

VOTE 8

DEPARTMENT OF HUMAN SETTLEMENTS

To be appropriated by vote in 2019/20	R 6 216 526 000
Responsible MEC	MEC for Human Settlements
Administering Department	Department of Human Settlements
Accounting Officer	Head of Department

1. OVERVIEW

Vision

To create integrated and sustainable human settlements within a smart Gauteng City Region.

Mission

To facilitate the delivery of sustainable integrated human settlements, new towns and smart cities, in partnership with relevant role players from all sectors of society through:

- Development of suitably located and affordable housing (shelter) and decent human settlements;
- Creating new post-apartheid towns, and transform current cities and towns in Gauteng, moving towards efficiency, inclusion and sustainability; and
- Building cohesive, sustainable and caring communities with improved access to work and social amenities, including sports and recreation facilities, with community development and optimal access/inclusion.

Values

The department's values are based on the *Batho Pele* (People First) principles of the South African Public Service. Its specific focus is on:

- Integrity;
- Honesty;
- Loyalty;
- Professionalism;
- Human dignity;
- Service delivery;
- Excellence;
- Discouraging bad behaviour and rewarding good behaviour;
- Sound ethical standards; and
- Accountability.

Strategic goals

The department's Strategic Plan gives effect to the ten pillars that drive the Gauteng Provincial Government's (GPG) five-year programme. The department aims to achieve the following four strategic outcome-oriented goals:

- Good governance and strategic management of the Gauteng Department of Human Settlements (GDHS);
- Development of legislative frameworks, policies and plans that enable spatial transformation in the delivery of human settlements;
- Well-located, sustainable, integrated human settlements that provide security of tenure; and
- GDHS immovable assets maintained, devolved and transferred.

Core functions and responsibilities

The mandate of the department is derived from the Constitution of South Africa. Its primary roles are to:

- Promote and facilitate the provision of adequate housing in the province;
- Develop provincial human settlements housing policies that will strengthen the ability to provide housing opportunities to qualifying beneficiaries to build sustainable communities;

- Develop and implement programmes and projects that give effect to the province's short, medium and long-term housing plans; and
- Manage the housing delivery process and transform informal settlements, especially in priority townships, into sustainable and vibrant communities, and provide services in respect of subsidies and rental housing.

Main services

The department delivers quality-housing opportunities to the people of Gauteng and develops integrated infrastructure to create cohesive communities. The department is responsible for managing provincial housing assets through the property management programme, and for redistributing or transferring properties to beneficiaries. In addition, it aims to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. Through the Human Settlement Development Grant (HSDG), the department delivers mega human settlements and post-apartheid cities. Developing human settlements along other nodal developments is important to achieve maximum impact, as well as economies of scale, whilst supporting the programme of Radical Economic Transformation (RET). The department is mandated with upgrading existing townships and inner cities through urban renewal programmes; inner-city revitalisation; ensuring that the Gauteng Rental Housing Strategy is realised; mining towns' revitalisation; integration of hostel residents into the broader social fabric; and ensuring that every Gauteng resident has access to housing opportunities through various departmental programmes such as the Finance Linked Individual Subsidy Programme (FLISP).

Ten pillar programme of Transformation, Modernisation and Re-industrialisation

Modernisation of public service and transformation of the state and governance

The department supports the above pillar by strengthening and aligning the department's organisational capacity and capability to deliver on its mandate. The department will ensure that its business units perform efficiently by providing effective and efficient corporate support through technology to the department's core functions. The Programme ensures effective leadership, management and administrative support to the core business divisions through continuous refinement of organisational strategy and structure, in compliance with appropriate legislation and best practice.

Decisive spatial transformation and modernisation of human settlements and urban development

As part of achieving decisive spatial transformation and modernising human settlements and urban development, the department will undertake research and develop policies and plans that give support to the achievement of the ideals expressed by the pillars. Examples of such policies include the Inclusionary Housing Bill; the Densification Policy; the Gauteng Rental Housing Strategy; and the Land Invasion Framework. Through the Housing Development Programme, the department aims to build cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements. A total allocation of R5.1 billion, in the form of the HSDG, is allocated to support the realisation of these pillars. The emphasis is on providing individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy. The department plans to implement mega-projects to provide various housing types, developed along nodes with economic and employment opportunities, and transport.

The department further supports these pillars by providing for the sale and transfer of rental stock, devolution of housing assets, implementation of the Enhanced Extended Discount Benefit Scheme (EEDBS) and housing property maintenance. The department also provides cleaning services to its stock of flats and the transfer of ownership to beneficiaries. An allocation of R156 million is set aside in the form of a title deeds restoration grant, to fast-track issuing title deeds to beneficiaries to support the realisation of the above pillars through these programmes. The department facilitates affordable rental accommodation and delivers housing units in targeted presidential projects to promote home ownership. It is combating fraud and corruption by allocating houses to beneficiaries and ensuring Radical Economic Transformation (RET). In April 2014, the department approved the Strategic Framework on Anti-Fraud, Corruption and Ethics and the Fraud Prevention Plan. The department is engaged in combating issues of fraud and corruption; exercising oversight; encouraging transparency and accountability; fraud detection; reporting and monitoring all critical components to dealing with fraud and corruption. The department established the Project Management Office (PMO), to deliver on the collaboration, cooperation and coordination protocols, thereby addressing service delivery protest, reducing waiting times for beneficiaries, and ensuring coordination of departmental plans with other GPG departments.

The main objectives of the PMO include the following:

- Developing processes to support the efficient and effective delivery of services in partnership and collaboration with various stakeholders in the public and private sector;
- Facilitating and coordinating the implementation of allocated projects from initiation through execution to closure; and
- Overseeing and ensuring attainment of quality project deliverables in line with project plan.

Lastly, the department intends to support the modernisation of human settlements by utilising modern technology through the installation of the centralised biometric system for beneficiary administration. The validation of qualifying housing beneficiaries will be implemented without exception, and the waiting list will be reformed through the monitored and up-to-date demand database.

National Development Plan (NDP) and the departmental strategy for 2014–19

The NDP is the overarching plan with which all departments and state agencies are aligned. In terms of NDP Vision 2030, and Chapter 8 in particular, the department needs to ensure that the people of Gauteng have a decent standard of living, eliminating poverty and reducing inequality, through the following key areas of focus:

- Shaping the spatial form of Gauteng by focusing on infrastructure investment and urban regeneration in terms of infill developments between major urban centres and aggressive densification in good locations;
- Devising alternative innovative financial instruments to increase housing opportunities by increasing the supply of FLISP housing products, harnessing private sector funding and investment in housing, infrastructure development and affordable rental accommodation, and servicing stands by the capital subsidy scheme;
- Playing a central coordinating and facilitative role between Global City Region (GCR) cities and capitalising on the growing integrated urban network to implement the housing chapters of the Human Settlement Master Plan, supported by transport and infrastructure plans, and well-located human settlements in areas of employment and economic activity;
- Prioritising the development of urban infrastructure, the environment and the affordability of living in urban centres, to implement the provincial Bulk Infrastructure Plan, and align funding streams to support the plan (MIG/USDG/MISA);
- Promoting social and spatial integration to achieve social cohesion through identifying and providing new human settlements;
- Developing efficient and effective human settlements, as opposed to marginalised and dysfunctional settlements or “pockets of poverty”, through a joint effort with stakeholders; and
- Encouraging optimal use of land through densification in strategic locations.

External activities and events relevant to budget decisions

The total number of households in Gauteng has grown by 139 percent, between 1996 and 2016, with an average increase of 10 percent between 2014 and 2016. Household sizes have reduced to fewer than three people per household, adding to the demand for suitable housing. While the percentage of formal households has increased by 168.8 percent, between 1996 and 2016, the number of informal households increased at a slightly lower rate of 77.9 percent compared to formal household for the same period. In total, the proportion of informal to formal dwellings has reduced from 23.9 percent (in 2001) to 17.7 percent (in 2016). While the number of households in informal settlements has stagnated, there is a growing trend in informal dwellings in backyards, which comprised 55 percent of informal dwellings in 2015 (up from 37.4 percent in 2004). Although Gauteng has done well in providing low cost housing to the poor, with 31 percent (1.23 million) of the country’s low-cost houses located in Gauteng, spatial inequality has largely persisted, with the poor continuing to live on the urban fringe. While Gauteng has realised large advances in access to public services, such as water, electricity, sanitation, health, education, social welfare and transport, it has struggled to keep up with demand influenced by the high levels of in-migration into the province.

Acts, rules and regulations

- Intergovernmental Relations Framework Act (Act No. 13 of 2005);
- National Environmental Management Act (Act No. 107 of 1998, as amended by Act No. 8 of 2004);
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003);
- Municipal Finance Management Act (Act No. 56 of 2003);
- Construction Industry Development Board Act (Act no. 38 of 2000);
- Extension of Security of Tenure Act (Act No. 62 of 1997);
- Land Administration Act (Act No. 2 of 1995);
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994);
- National Building Regulations and Building Standards Act (Act No. 103 of 1977);
- State Land Disposal Act (Act No. 48 of 1961); and
- Deeds Registries Act (Act No. 47 of 1937).

Legislative and other mandates

The core mandate of the department is to ensure the provision of housing and sustainable human settlements.

Policy mandate

The department is guided by the following policies and strategies:

- Provincial Growth and Development Strategy (PGDS);
- Breaking New Ground (BNG) Strategy;
- Gauteng City Region (GCR) Strategy;
- Gauteng Human Settlements Mega Projects Strategy;
- National Housing Policy; and
- National Housing Code.

2. REVIEW OF THE CURRENT FINANCIAL YEAR (2018/19)

The location of housing is critical. Whilst significantly altering existing spatial patterns, the department has the responsibility to “modernise urban development and human settlements” through the greening of these developments and densifying them to counteract the shortage and cost of land in the province.

The department is phasing out “legacy” projects, which are micro projects found across the development corridors. The department is consolidating all legacy projects into mega human settlements projects in all development corridors of the GCR. The aim is to have such developments taking place in areas closer to employment, economic opportunities and transport facilities, so that residents save money and time commuting between their workplaces and homes and gain access to basic services and other amenities. The department’s performance against the housing programmes (implemented until the third quarter of 2018/19) is summarised below.

Housing Development: Against a cumulative third quarter target of 2 494 serviced stands, and 7 765 housing units, actual delivery at the end of the third quarter of 2018/19 stood at 7 364 of the planned number of serviced stands, and 7 040 of housing units respectively.

Housing units and serviced stands combined yielded 14 404 outputs which translate to 34 percent against the combined planned output of 42 660 for the current financial year. The deficit of 5 760 stands and 22 496 housing units will be fast-tracked during the fourth quarter of the 2018/19 financial year.

The programmes which performed adequately during the first three quarters of the current financial year are the Integrated Residential Development Programme (IRDP): Top Structure Informal Settlements and the Priority projects. Weekly monitoring of implementation of projects, including expenditure and unlocking of blockages, through the War Room, is undertaken to fast-track service delivery as part of the remedial actions.

Financial Intervention Programme

Under **FLISP**, the department aimed to produce 9 955 housing units for the year under review. By the end of the third quarter of the current financial year, 563 units were achieved. The Programme is implemented with the assistance of the National Housing Finance Corporation (NHFC) and the yield is dependent on approval of beneficiaries for bonds from the banks. As per the approved business plan, targets were set to be achieved in the fourth quarter of the financial year.

