

# VOTE 8

## Human Settlements

Operational budget	R3 929 897 000
MEC remuneration	Nil
Total amount to be appropriated	R3 929 897 000
Responsible MEC	MEC for Public Works and Human Settlements <sup>1</sup>
Administering department	Human Settlements
Accounting officer	Head: Human Settlements

### 1. Overview

#### Vision

The vision of the department is: *To restore dignity and provide access to sustainable livelihoods through collaborated, equitable, decent and integrated human settlements.*

#### Mission statement

The mission of the Department of Human Settlements (DOHS) is: *To transform human settlements into liveable neighbourhoods through integrated human settlements programmes in areas with major economic opportunities and empowerment of all designated groups.*

#### Strategic goals and objectives

The new framework for SPs and APPs has shifted from a goal-focused approach to an impact-focused approach. As such, the implementation of the new framework resulted in the phasing out of strategic objectives and the introduction of outcomes. Thus, the impact and outcomes of the department are as follows:

- Impact: Sustainable livelihoods through transformed human settlements.
- Outcome: Improved good governance.
- Outcome: Spatial transformation through multi-programme integration.
- Outcome: Adequate housing and improved quality living environment.
- Outcome: Improved security of tenure.
- Outcome: Economically transformed human settlements sector.

#### Core functions

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

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

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

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

### **Legislative mandates**

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

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Housing Act (Act No. 107 of 1997)
- KZN Housing Act (Act No. 12 of 1998, as amended)
- Housing Consumers Protection Measures Act (Act No. 95 of 1998, amended by Act No. 27 of 1999)
- Rental Housing Act (Act No. 50 of 1999)
- Sectional Titles Act (Act No. 95 of 1986, as amended by Acts No. 24 and 29 of 2003)
- Prevention of Illegal Eviction and Unlawful Occupation of Land Act (Act No. 19 of 1998)
- Home Loan and Mortgage Disclosure Act (Act No. 63 of 2000)
- Disestablishment of South African Trust Limited Act (Act No. 26 of 2002)
- Constitutional Court judgment of 2000, on the enforceability of social and economic rights
- Housing Development Schemes for Retired Persons Act (Act No. 65 of 1988, amended by Act No. 20 of 1998)
- National Building Regulations and Building Standards Act (Act No. 103 of 1977)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Preferential Procurement Policy Framework Act (Act No. 5 of 2000)
- Housing Consumers Protection Measures Act (Act No. 17 of 2007)
- Social Housing Act (Act No. 16 of 2008)
- Housing Development Agency Act (Act No. 23 of 2008)
- Public Finance Management Act (Act No. 1 of 1999, amended and the Treasury Regulations)
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003)
- National Environmental Management Act (Act No. 107 of 1998, amended by Act No. 8 of 2004)
- Communal Land Rights Act (Act No. 11 of 2004)
- Communal Property Associations Act (Act No. 28 of 1996)
- Deeds Registries Act (Act No. 47 of 1937)
- Extension of Security of Tenure Act (Act No. 62 of 1997)
- Land Administration Act (Act No. 2 of 1995)
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994)
- Municipal Finance Management Act (Act No. 56 of 2003)
- Corruption Act (Act No. 94 of 2004, as amended)
- Expropriation Act (Act No. 39 of 1951, repealed by Act No. 63 of 1975)
- National Heritage Resources Act (Act No. 25 of 1999)
- Standards Act (Act No. 29 of 1993)
- State Land Disposal Act (Act No. 48 of 1961)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)

## 2. Review of the 2019/20 financial year

This section provides a review of 2019/20, outlining the main achievements and progress made during the year, as well as providing a brief discussion on challenges and new developments.

### *Rental Housing Tribunal*

The Rental Housing Tribunal strengthened relations with strategic partners such as the Justice Centre (Legal Aid) to assist tenants and landlords in lodging urgent court applications for spoliation orders to get a restoration order done at no cost to the affected party.

The Tribunal continued to regulate good relationships between tenants and landlords by implementing pre-emptive and pro-active measures such as conducting educational programmes on the Rental Housing Act, as well as rights and responsibilities of landlords and tenants. The Tribunal continued to be part of the social housing and CRU Provincial Steering Committee, which sits monthly, and all issues, challenges and possible solutions relating to the rental housing programmes were discussed and attended to promptly. The department compiled tenant training material, which is reviewed and updated regularly to ensure that it is user-friendly, and this is presented to tenants prior to their occupation of any rental housing stock. This is an ongoing process conducted in partnership with social housing institutions and municipalities.

Over and above the tenant induction programme that continued to be undertaken in 2019/20 for the Hampshire and Hilltops social housing projects in the eThekwin Metro and the Aloe Ridge social housing project in the Msunduzi Municipality, there was a continuous need to implement tenant refresher programmes. These refresher programmes deal with attempts by tenants to boycott rent, as well as the issue of illegal occupation of units. The Tribunal, in conjunction with First Metro Housing and the eThekwin Metro, first commenced conducting these tenant refresher training programmes in 2018/19, and these continued in 2019/20. These sessions covered the Avoca Hills project, the Hawaii project and part of the Lakehaven project, Albert Park flats (Tebora, Calin, Weltevrede, Stredon, Effelin, Howel Heights), as well as part of Hampshire, which are all in the eThekwin Metro. The programme will continue until all 12 existing First Metro Housing social housing projects have been covered.

The Tribunal held 17 inspections and information sessions in respect of seven blocks of privately owned flats in the eThekwin Metro where there has been serious flouting of the Rental Housing Act in the form of severe lack of maintenance, non-payment of rent, overcrowding and illegal evictions.

### *Community Residential Unit (CRU)*

The CRU programme aims to create a sustainable, affordable and secure rental housing option for households earning between R800 and R3 500 per month. The development is on provincial or municipal owned land parcels in order to curb the costs of construction of CRUs.

The National Minister of Human Settlements approved an enhancement to the social housing policy and this impacted on the CRU programme from 2017/18. The enhancement dictates that all projects previously planned as CRUs which fall within the approved provincial restructuring zones will now be implemented as social housing projects. CRU projects falling outside the provincial restructuring zones will be retained as CRUs, and project planning and implementation will proceed. Both programmes provide affordable rental units to communities, but the social housing policy caters for people who earn between R1500 and R15 000 and the CRU programme caters for people who earn between R800 and R3 500. The social housing policy is administered by the Social Housing Regulatory Authority but is supported by provinces, whereas the CRU programme is administered and supported by provinces.

A major focus of the CRU programme in 2019/20 included the commencement of 2 154 new CRU projects in four municipalities, namely Greater Kokstad, Buhlebezwe, Msunduzi and Newcastle. In this regard, the department identified CRUs with a potential yield of 2 156 units and these are currently under construction in all four municipalities.

The department embarked on a new approach to enhance the CRU norms and standards. This will be done through the introduction of a new row-housing typology which seeks to be more cost effective as the designs for the units are single-story bachelor units. The enhancement to the norms and standards is expected to be approved in 2020/21. This will be an addition to the existing policy which the department is currently using, where the department is constructing two- and three-storey units with two bedrooms.

In 2019/20, there are 300 CRU units planned to be delivered by the last quarter of the year.

***Informal Settlements Upgrade (ISU)***

The department's Informal Settlement Eradication Strategy developed in 2011 recognised that responses to the challenge of informal settlements need to be multi-pronged, broad-based and inclusive of the urban poor. It also recognised that such responses need to promote a more integrated and sustainable human settlements, promote an efficient urban form and optimise scarce land. The strategy therefore acknowledges that a range of different responses are necessary and that there needs to be flexibility to address specific challenges, since settlements are not the same.

To date, a total of 3 046 houses and 4 417 sites were delivered in various municipalities during 2019/20. The strategic focus for the IRDP at Empangeni, Aquadene, Dumisani Makhaye Phase 6 and 8, Ephangweni, etc. is on the delivery of serviced sites and units that will move families from informal settlements, thus making space for developing the brownfield ISU. The brownfield ISU relates to the upgrade of informal settlements where individuals already have structures existing on their land.

In terms of Cornubia, Phases 1A and B which entail the construction of 482 and 2 180 units, respectively, were completed in 2019/20. Phase 2A, which entails the construction of 3 291 units, is currently finalising the award for construction. This plan is to construct a total of 25 000 units.

***Rural housing development***

This programme delivered at a much faster pace than expected throughout all districts. A total of 7 457 rural houses were delivered by the third quarter of 2019/20. It was originally projected that 7 850 units would be delivered by year-end, but the department is over-achieving in this regard as a result of acceleration of service delivery and contractors being ahead of the development programme. Under this programme, only houses are built, as these sites already have access to basic services and thus the department is not delayed by the provision of bulk services by other government bodies.

***Title Deeds Restoration programme***

The Title Deeds Restoration programme was established with the main objective of ensuring that approved subsidy beneficiaries for the period up to 31 March 2014 get their title deeds. The title deeds projects that fall in the period beginning 1 April 2014 are regarded as new developments. The programme is in line with the clause in the Freedom Charter, which promotes the provision of houses, security and comfort. The fast-tracking of the issuing of title deeds is intended to facilitate entry into the economy by home-owners, but also to provide dignity of full ownership.

In 2019/20, this programme was allocated R100.612 million under the Title Deeds Restoration grant (TDRG) which is projected to be fully spent by the end of 2019/20 and a total of 1 757 title deeds have been issued in 2019/20 to date against a projection of 39 021. At the end of January 2020, the department had spent 70 per cent of the grant's budget.

The backlog in the province has been reduced by 44 000 since the inception of the programme (from 153 000 to 109 000) for both pre-and post-1994 housing stock.

***Emergency Housing Programme***

In 2019/20, the Human Settlements Development grant (HSDG) budget included an amount of R247.013 million which was allocated under the Emergency Housing Programme. This budget was to undertake rehabilitation and repairs to houses and infrastructure damaged by the storm disasters of 10 October 2017 that affected many families in the eThekweni Metro. The entire amount of R247.013 million was transferred to the eThekweni Metro in 2019/20. Construction of houses, repairs to flats and hostels, repairs to affected houses through material supply and repairs to the infrastructure is underway and is anticipated to be completed in August 2020, as the progress of this programme was affected by the latest eThekweni storms that occurred in December 2018 and January 2019. To date, of the 1 500 units that were planned, a total of 720 units have been rehabilitated and the balance will be rehabilitated by August 2020.

In addition, an amount of R50.450 million in respect of the HSDG was rolled over from 2018/19 to provide interventions by building 250 houses and 160 temporary units for families who were affected by storm disasters in October 2017 in the Ugu District. The contractors are currently on site, busy with the

construction of houses and temporary units for the affected families. To date, the 250 units are all at different levels of construction and the project is expected to be completed by the end of March 2020.

With many disaster incidents that affected various communities in the province, the department also embarked on a programme of assisting affected communities with the supply of building materials to repair their houses that were damaged when disasters occurred. This programme has assisted 5 720 families throughout the province under the Emergency Housing Programme within the HSDG.

### **3. Outlook for the 2020/21 financial year**

This section looks at the key focus areas of 2020/21, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. The main purpose of the department's budget allocation is for the provision of housing to various sectors of the population including rural areas and informal settlements, with the bulk of the funding being provided *via* the HSDG. In 2020/21, the department will continue with the provision of housing, as detailed below.

#### ***Rental Housing Tribunal***

The Rental Housing Tribunal unit will continue to capacitate Rental Information Officers on the rights and responsibilities of tenants and landlords to enable them to refer matters to the Tribunal in all the municipalities that have already established the rental information offices in terms of Section 14(1) of the Rental Housing Act. The department needs to undertake capacitation sessions yearly as there is a high staff turnover in municipalities and the department must capacitate all new employees. These municipalities include Alfred Duma Municipality, Nongoma Municipality, Msunduzi Municipality, etc.

The Tribunal will continue to regulate good relationships between tenants and landlords by implementing pre-emptive and pro-active measures. There is still an increase in the number of complaints lodged by tenants against social housing institutions and, as such, a joint intervention between the Tribunal and the social housing component is still in existence and continues to educate both tenants and social housing institutions about their rights and obligations in terms of the Rental Housing Act.

As a result of continuous threats to boycott rent and attempts to illegally occupy units, tenant refresher programmes will continue. Information sessions and inspections will continue to be held in respect of privately owned flats, and they will be expanded to also reach areas outside of the eThekweni Metro.

#### ***Community Residential Unit (CRU)***

The department finalised the 20-year strategy in 2019/20, which will guide the upgrading of all hostels across KZN and ensure that development costs are standardised and delivery is upscaled. A major focus of the CRU programme will be on the redevelopment of hostels and the construction of new CRU projects in four municipalities, namely Greater Kokstad Municipality with a total of 300 units, uBuhlebezwe Municipality with a total of 150 units, Msunduzi Municipality with a total of 1 164 units and Newcastle Municipality with a total of 540 units. The planning phase for the above municipalities commenced in 2019/20. This policy will be an addition to the existing policy where the department is constructing two- and three-storey units with two bedrooms, which the department is currently using, as mentioned.

The department will continue its consultation with various stakeholders and will look at alternative construction methods for CRU projects in an attempt to curb rising construction costs affecting the delivery of CRU projects. Municipalities are progressively being capacitated on property management skills for effective and efficient management of all CRU rental stock.

#### ***Informal Settlements Upgrade (ISU)***

The continued focus on and roll-out of slums clearance projects is a provincial priority and projects in this regard are currently at various stages of the housing delivery cycle.

There are a total of 743 informal settlements identified and assessed throughout the province, including the eThekweni Metro which has also identified and documented all of its informal settlements and has a plan to gradually upgrade informal settlements, including relocating additional families to greenfield projects based on the available budget. A total of 547 informal settlements exist in various areas within the eThekweni Metro, with an estimated total of 256 559 dwellings.

There are 44 projects under construction, and 37 343 sites are already serviced for various districts in the province. The targets for 2020/21 are for 7 652 sites to be serviced through the installation of basic services such as water, roads, electricity, etc. and 2 631 units to be constructed.

#### ***Rural housing development***

The department is required to comply with the Outcome 8 principles which relate to human settlements and the improved quality of household life. This means that the department's development goalposts must not only focus on rural priorities, but must strike the required balance in ensuring that Outcome 8 principles are met, hence resulting in a shift from rural to urban development. In 2020/21, the department will continue to provide 7 817 units in districts such as uMzinyathi, Amajuba, Harry Gwala, uMkhanyakude and Ugu. The houses constructed under the rural housing development do not need to be provided with basic services such as water, electricity, roads, etc. In this programme, the department constructs a unit for the beneficiary and there is no requirement for basic services to be provided.

#### ***Title Deeds Restoration Programme***

The department will continue implementing strategies to address core challenges that impede the achievement of targets set for fast-tracking the transfer of title deeds, such as challenges associated with beneficiary administration/formalisation and regularisation, township establishment and opening of township registers, and dispute resolutions.

In 2020/21, R106.146 million is allocated to this programme against the TDRG. The budget is in respect of beneficiary verification, township establishment, dispute resolutions and title deeds issuing. The annual target for both pre- and post-1994 title deeds transfers for 2020/21 is 48 224, with the pre-1994 housing stock being 14 046 and post-1994 housing stock being 34 178. This will bring the backlog down to 59 019.

The programme will also ensure that township designation or town planning approvals that facilitate the issuing of title deeds are granted for 15 human settlements projects. This will assist with dispute resolution of approximately 20 000 units through the social facilitation programme, which entails beneficiary verification to ensure that title deeds are transferred to the correct beneficiaries. The balance of the title deeds backlog of 59 019 will be eradicated over a four-year period, beginning on 01 April 2020 as per the business plan.

#### ***Emergency Housing Programme***

Concerted efforts will be made to repair houses damaged by flood disasters in the province on 10 October 2017. A total amount of R400 million is allocated for reconstruction and repair of houses in the eThekweni Metro for 2020/21, with this ring-fenced within the HSDG. The department will also continue to address disasters that occurred prior to 10 October 2017 through the Emergency Housing Programme which is an existing programme under the HSDG. In 2020/21, the department has allocated R91.576 million in the HSDG for the Emergency Housing Programme to cater for repairs and material supply and this is in addition to the R400 million mentioned. This is in line with the HSDG framework.

## **4. Reprioritisation**

The department undertook minor reprioritisation in respect of its equitable share allocation. The bulk of the department's budget is funded by conditional grant funding, as a result, there is limited room for reprioritisation, taking into account the MTEF budget cuts mentioned below.

The department slightly increased personnel costs resulting from the appointment of two officials in levels 5 and 6 on a contract basis to perform administrative activities in the office of the Chief Director: Project Management and these were not budgeted for. The savings were identified from various *Goods and services* items such as travelling and subsistence, stationery, etc. where the department continues to implement cost-cutting measures. The department implemented the fiscal consolidation and PES formula updates budget cuts of R1.373 million, R6.727 million and R12.342 million over the MTEF, mainly against *Compensation of employees* for programmes 1, 2 and 3 and *Transfers and subsidies to: Departmental agencies and accounts* in respect of Programme 4, as well as against *Goods and services* in 2020/21 only. The department also implemented budget cuts of R1.745 million in 2020/21 and R1.832 million in 2021/22, related to lowering of the CPI projections under *Compensation of employees* and *Transfers and subsidies*

to: *Departmental agencies and accounts*. These budget cuts will affect the rate at which the department will fill posts in the two outer years, while savings from filling vacant posts later in the year will be utilised to absorb the pressure from the cuts in 2020/21.

The HSDG was reduced substantially over the last two years of the 2020/21 MTEF due to fiscal consolidation cuts, but shows an increase of R278.136 million in 2020/21. Although the allocation in 2020/21 increases, this is after a budget cut of R106.920 million which relates to the informal settlements upgrading programme as it remains ring-fenced within the HSDG in 2020/21. The amount cut in 2021/22 is R231.419 million and R147.492 million in 2022/23. The number of units, sites and housing opportunities across all projects were reduced accordingly, as a result of these budget cuts, whereas the increase in 2020/21 relates to funds received for the disaster recovery component for reconstruction and repair of houses in the eThekweni Metro. Reprioritisation in respect of the HSDG was undertaken and the department will thus focus mainly on projects with a greater yield of units in order to achieve the MTSF targets.

## 5. Procurement

The new 2020/21 procurement plan is in the process of being finalised. The department will continue to strengthen its procurement systems focusing on reducing turn-around times when procuring goods and services by means of inviting price quotations and competitive bids. The department will embark on strengthening its control measures, contract management and records management to ensure that no qualification matters are noted by auditors in the area of SCM procurement. The department endeavours to continue to uphold the principles of procurement by ensuring that all contracts are awarded in a manner which is fair, equitable, transparent, competitive and cost effective.

## 6. Receipts and financing

### 6.1 Summary of receipts and financing

Table 8.1 indicates the sources of funding for Vote 8 for the period 2016/17 to 2022/23. The budget for 2020/21 is made up of the equitable share of R433.056 million and the HSDG of R3.379 billion, whose aim is to promote the provision of low income housing and essential services, R106.146 million in respect of the TDRG, as well as R11.638 million in respect of the EPWP Integrated Grant for Provinces. Also included in the table is the budget in respect of the Informal Settlements Upgrading Partnership Grant for Provinces (ISUPG), which will commence in 2021/22.

**Table 8.1 : Summary of receipts and financing**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Equitable share	345 216	360 678	381 574	405 533	405 533	405 533	433 056	451 605	470 830
Conditional grants	3 139 896	3 683 192	3 365 663	3 601 109	3 752 352	3 752 352	3 496 841	3 177 880	3 304 300
<i>Human Settlements Development grant</i>	3 124 702	3 677 567	3 252 757	3 485 407	3 485 407	3 485 407	3 379 057	2 463 505	2 547 432
<i>Title Deeds Restoration grant</i>	-	-	101 422	100 612	100 612	100 612	106 146	-	-
<i>ISUPG</i>	-	-	-	-	-	-	-	714 375	756 868
<i>Provincial Emergency Housing grant</i>	-	-	-	-	151 243	151 243	-	-	-
<i>EPWP Integrated Grant for Provinces</i>	15 194	5 625	11 484	15 090	15 090	15 090	11 638	-	-
<b>Total receipts</b>	<b>3 485 112</b>	<b>4 043 870</b>	<b>3 747 237</b>	<b>4 006 642</b>	<b>4 157 885</b>	<b>4 157 885</b>	<b>3 929 897</b>	<b>3 629 485</b>	<b>3 775 130</b>
<b>Total payments</b>	<b>3 529 003</b>	<b>4 066 734</b>	<b>3 734 629</b>	<b>4 006 642</b>	<b>4 249 332</b>	<b>4 249 332</b>	<b>3 929 897</b>	<b>3 629 485</b>	<b>3 775 130</b>
Surplus/(Deficit) before financing	(43 891)	(22 864)	12 608	-	(91 447)	(91 447)	-	-	-
Financing									
of which									
Provincial roll-overs	-	1 372	-	-	50 450	50 450	-	-	-
Provincial cash resources	45 265	21 492	37 842	-	40 997	40 997	-	-	-
<b>Surplus/(Deficit) before financing</b>	<b>1 374</b>	<b>-</b>	<b>50 450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The increase in 2017/18 in the HSDG was due to an additional amount of R200 million received from the National Department of Human Settlements (NDHS) in terms of Section 20 of DORA. These funds were stopped from other provinces (in terms of Section 19 of the DORA). This growth was slightly offset by a reduction in the HSDG over the 2017/18 MTEF in respect of some funding being reprioritised to the Social Housing Residential Authority (SHRA) to promote subsidies for social housing, and some funds being

reprioritised to assist the Housing Development Agency (HDA) in operationalising catalytic projects. Also, the HSDG was significantly cut in the two outer years due to fiscal consolidation cuts, as mentioned.

