

VOTE 8

Human Settlements

Operational budget	R 3 485 112 000
MEC remuneration	Nil
Total amount to be appropriated	R 3 485 112 000
Responsible MEC	MEC for Public Works and Human Settlements ¹
Administering department	Human Settlements
Accounting officer	Head: Human Settlements

1. Overview

Vision

The vision of the department is: *Together breaking new ground to achieve decent, integrated and sustainable human settlement patterns.*

Mission statement

The mission of the department is: *To deliver 200 000 suitably located housing opportunities and security of tenure over the next five years through collaborative partnership, legislative planning processes and empowerment of women in construction.*

Strategic goals and objectives

Strategic policy direction: By focussing on its role of achieving decent, integrated and sustainable housing opportunities and security of tenure, the department seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens. The department's strategic objectives are summarised as follows:

- Ensuring the financial viability of the department.
- Provision of skilled human resources.
- Accelerating urban housing opportunities.
- Accelerating the creation of rental housing opportunities, and implementing projects that ensure spatial, social and economic integration.
- Identifying and implementing rectification projects to ensure transfers and home ownership.

Core functions

The following core functions have been identified as key for the attainment of the strategic objectives:

- To promote the provision of housing development.
- To promote the provision of affordable housing and essential services.
- To manage, control and maintain the immovable assets of the department.
- To research, establish, monitor and implement policies within the National Housing Policy Framework.
- To administer and manage housing subsidies of targeted groups.

¹ The salary of the MEC of Human Settlements is budgeted for under Vote 14: Public Works.

- To formulate a Provincial Housing Development Plan for the province.
- To facilitate and create housing institutions.
- To provide legal advice on land and environmental issues.
- To administer and co-ordinate the Community Residential Unit (CRU) programme.
- To administer the clearance of slums in KwaZulu-Natal.
- To capacitate housing stakeholders.

Legislative mandates

The principal legislative mandates governing the operations of the department are:

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Housing Act (Act No. 107 of 1997)
- 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)
- Sectional Titles Act (Act No. 95 of 1986, as amended by Acts No. 24 and 29 of 2003)
- Prevention of Illegal Eviction and Unlawful Occupation of Land Act (Act No. 19 of 1998)
- Home Loan and Mortgage Disclosure Act (Act No. 63 of 2000)
- Disestablishment of South African Trust Limited Act (Act No. 26 of 2002)
- Constitutional Court judgment of 2000, on the enforceability of social and economic rights
- KwaZulu-Natal Housing Act (Act No. 12 of 1998, as amended)
- Housing Development Schemes for Retired Persons Act (Act No. 65 of 1988, as amended by Act No. 20 of 1998)
- National Building Regulations and Building Standards Act (Act No. 103 of 1977)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Housing Consumers Protection Measures Act (Act No. 17 of 2007)
- Social Housing Act (Act No. 16 of 2008)
- Housing Development Agency Act (Act No. 23 of 2008)
- Public Finance Management Act (Act No. 1 of 1999, as amended and the Treasury Regulations)
- 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)
- Communal Land Rights Act (Act No. 11 of 2004)
- Communal Property Associations Act (Act No. 28 of 1996)
- 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)
- Corruption Act (Act No. 94 of 2004, as amended)
- Expropriation Act (Act No. 39 of 1951, as repealed by Act No. 63 of 1975)
- National Heritage Resources Act (Act No. 25 of 1999)
- Standards Act (Act No. 29 of 1993)
- State Land Disposal Act (Act No. 48 of 1961)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)

2. Review of the 2015/16 financial year

This section provides a review of 2015/16, outlining the main achievements and progress made during the year, as well as providing a brief discussion on challenges and new developments.

Rental Housing Tribunal

The Rental Housing Tribunal component continues to regulate good relationships between tenants and landlords by implementing pre-emptive and pro-active measures. The Tribunal was added as a stakeholder to the Social Housing and CRU Provincial Steering Committee, which sits monthly, and all issues, challenges and possible solutions relating to the rental housing programmes are discussed. The department compiled tenant training material which is presented to tenants prior to their occupation of any project. This process is ongoing and is conducted in partnership with the social housing institutions and municipalities.

The main achievement for this period was a significant increase in respect of complaints resolved by the Tribunal. An annual target of 1 380 was set for the number of complaints to be resolved, and a total number of 1 192 complaints were resolved as at the end of December. This was brought about by, among other things, the extensive marketing of the services of the Tribunal.

Furthermore, the Tribunal introduced a teleconferencing facility for speedy resolution of cases dealt with by way of mediation, where parties are unable to present themselves before the Tribunal at the same time. This is one of the contributing features in the resolution of disputes within the prescribed 90 days period.

Social Rental Housing

Social Rental Housing is a rental housing initiative developed and managed mainly by non-profit social housing institutions for households with monthly incomes between R3 500 and R7 500. The development of the social housing programme is dependent on whether the proposed project is situated in the approved and gazetted restructuring zones by the National Department of Human Settlements (NDHS). This then enables the Social Housing Regulatory Authority (SHRA), which is an accredited social housing institution, to qualify for the Restructuring Capital Grant which is disbursed and administered by the regulatory authority.

During 2015/16, the department continued to identify social housing pipeline projects and also approved and implemented social housing projects. There are four social housing projects in KZN that are currently being implemented. Upon completion, the projects will yield 1 802 units. The yield is broken down into Hilltop (240 units), Hamptons (430 units), Hampshire (180 units) and Westgate-Grange (952 units).

The department made an application to the National Minister to approve additional restructuring zones identified in five municipalities, which are eThekweni, uMhlathuze, Newcastle, KwaDukuza and Hibiscus Coast. Emnambithi Municipality did not submit their declared restructuring zones to the department for inclusion, while Msunduzi Municipality indicated that, at this stage, they have no intention of submitting additional restructuring zones, as the current zones are adequate in terms of their pipeline projects that are aligned to their Integrated Development Plans and housing sector plans.

Concept drawings have been completed in respect of these additional restructuring zones and have been approved by the department. The department will confirm the extension of the appointment of the project land surveyor, MHP Geomatics, to carry out professional services in order for the project to proceed.

All processes pertaining to the identification and declaration of restructuring zones by municipalities and the provincial department, the development of social housing estates and accreditation of social housing institutions, are initially tabled and endorsed by the members of the Provincial Public Service Commission, where all the relevant key role-players are represented, including municipalities, SHRA, NDHS, National Housing Fund Corporation (NHFC), the provincial department, etc.

During 2014/15, there were only three SHRA accredited social housing institutions in KZN. In 2015/16, SHRA conditionally accredited five additional social housing institutions in KZN. These institutions were presented and endorsed by the KZN Provincial Steering Committee. This will assist in the delivery and management of social housing units within the province.

Community Residential Unit (CRU)

CRU is an instrument that complements social housing. It can either be a development of greenfield units, or the upgrading of existing hostels to family units. The programme was created to address rental housing needs for households in the income bracket between R800 - R3 500 per month. The department has since revised and adopted CRU norms and standards that will guide the effective implementation of CRU projects in terms of specifications and cost per unit. NDHS has been in consultation with the KZN CRU component on an ongoing basis in the formulation of the National CRU norms and standards.

In 2015/16, the department projected to deliver 273 new CRU units to Klaarwater (35 units), KwaMashu (96 units), Dalton (16 units), Jacobs (20 units) and Rocky Park (106 units).

Informal Settlements Upgrade (ISU)

This is one of the Outcome eight principles that is targeted for delivery, especially to the most destitute people who are affected by social ills. Land invasion has been the biggest threat to this programme due to urbanisation and people coming to the cities to better their lives. The slum clearance programme, launched by the Premier in April 2014, is a Cabinet driven special programme to ensure that slums are eradicated and the most vulnerable are being provided with services. In line with the department's strategic objectives, as well as government's outcome based approach to service delivery, the programme aims to ensure that the strategic outputs and measures of Outcome eight (i.e. Sustainable Human Settlements and Improved Quality of Household Life) are addressed by targeting its Informal Settlements Upgrade subsidy programme toward the clearance of slums.

An anti-invasion strategy was introduced, to ensure that all land earmarked for development is being monitored for land invasion. This land will be developed as a new township with a view to relocating residents of nearby informal settlements (also known as "greenfield" type developments). To date, 2 202 units and 1 544 sites were delivered under this instrument during the three quarters of 2015/16. The supply of bulk infrastructure (in particular water) proved to be a challenge in the delivery of sites and thus delayed delivery. The department has taken an aggressive stance that no construction of houses will be approved should there still be bulk services challenges within the projects. The strategic focus for the Integrated Residential Development Programme (IRDP) has been on the delivery of serviced sites. This has resulted in the delivery of 794 units and 3 010 sites during the three quarters of 2015/16. The greenfield nature of the IDRDP instrument (as opposed to the *in situ* nature of many ISU) allows for better planning for the availability of bulk services.

Rural Housing Development

This delivery programme progressed at a much faster pace than expected throughout all the districts. There is a paradigm shift in terms of the department's planning under this programme to ensure that more units are delivered on the Outcome eight targets. In 2015/16, the department projected 13 344 units, which is below the 15 000 delivered in previous financial years, in order to achieve Outcome eight. During the first three quarters of 2015/16, the department delivered 12 098 units under this programme.

3. Outlook for the 2016/17 financial year

This section looks at the key focus areas of 2016/17, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

The main purpose of the department's budget allocation is for the provision of housing to various sectors of the population including rural areas and informal settlements, with the bulk of the funding being provided *via* the Human Settlements Development grant (HSDG). In 2016/17, the department will continue with the provision of housing, as detailed below.

Rental Housing Tribunal

The Rental Housing Tribunal component will continue to regulate good relationships between tenants and landlords by implementing pre-emptive and pro-active measures. The significant increase in the number of complaints being received by the Rental Housing Tribunal has been a result of extensive marketing of the Tribunal's activities, which instigates a need to ensure the enforcement of its rulings in order to maintain its status and stature as an effective dispute resolution body. The enforceability of these rulings remains

the cornerstone of the existence of the KZN Rental Housing Tribunal. Work has been done to engage the Office of the Chief Magistrate to assist with the enforcement of spoliation orders and rulings of specific performance. The Office of the Director of Public Prosecutions, the Office of the Provincial Commissioner of the South African Police Services, as well as the Sheriff's Office are also key stakeholders in the chain of the enforcement of the Tribunal rulings.

Social Rental Housing

During 2016/17, the department envisages that additional restructuring zones will be approved by the National Minister. This will unlock the planned pipeline projects situated in the affected areas and thus enable KZN to make a meaningful contribution towards the realisation of the targeted 27 000 units in the current MTSF. The projected delivery targets for 2016/17 are 630 social housing units and 394 CRU units.

Rectification of pre-1994 Housing Stock

This programme is aimed at rectifying the housing stock constructed pre-1994. Project funding of R3.500 million for the rectification of 42 797 units was approved by the department. Various projects are underway, such as eThekweni with 533 units in R293 townships, as well as 60 units which were demolished by the owners, Umdoni with 302 units, Newcastle with 148 units at Emawoseni, Surayaville with 72 units and Fairleigh with 48 units.

Informal Settlements Upgrade

The Provincial Slum Clearance Co-ordination Sub-Committee will continue to monitor progress of slum clearance projects. Currently, over four projects are nearing completion, 30 projects are in the construction phase, 56 projects are in various stages of planning and 26 require complete relocations.

The department will continue implementing the Cornubia Integrated Residential Project north of Durban as the national priority "catalytic project" in 2016/17, which is expected to contribute towards achieving Outcome eight targets and ensuring sustainable human settlements. Over the 2016/17 MTEF, Phase 1A entails the completion of 482 sites and units and various units will be transferred to individual beneficiaries. Phase 1B with a yield of 2 186 units will also be implemented. All internal services have been done and the top structures will be done in 2016/17. Families from the slum clearance projects from various parts of the eThekweni Metro will be relocated houses, and thus slums will be cleared.

During 2016/17, the targeted number of ISU is 4 829 sites and 4 228 units. For the IRDP, the projected delivery for 2016/17 is 1 088 sites and 3 578 units to be delivered.

The Enhanced People's Housing Process (EPHP), which is part of a national initiative, provides for community/beneficiary involvement in the construction of their houses, and will result in additional houses being constructed over the medium-term. The EPHP methodology is being piloted within the province in partnership with the National Urban Reconstruction and Housing Agency (NURCHA), which is a development finance company providing bridging and developing finance to contractors and developers, as well as community based organisation Vulindlela Development Agency (VDA) in Msunduzi in implementing the Vulindlela rural housing project.

Rural Housing Development

During 2016/17, 8 946 units are being projected for delivery. The current commitments set out ensure that all nine provinces comply with the Outcome eight principles. This then means that the department's development goals must not only focus on rural priorities, but must strike the required balance in ensuring that Outcome eight principles are met.

4. Receipts and financing

4.1 Summary of receipts and financing

Table 8.1 indicates the sources of funding for Vote 8 for the period 2012/13 to 2018/19. The budget for 2016/17 is made up of the equitable share of R345.216 million and the HSDG of R3.125 billion, with the aim of promoting the provision of low income housing and essential services. The department also receives R15.194 million in 2016/17 in respect of the EPWP Integrated Grant for Provinces.

Table 8.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Equitable share	300 409	311 786	326 962	342 630	342 630	342 630	345 216	362 444	383 512
Conditional grants	2 915 297	3 335 584	3 509 045	3 242 055	3 242 055	3 242 055	3 139 896	3 843 228	4 092 224
Human Settlements Development grant	2 915 297	3 332 584	3 509 045	3 235 475	3 235 475	3 235 475	3 124 702	3 843 228	4 092 224
EPWP Integrated Grant for Provinces	-	3 000	-	6 580	6 580	6 580	15 194	-	-
Total receipts	3 215 706	3 647 370	3 836 007	3 584 685	3 584 685	3 584 685	3 485 112	4 205 672	4 475 736
Total payments	3 377 771	3 617 002	3 873 178	3 584 685	3 822 970	3 822 970	3 485 112	4 205 672	4 475 736
Surplus/(Deficit) before financing	(162 065)	30 368	(37 171)	-	(238 285)	(238 285)	-	-	-
Financing									
of which									
Provincial roll-overs	27 637	-	-	-	-	-	-	-	-
Provincial cash resources	134 477	1 000	22 436	-	238 285	238 285	-	-	-
Surplus/(Deficit) after financing	49	31 368	(14 735)	-	-	-	-	-	-

The department's equitable share budget grows steadily from 2012/13 to 2018/19, attributed mainly to inflationary wage adjustments and inflation related items for the department's administration costs.

Conditional grants grow steadily from 2012/13 to 2014/15 attributed mainly to the HSDG, largely as a result of additional funding allocated for the informal settlements upgrade in rapidly urbanising mining towns to support the implementation of the Strategic Infrastructure Projects (SIPs) identified by the Presidential Infrastructure Co-ordinating Committee (PICC), as well as the re-allocation of R236 million by the National Department of Human Settlements from Limpopo due to slow spending. The growth was offset to some extent by the baseline cuts in the grant due to the data update resulting from the 2011 Census. There were further cuts in 2015/16 and 2016/17, partly due to the fiscal consolidation effects, as well as funds being reprioritised from all provinces to the Housing Development Agency (HDA) which was to take on an expanded mandate that included some of the planning and project development aspects that were previously carried out by provinces. In addition to this, there is a further cut in the HSDG in 2016/17 only, after a revision by NDHS, explaining the decrease from 2015/16 to 2016/17. Despite these cuts, the budget for the HSDG grows consistently over the 2016/17 MTEF at this stage. The allocation for the HSDG also includes funds earmarked for spending within the eThekweni Metro, as well as funding for disaster repairs (flood and fire).