Incremental Housing Programme

Under the Low-Cost Phase 1: Planning and Services: The department planned to service 2 594 stands for the period under review, and to date 5 195 stands have been serviced. The over-achievement is due to work that commenced in the previous financial year and was already at advanced stages of completion at the beginning of the current financial year.

For the Low-Cost Phase 1: Top Structure: Under the programme, the department planned to deliver 7 233 housing units. To date the department has delivered 5 733 housing units. The under-achievement can be attributed to the following factors: insufficient bulk sewer; lapse of signed contracts; invasion of the houses and community disruptions; insufficient or lack of approved beneficiaries on HSS; late appointment of contractors and non-enrolment of some projects with the National Home Builder Registration Council (NHBRC).

Social and Rental Intervention Programme

Under this programme, the department planned to deliver 232 units under the Community Residential Units sub-programme. To date, a delivery of 448 units was realised, of which 44 units were delivered by GPF. Some of the projects were completed in the previous financial year, but only certified in the current year.

The Rural Housing Communal Land Rights Programme: Whilst no serviced sites were planned for the first three quarters of the financial year, the Department yielded 1 636 from projects with work at advanced stages of completion at the close of the previous financial year. In respect of housing units under this programme, the programme planned to deliver 100 units and the target has been surpassed as 177 units have been completed due to work commenced in the previous financial year.

Priority Projects: No targets were set under this programme; however, 533 units were delivered by the programme.

COMMENTS ON DELIVERY

The department has serviced more stands (7 364) when comparing delivery of the same period in the previous financial years which are mainly from Mega projects in the Westrand region. The region has a potential to yield high numbers of housing units under Mega projects in the next financial year.

A total of 7 255 housing units have been delivered as at January 2018, mainly from Legacy projects in various regions. Judging by the low certified Work in Progress (WIP), it is difficult to project a recovery from the current low levels of under-

performance on housing units. Whereas it is unlikely that the department will achieve the annual targets set on the revised Business Plan as this is conditional on the department achieving most of its FLISP and Mega projects targets.

Factors that hampered the performance of projects can be summarised as follows:

- No bulk sewer and electricity linkage affected progress in Rama City, Westonaria Borwa, Tsakane Extension 22 Kokosi Ext. 7 and Mamello;
- The invasion of the houses and community disruptions affected progress in Olievenhoutbosch Ext. 27, Nellmapius Ext. 22, Cosmo City and Sebokeng Ext. 24;
- Poor performance by contractors affected progress in the following projects Golden Gardens and Sicelo Shiceka Ext. 5;
- Interruption by Business Forums affected progress in the following projects; Leeuwpoort, Soshanguve V Ext. 1 and John Dube Ext. 2;
- Progress in Bluegumview and Rethabile LTA Hostel was affected by the late payment of the contractors.
- Insufficient or lack of approved beneficiaries on HSS (Housing Subsidy Scheme hindered progress in Sonderwater Phase 1, Rethabiseng Ext. 5, Soshanguve block BB, GG AND FF;
- Vosloorus Ext.28, Hospital Hills Munsieville Ext 6 and Soshanguve Block MM were negatively affected by the delay in the appointment of contractors by the SCM (Supply Chain Management);
- Progress in Palm Ridge Ext. 1-8, Kokosi Ext. 6 and Khutsong South affected by labour issues;
- Kwa-Zenzele Ext. 1- BNG Mega and Mahube Valley project was delayed due to non-enrolment with the National Home Builder Registration Council (NHBRC); and
- Use of incubators delayed progress in Tswelopele Ext. 6 and Winterveldt 3. projects.

3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2019/20)

In alignment with the Medium Term Strategic Framework (MTSF) targets, the department will continue to rigorously ensure that targets set are a true reflection of the MTSF expectations, and to ensure that variances occurring during the previous financial years, are carried forward and spread across the remaining financial years and linked to the budget. This is to compensate for the lack of performance or under-planning that occurred during the past three financial years, due to various reasons highlighted under challenges. The department has therefore attempted to align the 2019/20 targets with those of both national and provincial MTSFs.

The following are some of the critical areas that the department is currently focusing attention on with a view to fast-track sustainable human settlements delivery:

- Integrated sector planning;
- Strengthening delivery capacity through partnerships with the private sector;
- Commitment to eradicate backlog on title deeds backlog by;
 - Registration of townships
 - Registration of title deeds
- Use of alternative building technologies, and working closely with the National Home Builders Registration Council (NHBRC), coupled with community education; and
- Intense community education on the Finance Linked Individual Subsidy Programme (FLISP) and development of an end-to-end suitable land acquisition process (fit for purpose) including a Land Invasion Strategy.

Mega Projects

The departmental will focus on the Transformation, Modernisation & Re-industrialisation Strategy (commonly referred to as the “TMR”) of the province, with a particular inclination towards the following two pillars that are part of this strategy: Modernisation of human settlements and urban development and Decisive spatial transformation, the department is looking to fast-track the implementation of the Mega Projects initiative. Mega Projects are a vital element of the 2019/20 Human Settlements Development Grant Business Plan (HSDG BP).

The reduction in the number of Legacy Projects being implemented, whilst increasing the number of Mega Projects to be implemented during the financial year 2019/20, is part of the department’s deliberate strategy to break the monotony in the housing typologies encountered by the people of Gauteng. Certain benefits associated with the implementation of the Mega Projects relate to the creation of sustainable human settlements in that the Mega Projects intrinsically and conveniently allow for the provision of socio-economic amenities in close proximity to the users. Also, the various housing typologies provided through the Mega Projects are part of the benefits that arise from the implementation of the Mega Projects.

Nonetheless, the immediate challenge linked to the implementation of Mega Projects is the paucity of financial resources, which can be overcome, via several avenues including integrated planning, budgeting and implementation by all the relevant players in the sector. The department has been working to achieve this ideal – consolidating all key role-players across the spectrum under one roof to ensure the achievement of integrated sustainable human settlements. The expectation is that

with the passage of time, inter-governmental relations and co-operation between governmental departments, State-Owned Entities and other players in the sector, will mature and improve.

Finance-linked Individual Subsidy Programme (FLISP)

Other major developments that took place during the latter part of 2018 on the affordable housing front warrant mentioning in this chapter. The MinMec decisions on the FLISP are a case in point. The expansion of the income bracket that enables applicants to qualify for the government subsidy, is a progressive development that should improve access to the programme for those that were excluded from participating owing to the previous income bracket of R3 501-R15 000. The current income bracket of R3 501-R22 000 should increase the programme's intake.

Another important decision taken by the Minmec regarding the FLISP relates to the pre-emptive clause, which is applicable to the RDP Low-cost housing. The clause as found in the Housing Act (107 of 1997) is meant to prevent beneficiaries from selling their houses within a period of 8 years after acquisition, is not applicable to the FLISP.

For the 2019/20 financial year, the department has set a target of 4 250 FLISP subsidies to be disbursed to qualifying applicants. However, having set itself a humble target like this one, the department intends intensifying its focus on Beneficiary Education. This move could further see an uptick in the affordable housing market. The total budget set aside for the programme for the financial year 2019/20 is in the region of R621 million, including related professional fees.

Issuance of Title Deeds

The department also set itself a challenge regarding the issuance of "New Title Deeds" (title deeds for housing units built from 2014/15 to date and beyond). For the current financial year, 2018/19 the target the department set was 15 110, which increases by about 11 percent in the financial year 2019/20, increasing the target to 16 735. A budget amounting to R156 million has been allocated for this purpose. This is part of the newly introduced Title Deeds Restoration Grant which is coming to an end in the financial year 2020/21. The following are some of the areas that will be benefitting from the issuance of new title deeds, namely: 3V Tarlton; Kagiso Extension 12; Soshanguve Block MM; Olievenhoutbosch Extension 27; Heatherly East/Nellmapius Extension 22; Kagiso Azaadville (Chief Mogale); Soshanguve Extension 19; and Olievenhoutbosch Extension 36.

Rapid Land Release Programme

The introduction of the Rapid Land Release Programme is yet another creative approach that the department is pioneering to deliver on human settlements better and faster. The identification of 4 000 serviced sites in Ekurhuleni, in Palm Ridge specifically, has just begun. This is a clear indication that the department in particular, and the province in general, are determined to ensure that the concept benefits the people of Gauteng. To that extent, a total of 3 678 sites have been identified for distribution in 2019/20.

Job creation

The department intends to create 8 000 employment opportunities in 2019/20, through the Extended Public Works Programme (EPWP), GEYODI and the Tshepo 1 000 000 Programme. The department will strengthen the implementation of its empowerment policies by prioritising GEYODI mainstreaming across all the programmes.

Through its empowerment and job creation initiatives, the department will train 250 youth in technical skills namely, plumbing and bricklaying and place them equally with contractors through the National Youth Service Framework (NYSF).

The implementation of the Tshepo 1 000 000 Programme in the 2019/20 financial year will target five co-operatives, to be established and supported by the department, through skills training and development on business and technical development training, linked to mentorship.

The department has targeted 180 designated small, medium and micro-sized enterprise (SMME) contractors for empowerment through financial assistance and technical and management training. This is in housing-construction-related activities in partnership with the NHBRC. Furthermore, the incubation programme will continue to train and mentor the new contractors under the construction-linked experiential learning based on allocated projects.

Challenges faced by the department are:

- Planning for project implementation;
- Supply-Chain Management;
- Contract Management;
- Payment of contractors;
- Project Management Capacity;
- Public participation, engagement and community relations; and
- Monitoring and Evaluation.

The following are some of the mitigating steps that will be implemented to address these difficulties:

- Ensure better planning for the 2019/20 period and beyond;

- NHBRC projects enrolment;
- HSDG and USDG alignment, and spatial integration;
- Implementation of transformation objectives;
- Ensure that all contracts are concluded and enforced;
- Ensure monitoring of contractual obligations;
- Ensure an effective payment system that makes payment within acceptable stipulated periods following approval of invoices;
- Beef-up in-house capital projects management capacity;
- Ensure effective project management;
- Ensure effective public participation during the planning phase of each project;
- Undertake project profiling to anticipate any community dynamics which may negatively affect projects;
- Ensure effective communication of delivery;
- Strive to enable community ownership of projects;
- Proper and effective project monitoring and evaluation systems; and
- Regular reporting of performance of projects and contractors.

4. REPRIORITISATION

The department continues to review its operations to identify potential cost savings and eliminate inefficiencies. This will translate into reprioritisation, essential in the present tight fiscal environment. The department continues to explore less expensive building technologies and has examined how it can prioritise its budget to meet its primary objectives. An amount of R4.5 million from Programme 3: (Housing Development) was reprioritised from compensation of employees, following the approved organisational structure of the department, and re-directed to Programme 1: (Administration), and Programme 4: (Housing Assets management and Property Management) where functions are performed.

When comparing the 2018/19 budget to the 2019/20 budget, Programme 1: (Administration) under (Sub-Programme Corporate Services) reprioritised funds within the programme as part of the realignment of the departmental operational budget. Items such as audit fees, advertising, travel and subsistence, training, operating payments and fleet services were reduced to fund items that support the core (such as consultants, legal fees, operating leases). Programme 3: (Housing Development), decreased by R4.6 million to fund Programme 1: (Administration) and Programme 4: (Housing Assets Property Management) where expenditure on compensation of employees is incurred. Programme 3: (Housing Development), further reprioritised R5.5 billion in keeping with the reprioritisation of the departmental business plan.

