

# VOTE 8

## DEPARTMENT OF HUMAN SETTLEMENTS

To be appropriated by vote in 2021/22	R 5 912 132 000
Responsible MEC	MEC for Human Settlements
Administering Department	Department of Human Settlements
Accounting Officer	Head of Department

### 1. OVERVIEW

#### Vision

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

#### Mission

To align national and provincial sector priorities of the 6<sup>th</sup> term of administration and reflect the impact and outcomes the Department will achieve through implementation of its Strategic Plan.

To lead and direct the delivery of Human Settlements across Gauteng and the restoration of human dignity through:

- Functional and integrated management and governance of the Department
- Development and implementation of responsive research-based policies, legislation and strategic frameworks that enable the speedy, effective and efficient delivery of human settlements
- Facilitation by the development of spatially just, efficient, equitable, sustainable and transformed human settlements
- Implementation of an efficient and effective Beneficiary Administration and Title Deeds Programme that provides social justice through security of tenure and asset value for homeowners
- Effective, efficient and compliant management of the Department's housing stock/property assets.

#### Values

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

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

#### Strategic goals

The Vision, Mission and Values of the Gauteng Department of Human Settlements (GDHS) for the sixth term of administration are informed by the following principles:

- Consistent mandate of the Department regarding integrated and sustainable human settlements.
- Undertaking by government to improve on its successes over the past 25 years in general and the preceding 5<sup>th</sup> term of administration in particular.
- Strategic paradigm shift away from sporadic and uncoordinated development to purposefully planned and developed Mega Projects that are completely self-sufficient in providing for the housing, social and economic needs of the community.
- Development of human settlements that mainstream economic development and social cohesion and consolidate inter-governmental and stakeholder collaboration and relationships.
- Achieving the outcome of a spatially just and transformed economic space that enables equal access to social services and economic opportunities in cities, regions and rural areas.

This emphasis is based on the fact that “spatial integration, human settlements and local government” is one of the seven national priorities and efforts to identify and release public land that is suitable for smart, urban settlements will be accelerated. This is in alignment with the five provincial priorities for the 6th term of administration as evidenced in the 2021 State of the Province Address (SOPA) namely, “Integrated mega human settlements and land release”.

### **Core functions and responsibilities**

The mandate of the GDHS is to provide housing opportunities and facilitate the development of sustainable, integrated human settlements that:

- Respond to the social and economic needs of people
- Turn the tide against the legacy of apartheid spatial planning
- Provide safe and secure spaces where people can live, play, relax and work in the same place
- Modernise our human settlements.

Consolidating and up-scaling the development of mega human settlements remains the strategic paradigm within which the GDHS will perform its work.

### **Main services**

Collectively, the five outcomes of the Department contribute to Priority 4 in the NDP 5-year Plan: Spatial Integration, Human Settlements and Local Government and their related outcomes. The outcome indicators are responsive to the following provincial priority interventions:

- Up-scaling implementation of mega human settlements and fast-tracking the roll-out of mega infrastructure projects for new nodes and cities.
- Accelerating the Rapid Land Release Programme: fast-tracking the release of unutilised government buildings, abandoned factories, municipal shops and land for urban agriculture to entrepreneurs.
- Upgrading and re-development of hostels.
- Stopping land invasions through the counter land invasion strategy and its implementation.
- Developing innovative partnerships to provide affordable lending to owners of properties to upgrade their backyard rooms towards enhancing and expanding the township rental economy.
- Student accommodation through the Gauteng Partnership Fund (GPF).
- The urban renewal programme: Alexander, Evaton, Winterveld, Kliptown and Bekkersdal.
- Security of tenure through the Title Deeds programme.
- The informal settlements upgrading programme.
- Completion of incomplete and abandoned housing projects.
- Bulk Infrastructure Support through 2 per cent Human Settlements Development Grant (HSDG) allocation and Mining Towns grant.
- Township formalisation and proclamation.
- Transformational imperatives: job creation, incubation, youth skills programme(s).