It is noted that the department will again receive additional funding of R308.377 million in 2015/16 for the HSDG, being additional funding allocated by NDHS for projects. This additional amount will only be formalised in the Second Adjustments Estimate in March 2016, and hence is not included in Table 8.1.

Provincial cash resources in 2012/13 reflect R134.477 million, which comprised R85.229 million relating to funds from Thubelisha Homes for Ingwavuma Ministerial projects, and R49.248 million relating to the funds received in terms of the Wiggins and Bonela Housing project, which were reallocated for the implementation of social housing projects. An amount of R27.637 million against provincial roll-overs relates to the roll-over approved with regard to the Housing Disaster Relief grant. The department under-spent the 2012/13 allocation by an insignificant amount of R49 000.

The department was allocated R3 million in 2013/14 for the EPWP Integrated Grant for Provinces, with the aim of creating temporary work opportunities and transferring skills to the unemployed. An amount of R6.580 million was allocated in 2015/16 and R15.194 million is allocated in 2016/17 only, at this stage.

The department received an additional allocation of R1 million from provincial cash resources in 2013/14 for spending on OSS initiatives, as identified by the MEC.

The department under-spent its 2013/14 budget by R31.368 million, emanating mainly from the HSDG, as a result of a capturing error which was only identified in the auditing process after year-end, and after the National Treasury deadline for the submission of roll-over requests. A roll-over of these funds to 2014/15 was requested post-audit, but was declined by National Treasury due to the late submission.

Provincial cash resources in 2014/15 reflect R22.436 million relating to the reallocation of unused funds received from SHRA for the Meadowlands social housing project which was reallocated back to the department for the implementation of social housing projects under the Westgate-Grange project.

The department over-spent its 2014/15 budget by R14.735 million mainly as a result of payments in respect of eThekweni Metro arrear rates.

Provincial cash resources in the 2015/16 Adjusted Appropriation reflect R238.285 million, of which R7.312 million relates to the above-budget 2015 wage agreement which the department could not fund from within its baseline, an additional R100 million, in line with a Cabinet decision in respect of various housing projects such as KwaXolo Rural, Dube Village, Steve Biko Phase 2, Vulindlela, etc, as well as R130.973 million from NHFC and Ithala for various housing projects. As at the end of 2014/15, NHFC and Ithala had not completed the projects for which the funding was transferred and therefore had to repay any unspent funds together with interest earned to the department. These funds were then allocated back to the department in the 2015/16 Adjusted Appropriation for various housing projects such as Lakehaven Phase 2, Westgate-Grange, etc.

The decrease in 2016/17 relates to the revision of all conditional grants by National Treasury. This explains the significant decrease in 2016/17 and the increase thereafter in the HSDG. The equitable share grows steadily over the MTEF.

4.2 Departmental receipts collection

Table 8.2 provides a summary of the receipts collected by the department. Details of these departmental receipts are given in *Annexure – Vote 8: Human Settlements*.

Table 8.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	586	434	813	534	534	534	562	590	624
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	16	4 142	573	18	18	2 181	16	17	18
Sale of capital assets	1 494	19	49	500	500	500	520	546	578
Transactions in financial assets and liabilities	11 477	4 836	27 485	1 000	1 000	160 047	3 100	3 155	3 338
Total	13 573	9 431	28 920	2 052	2 052	163 262	4 198	4 308	4 557

The major source of departmental receipts is *Transactions in financial assets and liabilities*, which comprises revenue collected from previous years' staff debts in respect of breached bursary contracts, as well as recoveries of prior years' expenditure, such as unutilised funds from suppliers. The conservative budgeting over the MTEF reflects the difficulty in accurately projecting recoveries from projects, due to their uncertain nature. The historic and 2015/16 Revised Estimate collection can be explained as follows:

- The 2012/13 collection includes, *inter alia*, unspent funds which were returned to the PRF, as well as funds recovered by the Special Investigating Unit (SIU) in relation to fraud cases and funds returned to the department due to cancellation of payment to a supplier because of incorrect banking details.
- Revenue collected in 2013/14 comprises, among others, monies recovered by the SIU from finalised fraud cases, as well as a subsidy refund from the eThekweni Metro in respect of the Riverdene Housing project due to the cancellation of original beneficiaries that were not occupying houses and recovery of staff debts.
- Revenue collected in 2014/15 consists of, among others, an amount of R22.436 million which was recovered from SHRA in respect of unused funds pertaining to the Meadowlands social housing project. These funds were allocated back to the department in the 2014/15 Adjustments Estimate for use on the Westgate-Grange social housing project.
- As reflected in the 2015/16 Revised Estimate, the department is anticipating to over-collect its revenue budget. The substantial over-collection is due to, among others, an amount of

R118.441 million from the NHFC relating to previous years' expenditure in respect of the assessment, administration and management of social housing by the institution and R12.532 million from Ithala being the recall of surplus funds in respect of *in situ* relocation subsidies. These funds were allocated back to the department in the 2015/16 Adjustments Estimate, as mentioned previously.

Sale of goods and services other than capital assets is derived from commission on PERSAL deductions such as insurances and garnishee orders, rental on state-owned property, parking fees and sale of tender documents. The increase in 2014/15 is ascribed to the number of tender documents sold. Fewer tender documents are expected to be sold over the MTEF, because most tenders were awarded in the previous financial years.

Interest, dividends and rent on land includes interest from staff debts and interest on positive cash balances. In 2013/14, the department collected revenue amounting to R4.142 million mainly from the interest received on unused funds transferred to SHRA for the implementation of social housing projects. The high collection reflected in the 2015/16 Revised Estimate is due to interest received for the land acquisition of Abaqulusi Municipality and for uMhlathuze Municipality. The accrued interest was paid back to the department when the transfer to the municipality was done. Revenue projected over the MTEF is mainly related to interest on outstanding staff debts.

Sale of capital assets relates to cash received from the sale of redundant assets, such as motor vehicles and office equipment. Accurate projections against this category are difficult, due to its uncertain nature.

4.3 Donor funding – Nil

5. Payment summary

Section 5 reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 8: Human Settlements*.

5.1 Key assumptions

The following assumptions and factors were taken into account in finalising the budget allocations:

- The budget and service delivery indicators are based on a subsidy for a minimum of a 40m² house for new projects (i.e. projects approved from 2009/10 onward).
- Inflation related items have been based on CPI projections.
- Provision was made through reprioritisation for an inflationary wage adjustment of 7.2 per cent in 2016/17, 6.8 per cent in 2017/18 and 6.8 per cent in 2018/19, as well as the annual 1.5 per cent pay progression.
- Provision was made for the carry-through costs of the above-budget 2015 wage agreement.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2015/16, will continue to be adhered to over the 2016/17 MTEF, in conjunction with National Treasury Instruction 01 of 2013/14: Cost-containment measures. In addition, as a result of the need to lower the expenditure ceiling across the country (as explained under Section 5.2 below), departments had to adhere to the following guidelines:
 - Expenditure on *Compensation of employees* was lowered by freezing ALL vacant non-OSD posts. This cut does not affect Education or Health as these are to be protected in this process. Both departments are required to review their vacant administration staff posts and to decrease the numbers in this area with the savings from this exercise to be redirected within the votes to service delivery spending.
 - Departments' equitable share funded *Goods and services* budgets were cut by 2 per cent.
 - Departments' and public entities' hosting of events budgets were cut over the MTEF.

- o Other baseline cuts were effected against the Office of the Premier and the Department of Economic Development, Tourism and Environmental Affairs in line with a directive from national in this regard.
- o Departments must not absorb the impact of these cuts against their capital budgets. Capital projects may be re-scheduled or slowed in instances where this is practical.

5.2 Additional allocations for the 2014/15 to 2016/17 MTEF

Table 8.3 shows additional funding received by the department over the three MTEF periods: 2014/15, 2015/16 and 2016/17. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants. The purpose of such a table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated. The carry-through allocations for the 2014/15 and 2015/16 MTEF periods (i.e. for the financial year 2018/19) are based on the incremental percentage used in the 2016/17 MTEF.

Table 8.3 : Summary of additional provincial allocations for the 2014/15 to 2016/17 MTEF

R thousand	2014/15	2015/16	2016/17	2017/18	2018/19
2014/15 MTEF period	596	2 110	2 560	2 688	2 844
Carry-through of previous wage agreements	1 673	3 230	3 732	3 919	4 146
Centralisation of communications budget under OTP	(513)	(540)	(565)	(593)	(628)
Centralisation of external bursaries budget under OTP	(564)	(580)	(607)	(637)	(674)
2015/16 MTEF period		580	607	637	674
Decentralisation of bursaries budget		580	607	637	674
2016/17 MTEF period			(15 907)	(16 734)	(17 658)
Above-budget 2015 wage agreement			8 053	8 628	9 271
Freezing all vacant non-OSD posts			(20 180)	(21 552)	(23 017)
Cutting events' budgets			(2 053)	(2 054)	(2 054)
2% Goods and services cut			(1 727)	(1 756)	(1 858)
Total	596	2 690	(12 740)	(13 409)	(14 140)

In the 2014/15 MTEF, the department received additional funding for the carry-through of previous wage agreements. Cabinet resolved for the centralisation of parts of the communication and external bursaries' budgets under the Office of the Premier (OTP), hence the budget reductions over the 2014/15 MTEF.

In the 2015/16 MTEF, the department was reallocated funds relating to the centralisation of the bursaries budget under OTP, due to a decision to decentralise bursaries back to departments.

With regard to the 2016/17 MTEF, due to data updates of the equitable share formula, a declining provincial own revenue, as well as cuts implemented by National Treasury as a result of the need to lower the expenditure ceiling across the country and to reprioritise to fund various national priorities that have recently arisen, the funding available to the province was reduced or cut. Provinces were also instructed that the baselines of provincial Departments of Health be protected in view of the impact that the exchange rate has had on the affordability of medicines, which are largely imported. In order to effect these cuts in the province, expenditure on *Compensation of employees* was lowered by freezing all vacant non-OSD posts, and departments' equitable share funded *Goods and services* budgets were cut by 2 per cent over the MTEF. The impact of these cuts on the Department of Human Settlements is commented on in Section 5.3 below.

Offsetting these cuts to some extent over the 2016/17 MTEF, is the fact that the department received additional funding for the carry-through cost of the above-budget 2015 wage agreement.

5.3 Summary by programme and economic classification

The budget structure of Vote 8 largely conforms to the uniform budget and programme structure prescribed for the Human Settlements sector.

Tables 8.4 and 8.5 provide a summary of the vote's payments and budgeted estimates over the MTEF, by programme and economic classification, respectively.

The allocation increases over the seven years in line with the allocation for the HSDG. As previously mentioned, the grant was reduced in 2015/16 and 2016/17, partly due to the fiscal consolidation effects and a revision done by NDHS, as well as funds reprioritised from all provinces to the HDA. The noticeable decrease in 2016/17 relates to the previously mentioned budget cuts implemented by National Treasury, as well as the cut in the HSDG only in 2016/17, hence the increase in 2017/18 and 2018/19 across all programmes. Due to the extent of the equitable share cuts, which total R23.960 million, R25.362 million and R26.929 million over the MTEF, the department could not cut only against *Compensation of employees* and *Goods and services*, therefore, *Transfers and subsidies to: Departmental agencies and accounts* and *Machinery and equipment* were also affected by the budget cuts. It should be noted that all four programmes were affected by the cuts.

Table 8.4 : Summary of payments and estimates by programme: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Administration	151 366	163 986	182 847	193 378	195 128	195 128	190 054	200 045	213 584
2. Housing Needs, Research and Planning	13 823	14 115	14 223	17 076	17 209	17 209	16 111	17 005	17 832
3. Housing Development	3 027 491	3 270 961	3 532 420	3 205 251	3 371 396	3 371 396	3 096 492	3 766 737	4 014 007
4. Housing Asset Management, Property Management	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
Total	3 377 771	3 617 002	3 873 178	3 584 685	3 822 970	3 822 970	3 485 112	4 205 672	4 475 736

Table 8.5 : Summary of provincial payments and estimates by economic classification: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	244 963	287 661	362 918	383 788	391 239	391 239	422 620	410 242	427 853
Compensation of employees	165 469	202 048	239 766	263 250	273 453	273 453	284 340	296 310	310 496
Goods and services	79 494	85 501	123 151	120 538	117 786	117 786	138 280	113 932	117 357
Interest and rent on land	-	112	1	-	-	-	-	-	-
Transfers and subsidies to:	3 120 318	3 314 180	3 429 932	3 184 463	3 414 543	3 414 543	3 028 198	3 791 493	4 043 006
Provinces and municipalities	115 145	40 447	68 458	148 680	149 021	149 021	86 087	90 472	90 472
Departmental agencies and accounts	319 568	168 692	145 325	168 980	257 237	257 237	200 455	235 885	230 313
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 685 605	3 105 041	3 216 149	2 866 803	3 008 285	3 008 285	2 741 656	3 465 136	3 722 221
Payments for capital assets	12 472	15 048	79 565	16 434	16 903	16 903	34 294	3 937	4 877
Buildings and other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Machinery and equipment	11 128	8 027	11 731	3 934	4 403	4 403	2 840	3 937	4 877
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	335	222	379	-	-	-	-	-	-
Payments for financial assets	18	113	763	-	285	285	-	-	-
Total	3 377 771	3 617 002	3 873 178	3 584 685	3 822 970	3 822 970	3 485 112	4 205 672	4 475 736

Programme 1: Administration reflects a steady increase from 2012/13 to 2014/15. The increase from the 2015/16 Main to Adjusted Appropriation relates to funds received for the above-budget 2015 wage agreement. The decrease in 2016/17 relates to budget cuts, as mentioned above. The increase in 2017/18 and 2018/19 is to cater for wage agreements and inflationary adjustments.

Programme 2: Housing Needs, Research and Planning reflects a steady increase from 2012/13 to 2014/15. The slight increase from the 2015/16 Main to Adjusted Appropriation relates to funds received for the above-budget 2015 wage agreement. The decrease in 2016/17 relates to budget cuts, as mentioned above. The increase in 2017/18 and 2018/19 is to cater for wage agreements and inflationary adjustments.

Programme 3: Housing Development reflects an increase from 2012/13 to 2014/15 as the focus remained on fast-tracking service delivery in KZN, as well as the re-allocation of R236 million by the National Department of Human Settlements from Limpopo in 2014/15, as mentioned previously. The growth in this programme relates to the increase in the HSDG, which has been allocated for various housing programmes such as the Upgrade of Informal Settlements Programme (UISP), the Enhanced Peoples Housing Process

(EPHP), etc. The increase in the 2015/16 Adjusted Appropriation relates to the reallocation of funds received from NHFC and Ithala for monies which were transferred during 2011/12 and 2012/13, the above-budget 2015 wage agreement which the department could not fund from within its baseline, as well as funding provided in respect of various housing projects, as agreed to by Cabinet. The HSDG was marginally reduced in 2015/16 and 2016/17, partly due to the fiscal consolidation effects, the revision of conditional grants, as well as funds reprioritised from all provinces to the HDA. The decrease in 2016/17 relates to equitable share cuts, as well as conditional grant cuts against the HSDG, as mentioned above. The increase in 2017/18 and 2018/19 is to cater for wage agreements and inflationary adjustments, as well as projects being implemented with the 2017/18 and 2018/19 grant allocations which show significant increases.

The decrease against Programme 4: Housing Asset Management, Property Management from 2012/13 to 2014/15 relates to delays in the implementation of the rectification programme for the pre-1994 housing stock of Ex-Own Affairs and Ex-R293 areas which were delayed, as a result of the appointment of the service provider in the eThekweni Metro taking longer than anticipated. The increase in the 2015/16 Adjusted Appropriation is in respect of a Cabinet decision to provide once-off funding towards the rehabilitation of R293 and Ex-own Affairs townships, as well as funds related to the above-budget 2015 wage agreement. The decrease in 2016/17 relates to equitable share and conditional grant cuts in the HSDG, as mentioned above. The increase in 2017/18 and 2018/19 relates to the rectification of pre-1994 housing stock which was delayed in previous financial years due to specification changes and social issues, with the conditional grant allocation in the outer years showing good growth.