The department is allocated funding for the EPWP Integrated Grant for Provinces, with the aim of creating temporary work opportunities and transferring skills to the unemployed. The department uses these funds for skills development programmes such as training, mentors, acquiring tools and payment of stipends. An amount of R11.638 million is allocated in 2020/21. The allocation for the EPWP Integrated Grant for Provinces is based on previous years' achievements.

The department was allocated funding for the first time in 2018/19 with regard to the TDRG. These funds were previously ring-fenced within the HSDG for the eradication of backlogs in title deeds registration. This grant was created by shifting funds from the HSDG to ensure that funds allocated for this purpose are not utilised for other purposes. These funds get absorbed back into the HSDG from 2021/22. The annual target for both pre- and post-1994 title deeds transfers for 2020/21 is 48 224, with the pre-1994 housing stock being 14 046 and post-1994 housing stock being 34 178, as mentioned.

National Treasury issued a Government Gazette (No. 42 593) in July 2019 which allocated a portion of an unallocated Schedule 7 grant to KZN and the Western Cape. The department received R151.243 million in respect of the Provincial Emergency Housing grant (PEHG). This relates to the storms between December 2018 and January 2019 that affected eight districts in the province with damage to 2 800 houses. These funds were also for severe storms and heavy rain experienced in April 2019 that caused damage to houses (mostly mud structures) in rural areas in 19 municipalities, where a total of 1 277 households were affected. These funds were allocated for transitional residential area units (temporary structures) in areas including Ugu, iLembe, uMzinyathi, uThukela, etc. In total, 2 347 transitional units will be provided.

The department is allocated funding from 2021/22 with regard to the ISUPG. In 2020/21, funds of R553.779 million in respect of informal settlements upgrade are still ring-fenced within the HSDG with specific conditions which include that at least 15 per cent of the HSDG must be spent on informal settlements upgrade. This grant is created by shifting funds from the HSDG to ensure that funds allocated for this purpose cannot be utilised for other purposes. These funds will be utilised to upgrade 743 informal settlements in areas such as eThekweni, Msunduzi, Ugu, etc. It must be noted that this grant was projected to commence in 2020/21, but the NDHS took a decision to keep this funding ring-fenced within the HSDG in 2020/21 to allow departments sufficient time to plan for the implementation of this programme.

Provincial cash resources in 2016/17 of R45.265 million relate to:

- R1.029 million for the above-budget 2016 wage adjustment.
- R26.015 million being funds returned by Khuboni Shezi Attorneys. These funds were paid into the Provincial Revenue Fund by the attorneys in respect of unspent funds transferred by the department to the attorneys for the purpose of purchasing the Four Seasons Hotel in Durban. This purchase was, however, cancelled and the funds were paid back to the department, together with interest.
- R6.916 million from the National Housing Finance Corporation (NHFC) for various housing projects. The department transferred funds to the NHFC in 2011/12 in order to assess, administer and manage social housing programmes on behalf of the department. On completion and close-out of each project, the NHFC repays any unspent funds, together with interest earned, to the department.
- R19 000 relating to a SARS refund received by the department.
- R11.286 million was received from the National Department of Military Veterans in 2013/14 and 2014/15 and held in a suspense account. These funds were paid into the Provincial Revenue Fund and were allocated back to the department for spending on the Military Veterans' Housing Project.

The department under-spent by R1.374 million in 2016/17 mainly in respect of the HSDG as a result of funds returned to the department by FNB at the end of March due to non-registration of units to beneficiaries in respect of the Finance Linked Individual Subsidy Programme (FLISP) subsidy for the Ridgeview Gardens project, because of delays in receiving rates clearance certificates from the Metro.

The provincial roll-over of R1.372 million in 2017/18 relates to funds rolled over from 2016/17 in respect of the HSDG.



Provincial cash resources reflect R21.492 million in 2017/18, of which R2.538 million relates to funds returned from the service provider Stedone Development due to payment duplication on this project and a refund of the duplicated payment amounting to R2.538 million was thus made. The department utilised these funds for renovations of district offices in King Cetshwayo, uMkhanyakude and uMzinyathi. An additional R18.954 million relates to funds returned by the National Urban Reconstruction and Housing Agency (NURCHA). NURCHA was required to place the funds in an interest bearing account with a recognised financial institution. The interest accrued was to be used for the Vulindlela rural housing project on approval by the MEC: Public Works and Human Settlements in line with the National Housing Code. These funds were paid into the Provincial Revenue Fund, and they were allocated back in the 2017/18 Adjustments Estimate to be used for community facilities such as a community hall, crèche, as well as social amenities such as a sports field to be used by the families benefiting from this project. The department fully spent its 2017/18 allocation.

Provincial cash resources in 2018/19 reflect R37.842 million in respect of funds collected from the sale of units in Ridgeview Gardens. The department requested approval from Provincial Treasury to retain profits from the sale of 330 units at Ridgeview Gardens for FLISP development. The development was to be repaired, upgraded and made available for application of the FLISP subsidy instrument. The department appointed three conveyancing attorneys to fast-track the process of transferring the units to the beneficiaries. A total amount of R37.842 million was received from the sale of 144 of the 330 units.

The department under-spent by R50.450 million in 2018/19 in respect of the HSDG and this relates to the flood disaster that occurred in the province on 10 October 2017. The under-spending of these funds is attributable to delays in the finalisation of procurement processes in Ugu. The department was allocated a total amount of R100 million in the 2018/19 Adjustments Estimate in this regard. Ugu was allocated R53.773 million for the reconstruction of 250 units and R46.227 million was allocated to eThekweni for the reconstruction of 367 units which was fully spent at year-end.

The provincial roll-over of R50.450 million in 2019/20 relates to funds rolled over from 2018/19 in respect of the HSDG for the flood disaster that occurred in the province on 10 October 2017 and this is shown as a provincial roll-over because the funds were not paid back to National Treasury.

Provincial cash resources in the 2019/20 Adjusted Appropriation reflect R40.997 million, partly in respect of funds collected from the sale of a further 330 units at Ridgeview Gardens, where an amount of R29.133 million was collected. The amount allocated also includes funds that were paid back by the uMzimkhulu and the iMpendle Municipalities. The department transferred funds in April 2007 to these municipalities to undertake various housing projects and, during the reconciliation of funds transferred against each performance, it was discovered that there were unspent funds and these were paid back to the department. The department projects to fully spend the 2019/20 allocation, as per the December IYM.

The HSDG sees an increase of R278.136 million in 2020/21 in respect of funds for the disaster recovery component within the HSDG. Although the allocation in 2020/21 increases, this is after a budget cut of R106.920 million which relates to the informal settlements upgrading programme as it remains ring-fenced within the HSDG in 2020/21. The decrease in the two out years is largely due to fiscal consolidation budget cuts of R231.419 million in 2021/22 and R147.492 million in 2022/23 in respect of the HSDG. The number of units, sites and housing opportunities across all projects are reduced accordingly as a result of these cuts, whereas the increase in 2020/21 relates to funds for the disaster recovery component for reconstruction and repair of houses in the eThekweni Metro. The department implemented PES formula and fiscal consolidation cuts and cuts related to the lowering of the CPI projections of R3.118 million, R8.559 million and R12.342 million over the MTEF against *Compensation of employees* and *Goods and services*. These cuts will affect the rate at which the department will fill posts in these years. The cuts are also against property payments and this will be offset by undertaking in-year reprioritisation. The department will review the need to fill posts that are vacated during these periods. The MTEF shows a fluctuating trend.

## 6.2 Departmental receipts collection

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

**Table 8.2 : Summary of departmental receipts collection**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	442	422	424	445	445	445	451	457	460
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	10	19 452	1	19	19	13 320	20	21	21
Sale of capital assets	539	39 200	27 668	635	635	5 469	670	707	710
Transactions in financial assets and liabilities	15 072	2 209	17 713	3 580	3 580	3 580	3 600	3 650	3 700
<b>Total</b>	<b>16 063</b>	<b>61 283</b>	<b>45 806</b>	<b>4 679</b>	<b>4 679</b>	<b>22 814</b>	<b>4 741</b>	<b>4 835</b>	<b>4 891</b>

*Sale of goods and services other than capital assets* is derived from commission on PERSAL deductions such as insurance premiums and garnishee orders, rental on state-owned property, parking fees and tender fees. The slow growth over the 2020/21 MTEF is based on the actual revenue collected in prior years.

*Interest, dividends and rent on land* includes interest from staff debts and positive cash balances. This category reflects a high collection in 2017/18 against interest accrued from funds received after the sale of three portions of the Farm Louisiana. The funds were kept by the attorneys and generated interest until the purchase was finalised. Furthermore, the over-collection relates to interest on monies transferred for the management and implementation of the Vulindlela rural housing project in uMgungundlovu. The high collection in the 2019/20 Revised Estimate is mainly due to interest received from Ithala Development Finance Corporation (Ithala) on an amount of R100 million that was transferred to Ithala in 2016/17 for the Military Veterans' Housing Project. It was originally agreed that the interest generated from these funds would be used for project management fees and, as progress on this project is very slow, the interest accumulated was significant at R13.320 million. The estimated revenue over the MTEF relates to interest on outstanding staff debts.

*Sale of capital assets* relates to cash received from the sale of state property and the sale of redundant assets, such as motor vehicles and office equipment. The department purchased 330 units in Ridgeview Gardens in 2014, with the intention of renovating and re-selling these units individually. The department was granted approval by Provincial Treasury in 2016/17 to sell these units as part of the FLISP programme, contributing to the high collection in 2017/18, 2018/19 and the 2019/20 Revised Estimate. In total, 273 of the 330 units have been sold to date. The projections over the MTEF relate to the sale of redundant assets.

*Transactions in financial assets and liabilities* derives its revenue mainly from the recovery of previous years' expenditure such as staff debts in respect of breached bursary contracts, as well as refunds of unspent funds from various projects. The high collection in 2016/17 related to funds from the National Department of Military Veterans and these funds were allocated back to the department. The 2018/19 collection is the refund of unspent housing funds in various projects paid by the uMzimkhulu Municipality. The conservative budgeting over the 2020/21 MTEF is due to the unpredictable nature of this source.

### 6.3 Donor funding – Nil

## 7. Payment summary

Section 7 reflects payments and budgeted estimates in terms of programmes and economic classification. Details are given in *Annexure – Vote 8: Human Settlements*.

### 7.1 Key assumptions

The key assumptions that underpin the MTEF budget of the department are summarised below:

- All inflation related increases are based on CPI projections.

- In terms of the National Treasury's guidelines, the cost of living adjustment is 7.3 per cent in 2020/21, 7.3 per cent in 2021/22 and 7.2 per cent in 2022/23, including the 1.5 per cent pay progression. The department has provided for growth of 12 per cent, 2.7 per cent and 3.7 per cent over the MTEF. The growth is adequate in 2020/21, and also provides for filling 22 posts, but is not adequate in 2021/22 and 2022/23. The decrease in 2021/22 and 2022/23 is in line with the HSDG budget cuts, as there are contract posts budgeted for under the Operational Capital (OPSCAP) allocation within the HSDG, as well as the fact that the department implemented part of the fiscal consolidation and PES formula updates budget cuts against *Compensation of employees*. The department will review this level of growth, and will also assess how critical certain vacant posts are.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2019/20, will continue to be adhered to over the 2020/21 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost-containment measures.

## 7.2 Amendments to provincial and equitable share funding: 2018/19 to 2020/21 MTEF

Table 8.3 shows amendments to provincial and equitable share funding received by the department over the 2018/19, 2019/20 and 2020/21 MTEF periods, and excludes conditional grant funding. The carry-through allocations for the outer year (i.e. 2022/23) are based on the incremental percentage used in the 2020/21 MTEF.

**Table 8.3 : Summary of amendments to provincial and equitable share allocations for the 2018/19 to 2020/21 MTEF**

R thousand	2018/19	2019/20	2020/21	2021/22	2022/23
<b>2018/19 MTEF period</b>	-	-	8 336	8 794	9 234
Above-budget wage agreement	-	-	8 336	8 794	9 234
<b>2019/20 MTEF period</b>		-	-	-	-
<b>2020/21 MTEF period</b>			(3 118)	(8 559)	(12 342)
Fiscal consolidation and PES formula updates budget cuts			(1 373)	(6 727)	(12 342)
Adjustment to COE (due to revised CPI inflation projections)			(1 745)	(1 832)	-
<b>Total</b>	-	-	5 218	235	(3 108)

In the 2018/19 MTEF, the department received additional funding from 2020/21 for the above-budget wage agreement.

In the 2019/20 MTEF, the department received no additional funding.

In the 2020/21 MTEF:

- The department's budget was reduced by R1.373 million, R6.727 million and R12.342 million as a result of the PES formula updates and fiscal consolidation cuts, aimed at reducing spending levels across all three spheres of government. The budget cuts were effected against all four programmes, as follows:
  - R1.373 million in 2020/21 was cut from Programmes 1, 2 and 3 against *Compensation of employees* (R593 000) and *Goods and services* (R624 000). The balance of R156 000 was cut from Programme 4, against *Transfers and subsidies to: Departmental agencies and accounts*. The budget cuts against *Goods and services* are on property payments and the department will reprioritise in-year to cover this area, and the cuts in respect of *Compensation of employees* will be funded through savings from posts that are currently.
  - R6.727 million and R12.342 million in 2021/22 and 2022/23 were cut from Programmes 1, 2 and 3 against *Compensation of employees* (R4.848 million and R9.284 million, respectively), as well as Programme 4 against *Transfers and subsidies to: Departmental agencies and accounts* (R1.879 million and R3.058 million, respectively). These budget cuts will affect the rate at which the department will fill critical vacant posts in these years. The department will also review the need to fill posts that are vacated during this period.
- The department's equitable share was reduced by R1.745 million in 2020/21 and R1.832 million in 2021/22, related to lowering of the CPI projections influencing the growth in *Compensation of employees* against all four programmes, where this CPI rate was previously set at 5.5 per cent but has been lowered to 4.8 per cent.

### 7.3 Summary by programme and economic classification

The budget structure of Vote 8 conforms to the uniform budget and programme structure prescribed for the Human Settlements sector. Tables 8.4 and 8.5 provide a summary of the Vote's payments and budgeted estimates over the MTEF, by programme and economic classification, respectively.

The increase in 2017/18 relates to the reallocation of funds received from NURCHA, as well as an additional amount of R200 million received from NDHS, as mentioned, hence the decrease in 2018/19. The allocation in 2018/19 includes additional funding of R100 million relating to the flood disaster that occurred in the province on 10 October 2017 under the HSDG. The increase from the 2019/20 Main to the Adjusted Appropriation is due to the reallocation of funds collected from the sale of units at Ridgeview Gardens, as well as additional funding of R151.243 million allocated by National Treasury relating to the PEHG, as mentioned. Also contributing to the increase was the HSDG roll-over of R50.450 million. The HSDG allocation sees an increase of R278.136 million in 2020/21 to account for funds received for the disaster recovery component within the HSDG and will be used for reconstruction and repair of houses in the eThekweni Metro. Although the allocation in 2020/21 increases, this is after a budget cut of R106.920 million which relates to the informal settlements upgrading programme as it remains ring-fenced within the HSDG in 2020/21. The decrease in the two outer years is largely due to fiscal consolidation budget cuts of R231.419 million in 2021/22 and R147.492 million in 2022/23 in respect of the HSDG. The number of units, sites and housing opportunities across all projects are reduced as a result of the budget cuts, affecting mainly Programme 3. In addition, fiscal consolidation and PES formula updates budget cuts affected Programmes 1, 2 and 3 against *Compensation of employees* and *Goods and services*, as well as Programme 4 against *Transfers and subsidies to: Departmental agencies and accounts*. The MTEF shows a fluctuating trend.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Administration	205 279	217 793	227 193	239 986	248 686	248 686	254 569	268 109	279 999
2. Housing Needs, Research and Planning	15 928	16 511	17 328	18 975	18 275	18 275	20 226	20 971	22 048
3. Housing Development	3 113 612	3 652 475	3 305 378	3 575 213	3 804 903	3 804 903	3 487 225	3 184 073	3 315 166
4. Housing Asset Management	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
<b>Total</b>	<b>3 529 003</b>	<b>4 066 734</b>	<b>3 734 629</b>	<b>4 006 642</b>	<b>4 249 332</b>	<b>4 249 332</b>	<b>3 929 897</b>	<b>3 629 485</b>	<b>3 775 130</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>457 004</b>	<b>484 804</b>	<b>514 818</b>	<b>558 785</b>	<b>560 121</b>	<b>540 833</b>	<b>589 529</b>	<b>554 553</b>	<b>571 918</b>
Compensation of employees	280 036	298 724	320 699	369 098	347 621	347 243	388 925	399 327	414 197
Goods and services	176 569	186 065	193 886	189 687	212 500	193 590	200 604	155 226	157 721
Interest and rent on land	399	15	233	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>3 066 002</b>	<b>3 548 460</b>	<b>3 201 974</b>	<b>3 433 882</b>	<b>3 675 255</b>	<b>3 694 543</b>	<b>3 327 328</b>	<b>3 069 371</b>	<b>3 197 407</b>
Provinces and municipalities	124 345	257 039	193 813	58 340	109 069	109 261	89 948	24 477	24 486
Departmental agencies and accounts	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	100 000	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	50	50	-	-	-
Households	2 647 473	3 111 466	2 823 431	3 203 074	3 388 668	3 407 764	3 069 503	2 888 562	3 015 004
<b>Payments for capital assets</b>	<b>5 526</b>	<b>33 120</b>	<b>17 837</b>	<b>13 975</b>	<b>13 956</b>	<b>13 956</b>	<b>13 040</b>	<b>5 561</b>	<b>5 805</b>
Buildings and other fixed structures	1 712	29 913	15 432	9 000	9 175	9 175	7 716	-	-
Machinery and equipment	3 814	3 207	2 405	4 975	4 781	4 781	5 324	5 561	5 805
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>471</b>	<b>350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 529 003</b>	<b>4 066 734</b>	<b>3 734 629</b>	<b>4 006 642</b>	<b>4 249 332</b>	<b>4 249 332</b>	<b>3 929 897</b>	<b>3 629 485</b>	<b>3 775 130</b>

Programme 1: Administration reflects a steady increase from 2016/17 to 2019/20. The increase from the 2019/20 Main to the Adjusted Appropriation is mainly due to internal reprioritisation for the development of an electronic management system for the department, which will be used as a back-up of all manual records, such as contracts, invoices, project files, etc. in the event of a fire or disaster occurring. Savings were identified under Programme 2 and moved to this programme for property payments to provide for municipal services, security services, cleaning services, building maintenance, etc. which were inadequately budgeted for. The increase over the 2020/21 MTEF is to cater for wage increments and inflationary adjustments on items such as leasing of offices, as well as the filling of the post of Chief Director: Human Capital. The budget adequately caters for the filling of this post in 2020/21, but is not sufficient in 2021/22 and 2022/23 and the department will review this in-year. The department implemented the PES formula and fiscal consolidation cuts, as well as cuts related to lowering of the CPI projections of R1.844 million, R2.945 million and R4.985 million over the MTEF under this programme against *Compensation of employees* and *Goods and services*. The budget cuts against *Compensation of employees* will affect the rate at which the department will be able to fill posts. The department will review the need to fill posts that are vacated during this period to offset the impact of the cuts. The budget cuts against *Goods and services* are on property payments, and the department will reprioritise in-year to offset this cut.