Funding reprioritised to Programme 4: (Housing Assets Property Management) will promote home ownership in historically disadvantaged communities. It coordinates, manages and oversees the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands, and encourages and supports the provision of tools and personnel to maintain these departmental immovable assets. The department motivates, guides and manages the provision of tenure for occupants, and promotes home ownership through sectionalisation of flats.

5. PROCUREMENT

The department will procure goods and services in line with the budget allocation, in terms of all prescribed policies and acts, and monitor and control spending as efficiently and as effectively as possible. Purchasing, receiving and using goods and services on time is essential to service delivery. All contracts are subject to market-related price analysis, and the terms and conditions will be analysed to identify areas where the department can negotiate for better value for money without compromising quality. The department encourages the use of small and township-based businesses to promote sustainable job creation, using a range of such businesses to promote fairness and transparency.

In relation to procurement, in the 2019/20 financial year, the department intends to:

- Fully implement the SAP operating system for processing of orders and contract management for operational contracts;
- Continue to train and develop its staff;
- Implement the use of pre-approved lists, as the basis of appointment of service providers for regular services. This will ensure timeous appointment of contractors within the first quarter of the financial year;
- Acquire goods and services in line with targets, as indicated in the procurement plan;
- Ensure significant improvement in contract administration to ensure that the commitments are valid, complete and accurate;
- Implement the new procurement regulations to ensure compliance throughout the procurement processes.

6. RECEIPTS AND FINANCING

6.1 Summary of receipts

TABLE 8.1: SUMMARY OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Equitable share	959 170	1 002 223	669 747	726 968	783 368	783 368	885 455	817 176	876 858
Conditional grants	4 126 734	5 046 443	5 435 810	5 161 457	5 278 674	5 278 674	5 331 071	5 343 970	5 526 294
Human Settlements Development Grant	4 124 734	5 022 669	5 571 755	5 046 583	5 163 800	5 163 800	5 164 409	4 319 346	4 293 873
Title Deeds Restoration Grant				105 811	105 811	105 811	156 204	164 795	
Epwp Intergrated Grant	2 000	2 205	14 055	9 063	9 063	9 063	10 458		
Informal Settlements Upgrading Partnership Grant For Provinces								859 829	1 279 712
Housing Disaster Grant		21 569							
Total receipts	5 085 904	6 048 666	6 105 557	5 888 425	6 062 042	6 062 042	6 216 526	6 161 146	6 403 152

The equitable share and conditional grants are the main source of funding for the Gauteng Department of Human Settlements (GDHS). The Human Settlements Development Grant (HSDG) and the funding made available by the province caters for the implementation of national and provincial housing programmes.

In 2015/16 the allocation amounted to R5.1 billion and increased to R6.1 billion in 2017/18. Over the MTEF period, total receipts will have increased steadily from R6.2 billion in 2019/20 to R6.4 billion in the 2021/22 financial year. The funding made available will enable the department to embark on projects that will contribute decisively to spatial transformation and radical economic transformation by ensuring that people are located closer to places of work and economic opportunities. It will also provide sustainable human settlements services and infrastructure, in line with national access and equity policy and objectives. The conditional grants will increase from R5.2 billion in 2018/19 to R5.5 billion in the 2021/22 financial year, aligned to the estimated inflation projections. These grants will assist the department in addressing the housing backlog in the province, mainly caused by the increasing number of people who migrate to the province in pursuit of a better life and employment opportunities. In the 2018/19 financial year, total receipts increased from R5.8 billion to R6 billion during the adjustment budget process due to roll-overs amounting to R124.4 million to assist the department to meet its previous year's obligations not paid for by the end of the 2017/18 financial year whilst the equitable share roll-over amount of R7.2 million was for the finalisation of the Krugersdorp inner-city rejuvenation plans. The department also received additional funding amount of R49.2 million for rates & taxes for non-transferred RDP stock, five provincial hostels and the Premier Ntshisano commitments.

Included in the HSDG is an amount of R151 million in 2018/19 earmarked for revamping mining towns, including Merafong City, Rand West City, and Mogale City. In the 2019/20 financial year the departmental budget will amount to R6.2 billion and can be disaggregated into conditional grants amount of R5.3 billion and the equitable share amount of R885 million.

An amount from the HSDG of R183 million over the MTEF is allocated for coordinating, managing and overseeing the maintenance of the department's immovable assets in the form of flats, hostels and vacant stands, and to provide the tools and personnel needed for these activities. The allocation will deal with the Extended Discount Benefit Scheme (EDBS) and the transfer of housing properties to beneficiaries.

An amount of R156 million, in the form of a conditional grant, will be available to the department during the 2019/20 financial year for the Title Deeds Restoration Programme and will fund the transfer of housing properties to beneficiaries. The allocation will increase to R164.7 million in the 2020/21 financial year. The EPWP incentive grant will amount to R10.4 million and will assist the department in contributing to job creation initiatives across the province. Also included in the funding made available by the province is an amount of R16.3 million that will assist the department in rolling out provincial infrastructure.

6.2 Departmental receipts

TABLE 8.2: DEPARTMENTAL RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Sales of goods and services other than capital assets	1 442	1 609	694	460	460	460	485	512	540
Interest, dividends and rent on land		9	220	402	402	402	425	448	473
Sales of capital assets	1 500	3 211							
Transactions in financial assets and liabilities	34 716	6 086	1 989	4 319	4 319	4 319	4 561	4 812	5 077
Total departmental receipts	37 658	10 915	2 903	5 181	5 181	5 181	5 471	5 772	6 090

The main source of revenue for the department is generated by parking fees, sale of tender documents and collection of revenue from rental of departmental properties. For the period under review, revenue remains stable due to the nature of the department's business. The significant collection of R37.6 million in the financial year 2015/16 resulted from revenue received from funds that were rolled over from Ekurhuleni Metropolitan Municipality. The department also received a once-off amount in the form of servitudes rights in the financial year 2016/17 which increased revenue collection to R10.9 million. The budget will remain relatively stable after the department transferred properties to the DID and will not receive any revenue from servitudes rights. The department anticipates that tender document sales and more recoveries from previous year's expenditure could improve revenue collection over the MTEF. The department is no longer transferring funds to conveyancers upfront for individual subsidies hence there is no interest generated from such transactions. Revenue collection is expected to grow from R5.2 million in 2018/19 to R6.1 million in 2021/22 financial year.

7. PAYMENT SUMMARY

7.1 Summary of economic classification

TABLE 6.4: SUMMARY OF ECONOMIC CLASSIFICATION: SOCIAL DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	1 674 373	1 805 307	2 502 009	2 084 056	2 690 781	2 690 781	3 028 302	3 193 575	3 551 286
Compensation of employees	1 233 601	1 332 444	1 403 527	1 519 821	1 570 342	1 570 342	1 823 545	1 930 175	2 200 753
Goods and services	440 772	472 863	1 098 482	564 235	1 120 439	1 120 439	1 204 757	1 263 400	1 350 533
Transfers and subsidies to:	2 104 668	2 254 508	1 775 453	2 784 472	2 195 029	2 195 029	2 354 411	2 482 736	2 587 324
Departmental agencies and accounts	67	6 652	2 565	84	116	116	89	94	99
Non-profit institutions	2 095 086	2 237 344	1 760 651	2 774 257	2 184 782	2 184 782	2 346 274	2 474 153	2 577 981
Households	9 515	10 512	12 237	10 131	10 131	10 131	8 048	8 489	9 244
Payments for capital assets	162 734	186 713	204 135	114 967	123 218	123 218	134 139	131 548	109 902
Buildings and other fixed structures	114 154	145 734	144 381	98 859	94 660	94 660	93 458	91 491	70 643
Machinery and equipment	48 533	40 879	59 615	16 108	28 408	28 408	40 531	39 899	39 092
Software and other intangible assets	47	100	139		150	150	150	158	167
Payments for financial assets	466	5 275	263		401	401			
Total economic classification	3 942 241	4 251 803	4 481 860	4 983 495	5 009 429	5 009 429	5 516 852	5 807 859	6 248 512

The total expenditure of the department increased from R3.9 billion in 2015/16 to R4.5 billion in the 2017/18 financial year due to the continuous implementation of social welfare programmes. The department main appropriation for 2018/19 financial year increases by R25.9 million and the additional allocation is mainly for planned and emergency maintenance of buildings. During the 2018/19 adjustment budget period the department reclassified budget from transfers to goods and

services and payments for capital assets to comply with Classification Circular 21 of 2018. The department further reprioritised funds from transfers to NPI to ease spending pressures on compensation of employees and to procure tools of trade.

The total budget of the department increases from R5.5 billion in 2019/20 to R6.2 billion in the 2020/21 financial year. The growth in budget is mainly due to inflationary adjustments and the allocation of additional funding. The department is allocated additional funding for infrastructure, the filling of critical posts including the purchasing of tools and trade, social work graduates, the management of food relief contracts and for Dignity Packs.

Compensation of employees increases from R1.8 billion in the 2019/20 financial year to R2.2 billion in the 2021/22 financial year. This budget growth is as a result of the cost of living adjustments to the wage bill the filling of and critical posts such as social work supervisors, child and youth care workers, psychologists and occupational therapists. The budget growth is also attributable to the planned absorption of social work graduates who completed their studies through the departmental scholarship. Furthermore, the department also plans to appoint officials who will conduct monitoring and evaluation of funded NPOs.

The total budget allocated to goods and services amounts to R1.2 billion in the 2019/20 financial year which increases by R640.5 million from the 2018/19 main appropriation of R564.2 million. The increase is as a result of the reclassification of budget in line with the provisions of the Classification Circular 21 of 2018. This budget includes inter alia, funding for the distribution of school uniform, Dignity Packs and food parcels which are procured through the SCM process in line with Classification Circular 21 of 2018.

Overall transfers to non-profit institutions grows from R2.3 billion in the 2019/20 financial year to R2.6 billion in 2020/21 financial year. The budget growth emanates from among others, inflationary adjustments to funds allocated following the NAWONGO court case judgement. Additional funding was also received as the EPWP conditional grant. The implementation of community nutrition and development centres will commence from the 2020/21 financial year onwards.

Over the 2019 MTEF an amount of R119.5 million is allocated to machinery and equipment for the procurement of tools of trade, office furniture and equipment and the installation of Information Technology infrastructure (network points) for additional staff. . Included in this budget is R14 million for the installation of CCTV cameras at head office and two institutions to enhance security in the 2019/10 financial year.

The department will continue to make steady progress in the battle against hunger within the communities through the provision of food parcels and increase the number of beneficiaries who will participate in the woman empowerment programmes, sustainable development opportunities and work opportunities through EPWP.

The assumptions that underpin the department's 2019 expenditure are summarized below. An anticipated average wage increase of 6.3 percent in 2019/20 and 6.5 percent for 2020/21 and 2021/22 respectively. A 5.3 percent increase in general goods and services is anticipated in 2019/20, 5.5 percent in 2020/21 and 5.5 percent in 2021/22, in line with the projected consumer price index (CPI). The following elements have been taken into consideration when determining budgets for personnel and other economic classifications for the 2019 MTEF:

- Number of staff and possible changes over the MTEF;
- Basic salary costs including conditions of service adjustments from 1 April each year;
- Increased take-up of benefits such as medical aid and home owners' allowance based on bargaining council agreements;
- Equalisation of pay progression across the public service;
- Inflation in the cost of goods and services, based on headline CPI projections;
- Provision for eradicating informal settlements;
- Provision for upgrading infrastructure services; and
- The impact of VAT increase.