Compensation of employees reflects a steady increase from 2012/13 to 2014/15. The increase in the 2015/16 Adjusted Appropriation largely relates to funds received for the above-budget 2015 wage agreement. Although this category shows an increase over the 2016/17 MTEF which is to cater for the filling of OSD posts under the OPSCAP programme of the HSDG, it was reduced by R12.637 million, R15.993 million and R18.115 million over the MTEF as a result of the budget cuts.

Goods and services reflects a steady increase from 2012/13 to 2014/15 in line with inflationary increases and spending pressures relating to fast-tracking housing project launches. The decrease in the 2015/16 Adjusted Appropriation is due to the continuous implementation of cost-cutting measures, where housing project launches were reduced, as well as travel and subsistence costs. The spike in 2016/17 relates to additional funding received in respect of the EPWP Integrated Grant for Provinces, as well as professional services. The decrease in 2017/18 and 2018/19 is due to no allocation for the EPWP Integrated Grant for Provinces yet, cost-containment measures, particularly against travel and subsistence costs, as well as the above-mentioned budget cuts in respect of both conditional grant and equitable share. This category was reduced by R5.812 million, R4.751 million and R3.912 million over the MTEF in respect of the equitable share cuts.

Interest and rent on land pertains to interest paid on overdue accounts in 2013/14 and 2014/15. The department did not pay these accounts on time as illegal cession agreements were entered into by service providers implementing the Social and Economic Amenities programme.

The fluctuating trend against *Transfers and subsidies to: Provinces and municipalities* from 2012/13 to 2014/15 relates to the final transfer paid in 2012/13 to the eThekweni Metro in respect of the maintenance of R293 hostels. During 2012/13, there was also a transfer to the eThekweni Metro in respect of the CRU programme. The increase in 2015/16 relates to the CRU programme and operational costs for accredited municipalities which were inadequately budgeted for. The decrease in 2016/17 relates to the anticipated winding up of the CRU programme in the eThekweni Metro.

The high spending against *Transfers and subsidies to: Departmental agencies and accounts* in 2012/13 relates to transfers made to SHRA for the implementation of the social housing programme. Following an A-G finding, funds relating to the KZN Housing Fund were moved to this category with effect from 2014/15, in line with the reclassification of all activities relating to the management and maintenance of housing properties in respect of the KZN Housing Fund. The funding had previously been budgeted for under various economic classifications instead of *Transfers and subsidies to: Departmental agencies and accounts*. This is in compliance with an A-G finding and GRAP requirements, whereby the activities of

the fund must be paid *via* a transfer, and not form part of the Vote. Prior year information was adjusted accordingly. The increase in the 2015/16 Adjusted Appropriation relates to funding for the HDA where the department has entered into a three-year agreement with this public entity to undertake assigned functions and programmes. The decrease in 2016/17 relates to conditional grant cuts, as well as equitable share cuts of R4.511 million, R4.618 million and R4.902 million over the MTEF, as mentioned previously. The increase in 2017/18 is in respect of inflationary increases. The slight decrease in 2018/19 relates to no funding allocated for HDA in 2018/19 as per the agreement which caters for three years.

Transfers and subsidies to: Households shows an increasing trend from 2012/13 to 2014/15. This is due to the increase in the HSDG, as the bulk of the housing programmes are budgeted for under this category. The Housing Disaster Relief grant is also catered for within this category in 2012/13. The increase in the 2015/16 Adjusted Appropriation relates to the reallocation of funds received from NHFC and Ithala for monies which were transferred during 2011/12 and 2012/13. Although the HSDG has been reduced marginally in 2015/16 and 2016/17, partly due to the fiscal consolidation effects, and further conditional grant cuts, as well as funds reprioritised from all provinces to the HDA, the increase in 2017/18 and 2018/19 is in line with the fact that there was no HSDG cut in these years.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The increasing trend from 2012/13 to 2014/15 is as a result of the fact that, in 2012/13 and 2013/14, this programme was stalled, as it was affected by forensic investigations. In 2014/15, the programme started to improve on its delivery. The high expenditure in 2014/15 relates to the acquisition of Riverview Social Housing Development to be used for middle income housing through the Finance Linked Individual Subsidy Programme (FLISP). In 2016/17, funding is allocated for the finalisation of the Social and Economic Amenities programme. There is no allocation in 2017/18 and 2018/19, due to the fact that the programme comes to an end in 2016/17.

Machinery and equipment shows a fluctuating trend from 2012/13 to 2016/17 which is due to the purchasing of vehicles being cyclical in nature. The increase in the 2015/16 Adjusted Appropriation is due to provision made for the purchase of a PABX telephone system. The fluctuation over the 2016/17 MTEF relates to the above-mentioned equitable share cuts amounting to R1 million in 2016/17 only, as well as the reduction in the purchasing of capital assets due to ongoing implementation of cost-cutting measures and the fact that purchasing of vehicles is cyclical in nature.

The spending against *Software and other intangible assets* relates to the purchase of various software packages in 2012/13, 2013/14 and 2014/15.

The amounts under *Payments for financial assets* relate to the write-off of staff debts in terms of the departmental write-off policy in 2012/13 to 2015/16.

5.4 Summary of conditional grants payments and estimates

Tables 8.6 and 8.7 below provide a summary of the conditional grant payments and budgeted estimates over the MTEF period by conditional grant name and economic classification, respectively. The department has three grants, namely the HSDG, the Housing Disaster Relief grant and the EPWP Integrated Grant for Provinces, although only the HSDG and EPWP Integrated Grant for Provinces received funding up to 2016/17, and only the HSDG continues over the MTEF at this stage. As previously mentioned, the HSDG was reduced marginally in 2015/16 and 2016/17, partly due to the fiscal consolidation effects implemented over the 2015/16 MTEF, as well as funds reprioritised from all provinces to the HAD, with further budget cuts affected in 2016/17.

Note that the department will receive additional funding of R308.377 million in 2015/16 for the HSDG, being additional funding allocated by NDHS for projects. This additional amount will only be formalised in the Second Adjustments Estimate in March 2016, though, and hence is not included in the tables below.

The HSDG is cut in 2016/17 only, after the revision of all conditional grants by National Treasury. This explains the significant decrease in 2016/17 and the increase thereafter in the HSDG and various economic classifications.

Note that the historical figures set out in Table 8.6 below reflect actual expenditure per grant, and should not be compared to those reflected in Table 8.1, which represent the actual receipts for each grant.

Details are given in *Annexure – Vote 8: Human Settlements*.

Table 8.6 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Human Settlements Development grant	3 077 411	3 309 243	3 509 045	3 235 475	3 235 475	3 235 475	3 124 702	3 843 228	4 092 224
Housing Disaster Relief grant	27 637	-	-	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	-	-	-	6 580	6 580	6 580	15 194	-	-
Total	3 105 048	3 309 243	3 509 045	3 242 055	3 242 055	3 242 055	3 139 896	3 843 228	4 092 224

Table 8.7 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	6 654	48 464	95 845	95 950	98 115	98 115	130 009	104 104	104 104
Compensation of employees	500	38 575	57 656	59 492	68 518	68 518	72 254	73 248	76 248
Goods and services	6 154	9 781	38 189	36 458	29 597	29 597	57 755	30 856	27 856
Interest and rent on land	-	108	-	-	-	-	-	-	-
Transfers and subsidies to:	3 097 175	3 253 711	3 340 206	3 133 105	3 131 041	3 131 041	2 977 780	3 738 430	3 987 426
Provinces and municipalities	115 000	40 384	68 326	148 400	148 741	148 741	85 792	90 172	90 172
Departmental agencies and accounts	271 311	109 636	98 059	118 482	155 989	155 989	150 939	183 759	175 670
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 710 864	3 103 691	3 173 821	2 866 223	2 826 311	2 826 311	2 741 049	3 464 499	3 721 584
Payments for capital assets	1 219	7 068	72 994	13 000	12 899	12 899	32 107	694	694
Buildings and other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Machinery and equipment	210	269	5 160	500	399	399	653	694	694
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	379	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 105 048	3 309 243	3 509 045	3 242 055	3 242 055	3 242 055	3 139 896	3 843 228	4 092 224

The department's main funding relates to the HSDG, which aims to promote the provision of low income housing using different programmes such as project linked subsidies, people's housing programmes, IRDP, rural housing subsidies, UISP, social housing, etc.

In 2012/13, the department received the Housing Disaster Relief grant, to rehabilitate communities affected by storm damage. Disaster funding was not separately provided for from 2013/14 going forward, as the disaster allocation then formed part of the HSDG. The HSDG included an amount of R158.821 million in 2015/16, which is ring-fenced for repairs to houses affected by disasters.

The department receives R6.580 million and R15.194 million in 2015/16 and 2016/17, respectively, in respect of the EPWP Integrated Grant for Provinces for the recruitment of community members (especially the youth) during the implementation of projects.

From 2010/11, the department started funding *Compensation of employees* from the HSDG, in line with the Division of Revenue Act (DORA), which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. This explains the increase against *Compensation of employees* in 2013/14 from 2012/13. The increase in the 2015/16 Adjusted Appropriation relates to the above-budget 2015 wage agreement in respect of officials who are appointed on a contractual basis utilising HSDG funding. The increase over the 2016/17 MTEF relates to inflationary wage increases and contract posts in respect of the HSDG.

The increase in *Goods and services* from 2012/13 to 2013/14 relates to poor spending on the Extended Enhanced Discount Benefit Scheme (EEDBS) programme due to delays in the rehabilitation of housing

which led to the increase in the maintenance of housing properties. The substantial increase in 2014/15 was due to the fast-tracking of housing project launches. The decrease in the 2015/16 Adjusted Appropriation is due to continuous implementation of cost-cutting measures, where housing project launches, as well as travel and subsistence costs were reduced. This decrease continued over the MTEF. The noticeable increase in 2016/17 relates to the EPWP Integrated Grant for Provinces funding. The decrease from 2016/17 to 2018/19 is as a result of the fact that no EPWP Integrated Grant for Provinces funding has been allocated beyond 2016/17, at this stage.

Interest and rent on land pertains to interest paid on overdue accounts in 2013/14. The department did not pay these accounts on time as illegal cession agreements were entered into by service providers implementing the Social and Economic Amenities programme, as mentioned previously.

The fluctuating trend against *Transfers and subsidies to: Provinces and municipalities* from 2012/13 to 2014/15 relates to the final amount paid in 2012/13 to the eThekweni Metro in respect of the maintenance of R293 hostels. During 2012/13, there was also a transfer to the eThekweni Metro in respect of the CRU programme. The decrease in 2016/17 relates to conditional grant cuts. The flat trend in 2017/18 and 2018/19 is largely due to the anticipated winding up of the CRU programme in the eThekweni Metro.

The spending against *Transfers and subsidies to: Departmental agencies and accounts* in 2012/13 relates to transfers made to SHRA for the implementation of the social housing programme. In 2012/13 to 2015/16 and over the 2016/17 MTEF, funds relating to the KZN Housing Fund have been moved to this category, due to the previously mentioned compliance with an A-G finding and GRAP requirements. The increase in the 2015/16 Adjusted Appropriation relates to funding for the HDA, in terms of which the department has entered into a three-year agreement whereby the HDA undertakes assigned functions and programmes. The fluctuations over the 2016/17 MTEF relate to the HSDG cut in 2016/17 only, and the fact that there is no funding allocated for HDA in 2018/19, as mentioned previously.

Transfers and subsidies to: Households shows an increasing trend from 2012/13 to 2014/15. This was due to the increase in the HSDG, as the bulk of the housing programmes are budgeted for within this category. The Housing Disaster Relief grant is also catered for within this classification. The decrease in the 2015/16 Adjusted Appropriation relates to rectification of post-1994 housing programmes due to the fact that the department has reduced the allocations to these projects to slow down construction as a result of budgetary constraints. This was done to align to the National Minister's directive, where the rectification programmes should be phased out. The decrease in 2016/17 relates to the above-mentioned HSDG cut. The increase in 2017/18 and 2018/19 is in line with the fact that these years are not affected by the conditional grant budget cuts. As previously mentioned, the HSDG was reduced marginally in 2015/16 and 2016/17, partly due to the fiscal consolidation effects, as well as funds reprioritised from all provinces to the HDA.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The increasing trend from 2012/13 to 2014/15 was as a result of the programme being put on hold due to a number of challenges which necessitated that investigations and forensic audits be conducted on the programme. It must, however, be noted that the challenges experienced were dealt with during 2013/14. The high expenditure in 2014/15 was in respect of the acquisition of Riverview Social Housing Development to be used for middle income housing through FLISP. In 2016/17, funding is allocated for the finalisation of the Social and Economic Amenities programme.

As previously mentioned, the department spent a portion of the HSDG on *Machinery and equipment* in 2012/13 to 2014/15 and provides for this over the 2016/17 MTEF, as there is a need to purchase furniture and equipment for new employees. This is in respect of new technical posts anticipated to be filled that will be funded from this grant.

5.5 Summary of infrastructure payments and estimates

Table 8.8 presents a summary of infrastructure payments and estimates by infrastructure category. Note that, in 2014/15 there was a movement of all funding for the KZN Housing Fund within Programme 4 to *Transfers and subsidies to: Departmental agencies and accounts*, which also affects infrastructure.

Table 8.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Infrastructure transfers	115 000	40 384	57 467	148 400	148 741	148 741	85 792	90 172	90 172
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	115 000	40 384	57 467	148 400	148 741	148 741	85 792	90 172	90 172
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	17 684	19 151	20 000	-	21 390	21 390	21 285	22 301	23 542
Total	133 693	66 334	144 922	160 900	182 631	182 631	138 531	112 473	113 714
Capital infrastructure	116 009	47 183	124 922	160 900	161 241	161 241	117 246	90 172	90 172
Current infrastructure	17 684	19 151	20 000	-	21 390	21 390	21 285	22 301	23 542

The category *New infrastructure assets: Capital* relates to the Social and Economic Amenities programme. The asset constructed is owned by the department until handed over to the municipality. The increasing trend from 2012/13 to 2014/15 was as a result of the programme being put on hold due to a number of challenges which necessitated that investigations and forensic audits be conducted on the programme, as mentioned above. The high expenditure in 2014/15 was in respect of the acquisition of Riverview Social Housing Development to be used for middle income housing through FLISP. In 2016/17, funding is allocated for the finalisation of the Social and Economic Amenities programme. As mentioned above, due to the winding-up of the programme, there is no allocation in both 2017/18 and 2018/19.

Infrastructure transfers: Capital comprises transfers in respect of the CRU programme and operational costs of the accredited municipalities. The decrease from 2012/13 to 2013/14 relates to transfers made for the CRU programme during 2012/13 and no transfers were made in 2013/14 due to delays in the approval process of projects within the eThekweni Metro. In 2013/14, the department made transfers in respect of operational costs for accredited municipalities. The increase in 2015/16 relates to the CRU programme and operational costs for accredited municipalities. The decrease in 2016/17 relates to equitable share and conditional grant cuts and the flat trend in 2017/18 and 2018/19 is largely due to the anticipated winding up of the CRU programme in the eThekweni Metro.

The category *Infrastructure leases* relates to the operational leases for office accommodation leased by the department. The increasing trend over the seven-year period relates to inflationary increases, as well as the increase in district offices due to decentralisation. It is noted that this category was inadvertently omitted from the *EPRE* in prior years. This was corrected in the 2015/16 Adjusted Appropriation, and prior years were adjusted for compliance purposes. This explains why no amount is reflected in the 2015/16 Main Appropriation.