Programme 2: Housing Needs, Research and Planning reflects a steady increase from 2016/17 to 2018/19. The slight decrease from the 2019/20 Main to Adjusted Appropriation is due to savings identified from vacant posts. These savings were moved to Programme 1 to cater for expenditure relating to property payments, as mentioned. The increase over the 2020/21 MTEF is to cater for wage agreements and inflationary adjustments, as well as the filling of two posts, namely the Assistant Director: Product Development and Administrative Officer. The department implemented the PES formula and fiscal consolidation cuts and cuts related to the lowering of the CPI projections of R146 000, R481 000 and R434 000 over the MTEF under this programme against *Compensation of employees* and *Goods and services*. The budget cuts against *Compensation of employees* will affect the rate at which the department will be able to fill posts. The department will review the need to fill posts that are vacated during this period to offset the impact of the cuts. The budget cuts against *Goods and services* are on property payments, and the department will reprioritise in-year to offset this cut.

Programme 3: Housing Development sees an increase in 2017/18 mainly due to an additional R200 million received from NDHS, as mentioned. The increase in 2018/19, as well as in 2019/20, is due to funds allocated to the department relating to the flood disaster that occurred in the province on 10 October 2017. These funds are for reconstruction and repair of damaged houses, flats and hostels in areas such as the eThekweni Metro, as well as uMdoni, uMuziwabantu, uMzumbe and Ray Nkonyeni. The increase from the 2019/20 Main to Adjusted Appropriation is due to the additional funding received to repair storm damage relating to storms between December 2018 and January 2019, as well as the HSDG roll-over of R50.450 million, as mentioned. The 2020/21 allocation includes funds in respect of the ISUPG which commences in 2021/22, as well as funds in respect of the TDRG which is absorbed into the HSDG from 2021/22. The programme will continue to cater for projects such as informal settlements upgrade, rural housing development, etc. The allocation in 2020/21 also takes into account an increase of R278.136 million in 2020/21 in respect of funds received for the disaster recovery component within the HSDG and will be used for reconstruction and repair of houses in the eThekweni Metro. Although the allocation in 2020/21 increases, this is after a budget cut of R106.920 million which relates to the informal settlements upgrading programme as it remains ring-fenced within the HSDG in 2020/21, as mentioned. The department implemented PES formula and fiscal consolidation cuts and cuts related to the lowering of the CPI projections of R770 000, R3.048 million and R3.865 million over the MTEF under this programme against *Compensation of employees* and *Goods and services*. The budget cuts against *Compensation of employees* will affect the rate at which the department will be able to fill posts. The department will review the need to fill posts that are vacated during this period to offset the impact of the cuts. The budget cuts against *Goods and services* are on property payments, and the department will reprioritise in-year to offset this cut. The ISUPG was planned to commence in 2020/21 but, due to a decision by the NDHS, funds in respect of the informal settlements upgrading programme remain ring-fenced within the HSDG and the ISUPG will only be a stand-alone conditional grant from 2021/22, as mentioned.

The fluctuating trend against Programme 4: Housing Asset Management (which comprises the KZN Housing Fund) from 2016/17 to 2018/19 relates to the transfers made in 2016/17 to the eThekweni Metro in respect of the rectification programme for the pre-1994 housing stock of ex-Own Affairs and ex-R293 areas. The increase from the 2019/20 Main to Adjusted Appropriation is in respect of the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in the eThekweni Metro. The decrease from 2019/20 to 2020/21 is due to the TDRG being allocated in Programme 3 only in 2020/21. The department implemented PES formula and fiscal consolidation cuts and cuts related to the lowering of the CPI projections of R358 000, R2.085 million and R3.085 million over the MTEF under this programme. These budget cuts will affect the rate at which the department will fill posts. The department will review the need to fill posts that are vacated during this period, as mentioned, to offset the impact of the cuts. The department will reprioritise in-year to offset the budget cut implemented in respect of property payments under this programme.

*Compensation of employees* reflects a steady increase from 2016/17 to 2018/19. The decrease from the 2019/20 Main to the Adjusted Appropriation is due to savings realised from vacant posts which were moved to cater for spending pressures in other areas. The increase over the 2020/21 MTEF is in respect of the filling of 22 critical vacant posts such as Chief Director: Human Capital, Deputy Director: Human Resource Development, Employee Wellness Practitioners, etc., as well as the carry-through costs of previous wage agreements. The department has provided for growth of 12 per cent, 2.7 per cent and 3.7 per cent over the MTEF. The budget adequately caters for the annual increases in 2020/21 and also provides for filling 22 posts, but is not adequate in 2021/22 and 2022/23. Although this category shows steady growth over the MTEF, there were reductions in this category due to the fact that the department implemented the fiscal consolidation and PES formula updates budget cuts and cuts related to the lowering of the CPI projections influencing *Compensation of employees* amounting to R2.413 million, R8.559 million and R12.342 million over the MTEF, against this category. The department will review this level of growth and also assess the need to fill certain posts as they become vacant, as mentioned.

*Goods and services* reflects a steady increase from 2016/17 to 2018/19 in line with inflationary increases and the acceleration of housing project launches. The increase from the 2019/20 Main to the Adjusted Appropriation was to cater for outreach programmes and community participation costs, where the department conducts awareness campaigns aimed at promoting government engagements with members of the public, and conducts community facilitation to address service delivery challenges. The increase also caters for the appointment of professional services to assist in the reduction of the title deeds backlog and costs in respect of property payments. The allocation over the 2020/21 MTEF relates to the implementation of the anti-land invasion strategy which has necessitated the safeguarding of departmental owned properties against illegal occupation, operating leases, professional fees and all other operational costs of the department. The department allocates 1 per cent of the HSDG to the HDA for the management of catalytic projects and the reduction in the HSDG resulted in a reduction of this allocation to the HDA, hence the decreasing trend over the 2020/21 MTEF. The department implemented PES formula and fiscal consolidation cuts of R624 000 against this category in respect of property payments in 2020/21 only. The decrease in 2021/22 is due to the fact that the EPWP Integrated Grant for Provinces is not allocated beyond 2020/21, at this stage, as mentioned.

*Interest and rent on land* pertains to interest paid on overdue accounts. The 2016/17, 2017/18 and 2018/19 amounts are in respect of interest paid on overdue accounts for payment made to the Government Employees Pension Fund (GEPF) for employees who took early retirement in previous financial years.

In respect of *Transfers and subsidies*:

- The fluctuating trend against *Provinces and municipalities* from 2016/17 to 2018/19 is in respect of the transfers to the eThekweni Metro for the CRU programme, as well as the operational costs for accredited municipalities, which are based on the actual performance by the municipality. The increase in 2018/19 relates to funding allocated for the eThekweni Hostel Upgrading programme. The increase from the 2019/20 Main to the Adjusted Appropriation was in respect of funds shifted from *Households* to this category, within Programme 3 as a result of the TDRG originally being budgeted for under *Households* instead of this category. However, expenditure was incurred against *Provinces and municipalities* relating to funds transferred to eThekweni and KwaDukuza, as implementing agents. The allocations

over the 2020/21 MTEF relate to the operational costs of accredited municipalities and is flat-lined over the MTEF due to the fact that this item is based on the actual performance by the municipality and will be reviewed on an on-going bases. The department does not allocate funds over the MTEF in respect of transfers for the CRU programme because eThekwinini has not fully spent the funds that were transferred in 2018/19 for the eThekwinini Hostel Upgrading programme. The department will review this once these funds are spent. The increase in 2020/21 is due to the allocation in respect of the TDRG which was allocated against *Transfers and subsidies to: Households* in previous years. The reduction in 2021/22 relates to the TDRG which will be absorbed back into the HSDG and is budgeted for under *Households* from 2021/22, as well as transfers for the CRU programme which end in 2019/20, as mentioned.

- *Departmental agencies and accounts* relates to transfers to the KZN Housing Fund and funds transferred to the HDA. Funding in respect of the KZN Housing Fund were moved to this category in line with an A-G finding in the 2013/14 audit. The fluctuating trend from 2016/17 to 2018/19 relates to the transfers made in 2016/17 to the eThekwinini Metro in respect of the rectification programme for the pre-1994 housing stock of ex-Own Affairs and ex-R293 areas. The increase from the 2019/20 Main to the Adjusted Appropriation is in respect of the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in eThekwinini. The decrease from 2019/20 to 2020/21 is due to the TDRG being allocated in Programme 3 only in 2020/21, as mentioned. The department also implemented the PES formula update budget cuts under this programme against *Transfers and subsidies to: Departmental agencies and accounts*, as mentioned under Programme 4.
- *Public corporations and private enterprises* in 2016/17 relates to the implementation of the Military Veterans' Housing Project. The department entered into an agreement with Ithala as an implementing agent for the construction of houses for military veterans. A total of 16 houses have been completed, 13 houses are under construction in eThekwinini and Msunduzi and 45 building plans are in the process of being finalised for the commencement of construction. The department had reported that 32 houses are under construction in the 2019/20 EPRE but, due to social challenges, the project had to be stopped in those areas and the department is in the process of finding new sites for construction. The programme is still experiencing challenges in acquiring sites from municipalities, as well as the verification of beneficiaries by the Department of Military Veterans and the approval of plans by municipalities for the issuing of title deeds. Of the R100 million transferred to Ithala in 2016/17, only R9.294 million has been spent to date.
- The 2019/20 Adjusted Appropriation against *Non-profit institutions* relates to a donation to Wentworth Organisation of Women (WOW) to cover costs incurred by the organisation on undertaking door-to-door surveys and profiling beneficiaries for possible low-cost housing in Austerville Ward 68.
- *Households* shows a fluctuating trend from 2016/17 to 2018/19, due to fluctuations in the HSDG as the bulk of the housing programmes are budgeted for within this category. The decrease from 2017/18 to 2018/19 was due to an additional amount of R200 million received from NDHS in 2017/18 only. The 2018/19 amount includes additional funding of R100 million to deal with repairs to houses damaged by the October 2017 storms in areas such as eThekwinini, uMdoni, uMuziwabantu, Mzumbe, as well as Ray Nkonyeni. The increase from the 2019/20 Main to the Adjusted Appropriation is due to additional funds of R151.243 million received for storms between December 2018 and January 2019, as well as the roll-over of R50.450 million, as mentioned. The allocation in 2020/21 also takes into account an increase of R278.136 million in 2020/21 to account for funds received for the disaster recovery component within the HSDG. Although the allocation in 2020/21 increases, this is after a budget cut of R106.920 million which relates to the informal settlements upgrading programme as it remains ring-fenced within the HSDG in 2020/21. The decrease in the two outer years is largely due to fiscal consolidation budget cuts of R231.419 million in 2021/22 and R147.492 million in 2022/23 in respect of the HSDG. The number of units, sites and housing opportunities across all projects are reduced accordingly as a result of these budget cuts, whereas the increase in 2020/21 relates to funds received for the disaster recovery component for reconstruction and repair of houses in the eThekwinini Metro, as mentioned.

*Buildings and other fixed structures* is mainly related to the Social and Economic Amenities programme. The trend from 2016/17 to 2018/19 relates to the Social and Economic Amenities programme, where the department terminated contracts for uMkhanyakude, Amajuba and uMgungundlovu as a result of poor

performance and new contractors were appointed in 2017/18. The 2019/20 Adjusted Appropriation and 2020/21 amount are in respect of completing the remaining work within various districts, including the eThekweni Metro, Cornubia Social Amenity, Sonkombo Social Amenity, etc., and to ensure that proper handover processes are undertaken. Other Social and Economic Amenities being completed include the Dududu Social Amenity in uMdoni Municipality and the Siyathuthuka Social Amenity in the Richmond Municipality. The allocation does not continue beyond 2020/21 because the department is anticipating to complete all projects at the end of 2020/21.

*Machinery and equipment* shows a fluctuating trend due to its cyclical nature and the need to offset spending pressures in other areas. The increasing trend over the 2020/21 MTEF provides for the purchase of furniture and equipment for new employees in respect of new technical posts such as Construction Managers anticipated to be filled on a contractual basis, as well as the fact that the purchasing of vehicles and other equipment is cyclical in nature.

*Payments for financial assets* relates to the write-off of staff debts in 2016/17 and 2017/18.

## 7.4 Summary of conditional grants payments and estimates

Tables 8.6 and 8.7 provide a summary of the conditional grant payments and budgeted estimates over the period by conditional grant name and economic classification, respectively. Note that the historical figures set out in Table 8.6 reflect actual spending per grant, and should not be compared to Table 8.1, which represent the actual receipts for each grant.

The department has four grants over the 2020/21 MTEF, namely the HSDG, EPWP Integrated Grant for Provinces, TDRG and the ISUPG. The EPWP Integrated Grant for Provinces and the TDRG receive funding up to 2020/21, the HSDG receives funding over the MTEF, while the ISUPG receives funding from 2021/22, as per a decision taken by NDHS to keep this funding ring-fenced within the HSDG in 2020/21. Details are given in *Annexure – Vote 8: Human Settlements*.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Human Settlements Development grant	3 123 330	3 678 939	3 202 307	3 485 407	3 535 857	3 535 857	3 379 057	2 463 505	2 547 432
EPWP Integrated Grant for Provinces	15 194	5 625	11 484	15 090	15 090	15 090	11 638	-	-
Title Deeds Restoration grant	-	-	101 422	100 612	100 612	100 612	106 146	-	-
ISUPG	-	-	-	-	-	-	-	714 375	756 868
Provincial Emergency Housing grant	-	-	-	-	151 243	151 243	-	-	-
<b>Total</b>	<b>3 138 524</b>	<b>3 684 564</b>	<b>3 315 213</b>	<b>3 601 109</b>	<b>3 802 802</b>	<b>3 802 802</b>	<b>3 496 841</b>	<b>3 177 880</b>	<b>3 304 300</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>156 190</b>	<b>169 259</b>	<b>187 753</b>	<b>205 458</b>	<b>206 098</b>	<b>186 831</b>	<b>212 211</b>	<b>159 926</b>	<b>159 926</b>
Compensation of employees	69 736	77 566	89 923	101 848	98 048	97 843	102 880	102 524	102 524
Goods and services	86 454	91 693	97 830	103 610	108 050	88 988	109 331	57 402	57 402
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>2 980 404</b>	<b>3 484 837</b>	<b>3 111 937</b>	<b>3 386 220</b>	<b>3 587 473</b>	<b>3 606 740</b>	<b>3 276 483</b>	<b>3 017 523</b>	<b>3 143 943</b>
Provinces and municipalities	124 213	256 935	193 664	58 210	108 939	109 131	89 788	24 289	24 289
Departmental agencies and accounts	135 678	141 652	143 229	125 362	130 362	130 362	117 632	105 132	105 132
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	100 000	-	-	-	50	50	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 620 513	3 086 250	2 775 044	3 202 648	3 348 122	3 367 197	3 069 063	2 888 102	3 014 522
<b>Payments for capital assets</b>	<b>1 930</b>	<b>30 468</b>	<b>15 523</b>	<b>9 431</b>	<b>9 231</b>	<b>9 231</b>	<b>8 147</b>	<b>431</b>	<b>431</b>
Buildings and other fixed structures	1 712	29 913	15 432	9 000	9 000	9 000	7 716	-	-
Machinery and equipment	218	555	91	431	231	231	431	431	431
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 138 524</b>	<b>3 684 564</b>	<b>3 315 213</b>	<b>3 601 109</b>	<b>3 802 802</b>	<b>3 802 802</b>	<b>3 496 841</b>	<b>3 177 880</b>	<b>3 304 300</b>



As previously mentioned, the HSDG receives additional funding in 2018/19 (R100 million), 2019/20 (R247.013 million) and 2020/21 (R400 million) to deal with repairs to houses damaged by the flood disaster that occurred in the province on 10 October 2017. The HSDG was increased by R278.136 million in 2020/21 to account for funds received for the disaster recovery component within the HSDG. Although the allocation in 2020/21 increases, this is after a budget cut of R106.920 million which relates to the informal settlements upgrading programme as it remains ring-fenced within the HSDG in 2020/21. The decrease in the two out years is largely due to fiscal consolidation budget cuts of R231.419 million in 2021/22 and R147.492 million in 2022/23 in respect of the HSDG. The number of units, sites and housing opportunities across all projects are reduced accordingly as a result of these budget cuts, whereas the increase in 2020/21 relates to funds received for the disaster recovery component for reconstruction and repair of houses in the eThekwin Metro, as mentioned.

The department's main funding relates to the HSDG, which aims to promote the provision of low income housing using different programmes such as project linked subsidies, IRDP, rural housing subsidies, informal settlements upgrade, social housing, etc. In 2020/21, an amount of R400 million is allocated for reconstruction and repair of houses in the eThekwin Metro, with this being ring-fenced within the HSDG. Also, the department has allocated R91.576 million in the HSDG for the Emergency Housing Programme to cater for repairs and material supply in addition to the R400 million, as mentioned, and this is provided for in the grant framework.

The department receives funding in respect of the EPWP Integrated Grant for Provinces which is used in developing skills of beneficiaries to improve employment prospects, as well as expanding work opportunities, especially for the youth, during the implementation of housing projects. The department uses these funds for skills development programmes such as training, mentors, acquiring tools and payment of stipends. The allocation for the EPWP Integrated Grant for Provinces is based on previous years' achievements and is not allocated beyond 2020/21 at this stage.

The department receives funding for the TDRG from 2018/19 up to 2020/21. These funds were previously ring-fenced in the HSDG to eradicate the title deeds registration backlog. This grant was created in 2018/19 by shifting funds that were allocated for eradicating the backlog from the HSDG to ensure that these funds cannot be utilised by provinces for other purposes. This grant is absorbed back into the HSDG in 2021/22.

The department received funding for the PEHG in the 2019/20 Adjustments Estimate. These funds are for storms which occurred between December 2018 and January 2019 that affected eight districts in the province with damage to 2 800 houses. In addition, these funds are for repairs related to severe storms and heavy rain experienced in April 2019 that caused damage to houses (mostly mud structures) in rural areas in 19 municipalities, where a total of 1 277 households were affected.

In the 2019/20 MTEF, the department was scheduled to receive funding for the first time in 2020/21 in respect of the ISUPG but, due to a decision taken by the NDHS, the department only receives this funding for the first time in 2021/22 with the funding forming part of the HSDG in 2020/21 with specific conditions which include that at least 15 per cent of the HSDG must be spent on informal settlements upgrading. This grant is created by shifting funds from the HSDG to ensure that funds allocated for this purpose cannot be utilised by provinces for other purposes. The allocation in respect of this grant is R714.375 million in 2021/22 and R756.868 million in 2022/23.

The conditional grant funded *Compensation of employees*, is mainly funded from the HSDG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. The decrease from the 2019/20 Main to the Adjusted Appropriation is due to savings realised from vacant posts which were moved to cater for spending pressures in other areas. The increase from 2019/20 to 2020/21 relates to contract posts such as Project Construction Managers, Community Development Practitioner, etc. in respect of the HSDG and the TDRG. The slight decrease from 2020/21 to the two outer years is due to the TDRG being absorbed back into the HSDG and being budgeted for under *Transfers and subsidies to: Households*. The department did not implement fiscal consolidation budget cuts in respect of the HSDG against this category but only flat-lined the allocations in 2021/22 and 2022/23 and this will be reviewed in the next budget process.

The increasing trend under *Goods and services* from 2016/17 to 2018/19 was due to the appointment of a Civil and Structural Engineer to undertake assessments, as well as costs in respect of repairs of structural defects at the Ridgeview Gardens social housing project. The substantial increase from the 2019/20 Main to the Adjusted Appropriation relates to funding allocated to cater for the appointment of professional services to assist in the reduction of the title deeds backlog under the TDRG, as well as to cater for the appointment of professional services to undertake environmental impact assessments, feasibility studies, etc. in the eThekweni Metro. The declining trend over the MTEF is in respect of a reduced allocation to HDA, following the budget cuts in respect of the HSDG, as well as the fact that the EPWP Integrated Grant for Provinces is not allocated beyond 2020/21 at this stage, as mentioned.