### **The key enablers of achievements are as follows:**

- A revised organisational structure designed to deliver on the Department’s strategy.
- The revised structure appropriately staffed with requisite skills, capacity and knowledge within its human capital resources. The Department plans to have its approved structure fully staffed by the end of the 2020/21 financial year.
- Successful implementation of the Integrated Service Delivery Model (IDMS), including its adaptation to suit the needs of the construction value chain of human settlements and training of departmental staff on the use of the system.
- Successful structured inter-governmental planning system and processes that ensure integrated spatial planning and budgeting in respect of human settlements. This includes planning and budgeting for, for example, bulk infrastructure and waste-water treatment solutions.
- Fast-tracking human settlement matters on the agendas of GPG EXCO and GPL Committees and Legislature sittings of matters identified as requiring decision-making and/or adoption at these respective political levels.
- An adopted Gauteng Human Settlement Spatial Master Plan that is applicable to all related provincial and local government structures and against which programmes, projects and budgets will be aligned and consolidated, with the project bank/pipeline being one of its significant components.

### **External activities and events relevant to budget decisions**

The GPF is a Schedule 3 C Public Entity founded in 2002 and 100% owned by the GDHS. Its key mandate is focused on the social housing market; over the years, this has evolved to include affordable housing. It seeks to attract public and private sector capital into the low-income housing sector. Its focus areas are Social Housing, Student Housing, Affordable Housing and Mixed Use Developments (Mega Projects).

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

The National Housing Code sets out the overall vision for housing in South Africa and the linkages between various policy programmes. The Code was revised to align it with the Breaking New Ground (BNG) strategy, to accommodate changes effected since 2000 and to convert the programmes into flexible and less prescriptive provisions and guidelines.

### **The National Spatial Development Framework (NSDF)**

The NSDF is a key mechanism of government to reconfigure apartheid spatial relations and implement spatial priorities in ways that meet the stated goal of providing basic services to all and alleviating poverty and inequality. The NSDF recognises the burden that unequal and inefficient spatial arrangements place on communities and especially the poor who, for example, must bear significant transport costs to commute long distances to and from work. Similarly, the Gauteng Employment, Growth and Development Strategy (GEGDS) and the municipal Integrated Development Plans (IDPs) are central programmes of government's response to its stated aim of growing the economy and addressing the needs of poor people.

#### **The four principles of the NSDF are:**

- Rapid economic growth that is sustained and inclusive to achieve poverty alleviation
- Fixed investment focused on localities of economic growth or economic potential
- Programmes and projects to address poverty and the provision of basic services in areas where low economic potential exists
- To channel future settlement and economic development opportunities into activity corridors and nodes adjacent to or linked with main centres.

### **The National Development Plan (NDP) 2030**

The introduction to the chapter on Human Settlements in the NDP is unambiguous. It states, "Where people live and work matters". The NDP also provides key principles that must underlie the transformation of human settlements. These principles are as follows:

- Human settlements must systematically change the entrenched apartheid spatial patterns that resulted in social inequality and economic inefficiencies.
- Human settlements must be responsive to the unique needs and potentials of rural and urban areas.
- Human settlement policies and legislation must realise people's constitutional right to housing.
- The delivery of housing must restructure towns and cities, strengthen the livelihood prospects of households and support active citizenship and involvement in conceptual and planning processes.
- Human settlement spaces must be livable, equitable, sustainable, resilient, and efficient and support economic opportunities and social cohesion.
- Human settlement developments must provide people with a greater choice of where to live.

### **The Medium Term Strategic Framework (MTSF) 2019-2024**

One of the key concerns around human settlements is that the form and location of land developments, human settlement projects and informal settlement upgrades rarely respond directly to government's statements of spatial intent. Human settlement patterns remain inequitable and dysfunctional across the country, with densely settled former homeland areas and insecure tenure. Despite far-reaching efforts over the past 25 years, housing demand has increased dramatically as household size has reduced and urbanisation has accelerated. To address this, MTSF 2019-2024 focuses on three interrelated outcomes:

- Spatial transformation through multi-programme integration in priority development areas
- Adequate housing and improved quality living environments
- Security of tenure.