7.2 Programme summary

TABLE 8.3: SUMMARY OF PAYMENTS AND ESTIMATES: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724
2. Housing Needs, Research And Planning	22 369	18 447	45 352	41 778	41 478	18 347	44 126	46 557	49 119
3. Housing Development	4 278 821	5 347 593	5 333 252	5 163 858	5 287 775	5 331 728	5 288 804	5 302 678	5 552 517
4. Housing Assets Management Property Management	76 707	129 992	171 603	170 279	170 279	201 693	223 786	232 790	175 810
Total payments and estimates	4 742 709	5 957 683	5 964 008	5 888 425	6 062 042	6 106 312	6 216 526	6 161 145	6 403 170

7.3 Summary of economic classification

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	545 326	610 909	764 860	669 765	733 167	777 289	847 640	763 235	819 969
Compensation of employees	355 623	382 000	420 565	448 432	448 432	448 432	472 830	503 564	544 856
Goods and services	189 703	228 909	344 295	221 333	284 735	328 857	374 810	259 671	275 113
Interest and rent on land									
Transfers and subsidies to:	4 196 305	5 302 025	5 054 603	261 747	5 304 204	4 483 598	5 348 830	5 363 050	5 546 424
Households	4 196 305	5 302 025	5 054 603	261 747	5 304 204	4 483 598	5 348 830	5 363 050	5 546 424
Payments for capital assets	1 059	15 756	144 501	4 956 913	24 583	845 337	20 056	34 860	36 777
Buildings and other fixed structures			118 578	4 915 555	2 715	823 469			
Machinery and equipment	1 052	15 721	19 451	29 305	12 815	12 815	11 010	25 316	26 708
Software and other intangible assets	7	35	6 472	12 053	9 053	9 053	9 046	9 544	10 069
Payments for financial assets	19	28 993	44		88	88			
Total economic classification	4 742 709	5 957 683	5 964 008	5 888 425	6 062 042	6 106 312	6 216 526	6 161 145	6 403 170

The table above indicates the departmental expenditure and budget per programme and by economic classification over a seven-year horizon period. Expenditure increased from R4.7 billion in 2015/16 financial year to R5.9 billion in 2016/17 financial year and will remain relatively stable at R6 billion between 2016/17 and 2017/18 financial years as a result of an amount of R150 million that was reprioritised by the National Department of Human Settlements to fund priority projects in other provinces. For the year under review the department was appropriated an amount of R5.9 billion during the main appropriation to fund the provision of sustainable human settlements where all citizens have access to housing and other social amenities. This budget was increased to R6.1 billion during the adjustment budget process as a result of roll overs that will ensure that the department meets its previous year's obligations; i.e. the Krugersdorp inner city rejuvenation plans and additional funding for rates and taxes for non-transferred RDP stock. The budget increased from an adjusted budget of R6 billion to R6.2 billion between 2018/19 and 2019/20 financial years which amounted to a 3 percent increase. The departmental budget will fund the servicing of stands; provision of housing units; FLISP programme; eradication of informal settlements; Issuance of Title Deeds and the Rapid Land Release Programme amongst other things. The budget increased from R6.2 billion in 2019/20 to R6.4 billion in 2021/22. Included in the departmental budget for the MTEF are new grants in the form of Title Deeds Restoration Grant as well as the Informal Settlements Upgrading Partnership Grant.

Programme 1: Administration expenditure increased from R364.8 million in 2015/16 to R413.8 million in the 2017/18 financial year. This was mainly due to the budget being adjusted downwards as a result of the realignment of the departmental operational budget where funds were reprioritised to other programmes where expenditure was incurred and functions performed. The budget over the MTEF is expected to decrease from R659.8 million in 2019/20 to R625.7 million in the outer year of the MTEF due to once-off additional funding received, in 2019/20, by the department for rates and taxes of non-transferred RDP stock and 5 provincial hostels; rates and taxes, water and lights for 5 provincial assets; and municipal debt.

The budget in the programme will assist the department to improve its professionalism by employing scarcer skills to support core programmes.

Programme 2: Housing Needs, Planning and Research expenditure increased from R22.3 million to R45.3 million between 2015/16 and 2017/18. The increased budget was mainly because of the personnel budget being correctly linked to the programme as per concurred staff establishment. Over the MTEF, the budget will grow to R49.1 million. The budget increase is mainly due to the multi-year wage agreement which caters for the cost of living agreements (CPI). The programme provides for the regulatory framework for housing delivery, the development of policy guidelines and the provincial inputs on housing legislation.

Programme 3: Housing Development Programme makes up the largest share of the budget. Its aim is to establish sustainable human settlements where all citizens have access to housing and other social amenities. Expenditure for the programme grew from R4.2 billion in the 2015/16 financial year to R5.3 billion in 2016/17 due to additional funding amount of R390 million being made available for provincial mega projects and the provision of bulk infrastructure for Syferfontein Phase 1-2 and Savannah City. The expenditure remained relatively stable at R5.3 billion between 2016/17 and 2017/18 due to the HSDG funding being reduced by R400 million to make provision for the Housing Development Agency (HDA). The budget for the programme will remain at R5.3 billion until the 2020/21 financial year due to a reduction in the HSDG funding following the sectorial mid-term reviews.

Over the MTEF, the budget for the programme will increase to R5.6 billion in the outer year. The budget for the programme will enable the department to build integrated, cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create human settlements and promote effective and efficient delivery of provincial and local housing programmes. Included in the allocation for this programme is an amount of R10.4 million in the form of the EPWP Integrated Grant earmarked for job creation initiatives across the province as well as funding made available by the province amounting to R16.3 million earmarked for rolling out provincial infrastructure.

An amount of R251 million in 2019/20 and R544 million over the MTEF will be transferred to the Gauteng Partnership Fund (GPF) to rollout the Province's planned 16 Mega Human Settlements Cities (MHSC) currently at different stages of planning and implementation. From the programme's allocation, the department will also be transferring an amount of R552.9 million in 2019/20 and R1 billion over the MTEF to both categories A and B municipalities including those municipalities where mining towns of Merafong; Rand West; and Mogale City are situated.

Programme 4: Housing Assets Management and Property Management Programme's expenditure was R76.7 million in 2015/16. The expenditure increased to R171.6 million in 2017/18 mainly to fund the EEDBS resulting from the reprioritisation of the departmental business plan. The budget remains relatively stable at R170.2 million in the 2018/19 financial year due to the reduction in conditional grants allocated to the department. Included in the allocation for the programme for the financial year under review is a new conditional grant in the form of Title Deeds Restoration Grant which seeks to fast-track the issuing of title deeds to beneficiaries. The allocation for the programme is mainly for co-ordinating, managing and overseeing the maintenance of the departments immovable assets in the form of flats, hostels and vacant stands, and to provide the tools and personnel required for these activities. The programme motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats, and disposes off the department's commercial properties.

Compensation of employees increased from R355.6 million in 2015/16 to R420.6 million in 2017/18 financial year. The allocation will increase from R472.8 million in 2019/20 to R544.9 million over the MTEF, mainly to fund the yearly general increment related to improved conditions of employment as well as the filling of critical vacant positions in the department. The departmental CoE budget over the MTEF takes into consideration the three-year wage agreement signed in June 2018. The personnel budget will over the MTEF keep cost including overtime within affordable levels; seek to align budget with the headcount; be aligned to HR plans; and minimize growth to ensure that CoE does not crowd out critical posts amongst other things.

The total Goods and Services expenditure significantly increased from R189.7 million to R344.3 million between 2015/16 and 2017/18 financial year after the restructuring of the departmental operational budget mainly to address the pressure due to increased costs of operations. The main drivers of expenditure were payment of rates and taxes as well as security costs. The budget will decrease from R374.8 million in 2019/20 to R275.1 million in the outer year of the MTEF due to the department receiving once off additional funding in respect of Rates and taxes, water and lights for 5 provincial assets; Municipal debt; and rates and taxes for non-transferred RDP stock and 5 provincial hostels amounting to R168 million. The goods and services budget will, amongst other things, provide for the payment of legal fees; rates and taxes; security costs; and the lease for the new departmental building.

Transfers and subsidies expenditure increased from R4.2 billion in 2015/16 to R5.1 billion in 2017/18 financial years due to HSDG funding reprioritised by the National Department of Human Settlements to fund priority projects in other provinces. In the 2018/19 financial year, the budget will amount to R5.3 billion and is intended to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. The budget

will grow to R5.5 billion in the outer year of the MTEF mainly as a result of reduced funding in respect of the HSDG amid tight fiscal constraints. The budget for transfers and subsidies is to a large degree earmarked to establishing sustainable human settlements where all citizens have access to housing and other social amenities, and to assist the department in delivering on its mega projects and programmes – mixed housing development, eradication of informal settlements, alternative tenure, and Urban Renewal Programme. Apart from the HSDG funding, the budget also includes the EPWP Integrated Grant earmarked for job creation initiatives across the province; Title Deeds Restoration Grant that will assist the department to fast track the issuing of title deeds to beneficiaries; and the Informal Settlements Upgrading Partnership Grant for Provinces aimed at eradicating informal settlements across the province.

Expenditure on machinery and equipment increased from R15.7 million in the 2016/17 financial year to R19.5 million in 2017/18. The growth in expenditure was attributed to the purchase of new furniture and equipment for the offices following the renovations made on the building; the relocation of the Johannesburg regional offices; and the procurement of computer equipment. The budget will increase from R11 million in 2019/20 to R26.7 million in 2021/22 and can be linked mainly to the increase in estimated inflation projections. Funding made available will be utilised for procuring telecommunication equipment (Network LAN) and tools of trade for the personnel to carry out their duties efficiently and effectively. This is due to the envisaged increase in human resource capacity to augment the professional capacity of the department.

7.4 Departmental Infrastructure Payment

7.4.1 Departmental infrastructure payments:

Please refer to the 2019 Estimates of Capital Expenditure (ECE) for details on infrastructure payments.

7.4.2 Departmental Public-Private-Partnership (PPP) projects

N/A

7.5 Transfers

7.5.1 Transfers to public entities

TABLE 8.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Gauteng Partnership Fund	200 000	212 400	224 719	237 753	609 000	609 000	251 067	264 876	279 444
Total departmental transfers	200 000	212 400	224 719	237 753	609 000	609 000	251 067	264 876	279 444

The Gauteng Partnership Fund facilitates investment capital flow into integrated developments, as per the Sustainable Human Settlements Policy Framework to facilitate equitable risk sharing project financing and participate in Social Housing Projects through innovative funding interventions with Social Housing institutions (as a mechanism to entice capital market investment into this market). The role of the GPF functions as a financing vehicle and implementation agent of the Gauteng Department of Human Settlements (GDHS) for mega human settlements projects, and as a custodian of strategic provincial land transferred to the GPF for effective fixed-asset management.