In respect of *Transfers and subsidies*:

- The fluctuating trend in *Provinces and municipalities* from 2016/17 to 2018/19 relates to the transfer to the eThekweni Metro in respect of the CRU programme. The increase in 2017/18 relates to the transfer of funds to various municipalities in respect of the title deeds restoration programme. The increase from the 2019/20 Main to the Adjusted Appropriation was in respect of funds shifted from *Households* to this category, within Programme 3 as a result of the title deeds restoration programme originally being budgeted for under *Households*. However, expenditure was incurred against *Provinces and municipalities* due to funds transferred to eThekweni and KwaDukuza, as implementing agents. The allocation over the 2020/21 MTEF relates to the operational costs of accredited municipalities and is flat-lined over the MTEF due to the fact that this item is based on the actual performance by the municipality and will be reviewed on an on going bases. The department does not allocate funds over the MTEF in respect of transfers to the eThekweni Metro for the CRU programme because eThekweni has not fully spent the funds that were transferred in 2018/19 for the eThekweni Hostel Upgrading programme, as mentioned. Also, the TDRG is absorbed into the HSDG from 2021/22. The department will continue issuing title deeds under the title deeds restoration programme budgeted for under *Households* from 2021/22.
- *Departmental agencies and accounts* relates to transfers to the KZN Housing Fund. Funding in respect of the KZN Housing Fund was moved to this category in line with an A-G finding relating to the KZN Housing Fund in the 2013/14 audit. The increasing trend from 2016/17 to 2018/19 relates to the transfers made in 2016/17 to the eThekweni Metro in respect of the rectification programme for the pre-1994 housing stock of ex-Own Affairs and ex-R293 areas. The increase from the 2019/20 Main to the Adjusted Appropriation is in respect of the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in the eThekweni Metro. The HSDG in this category, shows no increase from 2019/20 to 2020/21 due to the fact that the HSDG was reduced as a result of fiscal consolidation budget cuts and the allocation is kept constant in this programme and is reduced in the two outer years due to budget cuts, especially in 2021/22 and 2022/23 and this will impact on the number of units delivered by the department on various programmes, as mentioned.
- The spending against *Public corporations and private enterprises* in 2016/17 relates to the implementation of the Military Veterans' Housing Project. The department entered into an agreement with Ithala as an implementing agent for the construction of houses for military veterans, as mentioned.
- *Households* shows a fluctuating trend from 2016/17 to 2018/19, due to fluctuations in the HSDG as the bulk of the housing programmes are budgeted for within this category. The decrease from 2017/18 to 2018/19 is as a result of the department receiving additional once-off funding of R200 million from NDHS in 2017/18, as mentioned. In addition, the department received additional funding of R100 million in 2018/19 to deal with repairs to houses damaged by the October 2017 storms in areas such as eThekweni, uMdoni, uMuziwabantu, Mzumbi, as well as Ray Nkonyeni Local Municipality. The increase from the 2019/20 Main to the Adjusted Appropriation is due to the additional funding received for storm repairs between December 2018 and January 2019, as well as the roll-over of R50.450 million in respect of storms that occurred in October 2017. The allocation in 2020/21 takes into account an increase of R278.136 million to account for funds received for the disaster recovery component within the HSDG. Although the allocation in 2020/21 increases, this is after a budget cut of R106.920 million which relates to the informal settlements upgrading programme as it remains ring-

fenced within the HSDG in 2020/21. The decrease in the two outer years is largely due to fiscal consolidation budget cuts of R231.419 million in 2021/22 and R147.492 million in 2022/23 in respect of the HSDG. The number of units, sites and housing opportunities across all projects are reduced accordingly as a result of these cuts, whereas the increase in 2020/21 relates to funds for the disaster recovery component for reconstruction and repair of houses in the eThekweni Metro, as mentioned.

*Buildings and other fixed structures* is mainly related to the Social and Economic Amenities programme. The trend from 2016/17 to 2018/19 relates to the Social and Economic Amenities programme, where the department terminated contracts for uMkhanyakude, Amajuba and uMgungundlovu as a result of poor performance and new contractors were appointed in 2017/18. The 2019/20 Adjusted Appropriation and 2020/21 amount are in respect of completing the remaining work within various districts and to ensure that proper handover processes are undertaken. Other Social and Economic Amenities being completed include the Dududu Social Amenity in uMdoni Municipality and the Siyathuthuka Social Amenity in the Richmond Municipality. The allocation does not continue beyond 2020/21 because the department is anticipating to complete all projects at the end of 2020/21, as mentioned.

*Machinery and equipment* provides for the purchase of furniture and equipment for employees. The 2020/21 MTEF provides for new technical posts such as Project Construction Managers anticipated to be filled on a contractual basis, funded from the HSDG.

## 7.5 Summary of infrastructure payments and estimates

Table 8.8 presents a summary of infrastructure payments and estimates by infrastructure category. Detailed information on infrastructure is given in the *2020/21 Estimates of Capital Expenditure*.

**Table 8.8 : Summary of infrastructure payments and estimates by category**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Existing infrastructure assets</b>	-	-	-	-	-	-	-	-	-
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
<b>New infrastructure assets: Capital</b>	1 712	29 913	15 432	9 000	9 175	9 175	7 716	-	-
<b>Infrastructure transfers</b>	124 161	256 934	193 664	58 210	108 560	108 918	89 788	24 289	24 289
Infrastructure transfers: Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers: Capital	124 161	256 934	193 664	58 210	108 560	108 918	89 788	24 289	24 289
<b>Infrastructure: Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	28 858	25 626	24 494	21 880	25 994	21 880	23 431	24 354	24 154
<b>Non infrastructure<sup>1</sup></b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>154 731</b>	<b>312 473</b>	<b>233 590</b>	<b>89 090</b>	<b>143 729</b>	<b>139 973</b>	<b>120 935</b>	<b>48 643</b>	<b>48 443</b>
Capital infrastructure	125 873	286 847	209 096	67 210	117 735	118 093	97 504	24 289	24 289
Current infrastructure	28 858	25 626	24 494	21 880	25 994	21 880	23 431	24 354	24 154

1. Non infrastructure is a stand-alone item, and is therefore excluded from Capital infrastructure and Current infrastructure, but it is included in the overall total

The category *New infrastructure assets: Capital* relates to the Social and Economic Amenities programme. The trend from 2016/17 to 2018/19 relates to the Social and Economic Amenities programme, where the department terminated contracts for uMkhanyakude, Amajuba and uMgungundlovu as a result of poor performance and new contractors were appointed in 2017/18. The 2019/20 Adjusted Appropriation and 2020/21 amount are in respect of completing the remaining work within various districts and to ensure that proper handover processes are undertaken. The allocation does not continue beyond 2020/21 because the department is anticipating to complete all projects at the end of 2020/21.

*Infrastructure transfers: Capital* comprises transfers in respect of the CRU programme and operational costs of accredited municipalities. The trend from 2016/17 to 2018/19 relates to the operational costs for accredited municipalities, which are based on the actual performance by the municipalities. The low amount in 2016/17 relates to a lower allocation to the CRU programme in that year to align to the agreement between the department and the municipalities. The increase in 2018/19 relates to funding allocated for the eThekweni Hostel Upgrading programme. The increase from the 2019/20 Main to the Adjusted Appropriation was in respect of funds shifted from *Transfers and subsidies to: Households* to this

category, within Programme 3, as mentioned. The allocation over the 2020/21 MTEF relates to the operational costs of accredited municipalities and is flat-lined because it is based on actual expenditure by the municipality, as mentioned. The transfer to the eThekweni Metro in respect of the CRU programme does not continue over the MTEF due to transfers made to eThekweni in previous years, as mentioned.

The category *Infrastructure: Leases* relates to the operational leases for office accommodation leased by the department. The high amount in 2016/17 was in respect of office accommodation leases as a result of the annual escalation in leasing of office building costs, as well as payments processed in respect of 2015/16 due to invoices not received timeously from DOPW. The fluctuating trend over the MTEF relates to inflationary increases, as well as the increase in district offices due to decentralisation.

## 7.6 Summary of Public Private Partnerships – Nil

## 7.7 Transfers to public entities (listed i.t.o. Schedule 3 of the PFMA) and other entities

Table 8.9 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA, as well as transfers to other entities.

It is noted that Ithala is not a public entity of the department but is used as an implementing agent. As such, the financial summary for this public entity is not included in Vote 8's Annexure.

The department funds the KZN Housing Fund which is in the process of being dis-established and is an unlisted public entity in terms of Section 47(2) of the PFMA. These allocations were previously made from all categories within Programme 4 but, following an A-G finding, are now made from *Transfers and subsidies to: Departmental agencies and accounts*. The amounts in the previous years under economic classification were restated for alignment.

**Table 8.9 : Summary of departmental transfers to public entities (listed i.t.o. Schedule 3 of the PMFA) and other entities**

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Transfers to public entities		100 000	-	-	-	-	-	-	-	-
Ithala Development Finance Corporation	3.3 Incremental Interventions	100 000	-	-	-	-	-	-	-	-
Transfers to other entities		194 184	179 955	184 730	172 468	177 518	177 518	167 877	156 332	157 917
KZN Housing Fund	4 (all 3 sub-programmes)	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
Wentworth Organisation of Women	3.3 Incremental Interventions	-	-	-	-	50	50	-	-	-
Total		294 184	179 955	184 730	172 468	177 518	177 518	167 877	156 332	157 917

The transfer to Ithala in 2016/17 was for the implementation of the Military Veterans' Housing Project. The department entered into an agreement with Ithala as an implementing agent for the construction of houses for military veterans. A total of 16 houses have been completed, 13 houses are under construction in the eThekweni Metro and Msunduzi Municipality and 45 building plans are in the process of being finalised for the commencement of construction. The programme is still experiencing challenges in acquiring sites from municipalities, as well as the verification of beneficiaries by the Department of Military Veterans and the approval of plans by municipalities for the issuing of title deeds. Of the R100 million transferred to Ithala in 2016/17, only R9.294 million has been spent to date, as mentioned.

The high allocation in 2016/17 under the KZN Housing Fund relates to municipal services such as rates and taxes for housing properties, as well as a Provincial Executive Council decision to provide funding towards the rehabilitation of R293 and ex-Own Affairs townships. The increase from the 2019/20 Main to the Adjusted Appropriation is in respect of the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in the eThekweni Metro. Over the 2020/21 MTEF, the HSDG was reduced due to fiscal consolidation cuts, as mentioned and this has impacted on this transfer and the number of units that will be delivered under this programme.

The allocation in the 2019/20 Adjusted Appropriation against *Non-profit institutions* was to cater for a donation to WOW to cover costs incurred by the organisation on undertaking door-to-door surveys and profiling beneficiaries for possible low-cost housing within Austerville Ward 68, as mentioned.

## 7.8 Transfers to local government

Tables 8.10 and 8.11 illustrate departmental transfers to local government by category and by grant type, respectively. Transfers to local government exclude funds in respect of motor vehicle licences. These funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 8.10 and 8.11. Details of these transfers are presented in the *Annexure – Vote 8: Human Settlements*.

**Table 8.10 : Summary of departmental transfers to local government by category**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Category A	88 056	148 448	145 350	20 418	75 954	58 364	47 048	7 770	7 770
Category B	36 105	108 486	48 314	37 792	32 985	50 767	42 740	16 519	16 519
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>124 161</b>	<b>256 934</b>	<b>193 664</b>	<b>58 210</b>	<b>108 939</b>	<b>109 131</b>	<b>89 788</b>	<b>24 289</b>	<b>24 289</b>

**Table 8.11 : Summary of departmental transfers to local government by grant name**

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
Accredited municipalities	3.2 Financial Intervention	53 471	50 446	43 098	48 210	48 210	48 210	24 289	24 289	24 289
CRU programme	3.4 Social & Rental Intervention	65 142	60 000	80 000	-	-	-	-	-	-
Rates and taxes	3.4 Social & Rental Intervention	5 548	361	357	-	379	571	-	-	-
Title deeds restoration prog.	3.2 Financial Intervention	-	81 270	-	-	-	-	-	-	-
Title Deeds Restoration grant	3.2 Financial Intervention	-	-	69 997	10 000	60 350	60 350	65 499	-	-
FLISP	3.2 Financial Intervention	-	64 857	212	-	-	-	-	-	-
<b>Total</b>		<b>124 161</b>	<b>256 934</b>	<b>193 664</b>	<b>58 210</b>	<b>108 939</b>	<b>109 131</b>	<b>89 788</b>	<b>24 289</b>	<b>24 289</b>

Transfers to municipalities relate to the CRU programme (Category A), title deeds restoration (Categories A and B), FLISP (Categories A and B), municipal rates and taxes (Categories A and B) and operational costs of the accredited municipalities (Categories A and B).

The amounts in respect of FLISP relate to the servicing of sites. The allocation was anticipated to be once-off in 2017/18, while the amount in 2018/19 was in respect of the remaining costs. This transfer to the eThekweni Metro is in respect of the necessary planning, servicing of sites and associated activities in support of the department's priority interventions and programmes.

The once-off transfer in respect of the title deeds restoration programme in 2017/18 was made to the eThekweni Metro for preparatory work, beneficiary verification, conveyancing work, as well as opening of township registers.

Category A: The CRU programme provides a coherent approach to dealing with different forms of public residential accommodation. It enables the department to provide secure and stable rental tenure for lower income persons in good locations, and forms the basis for transition to the formal housing market. The department does not allocate funds over the MTEF in respect of the CRU programme because eThekweni has not fully spent the funds that were transferred in 2018/19 for the eThekweni Hostel Upgrading programme, as mentioned.

Categories A and B: The department provides transfers for municipal rates and taxes and operational costs of accredited municipalities, for eThekweni, Ugu, uMgungundlovu, uThukela, Zululand, iLembe, Amajuba and King Cetshwayo.

## 7.9 Transfers and subsidies

Table 8.12 provides a summary of transfers and subsidies per programme. The various trends in each programme are discussed below.

Table 8.12 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>1. Administration</b>	<b>3 037</b>	<b>1 643</b>	<b>1 797</b>	<b>556</b>	<b>2 458</b>	<b>2 458</b>	<b>600</b>	<b>648</b>	<b>679</b>
Provinces and municipalities	132	104	149	130	130	130	160	188	197
Motor vehicle licences	132	104	149	130	130	130	160	188	197
Households	2 905	1 539	1 648	426	2 328	2 328	440	460	482
Staff exit costs	1 674	983	1 360	-	1 877	1 877	-	-	-
Donations	-	-	150	-	25	25	-	-	-
Bursaries	1 231	556	138	426	426	426	440	460	482
<b>2. Housing Needs, Research and Planning</b>	<b>-</b>	<b>22</b>	<b>481</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	-	22	481	-	-	21	-	-	-
Staff exit costs	-	22	481	-	-	-	-	-	-
Claims against the state	-	-	-	-	-	21	-	-	-
<b>3. Housing Development</b>	<b>2 868 781</b>	<b>3 366 840</b>	<b>3 014 966</b>	<b>3 260 858</b>	<b>3 495 329</b>	<b>3 514 596</b>	<b>3 158 851</b>	<b>2 912 391</b>	<b>3 038 811</b>
Provinces and municipalities	124 213	256 935	193 664	58 210	108 939	109 131	89 788	24 289	24 289
Op. costs for accredited municipalities (HSDG)	53 471	50 446	43 098	48 210	48 210	48 210	24 289	24 289	24 289
CRU programme (HSDG)	65 142	60 000	80 000	-	-	-	-	-	-
Title deeds restoration programme	-	81 270	-	-	-	-	-	-	-
Title Deeds Restoration grant	-	-	69 997	10 000	60 350	60 350	65 499	-	-
FLISP (HSDG)	-	64 857	212	-	-	-	-	-	-
Rates and taxes for Sec. 21 properties (HSDG)	5 548	361	357	-	379	571	-	-	-
Claims against the state (HSDG)	52	1	-	-	-	-	-	-	-
Public corporations and private enterprises	100 000	-	-	-	-	-	-	-	-
Ithala (HSDG)	100 000	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	50	50	-	-	-
Donation: WOW	-	-	-	-	50	50	-	-	-
Households	2 644 568	3 109 905	2 821 302	3 202 648	3 386 340	3 405 415	3 069 063	2 888 102	3 014 522
Staff exit costs	696	2 213	141	-	396	396	-	-	-
Staff exit costs (TDRG)	-	-	-	-	-	21	-	-	-
Staff exit costs (HSDG)	363	234	2 468	154	359	564	154	154	154
Donations	-	-	209	-	-	-	-	-	-
Title Deeds Restoration grant	-	-	-	58 149	-	-	-	-	-
Re-allocation: Ridgeview Gardens	-	-	20 842	-	29 133	29 133	-	-	-
EPWP Integrated Grant for provinces	3 789	-	1 169	-	-	-	-	-	-
Other - Transfers from previous year	23 359	21 442	-	-	8 689	8 689	-	-	-
Human Settlement Development grant	2 616 361	3 086 016	2 796 473	3 144 345	3 196 520	3 215 369	3 068 909	2 173 573	2 257 500
ISUPG	-	-	-	-	-	-	-	714 375	756 868
Provincial Emergency Housing grant	-	-	-	-	151 243	151 243	-	-	-
<b>4. Housing Asset Management</b>	<b>194 184</b>	<b>179 955</b>	<b>184 730</b>	<b>172 468</b>	<b>177 468</b>	<b>177 468</b>	<b>167 877</b>	<b>156 332</b>	<b>157 917</b>
Departmental agencies and accounts	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
KZN Housing Fund	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
Of which:									
Equitable Share	58 506	38 303	41 501	47 106	47 106	47 106	50 245	51 200	52 785
Title Deeds Restoration grant	-	-	12 692	7 730	12 730	12 730	-	-	-
Human Settlements Development grant	135 678	141 652	130 537	117 632	117 632	117 632	117 632	105 132	105 132
<b>Total</b>	<b>3 066 002</b>	<b>3 548 460</b>	<b>3 201 974</b>	<b>3 433 882</b>	<b>3 675 255</b>	<b>3 694 543</b>	<b>3 327 328</b>	<b>3 069 371</b>	<b>3 197 407</b>

With regard to Programme 1:

- *Provinces and municipalities* in Programme 1 relates to motor vehicle licence fees.
- *Households* pertains to staff exit costs and bursaries paid to 16 external students in qualifications such as Civil Engineering, Construction Management, Town and Regional Planning, Geographic and Environmental Studies, etc. The increase in the 2019/20 Adjusted Appropriation relates to higher than anticipated staff exit costs, as well as a donation of R25 000 for catering for the Umkhonto Wesizwe Military Veterans women's month celebration event held at KwaMashu in the eThekweni Metro.

Spending against *Households* in 2017/18 and 2018/19 in Programme 2 relates to staff exit costs. The amount of R21 000 in the 2019/20 Revised Estimate relates to an arbitration award paid to an employee by the department in respect of an allowance that was not paid to the employee.

With regard to Programme 3:

- *Provinces and municipalities* relates to programmes funded from the HSDG and TDRG. The fluctuating trend from 2016/17 to 2018/19 relates to the operational costs for accredited municipalities, which are based on the actual performance by the municipality. The increase in 2018/19 relates to funding allocated for the eThekweni Hostel Upgrading programme. The decrease in 2019/20 is due to the reduction of the allocation in respect of eThekweni Hostel Upgrading programme to allow the municipality to utilise the funding which was transferred in 2018/19. The 2020/21 MTEF allocations are for operational costs of accredited municipalities. As mentioned, the department does not allocate

funds for transfers to eThekweni for the CRU programme over the MTEF because eThekweni has not fully spent the funds that were transferred in 2018/19 for the eThekweni Hostel Upgrading programme. Also, the TDRG is absorbed into the HSDG from 2021/22. The department will continue issuing title deeds with regard to the title deeds restoration programme and this is budgeted for under *Households* from 2021/22, as mentioned.

The amounts in respect of FLISP relate to the servicing of sites. The funding was anticipated to be once-off in 2017/18, whereas the amount in 2018/19 is in respect of remaining costs. This transfer to the eThekweni Metro was for the necessary planning, servicing of sites and associated activities in support of priority interventions and programmes, as mentioned.

The once-off transfer in respect of the title deeds restoration programme in 2017/18 was made to the eThekweni Metro for preparatory work, beneficiary verification, conveyancing work, as well as creation of township registers.

