 411	1 411	1 411	1 411
Number of personnel trained	47	265	226	200	200	200	300	400	500
<i>of which</i>									
Male	21	106	74	90	90	90	140	160	240
Female	26	159	152	110	110	110	160	240	260
Number of training opportunities	24	54	8	20	20	20	20	30	30
<i>of which</i>									
Tertiary	6	27		10	10	10	10	15	15
Workshops		13	8	7	7	7	7	10	10
Seminars		3		3	3	3	3	5	5
Other	18	11							
Number of bursaries offered	27	21	111	73	73	73	100	125	150
Number of interns appointed		32	25	29	29	29	30	30	30
Number of learnerships appointed				29	29	29	30	30	30
Number of days spent on training	17	21		80	80	80	80	100	120

The table above gives the number of staff participating in the training programmes provided by the department in order to improve efficiency and service delivery. It shows a gender breakdown in relation to various types of training as well as details of the number of bursaries, and training developments. The training offered relates to computer training, secretarial courses, project management and financial management. The high training cost relates to bursaries to various institutions for different courses.

A total number of 117 employees were trained and developed through skills programmes coordinated by the department in the following programmes: Ms Excel and PowerPoint; project management; and more. The department conducted in-house training where 634 employees were trained on the performance management and Development system.

### 9.3 Reconciliation of structural changes

There is no structural change, the Department of Human Settlements and COGTA are being headed by the same MEC; however the MEC is placed and paid officially under COGTA.

# ANNEXURES TO ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 8.19: SPECIFICATION OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Tax receipts</b>									
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
<b>Sales of goods and services other than capital assets</b>	<b>234</b>	<b>595</b>	<b>1 825</b>	<b>347</b>	<b>347</b>	<b>347</b>	<b>376</b>	<b>393</b>	<b>414</b>
Sale of goods and services produced by department (excluding capital assets)	<b>234</b>	<b>595</b>	<b>1 825</b>	<b>347</b>	<b>347</b>	<b>347</b>	<b>376</b>	<b>393</b>	<b>414</b>
Sales by market establishments	234	595	1 825	347	347	347	376	393	414
Administrative fees									
Other sales									
Of which									
List Item									
List Item									
List Item									
List Item									
Sales of scrap, waste, arms and other used current goods (excluding capital assets)									
<b>Transfers received from:</b>									
Other governmental units									
Higher education institutions									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
<b>Fines, penalties and forfeits</b>									
<b>Interest, dividends and rent on land</b>	<b>132</b>	<b>10</b>		<b>309</b>			<b>329</b>	<b>344</b>	<b>362</b>
Interest	132	10		309			329	344	362
Dividends									
Rent on land									
<b>Sales of capital assets</b>									
Land and sub-soil assets									
Other capital assets									
<b>Transactions in financial assets and liabilities</b>	<b>838</b>	<b>18 856</b>	<b>10 876</b>	<b>3 313</b>	<b>3 313</b>	<b>3 313</b>	<b>3 530</b>	<b>3 692</b>	<b>3 888</b>
<b>Total departmental receipts</b>	<b>1 204</b>	<b>19 461</b>	<b>12 701</b>	<b>3 969</b>	<b>3 660</b>	<b>3 660</b>	<b>4 235</b>	<b>4 429</b>	<b>4 664</b>

TABLE 8.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
<b>Current payments</b>	<b>240 359</b>	<b>230 850</b>	<b>212 452</b>	<b>194 856</b>	<b>197 649</b>	<b>197 575</b>	<b>214 357</b>	<b>275 281</b>	<b>297 864</b>
Compensation of employees	131 890	151 337	153 626	122 764	122 907	122 907	138 173	196 664	208 097
Salaries and wages	115 529	131 654	133 380	96 245	96 388	104 226	109 075	160 815	170 098
Social contributions	16 361	19 683	20 246	26 519	26 519	18 681	29 098	35 849	37 999
Goods and services	108 469	79 513	58 826	72 092	74 742	74 668	76 184	78 617	89 767
Administrative fees	37	47	60	950	950	950	50	1 055	1 111
Advertising	448	384	2 430	3 000	4 110	4 110	3 500	3 100	3 264
Assets less than the capitalisation threshold	1 570	1 306	1 004	500	510	1 042	1 100	550	579
Audit cost: External	4 731	4 244	193	6 240	6 240	6 240	6 500	7 000	7 871
Bursaries: Employees	73	129	157	800	800	800	850	850	895
Catering: Departmental activities	76	767	1 298	500	1 282	1 441	550	550	579