5.6 Summary of Public Private Partnerships – Nil

5.7 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 8.9 presents a summary of departmental transfers to national public entities listed in terms of Schedule 3 of the PFMA.

Table 8.9 : Summary of departmental transfers to public entities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Housing Development Agency (HAD)	-	-	-	-	18 000	18 000	18 000	14 000	-
Social Housing Regulatory (HRSA)	134 477	-	932	-	-	-	-	-	-
Total	134 477	-	932	-	18 000	18 000	18 000	14 000	-

The allocation of R18 million to the HDA in the 2015/16 Adjusted Appropriation is to cater for operational costs of the support work being undertaken by HDA in the province. The department has entered into a three-year agreement with this national public entity to undertake various assigned functions, hence there is no allocation in 2018/19.

The 2012/13 spending relates to transfers to SHRA for implementing the social housing programme. The reduction from 2013/14 onward is mainly due to the non-allocation to SHRA, as a result of the fact that the entity had not yet fully spent the allocation that was transferred to them since 2012/13. The amount in 2014/15 relates to costs incurred by SHRA after the return of unspent funds by the entity to the department. This expenditure is for costs incurred by the Strategic Programme Management (Booster) team appointed by SHRA, but which had never been paid.

5.8 Transfers to other entities

Table 8.10 presents a summary of departmental transfers to other entities. The department is funding the KZN Housing Fund which has been dis-established and is no longer a listed public entity in terms of Section 47(2) of the PFMA. These allocations were previously made from all categories within Programme 4 but, following an A-G finding in 2014/15, are now made from *Transfers and subsidies to: Departmental agencies and accounts*. The historical data prior to 2014/15 has been restated for comparative purposes.

Table 8.10 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
KZN Housing Fund	All sub-progs in Prog. 4	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
Total		185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313

The increase in the 2015/16 Adjusted Appropriation relates to municipal services and rates and taxes for housing properties, as well as funds in respect of a Cabinet agreement to provide funding towards the rehabilitation of R293 and Ex-own Affairs townships. This entity was also affected by the above-mentioned budget cuts, hence the decrease in 2016/17. As mentioned, cuts of R4.511 million, R4.618 million and R4.902 million were effected over the MTEF.

5.9 Transfers to local government

Tables 8.11 and 8.12 below illustrate departmental transfers to local government by category and by grant name, respectively. Details of these transfers are given in the *Annexure – Vote 8: Human Settlements*. Transfers to local government include funds in respect of motor vehicle licences. These funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 8.11 and 8.12.

Table 8.11 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Category A	95 000	21 787	46 165	118 228	122 416	122 416	59 000	60 000	60 000
Category B	20 000	18 597	22 153	30 172	26 325	26 325	26 792	30 172	30 172
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172

Table 8.12 : Summary of departmental transfers to local government by grant name

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Accredited municipalities	3.2 Financial Intervention	-	33 421	57 460	48 400	48 741	48 741	26 792	30 172	30 172
CRU programme	3.2 Housing Prop. Main	115 000	6 963	-	100 000	100 000	100 000	59 000	60 000	60 000
Rates and taxes	3.4 Social & Rent Int.	-	-	10 858	-	-	-	-	-	-
Total		115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172

Transfers to municipalities relate to the CRU programme (Category A), rates and taxes (Categories A and B), as well as accredited municipalities (Categories A and B).

The CRU programme is geared toward providing a coherent approach to dealing with different forms of public residential accommodation. It enables the department to provide secure and stable rental tenure for lower income persons in good locations, and forms the basis for transition to the formal housing market. As previously explained, the department signed a three-year agreement with the eThekweni Metro for the CRU programme, ending in 2014/15. However, there was no allocation in 2014/15 due to the slow spending in the eThekweni Metro in respect of the funds transferred in 2012/13.

The department also provides transfers for municipal rates and taxes in respect of ex-own Affairs properties which are owned by the department.

The transfers in respect of accredited municipalities relate to operational costs.

5.10 Transfers and subsidies

Table 8.13 below provides a summary of transfers and subsidies per programme, as explained briefly below the table.

Note that HSDG amounts in Programme 3 do not correspond with Table 8.7 due to historical restatements for comparative purposes.

Table 8.13 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Administration	1 654	2 109	2 180	860	1 190	1 190	902	937	937
Provinces and municipalities	145	56	132	280	280	280	295	300	300
Motor vehicle licences	145	56	132	280	280	280	295	300	300
Departmental agencies and accounts	-	752	705	-	-	-	-	-	-
PSETA	-	752	705	-	-	-	-	-	-
Households	1 509	1 301	1 343	580	910	910	607	637	637
Social benefits and other transfers	1 509	1 301	1 343	580	910	910	607	637	637
2. Housing Needs, Research and Planning	45	-	7	-	-	-	-	-	-
Households	45	-	7	-	-	-	-	-	-
Social benefits	45	-	7	-	-	-	-	-	-
3. Housing Development	2 933 528	3 144 131	3 284 057	3 014 623	3 174 116	3 174 116	2 844 841	3 568 671	3 811 756
Provinces and municipalities	115 000	40 391	68 326	148 400	148 741	148 741	85 792	90 172	90 172
Operational costs for accredited municipalities	-	33 421	57 460	48 400	48 741	48 741	26 792	30 172	30 172
CRU programme	115 000	6 963	-	100 000	100 000	100 000	59 000	60 000	60 000
Claims against the state	-	7	8	-	-	-	-	-	-
Rates and taxes for Section 21 properties	-	-	10 858	-	-	-	-	-	-
Departmental agencies and accounts	134 477	-	932	-	18 000	18 000	18 000	14 000	-
SHRA	134 477	-	932	-	-	-	-	-	-
Housing Development Agency	-	-	-	-	18 000	18 000	18 000	14 000	-
Households	2 684 051	3 103 740	3 214 799	2 866 223	3 007 375	3 007 375	2 741 049	3 464 499	3 721 584
Social benefits	858	80	327	-	1 618	1 618	45	48	48
Human Settlements Development grant	2 683 193	3 103 660	3 214 472	2 866 223	3 005 757	3 005 757	2 741 004	3 464 451	3 721 536
4. Housing Assets Mgt, Property Management	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
Departmental agencies and accounts	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
KZN Housing Fund	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
Total	3 120 318	3 314 180	3 429 932	3 184 463	3 414 543	3 414 543	3 028 198	3 791 493	4 043 006

The various trends in each programme are as follows:

- *Provinces and municipalities* in Programme 1 relates to the payment of motor vehicle licence fees. The amounts against *Households* pertain to staff exit costs and bursaries paid to external students.
- Also in Programme 1, it should be noted that the department no longer transfers funds to the Public Service Sector Education and Training Authority (PSETA) in line with a National Treasury Circular of 10 July 2014, which indicated that national departments applied for the creation of a single transfer to PSETA through DPSA. The result of this is that departments do not have to transfer funds to PSETA, unless such transfers are meant for a different purpose.

- Spending against *Households* in Programme 2 in 2012/13 and 2014/15 relates to staff exist costs.
- *Provinces and municipalities* in Programme 3 relates to programmes funded from the HSDG but implemented at the municipal level such as the CRU programme, and operational costs for accredited municipalities. The department signed a three-year agreement with the eThekweni Metro for the CRU programme, ending in 2014/15, however, there was no allocation in 2014/15 due to the slow spending in the eThekweni Metro in respect of the funds transferred in 2012/13, as previously mentioned.
- Spending against *Departmental agencies and accounts* in Programme 3 pertains to the transfers to SHRA and HDA. The reduction to zero in the transfer to SHRA from 2014/15 onward is mainly due to the fact that the entity has not yet fully spent the allocation that was transferred to them since 2012/13. The allocation to the HDA was increased by R18 million in the 2015/16 Adjusted Appropriation to cater for operational costs of the support work being undertaken by HDA in the province. The department has entered into a three-year agreement with this national public entity to undertake various assigned functions and programmes.
- *Households* in Programme 3 relates mainly to the HSDG projects. As evidenced by the table above, the bulk of the department's funding is allocated within this category. The projects funded from the Housing Disaster Relief grant in 2012/13 are also included here. Also included in this category are costs relating to staff exits. As previously mentioned, the department will receive additional funding of R308.377 million in 2015/16 for the HSDG, being additional funding allocated by NDHS for projects. This additional amount will only be formalised in the Second Adjustments Estimate in March 2016, and hence is not included in the table.
- With regard to *Departmental agencies and accounts* in Programme 4, from 2014/15 onward, the department undertook the reclassification of allocations from various economic classifications within Programme 4 which relates to the department providing funding to the KZN Housing Fund for all activities relating to the management and maintenance of housing properties. The funding had previously been budgeted for under various economic classifications instead of *Departmental agencies and accounts*. This was in compliance with an A-G finding and GRAP requirements, whereby the activities of the fund must be paid *via* a transfer, and not form part of the Vote. Prior year information was adjusted accordingly. The marked decrease in 2013/14 relates to funding to the eThekweni Metro for the CRU programme, with the eThekweni Metro showing slow spending in respect of the funds transferred in 2012/13, and the department deciding to withhold further transfers until the spending improved. The decrease in 2014/15 related to the rectification of the pre-1994 housing stock programme (properties owned by the department) in Austerville and Shallcross. The pilot phase was delayed due to changes in specification of the project and some social issues. The increase in the 2015/16 Adjusted Appropriation relates to operational costs of the support work being undertaken by HDA in the province. The decrease in 2016/17 is as a result of the previously mentioned equitable share and conditional grant cuts. The budget cuts in respect of the equitable share amount to R4.511 million, R4.618 million and R4.902 million over the MTEF. There is a steady increase in 2017/18 and 2018/19 to cater for the maintenance of housing properties.

6. Programme description

The services rendered by this department are categorised under four programmes, which largely conforms to the uniform budget and programme structure for the Human Settlements sector.

The payments and budgeted estimates for each of these programmes are summarised below, details of which are presented in the *Annexure to Vote 8 – Human Settlements*.

6.1 Programme 1: Administration

The purpose of this programme is to identify and eliminate bottle-necks, as well as continuously improve the flow of financial, administrative and management information. The strategic objectives of this programme are to strengthen governance and service delivery.

The programme provides for only one sub-programme, namely Corporate Services, because the office of the MEC is budgeted for under Vote 14: Public Works.

Tables 8.14 and 8.15 reflect a summary of payments and estimates for the period 2012/13 to 2018/19.

The slight decrease in 2016/17 relates to the previously mentioned budget cuts implemented by National Treasury, as well as the cut in the HSDG only in 2016/17, hence the increase in 2017/18 and 2018/19. The budget cuts were implemented against *Compensation of employees* (R9.270 million, R11.659 million and R12.007 million over the MTEF) and *Goods and services* (R5.212 million, R4.146 million and R2.802 million) over the MTEF, as well as *Machinery and equipment* (R1 million) in 2016/17 only.

Table 8.14 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Corporate Services	151 366	163 986	182 847	193 378	195 128	195 128	190 054	200 045	213 584
Total	151 366	163 986	182 847	193 378	195 128	195 128	190 054	200 045	213 584

Table 8.15 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	138 463	153 932	173 522	189 376	190 179	190 179	187 155	195 990	208 529
Compensation of employees	76 102	90 922	101 270	117 774	114 463	114 463	117 659	122 640	129 167
Goods and services	62 361	63 006	72 251	71 602	75 716	75 716	69 496	73 350	79 362
Interest and rent on land	-	4	1	-	-	-	-	-	-
Transfers and subsidies to:	1 654	2 109	2 180	860	1 190	1 190	902	937	937
Provinces and municipalities	145	56	132	280	280	280	295	300	300
Departmental agencies and accounts	-	752	705	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 509	1 301	1 343	580	910	910	607	637	637
Payments for capital assets	11 231	7 883	6 446	3 142	3 742	3 742	1 997	3 118	4 118
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	10 896	7 661	6 446	3 142	3 742	3 742	1 997	3 118	4 118
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	335	222	-	-	-	-	-	-	-
Payments for financial assets	18	62	699	-	17	17	-	-	-
Total	151 366	163 986	182 847	193 378	195 128	195 128	190 054	200 045	213 584

The overall increase from 2012/13 to 2014/15 in respect of Corporate Services was due to inflationary increases. The minor increase in the 2015/16 Adjusted Appropriation is related to the above-budget 2015 wage agreement. The decrease in 2016/17 is in respect of the previously mentioned equitable share cuts, whereafter the sub-programme grows steadily to cater for wage agreements and inflationary adjustments.

Compensation of employees shows steady growth from 2012/13 to 2014/15. The decrease in the 2015/16 Adjusted Appropriation is due to delays in the filling of vacant budgeted posts such as Assistant Manager, General Manager and Deputy Manager: Human Resource Management, as well as two Deputy Managers: Risk Management and Deputy Manager: Rental Tribunal. The department is ensuring that cost-cutting measures are stringently implemented with regard to the organisational structure, as well as the freezing of non-OSD posts. The increase over the 2016/17 MTEF caters for the carry-through costs of the above-budget 2015 wage agreement and inflationary increases.

The increase in the 2015/16 Adjusted Appropriation against *Goods and services* relates to the decentralisation from regional to district offices. The department has acquired new district office buildings, as well as a building for the rental tribunal office. The increase also catered for the higher than budgeted property payments such as electricity, security and cleaning services. The decrease in 2016/17

relates to budget cuts against items such as administration fees, travel and subsistence, training and development, etc. The growth thereafter is in respect of inflation.

The fluctuating trend in respect of *Transfers and subsidies to: Provinces and municipalities* from 2012/13 to 2014/15 relates to the purchasing of new vehicles, as well as delays in receiving accounts from the Department of Transport in respect of motor vehicle licences.

The expenditure in 2013/14 and 2014/15 against *Transfers and subsidies to: Departmental agencies and accounts* relates to transfers to PSETA affiliation costs. The department was required to set aside 30 per cent of 1 per cent of the *Compensation of employees* budget for training, and to pay this over to the PSETA in terms of the Skills Development Act. However, in line with National Treasury Circular of 10 July 2014, national departments applied for the creation of a single transfer to PSETA through DPSA. The result of this is that departments do not have to transfer funds to PSETA from 2015/16 onward, unless such transfers are meant for a different purpose, hence there is no budget in this regard over the MTEF.

The fluctuating trend against *Transfers and subsidies to: Households* over the seven years relates to staff exit costs. Most of the excess staff that were on the department's pay-roll have taken voluntary severance packages in recent years. The increase in the 2015/16 Adjusted Appropriation was in respect of staff exit costs which were higher than anticipated. The increase over the 2016/17 MTEF makes provision for staff exit costs.

Machinery and equipment shows a fluctuating trend from 2012/13 to 2018/19. The allocation relates to the replacement of motor vehicles, as well as purchasing of new motor vehicles for districts as the department has decentralised its offices. The high expenditure in 2012/13 is in respect of costs associated with the decentralisation of district offices.

The spending against *Software and other intangible assets* relates to the purchase of various software packages in 2012/13 and 2013/14.

Payments for financial assets relates to the write-off of staff debts in terms of the departmental write-off policy from 2012/13 to 2014/15, as well as the 2015/16 Adjusted Appropriation.

6.2 Programme 2: Housing Needs, Research and Planning

The purpose of this programme is to develop tools to guide the department's investment decisions and to provide policy and support to the housing delivery process. In addition, the programme provides for the facilitation and integration of housing sector planning, education of stakeholders in housing sector planning, alignment of the housing budget with the current and future housing needs, and the capacitation of housing stakeholders for housing delivery through mentorship and training.

Programme 2 consists of four sub-programmes, in line with the uniform budget and programme structure of the Human Settlements sector, namely Administration, Policy, Planning and Research.