The GPF receives contributions from the GDHS from time to time, but the entity funds itself mainly from the interest earned from the original capitalisation of the GDHS donation. The GPF receives interest from loans that were extended to borrowers. In 2015/16 the contribution amounted to R200 million and increased to R224.7 million in 2017/18, and R609 million in 2018/19. The significant increase during the adjusted budget of 2018/19 is mainly to facilitate the delivery of mega projects across all corridors of the Gauteng City region (GCR). The GPF will receive a contribution of R251 million in 2019/20, which will assist to strengthen its strategic objective of increasing and leveraging private sector funding for affordable housing in Gauteng, with the ultimate aim of increasing the rate of delivery of sustainable human settlements in the province. The funding is expected to increase to R264.9 million in 2018/19, and to R279.4 million in the outer years of the MTEF.

7.5.2 Transfers to other entities

N/A.

7.5.3 Transfers to local government

TABLE 8.6 SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	516 576	741 384	492 797	327 091	386 649	386 649	401 507	371 304	391 726
Category B	135 066	190 452	246 070	211 327	226 283	226 283	151 438	151 438	159 767
Total departmental transfers	651 642	931 836	738 867	538 418	612 932	612 932	552 945	522 742	551 493

Transfers to local government increased from R651.6 million to R931.8 million, between 2015/16 and 2016/17. During the 2015/16 period the department transferred a total of R516.5 million to Category A, and R135 million to Category B municipalities. All transfers made to Category A municipalities were for the delivery of housing stock/units, where the municipality is appointed as an implementing agent. R40.5 million was transferred to Randfontein Municipality for the construction of a water reservoir, which unlocked a number of developments in the West Rand area and parts of the southern region. The budget for the construction of the water reservoir was funded from the mining town's earmarked allocation. R82 million was transferred to Merafong Municipality and was earmarked for the construction of a bridge over a railway line to connect the old and new developments; R22 million was earmarked for servicing of 500 sites and R34 million was allocated for the construction of 265 housing units.

In the 2016/17 financial year, category A municipalities received R741.3 million, whereas category B municipalities received R190.4 million. The department entered into subsidy funding agreements with all the municipalities receiving funds. The funding was primarily for the construction of top structures, and to a lesser degree, servicing of stands. Mining towns' funds are being used to a large degree for infrastructure upgrades. These areas do not receive funds from the USDG. Funding is provided for these targeted areas to unblock development bottlenecks. The budget for transfers to local government decreased to R738.8 million in 2017/18 as the department planned to implement some of the projects previously implemented by municipalities. The budget will further decrease to R612.9 million in 2018/19 and R552.9 million in 2019/20. For the outer years of the MTEF, the budget will remain relatively stable at R551.5 million. Funding made available to the municipalities will continue to be utilised primarily for the construction of top structures and to a lesser degree servicing of stands.

8. PROGRAMME DESCRIPTION

PROGRAMME 1: ADMINISTRATION

Programme description

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

Programme objectives

- To ensure that the department's supply-chain processes are conducted in a manner that is fair, transparent, equitable, competitive and cost effective, and that the management and operation of the function is efficient and effective, and adds value to the strategic objectives of the department;
- To ensure that human resources management is a strategic partner to all units in the department;
- To provide effective legal services to the department;
- To provide efficient and effective facilities management to the department;
- To provide effective, efficient and stable ICT infrastructure and support to the department;
- To ensure prudent financial management, efficient and effective procurement systems, and to ensure that financial planning and budgeting are aligned with the department's Strategic Plan;
- To provide for the functioning of the Office of the MEC and legislative support services;
- To ensure effective, efficient and transparent risk management, financial systems and controls to safeguard departmental assets; and
- To ensure good corporate governance and improved productivity through the promotion of discipline, transparency, independence, accountability, fairness and social responsibility in departmental operations.

TABLE 8.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Corporate Services	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724
Total payments and estimates	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724

TABLE 8.8: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	362 731	416 282	387 021	470 797	539 199	531 233	638 384	542 470	587 059
Compensation of employees	237 472	197 154	218 739	269 621	269 621	215 079	281 559	301 773	331 965
Goods and services	125 259	219 128	168 282	201 176	269 578	316 154	356 825	240 697	255 094
Transfers and subsidies to:	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Households	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Payments for capital assets	1 059	15 751	25 910	41 358	21 868	21 868	20 056	34 860	36 777
Machinery and equipment	1 052	15 716	19 438	29 305	12 815	12 815	11 010	25 316	26 708
Software and other intangible assets	7	35	6 472	12 053	9 053	9 053	9 046	9 544	10 069
Payments for financial assets	19	28 993	44		88	88			
Total economic classification	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724

Expenditure for the programme increased from R364.8 million in 2015/16 financial year, to R461.7 million in 2016/17, mainly due to the personnel budget shifting from other programmes to this programme, in line with the concurred organisational structure. In the 2017/18 financial year, expenditure decreased to R413.8 million, largely due to the budget being adjusted downwards as a result of the realignment of the departmental operational budget where funds were reprioritised to other programmes where expenditure was incurred and functions performed. During the budget adjustment process in 2018/19, the programme received a once-off provincial additional funding amount of R45 million for the payment of rates and taxes for non-transferred RDP stock and five provincial hostels and increased the budget for the programme to R562.5 million. The budget over the MTEF is expected to decrease from R659.8 million in 2019/20 to R625.7 million in the outer year of the MTEF due to once-off additional funding received by the department for rates and taxes of non-transferred RDP stock and five provincial hostels; rates and taxes, water and lights for 5 provincial assets; and municipal debt in 2019/20. The budget in the programme will assist the department in improving its professionalism by employing scarcer skills to support core programmes. The allocated funding will also enable the department to strengthen governance, combat fraud and corruption and enhance security and risk management by conducting internal audits and facilitating external audits.

Expenditure on compensation of employees decreased from R237.5 million in 2015/16 to R218.7 million in 2017/18, mainly due to the personnel budget shifting from this programme to other programmes; in line with the approved structure during the 2015/16 financial year and the land use management function shifting to the department of Infrastructure Development in 2017/18. The budget will increase from R281.6 million in the 2019/20 financial year to R332 million in the outer year of the MTEF. The increase is mainly attributable to the yearly general increment, related to improved conditions of employment, as well as the filling of critical vacant posts in the department.

The programme's goods and services expenditure increased from R125.3 million in 2015/16 to R219.1 million in 2016/17. The increase in expenditure related mainly to payment of software licences, office refurbishment and the establishment of the project management office. In 2017/18, expenditure decreased to R168.3 million and the significant decrease can be attributed to the programme's goods and services budget having received a once-off additional funding in the previous year for the payment of municipal services for the five provincial assets as well as the budget made available to provide for the payment of departmental operational activities. During the 2018/19 financial year, the budget was adjusted upwards to R269.5 million after the programme received an additional funding amount of R45 million for the payment of rates and taxes for non-transferred RDP stock and five provincial hostels as well as funds redirected from capital assets to augment the budgets for legal fees; contractors; and operating leases to provide for rental of buildings; security services for departmental buildings; and legal fees to counter land invasions and illegal occupation of housing before they are transferred to beneficiaries. In 2019/20, the budget will increase to R356.8 million, mainly due to a once-off additional funding amount of R120 million made available by the province for the payment of municipal debt and rates and taxes for non-transferred RDP

stock and 5 provincial hostels. For the two outer years of the MTEF, the budget will increase from R240.6 million 255 million and will provide for the operational activities of the department.

The machinery and equipment's expenditure significantly increased by 74 percent between the financial years of 2015/6 and 2016/17. The growth in expenditure is attributable to the purchase of new furniture and equipment for the office, following the renovations made to the building and the reallocation of the Johannesburg regional offices. In 2017/18, expenditure further increased to R25.9 million, and the increase in expenditure was caused by the procurement of the telecommunication system (Network Lan) and tools of trade for the personnel to carry out their duties effectively and efficiently. The budget will increase from R20 million in 2019/20 financial to R36.7 million in 2021/22 financial year due to the envisaged increase in human resource capacity to augment the professional capacity of the department.

PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

Programme description

The purpose of this Programme is to facilitate and undertake housing delivery planning; identify housing needs; provide a regulatory framework for housing delivery; develop policy guidelines; provide provincial inputs on housing legislation and any amendments to these; develop provincial multi-year housing delivery plans; ensure alignment of housing plans with IDPs, and conduct research into the demand for housing. The Programme promotes effective and efficient delivery of provincial and local government housing programmes; integrated redevelopment of urban communities at scale, and sustainable local economies. It performs a number of transversal functions, including quality assurance, research and development and inputs into policy development, and planning and housing support.

Programme objectives

- To develop and implement departmental policies and to initiate research to achieve strategic objectives;
- To facilitate the realignment of, and compliance with, the regulatory environment for sustainable human settlements;
- To develop annual performance plans and the Five Year Strategic Plan;
- To implement, revise and review the department's Programme of Action (PoA); and
- To provide support to various directorates in the department on the development of performance, and indicators for both the annual performance plans (APPs) and the PoA.

TABLE 8.9: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	1 334	587	8 721	15 062	15 061	10 310	15 905	16 765	17 687
2. Policy	17 664	14 912	27 570	14 963	14 664	5 422	15 807	16 697	17 617
3. Planning	3 197	2 948	9 061	11 753	11 753	2 615	12 414	13 095	13 815
4. Research	174								
Total payments and estimates	22 369	18 447	45 352	41 778	41 478	18 347	44 126	46 557	49 119

TABLE 8.10: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	22 369	18 442	45 294	41 778	41 478	18 342	44 126	46 557	49 119
Compensation of employees	21 422	17 824	43 887	36 335	36 335	12 741	38 371	40 485	42 713
Goods and services	947	618	1 407	5 443	5 143	5 601	5 755	6 072	6 406
Interest and rent on land									
Transfers and subsidies to:			45			5			
Provinces and municipalities									
Households			45			5			
Payments for capital assets		5	13						
Buildings and other fixed structures									
Machinery and equipment		5	13						
Land and sub-soil assets									
Software and other intangible assets									

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets									
Total economic classification	22 369	18 447	45 352	41 778	41 478	18 347	44 126	46 557	49 119

The programme's expenditure increased, from R22.4 million in 2015/16 to R45.4 million in 2017/8. The increase was mainly attributable to the personnel budget shift from Programme 3: (Housing development) to this programme as per the concurred staff establishment. The budget will increase from R44.1 million in 2019/2 to R49.1 million in the 2021/22 financial year. The budget increase is mainly due to the multi-year wage agreement which caters for the cost of living adjustments. The programme is mainly responsible for the development and implementation of departmental policies, initiation of research to achieve strategic objectives, and ensuring alignment and compliance within the regulatory environment for sustainable human settlements and building new cities.

The expenditure for sub-programme: Policy increased R17.7 million R27.6 million between the 2015/16 and 2017/18 financial years, mainly to develop and implement policies to achieve strategic objectives and ensure alignment and compliance within the regulatory environment.

The expenditure on sub-programme: Planning increased from R3.2 million to R9 million between the 2015/16 and 2017/18 financial years, mainly to support the development and alignment of the departmental planning frameworks; including the APP's, the integrated multi-year housing development plan, the mid-term budget policy statements and the PoA's, in line with national and provincial requirements. The budget allocated for the programme is R11.7 million in 2018/19, mainly due to a virement from this programme to programme 1: Administration to augment the budget for legal fees; contractors; and operating leases within that programme. The budget for 2019/20 financial year will be R12.4 million and will grow to R13.8 million in the outer of the MTEF.