# Vote 8 - Human Settlements • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Communication (G&S)	12 968	19 829	15 173	14 000	14 060	14 060	20 000	14 487	17 255
Computer services	107	867	2 932	5 200	5 200	5 200	1 000	5 700	6 002
Consultants and professional services:									
Business and advisory services	7 844	7 780	8 535	8 099	8 099	4 644	8 456	2 000	2 106
Consultants and professional services:									
Infrastructure and planning									
Consultants and professional services:									
Laboratory services									
Consultants and professional services:									
Scientific and technological services									
Consultants and professional services: Legal costs	14	1	8	1 000	1 000	1 000	200	5 313	5 595
Contractors		6 324	2 020		1	2 350	50	3 350	3 528
Agency and support / outsourced services	15 942	1 854	9	25	245	245	120	25	26
Entertainment	1		42						
Fleet services (including government motor transport)	5			9 170	10 620	13 087	11 020	2 000	3 589
Housing	1 863								
Inventory: Clothing material and accessories				100	100	2			
Inventory: Farming supplies									
Inventory: Food and food supplies	28	11		30	35	215	150	30	32
Inventory: Fuel, oil and gas			10	15	15	15	15	15	16
Inventory: Learner and teacher support material									
Inventory: Materials and supplies	2	4	1						
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies			1 193						
Consumable supplies	1 019	837		3 265	2 865	2 259	1 192	350	369
Consumable: Stationery, printing and office supplies	5 293	5 914	4 598	4 442	4 444	3 999	1 000	4 640	5 386
Operating leases	14 586	3 228	3 461	4 100	4 100	4 100	3 500	3 900	4 607
Property payments	30 221	10 747	2 625	2 950	2 950	3 012	700	800	842
Transport provided: Departmental activity	10 540	137							
Travel and subsistence	253	13 200	10 279	1 006	1 446	1 728	12 451	12 502	14 665
Training and development	321	1 178	1 487	4 500	3 000	1 283	2 380	8 200	9 135
Operating payments	6	460	743	600	600	600	600	600	632
Venues and facilities	521	265	568	1 600	2 070	2 286	800	1 600	1 685
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>3 932</b>	<b>14 864</b>	<b>2 171</b>	<b>123</b>	<b>123</b>	<b>123</b>	<b>255</b>	<b>300</b>	<b>316</b>
Provinces and municipalities	282								
Provinces	282								
Provincial Revenue Funds									
Provincial agencies and funds	282								
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									



R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									
Households	3 650	14 864	2 171	123	123	123	255	300	316
Social benefits	3 650	28	2 171	123	123	123	255	300	316
Other transfers to households		14 836							
<b>Payments for capital assets</b>	<b>5 598</b>	<b>1 596</b>	<b>5 101</b>	<b>10 950</b>	<b>10 950</b>	<b>11 174</b>	<b>11 552</b>	<b>12 084</b>	<b>12 835</b>
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment	5 598	1 596	5 101	10 950	10 950	10 950	11 552	12 084	12 835
Transport equipment									
Other machinery and equipment	5 598	1 596	5 101	10 950	10 950	10 950	11 552	12 084	12 835
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets						224			
<b>Payments for financial assets</b>		<b>215</b>	<b>1 244</b>						
Thefts and losses		215	1 244						
<b>Total economic classification</b>	<b>249 889</b>	<b>247 525</b>	<b>220 968</b>	<b>205 929</b>	<b>208 722</b>	<b>208 872</b>	<b>226 164</b>	<b>287 665</b>	<b>311 015</b>