### **The Integrated Urban Development Framework (IUDF)**

The IUDF actualises the NDP's directive for an urban development policy that is mindful of increasing urbanisation across the country. According to the IUDF, more than 60 per cent of South Africa's population live in urban areas and it is projected that this number will increase to over 70 per cent by 2030 and to 80 per cent by 2050.

The aim of the IUDF is to reap the benefits of urbanisation and minimise the impacts of badly managed urbanisation through proper planning and provision of necessary infrastructure. Urban development requires integrated and coordinated interventions across government and other sectors of society to develop inclusive, resilient and livable urban settlements that serve as engines of growth. The IUDF is therefore responsive to Sustainable Development Goal (SDG) 11: "Making cities and human settlements inclusive, safe resilient and sustainable." The key outcome of the IUDF is spatial transformation and its objective is to ensure spatial integration, improve access to services and promote social and economic inclusion.

### **The Gauteng City Region (GCR) Perspective: Gauteng 2055**

The GCR seeks to promote Gauteng's development agenda by positioning the province as a globally competitive city region. The GCR also seeks to address inequality and uneven development in the province. The long-term plan for achieving this is contained in the Gauteng 2055 document. Chapter 4 Section 4.3 states the following with regard to human settlements in a GCR, "Our people live in healthy, safe spaces – supported by the nutrients for human growth, prosperity and dignity: affordable, accessible and equitable green spaces; recreational facilities, schools; clinics; shops; places of celebration and worship; places to gather; opportunities for work; networks for transit, ICT and economic infrastructure; heritage sites; and spaces in which collective creativities and dreams can be harnessed".

## **GPG's Transformation, Modernization and Re-industrialisation (TMR) Strategy**

The fifth term of democratic administration of Gauteng Province is fortified by its TMR Strategy which is underscored by ten Pillars. Collectively, the Pillars advocate equitable socio-economic development, good governance and development across the continent. The main thrust of each Pillar is transformation and/or modernisation and/or reindustrialisation.

### **Other relevant Acts, Rules and Regulations**

- Intergovernmental Relations Framework Act (Act No. 13 of 2005)
- National Environmental Management Act (Act No. 107 of 1998 as amended by Act No. 8 of 2004)
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003)
- Municipal Finance Management Act (Act No. 56 of 2003)
- Public Finance Management Act (Act No. 1 of 1999)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Extension of Security of Tenure Act (Act No. 62 of 1997)
- Land Administration Act (Act No. 2 of 1995)
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994)
- National Building Regulations and Building Standards Act (Act No. 103 of 1977)
- State Land Disposal Act (Act No. 48 of 1961)
- Deeds Registries Act (Act No. 47 of 1937).

### **Legislative and other mandates**

The core mandate of the Department is to provide housing opportunities and facilitate the development of sustainable, integrated human settlements.

### **Other policies and strategies**

The Department is guided by the following policies and strategies:

- Provincial Growth and Development Strategy (PGDS)
- Gauteng Human Settlements Mega Projects Strategy
- National Housing Policy

## **2. REVIEW OF THE CURRENT FINANCIAL YEAR (2020/21)**

The location of housing is critical to ensuring that elements of the NSDF have been considered in an endeavour to transform old patterns of development. These are:

- Nodal development (high intensity land use)
- Promoting links between nodes
- Identifying areas where in-fills and densification could be planned and could best facilitate spatial integration
- Limiting inefficient low density developments
- Protecting valuable natural heritage resources, economic wetlands, agricultural land and future growth areas.

While aiming to significantly alter existing spatial patterns, the Department has the responsibility to modernise urban development and human settlements through greening these developments and densifying them to counteract the shortage and cost of land in the province. Partnerships with the Gauteng Department of Agriculture and Rural Development (GDARD) specific to Mega Projects have already been initiated but are not limited to such interventions. The strategy on densification is of great importance and especially relevant in Gauteng, given the scarcity of well-located and suitable land for human settlement development. In its current form, the strategy requires consideration of the governance packages that address in particular indigents who are unable to undertake the financial responsibilities linked to, for example, sectional title deeds costs as they are not covered by the subsidy quantum, Insurance of Buildings Maintenance, water meter technology and body corporate implications, etc. These are conscious and deliberate efforts, commitments and developed solutions that government needs to consider.