SERVICE DELIVERY MEASURES

PROGRAMME 2: HOUSING, NEEDS, RESEARCH AND PLANNING

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of Acts passed and or policy guidelines approved	3	3	3	3
Number of municipalities capacitated and supported with regards to human settlements development planning	12	12	12	12
Number of research projects approved	2	2	2	2
Number of research papers completed	2	2	2	2

PROGRAMME 3: HOUSING DEVELOPMENT

Programme description

The core focus of the Housing Development Programme is to build integrated, cohesive, and sustainable communities by ensuring that innovative services and infrastructure are provided to create sustainable human settlements. The Programme's emphasis is on the provision of individual subsidies and housing opportunities for beneficiaries, in accordance with the National Housing Policy. This programme promotes effective and efficient delivery of provincial and local housing programmes. It concentrates on the integrated redevelopment of urban communities at scale, and cultivating sustainable local economies. The Programme's outputs are reflected in government's Outcome 8, which seeks to achieve "Sustainable human settlement and improved quality of household life".

Programme objectives

- To provide and develop integrated infrastructure for the creation of cohesive communities;
- To promote home ownership;
- To reduce levels of unemployment substantially;
- To create a healthy and clean living environment;
- To provide engineering services at an affordable and sustainable cost;
- To reduce levels of crime and violence;
- To upgrade existing housing and create additional affordable housing;
- To alleviate poverty;

- To create sustainable livelihoods;
- To create a caring and responsive government;
- To create a better life for all; and
- To implement integrated, high-impact, time-bound and targeted interventions.

TABLE 8.11: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	162 859	165 030	174 700	152 722	148 022	191 973	157 548	166 213	175 356
2. Financial Interventions	461 805	549 380	703 157	1 339 575	1 368 604	1 368 604	775 633	1 427 146	1 505 639
3. Incremental Interventions	3 095 163	3 733 464	4 189 208	3 288 072	3 374 276	3 374 278	4 126 611	3 377 147	3 521 080
4. Social And Rental Intervention	543 731	800 435	236 205	381 489	392 629	392 629	225 012	291 269	307 289
5. Rural Intervention	15 263	99 284	29 982	2 000	4 244	4 244	4 000	40 903	43 153
Total payments and estimates	4 278 821	5 347 593	5 333 252	5 163 858	5 287 775	5 331 728	5 288 804	5 302 678	5 552 517

TABLE 8.12: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	160 031	162 737	161 353	152 722	148 022	191 843	157 548	166 213	175 356
Compensation of employees	96 729	154 577	152 112	139 069	139 069	185 886	146 440	154 495	162 992
Goods and services	63 302	8 160	9 241	13 653	8 953	5 957	11 108	11 718	12 364
Transfers and subsidies to:	4 118 790	5 184 856	5 053 408	261 392	5 137 038	4 399 881	5 131 256	5 136 465	5 377 161
Provinces and municipalities									
Households	4 118 790	5 184 856	5 053 408	261 392	5 137 038	4 399 881	5 131 256	5 136 465	5 377 161
Payments for capital assets			118 491	4 749 744	2 715	740 004			
Buildings and other fixed structures			118 491	4 749 744	2 715	740 004			
Software and other intangible assets									
Payments for financial assets									
Total economic classification	4 278 821	5 347 593	5 333 252	5 163 858	5 287 775	5 331 728	5 288 804	5 302 678	5 552 517

The Programme's purpose is to establish sustainable human settlements where all citizens have access to housing and other social amenities, and to assist the department to deliver on its mega projects and programmes—mixed housing development, eradication of informal settlements, alternative tenure, and the Urban Renewal Programme.

The Programme takes up the largest share of the department's budget and expenditure (about 85 percent of the budget and expenditure can be located to this programme). Expenditure increased from R4.3 billion in 2015/16 to R5.3 billion in the 2016/17 and 2017/18 financial years. An additional funding amount of R390 million was made available for provincial mega projects and the provision of bulk infrastructure for Syferfontein Phases 1–2 and Savannah City following the decision that was made by the National Department of Human Settlements to reprioritise R908 million from the provincial HSDG allocation to priority provinces. The HSDG budget was further reduced by R400 million, over a period of three years, from 2014/15 to the 2016/17 financial years, to make provision for the HDA. Included in the expenditure for the financial year of 2017/18 is a once-off additional amount of R100 million from the province to fund bulk infrastructure for the Syferfontein Phase 2 mega project. An amount of R124 million was made available for the revamping of mining towns that included Merafong, Randfontein and Westonaria in the same period. For the financial year of 2018/19, the budget was adjusted to R5.3 billion and includes an allocation of R14 million from the EPWP-integrated grant made available for job creation initiatives in the province, as well as funding made available for provincial infrastructure. The budget for the Programme will remain relatively stable at R5.3 billion between the 2018/19 and 2019/20 financial years. Included in the allocation for this programme in 2019/20 is an amount of R10.4 million in the form of the EPWP Integrated Grant earmarked for job creation initiatives across the province as well as funding made available by the province amounting to R16.3 million earmarked for rolling out provincial infrastructure. Over the MTEF, the budget for the programme will increase to R5.6 billion in the outer year of the MTEF. The budget for the programme will enable the department to build integrated, cohesive and sustainable communities by ensuring

that innovative services and infrastructure are provided to create human settlements and promote effective and efficient delivery of provincial and local housing programmes.

Expenditure for the Sub-Programme Financial Interventions increased from R461.8 million in 2015/16 to R703.2 million in the 2017/18 financial year, mainly to cater for credit-linked individual housing subsidies, housing-finance linked individual subsidies, the EEDBS, Rectified RDP stock (1994–2002), social and economic facilities, NHBRC enrolment and procurement of land parcels. The expenditure also facilitated immediate access to housing goods and services, created an enabling environment and provided implementation support. In 2018/19, the Sub-Programme's budget amounted to R1.3 billion. The increase in the programme's budget is attributable to the reprioritisation of the departmental business plan, and the EEDBS funding moving to Programme 4: (Housing Assets and Property Management). The Sub-Programme budget will increase from R775.6 million to R1.5 billion between the financial years of 2019/20 and 2021/22. The allocated budget over the MTEF will assist the department in intensifying programmes that facilitate immediate access of housing goods and services, creating an enabling environment and providing implementation support.

The Sub-Programme: Incremental Intervention's main objective is to establish sustainable human settlements where all citizens have access to housing and other social amenities. Expenditure for the Sub-Programme grew from R3.1 billion in the 2015/16 financial year to R4.2 billion in the 2017/18 financial year, mainly due to additional funding of R390 million made available for provincial mega projects and provision of bulk infrastructure for Syferfontein Phases 1–2 and Savannah City. HSDG funding was reduced by R400 million over the 2016 MTEF, to make provision for the Housing Development Agency (HDA) and the large share of the cut was absorbed by this Sub-Programme. Included in the expenditure for the Sub-Programme in 2016/17 was an amount of R124 million earmarked for the mining towns of Merafong, Randfontein and Westonaria. The budget decreased from R4.2 billion in the 2017/18 financial year to R3.4 billion in the 2018/19 financial year, mainly due to the HSDG funding being reduced amid tight fiscal constraints. The budget will increase to R3.5 billion over the MTEF, and it will enable the department to build integrated, cohesive and sustainable communities by ensuring that innovative services and infrastructure are provided to create human settlements and promote effective and efficient delivery of provincial and local housing programmes. Included in the allocation for this sub-programme for 2019/20 is an amount of R10.4 million in the form of the EPWP Integrated Grant earmarked for job creation initiatives across the province as well as funding made available by the province amounting to R16.3 million earmarked for rolling out provincial infrastructure.

Expenditure for the Sub-Programme: Social and Rental Intervention increased from R543.7 million in 2015/16 to R800.4 million in 2016/17, mainly because of a portion of the personnel budget was moved from this Programme to Programme 1: Administration, in line with the organisational structure and where functions were performed in 2015/16, and the growing demand for housing resulting from, among other factors, in-migration to the province. The budget will amount to R225 million in 2019/20, and will provide for institutional subsidies and construction of housing units for CRUs over the MTEF period. The budget for the Sub-Programme will increase to R291.3 million and R307.3 million respectively, for the two outer years of the MTEF.

Transfers and subsidies expenditure increased from R4.1 billion in 2015/16 to R5.1 billion in 2017/18 financial years due to HSDG funding that was reprioritised by the National Department of Human Settlements to fund priority projects in other provinces. In the 2018/19 financial year, the budget will amount to R5.1 billion and is intended to build cohesive and sustainable communities by ensuring that services and infrastructure are provided to create sustainable human settlements. The budget will grow to R5.4 billion in the outer year of the MTEF mainly as a result of reduced funding in respect of the HSDG amid tight fiscal constraints. The budget for transfers and subsidies is to a large degree earmarked for establishing sustainable human settlements where all citizens have access to housing and other social amenities, and to assist the department to deliver on its mega projects and programmes – mixed housing development, eradication of informal settlements, alternative tenure, and the Urban Renewal Programme. Apart from the HSDG funding, the budget also includes the EPWP Integrated Grant earmarked for job creation initiatives across the province; Title Deeds Restoration Grant (that will assist the department in being able to fast track the issuing of title deeds to beneficiaries); and the Informal Settlements Upgrading Partnership Grant for Provinces aimed at eradicating informal settlements across the province.

SERVICE DELIVERY MEASURES**PROGRAMME 3: HOUSING DEVELOPMENT**

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of houses/units built for financial interventions	563	2 988	1 750	1 750
Number of land parcels / hectares acquired for human settlements development	4	9 560	4 780	0
Number of stands serviced for incremental interventions	5 195	10 682	10 929	11 029
Number of houses/units built for incremental interventions	5 299	18 730	14 896	13 965
Number of Social Housing Capital Grant Units built	44	2 224	2 888	3 500

PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT**Programme description**

The purpose of the Programme is to promote home-ownership in historically-disadvantaged communities. It coordinates, manages and oversees the maintenance of departmental immovable assets in the form of flats, hostels and vacant stands, and encourages and supports the provision of tools and personnel to maintain these departmental immovable assets. The department motivates, guides and manages the provision of tenure for occupants, and promotes home ownership through sectionalisation of flats. It disposes of the department's commercial properties.

Programme objectives

- To capacitate social housing institutions to accelerate housing delivery;
- To facilitate the stabilisation of the sectional title environment;
- To facilitate an enabling environment that allows for the delivery of social housing including facilitating the involvement of financial institutions;
- To phase out special needs housing and facilitate interactions with provincial departments;
- To provide housing assistance to departmental staff;
- To facilitate medium-density housing (rental, instalment sale and cooperative housing);
- To facilitate affordable rental accommodation (including upgrade of backyard rentals and non-transferable stock);
- To promote home ownership;
- To dispose of commercial property and vacant land owned by the department in the most economical way; and
- To deliver housing units in targeted presidential projects.