TABLE 8.21: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>8 970</b>	<b>8 694</b>	<b>10 821</b>	<b>11 160</b>	<b>11 260</b>	<b>11 350</b>	<b>12 150</b>	<b>12 753</b>	<b>13 429</b>
Compensation of employees	8 120	8 681	10 759	11 016	11 016	11 016	11 720	12 260	12 910
Salaries and wages	7 001	7 586	8 902	9 695	9 695	9 005	10 314	10 789	11 361
Social contributions	1 119	1 095	1 857	1 321	1 321	2 011	1 406	1 471	1 549
Goods and services	850	13	62	144	244	334	430	493	519
Administrative fees	7						7	7	7
Advertising							7	7	7
Assets less than the capitalisation threshold	3					4	4	4	4
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	29	4		10	10	10	39	41	43
Communication (G&S)									
Computer services									
Consultants and professional services: Business and advisory services	408			35	35	35			

# Vote 8 - Human Settlements • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors									
Agency and support / outsourced services									
Entertainment						21			
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories						8			
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies									
Consumable supplies				8	8	35	8	8	8
Consumable: Stationery, printing and office supplies	97			71	71	36	75	78	82
Operating leases						60			
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	165	9	15			5			
Training and development				20	20	20	89	93	98
Operating payments			23				201	255	269
Venues and facilities			24		100	100			
Rental and hiring	141								
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>527</b>			<b>3 262</b>	<b>3 262</b>	<b>3 262</b>	<b>3 638</b>	<b>3 805</b>	<b>4 007</b>
Provinces and municipalities									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									
Households	527			3 262	3 262	3 262	3 638	3 805	4 007
Social benefits									
Other transfers to households	527			3 262	3 262	3 262	3 638	3 805	4 007
<b>Payments for capital assets</b>									
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment									
Transport equipment									
Other machinery and equipment									
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>9 497</b>	<b>8 694</b>	<b>10 821</b>	<b>14 422</b>	<b>14 522</b>	<b>14 612</b>	<b>15 788</b>	<b>16 558</b>	<b>17 436</b>

TABLE 8.22 PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>113 381</b>	<b>101 393</b>	<b>139 064</b>	<b>221 150</b>	<b>218 400</b>	<b>218 406</b>	<b>232 222</b>	<b>200 096</b>	<b>210 590</b>
Compensation of employees	91 660	87 059	134 384	186 657	186 657	186 657	198 567	163 478	172 142
Salaries and wages	79 792	73 847	110 184	135 387	135 387	148 687	146 149	143 062	150 644
Social contributions	11 868	13 212	24 200	51 270	51 270	37 970	52 418	20 416	21 498
Goods and services	21 721	14 334	4 680	34 493	31 743	31 749	33 655	36 618	38 448
Administrative fees	21			100	80	80	100	100	105
Advertising		729	52	700	700	700	800	1 001	1 054
Assets less than the capitalisation threshold	10		15	415	415	415	425	432	455
Audit cost: External									
Bursaries: Employees									
Catering: Departmental activities	192	6	45	150	150	150	150	150	158
Communication (G&S)	16			500	500	500	500	500	527
Computer services									
Consultants and professional services: Business and advisory services		5 636		6 050	2 588	2 588	4 050	6 050	6 371
Consultants and professional services: Infrastructure and planning									
Consultants and professional services: Laboratory services									
Consultants and professional services: Scientific and technological services									
Consultants and professional services: Legal costs									
Contractors				200	200	200	300	400	421