The department's five-year targets aligned to national and provincial priorities are unlikely to be met because of a number of historical issues. These include but are not limited to the following:

- The extent of accruals, which have implications for reaching the committed targets
- Budget reductions in the HSDG and the equitable share, and the consistent unanticipated sector budget cuts which will lead to reduced targets
- The budget non-consideration of provincial priorities like hostel redevelopment and safe guarding of assets (invaded land assets)
- Title deeds performance will continue not to perform given that the Title Deeds Restoration Grant has gaps in the framework and does not address historical planning backlog milestones and emerging priorities from the HSDG gaps. The Department has a number of legacy projects that are the subject of non-formalisation of a township/non-proclamation of townships. The major impediment is the difficulty in concluding the township formalisation process; this is not covered by the HSDG subsidy whilst the TRG was created to address the title deeds backlog. This seems near impossible given the above-cited gaps that

require attention. There are also glaring pending milestones, general plans, opening of township registers and maintenance and construction of retaining walls, storm water drains, roads and lights masts not covered by the subsidy.

The aim is to have such developments taking place in areas close to employment and/or economic opportunities and transport facilities so that residents save money and time commuting between their workplaces and homes and gain access to basic services and other amenities.

The Growing Gauteng Together (GGT) 2030 priorities are being implemented through Programmes 3 and 4. Performance against GGT 2030 priority projects directly respond to Priority 5: Spatial integration, human settlements and local government. Performance reflects as follows:

#### **Rapid Land Release Programme (RLRP)**

Delivery on the five planned land parcels to be acquired: this has not yet been realised. However, 3 085 RLRP opportunities are under procurement by the Housing Development Agency (HDA) as part of work in progress including 385 with a signed Sale of Agreement for Elijah Barayi township. A total of 811 beneficiaries have been approved to date and are awaiting allocation. The targets for land acquisition and the RLRP are set for the fourth quarter of the current financial year.

#### **Mega Projects**

Provision of housing opportunities through Mega Projects housing units: the achievement as at the end of the third quarter of 2020/21 was 4 184 (76%) against a planned annual target of 5 502. With regards to the provision of serviced stands, the Department delivered 3 570 (60%) against a target of 5 950 for the financial year under review. Under COVID-19 protocol level 3, developers were not allowed to bring the whole work force on site at once which negatively impacted quarter 1 performance for serviced stands and housing units. The Department fast-tracked delivery in subsequent quarters in an effort to make up for the lost time in quarter 1.

#### **Legacy Projects**

Provision of housing opportunities through Legacy Projects: in the 2020/21 financial year, 2 947 (84%) was achieved against a targeted 3 522 annual output whilst provision of serviced stands through this programme delivered 753 (143%) against a target of 526. Under COVID-19 protocol level 3, developers were not allowed to bring the whole work force at once which negatively impacted quarter 1 housing performance. The Department has fast-tracked delivery in subsequent quarters in an effort to make up for the lost time in quarter 1.

#### **Informal Settlements Upgrade**

Delivery for the 2020/21 financial year reflects a total of 4 (6%) against the planned target of 63 specific to interim services provided in the informal settlements. The informal settlements are Bekkersdal (honey-suckers) and Sicelo Shiceka, Sebokeng Extension 20 and Westside Park Extension 21 (chemical toilets). Under-performance in this area can be attributed to procurement delays experienced by the implementing agencies.