Tables 8.16 and 8.17 below illustrate payments and budgeted estimates from 2012/13 to 2018/19. The marginal decrease in 2016/17 relates to the previously mentioned budget cuts implemented by National Treasury, as well as the cut in the HSDG only in 2016/17, hence the increase in 2017/18 and 2018/19. The equitable share cuts were effected only against *Compensation of employees* (R1.110 million, R1.145 million and R1.448 million over the MTEF) and *Goods and services* (R350 000, R355 000 and R360 000 over the MTEF). It should be noted that all four sub-programmes were affected by the cuts.

Table 8.16 : Summary of payments and estimates by sub-programme: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15				2016/17	2017/18	2018/19
1. Administration	1 353	1 374	338	1 205	516	516	410	422	431
2. Policy	3 603	3 695	3 539	3 580	4 305	4 305	4 246	4 511	4 703
3. Planning	3 386	3 124	3 400	4 285	3 693	3 693	3 717	3 892	4 055
4. Research	5 481	5 922	6 946	8 006	8 695	8 695	7 738	8 180	8 643
Total	13 823	14 115	14 223	17 076	17 209	17 209	16 111	17 005	17 832

Table 8.17 : Summary of payments and estimates by economic classification: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	13 772	14 038	14 209	17 026	17 159	17 159	16 111	17 005	17 832
Compensation of employees	10 486	11 496	11 165	12 905	13 073	13 073	12 986	13 822	14 461
Goods and services	3 286	2 542	3 044	4 121	4 086	4 086	3 125	3 183	3 371
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	45	-	7	-	-	-	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	45	-	7	-	-	-	-	-	-
Payments for capital assets	6	77	-	50	50	50	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6	77	-	50	50	50	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	7	-	-	-	-	-	-
Total	13 823	14 115	14 223	17 076	17 209	17 209	16 111	17 005	17 832

There was a steady increase in the sub-programme: Administration from 2012/13 to 2013/14. The dip in 2014/15 was a result of the decision taken to fill the post of the General Manager: Planning and Development on a contractual basis using the OPSCAP programme in the HSDG, due to the fact that the responsibilities pertaining to this post relate directly to service delivery and the HSDG. The decrease in the 2015/16 Adjusted Appropriation relates to delays in the filling of the vacant Deputy Manager posts in the office of the General Manager, as well as associated savings under *Goods and services*. The slow growth over the MTEF is as a result of budget cuts and is mainly to cater for carry-through of various wage agreements.

There was an increase in the sub-programme: Policy from 2012/13 to 2013/14. The decrease in 2014/15 was due to the Senior Manager position that was vacated during the year and was to be filled using the administration portion of the HSDG under Programme 3. The increase in the 2015/16 Adjusted Appropriation relates to the filling of the critical post of Chief Architect. The decrease in 2016/17 relates to the above-mentioned budget cuts. The budget grows steadily in 2017/18 and 2018/19.

There was a decreasing trend in the sub-programme: Planning from 2012/13 to 2013/14. The decrease from 2012/13 to 2013/14 was due to a Deputy Manager position being funded from the administration portion of the HSDG in Programme 3. The decrease in the 2015/16 Adjusted Appropriation was against *Compensation of employees* as a result of a vacant Deputy Manager: Town Planning post which has been vacant since 2014/15. The budget grows steadily over the 2016/17 MTEF to cater for inflation.

There was a steady increase in the sub-programme: Research from 2012/13 to 2014/15. The budget grows steadily in 2015/16 and decreases in 2016/17 as a result of equitable share cuts. The budget grows thereafter, to cater for the implementation of capacity building programmes such as training of *Amakhosi* and housing consumer training.

With regard to *Compensation of employees*, provision has been made over the MTEF for the anticipated inflationary increases. The decrease in 2014/15 is as a result of the decision taken to fill the post of the General Manager: Planning and Development on a contractual basis utilising the OPSCAP programme in the HSDG, due to the fact that the responsibilities pertaining to this post relate directly to service delivery and the HSDG, as mentioned previously. The increase in the 2015/16 Adjusted Appropriation is in respect of the above-budget 2015 wage agreement. The decrease in 2016/17 relates to the above-mentioned budget cuts, whereafter the budget grows steadily.

With regard to *Goods and services*, the high amount in 2012/13 relates mainly to the Youth Summit on the housing function which was hosted during the year. This once-off funding accounts for the decrease in

2013/14. The decrease in the 2015/16 Adjusted Appropriation is due to the stringent implementation of cost-cutting measures in respect of travel and subsistence. The budget grows steadily over the 2016/17 MTEF to cater for the implementation of capacity building programmes for the training of *Amakhosi* and housing consumers.

The fluctuating trend against *Machinery and equipment* relates to cost-cutting and the fact that the department purchases machinery and equipment on a cyclical basis.

Service delivery measures – Programme 2: Housing Needs, Research and Planning

Table 8.18 below reflects the main service delivery measures pertaining to Programme 2.

Note that there are no current generic measures for this sector, but the department is largely following the sector measures from the previous year. It must also be noted that some of the outputs and performance indicators descriptions have been changed in line with the department's 2016/17 APP.

Table 8.18 : Service delivery measures – Programme 2 : Housing Needs, Research and Planning

Table 6.16 : Service delivery measures – Programme 2 : Housing Needs, Research and Planning						
Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2015/16	2016/17	2017/18	2018/19
Planning						
1.1	Improved planning to achieve integrated settlement developments	• A multi-year development plan developed by October each year	1	1	1	1
		• No. of municipalities capacitated and supported with regard to human settlement development planning	40	25	25	25
		• No. of projects aligned with the Small Town Regeneration prog.	2	-	-	-
		• No. of municipalities capacitated on accreditation	7	7	7	7
		• No. of catalytic projects	2	3	-	-
		• No. of research projects approved	5	-	-	-
		• No. of research papers completed	5	4	5	5
		• No. of policy and/or guidelines approved	6	4	5	6

6.3 Programme 3: Housing Development

This programme is responsible for the implementation and monitoring of housing delivery within all districts including the eThekweni Metro, through various subsidy mechanisms in terms of national and provincial policies.

This programme has a number of projects at various stages of implementation within each municipality. It is also expected to achieve certain key strategic objectives of the department through the implementation of projects using various subsidy instruments. The subsidy instruments implemented by the department are: individual, project linked, institutional, consolidation, relocation, disaster management, social housing, rectification, social and economic facilities and rural housing stock.

Programme 3 consists of the Housing Disaster Relief grant (in 2012/13 only) and the bulk of the HSDG, the remainder of which falls under Programme 4.

Tables 8.19 and 8.20 illustrate a summary of payments and budgeted estimates from 2012/13 to 2018/19.

This programme has increased significantly from 2012/13 to 2014/15 due to increases in the HSDG. The department was allocated the Housing Disaster Relief grant in 2011/12 (of which a portion was rolled over to 2012/13) only. Note that the department will receive additional funding of R308.377 million in 2015/16 for the HSDG, being additional funding allocated by NDHS for projects. This additional amount will only be formalised in the Second Adjustments Estimate in March 2016, and hence is not included in the tables below. Note also that the HSDG is marginally reduced in 2015/16 and 2016/17, partly due to the fiscal consolidation effects that were implemented over the 2015/16 MTEF, the revision of conditional grants by National Treasury, as well as funds being reprioritised from all provinces to the HDA, as mentioned.

This programme is aligned to the departmental conditional grant business plan, which contains a list of all projects that are to be implemented. The noticeable decrease in 2016/17 relates to the previously mentioned budget cuts implemented by National Treasury, as well as the cut in the HSDG only in 2016/17, hence the increase in 2017/18 and 2018/19. The equitable share budget cuts were implemented against *Compensation of employees* (R2.257 million, R3.189 million and R4.660 million over the MTEF) and *Goods and services* (R250 000, R250 000 and R250 000 over the MTEF). It should be noted that all sub-programmes were affected by the cuts, apart from the Incremental Interventions sub-programme.

Table 8.19 : Summary of payments and estimates by sub-programme: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Administration	86 914	71 354	90 698	81 678	86 357	86 357	89 535	93 268	97 453
2. Financial Interventions	535 382	444 529	469 225	546 735	534 282	534 282	420 009	551 796	681 965
3. Incremental Interventions	864 574	1 104 695	1 089 267	1 452 364	1 165 127	1 165 127	1 501 585	1 672 394	1 961 492
4. Social and Rental Interventions	348 699	60 205	78 768	246 500	257 398	257 398	225 490	249 700	245 500
5. Rural Intervention	1 191 922	1 590 178	1 804 462	877 974	1 328 232	1 328 232	859 873	1 199 579	1 027 597
Total	3 027 491	3 270 961	3 532 420	3 205 251	3 371 396	3 371 396	3 096 492	3 766 737	4 014 007

Table 8.20 : Summary of payments and estimates by economic classification: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	92 728	119 691	175 187	177 386	183 901	183 901	219 354	197 247	201 492
Compensation of employees	78 881	99 630	127 331	132 571	145 917	145 917	153 695	159 848	166 868
Goods and services	13 847	19 953	47 856	44 815	37 984	37 984	65 659	37 399	34 624
Interest and rent on land	-	108	-	-	-	-	-	-	-
Transfers and subsidies to:	2 933 528	3 144 131	3 284 057	3 014 623	3 174 116	3 174 116	2 844 841	3 568 671	3 811 756
Provinces and municipalities	115 000	40 391	68 326	148 400	148 741	148 741	85 792	90 172	90 172
Departmental agencies and accounts	134 477	-	932	-	18 000	18 000	18 000	14 000	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 684 051	3 103 740	3 214 799	2 866 223	3 007 375	3 007 375	2 741 049	3 464 499	3 721 584
Payments for capital assets	1 235	7 088	73 119	13 242	13 111	13 111	32 297	819	759
Buildings and other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Machinery and equipment	226	289	5 285	742	611	611	843	819	759
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	379	-	-	-	-	-	-
Payments for financial assets	-	51	57	-	268	268	-	-	-
Total	3 027 491	3 270 961	3 532 420	3 205 251	3 371 396	3 371 396	3 096 492	3 766 737	4 014 007

The high 2012/13 amount against the sub-programme: Administration is a result of equitable share spending incurred to supplement the administration portion of the HSDG due to spending pressures in the grant. The increase in 2014/15 was to cater for the post of Senior Manager: Strategic Housing Support which was identified as one of the critical posts to be filled within the programme. The increase in the 2015/16 Adjusted Appropriation was to cater for debts that were written-off relating to the *Amakhosi* Housing Programme. The sub-programme reflects a steady increase over the MTEF, due to provision made for inflationary increases, despite the budget cuts implemented against this sub-programme.

With regard to the Financial Interventions sub-programme, the high 2012/13 spending relates to the purchase of land for future housing projects mainly in the eThekweni Metro and Ilembe District, and to a lesser degree in 2013/14. This accounts for the decreasing trend from 2012/13 to 2013/14 against this sub-programme. The decrease in 2014/15 was due to provision made for the procurement of land, which did not occur because of a number of challenges that were encountered in various districts, such as delays in the finalisation of valuations, the funding for land acquisition was approved but the land owners are demanding more than the market value of the property, etc. The department is focusing mainly on the implementation of projects over the 2016/17 MTEF. The department has reduced the allocation of land acquisition due to budget cuts in 2016/17, accounting for the significant drop in that year.

The fluctuating trend in the Incremental Interventions sub-programme from 2012/13 to 2014/15 was mainly due to some projects reaching finalisation stage and other new projects being implemented within the HSDG. The decrease in the 2015/16 Adjusted Appropriation is due to the emergency housing assistance (OSS and Disaster Management) programme under the eThekweni Metro. There were delays in the eThekweni Metro's tender process for the appointment of service providers for material supply for fire and storm victims of Kennedy Road, Amaoti, Jadhu Place, Sim Place and Boxwood. There were also delays in implementing the military veterans' projects due to delays in the finalisation of the agreement. The increase over the MTEF mainly relates to the implementation of various projects, such as uMshwathi slum clearance and Vulindlela rural housing project, due to the increase in housing demand in KZN.

There is a fluctuating trend against the sub-programme: Social and Rental Interventions from 2012/13 to 2014/15. The increase in 2014/15 related to the Hampshire, Hilltop and Hamptons social housing projects which were inadequately budgeted for. In addition, Jika Joe CRU was increased in order to address the urgent need of service delivery in that area. These projects contribute to Outcome eight targets. The increase in the 2015/16 Adjusted Appropriation caters for the Westgate-Grange social housing project which was affected by labour related issues, as well as political issues, which have since been resolved. The decrease in 2016/17 relates to the above-mentioned budget cuts.

The increase in the sub-programme: Rural Intervention from 2012/13 to 2014/15 was due to the acceleration of rural housing projects. The increase in the 2015/16 Adjusted Appropriation relates to projects which moved faster than anticipated and are ahead of the development programme. The allocation fluctuates over the 2016/17 MTEF due to some projects reaching finalisation stage and other new projects being implemented in the HSDG, as well as the impact of the previously mentioned budget cuts.

The strong growth against *Compensation of employees* from 2012/13 onward relates mainly to various wage agreements. The sharp increase in the 2015/16 Adjusted Appropriation was to cater for the above-budget 2015 wage agreement. The growth over the MTEF relates to inflationary increases, as well as carry-through costs for various wage agreements. This growth is despite the above-mentioned budget cuts.

The increase against *Goods and services* from 2012/13 to 2014/15 was due to the Govan Mbeki Awards ceremony which was held during 2012/13, as well as increases in other operational items and also housing project launches and housing summits. The decrease in the 2015/16 Adjusted Appropriation is as a result of continuous implementation of cost-cutting measures, where housing project launches have been reduced and travel and subsistence costs have been curtailed by limiting the number of meetings attended by district managers. The decreasing trend over the 2016/17 MTEF relates to the ongoing implementation of cost-cutting measures, in line with fiscal consolidation, as well as the impact of the budget cuts, as mentioned above.

Interest and rent on land pertains to interest paid on overdue accounts in 2013/14. The department did not pay these accounts on time as illegal cession agreements were entered into by service providers implementing the Social and Economic Amenities programme, as previously explained.

The decrease against *Transfers and subsidies to: Provinces and municipalities* from 2012/13 to 2013/14 relates to transfers made for the CRU programme during 2012/13 and no transfers being made in 2013/14 due to delays in the approval process of projects within the eThekweni Metro. The increase in 2014/15 relates to the operational costs for accredited municipalities due to the increase in the performance by municipalities as evidenced by high spending in capital projects during the year. The increase in 2015/16 is mainly due to the provision made for the transfer of funds for the CRU to the eThekweni Metro. The decrease in 2016/17 relates to the above-mentioned equitable share and conditional grant cuts. The flat trend in 2017/18 and 2018/19 is largely due to the anticipated winding up of the CRU programme in the eThekweni Metro.

The allocation against *Transfers and subsidies to: Departmental agencies and accounts* in 2012/13 relates to transfers made to SHRA for the implementation of the social housing programme. The low allocation to the NHFC in 2014/15 was due to challenges that were experienced with the identified pilot projects which did not meet the policy requirements. The increase in the 2015/16 Adjusted Appropriation is mainly to cater for operational costs of the support work being undertaken by the HDA in the province. The

department has entered into a three-year agreement with this national public entity to undertake assigned functions and programmes.