# Vote 8 - Human Settlements • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Agency and support / outsourced services			491	20 000	20 000	20 000	20 000	20 000	20 949
Entertainment									
Fleet services (including government motor transport)									
Housing									
Inventory: Clothing material and accessories						20			
Inventory: Farming supplies									
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher support material									
Inventory: Materials and supplies									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Other supplies			16						
Consumable supplies	2			20	20	530	30	35	37
Consumable: Stationery, printing and office supplies	567	91	262	800	800	271	900	950	1 000
Operating leases	20 877	7 118	404	2 491	2 491	2 491	2 800	3 000	3 159
Property payments			1						
Transport provided: Departmental activity									
Travel and subsistence	36	754	3 156	1 067	3 529	3 534	1 500	1 700	1 790
Training and development			3	1 800			1 800	1 800	1 895
Operating payments			88	200	200	200	300	500	527
Venues and facilities			147		70	70			
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>3 829 669</b>	<b>3 739 617</b>	<b>3 958 616</b>	<b>4 096 721</b>	<b>4 099 721</b>	<b>4 096 721</b>	<b>4 407 637</b>	<b>5 051 381</b>	<b>5 609 516</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Households	3 829 669	3 739 617	3 958 616	4 096 721	4 099 721	4 096 721	4 407 637	5 051 381	5 609 516
Social benefits									
Other transfers to households	3 829 669	3 739 617	3 958 616	4 096 721	4 099 721	4 096 721	4 407 637	5 051 381	5 609 516
<b>Payments for capital assets</b>		<b>3 943</b>	<b>5 359</b>			<b>(1)</b>			
Buildings and other fixed structures			5 359						
Buildings									
Other fixed structures			5 359						
Machinery and equipment						(1)			
Transport equipment									
Other machinery and equipment						(1)			
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets		3 943							
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>3 943 050</b>	<b>3 844 953</b>	<b>4 103 039</b>	<b>4 317 871</b>	<b>4 318 121</b>	<b>4 315 126</b>	<b>4 639 859</b>	<b>5 251 477</b>	<b>5 820 106</b>

TABLE 8.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS MANAGEMENT PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
<b>Current payments</b>	<b>13 981</b>	<b>15</b>							
Compensation of employees	13 981	5							
Salaries and wages	12 325	5							
Social contributions	1 656								
Goods and services		10							
Administrative fees									
Advertising									
Inventory: Other supplies									
Consumable supplies									
Consumable: Stationery, printing and office supplies									
Operating leases									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence		10							
Training and development									
Operating payments									
Venues and facilities									
Rental and hiring									
Interest and rent on land									
Interest									
Rent on land									
<b>Transfers and subsidies</b>	<b>84 026</b>	<b>77 509</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>
Provinces and municipalities									
Provinces									
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities									
Municipal bank accounts									
Municipal agencies and funds									
Departmental agencies and accounts									
Social security funds									

## Vote 8 - Human Settlements • EPRE - 2014/15

R thousand	Outcome			Main appropriation	Adjusted appropriation 2013/14	Revised estimate	Medium-term estimates		
	2010/11	2011/12	2012/13				2014/15	2015/16	2015/16
Departmental agencies (non-business entities)									
Higher education institutions									
Foreign governments and international organisations									
Public corporations and private enterprises									
Public corporations									
Subsidies on products and production									
Other transfers to public corporations									
Private enterprises									
Subsidies on products and production									
Other transfers to private enterprises									
Non-profit institutions									
Households	84 026	77 509	86 769	78 276	78 276	78 862	86 290	92 276	97 167
Social benefits									
Other transfers to households	84 026	77 509	86 769	78 276	78 276	78 862	86 290	92 276	97 167
<b>Payments for capital assets</b>		<b>7 500</b>							
Buildings and other fixed structures									
Buildings									
Other fixed structures									
Machinery and equipment		7 500							
Transport equipment									
Other machinery and equipment		7 500							
Heritage Assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
<b>Payments for financial assets</b>									
Thefts and losses									
<b>Total economic classification</b>	<b>98 007</b>	<b>85 024</b>	<b>86 769</b>	<b>78 276</b>	<b>78 276</b>	<b>78 862</b>	<b>86 290</b>	<b>92 276</b>	<b>97 167</b>