#### **Title deeds**

The main objective for the programme is to register new title deeds and hand them over to the rightful homeowners. During the 2020/21 financial year, 1 470 (31%) title deeds were issued against a target of 4 708. Delivery on post-1994 title deeds stood at 3 548 (142%) against the target 2 493 whilst 717 (71%) was realised for pre-1994 title deeds against the annual target of 1 000 as at the end of the third quarter of 2020/21 financial year. The title deeds registration process was impeded by the lock-down restrictions during the quarter 1 of the financial year; however, delivery was fast-tracked in subsequent quarters to ensure that annual targets were achieved.

#### **Hostel Redevelopment**

Hostel redevelopment into family units and the Hostel Redevelopment Strategy: the Gauteng Hostel Redevelopment Strategy had been submitted to EXCO for consideration with one hostel under construction into family units. Hostel redevelopment entails hostel detailed planning in the following areas: Kagiso, Diepkloof and Khutsong, Kagiso, Diepkloof and Khutsong and 3 (Civil Engineering and Top Structure Designs) Kagiso, Diepkloof and Khutsong.

#### **Urban Renewal**

Three projects (Evaton, Bekkersdal and Winterveldt) in the Urban Renewal Programme (URP) were resuscitated. Contractors were appointed for reticulation and sewer upgrades. Work commenced and is ongoing. Interventions implemented are as follows:

- Evaton: upgrading of outfall sewer.
- Bekkersdal: occupational medical checks and issuing of personal protective clothing.
- Winterveldt: cleaning of stormwater infrastructure
- Alexandra: implementation is through the HDA. The Department concluded the transfer of funds to the entity.

#### **Devolution of housing properties**

No delivery was made against the planned target as the Department received no requests for devolution from the municipalities.

### **Annual and Quarter 3 Delivery Per Region - 2020/21 FY**

In respect of the quarterly targets, 3 336 stands were planned and 2 238 (67%) were realised and 3 653 (187%) housing units were achieved against the target of 1 958. As at Quarter 3, the Department had realised 4 323 (31%) serviced stands against the annual target of 13 851 and 7 137 (75%) against the target of 9 563 housing units.

#### **Other factors that hampered the performance of projects were:**

- Delays in the appointment of contractors and professional resource teams
- Invasions of land and incomplete units
- Disputes between contractors and sub-contractors
- Business forums prohibiting the execution of projects
- Poor performance by contractors
- Inadequate or lack of bulk infrastructure
- Under-performance by municipalities and implementing agencies
- Delays in township formalisation and proclamation.

## **3. OUTLOOK FOR THE COMING FINANCIAL YEAR (2021/22)**

### **STRATEGIC OVERVIEW OF THE INFRASTRUCTURE PROGRAMME**

The Department has adopted the approach of responsiveness to community needs and, in alignment with the District Development Model, will continue to deliver on its mandate of providing integrated and sustainable human settlements to the people of Gauteng as opposed to simply providing houses.

The department is implementing changes in relation to but not limited to ensuring:

- Improved planning and execution of housing projects: the IDMS will be catalytic in this regard
- Faster turn-around time in providing housing units without compromising quality
- Better administrative processes: allocation lists, consultation process, communication
- Multi-year projects: continuous tracking, improved quality control, dealing with variations, improved project management, use of automation systems, improved M&E
- Smarter planning involving stakeholders, partners and funders at an early stage
- Improving standards (ISOs) and adherence to law, regulations and principles of good governance.