- The allocation in the 2019/20 Adjusted Appropriation against *Non-profit institutions* was to cater for a donation to WOW, as mentioned.
- The spending against *Public corporations and private enterprises* in 2016/17 relates to the implementation of the Military Veterans' Housing Project, as mentioned.
- *Households* relates mainly to HSDG projects over the MTEF, as well as the ISUPG which commences from 2021/22. The bulk of the department's funding is allocated within this category. Also included are staff exit costs funded by the equitable share, TDRG and HSDG. The increase in 2017/18 is due to an additional R200 million received from NDHS, as mentioned. The increase from the 2019/20 Main Appropriation to the Adjusted Appropriation is due to the additional funding received for storm damage between December 2018 and January 2019, as well as the roll-over of R50.450 million relating to storm damages and the re-allocation of funds in respect of the sale of units at Ridgeview Gardens, as mentioned. The allocation in 2020/21 takes into account an increase of R278.136 million to account for funds received for the disaster recovery component within the HSDG. Although the allocation in 2020/21 increases, this is after a budget cut of R106.920 million which relates to the informal settlements upgrading programme as it remains ring-fenced within the HSDG in 2020/21. The decrease in the two outer years is largely due to fiscal consolidation budget cuts of R231.419 million in 2021/22 and R147.492 million in 2022/23 in respect of the HSDG. The number of units, sites and housing opportunities across all projects are reduced accordingly as a result of these budget cuts, whereas the increase in 2020/21 relates to funds received for the disaster recovery component for reconstruction and repair of houses in the eThekweni Metro, as mentioned.

With regard to *Departmental agencies and accounts* in Programme 4, which relates to the KZN Housing Fund, the fluctuating trend from 2016/17 to 2018/19 relates to the transfers made in 2016/17 to the eThekweni Metro in respect of the rectification programme for the pre-1994 housing stock of ex-Own Affairs and ex-R293 areas. The increase from the 2019/20 Main Appropriation to the Adjusted Appropriation is in respect of TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in the eThekweni Metro. The HSDG in this category, shows no increase from 2019/20 to 2020/21 due to the fact that the HSDG was reduced as a result of fiscal consolidation budget cuts and the allocation is kept constant in this programme. The HSDG allocation is reduced in the two outer years due to budget cuts and this will impact on the number of units delivered by the department on various programmes. Also there is no allocation for the TDRG in 2020/21 due to the grant being allocated under Programme 3. The department also implemented the PES formula update budget cuts under this programme against *Transfers and subsidies to: Departmental agencies and accounts*.

## 8. Programme description

The services rendered by this department are categorised under four programmes, which conform to the uniform budget and programme structure for the Human Settlements sector. The payments and budgeted estimates for each of these programmes are summarised below, details of which are presented in the *Annexure to Vote 8 – Human Settlements*.

## 8.1 Programme 1: Administration

The purpose of this programme is to identify and eliminate bottle-necks, as well as continuously improve the flow of financial, administrative and management information. The strategic objectives of this programme are to strengthen governance and service delivery. Tables 8.13 and 8.14 reflect a summary of payments and estimates for the period 2016/17 to 2022/23.

The department implemented the PES formula and fiscal consolidation cuts, as well as cuts related to lowering of the CPI projections of R1.844 million, R2.945 million and R4.985 million over the MTEF under this programme against *Compensation of employees* and *Goods and services*. These budget cuts will affect the rate at which the department will be able to fill posts. The budget cuts against *Compensation of employees* will affect the rate at which the department will be able to fill posts. The department will review the need to fill posts that are vacated during this period to offset the impact of the cuts. The cuts against *Goods and services* are on property payments, and the department will reprioritise in-year to offset this cut.

**Table 8.13 : Summary of payments and estimates by sub-programme: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Corporate Services	205 279	217 793	227 193	239 986	248 686	248 686	254 569	268 109	279 999
<b>Total</b>	<b>205 279</b>	<b>217 793</b>	<b>227 193</b>	<b>239 986</b>	<b>248 686</b>	<b>248 686</b>	<b>254 569</b>	<b>268 109</b>	<b>279 999</b>

**Table 8.14 : Summary of payments and estimates by economic classification: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>198 248</b>	<b>213 228</b>	<b>223 117</b>	<b>235 083</b>	<b>241 881</b>	<b>241 881</b>	<b>249 116</b>	<b>262 351</b>	<b>273 966</b>
Compensation of employees	118 155	126 843	135 347	155 178	146 887	146 887	164 511	171 958	181 694
Goods and services	79 696	86 385	87 770	79 905	94 994	94 994	84 605	90 393	92 272
Interest and rent on land	397	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>3 037</b>	<b>1 643</b>	<b>1 797</b>	<b>556</b>	<b>2 458</b>	<b>2 458</b>	<b>600</b>	<b>648</b>	<b>679</b>
Provinces and municipalities	132	104	149	130	130	130	160	188	197
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 905	1 539	1 648	426	2 328	2 328	440	460	482
<b>Payments for capital assets</b>	<b>3 523</b>	<b>2 598</b>	<b>2 279</b>	<b>4 347</b>	<b>4 347</b>	<b>4 347</b>	<b>4 853</b>	<b>5 110</b>	<b>5 354</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 523	2 598	2 279	4 347	4 347	4 347	4 853	5 110	5 354
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>471</b>	<b>324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>205 279</b>	<b>217 793</b>	<b>227 193</b>	<b>239 986</b>	<b>248 686</b>	<b>248 686</b>	<b>254 569</b>	<b>268 109</b>	<b>279 999</b>

The Corporate Services sub-programme caters for services such as providing strategic leadership, co-ordination and management of strategies, as well as the administration of the department. The increase over the MTEF is to cater for wage agreements and inflationary adjustments on items such as leasing of office accommodation, property payments, etc., as well as the filling of one critical vacant post. The department implemented the PES formula and the fiscal consolidation cuts under this programme. This programme was cut by R817 000 in 2020/21 against *Compensation of employees* (R400 000) and *Goods and services* (R417 000), R2.455 million in 2021/22 and R4.985 million in 2022/23 against *Compensation of employees*. The budget cuts against *Goods and services* in 2020/21 were implemented on property payments and the department will reprioritise in-year to cover this shortfall. The budget cuts against *Compensation of employees* in 2020/21 will be funded using savings from vacant posts, therefore these cuts will not affect the number of posts to be filled in 2020/21. The budget cuts in 2021/22 and 2022/23 will affect the rate at which the department will fill posts in these years. The department will review the need to fill posts that are vacated during this period.



*Compensation of employees* shows an increase over the 2020/21 MTEF in respect of the carry-through costs of previous wage agreements. The filling of the post of Chief Director: Human Capital is budgeted for in 2020/21, as mentioned. The percentage growth from 2019/20 to 2020/21 is 12 per cent, 4.5 per cent in 2021/22 and 5.7 per cent in 2022/23. The growth is sufficient in 2020/21 but, in 2021/22 and 2022/23, it is lower than National Treasury guidelines and the department will review this in the next budget process. Also contributing to the low growth is the fact that the department implemented the PES formula and the fiscal consolidation cuts against this category, as mentioned.

The increase against *Goods and services* in the 2019/20 Adjusted Appropriation was funded from savings against *Compensation of employees* due to vacant posts. These funds were utilised to deal with spending pressures relating to audit costs, operating leases, as well as property payments which were under-budgeted. The department is also providing for the development of an electronic management system which will be used as a back-up of all manual records, such as contracts, project files, etc. The growth over the 2020/21 MTEF is to cater for inflationary adjustments. This category provides mainly for the management of office accommodation, training and development, IT related functions, etc. for the entire department.

*Interest and rent on land* pertains to interest paid on overdue accounts for payments made to the GEPP for employees who took early retirement in previous years. No provision is made for this over the MTEF.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* relates to motor vehicle licences for the department's entire fleet.
- The fluctuating trend against *Households* over the seven years relates to staff exit costs, bursaries, as well as various donations. The allocations over the 2020/21 MTEF relate to bursaries issued by the department to 16 external candidates in qualifications such as Civil Engineering, Construction Management, Town and Regional Planning, Geographic and Environmental Studies, etc.

*Machinery and equipment* relates to the replacement of motor vehicles, as well as the purchase of new motor vehicles for districts, as the department has decentralised its offices. The 2020/21 MTEF provides for the purchase of departmental motor vehicles, IT equipment, etc.

*Payments for financial assets* relates to the write-off of staff debts.

## 8.2 Programme 2: Housing Needs, Research and Planning

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

Tables 8.15 and 8.16 illustrate payments and budgeted estimates from 2016/17 to 2022/23. This programme was cut across all sub-programmes by R64 000 in 2020/21 against *Compensation of employees* (R31 000) and *Goods and services* (R33 000), R396 000 in 2021/22 and R434 000 in 2022/23 against *Compensation of employees*. The budget cuts against *Goods and services* in 2020/21 were implemented on property payments and the department will reprioritise in-year to cover this shortfall. The budget cuts against *Compensation of employees* in 2020/21 will be funded using savings from vacant posts, therefore these cuts will not affect the number of posts to be filled in 2020/21. The budget cuts in 2021/22 and 2022/23 will affect the rate at which the department will fill posts in these years. The department will review the need to fill posts that are vacated during this period.

**Table 8.15 : Summary of payments and estimates by sub-programme: Housing Needs, Research and Planning**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
1. Administration	400	336	377	451	451	451	466	523	551
2. Policy	4 087	3 921	4 048	5 464	4 352	4 352	6 039	6 177	6 494
3. Planning	3 598	3 740	4 179	4 356	3 759	3 759	4 646	4 600	4 836
4. Research	7 843	8 514	8 724	8 704	9 713	9 713	9 075	9 671	10 167
<b>Total</b>	<b>15 928</b>	<b>16 511</b>	<b>17 328</b>	<b>18 975</b>	<b>18 275</b>	<b>18 275</b>	<b>20 226</b>	<b>20 971</b>	<b>22 048</b>

Table 8.16 : Summary of payments and estimates by economic classification: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>15 875</b>	<b>16 476</b>	<b>16 837</b>	<b>18 965</b>	<b>18 259</b>	<b>18 238</b>	<b>20 206</b>	<b>20 971</b>	<b>22 048</b>
Compensation of employees	12 991	13 581	13 901	16 748	14 903	14 896	17 862	18 273	18 962
Goods and services	2 884	2 895	2 703	2 217	3 356	3 342	2 344	2 698	3 086
Interest and rent on land	-	-	233	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>-</b>	<b>22</b>	<b>481</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	22	481	-	-	21	-	-	-
<b>Payments for capital assets</b>	<b>53</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>16</b>	<b>16</b>	<b>20</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	53	12	10	10	16	16	20	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>15 928</b>	<b>16 511</b>	<b>17 328</b>	<b>18 975</b>	<b>18 275</b>	<b>18 275</b>	<b>20 226</b>	<b>20 971</b>	<b>22 048</b>

The budget for the sub-programme: Administration over the 2020/21 MTEF provides for managing personnel, financial administration and the co-ordination and monitoring of housing needs, research and planning and shows steady growth over the MTEF.

The sub-programme: Policy provides for creating platforms for various stakeholders for discussing, debating, drafting and informing human settlement policies, programmes, innovation and technology, and mainly consists of *Compensation of employees* and operational costs of the staff within the component.

The sub-programme: Planning provides for the facilitation and integration of housing sector planning in all sectors such as local and district municipalities, as well as other departments such as COGTA, DOT, DOE, to name a few, in order to align the department's budget with current and future housing needs. The sub-programme further provides technical and professional support to municipalities in the review of their housing sector plans, IDPs and spatial development plans, to ensure alignment to the NDP and PGDS. Furthermore, the sub-programme is responsible for maintaining a project pipeline of potential projects identified through an engagement process with municipalities, and for conducting feasibility studies to determine suitability. At project level, the sub-programme identifies and manages the planning activities and studies of all human settlements projects such as environmental, geotechnical, bulk infrastructure, social aspects and town planning. The sub-programme shows fluctuations over the MTEF.

The sub-programme: Research provides for the identification of any skills gaps in the major stakeholders that are an integral part of the housing delivery chain, including municipalities, traditional leaders and institutions, emerging contractors, youth and women. The sub-programme includes planned capacity building initiatives to ensure broader participation of key stakeholders in the delivery of sustainable human settlements. The budget grows steadily over the 2020/21 MTEF to cater for the carry-through costs of previous wage agreements, as well as the implementation of capacity building programmes such as the training of traditional leaders and housing consumers, as well as beneficiary training for communities (i.e. training communities on their rights in housing, such as what type of housing they qualify for).

With regard to *Compensation of employees*, provision has been made over the MTEF for the carry-through costs of previous wage agreements and the filling of two posts, namely Chief Architect and Administrative Officer. Growth is 19.9 per cent in 2020/21, 2.3 per cent in 2021/22 and 3.7 per cent in 2022/23. This growth is sufficient in 2020/21. However, in 2021/22 and 2022/23 the growth is lower than National Treasury guidelines and the department will review this in the next budget process. Contributing to the low growth is the fact that the department implemented the PES formula and the fiscal consolidation cuts against this category, as mentioned.

*Goods and services* shows an increasing trend from 2016/17 to 2019/20 due to provision made for capacity building programmes relating to housing consumer and Councillor training. The increase from the 2019/20 Main to Adjusted Appropriation is as a result of funds moved from *Compensation of employees* to provide for an increased number of capacity building programmes for housing consumer education as a result of an increase in demand for these programmes. The increase also caters for costs relating to system access and information fees for WinDeed which was inadequately budgeted for. The 2020/21 MTEF caters for capacity building programmes relating to housing consumer and Councillor training. The department implemented the PES formula update budget cuts of R33 000 in 2020/21 under this category, as mentioned

*Transfers and subsidies to: Households* relates to staff exit costs and an arbitration award paid to an employee in 2019/20.

*Machinery and equipment* relates to the purchase of office furniture, and no allocation has been made beyond 2021/22 as this is not an annual requirement.

### Service delivery measures: Housing Needs, Research and Planning

Table 8.17 reflects the main service delivery measures pertaining to Programme 2. Note that there are no current generic measures for this sector, but the department is largely following the sector measures from previous years. Some of the outputs and performance indicator descriptions have been changed to ensure alignment with the department's 2020/21 APP.

The department reviewed its service delivery measures for 2020/21, and hence two new targets are included, indicated by "New" in the 2019/20 column.

**Table 8.17 : Service delivery measures: Housing Needs, Research and Planning**

Table 5.1.1: Service delivery measures: Housing, Roads, Research and Planning						
Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2019/20	2020/21	2021/22	2022/23
Planning						
1.1	Spatial transformation through multi-programme integration in priority development	• No. of individuals provided with consumer education	8 000	15 000	16 000	17 000
		• No. of catalytic projects in planning	5	5	8	8
		• No. of human settlement development projects planned in accordance with the KZN Human Settlements Master Spatial Plan's (HSMSP) focus areas	New	21	13	21
		• No. of hectares of land procured/proclaimed	152	150	-	-
		• No. of farm dwelling projects in planning	1	2	4	4
		• No. of informal settlements upgraded to Phase 3	New	16	17	12

### 8.3 Programme 3: Housing Development

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

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

Programme 3 consists of the bulk of the HSDG, the remainder of which falls under Programme 4. As such, this programme is aligned to the departmental conditional grant business plan, which contains a list of all projects to be implemented. This programme also includes the EPWP Integrated Grant for Provinces, TDRG (up to 2020/21), as well as the ISUPG from 2021/22. This programme is significantly impacted on by any fluctuations and budget cuts in the HSDG allocation.

Tables 8.18 and 8.19 illustrate a summary of payments and budgeted estimates from 2016/17 to 2022/23. This programme was cut across all sub-programmes by R336 000 in 2020/21 against *Compensation of employees* (R162 000) and *Goods and services* (R174 000) in 2020/21, R2.600 million in 2021/22 and R3.865 million in 2022/23 against *Compensation of employees*. The budget cuts against *Goods and services* in 2020/21 were implemented on property payments and the department will reprioritise in-year to cover this shortfall. The budget cuts against *Compensation of employees* in 2020/21 will be funded using savings from vacant posts, therefore these cuts will not affect the number of posts to be filled in 2020/21. The budget cuts in 2021/22 and 2022/23 will affect the rate at which the department will fill posts in these years. The department will review the need to fill posts that are vacated during this period. The conditional grant budget cuts in 2021/22 and 2022/23 are mainly against the Financial Interventions and Rural Intervention sub-programmes under *Transfers and subsidies to: Households*.

**Table 8.18 : Summary of payments and estimates by sub-programme: Housing Development**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Administration	87 407	88 121	89 605	99 466	94 466	94 466	108 016	111 325	115 998
2. Financial Interventions	374 583	606 705	501 981	376 802	446 021	446 021	391 854	293 830	288 783
3. Incremental Interventions	1 259 157	1 352 987	1 161 959	1 852 285	1 724 978	1 724 978	1 735 190	1 645 911	1 730 081
4. Social and Rental Intervention	231 477	108 326	109 156	190 000	190 000	190 000	209 740	184 425	200 000
5. Rural Intervention	1 160 988	1 496 336	1 442 677	1 056 660	1 349 438	1 349 438	1 042 425	948 582	980 304
<b>Total</b>	<b>3 113 612</b>	<b>3 652 475</b>	<b>3 305 378</b>	<b>3 575 213</b>	<b>3 804 903</b>	<b>3 804 903</b>	<b>3 487 225</b>	<b>3 184 073</b>	<b>3 315 166</b>

**Table 8.19 : Summary of payments and estimates by economic classification: Housing Development**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>242 881</b>	<b>255 100</b>	<b>274 864</b>	<b>304 737</b>	<b>299 981</b>	<b>280 714</b>	<b>320 207</b>	<b>271 231</b>	<b>275 904</b>
Compensation of employees	148 890	158 300	171 451	197 172	185 831	185 460	206 552	209 096	213 541
Goods and services	93 989	96 785	103 413	107 565	114 150	95 254	113 655	62 135	62 363
Interest and rent on land	2	15	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>2 868 781</b>	<b>3 366 840</b>	<b>3 014 966</b>	<b>3 260 858</b>	<b>3 495 329</b>	<b>3 514 596</b>	<b>3 158 851</b>	<b>2 912 391</b>	<b>3 038 811</b>
Provinces and municipalities	124 213	256 935	193 664	58 210	108 939	109 131	89 788	24 289	24 289
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	100 000	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	50	50	-	-	-
Households	2 644 568	3 109 905	2 821 302	3 202 648	3 386 340	3 405 415	3 069 063	2 888 102	3 014 522
<b>Payments for capital assets</b>	<b>1 950</b>	<b>30 510</b>	<b>15 548</b>	<b>9 618</b>	<b>9 593</b>	<b>9 593</b>	<b>8 167</b>	<b>451</b>	<b>451</b>
Buildings and other fixed structures	1 712	29 913	15 432	9 000	9 175	9 175	7 716	-	-
Machinery and equipment	238	597	116	618	418	418	451	451	451
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 113 612</b>	<b>3 652 475</b>	<b>3 305 378</b>	<b>3 575 213</b>	<b>3 804 903</b>	<b>3 804 903</b>	<b>3 487 225</b>	<b>3 184 073</b>	<b>3 315 166</b>

The sub-programme: Administration provides for administration of human settlement development projects, managing of personnel and financial administration. The sub-programme reflects a steady increase over the 2020/21 MTEF, due to provision made for wage adjustments and inflationary increases.

The Financial Interventions sub-programme provides for financial support to procure services relating to housing delivery. The subsidy instruments implemented include, among others, procurement of land for housing development, the operational costs for accredited municipalities, NHBRC enrolment fees, OPSCAP, implementation of the anti-land invasion strategy, etc.

The Incremental Interventions sub-programme contributes towards achievement of Outcome 8 targets and ensuring sustainable human settlements. The subsidy instruments implemented include ISU, IRDP, emergency housing assistance, etc. The 2019/20 Adjusted Appropriation includes the disaster relief funding allocated to deal with repairs to houses damaged by storms in areas such as eThekweni, Mdoni,

uMuziwabantu, uMzumbe, as well as Ray Nkonyeni. The decrease in 2021/22 takes into account the HSDG budget cuts.

The sub-programme: Social and Rental Interventions provides for the CRU programme which aims to create a sustainable, affordable and secure rental housing option for households. Over the 2020/21 MTEF, the programme provides for projects such as hostel upgrades, including Kokstad CRU, Rocky Park in iLembe, Jika Joe in Msunduzi, Newcastle N11 in Amajuba, etc.

The sub-programme: Rural Intervention provides for housing needs that are implemented utilising the rural housing subsidy. The increase from 2019/20 to 2020/21 is due to the department aiming at finalising some of the rural projects such as KwaXolo, KwaJobe, Oshabeni, etc. which are currently on the ground in order to focus mainly on the Outcome 8 targets under the other programmes. The decrease in this sub-programme over the 2020/21 MTEF is in line with the fiscal consolidation budget cuts.