Transfers and subsidies to: Households shows an increasing trend from 2012/13 to 2014/15. This is due to the increase in the HSDG as the bulk of the housing programmes are budgeted for within this category. The Housing Disaster Relief grant is also catered for within this category in 2012/13 only. The increase in the 2015/16 Adjusted Appropriation was due to the additional funding allocated back to the department, being funds returned by NHFC and Ithala for various housing projects such as Lakehaven Phase 2, Westgate-Grange, etc. The decrease in 2016/17 is in respect of the equitable share and conditional grant budget cuts, as mentioned previously. The increasing trend thereafter is in line with the increased allocation for the HSDG. As mentioned, the department will receive additional funding of R308.377 million in 2015/16 for the HSDG, being additional funding allocated by NDHS for projects. This additional amount will only be formalised in the Second Adjustments Estimate in March 2016, and hence is not included in the tables. Note also that the previously mentioned fiscal consolidation cuts in 2015/16 and 2016/17 have marginally reduced growth in this category.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The fluctuating trend from 2012/13 to 2014/15 is as a result of the programme being put on hold due to a number of challenges which necessitated that investigations and forensic audits be conducted on the programme. It must, however, be noted that the challenges experienced in respect of the programme were dealt with in 2013/14. The peak in 2014/15 relates to the finalisation of some projects such as Stepmore Maguswana, Umziki and Task Valley. The department has terminated the contract of the contractor appointed and is in the process of appointing new contractors. In 2015/16, funding is allocated for the finalisation of the Social and Economic Amenities programme which forms part of the project in future.

The fluctuating *Machinery and equipment* trend over the seven-year period relates to the fact that the department purchases machinery and equipment on a cyclical basis, coupled with cost-cutting.

Service delivery measures – Programme 3: Housing Development

Table 8.21 below reflects the main service delivery measures pertaining to Programme 3.

Note that there are no current generic measures for this sector. However, the department is largely following the sector measures from the previous year. Some of the outputs and performance indicator descriptions have been changed in line with the department's 2016/17 APP.

Table 8.21 : Service delivery measures – Programme 3: Housing Development

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2015/16	2016/17	2017/18	2018/19	
1.1 Finance linked individual subsidy prog.	• No. of houses completed	350	400	420	450	
	• No. of serviced sites	2 000	2 000	2 000	2 000	
1.2 Informal settlements upgrade prog.	• No. of households connected to basic services (including PLS)	3 246	4 626	4 933	6 105	
	• No. of houses completed	5 277	4 626	4 583	5 755	
1.3 Integrated Residential Development prog.	• No. of new sites connected to basic water and sanitation services	3 469	2 974	2 662	2 537	
	• No. of houses completed	2 866	2 974	2 662	2 537	
1.4 Peoples' housing process	• No. of houses completed	2 520	2 355	2 450	3 632	
1.5 Disaster mgt rehabilitation (inclusive of OSS)	• No. of houses completed	2 985	1 654	642	480	
1.6 Rectification prog. (1994-2002)	• No. of units rectified	1 186	838	1 444	1 140	
1.7 Affordable social housing (Institutional subsidies)	• No. of units completed	-	680	515	597	
1.8 Community Residential Units	• No. of units upgraded	1 020	-	-	-	
	• No. of units completed	463	277	1 287	1 307	
1.9 Rural housing	• No. of houses completed	8 452	7 927	10 604	10 088	
1.10 Military Veterans' Housing prog.	• No. of houses completed	170	170	150	120	

Table 8.21 : Service delivery measures – Programme 3: Housing Development

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2015/16	2016/17	2017/18	2018/19
1.11	Job creation	• No. of work opportunities created through related progs	7 700	-	-	-
		• No. of targeted persons days of work	860 000	980 000	1 350 000	1 849 500
		• No. of targeted Full Time Equivalents	3 700	4 500	5 200	5 900
1.12	Access to land and densification	• No. of houses completed	513	273	1 069	1 841
1.13	All subsidy instruments	• No. of properties transferred	5 681	9 080	8 901	8 112
		• No. of beneficiaries approved	14 225	9 345	19 140	8 162
		• No. of serviced sites delivered per human settlements (housing) prog.	8 885	8 829	9 559	7 229
		• No. of new housing units completed (excluding rectification)	25 233	21 063	25 853	27 616
		• No. of additional restructuring zones declared by national Minister of Human Settlements	350	400	420	450
		• No. of HSDG business plan reviews undertaken to ensure that targets are realistic and in line with departmental properties and budgets	2 000	2 000	2 000	2 000
		• Three-year financial plan linked to HSDG business plan	3 246	4 626	4 933	6 105

6.4 Programme 4: Housing Asset Management, Property Management

This programme is responsible for the management of Ex-Natal Provincial Administration and Own Affairs stock, including residential properties, vacant land and a variety of other non-residential properties, all of which belong to the KZN Housing Fund. In terms of its mandate, all properties will, on a progressive basis, either be transferred to individual occupants in terms of the EEDBS, or be disposed of in the open market. Some of these properties will also be devolved to municipalities. In cases where a transfer is not possible, such stock will remain rental stock. The KZN Housing Fund is in the process of being dis-established and, once finalised, all assets and liabilities will be transferred to the Vote.

From 2014/15 onward, the department undertook the reclassification of allocations from various economic classifications within Programme 4 which relates to the department providing funding to the KZN Housing Fund for all activities relating to the management and maintenance of housing properties. The funding had previously been budgeted for under various economic classifications instead of *Transfers and subsidies to: Departmental agencies and accounts*. This is in compliance with an A-G finding and GRAP standards, whereby the fund activities must be paid *via* a transfer, and must not form part of the Vote.

Programme 4 consists of three sub-programmes, largely in line with the sector budget structure, namely Administration, Sale and Transfer of Housing Properties and Housing Properties Maintenance.

Tables 8.22 and 8.23 give a summary of payments and budgeted estimates pertaining to this programme. The overall MTEF allocation for this programme shows the effects of the implementation of the EEDBS policy, as explained in greater detail below. The noticeable decrease in 2016/17 relates to the previously mentioned budget cuts implemented by National Treasury, as well as the cut in the HSDG only in 2016/17, hence the increase in 2017/18 and 2018/19. The above-mentioned equitable share cuts amounting to R4.511 million, R4.618 million and R4.902 million over the 2016/17 MTEF were implemented against *Transfers and subsidies to: Departmental agencies and accounts*.

Table 8.22 : Summary of payments and estimates by sub-programme: Housing Asset Management, Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Administration	48 257	58 304	46 561	50 498	51 248	51 248	49 516	52 126	54 643
2. Sale and Transfer of Housing Properties	5 085	241	919	1 289	958	958	2 452	2 716	2 973
3. Housing Properties Maintenance	131 749	109 395	96 208	117 193	187 031	187 031	130 487	167 043	172 697
Total	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313

Table 8.23 : Summary of payments and estimates by economic classification: Housing Asset Management, Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313

The fluctuations in the sub-programme: Administration from 2012/13 to 2014/15 were due to voluntary severance packages paid to officials who left the public service. The increase in 2015/16 and over the 2016/17 MTEF is to cater for wage agreements and inflationary adjustments.

The high spending against the sub-programme: Sale and Transfer of Housing Properties in 2012/13 was a result of a transfer made to the Metro in respect of the EEDBS programme. The decrease in the 2015/16 Adjusted Appropriation is due to challenges being experienced by the municipalities in opening township registers. Some municipalities have challenges, whereby one house is allocated to more than one person. The department is engaging municipalities to assist in terms of providing professionals and establishing funding requirements. Allocations over the 2016/17 MTEF are a result of provisions made to fast-track the transfer of properties through the EEDBS programme.

There is a decreasing trend against the sub-programme: Housing Properties Maintenance from 2012/13 to 2014/15. Transfers were made to the Metro in respect of rectification of pre-1994 housing stock in 2012/13. The decrease in 2014/15 relates to the rectification of pre-1994 housing stock programme (properties owned by the department) in Austerville and Shallcross. The pilot phase was delayed due to changes in specification of the project and some social issues. The increase from the 2015/16 Main to Adjusted Appropriation is in respect of municipal services, as well as rates and taxes for housing properties which were inadequately budgeted for. There is a decrease in 2016/17 due to budget cuts, as mentioned. The steady increase thereafter is to cater for the maintenance of housing properties.

Service delivery measures – Programme 4: Housing Asset Management, Property Management

Table 8.24 reflects the main service delivery measures pertaining to Programme 4. Note that there are no current generic measures for this sector. However, the department is largely following the sector measures from the previous year. Some of the outputs and performance indicators descriptions have been changed in line with the department's 2016/17 APP.

Table 8.24 : Service delivery measures – Programme 4: Housing Asset Management, Property Management

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2015/16	2016/17	2017/18	2018/19
1. To provide secure tenure to communities	No. of units maintained	1 500	1 500	1 500	1 500
	No. of rectified and or upgraded pre-1994 units	1 087	1 205	1 198	1 168
	No. of rental units transferred	1 359	2 559	2 951	3 231
	No. of land parcels devolved to municipalities in terms of section 15 of the Housing Act, 1997	16	478	-	-

7. Other programme information

7.1 Personnel numbers and costs

Tables 8.25 and 8.26 below illustrate personnel numbers and estimates pertaining to the department over the seven-year period. The personnel numbers show a fluctuating trend from 2012/13 to 2014/15, mainly as a result of excess staff who took severance packages during these years. The increases in 2013/14, as well as from 2015/16 and over the MTEF relate to anticipated appointments in line with identified critical posts within the department.

Table 8.25 : Personnel numbers and costs by programme

Personnel numbers	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	As at 31 March 2018	As at 31 March 2019
1. Administration	267	296	246	309	309	309	309
2. Housing Needs, Research and Planning	26	27	35	27	27	27	27
3. Housing Development	213	288	328	306	305	310	311
4. Housing Asset Management, Property Management	239	216	178	182	196	196	196
Total provincial personnel numbers	745	827	787	824	837	842	843
Total provincial personnel cost (R thousand)	165 469	202 048	239 766	273 453	284 340	296 310	310 496
Unit cost (R thousand)	222	244	305	332	340	352	368

Table 8.26 : Summary of departmental personnel numbers and costs by component

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Total for the department									
Personnel numbers (head count)	745	827	787	824	824	824	837	842	843
Personnel cost (R thousands)	165 469	202 048	239 766	263 250	273 453	273 453	284 340	296 310	310 496
Human resources component									
Personnel numbers (head count)	61	66	73	79	79	79	81	81	81
Personnel cost (R thousands)	14 811	14 895	21 258	26 727	26 727	26 727	28 509	30 007	31 443
Head count as % of total for department	8.19	7.98	9	9.59	9.59	10	9.68	9.62	9.61
Personnel cost as % of total for department	8.95	7.37	9	10.15	9.77	10	10.03	10.13	10.13
Finance component									
Personnel numbers (head count)	107	127	138	164	164	164	164	164	164
Personnel cost (R thousands)	29 986	36 475	40 656	59 512	59 512	59 512	64 202	67 668	71 475
Head count as % of total for department	14.36	15.36	18	19.90	19.90	20	19.59	19.48	19.45
Personnel cost as % of total for department	18.12	18.05	17	22.61	21.76	22	22.58	22.84	23.02
Full time workers									
Personnel numbers (head count)	595	647	632	657	657	657	671	671	671
Personnel cost (R thousands)	122 513	144 655	191 791	193 922	204 125	193 922	210 764	215 049	196 408
Head count as % of total for department	79.87	78.23	80	79.73	79.73	80	80.17	79.69	79.60
Personnel cost as % of total for department	74.04	71.59	80	73.66	74.65	71	74.12	72.58	63.26
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousands)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	150	180	155	167	167	167	166	171	172
Personnel cost (R thousands)	42 956	57 393	47 975	69 328	69 328	69 328	73 576	81 261	87 050
Head count as % of total for department	20.13	21.77	20	20.27	20.27	20	19.83	20.31	20.40
Personnel cost as % of total for department	25.96	28.41	20	26.34	25.35	25	25.88	27.42	28.04

The number of contract workers rises substantially from 2012/13 due to the appointment of staff, such as quantity surveyors, planners, and project managers with the technical skills required to oversee various aspects of housing projects. The reduction from 2014/15 is because these contract workers could not be appointed permanently due to shortage of funds within the equitable share allocation.

Note that the personnel cost decreases in 2014/15 due to the amendment to Programme 4 where funding was previously budgeted for under various economic classifications instead of *Transfers and subsidies to: Departmental agencies and accounts*. Although the funding has been moved accordingly, the staff are still held against the establishment of the department, hence no concomitant drop in staff numbers.

7.2 Training

Tables 8.27 and 8.28 give a summary of departmental spending and information on training for the period 2012/13 to 2014/15, estimated spending for 2015/16 and budgeted expenditure for the 2016/17 MTEF.

The amounts reflected relate mainly to project management, secretarial, financial management and computer training courses for staff.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. This requirement gives credence to government policy on human resource development. The department is largely abiding by this, exceeding the 1 per cent requirement in most years.

Table 8.27 : Payments on training by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
1. Administration	416	418	1 016	2 721	1 986	1 986	1 397	1 682	3 123
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	416	418	1 016	2 721	1 986	1 986	1 397	1 682	3 123
2. Housing Needs, Research and Planning	21	443	321	669	669	669	500	500	500
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	21	443	321	669	669	669	500	500	500
3. Housing Development	-	-	265	-	676	676	175	186	106
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	265	-	676	676	175	186	106
4. Housing Asset Management, Property Management	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Payments on tuition	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total	437	861	1 602	3 390	3 331	3 331	2 072	2 368	3 729

Table 8.28 illustrates the number of staff affected by the various training programmes and initiatives.

It also includes a gender breakdown, an indication of the types of training, as well as details of the number of bursaries and learnerships.

The allocation for general training, such as computer training, secretarial courses, etc. for the department is centralised under Programme 1. There is provision for capacity building in Programme 2. There is a steady increase in the allocation over the seven-year period from 2012/13 to 2018/19.