#### **In the 2021/22 financial year, the Department's focus will be on, but will not be limited to:**

- Implementation of the Integrated Delivery Management System (IDMS) with the emphasis on the human settlements value chain, elimination of inefficiencies and strengthening of capacity.
- Concluding incomplete/abandoned/blocked projects over the MTEF period.
- Accelerating the implementation of the Mega Projects and winding up the Legacy Projects.
- Land acquisition in line with the Development Plan of the Department. Importantly, land acquired must be serviced to speed up development.
- Formalisation and proclamation of townships before development, including enabling title deeds registration and issuance to beneficiaries.
- Acceleration of the Rapid Land Release Programme end to end process.
- Province-wide Human Settlements Spatial Master Plan.
- Addressing accruals.
- Project pipeline/bank confirmation and refinement for the current year and beyond.
- Project Readiness Matrix (PRM) validation before inclusion/finalisation of the Human Settlements Development Grant (HSDG) Business Plan.
- Social facilitation and improved project management.
- Alignment of the HSDG and the Urban Settlements Development Grant (Integrated Development Plans alignment) to work closely with CoGTA.
- Joint planning and implementation alignment with metros, municipalities and relevant entities such as Eskom, the National Department of Water and Sanitation, sector departments and CoGTA.
- Government co-ordinated strategy to avert interruptions by business forums through inclusion of local contractors with subcontracting arrangements linked to the main contractor.
- Hostel upgrading and redevelopment.
- Upgrading the Informal Settlements Programme.
- Implementation of the Urban Renewal Programme.
- Proactive safeguarding of assets through a counter-land invasion strategy, evictions etc.
- Empowerment and transformational imperatives: job creation through the Expanded Public Works Programme's Incentive Grant and the HSDG.



The Department will continue to deliver on its mandate through the various programmes guided by the following over-arching plans: the new five-year Strategic Plan (2020/21-2024/25), Annual Performance Plan, HSDG Business Plan and GGT 2030, amongst others. The 2021/22 Medium Term Expenditure Framework period will mark another significant milestone in the history of the Department in that it will present the Department with a golden opportunity to cement its strategic foundations that were laid in early 2019 when the 6th Administration took the reins.

### **Accelerating implementation of the RLRP**

In its quest to deliver sustainable integrated human settlements, the Department plans on acquiring about 10 000 hectares of land in 2021/22 and 8 000 and 7 000 hectares in 2022/23 and 2023/24 respectively. This is in recognition of the reality that land in the province is scarce; hence the creation of compact human settlements developments. Alongside this process, the Department will continue to accelerate the implementation of the Rapid Land Release Programme in terms of which a total of 11 524 serviced sites have been planned for hand-over to qualifying beneficiaries in the financial year 2021/22. The total number of serviced sites increases in the subsequent years of the MTEF period. In 2022/23 and 2023/24, for instance, a total of 19 500 and 30 000 serviced sites will be handed over to beneficiaries so that they can build their own homes. In this manner, the Department continues to deliver on its constitutional mandate of providing adequate housing to the citizens of Gauteng.

As part of the support mechanisms to ensure that the Department's housing programmes are not interrupted on the ground, the Department plans to invest about R144 million and R15 million in bulk infrastructure in the financial years 2021/22 and 2022/23 respectively. The importance of investment in bulk infrastructure by the Department cannot be over emphasised; it is pivotal to service delivery in the province as it cushions smaller municipalities that do not benefit from the Urban Settlements Development Grant (USDG) which currently is only accessible to the Metros.

### **Hostel Redevelopment**

Fast-tracking implementation of hostel upgrading and re-development is one of the priorities of the Department in this current term of governance. To that end, during the 2021 MTEF period a hive of activity will be witnessed in the following hostels across the province: Thokoza, Wattville and Kwa-Thema, Sethokga, Nguni and Kwa-Mazibuko in the City of Ekurhuleni; Jabulani, Orland West, Rethabile, Meadowlands and Diepkloof in the City of Johannesburg; and Kagiso in Mogale City. The upgrading and re-development of hostels includes doing away with the old typical dormitory-type of accommodation units and replacing these with much more accommodating family units in the hostels. A total of 1 000, 2 000 and 4 600 family units will be built in the above-mentioned hostels in the 2021/22, 2022/23 and 2023/24 financial years respectively. Implementation of this programme remains critical to the objective of social cohesion through integration of the hostels into the broader social fabric of the province.

### **Upgrading of Informal Settlements Programme (UISP)**

Implementation of the UISP is another critical milestone for the Department. It is an integral part of providing quality basic services and eventually housing opportunities to communities in the province. For the forth-coming financial year, the Department plans on providing interim support services (water and sanitation and access roads) to about 45 informal settlements in the province; this target increases to 50 and 55 over the rest of the current MTEF period. A considerable number of households will benefit from this programme throughout the province. In other instances, where it is deemed necessary for the safety of affected communities they will be relocated to safer land suitable for human habitation.