The strong growth against *Compensation of employees* can mainly be attributed to posts funded by the HSDG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. The increase over the 2020/21 MTEF relates to contract posts such as Professional Construction Project Manager, Community Development Practitioner, etc. in respect of the HSDG which are expected to be filled as and when the need arises. In 2020/21, 3.2 per cent of the HSDG is allocated to *Compensation of employees*. The category grows by 11.3 per cent from the Revised Estimate to 2020/21 and 1.2 per cent and 2.1 per cent in 2021/22 and 2022/23, respectively. The growth is adequate in 2020/21, but not in the two outer years, and this will be reviewed by the department in-year.

*Goods and services* provides for operational costs of officials, implementation of the anti-land invasion strategy, as well as portion of the EPWP Integrated Grant for Provinces allocation. The growth from 2020/21 to 2022/23 is very low because the EPWP Integrated Grant for Provinces is not allocated beyond 2020/21, at this stage, as well as the fact that the department has reduced the allocation to HDA, following the budget cuts in respect of the HSDG and this will affect the number of catalytic projects undertaken, as mentioned. The increase in 2020/21 is due to the allocation of the TDRG in this category, as mentioned.

*Interest and rent on land* pertains to interest paid on overdue accounts in 2016/17 to 2017/18.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* shows a decreasing trend over the 2020/21 MTEF, largely due to the fact that the allocation in respect of the TDRG ends in 2020/21 and is absorbed back into the HSDG from 2021/22 and will be budgeted for under *Households*, as mentioned. The 2020/21 MTEF provides for operational costs of the accredited municipalities that are implementing housing projects, such as the payment of salaries, office accommodation, vehicles, computer systems, purchase of equipment and maintenance, stationery, etc. The increase in 2020/21 is due to the allocation of the TDRG in this category, as mentioned.
- *Public corporations and private enterprises* in 2016/17 relates to the implementation of the Military Veterans' Housing Project, where R100 million was transferred to Ithala, as mentioned.
- *Households* provides for the bulk of the housing programmes, as well as the TDRG. The allocation in 2020/21 takes into account an increase of R278.136 million to account for funds received for the disaster recovery component within the HSDG. Although the allocation in 2020/21 increases, this is after a budget cut of R106.920 million which relates to the informal settlements upgrading programme as it remains ring-fenced within the HSDG in 2020/21. The decrease in the two outer years is largely due to fiscal consolidation budget cuts of R231.419 million in 2021/22 and R147.492 million in 2022/23 in respect of the HSDG, as mentioned. The budget in respect of the ISUPG is also allocated against this category from 2021/22 onwards.

*Buildings and other fixed structures* mainly relates to the Social and Economic Amenities programme. The budget does not continue after 2020/21 as the department is anticipating to finalise the Social and Economic Amenities programme.

*Machinery and equipment* includes the purchase of office furniture and equipment, as well as vehicles.

## Service delivery measures: Housing Development

Table 8.20 reflects the main service delivery measures pertaining to Programme 3. Note that there are currently no generic measures for this sector. However, the department is largely following the sector measures from the previous years when there were still sector-specific measures.

Some of the outputs and performance indicator descriptions have changed to ensure alignment with the department's 2020/21 APP. The department reviewed its service delivery measures for 2020/21, and hence three new targets are included, indicated by "New" in the 2019/20 column.

**Table 8.20 : Service delivery measures: Housing Development**

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2019/20	2020/21	2021/22	2022/23
1.1 Finance linked individual subsidy programme	• No. of beneficiaries subsidized in terms of FLISP	300	300	363	363
1.2 Community Residential Units	• No. of CRUs completed	530	400	400	400
1.3 Job creation	• No. of social housing units completed	200	200	731	1 172
	• No. of targeted FTEs	2 850	2 000	2 200	2 500
	• No. of work opportunities created through related programmes	7 000	5 000	5 500	6 500
	• No. of targeted persons day of work	656 000	668 000	680 000	700 000
	• No. of EPWP beneficiaries provided with accredited training	350	300	400	410
1.4 Companies of designated groups trained	• No. of designated group companies trained	New	100	150	200
1.5 Social housing institutions accredited	• No. of social housing institutions accredited	New	3	3	3
1.6 All subsidy instruments	• No. of sites serviced through housing prog. to households earning less than R3 500	9 101	5 138	5 134	2 773
	• No. of new housing units completed through housing prog. (excl. CRU, FLISP, etc.) for households earning less than R3 500	17 711	13 130	12 477	14 178
	• No. of new title deeds issued for the subsidy market (from April 2014)	11 759	2 993	1 250	1 705
	• No. of post-1994 title deeds issued (April 1994-March 2014)	37 949	34 454	20 750	20 750
	• No. of new title deeds registered for the subsidy market (from April 2014)	New	5 138	2 846	2 458

## 8.4 Programme 4: Housing Asset Management

This programme is responsible for the management of ex-Natal Provincial Administration and Own Affairs stock. This stock includes residential properties, vacant land and a variety of other non-residential properties, all of which belong to the KZN Housing Fund. In terms of its mandate, all properties will, on a progressive basis, either be transferred to individual occupants in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS), or be disposed of in the open market. Some of these properties will also be devolved to municipalities. In cases where a transfer is not possible, such stock will remain rental stock. The KZN Housing Fund is in the process of being dis-established and, once this process is finalised, all assets and liabilities will be transferred to the Vote. This process is still underway. The KZN Housing Fund is funded by equitable share, as well as the HSDG over the MTEF.

It must be noted that *Transfers and subsidies to: Departmental agencies and accounts* relates to transfers to the KZN Housing Fund. Funding in respect of the KZN Housing Fund has been moved to this category, due to compliance with an A-G finding and GRAP requirements.

Tables 8.21 and 8.22 give a summary of payments and budgeted estimates pertaining to this programme. This programme was cut across all sub-programmes by R156 000, R1.879 million and R3.058 million in 2020/21, 2021/22 and 2022/23, respectively against *Transfers and subsidies to: Departmental agencies and accounts*. The budget cuts were implemented on property payments and the department will reprioritise in-year to offset this cut. The budget cuts were also implemented in respect of staffing costs and in 2020/21 these cuts will be funded using savings from vacant posts, therefore these cuts will not affect the number of posts to be filled in 2020/21. The budget cuts in 2021/22 and 2022/23 will affect the rate at which the department will fill posts in these years. The department will review the need to fill posts that are vacated during this period, as mentioned.

The overall MTEF allocation for this programme shows the effects of the implementation of the EEDBS policy, as explained in greater detail below.

**Table 8.21 : Summary of payments and estimates by sub-programme: Housing Asset Management**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
1. Administration	58 506	38 303	41 501	47 106	47 106	47 106	50 245	51 200	52 785
2. Sale and Transfer of Housing Properties	335	42 344	58 189	49 662	54 662	60 662	41 932	41 932	41 932
3. Housing Properties Maintenance	135 343	99 308	85 040	75 700	75 700	69 700	75 700	63 200	63 200
<b>Total</b>	<b>194 184</b>	<b>179 955</b>	<b>184 730</b>	<b>172 468</b>	<b>177 468</b>	<b>177 468</b>	<b>167 877</b>	<b>156 332</b>	<b>157 917</b>

**Table 8.22 : Summary of payments and estimates by economic classification: Housing Asset Management**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>194 184</b>	<b>179 955</b>	<b>184 730</b>	<b>172 468</b>	<b>177 468</b>	<b>177 468</b>	<b>167 877</b>	<b>156 332</b>	<b>157 917</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>194 184</b>	<b>179 955</b>	<b>184 730</b>	<b>172 468</b>	<b>177 468</b>	<b>177 468</b>	<b>167 877</b>	<b>156 332</b>	<b>157 917</b>

The sub-programme: Administration provides for the management of ex-Natal Provincial Administration and ex-Own Affairs stock. The 2020/21 MTEF caters for wage agreements and inflationary adjustments.

The sub-programme: Sale and Transfer of Housing Properties provides for the transfer of rental housing stock to qualifying beneficiaries in terms of the EEDBS. The increase in 2018/19 is as a result of provision made to fast-track the transfer of properties through the EEDBS programme. The decrease in this sub-programme over the 2020/21 MTEF is in line with the fiscal consolidation budget cuts which will affect the rate at which the department will fill posts in the two outer years.

The sub-programme: Housing Properties Maintenance provides for the co-ordination of the maintenance of departmental rental housing stock and rectification of units built prior to 1994. The allocation over the 2020/21 MTEF relates to the rectification of pre-1994 housing stock which will be implemented in phases due to financial constraints. The HSDG allocation is reduced in the two outer years due to budget cuts and this will impact on the number of units delivered by the department on various programmes.

### Service delivery measures: Housing Asset Management

Table 8.23 reflects the main service delivery measures pertaining to Programme 4. Note that there are currently no generic measures for this sector. However, the department is largely following the sector measures from previous years when there were sector specific outputs.

Some of the outputs and performance indicator descriptions have changed to ensure alignment with the department's 2020/21 APP.

Table 8.23 : Service delivery measures: Housing Asset Management

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2019/20	2020/21	2021/22	2022/23	
1. To provide secure tenure to communities	• No. of pre-1994 title deeds issued	5 500	14 046	11 400	11 000	
	• No. of rental units sold to beneficiaries	458	300	300	141	
	• No. of units maintained	500	500	500	500	
	• No. of units rectified for pre-1994 stock	566	520	520	520	
	• No. of land parcels devolved to municipalities in terms of Section 15 of the Housing Act, 1997	100	100	200	200	
2. Improved good governance	• No. of debtors reduced per financial year	600	400	400	400	

## 9. Other programme information

### 9.1 Personnel numbers and costs

Table 8.24 illustrates personnel numbers and estimates over the seven-year period. It is noted that National Treasury has changed the groupings of the salary levels 1 to 6 to 1 to 7 and 7 to 10 to 8 to 10, but has not amended the formula in the *EPRE* tables. The department was able to change the costs of the levels but not the number of personnel. Also, the number against *Other* in 2016/17 and 2018/19 at salary level was slightly different against *Other* under the Employee dispensation classification. This is now being amended, and will not tie back to the numbers in the 2019/20 *EPRE*.

Table 8.24 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term expenditure Estimate						Average annual growth over MTEF 2019/20 - 2022/23		
	2016/17		2017/18		2018/19		2019/20				2020/21		2021/22		2022/23		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers nos <sup>1</sup>	Costs	Pers nos <sup>1</sup>	Costs	Pers nos <sup>1</sup>	Costs	Filled posts	Addit. posts	Pers nos <sup>1</sup>	Costs	Pers nos <sup>1</sup>	Costs	Pers nos <sup>1</sup>	Costs	Pers nos <sup>1</sup>	Costs			
<b>R thousands</b>																			
<b>Salary level</b>																			
1 – 7	92	26 340	91	25 055	104	23 505	97	14	111	25 445	112	30 606	112	32 083	110	32 822	(0.3%)	8.9%	7.8%
8 – 10	392	166 403	397	182 900	398	180 576	397	-	397	201 464	418	227 385	414	233 007	411	242 651	1.2%	6.4%	58.3%
11 – 12	79	53 455	79	54 018	94	73 448	83	-	83	77 136	84	82 589	83	85 110	83	88 168	0.0%	4.6%	21.6%
13 – 16	30	33 838	32	35 166	32	37 099	31	1	32	39 345	31	44 359	31	45 082	31	46 394	(1.1%)	5.6%	11.3%
Other	25	-	-	1 585	19	6 071	21	16	37	3 853	37	3 986	37	4 045	37	4 162	0.0%	2.6%	1.0%
<b>Total</b>	<b>618</b>	<b>280 036</b>	<b>599</b>	<b>298 724</b>	<b>647</b>	<b>320 699</b>	<b>629</b>	<b>31</b>	<b>660</b>	<b>347 243</b>	<b>682</b>	<b>388 925</b>	<b>677</b>	<b>399 327</b>	<b>672</b>	<b>414 197</b>	<b>0.6%</b>	<b>6.1%</b>	<b>100.0%</b>
<b>Programme</b>																			
1. Administration	310	118 155	281	126 843	301	135 347	313	23	336	146 887	337	164 511	334	171 958	329	181 694	(0.7%)	7.3%	43.1%
2. Housing Needs, Research and Planning	26	12 991	25	13 581	24	13 901	25	-	25	14 896	27	17 862	26	18 273	26	18 962	1.3%	8.4%	4.5%
3. Housing Development	282	148 890	293	158 300	322	171 451	291	8	299	185 460	318	206 552	317	209 096	317	213 541	2.0%	4.8%	52.4%
4. Housing Asset Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
<b>Total</b>	<b>618</b>	<b>280 036</b>	<b>599</b>	<b>298 724</b>	<b>647</b>	<b>320 699</b>	<b>629</b>	<b>31</b>	<b>660</b>	<b>347 243</b>	<b>682</b>	<b>388 925</b>	<b>677</b>	<b>399 327</b>	<b>672</b>	<b>414 197</b>	<b>0.6%</b>	<b>6.1%</b>	<b>100.0%</b>
<b>Employee dispensation classification</b>																			
Public Service Act appointees not covered	527	245 984	477	257 267	425	283 342	533	31	564	307 422	586	346 791	581	354 875	576	369 745	0.7%	6.3%	88.9%
Legal Professionals	6	2 881	10	842	8	5 392	8	-	8	5 744	8	6 119	8	6 456	8	6 456	0.0%	4.0%	1.6%
Social Services Professions	11	2 742	13	2 488	11	3 139	11	-	11	3 346	11	3 464	11	3 655	11	3 655	0.0%	3.0%	0.9%
Engineering Professions and related	49	26 353	59	30 403	177	26 108	51	-	51	27 831	51	29 640	51	31 270	51	31 270	0.0%	4.0%	7.8%
Educators and related professionals	6	1 039	6	1 530	6	1 626	6	-	6	1 733	6	1 744	6	1 840	6	1 840	0.0%	2.0%	0.5%
Others such as interns, EPWP, learnerships, etc	19	1 037	34	6 194	20	1 092	20	-	20	1 167	20	1 167	20	1 231	20	1 231	0.0%	1.8%	0.3%
<b>Total</b>	<b>618</b>	<b>280 036</b>	<b>599</b>	<b>298 724</b>	<b>647</b>	<b>320 699</b>	<b>629</b>	<b>31</b>	<b>660</b>	<b>347 243</b>	<b>682</b>	<b>388 925</b>	<b>677</b>	<b>399 327</b>	<b>672</b>	<b>414 197</b>	<b>0.6%</b>	<b>6.1%</b>	<b>100.0%</b>

1. Personnel numbers includes all filled posts together with those posts additional to the approved establishment

The personnel numbers show a fluctuating trend from 2016/17 to 2018/19. The increases in 2018/19 and over the 2020/21 MTEF relate to inflationary increase and the carry-through costs of previous wage agreements. The increase in 2020/21 is to cater for the filling of 22 critical vacant posts such as Chief Director: Human Capital, Deputy Director: Human Resource Development, Employee Wellness Practitioners, etc., as mentioned. The department has provided for growth of 12 per cent, 2.7 per cent and 3.7 per cent over the MTEF. The budget adequately caters for the increase in 2020/21 and also provides for filling 22 posts, but is not adequate in 2021/22 and 2022/23. The decrease in 2021/22 and 2022/23 is in line with the HSDG budget cuts, as there are contract posts budgeted for under the OPSCAP allocation within the HSDG. In this regard, the department did not provide for growth for these posts, but the allocations are flat-lined over the MTEF and this will be reviewed by the department. Also, the department implemented the bulk of the fiscal consolidation and PES formula updates budget cuts against *Compensation of employees*. These fiscal consolidation cuts will not affect the number of posts to be filled in 2020/21 as the department will utilise savings from vacant posts to fund the budget cuts, and from 2021/22 onward, the department will review the need to fill posts that become vacant, hence the decrease in the number of personnel in the two outer years.



The number of contract workers relates to the appointment of staff, such as Quantity Surveyors, Planners, and Project Construction Managers with the technical skills required to oversee various aspects of housing projects. These are appointed on a contract basis, as and when required.

## 9.2 Training

Table 8.25 gives a summary of departmental spending and information on training. The amounts reflected relate mainly to project management, secretarial, financial management and computer training courses for staff.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The department abides by this, exceeding the 1 per cent requirement in most years.

**Table 8.25 : Information on training: Human Settlements**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
Number of staff	618	599	647	697	660	660	682	677	672
Number of personnel trained	174	136	600	650	260	260	650	650	650
of which									
Male	63	43	300	325	100	100	325	325	325
Female	111	93	300	325	160	160	325	325	325
Number of training opportunities	36	23	48	6	26	26	39	40	40
of which									
Tertiary	13	3	15	8	2	2	8	8	8
Workshops	4	2	5	5	1	1	5	5	5
Seminars	1	-	3	1	-	-	1	1	1
Other	18	18	25	25	23	23	25	26	26
Number of bursaries offered	-	-	16	15	14	14	18	18	18
Number of interns appointed	52	57	20	35	17	17	40	40	40
Number of learnerships appointed	-	9	-	10	-	-	10	15	15
Number of days spent on training	603	423	600	700	1 100	1 100	700	700	700
<b>Payments on training by programme</b>									
1. Administration	631	851	986	1 458	1 458	1 458	1 590	1 674	1 755
2. Housing Needs, Research and Planning	280	-	-	538	114	114	500	600	750
3. Housing Development	3 710	507	2 576	5 439	5 439	5 439	2 498	210	210
4. Housing Asset Management	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4 621</b>	<b>1 358</b>	<b>3 562</b>	<b>7 435</b>	<b>7 011</b>	<b>7 011</b>	<b>4 588</b>	<b>2 484</b>	<b>2 715</b>