TABLE 8.13: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18		2018/19		2019/20	2020/21	2021/22
1. Administration		13 448	6 118	4 468	4 468	35 843	7 582	7 995	8 435
2. Sales And Transfer Of Housing Properties	39 388	62 277	100 309	105 811	105 811	105 850	156 204	164 795	104 075
3. Devolution Of Housing Properties									
4. Housing Properties Maintenance	37 319	54 267	65 176	60 000	60 000	60 000	60 000	60 000	63 300
Total payments and estimates	76 707	129 992	171 603	170 279	170 279	201 693	223 786	232 790	175 810

TABLE 8.14: SUMMARY OF PROVINCIAL PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	195	13 448	171 192	4 468	4 468	35 871	7 582	7 995	8 435
Compensation of employees		12 445	5 827	3 407	3 407	34 726	6 460	6 811	7 186
Goods and services	195	1 003	165 365	1 061	1 061	1 145	1 122	1 184	1 249
Interest and rent on land									
Transfers and subsidies to:	76 512	116 544	324		165 811	82 357	216 204	224 795	167 375
Provinces and municipalities									
Non-profit institutions									
Households	76 512	116 544	324		165 811	82 357	216 204	224 795	167 375
Payments for capital assets			87	165 811		83 465			
Buildings and other fixed structures			87	165 811		83 465			
Machinery and equipment									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	76 707	129 992	171 603	170 279	170 279	201 693	223 786	232 790	175 810

The Housing Assets Management and Property Management Programme's expenditure was R76.7 million in 2015/16. The expenditure increased to R171.6 million in 2017/18 mainly for the purpose of funding the EEDBS resulting from the reprioritisation of the departmental business plan. The budget remains relatively stable at R170.2 million during the 2018/19 financial year due to the reduction in conditional grants allocated to the department. Included in the allocation for the programme for the financial year under review is a new conditional grant in the form of the Title Deeds Restoration Grant which seeks to facilitate the issuing of title deeds to beneficiaries. The allocation will increase in the first two years of MTEF but will be reduced to R175.8 million for the outer year of the MTEF. The allocation for the programme is mainly intended for coordinating, managing and overseeing the maintenance of the departments immovable assets in the form of flats, hostels and vacant stands, and to provide the tools and personnel required for these activities. The programme motivates, guides and manages the provision of tenure for occupants and promotes home ownership through sectionalisation of flats, and disposes off the department's commercial properties.

SERVICE DELIVERY MEASURES

PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2018/19	2019/20	2020/21	2021/22
Number of rental flats maintained)	8	11	9	7
Number disputes between landlords and tenants resolved by the Rental Tribunal	2 150	2 300	2 600	2 750
Number of commercial properties transferred to eligible beneficiaries	0	4	0	0
Number of hostels maintained	6	6	6	6
Number of vacant stands maintained	13	123	123	123

9. OTHER PROGRAMME INFORMATION

9.1 Personnel numbers and costs

TABLE 8.15: SUMMARY OF DEPARTMENTAL PERSONNEL NUMBERS AND COSTS: HUMAN SETTLEMENTS

R thousands	Actual				Revised estimate				Medium-term expenditure estimate				Average annual growth over MTEF		
	2015/16		2016/17		2017/18		2018/19		2019/20		2020/21		2021/22		% Costs of Total
	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Filled posts	Additional posts	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	Personnel numbers ¹	Costs	
Salary level															
1 – 6	315	99 858	308	133 924	329	157 904	299	30	329	162 389	329	180 145	329	203 650	8%
7 – 10	350	103 315	346	110 835	346	122 323	342	4	346	126 022	346	142 103	346	149 920	6%
11 – 12	154	95 311	153	72 677	153	79 424	144	8	152	89 036	153	100 885	153	106 433	6%
13 – 16	43	37 298	42	42 144	42	46 190	41	2	43	49 188	42	55 733	42	58 799	6%
Other	21	19 841	21	22 420		14 724				21 797		24 698		26 056	6%
Total	883	355 623	870	382 000	870	420 565	826	44	870	448 432	870	503 564	870	544 858	7%
Programme															
1. Administration	483	237 472	483	197 154	483	218 739	448	35	483	269 621	483	301 773	483	331 968	7%
2. Housing Needs, Research And Planning	38	21 422	38	17 824	38	43 887	37	1	38	36 335	38	40 481	38	42 709	6%
3. Housing Development	304	96 729	304	154 577	304	152 112	297	7	304	139 069	304	157 575	304	166 240	6%
4. Housing Assets Management Property Management	58		45	12 445	45	5 827	44	1	45	3 407	45	3 735	45	3 941	5%
Total	883	355 623	870	382 000	870	420 565	826	44	870	448 432	870	503 564	870	544 858	7%
															100%

The table above indicates that the personnel numbers will remain stable at 870 over the MTEF, as the department does not plan to create additional positions but rather to fill all the critical vacant positions in line with the approved structure. The slight decline from 883 to 870 is due to the land management function being moved to the department of Infrastructure Development. The departmental personnel budget will grow from R473 million (in 2019/20) to R545 million in the outer year of the MTEF. The growth in personnel costs is in line with inflation rates and takes into consideration improved conditions of service. The personnel budget will over the MTEF keep cost (including overtime) within affordable levels; seek to align budget with the headcount; be aligned to HR plans; and minimise growth to ensure that CoE does not crowd out critical posts amongst other things.

9.2 Training

TABLE 8.16: INFORMATION ON TRAINING: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Number of staff	883	870	870	870	870	870	870	870	870
Number of personnel trained	400	500	600	635	635	635	635	670	670
of which									
Male	160	240	240	254	254	254	254	268	268
Female	240	260	360	381	381	381	381	402	402
Number of training opportunities	20	25	25	26	26	26	26	27	27
of which									
Tertiary	8	10	12	13	13	13	13	14	14
Workshops	4	5	6	6	6	6	6	6	6
Seminars	3	3	2	2	2	2	2	2	2
Other	5	7	5	5	5	5	5	5	5
Number of bursaries offered	100	100	100	106	106	106	106	112	112
Number of interns appointed	30	30	30	32	32	32	32	34	34
Number of learnerships appointed	15	15	15	16	16	16	16	17	17
Number of days spent on training	100	120	126	133	133	133	133	140	140
Payments on training by programme									
1. Administration	3 686	3 547	5 818	5 868	5 868	5 868	4 730	4 990	5 265
2. Housing Needs, Research And Planning									
3. Housing Development									
4. Housing Assets Management Property Management									
Total payments on training	3 686	3 547	5 818	5 868	5 868	5 868	4 730	4 990	5 265

The transformation of the GDHS requires a continuous and uncompromising acquisition of the requisite skills. The table above provides the number of staff participating in the training programmes provided by the department to improve efficiency and service delivery. It shows a gender breakdown in relation to various types of training, as well as details of the number of bursaries and training developments. The training offered relates to the core service delivery programmes, which are aimed at improving performance and efficiency, i.e. technical planning and project management, strategic management, governance and financial management. The other training cost relates to bursaries for various institutions for different courses. The department budgeted one percent of the departments' total compensation to training as prescribed by the Skills Development Act (SDA).

The department will, over the 2019 MTEF, continue to offer bursaries (undergraduate and postgraduate) and support to staff members interested in pursuing their studies. In addition, the department grants internal and external bursaries, based on the number of applications received per annum and the cost attached to them. However, the department will be conducting a skills audit, focusing on the core occupations to inform a new human resource plan over the MTEF. This will result in different priorities that will be aligned to the departmental strategic plan and government priorities.

9.3 Reconciliation of structural changes

No Changes

ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE

TABLE 8.17: SPECIFICATION OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Tax receipts									
Sales of goods and services other than capital assets	1 442	1 609	694	460	460	460	485	512	540
Sale of goods and services produced by department (excluding capital assets)	1 442	1 609	694	460	460	460	485	512	540
Sales by market establishments	1 442	1 609	694	460	460	460	485	512	540
Transfers received from:									
Fines, penalties and forfeits									
Interest, dividends and rent on land		9	220	402	402	402	425	448	473
Interest		9	220	402	402	402	425	448	473
Sales of capital assets	1 500	3 211							
Other capital assets	1 500	3 211							
Transactions in financial assets and liabilities	34 716	6 086	1 989	4 319	4 319	4 319	4 561	4 812	5 077
Total departmental receipts	37 658	10 915	2 903	5 181	5 181	5 181	5 471	5 772	6 090

TABLE 8.18: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	545 326	610 909	764 860	669 765	733 167	777 289	847 640	763 235	819 969
Compensation of employees	355 623	382 000	420 565	448 432	448 432	448 432	472 830	503 564	544 856
Salaries and wages	308 961	332 614	367 381	370 427	370 427	379 879	395 569	421 107	457 863
Social contributions	46 662	49 386	53 184	78 005	78 005	68 553	77 261	82 457	86 993
Goods and services	189 703	228 909	344 295	221 333	284 735	328 857	374 810	259 671	275 113
Administrative fees	56	60	123	178	178	178	188	198	210
Advertising	3 525	2 011	3 073	3 511	3 011	1 511	2 715	2 864	3 022
Minor assets	52	349	573	1 460	501	501	1 541	1 626	1 715
Audit cost: External	12 531	7 323	9 602	14 192	12 192	10 192	12 018	12 678	13 375
Bursaries: Employees	446	976	2 105	2 639	2 639	2 639	3 001	3 166	3 340
Catering: Departmental activities	611	986	1 839	1 523	1 434	1 434	1 607	1 695	1 788
Communication (G&S)	12 280	11 043	10 499	10 915	7 815	6 115	11 515	12 148	12 816
Computer services	3 488	13 719	7 414	8 257	7 757	5 757	8 711	9 190	9 695
Consultants and professional services: Business and advisory services	20 195	17 875	28 605	19 041	18 541	30 454	20 078	13 170	13 895
Legal services		36	4 397		10 130	25 864	15 000	17 939	18 927
Contractors		765	13 465	14 619	31 195	31 195	19 680	16 212	17 104
Agency and support / outsourced services	5 402	26 295	4 033	5 881	5 881	5 881	6 193	6 534	6 894
Fleet services (including government motor transport)	10 149	5 768	4 605	7 865	4 865	4 865	5 000	5 275	5 565

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Inventory: Clothing material and accessories		46							
Inventory: Food and food supplies		16				2			
Inventory: Fuel, oil and gas									
Inventory: Medical supplies	6								
Consumable supplies	2 751	5 555	1 632	2 562	920	919	2 791	2 909	3 007
Consumable: Stationery, printing and office supplies	1 577	1 455	2 177	1 488	1 488	1 555	1 570	1 691	1 784
Operating leases	14 760	15 158	13 305	14 705	29 025	52 632	31 630	29 464	32 542
Property payments	88 731	105 867	221 414	87 664	132 530	132 530	216 664	106 330	111 940
Transport provided: Departmental activity									
Travel and subsistence	5 127	6 182	5 149	11 973	4 173	4 173	6 288	6 632	6 996
Training and development	3 240	2 571	1 772	3 229	2 429	2 429	1 730	1 628	1 718
Operating payments	1 080	832	425	2 813	1 313	1 313	1 548	2 079	2 193
Venues and facilities	3 696	4 021	8 088	6 818	6 718	6 718	5 342	6 243	6 587
Transfers and subsidies	4 196 305	5 302 025	5 054 603	261 747	5 304 204	4 483 598	5 348 830	5 363 050	5 546 424
Households	4 196 305	5 302 025	5 054 603	261 747	5 304 204	4 483 598	5 348 830	5 363 050	5 546 424
Social benefits	1 355	716	1 735	355	1 355	1 503	1 370	1 790	1 888
Other transfers to households	4 194 950	5 301 309	5 052 868	261 392	5 302 849	4 482 095	5 347 460	5 361 260	5 544 536
Payments for capital assets	1 059	15 756	144 501	4 956 913	24 583	845 337	20 056	34 860	36 777
Machinery and equipment	1 052	15 721	19 451	29 305	12 815	12 815	11 010	25 316	26 708
Transport equipment	837								
Other machinery and equipment	215	15 721	19 451	29 305	12 815	12 815	11 010	25 316	26 708
Software and other intangible assets	7	35	6 472	12 053	9 053	9 053	9 046	9 544	10 069
Payments for financial assets	19	28 993	44		88	88			
Total economic classification	4 742 709	5 957 683	5 964 008	5 888 425	6 062 042	6 106 312	6 216 526	6 161 145	6 403 170