Table 8.28 : Information on training: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Number of staff	745	827	787	824	824	824	837	842	843
Number of personnel trained	167	229	557	500	442	442	600	600	600
of which									
Male	75	104	226	200	138	138	300	300	300
Female	92	125	331	300	304	304	300	300	300
Number of training opportunities	9	14	33	28	41	41	35	35	35
of which									
Tertiary	-	-	2	1	6	6	4	4	4
Workshops	1	3	5	5	5	5	5	5	5
Seminars	1	-	5	1	5	5	1	1	1
Other	7	11	21	21	25	25	25	25	25
Number of bursaries offered	13	-	9	9	25	25	16	16	16
Number of interns appointed	42	59	54	22	58	58	58	58	58
Number of learnerships appointed	6	-	-	10	-	-	10	10	10
Number of days spent on training	40	64	114	80	120	120	100	100	100

ANNEXURE – VOTE 8: HUMAN SETTLEMENTS

Table 8.A : Details of departmental receipts: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	586	434	813	534	534	534	562	590	624
Sale of goods and services produced by department (excluding capital assets)	586	434	813	534	534	534	562	590	624
Sale by market establishments	219	214	192	192	192	225	248	265	288
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	367	220	621	342	342	309	314	325	336
<i>Of which</i>									
<i>Commission Insurance</i>	156	169	186	192	192	183	194	200	206
<i>Sale of tender documents</i>	90	31	427	150	150	113	120	125	130
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	16	4 142	573	18	18	2 181	16	17	18
Interest	16	4 142	573	18	18	2 181	16	17	18
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	1 494	19	49	500	500	500	520	546	578
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	1 494	19	49	500	500	500	520	546	578
Transactions in financial assets and liabilities	11 477	4 836	27 485	1 000	1 000	160 047	3 100	3 155	3 338
Total	13 573	9 431	28 920	2 052	2 052	163 262	4 198	4 308	4 557

Table 8.B : Payments and estimates by economic classification: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	244 963	287 661	362 918	383 788	391 239	391 239	422 620	410 242	427 853
Compensation of employees	165 469	202 048	239 766	263 250	273 453	273 453	284 340	296 310	310 496
Salaries and wages	145 245	181 901	215 346	237 337	245 540	245 540	256 852	267 199	279 641
Social contributions	20 224	20 147	24 420	25 913	27 913	27 913	27 488	29 111	30 855
Goods and services	79 494	85 501	123 151	120 538	117 786	117 786	138 280	113 932	117 357
Administrative fees	5	438	653	556	803	803	430	545	549
Advertising	6 295	1 738	2 348	3 333	2 039	2 039	2 201	2 115	2 072
Assets less than capitalisation threshold	605	928	738	942	2 230	2 230	540	510	502
Audit cost: External	3 876	4 620	5 938	5 800	5 800	5 800	6 000	6 046	6 046
Bursaries: Employees	125	326	230	200	200	200	220	225	225
Catering: Departmental activities	1 052	1 701	5 217	1 130	3 368	3 368	1 568	1 619	1 783
Communication (G&S)	5 421	6 861	7 693	7 564	7 677	7 677	7 816	8 220	8 649
Computer services	6 122	9 158	9 681	11 587	9 768	9 768	12 162	13 447	14 875
Cons & prof serv: Business and advisory services	433	1 292	5 136	6 828	3 399	3 399	11 892	8 588	6 868
Cons & prof serv: Infrastructure and planning	175	686	1 560	-	1 259	1 259	1 847	1 600	1 000
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific and technological services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	4 099	2 831	3 651	2 700	3 093	3 093	2 747	3 101	3 201
Contractors	468	396	3 023	13 444	7 412	7 412	17 299	1 236	1 236
Agency and support / outsourced services	193	79	99	462	357	357	102	105	105
Entertainment	33	4	-	67	34	34	-	-	-
Fleet services (incl. govt motor transport)	4 343	4 757	4 971	5 092	4 881	4 881	4 591	4 667	4 567
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	57	-	-	32	32	17	18	18
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	69	31	42	128	126	126	87	79	79
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	180	516	18	360	265	265	213	197	221
Inventory: Materials and supplies	57	432	343	79	92	92	81	81	81
Inventory: Medical supplies	421	-	16	14	16	16	9	7	7
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	98	-	-	-	-	-	-	-	-
Consumable supplies	89	69	479	347	446	446	136	123	117
Consumable: Stationery, printing and office supplies	1 388	1 290	1 560	1 599	1 459	1 459	1 343	1 260	1 260
Operating leases	19 514	21 317	21 912	21 391	24 103	24 103	23 062	24 195	25 596
Property payments	8 360	7 279	17 143	11 479	16 876	16 876	20 378	12 448	13 244
Transport provided: Departmental activity	121	500	3 402	150	302	302	126	134	134
Travel and subsistence	12 774	13 441	15 324	17 676	13 084	13 084	15 171	14 641	14 836
Training and development	437	861	1 602	3 390	3 331	3 331	2 072	2 368	3 729
Operating payments	941	1 795	2 990	1 575	2 540	2 540	1 786	1 713	1 713
Venues and facilities	1 772	1 982	4 545	2 545	2 093	2 093	4 272	4 527	4 527
Rental and hiring	28	116	2 837	100	701	701	112	117	117
Interest and rent on land	-	112	1	-	-	-	-	-	-
Interest	-	112	1	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 120 318	3 314 180	3 429 932	3 184 463	3 414 543	3 414 543	3 028 198	3 791 493	4 043 006
Provinces and municipalities	115 145	40 447	68 458	148 680	149 021	149 021	86 087	90 472	90 472
Provinces	145	63	140	280	280	280	295	300	300
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	145	63	140	280	280	280	295	300	300
Municipalities	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172
Municipalities	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	319 568	168 692	145 325	168 980	257 237	257 237	200 455	235 885	230 313
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	319 568	168 692	145 325	168 980	257 237	257 237	200 455	235 885	230 313
Higher education institutions	-	-	-	-	-	-	-	-	-
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	2 685 605	3 105 041	3 216 149	2 866 803	3 008 285	3 008 285	2 741 656	3 465 136	3 722 221
Social benefits	903	131	334	-	1 618	1 618	45	48	48
Other transfers to households	2 684 702	3 104 910	3 215 815	2 866 803	3 006 667	3 006 667	2 741 611	3 465 088	3 722 173
Payments for capital assets	12 472	15 048	79 565	16 434	16 903	16 903	34 294	3 937	4 877
Buildings and other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Buildings	-	-	-	-	-	-	31 454	-	-
Other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	-	-	-
Machinery and equipment	11 128	8 027	11 731	3 934	4 403	4 403	2 840	3 937	4 877
Transport equipment	9 250	4 362	7 713	1 000	-	1 000	500	1 050	1 550
Other machinery and equipment	1 878	3 665	4 018	2 934	4 403	3 403	2 340	2 887	3 327
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	335	222	379	-	-	-	-	-	-
Payments for financial assets	18	113	763	-	285	285	-	-	-
Total	3 377 771	3 617 002	3 873 178	3 584 685	3 822 970	3 822 970	3 485 112	4 205 672	4 475 736

Table 8.C : Payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	138 463	153 932	173 522	189 376	190 179	190 179	187 155	195 990	208 529
Compensation of employees	76 102	90 922	101 270	117 774	114 463	114 463	117 659	122 640	129 167
Salaries and wages	64 987	80 203	88 519	102 799	99 355	99 355	102 723	107 219	113 147
Social contributions	11 115	10 719	12 751	14 975	15 108	15 108	14 936	15 421	16 020
Goods and services	62 361	63 006	72 251	71 602	75 716	75 716	69 496	73 350	79 362
Administrative fees	5	232	256	366	479	479	80	184	186
Advertising	4 417	1 015	2 017	1 355	1 373	1 373	1 180	1 106	1 106
Assets less than capitalisation threshold	164	483	590	260	1 525	1 525	202	159	159
Audit cost: External	3 876	4 620	5 938	5 800	5 800	5 800	6 000	6 046	6 046
Bursaries: Employees	125	326	230	200	200	200	220	225	225
Catering: Departmental activities	437	181	261	300	439	439	293	281	281
Communication (G&S)	3 933	4 705	5 136	5 462	5 419	5 419	5 085	5 387	5 987
Computer services	5 439	8 406	8 487	10 680	8 884	8 884	11 064	12 405	14 133
Cons & prof serv: Business and advisory services	208	151	309	281	185	185	90	96	96
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific & technological services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	4 091	2 829	2 243	2 700	2 700	2 700	2 558	2 900	3 000
Contractors	454	58	692	204	302	302	220	232	232
Agency and support / outsourced services	190	79	84	462	357	357	102	105	105
Entertainment	-	2	-	30	30	30	-	-	-
Fleet services (incl. govt motor transport)	4 343	4 757	4 763	5 092	4 688	4 688	4 298	4 355	4 355
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	11	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	54	19	23	108	108	108	63	55	55
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	152	456	16	233	225	225	109	109	133
Inventory: Materials and supplies	47	29	48	74	89	89	76	76	76
Inventory: Medical supplies	421	-	16	2	4	4	2	1	1
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	73	62	213	96	133	133	106	92	92
Consumable: Stationery, printing and office supplies	1 232	1 176	1 268	1 343	1 233	1 233	1 174	1 087	1 087
Operating leases	19 222	20 816	21 216	21 014	22 440	22 440	22 452	23 566	24 967
Property payments	8 360	7 279	11 360	6 679	10 247	10 247	7 156	7 385	8 181
Transport provided: Departmental activity	116	-	-	-	1	1	-	-	-
Travel and subsistence	3 633	3 762	4 497	4 844	5 169	5 169	4 460	4 694	4 614
Training and development	416	418	1 016	2 721	1 986	1 986	1 397	1 682	3 123
Operating payments	316	1 046	1 540	856	1 506	1 506	949	972	972
Venues and facilities	634	80	29	440	190	190	160	150	150
Rental and hiring	3	8	3	-	4	4	-	-	-
Interest and rent on land	-	4	1	-	-	-	-	-	-
Interest	-	4	1	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 654	2 109	2 180	860	1 190	1 190	902	937	937
Provinces and municipalities	145	56	132	280	280	280	295	300	300
Provinces	145	56	132	280	280	280	295	300	300
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	145	56	132	280	280	280	295	300	300
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	752	705	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	752	705	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
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	1 509	1 301	1 343	580	910	910	607	637	637
Social benefits	-	51	-	-	-	-	-	-	-
Other transfers to households	1 509	1 250	1 343	580	910	910	607	637	637
Payments for capital assets	11 231	7 883	6 446	3 142	3 742	3 742	1 997	3 118	4 118
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	10 896	7 661	6 446	3 142	3 742	3 742	1 997	3 118	4 118
Transport equipment	9 250	4 362	3 161	1 000	-	1 000	500	1 050	1 550
Other machinery and equipment	1 646	3 299	3 285	2 142	3 742	2 742	1 497	2 068	2 568
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	335	222	-	-	-	-	-	-	-
Payments for financial assets	18	62	699	-	17	17	-	-	-
Total	151 366	163 986	182 847	193 378	195 128	195 128	190 054	200 045	213 584

Table 8.D : Payments and estimates by economic classification: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2012/13	2013/14	2014/15	Appropriation	Appropriation	estimate	2016/17	2017/18	2018/19
Current payments	13 772	14 038	14 209	17 026	17 159	17 159	16 111	17 005	17 832
Compensation of employees	10 486	11 496	11 165	12 905	13 073	13 073	12 986	13 822	14 461
Salaries and wages	9 130	10 053	9 784	11 386	11 467	11 467	11 372	12 071	12 789
Social contributions	1 356	1 443	1 381	1 519	1 606	1 606	1 614	1 751	1 672
Goods and services	3 286	2 542	3 044	4 121	4 086	4 086	3 125	3 183	3 371
Administrative fees	-	40	42	57	55	55	49	49	51
Advertising	194	6	5	181	-	-	43	43	-
Assets less than capitalisation threshold	28	-	1	120	75	75	88	92	92
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	206	550	974	311	1 710	1 710	480	493	657
Communication (G&S)	149	266	187	220	204	204	235	249	249
Computer services	27	-	79	-	19	19	-	-	-
Cons & prof serv: Business and advisory services	2	-	-	-	-	-	-	-	-
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific & technological services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	3	-	6	6	-	-	-
Agency and support / outsourced services	3	-	-	-	-	-	-	-	-
Entertainment	14	-	-	16	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	7	3	4	5	2	2	6	6	6
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	28	59	-	75	40	40	38	38	38
Inventory: Materials and supplies	3	1	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	4	-	-	6	6	3	4	4
Consumable: Stationery, printing and office supplies	42	23	47	69	71	71	59	60	60
Operating leases	84	128	90	55	87	87	104	104	104
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	2 410	959	1 208	2 212	1 071	1 071	1 495	1 520	1 585
Training and development	21	443	321	669	669	669	500	500	500
Operating payments	-	25	77	26	71	71	20	20	20
Venues and facilities	68	35	6	105	-	-	5	5	5
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	45	-	7	-	-	-	-	-	-
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 receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
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	45	-	7	-	-	-	-	-	-
Social benefits	45	-	7	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	6	77	-	50	50	50	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6	77	-	50	50	50	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	6	77	-	50	50	50	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	7	-	-	-	-	-	-
Total	13 823	14 115	14 223	17 076	17 209	17 209	16 111	17 005	17 832

Table 8.E : Payments and estimates by economic classification: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	92 728	119 691	175 187	177 386	183 901	183 901	219 354	197 247	201 492
Compensation of employees	78 881	99 630	127 331	132 571	145 917	145 917	153 695	159 848	166 868
Salaries and wages	71 128	91 645	117 043	123 152	134 718	134 718	142 757	147 909	153 705
Social contributions	7 753	7 985	10 288	9 419	11 199	11 199	10 938	11 939	13 163
Goods and services	13 847	19 953	47 856	44 815	37 984	37 984	65 659	37 399	34 624
Administrative fees	-	166	355	133	269	269	301	312	312
Advertising	1 684	717	326	1 797	666	666	978	966	966
Assets less than capitalisation threshold	413	445	147	562	630	630	250	259	251
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	409	970	3 982	519	1 219	1 219	795	845	845
Communication (G&S)	1 339	1 890	2 370	1 882	2 054	2 054	2 496	2 584	2 413
Computer services	656	752	1 115	907	865	865	1 098	1 042	742
Cons & prof serv: Business and advisory services	223	1 141	4 827	6 547	3 214	3 214	11 802	8 492	6 772
Cons & prof serv: Infrastructure and planning	175	686	1 560	-	1 259	1 259	1 847	1 600	1 000
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific & technological services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	8	2	1 408	-	393	393	189	201	201
Contractors	14	338	2 328	13 240	7 104	7 104	17 079	1 004	1 004
Agency and support / outsourced services	-	-	15	-	-	-	-	-	-
Entertainment	19	2	-	21	4	4	-	-	-
Fleet services (incl. govt motor transport)	-	-	208	-	193	193	293	312	212
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	46	-	-	32	32	17	18	18
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	8	9	15	15	16	16	18	18	18
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	1	2	52	-	-	66	50	50
Inventory: Materials and supplies	7	402	295	5	3	3	5	5	5
Inventory: Medical supplies	-	-	-	12	12	12	7	6	6
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	98	-	-	-	-	-	-	-	-
Consumable supplies	16	3	266	251	307	307	27	27	21
Consumable: Stationery, printing and office supplies	114	91	245	187	155	155	110	113	113
Operating leases	208	373	606	322	1 576	1 576	506	525	525
Property payments	-	-	5 783	4 800	6 629	6 629	13 222	5 063	5 063
Transport provided: Departmental activity	5	500	3 402	150	301	301	126	134	134
Travel and subsistence	6 731	8 720	9 619	10 620	6 844	6 844	9 216	8 427	8 637
Training and development	-	-	265	-	676	676	175	186	106
Operating payments	625	724	1 373	693	963	963	817	721	721
Venues and facilities	1 070	1 867	4 510	2 000	1 903	1 903	4 107	4 372	4 372
Rental and hiring	25	108	2 834	100	697	697	112	117	117
Interest and rent on land	-	108	-	-	-	-	-	-	-
Interest	-	108	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 933 528	3 144 131	3 284 057	3 014 623	3 174 116	3 174 116	2 844 841	3 568 671	3 811 756
Provinces and municipalities	115 000	40 391	68 326	148 400	148 741	148 741	85 792	90 172	90 172
Provinces	-	7	8	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	7	8	-	-	-	-	-	-
Municipalities	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172
Municipalities	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	134 477	-	932	-	18 000	18 000	18 000	14 000	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	134 477	-	932	-	18 000	18 000	18 000	14 000	-
Higher education institutions	-	-	-	-	-	-	-	-	-
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	2 684 051	3 103 740	3 214 799	2 866 223	3 007 375	3 007 375	2 741 049	3 464 499	3 721 584
Social benefits	858	80	327	-	1 618	1 618	45	48	48
Other transfers to households	2 683 193	3 103 660	3 214 472	2 866 223	3 005 757	3 005 757	2 741 004	3 464 451	3 721 536
Payments for capital assets	1 235	7 088	73 119	13 242	13 111	13 111	32 297	819	759
Buildings and other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Buildings	-	-	-	-	-	-	31 454	-	-
Other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	-	-	-
Machinery and equipment	226	289	5 285	742	611	611	843	819	759
Transport equipment	-	-	4 552	-	-	-	-	-	-
Other machinery and equipment	226	289	733	742	611	611	843	819	759
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	379	-	-	-	-	-	-
Payments for financial assets	-	51	57	-	268	268	-	-	-
Total	3 027 491	3 270 961	3 532 420	3 205 251	3 371 396	3 371 396	3 096 492	3 766 737	4 014 007

Table 8.F : Payments and estimates by economic classification: Housing Asset Management, Property Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Assets less than capitalisation threshold	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Infrastructure and planning	-	-	-	-	-	-	-	-	-
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific & technological services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313
Higher education institutions	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
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	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	185 091	167 940	143 688	168 980	239 237	239 237	182 455	221 885	230 313