## ANNEXURE TO VOTE 8 – HUMAN SETTLEMENTS

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Tax receipts</b>	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
<b>Sale of goods and services other than capital assets</b>	<b>442</b>	<b>422</b>	<b>424</b>	<b>445</b>	<b>445</b>	<b>445</b>	<b>451</b>	<b>457</b>	<b>460</b>
Sale of goods and services produced by department (excluding capital assets)	442	422	424	445	445	445	451	457	460
Sales by market establishments	244	235	215	245	245	245	250	250	250
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	198	187	209	200	200	200	201	207	210
<i>Of which</i>									
<i>Commission Insurance</i>	183	182	184	185	185	185	186	187	187
<i>Sale of tender documents</i>	15	5	25	15	15	15	15	15	15
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
<b>Transfers received from:</b>	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Fines, penalties and forfeits</b>	-	-	-	-	-	-	-	-	-
<b>Interest, dividends and rent on land</b>	<b>10</b>	<b>19 452</b>	<b>1</b>	<b>19</b>	<b>19</b>	<b>13 320</b>	<b>20</b>	<b>21</b>	<b>21</b>
Interest	10	19 452	1	19	19	13 320	20	21	21
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Sale of capital assets</b>	<b>539</b>	<b>39 200</b>	<b>27 668</b>	<b>635</b>	<b>635</b>	<b>5 469</b>	<b>670</b>	<b>707</b>	<b>710</b>
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	539	39 200	27 668	635	635	5 469	670	707	710
<b>Transactions in financial assets and liabilities</b>	<b>15 072</b>	<b>2 209</b>	<b>17 713</b>	<b>3 580</b>	<b>3 580</b>	<b>3 580</b>	<b>3 600</b>	<b>3 650</b>	<b>3 700</b>
<b>Total</b>	<b>16 063</b>	<b>61 283</b>	<b>45 806</b>	<b>4 679</b>	<b>4 679</b>	<b>22 814</b>	<b>4 741</b>	<b>4 835</b>	<b>4 891</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>457 004</b>	<b>484 804</b>	<b>514 818</b>	<b>558 785</b>	<b>560 121</b>	<b>540 833</b>	<b>589 529</b>	<b>554 553</b>	<b>571 918</b>
Compensation of employees	280 036	298 724	320 699	369 098	347 621	347 243	388 925	399 327	414 197
Salaries and wages	248 894	266 503	285 184	330 338	311 325	310 990	353 803	363 002	377 557
Social contributions	31 142	32 221	35 515	38 760	36 296	36 253	35 122	36 325	36 640
Goods and services	176 569	186 065	193 886	189 687	212 500	193 590	200 604	155 226	157 721
Administrative fees	582	533	933	1 082	1 333	1 469	1 118	1 138	1 171
Advertising	768	895	645	595	5 202	5 255	665	350	350
Minor assets	2 304	993	842	422	453	460	757	798	838
Audit cost: External	5 815	6 927	6 500	6 588	4 891	4 891	6 941	7 115	7 471
Bursaries: Employees	164	225	201	220	220	220	220	232	243
Catering: Departmental activities	6 101	4 553	3 954	2 046	5 032	5 035	2 779	2 353	2 458
Communication (G&S)	7 308	4 211	4 786	4 544	4 774	4 774	4 934	5 081	5 298
Computer services	10 701	11 806	13 443	14 212	15 526	15 526	14 651	15 732	16 220
Cons and prof services: Business and advisory services	30 268	13 095	9 882	14 721	8 780	7 632	19 876	9 529	9 542
Infrastructure and planning	4 595	44 749	50 979	48 655	54 132	36 407	54 777	30 120	30 120
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2 532	3 276	3 423	6 744	5 282	5 601	9 294	3 244	3 388
Contractors	8 697	8 024	6 376	9 700	12 002	8 871	7 803	103	112
Agency and support / outsourced services	125	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	4 701	5 630	6 607	4 997	6 420	6 420	5 602	6 352	6 872
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	543	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	25	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	58	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	890	-	-	-	-	-	-	-	-
Inventory: Medical supplies	3	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	531	2 237	2 310	1 768	1 834	2 401	1 712	732	752
Consumable: Stationery, printing and office supplies	1 346	1 006	1 474	1 468	1 364	1 364	1 410	1 663	1 755
Operating leases	30 966	28 609	27 193	23 238	28 096	28 096	24 947	25 883	25 756
Property payments	32 514	30 384	30 830	26 049	26 213	25 237	22 912	25 446	25 435
Transport provided: Departmental activity	1 207	563	653	370	1 042	1 042	370	370	370
Travel and subsistence	12 903	13 146	15 259	11 299	15 375	15 323	11 943	12 691	13 072
Training and development	4 621	1 358	3 562	7 435	7 011	7 011	4 588	2 484	2 715
Operating payments	1 359	1 014	954	1 408	4 207	3 651	1 179	1 334	1 307
Venues and facilities	667	389	-	-	-	140	-	-	-
Rental and hiring	4 275	2 442	3 080	2 126	3 311	6 764	2 126	2 476	2 476
Interest and rent on land	399	15	233	-	-	-	-	-	-
Interest	399	15	233	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>3 066 002</b>	<b>3 548 460</b>	<b>3 201 974</b>	<b>3 433 882</b>	<b>3 675 255</b>	<b>3 694 543</b>	<b>3 327 328</b>	<b>3 069 371</b>	<b>3 197 407</b>
Provinces and municipalities	124 345	257 039	193 813	58 340	109 069	109 261	89 948	24 477	24 486
Provinces	184	105	149	130	130	130	160	188	197
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	184	105	149	130	130	130	160	188	197
Municipalities	124 161	256 934	193 664	58 210	108 939	109 131	89 788	24 289	24 289
Municipal agencies and funds	124 161	256 934	193 664	58 210	108 939	109 131	89 788	24 289	24 289
Departmental agencies and accounts	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	100 000	-	-	-	-	-	-	-	-
Public corporations	100 000	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	100 000	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	50	50	-	-	-
Households	2 647 473	3 111 466	2 823 431	3 203 074	3 388 668	3 407 764	3 069 503	2 888 562	3 015 004
Social benefits	2 733	3 452	4 450	154	2 632	2 879	154	154	154
Other transfers to households	2 644 740	3 108 014	2 818 981	3 202 920	3 386 036	3 404 885	3 069 349	2 888 408	3 014 850
<b>Payments for capital assets</b>	<b>5 526</b>	<b>33 120</b>	<b>17 837</b>	<b>13 975</b>	<b>13 956</b>	<b>13 956</b>	<b>13 040</b>	<b>5 561</b>	<b>5 805</b>
Buildings and other fixed structures	1 712	29 913	15 432	9 000	9 175	9 175	7 716	-	-
Buildings	1 712	29 913	15 432	9 000	9 175	9 175	7 716	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 814	3 207	2 405	4 975	4 781	4 781	5 324	5 561	5 805
Transport equipment	455	960	451	1 050	1 050	1 050	1 108	1 167	1 223
Other machinery and equipment	3 359	2 247	1 954	3 925	3 731	3 731	4 216	4 394	4 582
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>471</b>	<b>350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 529 003</b>	<b>4 066 734</b>	<b>3 734 629</b>	<b>4 006 642</b>	<b>4 249 332</b>	<b>4 249 332</b>	<b>3 929 897</b>	<b>3 629 485</b>	<b>3 775 130</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20	2019/20	2019/20	2020/21	2021/22	2022/23
<b>Current payments</b>	<b>198 248</b>	<b>213 228</b>	<b>223 117</b>	<b>235 083</b>	<b>241 881</b>	<b>241 881</b>	<b>249 116</b>	<b>262 351</b>	<b>273 966</b>
Compensation of employees	118 155	126 843	135 347	155 178	146 887	146 887	164 511	171 958	181 694
Salaries and wages	101 115	108 610	113 623	133 303	125 873	125 873	146 891	153 954	164 228
Social contributions	17 040	18 233	21 724	21 875	21 014	21 014	17 620	18 004	17 466
Goods and services	79 696	86 385	87 770	79 905	94 994	94 994	84 605	90 393	92 272
Administrative fees	292	290	257	315	394	394	336	354	372
Advertising	386	201	296	150	2 636	2 636	120	100	100
Minor assets	1 399	540	591	219	219	219	554	588	623
Audit cost: External	5 815	6 927	6 500	6 588	4 891	4 891	6 941	7 115	7 471
Bursaries: Employees	164	225	201	220	220	220	220	232	243
Catering: Departmental activities	108	134	102	159	159	159	160	168	175
Communication (G&S)	4 563	3 683	3 801	3 861	3 861	3 861	4 291	4 388	4 604
Computer services	10 518	11 488	13 156	14 017	15 526	15 526	14 404	15 420	15 879
Cons and prof services: Business and advisory services	89	207	120	430	230	230	150	153	166
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 339	2 752	3 060	2 800	1 582	1 582	2 900	3 000	3 144
Contractors	3	3 042	273	148	311	311	84	103	112
Agency and support / outsourced services	103	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	4 268	5 195	6 183	4 495	5 918	5 918	5 100	5 800	6 320
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	1	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	8	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	40	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	520	-	-	-	-	-	-	-	-
Inventory: Medical supplies	3	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	197	930	562	296	352	907	317	334	349
Consumable: Stationery, printing and office supplies	1 267	955	1 420	1 293	1 205	1 205	1 313	1 549	1 621
Operating leases	30 517	28 424	27 193	23 238	28 096	28 096	24 947	25 883	25 756
Property payments	12 999	16 415	18 509	15 006	19 388	19 388	16 088	18 127	18 116
Transport provided: Departmental activity	-	4	-	-	42	42	-	-	-
Travel and subsistence	3 483	3 377	3 947	4 311	4 803	4 803	4 228	4 564	4 670
Training and development	631	851	986	1 458	1 458	1 458	1 590	1 674	1 755
Operating payments	983	745	612	901	3 700	3 144	862	841	796
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	1	-	3	4	-	-	-
Interest and rent on land	397	-	-	-	-	-	-	-	-
Interest	397	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>3 037</b>	<b>1 643</b>	<b>1 797</b>	<b>556</b>	<b>2 458</b>	<b>2 458</b>	<b>600</b>	<b>648</b>	<b>679</b>
Provinces and municipalities	132	104	149	130	130	130	160	188	197
Provinces	132	104	149	130	130	130	160	188	197
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	132	104	149	130	130	130	160	188	197
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 905	1 539	1 648	426	2 328	2 328	440	460	482
Social benefits	1 674	983	1 360	-	1 877	1 877	-	-	-
Other transfers to households	1 231	556	288	426	451	451	440	460	482
<b>Payments for capital assets</b>	<b>3 523</b>	<b>2 598</b>	<b>2 279</b>	<b>4 347</b>	<b>4 347</b>	<b>4 347</b>	<b>4 853</b>	<b>5 110</b>	<b>5 354</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 523	2 598	2 279	4 347	4 347	4 347	4 853	5 110	5 354
Transport equipment	455	960	451	1 050	1 050	1 050	1 108	1 167	1 223
Other machinery and equipment	3 068	1 638	1 828	3 297	3 297	3 297	3 745	3 943	4 131
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>471</b>	<b>324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>205 279</b>	<b>217 793</b>	<b>227 193</b>	<b>239 986</b>	<b>248 686</b>	<b>248 686</b>	<b>254 569</b>	<b>268 109</b>	<b>279 999</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>15 875</b>	<b>16 476</b>	<b>16 837</b>	<b>18 965</b>	<b>18 259</b>	<b>18 238</b>	<b>20 206</b>	<b>20 971</b>	<b>22 048</b>
Compensation of employees	12 991	13 581	13 901	16 748	14 903	14 896	17 862	18 273	18 962
Salaries and wages	11 306	11 804	12 074	14 304	12 731	12 767	15 309	15 683	16 236
Social contributions	1 685	1 777	1 827	2 444	2 172	2 129	2 553	2 590	2 726
Goods and services	2 884	2 895	2 703	2 217	3 356	3 342	2 344	2 698	3 086
Administrative fees	36	36	53	45	117	137	49	61	69
Advertising	-	20	17	5	20	35	5	10	10
Minor assets	67	12	14	10	41	41	5	11	11
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 456	2 044	1 505	771	2 002	2 005	859	974	1 071
Communication (G&S)	243	-	-	-	-	-	-	-	-
Computer services	21	60	32	26	-	-	85	115	135
Cons and prof services: Business and advisory services	-	-	79	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	2	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	10	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1	5	57	11	11	11	11	12	16
Consumable: Stationery, printing and office supplies	64	17	43	27	21	21	46	61	78
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	99	-	-	-	-	-	-
Travel and subsistence	703	701	799	766	1 012	960	784	854	946
Training and development	280	-	-	538	114	114	500	600	750
Operating payments	1	-	5	18	18	18	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	233	-	-	-	-	-	-
Interest	-	-	233	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>22</b>	<b>481</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	22	481	-	-	21	-	-	-
Social benefits	-	22	481	-	-	21	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>53</b>	<b>12</b>	<b>10</b>	<b>10</b>	<b>16</b>	<b>16</b>	<b>20</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	53	12	10	10	16	16	20	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	53	12	10	10	16	16	20	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>15 928</b>	<b>16 511</b>	<b>17 328</b>	<b>18 975</b>	<b>18 275</b>	<b>18 275</b>	<b>20 226</b>	<b>20 971</b>	<b>22 048</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>242 881</b>	<b>255 100</b>	<b>274 864</b>	<b>304 737</b>	<b>299 981</b>	<b>280 714</b>	<b>320 207</b>	<b>271 231</b>	<b>275 904</b>
Compensation of employees	148 890	158 300	171 451	197 172	185 831	185 460	206 552	209 096	213 541
Salaries and wages	136 473	146 089	159 487	182 731	172 721	172 350	191 603	193 365	197 093
Social contributions	12 417	12 211	11 964	14 441	13 110	13 110	14 949	15 731	16 448
Goods and services	93 989	96 785	103 413	107 565	114 150	95 254	113 655	62 135	62 363
Administrative fees	254	207	623	722	822	938	733	723	730
Advertising	382	674	332	440	2 546	2 584	540	240	240
Minor assets	838	441	237	193	193	200	198	199	204
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	4 537	2 375	2 347	1 116	2 871	2 871	1 760	1 211	1 212
Communication (G&S)	2 502	528	985	683	913	913	643	693	694
Computer services	162	258	255	169	-	-	162	197	206
Cons and prof services: Business and advisory services	30 179	12 888	9 683	14 291	8 550	7 402	19 726	9 376	9 376
Infrastructure and planning	4 595	44 749	50 979	48 655	54 132	36 407	54 777	30 120	30 120
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 193	524	363	3 944	3 700	4 019	6 394	244	244
Contractors	8 694	4 982	6 103	9 552	11 691	8 560	7 719	-	-
Agency and support / outsourced services	22	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	433	435	424	502	502	502	502	552	552
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	542	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	15	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	8	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	370	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	333	1 302	1 691	1 461	1 471	1 483	1 384	386	387
Consumable: Stationery, printing and office supplies	15	34	11	148	138	138	51	53	56
Operating leases	449	185	-	-	-	-	-	-	-
Property payments	19 515	13 969	12 321	11 043	6 825	5 849	6 824	7 319	7 319
Transport provided: Departmental activity	1 207	559	554	370	1 000	1 000	370	370	370
Travel and subsistence	8 717	9 068	10 513	6 222	9 560	9 560	6 931	7 273	7 456
Training and development	3 710	507	2 576	5 439	5 439	5 439	2 498	210	210
Operating payments	375	269	337	489	489	489	317	493	511
Venues and facilities	667	389	-	-	-	140	-	-	-
Rental and hiring	4 275	2 442	3 079	2 126	3 308	6 760	2 126	2 476	2 476
Interest and rent on land	2	15	-	-	-	-	-	-	-
Interest	2	15	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>2 868 781</b>	<b>3 366 840</b>	<b>3 014 966</b>	<b>3 260 858</b>	<b>3 495 329</b>	<b>3 514 596</b>	<b>3 158 851</b>	<b>2 912 391</b>	<b>3 038 811</b>
Provinces and municipalities	124 213	256 935	193 664	58 210	108 939	109 131	89 788	24 289	24 289
Provinces	52	1	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	52	1	-	-	-	-	-	-	-
Municipalities	124 161	256 934	193 664	58 210	108 939	109 131	89 788	24 289	24 289
Municipalities	124 161	256 934	193 664	58 210	108 939	109 131	89 788	24 289	24 289
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	100 000	-	-	-	-	-	-	-	-
Public corporations	100 000	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	100 000	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	50	50	-	-	-
Households	2 644 568	3 109 905	2 821 302	3 202 648	3 386 340	3 405 415	3 069 063	2 888 102	3 014 522
Social benefits	1 059	2 447	2 609	154	755	981	154	154	154
Other transfers to households	2 643 509	3 107 458	2 818 693	3 202 494	3 385 585	3 404 434	3 068 909	2 887 948	3 014 368
<b>Payments for capital assets</b>	<b>1 950</b>	<b>30 510</b>	<b>15 548</b>	<b>9 618</b>	<b>9 593</b>	<b>9 593</b>	<b>8 167</b>	<b>451</b>	<b>451</b>
Buildings and other fixed structures	1 712	29 913	15 432	9 000	9 175	9 175	7 716	-	-
Buildings	1 712	29 913	15 432	9 000	9 175	9 175	7 716	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	238	597	116	618	418	418	451	451	451
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	238	597	116	618	418	418	451	451	451
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 113 612</b>	<b>3 652 475</b>	<b>3 305 378</b>	<b>3 575 213</b>	<b>3 804 903</b>	<b>3 804 903</b>	<b>3 487 225</b>	<b>3 184 073</b>	<b>3 315 166</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons and prof services: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>194 184</b>	<b>179 955</b>	<b>184 730</b>	<b>172 468</b>	<b>177 468</b>	<b>177 468</b>	<b>167 877</b>	<b>156 332</b>	<b>157 917</b>
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	194 184	179 955	184 730	172 468	177 468	177 468	167 877	156 332	157 917
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>194 184</b>	<b>179 955</b>	<b>184 730</b>	<b>172 468</b>	<b>177 468</b>	<b>177 468</b>	<b>167 877</b>	<b>156 332</b>	<b>157 917</b>



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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2016/17	2017/18	2018/19	Appropriation	Appropriation	Estimate	2020/21	2021/22	2022/23
<b>Current payments</b>	<b>156 190</b>	<b>169 259</b>	<b>187 753</b>	<b>205 458</b>	<b>206 098</b>	<b>186 831</b>	<b>212 211</b>	<b>159 926</b>	<b>159 926</b>
Compensation of employees	69 736	77 566	89 923	101 848	98 048	97 843	102 880	102 524	102 524
Salaries and wages	68 776	76 642	89 069	100 978	96 978	96 773	102 005	101 724	101 724
Social contributions	960	924	854	870	1 070	1 070	875	800	800
Goods and services	86 454	91 693	97 830	103 610	108 050	88 988	109 331	57 402	57 402
Administrative fees	166	117	489	588	588	588	595	580	580
Advertising	381	674	228	440	1 673	1 673	540	240	240
Minor assets	810	426	130	105	105	112	105	105	105
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	4 402	2 367	2 347	1 105	2 860	2 860	1 750	1 200	1 200
Communication (G&S)	1 009	528	977	621	851	851	621	671	671
Computer services	-	-	32	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	30 179	12 888	9 683	14 291	8 550	7 402	19 726	9 376	9 376
Infrastructure and planning	4 595	44 749	50 979	48 655	54 132	36 407	54 777	30 120	30 120
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 193	477	363	3 944	3 700	4 019	6 394	244	244
Contractors	8 658	4 978	5 997	9 552	11 691	8 560	7 719	-	-
Agency and support / outsourced services	22	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	433	435	424	502	502	502	502	552	552
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	540	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	365	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	330	1 228	1 657	1 424	1 425	1 425	1 370	370	370
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	449	185	-	-	-	-	-	-	-
Operating leases	18 890	13 969	12 321	11 043	6 825	5 849	6 824	7 319	7 319
Property payments	1 169	559	554	370	1 000	1 000	370	370	370
Transport provided: Departmental activity	4 491	4 696	5 860	3 295	5 292	5 292	3 305	3 460	3 460
Travel and subsistence	3 710	507	2 576	5 440	5 439	5 439	2 498	210	210
Training and development	5	79	134	109	109	109	109	109	109
Operating payments	667	389	-	-	-	140	-	-	-
Venues and facilities	3 990	2 442	3 079	2 126	3 308	6 760	2 126	2 476	2 476
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>2 980 404</b>	<b>3 484 837</b>	<b>3 111 937</b>	<b>3 386 220</b>	<b>3 587 473</b>	<b>3 606 740</b>	<b>3 276 483</b>	<b>3 017 523</b>	<b>3 143 943</b>
Provinces and municipalities	124 213	256 935	193 664	58 210	108 939	109 131	89 788	24 289	24 289
Provinces	52	1	69 997	10 000	60 350	60 329	65 499	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	52	1	69 997	10 000	60 350	60 329	65 499	-	-
Municipalities	124 161	256 934	123 667	48 210	48 589	48 802	24 289	24 289	24 289
Municipalities	124 161	256 934	123 667	48 210	48 589	48 802	24 289	24 289	24 289
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	135 678	141 652	143 229	125 362	130 362	130 362	117 632	105 132	105 132
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	135 678	141 652	143 229	125 362	130 362	130 362	117 632	105 132	105 132
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	100 000	-	-	-	50	50	-	-	-
Public corporations	100 000	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	100 000	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	50	50	-	-	-
Subsidies on production	-	-	-	-	50	50	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 620 513	3 086 250	2 775 044	3 202 648	3 348 122	3 367 197	3 069 063	2 888 102	3 014 522
Social benefits	363	234	140	154	359	585	154	154	154
Other transfers to households	2 620 150	3 086 016	2 774 904	3 202 494	3 347 763	3 366 612	3 068 909	2 887 948	3 014 368
<b>Payments for capital assets</b>	<b>1 930</b>	<b>30 468</b>	<b>15 523</b>	<b>9 431</b>	<b>9 231</b>	<b>9 231</b>	<b>8 147</b>	<b>431</b>	<b>431</b>
Buildings and other fixed structures	1 712	29 913	15 432	9 000	9 000	9 000	7 716	-	-
Buildings	-	-	-	9 000	9 000	9 000	7 716	-	-
Other fixed structures	1 712	29 913	15 432	-	-	-	-	-	-
Machinery and equipment	218	555	91	431	231	231	431	431	431
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	218	555	91	431	231	231	431	431	431
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 138 524</b>	<b>3 684 564</b>	<b>3 315 213</b>	<b>3 601 109</b>	<b>3 802 802</b>	<b>3 802 802</b>	<b>3 496 841</b>	<b>3 177 880</b>	<b>3 304 300</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>144 785</b>	<b>163 634</b>	<b>158 705</b>	<b>165 635</b>	<b>163 476</b>	<b>144 209</b>	<b>159 926</b>	<b>159 926</b>	<b>159 926</b>
Compensation of employees	69 736	77 566	83 358	94 424	90 624	88 787	95 324	102 524	102 524
Salaries and wages	68 776	76 642	82 505	93 624	89 624	87 787	94 524	101 724	101 724
Social contributions	960	924	853	800	1 000	1 000	800	800	800
Goods and services	75 049	86 068	75 347	71 211	72 852	55 422	64 602	57 402	57 402
Administrative fees	166	117	476	575	575	575	580	580	580
Advertising	354	674	153	240	864	864	240	240	240
Minor assets	810	426	130	105	105	112	105	105	105
Catering: Departmental activities	3 586	1 799	1 395	1 105	2 210	2 210	1 100	1 200	1 200
Communication (G&S)	1 009	528	977	621	851	851	621	671	671
Computer services	-	-	32	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	30 179	12 888	7 979	9 291	3 159	2 011	9 226	9 376	9 376
Cons and prof serv: Infrastructure and planning	4 595	44 749	40 573	41 155	46 132	32 371	38 830	30 120	30 120
Legal costs	1 193	477	-	244	-	319	244	244	244
Contractors	3 343	1 455	1 491	-	1 500	263	-	-	-
Agency and support / outsourced services	22	-	-	-	-	-	-	-	-
Fleet services (incl. GMT)	433	435	424	502	502	502	502	552	552
Inventory: Clothing material and accessories	3	-	-	-	-	-	-	-	-
Consumable supplies	62	214	356	370	371	371	370	370	370
Operating leases	449	185	-	-	-	-	-	-	-
Property payments	18 890	13 969	12 321	11 043	6 825	5 337	6 824	7 319	7 319
Transport provided: Departmental activity	1 079	559	436	370	1 000	1 000	370	370	370
Travel and subsistence	4 491	4 683	5 750	3 145	5 132	5 132	3 145	3 460	3 460
Training and development	87	-	18	210	209	209	210	210	210
Operating payments	5	79	119	109	109	109	109	109	109
Venues and facilities	667	389	-	-	-	140	-	-	-
Rental and hiring	3 626	2 442	2 717	2 126	3 308	3 046	2 126	2 476	2 476
<b>Transfers and subsidies</b>	<b>2 840 937</b>	<b>3 343 185</b>	<b>2 897 542</b>	<b>3 192 709</b>	<b>3 245 518</b>	<b>3 264 785</b>	<b>3 093 352</b>	<b>2 198 016</b>	<b>2 281 943</b>
Provinces and municipalities	124 213	256 935	123 667	48 210	48 589	48 802	24 289	24 289	24 289
Provinces	52	1	-	-	-	-	-	-	-
Provincial agencies and funds	52	1	-	-	-	-	-	-	-
Municipalities	124 161	256 934	123 667	48 210	48 589	48 802	24 289	24 289	24 289
Municipalities	124 161	256 934	123 667	48 210	48 589	48 802	24 289	24 289	24 289
Public corporations and private enterprises	100 000	-	-	-	50	50	-	-	-
Public corporations	100 000	-	-	-	-	-	-	-	-
Other transfers	100 000	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	50	50	-	-	-
Subsidies on production	-	-	-	-	50	50	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 616 724	3 086 250	2 773 875	3 144 499	3 196 879	3 215 933	3 069 063	2 173 727	2 257 654
Social benefits	363	234	140	154	359	564	154	154	154
Other transfers to households	2 616 361	3 086 016	2 773 735	3 144 345	3 196 520	3 215 369	3 068 909	2 173 573	2 257 500
<b>Payments for capital assets</b>	<b>1 930</b>	<b>30 468</b>	<b>15 523</b>	<b>9 431</b>	<b>9 231</b>	<b>9 231</b>	<b>8 147</b>	<b>431</b>	<b>431</b>
Buildings and other fixed structures	1 712	29 913	15 432	9 000	9 000	9 000	7 716	-	-
Buildings	-	-	-	9 000	9 000	9 000	7 716	-	-
Other fixed structures	1 712	29 913	15 432	-	-	-	-	-	-
Machinery and equipment	218	555	91	431	231	231	431	431	431
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	218	555	91	431	231	231	431	431	431
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2 987 652</b>	<b>3 537 287</b>	<b>3 071 770</b>	<b>3 367 775</b>	<b>3 418 225</b>	<b>3 418 225</b>	<b>3 261 425</b>	<b>2 358 373</b>	<b>2 442 300</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>135 678</b>	<b>141 652</b>	<b>130 537</b>	<b>117 632</b>	<b>117 632</b>	<b>117 632</b>	<b>117 632</b>	<b>105 132</b>	<b>105 132</b>
Departmental agencies and accounts	135 678	141 652	130 537	117 632	117 632	117 632	117 632	105 132	105 132
Entities receiving funds	135 678	141 652	130 537	117 632	117 632	117 632	117 632	105 132	105 132
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>135 678</b>	<b>141 652</b>	<b>130 537</b>	<b>117 632</b>	<b>117 632</b>	<b>117 632</b>	<b>117 632</b>	<b>105 132</b>	<b>105 132</b>