TABLE 8.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	362 731	416 282	387 021	470 797	539 199	531 233	638 384	542 470	587 059
Compensation of employees	237 472	197 154	218 739	269 621	269 621	215 079	281 559	301 773	331 965
Salaries and wages	205 100	170 696	190 108	215 508	215 508	174 646	229 467	245 870	272 987
Social contributions	32 372	26 458	28 631	54 113	54 113	40 433	52 092	55 903	58 978
Goods and services	125 259	219 128	168 282	201 176	269 578	316 154	356 825	240 697	255 094
Administrative fees	56	60	123	178	178	178	188	198	210
Advertising	3 525	1 956	2 814	3 511	3 011	1 511	2 715	2 864	3 022
Minor assets	42	344	505	669	210	210	708	747	787

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Audit cost: External	12 531	7 323	8 178	14 192	12 192	10 174	12 018	12 678	13 375
Bursaries: Employees	446	976	2 105	2 639	2 639	2 637	3 001	3 166	3 340
Catering: Departmental activities	610	918	1 674	1 158	1 069	1 069	1 222	1 289	1 360
Communication (G&S)	12 280	11 043	10 499	10 915	7 815	6 115	11 515	12 148	12 816
Computer services	3 488	13 719	7 414	8 257	7 757	5 757	8 711	9 190	9 695
Consultants and professional services: Business and advisory services	17 204	16 998	26 919	15 037	14 537	28 157	15 864	8 737	9 218
Legal services		36	4 397		10 130	25 864	15 000	17 939	18 927
Contractors		765	13 465	14 619	31 195	31 195	19 680	16 212	17 104
Agency and support / outsourced services		21 090				468			
Fleet services (including government motor transport)	10 149	5 768	4 605	7 865	4 865	4 865	5 000	5 275	5 565
Inventory: Clothing material and accessories		46							
Inventory: Food and food supplies		16							
Inventory: Fuel, oil and gas									
Inventory: Medical supplies	6								
Consumable supplies	2 314	5 544	1 580	2 172	530	530	2 346	2 474	2 547
Consumable: Stationery, printing and office supplies	1 572	1 449	2 173	1 398	1 398	1 555	1 475	1 556	1 642
Operating leases	14 760	15 158	13 305	14 705	29 025	52 632	31 630	29 464	32 542
Property payments	37 491	105 867	56 348	87 664	132 530	132 461	216 664	106 330	111 940
Transport provided: Departmental activity									
Travel and subsistence	2 171	3 229	2 574	5 239	1 439	1 439	2 500	2 637	2 782
Training and development	3 240	2 571	1 772	3 229	2 429	2 429	1 730	1 628	1 718
Operating payments	304	271	368	1 557	557	710	642	677	714
Venues and facilities	3 070	3 981	7 464	6 172	6 072	6 198	4 216	5 488	5 790
Transfers and subsidies	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Households	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Social benefits	1 003	625	826	355	1 355	1 355	1 370	1 790	1 888
Payments for capital assets	1 059	15 751	25 910	41 358	21 868	21 868	20 056	34 860	36 777
Machinery and equipment	1 052	15 716	19 438	29 305	12 815	12 815	11 010	25 316	26 708
Transport equipment	837								
Other machinery and equipment	215	15 716	19 438	29 305	12 815	12 815	11 010	25 316	26 708
Software and other intangible assets	7	35	6 472	12 053	9 053	9 053	9 046	9 544	10 069

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Payments for financial assets	19	28 993	44		88	88			
Total economic classification	364 812	461 651	413 801	512 510	562 510	554 544	659 810	579 120	625 724

TABLE 8.20: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING NEEDS, RESEARCH AND PLANNING

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	22 369	18 442	45 294	41 778	41 478	18 342	44 126	46 557	49 119
Compensation of employees	21 422	17 824	43 887	36 335	36 335	12 741	38 371	40 485	42 713
Salaries and wages	18 812	15 774	38 201	28 347	28 347	11 364	29 949	31 599	33 338
Social contributions	2 610	2 050	5 686	7 988	7 988	1 377	8 422	8 886	9 375
Goods and services	947	618	1 407	5 443	5 143	5 601	5 755	6 072	6 406
Administrative fees									
Advertising									
Minor assets	7	3	16	68	68	68	72	76	80
Catering: Departmental activities	1	68	75	68	68	68	71	75	79
Consultants and professional services: Business and advisory services	174		1 686	4 004	4 004	2 297	4 214	4 433	4 677
Agency and support / outsourced services		461	(552)			2 328			
Inventory: Clothing material and accessories									
Consumable supplies		10	5	11	11	10	11	12	13
Consumable: Stationery, printing and office supplies			4	54	54		57	60	63
Travel and subsistence	139	36	69	266	266	266	282	297	313
Operating payments			57	551	251	251	160	615	649
Venues and facilities	626	40	47	421	421	295	888	504	532
Transfers and subsidies			45			5			
Payments for capital assets		5	13						
Buildings and other fixed structures									
Buildings									
Machinery and equipment		5	13						
Other machinery and equipment		5	13						
Payments for financial assets									
Total economic classification	22 369	18 447	45 352	41 778	41 478	18 347	44 126	46 557	49 119

TABLE 8.21: PAYMENT AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	160 031	162 737	161 353	152 722	148 022	191 843	157 548	166 213	175 356
Compensation of employees	96 729	154 577	152 112	139 069	139 069	185 886	146 440	154 495	162 992
Salaries and wages	85 049	135 174	133 833	124 123	124 123	163 585	130 702	137 891	145 475
Social contributions	11 680	19 403	18 279	14 946	14 946	22 301	15 738	16 604	17 517
Goods and services	63 302	8 160	9 241	13 653	8 953	5 957	11 108	11 718	12 364
Minor assets	3	2	52	556	56	56	585	617	652
Audit cost: External			1 424						
Catering: Departmental activities			81	128	128	128	135	142	150
Consultants and professional services: Business and advisory services	2 817								
Contractors									
Agency and support / outsourced services	5 402	4 744	4 585	5 881	5 881	3 085	6 193	6 534	6 894
Consumable supplies	242	1	47	42	42	42	77	46	49
Consumable: Stationery, printing and office supplies	5	6		36	36		38	75	79
Operating leases									
Property payments	51 240								
Travel and subsistence	2 817	2 846	2 475	6 305	2 305	2 305	3 334	3 517	3 710
Operating payments	776	561		705	505	337	746	787	830
Venues and facilities			577						
Transfers and subsidies	4 118 790	5 184 856	5 053 408	261 392	5 137 038	4 399 881	5 131 256	5 136 465	5 377 161
Households	4 118 790	5 184 856	5 053 408	261 392	5 137 038	4 399 881	5 131 256	5 136 465	5 377 161
Social benefits	352	91	864			132			
Other transfers to households	4 118 438	5 184 765	5 052 544	261 392	5 137 038	4 399 749	5 131 256	5 136 465	5 377 161
Payments for capital assets			118 491	4 749 744	2 715	740 004			
Buildings and other fixed structures			118 491	4 749 744	2 715	740 004			
Buildings			118 491	4 749 744	2 715	740 004			
Payments for financial assets									
Total economic classification	4 278 821	5 347 593	5 333 252	5 163 858	5 287 775	5 331 728	5 288 804	5 302 678	5 552 517

TABLE 8.22: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HOUSING ASSETS AND PROPERTY MANAGEMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Current payments	195	13 448	171 192	4 468	4 468	35 871	7 582	7 995	8 435
Compensation of employees		12 445	5 827	3 407	3 407	34 726	6 460	6 811	7 186
Salaries and wages		10 970	5 239	2 449	2 449	30 284	5 451	5 747	6 063
Social contributions		1 475	588	958	958	4 442	1 009	1 064	1 123
Goods and services	195	1 003	165 365	1 061	1 061	1 145	1 122	1 184	1 249

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Advertising		55	259						
Minor assets				167	167	167	176	186	196
Catering: Departmental activities			9	169	169	169	179	189	199
Consultants and professional services: Business and advisory services		877							
Consumable supplies	195			337	337	337	357	377	398
Travel and subsistence		71	31	163	163	163	172	181	191
Venues and facilities				225	225	225	238	251	265
Transfers and subsidies	76 512	116 544	324		165 811	82 357	216 204	224 795	167 375
Households	76 512	116 544	324		165 811	82 357	216 204	224 795	167 375
Other transfers to households	76 512	116 544	324		165 811	82 346	216 204	224 795	167 375
Payments for capital assets			87	165 811		83 465			
Payments for financial assets									
Total economic classification	76 707	129 992	171 603	170 279	170 279	201 693	223 786	232 790	175 810

TABLE 8.23: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: HUMAN SETTLEMENTS DEVELOPMENT GRANT PROGRAMME 3

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Transfers and subsidies	4 071 467	5 022 669	5 052 868	261 392	5 302 849	4 482 095	5 164 409	4 319 346	4 293 873
Provinces									
Households	4 071 467	5 022 669	5 052 868	261 392	5 302 849	4 482 095	5 164 409	4 319 346	4 293 873
Social benefits									
Other transfers to households	4 071 467	5 022 669	5 052 868	261 392	5 302 849	4 482 095	5 164 409	4 319 346	4 293 873
Payments for capital assets			118 578	4 915 555	2 715	823 469			
Buildings and other fixed structures			118 578	4 915 555	2 715	823 469			
Buildings			118 578	4 915 555	2 715	823 469			
Other fixed structures									
Total economic classification	4 071 467	5 022 669	5 171 446	5 176 947	5 305 564	5 305 564	5 164 409	4 319 346	4 293 873

TABLE 8.25: TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY AND MUNICIPALITY: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2018/19	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Category A	516 576	741 384	492 797	327 091	386 649	386 649	401 507	371 304	391 726
Ekurhuleni	127 759	126 738	51 203		294 696	294 696			
City of Johannesburg	302 161	411 613	292 315	249 091	68 961	68 961	245 507	254 304	268 291
City of Tshwane	86 656	203 033	149 279	78 000	22 992	22 992	156 000	117 000	123 435
Category B	135 066	190 452	246 070	211 327	226 283	226 283	151 438	151 438	159 767
Emfuleni									
Midvaal									
Lesedi									

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
Mogale City		86 752	35 269	91 000	91 000	91 000	31 111	31 111	32 822
Merafong City	52 500	32 700	139 701	46 944	46 900	46 900	46 944	46 944	49 526
Rand West City		44 700	71 100	73 383	88 383	88 383	73 383	73 383	77 419
Category C									
Sedibeng District Municipality									
West Rand District Municipality									
Unallocated									
Total transfers to municipalities	651 642	931 836	738 867	538 418	612 932	612 932	552 945	522 742	551 493