The introduction of a grant for the UISP in the 2021/22 financial year will be another historical development that the Department and province at large will have to embrace and take advantage of. This calls on the Department to have clear plans on the UISP; this will be clearly reflected in its HSDG business plan for the 2021/22 financial year. The introduction of the UISP grant is a clear effort by government to address the needs of the people; this dovetails with the introduction of the District Delivery Model (DDM). The DDM is another development instrument that will enable co-operation between the Department, CoGTA and municipalities as development will have to be firmly located in and co-ordinated from communities through the local sphere of government.

### **Military Veterans**

Delivering housing for Military Veterans will also be accelerated during the 2021/22 financial year. Once again, co-operation will be improved between the Department and the National Department of Military Veterans. Administrative hurdles that have somewhat hampered performance in the past on this front will be addressed to ensure that clear delivery targets are set with a view to addressing the backlog of the programme.

### **Urban Renewal Programme (URP)**

The importance of accelerating the URP cannot be over-emphasised. Focusing on the old townships in the province is vitally important for the Department and government at large. The programme seeks to upgrade the old townships, bringing to them much-desired upgrades in various forms. An array of stakeholders participate in this programme, with the Department playing a co-ordinating role of all the parties involved in the programme. For the current term of governance, the following five old townships stand to benefit from the URP with interventions collaborated and implemented across the spheres of government: Bekkersdal, Evaton, Kliptown, Winterveldt and Alexandra.

### **Upscaling Mega Projects**

Fast-tracking the implementation of the Mega Projects and winding down of the Legacy Projects is another ground-breaking development on which the Department is hard at work; this has begun bearing fruit. The plan for 2021/22 is to build a total of 6 353 housing units, followed by a projected 6 093 and 7 767 in 2022/23 and 2023/24 respectively. A total of 19 279 serviced stands will be provided during the current MTEF period: 5 899 in 2021/22; a projected 3 000 in 2022/23; and 10 380 in 2023/24.

This is no small feat, given the challenges of land scarcity, the impact of COVID-19 and the high cost of living amid job losses domestically and worldwide.

### **Closing of Legacy Projects**

Coupled with the acceleration of implementation of the Mega Projects is the deceleration of the Legacy Projects. The Department plans to deliver a total of 3 547 serviced stands under this programme, which should cease to exist by the end of the current term of governance. This translates to a total of 767 serviced stands in 2021/22; a projected 200 serviced stands in 2022/23; and 2 580 in 2023/24. There are housing units also that the Department plans delivering under the Legacy Projects during the current MTEF period: 6 168 in 2021/22; a projected 3 789 in 2022/23; and 2 846 in 2023/24.

### **Title Deeds**

Issuing/registration of title deeds by the Deeds Office remains one of the department's main programmes. There are townships where specific milestones have to be passed before title deeds can be issued to the rightful beneficiaries; some of the milestones are not covered in the existing subsidy quantum. Pending milestones include general plans and opening of township registers (retaining walls, storm water drains, roads, lights masts not being covered by the subsidy quantum). This will require costed milestones per township and per project with pending township establishment issues to enable township formalisation and proclamation. Lack of detailed attention to costing milestones per township and per project, along with issues relating to township formalisation and proclamation, may block progress in this priority area. Considerable resources will be invested in township formalisation to help address the title deeds backlog over, with a focused approach being required. The Title Deeds Restoration Grant addresses title deeds issuance from the Deeds Office/Title Deeds registration.

The department aims to deliver a total of 3 000, 2 000 and 1 500 pre-1994 title deeds in 2021/22, 2022/23 and 2023/24, respectively. On the post-1994 title deeds, the Department intends delivering a total of 13 622, 35 937 and 25 000 in 2021/22, 2022/23 and 2023/24 respectively.