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>11 405</b>	<b>5 625</b>	<b>10 315</b>	<b>15 090</b>	<b>15 090</b>	<b>15 090</b>	<b>11 638</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	-	457	754	754	2 386	581	-	-
Salaries and wages	-	-	457	754	754	2 386	581	-	-
Social contributions	-	-	-	-	-	-	-	-	-
<b>Goods and services</b>	<b>11 405</b>	<b>5 625</b>	<b>9 858</b>	<b>14 336</b>	<b>14 336</b>	<b>12 704</b>	<b>11 057</b>	<b>-</b>	<b>-</b>
Administrative fees	-	-	5	-	-	-	-	-	-
Advertising	27	-	-	-	-	-	-	-	-
Catering: Departmental activities	816	568	952	-	650	650	650	-	-
Cons & prof serv: Business and advisory services	-	-	13	-	1 000	1 000	1 000	-	-
Contractors	5 315	3 523	4 503	8 052	6 392	4 498	6 119	-	-
Inventory: Clothing material and accessories	537	-	-	-	-	-	-	-	-
Inventory: Material and supplies	365	-	-	-	-	-	-	-	-
Consumable supplies	268	1 014	1 301	1 054	1 054	1 054	1 000	-	-
Transport provided: Departmental activity	90	-	118	-	-	-	-	-	-
Travel and subsistence	-	13	31	-	10	10	-	-	-
Training and development	3 623	507	2 558	5 230	5 230	5 230	2 288	-	-
Operating payments	-	-	15	-	-	-	-	-	-
Rental and hiring	364	-	362	-	-	262	-	-	-
<b>Transfers and subsidies</b>	<b>3 789</b>	<b>-</b>	<b>1 169</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	3 789	-	1 169	-	-	-	-	-	-
Other transfers to households	3 789	-	1 169	-	-	-	-	-	-
<b>Total</b>	<b>15 194</b>	<b>5 625</b>	<b>11 484</b>	<b>15 090</b>	<b>15 090</b>	<b>15 090</b>	<b>11 638</b>	<b>-</b>	<b>-</b>

Table 8.K : Payments and estimates by economic classification: Title Deeds Resoration grant: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>18 733</b>	<b>24 733</b>	<b>27 532</b>	<b>27 532</b>	<b>40 647</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	-	6 108	6 670	6 670	6 670	6 975	-	-
Salaries and wages	-	-	6 107	6 600	6 600	6 600	6 900	-	-
Social contributions	-	-	1	70	70	70	75	-	-
<b>Goods and services</b>	<b>-</b>	<b>-</b>	<b>12 625</b>	<b>18 063</b>	<b>20 862</b>	<b>20 862</b>	<b>33 672</b>	<b>-</b>	<b>-</b>
Administrative fees	-	-	8	13	13	13	15	-	-
Advertising	-	-	75	200	809	809	300	-	-
Cons & prof serv: Business and advisory services	-	-	1 691	5 000	4 391	4 391	9 500	-	-
Cons and prof serv: Infrastructure and planning	-	-	10 406	7 500	8 000	4 036	15 947	-	-
Legal costs	-	-	363	3 700	3 700	3 700	6 150	-	-
Contractors	-	-	3	1 500	3 799	3 799	1 600	-	-
Property payments	-	-	-	-	-	512	-	-	-
Travel and subsistence	-	-	79	150	150	150	160	-	-
Rental and hiring	-	-	-	-	-	3 452	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>69 997</b>	<b>68 149</b>	<b>60 350</b>	<b>60 350</b>	<b>65 499</b>	<b>-</b>	<b>-</b>
Provinces	-	-	69 997	10 000	60 350	60 329	65 499	-	-
Provincial agencies and funds	-	-	69 997	10 000	60 350	60 329	65 499	-	-
Households	-	-	-	58 149	-	21	-	-	-
Social benefits	-	-	-	-	-	21	-	-	-
Other transfers to households	-	-	-	58 149	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>88 730</b>	<b>92 882</b>	<b>87 882</b>	<b>87 882</b>	<b>106 146</b>	<b>-</b>	<b>-</b>

Table 8.L : Payments and estimates by economic classification: Title Deeds Restoration grant: Programme 4

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>12 692</b>	<b>7 730</b>	<b>12 730</b>	<b>12 730</b>	<b>-</b>	<b>-</b>	<b>-</b>
Departmental agencies and accounts	-	-	12 692	7 730	12 730	12 730	-	-	-
Entities receiving funds	-	-	12 692	7 730	12 730	12 730	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>12 692</b>	<b>7 730</b>	<b>12 730</b>	<b>12 730</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 8.M : Payments and estimates by economic classification: ISU Partnership Grant for Provinces: Programme 3**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	-	-	-	714 375	756 868
Households	-	-	-	-	-	-	-	714 375	756 868
Other transfers to households	-	-	-	-	-	-	-	714 375	756 868
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	714 375	756 868

**Table 8.N : Payments and estimates by economic classification: Provincial Emergency Housing grant**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19	2019/20			2020/21	2021/22	2022/23
<b>Current payments</b>	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	-	-	-	-	151 243	151 243	-	-	-
Households	-	-	-	-	151 243	151 243	-	-	-
Other transfers to households	-	-	-	-	151 243	151 243	-	-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	151 243	151 243	-	-	-

Table 8.O : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
<b>A KZN2000 eThekweni</b>	<b>88 056</b>	<b>148 448</b>	<b>145 350</b>	<b>20 418</b>	<b>65 954</b>	<b>65 954</b>	<b>47 048</b>	<b>7 770</b>	<b>7 770</b>
<b>Total: Ugu Municipalities</b>	<b>3 306</b>	<b>10 890</b>	<b>4 950</b>	<b>4 520</b>	<b>4 520</b>	<b>4 520</b>	<b>5 930</b>	<b>2 277</b>	<b>2 277</b>
B KZN212 uMdoni	-	1 304	-	-	-	-	1 272	-	-
B KZN213 uMzombe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	2 696	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	3 306	6 890	4 950	4 520	4 520	4 520	4 658	2 277	2 277
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMgungundlovu Municipalities</b>	<b>15 779</b>	<b>41 143</b>	<b>23 318</b>	<b>10 464</b>	<b>8 464</b>	<b>8 464</b>	<b>8 591</b>	<b>4 264</b>	<b>4 264</b>
B KZN221 uMshwathi	-	897	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	718	-	-	-	590	-	-
B KZN223 Mpofana	-	-	678	-	-	-	-	-	-
B KZN224 iMpendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	15 779	40 246	19 922	10 464	8 464	8 464	7 867	4 264	4 264
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	2 000	-	-	-	134	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uThukela Municipalities</b>	<b>1 544</b>	<b>32 027</b>	<b>2 062</b>	<b>3 560</b>	<b>3 560</b>	<b>3 560</b>	<b>3 485</b>	<b>1 793</b>	<b>1 793</b>
B KZN235 Okhahlamba	-	-	-	-	-	-	136	-	-
B KZN237 iNkosi Langalibalele	-	-	32	-	-	-	707	-	-
B KZN238 Alfred Duma	1 544	32 027	2 030	3 560	3 560	3 560	2 642	1 793	1 793
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMzinyathi Municipalities</b>	<b>-</b>	<b>704</b>	<b>1 392</b>	<b>-</b>	<b>33</b>	<b>33</b>	<b>5 105</b>	<b>-</b>	<b>-</b>
B KZN241 eNdumeni	-	8	446	-	-	-	-	-	-
B KZN242 Nquthu	-	-	717	-	-	-	4 943	-	-
B KZN244 uMsinga	-	696	229	-	33	33	162	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Amajuba Municipalities</b>	<b>4 932</b>	<b>8 038</b>	<b>4 488</b>	<b>10 620</b>	<b>7 620</b>	<b>7 620</b>	<b>6 839</b>	<b>3 839</b>	<b>3 839</b>
B KZN252 Newcastle	4 932	7 918	4 488	10 620	7 620	7 620	6 839	3 839	3 839
B KZN253 eMadlangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	120	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Zululand Municipalities</b>	<b>5 548</b>	<b>361</b>	<b>1 102</b>	<b>-</b>	<b>346</b>	<b>346</b>	<b>480</b>	<b>-</b>	<b>-</b>
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	90	-	-	-	-	-	-
B KZN263 AbaQulusi	-	-	1 012	-	-	-	316	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	5 548	361	-	-	346	346	164	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: uMkhanyakude Municipalities</b>	<b>-</b>	<b>73</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>192</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN271 uMhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	192	-	-	-
B KZN275 Mtubatuba	-	73	5	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: King Cetshwayo Municipalities</b>	<b>1 657</b>	<b>1 660</b>	<b>3 272</b>	<b>2 396</b>	<b>2 396</b>	<b>2 396</b>	<b>1 917</b>	<b>1 206</b>	<b>1 206</b>
B KZN281 uMfolozi	-	-	-	-	-	-	592	-	-
B KZN282 uMhlathuze	1 657	1 660	3 272	2 396	2 396	2 396	1 206	1 206	1 206
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	119	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: iLembe Municipalities</b>	<b>3 339</b>	<b>13 590</b>	<b>6 653</b>	<b>6 232</b>	<b>16 046</b>	<b>16 046</b>	<b>8 268</b>	<b>3 140</b>	<b>3 140</b>
B KZN291 Mandeni	-	-	2 219	-	-	-	407	-	-
B KZN292 KwaDukuza	3 339	13 590	4 434	6 232	16 046	16 046	7 861	3 140	3 140
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
<b>Total: Harry Gwala Municipalities</b>	<b>-</b>	<b>-</b>	<b>1 072</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2 125</b>	<b>-</b>	<b>-</b>
B KZN433 Greater Kokstad	-	-	-	-	-	-	427	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	121	-	-
B KZN435 uMzimkhulu	-	-	633	-	-	-	1 138	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	439	-	-	-	439	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
<b>Unallocated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>124 161</b>	<b>256 934</b>	<b>193 664</b>	<b>58 210</b>	<b>108 939</b>	<b>109 131</b>	<b>89 788</b>	<b>24 289</b>	<b>24 289</b>

Table 8.P : Transfers to local government - CRU Programme and Municipal Rates and Taxes

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23
<b>A KZN2000 eThekweni</b>	<b>65 142</b>	<b>60 000</b>	<b>80 357</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total: uMzinyathi Municipalities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN244 uMsinga	-	-	-	-	33	33	-	-	-
<b>Total: Zululand Municipalities</b>	<b>5 548</b>	<b>361</b>	<b>-</b>	<b>-</b>	<b>346</b>	<b>346</b>	<b>-</b>	<b>-</b>	<b>-</b>
B KZN266 Ulundi	5 548	361	-	-	346	346	-	-	-
<b>Total: uMkhanyakude Municipalities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Unallocated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>70 690</b>	<b>60 361</b>	<b>80 357</b>	<b>-</b>	<b>379</b>	<b>571</b>	<b>-</b>	<b>-</b>	<b>-</b>

Table 8.Q : Transfers to local government - Accredited Municipalities

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19		2019/20		2020/21	2021/22	2022/23
A KZN2000 eThekweni	22 914	18 274	17 085	15 418	15 418	15 418	7 770	7 770	7 770
Total: Ugu Municipalities	3 306	6 890	4 950	4 520	4 520	4 520	2 277	2 277	2 277
B KZN216 Ray Nkonyeni	3 306	6 890	4 950	4 520	4 520	4 520	2 277	2 277	2 277
Total: uMgungundlovu Municipalities	15 779	11 721	10 956	8 464	8 464	8 464	4 264	4 264	4 264
B KZN225 Msunduzi	15 779	11 721	10 956	8 464	8 464	8 464	4 264	4 264	4 264
Total: uThukela Municipalities	1 544	2 077	676	3 560	3 560	3 560	1 793	1 793	1 793
B KZN238 Alfred Duma	1 544	2 077	676	3 560	3 560	3 560	1 793	1 793	1 793
Total: Amajuba Municipalities	4 932	3 842	3 102	7 620	7 620	7 620	3 839	3 839	3 839
B KZN252 Newcastle	4 932	3 842	3 102	7 620	7 620	7 620	3 839	3 839	3 839
Total: King Cetshwayo Municipalities	1 657	1 660	3 272	2 396	2 396	2 396	1 206	1 206	1 206
B KZN282 uMhlatuze	1 657	1 660	3 272	2 396	2 396	2 396	1 206	1 206	1 206
Total: iLembe Municipalities	3 339	5 982	3 057	6 232	6 232	6 232	3 140	3 140	3 140
B KZN292 KwaDukuza	3 339	5 982	3 057	6 232	6 232	6 232	3 140	3 140	3 140
Unallocated	-	-	-	-	-	-	-	-	-
Total	53 471	50 446	43 098	48 210	48 210	48 210	24 289	24 289	24 289

Table 8.R : Transfers to local government - Title deeds restoration programme (both HSDG and TDRG)

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19		2019/20		2020/21	2021/22	2022/23
A KZN2000 eThekweni	-	40 174	47 696	5 000	50 536	50 536	39 278	-	-
Total: Ugu Municipalities	-	4 000	-	-	-	-	3 653	-	-
B KZN212 uMdoni	-	1 304	-	-	-	-	1 272	-	-
B KZN214 uMuziwabantu	-	2 696	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	2 381	-	-
Total: uMgungundlovu Municipalities	-	20 798	12 362	2 000	-	-	4 327	-	-
B KZN221 uMshwathi	-	897	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	718	-	-	-	590	-	-
B KZN225 Msunduzi	-	19 901	8 966	2 000	-	-	3 603	-	-
B KZN227 Richmond	-	-	2 000	-	-	-	134	-	-
Total: uThukela Municipalities	-	3 717	1 386	-	-	-	1 692	-	-
B KZN235 Okhahlamba	-	-	-	-	-	-	136	-	-
B KZN237 iNkosi Langalibalele	-	-	32	-	-	-	707	-	-
B KZN238 Alfred Duma	-	3 717	1 354	-	-	-	849	-	-
Total: uMzinyathi Municipalities	-	704	1 392	-	-	-	5 105	-	-
B KZN241 eNdameni	-	8	446	-	-	-	-	-	-
B KZN242 Nquthu	-	-	717	-	-	-	4 943	-	-
B KZN244 uMsinga	-	696	229	-	-	-	162	-	-
Total: Amajuba Municipalities	-	4 196	1 386	3 000	-	-	3 000	-	-
B KZN252 Newcastle	-	4 076	1 386	3 000	-	-	3 000	-	-
B KZN254 Dannhauser	-	120	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	1 102	-	-	-	480	-	-
B KZN262 uPhongolo	-	-	90	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	1 012	-	-	-	316	-	-
Total: uMkhanyakude Municipalities	-	73	5	-	-	-	-	-	-
B KZN275 Mtubatuba	-	73	5	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	711	-	-
B KZN281 uMfolozi	-	-	-	-	-	-	592	-	-
B KZN285 Mthorjani	-	-	-	-	-	-	119	-	-
Total: iLembe Municipalities	-	7 608	3 596	-	9 814	9 814	5 128	-	-
B KZN291 Mandeni	-	-	2 219	-	-	-	407	-	-
B KZN292 KwaDukuza	-	7 608	1 377	-	9 814	9 814	4 721	-	-
Total: Harry Gwala Municipalities	-	-	1 072	-	-	-	2 125	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	427	-	-
B KZN434 uBuhlebezwe	-	-	-	-	-	-	121	-	-
B KZN435 uMzimkhulu	-	-	633	-	-	-	1 138	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	439	-	-	-	439	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	81 270	69 997	10 000	60 350	60 350	65 499	-	-

Table 8.S : Transfers to local government - FLISP

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2016/17	2017/18	2018/19		2019/20		2020/21	2021/22	2022/23
A KZN2000 eThekweni	-	30 000	212	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	-	8 624	-	-	-	-	-	-	-
B KZN225 Msunduzi	-	8 624	-	-	-	-	-	-	-
Total: uThukela Municipalities	-	26 233	-	-	-	-	-	-	-
B KZN238 Alfred Duma	-	26 233	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	-	64 857	212	-	-	-	-	-	-