Table 8.G : Payments and estimates by economic classification: Conditional grants

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16	2015/16	2015/16	2016/17	2017/18	2018/19
Current payments	6 654	48 464	95 845	95 950	98 115	98 115	130 009	104 104	104 104
Compensation of employees	500	38 575	57 656	59 492	68 518	68 518	72 254	73 248	76 248
Salaries and wages	500	38 575	56 792	59 492	67 481	67 481	71 154	72 056	75 056
Social contributions	-	-	864	-	1 037	1 037	1 100	1 192	1 192
Goods and services	6 154	9 781	38 189	36 458	29 597	29 597	57 755	30 856	27 856
Administrative fees	-	75	240	-	136	136	162	172	172
Advertising	1 021	395	257	1 591	536	536	908	966	966
Assets less than capitalisation threshold	366	231	83	450	413	413	154	163	163
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	305	576	3 908	500	1 204	1 204	782	834	834
Communication (G&S)	25	131	540	250	430	430	753	796	596
Computer services	-	11	274	-	384	384	686	730	430
Cons & prof serv: Business and advisory services	223	1 138	4 827	6 547	3 214	3 214	11 802	8 492	6 772
Cons & prof serv: Infrastructure and planning	175	686	1 560	-	1 259	1 259	1 847	1 600	1 000
Cons & prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Scientific & technological services	-	-	-	-	-	-	-	-	-
Cons & prof serv: Legal costs	-	1	1 401	-	393	393	189	201	201
Contractors	3	264	2 295	13 240	7 104	7 104	17 079	1 004	1 004
Agency and support / outsourced services	-	-	15	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	208	-	193	193	293	312	212
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	45	-	-	32	32	17	18	18
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	1	1	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	149	292	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	98	-	-	-	-	-	-	-	-
Consumable supplies	-	-	216	250	250	250	-	-	-
Consumable: Stationery, printing and office supplies	-	25	82	-	-	-	-	-	-
Operating leases	-	1	129	-	1 109	1 109	47	50	50
Property payments	-	-	5 783	4 800	6 629	6 629	13 221	5 063	5 063
Transport provided: Departmental activity	5	220	3 402	150	301	301	126	134	134
Travel and subsistence	3 265	4 761	4 904	6 500	2 651	2 651	5 121	5 460	5 460
Training and development	-	-	265	-	676	676	175	186	106
Operating payments	39	50	163	80	83	83	174	186	186
Venues and facilities	604	966	4 510	2 000	1 903	1 903	4 107	4 372	4 372
Rental and hiring	25	55	2 834	100	697	697	112	117	117
Interest and rent on land	-	108	-	-	-	-	-	-	-
Interest	-	108	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	3 097 175	3 253 711	3 340 206	3 133 105	3 131 041	3 131 041	2 977 780	3 738 430	3 987 426
Provinces and municipalities	115 000	40 384	68 326	148 400	148 741	148 741	85 792	90 172	90 172
Provinces	-	-	8	-	-	-	-	-	-
Provincial Revenue Funds	-	-	8	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172
Municipalities	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	271 311	109 636	98 059	118 482	155 989	155 989	150 939	183 759	175 670
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	271 311	109 636	98 059	118 482	155 989	155 989	150 939	183 759	175 670
Higher education institutions	-	-	-	-	-	-	-	-	-
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	2 710 864	3 103 691	3 173 821	2 866 223	2 826 311	2 826 311	2 741 049	3 464 499	3 721 584
Social benefits	34	31	12	-	1 527	1 527	45	48	48
Other transfers to households	2 710 830	3 103 660	3 173 809	2 866 223	2 824 784	2 824 784	2 741 004	3 464 451	3 721 536
Payments for capital assets	1 219	7 068	72 994	13 000	12 899	12 899	32 107	694	694
Buildings and other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Machinery and equipment	210	269	5 160	500	399	399	653	694	694
Transport equipment	-	-	4 552	-	-	-	-	-	-
Other machinery and equipment	210	269	608	500	399	399	653	694	694
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	379	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 105 048	3 309 243	3 509 045	3 242 055	3 242 055	3 242 055	3 139 896	3 843 228	4 092 224

Table 8.H : Payments and estimates by economic classification: Human Settlements Development grant: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	6 654	48 464	95 845	89 370	91 535	91 535	114 815	104 104	104 104
Compensation of employees	500	38 575	57 656	59 492	68 518	68 518	72 254	73 248	76 248
Salaries and wages	500	38 575	56 792	59 492	67 481	67 481	71 154	72 066	75 056
Social contributions	-	-	864	-	1 037	1 037	1 100	1 192	1 192
Goods and services	6 154	9 781	38 189	29 878	23 017	23 017	42 561	30 856	27 856
Administrative fees	-	75	240	-	136	136	162	172	172
Advertising	1 021	395	257	1 591	536	536	908	966	966
Assets less than capitalisation threshold	366	231	83	450	413	413	154	163	163
Catering: Departmental activities	305	576	3 908	500	1 204	1 204	782	834	834
Communication (G&S)	25	131	540	250	430	430	753	796	596
Computer services	-	11	274	-	384	384	686	730	430
Cons & prof serv: Business and advisory services	223	1 138	4 827	6 547	3 214	3 214	11 802	8 492	6 772
Cons & prof serv: Infrastructure and planning	175	686	1 560	-	1 259	1 259	1 847	1 600	1 000
Cons & prof serv: Legal costs	-	1	1 401	-	393	393	189	201	201
Contractors	3	264	2 295	6 660	524	524	1 885	1 004	1 004
Agency and support / outsourced services	-	-	15	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	208	-	193	193	293	312	212
Inventory: Clothing material and accessories	-	45	-	-	32	32	17	18	18
Inventory: Food and food supplies	-	1	1	-	-	-	-	-	-
Inventory: Materials and supplies	-	149	292	-	-	-	-	-	-
Inventory: Other supplies	98	-	-	-	-	-	-	-	-
Consumable supplies	-	-	216	250	250	250	-	-	-
Consumable: Stationery, printing and office supplies	-	25	82	-	-	-	-	-	-
Operating leases	-	1	129	-	1 109	1 109	47	50	50
Property payments	-	-	5 783	4 800	6 629	6 629	13 221	5 063	5 063
Transport provided: Departmental activity	5	220	3 402	150	301	301	126	134	134
Travel and subsistence	3 265	4 761	4 904	6 500	2 651	2 651	5 121	5 460	5 460
Training and development	-	-	265	-	676	676	175	186	106
Operating payments	39	50	163	80	83	83	174	186	186
Venues and facilities	604	966	4 510	2 000	1 903	1 903	4 107	4 372	4 372
Rental and hiring	25	55	2 834	100	697	697	112	117	117
Interest and rent on land	-	108	-	-	-	-	-	-	-
Interest	-	108	-	-	-	-	-	-	-
Transfers and subsidies to	2 932 704	3 144 075	3 243 079	3 014 623	2 993 052	2 993 052	2 844 841	3 568 671	3 811 756
Provinces and municipalities	115 000	40 384	68 326	148 400	148 741	148 741	85 792	90 172	90 172
Provinces	-	-	8	-	-	-	-	-	-
Provincial Revenue Funds	-	-	8	-	-	-	-	-	-
Municipalities	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172
Municipalities	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172
Departmental agencies and accounts	134 477	-	932	-	18 000	18 000	18 000	14 000	-
Entities receiving funds	134 477	-	932	-	18 000	18 000	18 000	14 000	-
Households	2 683 227	3 103 691	3 173 821	2 866 223	2 826 311	2 826 311	2 741 049	3 464 499	3 721 584
Social benefits	34	31	12	-	1 527	1 527	45	48	48
Other transfers to households	2 683 193	3 103 660	3 173 809	2 866 223	2 824 784	2 824 784	2 741 004	3 464 451	3 721 536
Payments for capital assets	1 219	7 068	72 994	13 000	12 899	12 899	32 107	694	694
Buildings and other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Other fixed structures	1 009	6 799	67 455	12 500	12 500	12 500	31 454	-	-
Machinery and equipment	210	269	5 160	500	399	399	653	694	694
Transport equipment	-	-	4 552	-	-	-	-	-	-
Other machinery and equipment	210	269	608	500	399	399	653	694	694
Software and other intangible assets	-	-	379	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 940 577	3 199 607	3 411 918	3 116 993	3 097 486	3 097 486	2 991 763	3 673 469	3 916 554

Table 8.I : Payments and estimates by economic classification: Housing Disaster Relief grant: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	27 637	-	-	-	-	-	-	-	-
Households	27 637	-	-	-	-	-	-	-	-
Other transfers to households	27 637	-	-	-	-	-	-	-	-
Total	27 637	-	-	-	-	-	-	-	-

Table 8.J : Payments and estimates by economic classification: EPWP Integrated Grant for Provinces: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	-	-	-	6 580	6 580	6 580	15 194	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	6 580	6 580	6 580	15 194	-	-
Contractors	-	-	-	6 580	6 580	6 580	15 194	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	6 580	6 580	6 580	15 194	-	-

Table 8.K : Payments and estimates by economic classification: Human Settlements Development grant: Programme 4

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	136 834	109 636	97 127	118 482	137 989	137 989	132 939	169 759	175 670
Departmental agencies and accounts	136 834	109 636	97 127	118 482	137 989	137 989	132 939	169 759	175 670
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	136 834	109 636	97 127	118 482	137 989	137 989	132 939	169 759	175 670
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	136 834	109 636	97 127	118 482	137 989	137 989	132 939	169 759	175 670

Table 8.1 : Human Settlements - Payments of infrastructure by category

R thousands	Project name	Project Status	Municipality / Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	Delivery mechanism (individual project or packaged programme)	Targeted number of jobs for 2015/16	Total project cost	Expenditure to date from previous years	Total available		MTEF Forward estimates	
				School - primary/secondary/specialised; admin block; water; electricity; sanitation/toilet; fencing etc.		Date: Start	Date: Finish							2016/17	2017/18	2018/19	2018/19
Existing infrastructure assets	Maintenance and repair: Current																
	Upgrades and additions: Capital																
	Refurbishment and rehabilitation: Capital																
	Refurbishment and rehabilitation: Capital																
New infrastructure assets: Capital																	
of which:	Social and Economic Amenities	Various	eThekweni	Parks, creche facilities, taxi ranks and community halls, etc.		01 April 2015	31 March 2017	HSDG	Programme 3	Packaged prog				31 454			
														31 454			
Infrastructure transfers																	
of which:	Infrastructure transfers: Current													91 792	90 172		90 172
	Infrastructure transfers: Capital																
CRU programme		Various	eThekweni	Hostels		01 April 2015	31 March 2019	HSDG	Programme 3	Packaged prog				65 000	60 000		60 000
	Accreditation of municipalities	Various	Various	Transfers to municipalities		Ongoing	Ongoing	HSDG	Programme 3	Packaged prog				26 792	30 172		30 172
Infrastructure: Payments for financial assets																	
Infrastructure: Leases																	
Total																	
Capital infrastructure																	
Current infrastructure																	

Table 8.M : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
A KZN2000 eThekweni	95 000	21 787	46 165	118 228	122 416	122 416	59 000	60 000	60 000
Total: Ugu Municipalities	-	-	-	7 086	1 806	1 806	3 378	7 086	7 086
B KZN211 Vulamehlo	-	-	-	-	-	-	-	-	-
B KZN212 Umdoni	-	-	-	-	-	-	-	-	-
B KZN213 Umzumbe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN215 Ezingoleni	-	-	-	-	-	-	-	-	-
B KZN216 Hibiscus Coast	-	-	-	7 086	1 806	1 806	3 378	7 086	7 086
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	3 495	10 188	8 715	17 201	17 201	10 389	8 715	8 715
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 Impendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	3 495	10 188	8 715	17 201	17 201	10 389	8 715	8 715
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: Uthukela Municipalities	-	865	654	3 696	729	729	1 681	3 696	3 696
B KZN232 Ennambithi/Ladysmith	-	865	654	3 696	729	729	1 681	3 696	3 696
B KZN233 Indaka	-	-	-	-	-	-	-	-	-
B KZN234 Umtshezi	-	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN236 Imbabazane	-	-	-	-	-	-	-	-	-
C DC23 Uthukela District Municipality	-	-	-	-	-	-	-	-	-
Total: Umzinyathi Municipalities	-	-	-	-	-	-	-	-	-
B KZN241 Endumeni	-	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 Msinga	-	-	-	-	-	-	-	-	-
B KZN245 Umvoti	-	-	-	-	-	-	-	-	-
C DC24 Umzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	1 485	3 029	4 750	2 188	2 188	4 077	4 750	4 750
B KZN252 Newcastle	-	1 485	3 029	4 750	2 188	2 188	4 077	4 750	4 750
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: Umkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 Umhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN273 The Big 5 False Bay	-	-	-	-	-	-	-	-	-
B KZN274 Hlabisa	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
C DC27 Umkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: uThungulu Municipalities	20 000	7 779	2 294	1 047	1 317	1 317	2 154	1 047	1 047
B KZN281 Umfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	20 000	7 779	2 294	1 047	1 317	1 317	2 154	1 047	1 047
B KZN283 Ntambanana	-	-	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 uThungulu District Municipality	-	-	-	-	-	-	-	-	-
Total: Ilembe Municipalities	-	4 973	5 988	4 878	3 084	3 084	5 113	4 878	4 878
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	-	4 973	5 988	4 878	3 084	3 084	5 113	4 878	4 878
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 Ilembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
B KZN431 Ingwe	-	-	-	-	-	-	-	-	-
B KZN432 Kwa Sani	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Ubuhlebezwe	-	-	-	-	-	-	-	-	-
B KZN435 Umzimkulu	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	115 000	40 384	68 318	148 400	148 741	148 741	85 792	90 172	90 172

Table 8.N : Transfers to local government - Operational costs for accredited municipalities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
A KZN2000 eThekweni		14 824	35 307	18 228	22 416	22 416	-	-	-
Total: Ugu Municipalities	-	-	-	7 086	1 806	1 806	3 378	7 086	7 086
B KZN216 Hibiscus Coast				7 086	1 806	1 806	3 378	7 086	7 086
Total: uMgungundlovu Municipalities	-	3 495	10 188	8 715	17 201	17 201	10 389	8 715	8 715
B KZN225 Msunduzi		3 495	10 188	8 715	17 201	17 201	10 389	8 715	8 715
Total: Uthukela Municipalities	-	865	654	3 696	729	729	1 681	3 696	3 696
B KZN232 Emnambithi/Ladysmith		865	654	3 696	729	729	1 681	3 696	3 696
Total: Amajuba Municipalities	-	1 485	3 029	4 750	2 188	2 188	4 077	4 750	4 750
B KZN252 Newcastle		1 485	3 029	4 750	2 188	2 188	4 077	4 750	4 750
Total: uThungulu Municipalities	-	7 779	2 294	1 047	1 317	1 317	2 154	1 047	1 047
B KZN282 uMhlathuze		7 779	2 294	1 047	1 317	1 317	2 154	1 047	1 047
Total: Ilembe Municipalities	-	4 973	5 988	4 878	3 084	3 084	5 113	4 878	4 878
B KZN292 KwaDukuza		4 973	5 988	4 878	3 084	3 084	5 113	4 878	4 878
Total	-	33 421	57 460	48 400	48 741	48 741	26 792	30 172	30 172

Table 8.O : transfers to local government - CRU Programme and Rates and taxes

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
A KZN2000 eThekweni	95 000	6 963	10 858	100 000	100 000	100 000	59 000	60 000	60 000
Total: uThungulu Municipalities	20 000	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	20 000	-	-	-	-	-	-	-	-
Total	115 000	6 963	10 858	100 000	100 000	100 000	59 000	60 000	60 000