### **Challenges faced by the Department in the main are:**

- Title deeds, and township formalisation and proclamation
- Business Forums preventing departmental projects from being carried out
- Inadequate or lack of bulk Infrastructure capacity to enable development
- Budget cuts as a result of fiscal consolidation and the subdued current economic performance

## **4. REPRIORITISATION**

The department conducted a budget reprioritisation exercise to shift funds from non-essential items to make funds available to support efforts to fight the spread of the COVID-19 pandemic, in areas where there are spending pressures and to align the budget with departmental priorities. The exercise that has been implemented for this budget has been in relation to the discretionary funding from Treasury, mainly as a result of the budget cuts that have been effected in the Department's budget. The budget is reprioritised to align the strategic plan of the Department with national and provincial priorities.

The total reprioritisation amounts to R451 million in 2021/22 and R396 million in 2022/23. The reprioritisation of funds was informed by the reprioritisation in the departmental business plan due to realignment with priorities. Funds were also reprioritised from non-essential items to items that support the core business of the Department such as legal costs and property payments. The available budget will be utilised to ensure that planned outcomes are achieved. The Department will continue to review its operations to identify potential cost savings and eliminate inefficiencies.

## **5. PROCUREMENT**

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

In relation to procurement, in the 2021/22 financial year the department intends to:

- Fully implement the SAP operating system for processing of orders and contract management for operational contracts.
- Continue to train and develop its staff.
- Implement the use of pre-approved lists as the basis of appointment of service providers for regular services. This will ensure timeous appointment of contractors within the first quarter of the financial year.
- Acquire goods and services in line with targets, as indicated in the procurement plan.



- Ensure significant improvement in contract administration to ensure that commitments are valid, complete and accurate.
- Implement the new procurement regulations to ensure compliance throughout the procurement processes.

## 6. RECEIPTS AND FINANCING

### 6.1 SUMMARY OF RECEIPTS

TABLE 8.1: SUMMARY OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Equitable share	669 747	783 368	911 755	939 026	1 010 687	1 010 687	969 472	983 352	1 015 324
Conditional grants	5 435 810	5 278 674	5 134 787	4 800 426	4 367 220	4 367 220	4 942 660	5 130 438	5 352 784
<b>Total receipts</b>	<b>6 105 557</b>	<b>6 062 042</b>	<b>6 046 542</b>	<b>5 739 452</b>	<b>5 377 907</b>	<b>5 377 907</b>	<b>5 912 132</b>	<b>6 113 790</b>	<b>6 368 108</b>

The department is funded through national conditional grants and the provincial equitable share. The conditional grants as well as funding made available by the province cater for implementation of both national and provincial housing programmes. For the financial year 2021/22, the Department is allocated an amount of R 5.9 billion made up of R4.9 billion in the form of conditional grants and R969.4 million in the form of the equitable share. The total budget grew by 3 per cent from the main appropriation of R5.7 billion in 2020/21 to R5.9 billion in the 2021/22.

The department receives funding from three conditional grants over the 2021 MTEF, namely the Human Settlements Development Grant (HSDG), the Informal Settlements Partnership Grant (ISPG) as well as the Extended Public Works Programme (EPWP) Incentive Grant. During the special adjustment budget, an amount of R598 million was reduced from both the Human Settlements Development Grant and the Title Deeds Restoration Grant (TDRG) and the funds were surrendered back to the Revenue Fund. However, during the main adjustment budget process the Department received total rollover amounts of R165 million from both national and provincial Treasuries. Furthermore, an additional funding amount of R100 million was allocated to the Department for payment of security services accruals.

The equitable share increases from 969 million to R1 billion over the MTEF due to the inflationary adjustment made to the baseline and additional funding allocated to fund provincial priority programmes over the 2021 medium-term. Included in the funding for the 2021/22 financial year is an amount of R1.1 billion that is earmarked for upgrading informal settlements in the province. Furthermore, the Department is allocated an amount of R68.1 million in 2021/22 and R145.6 million over the MTEF for accelerating rapid land release. For fast-tracking delivery on urban renewal projects and incomplete housing projects, the department is allocated R52.4 million in 2021/22 and R112.7 million over the MTEF. To providing for security of tenure through issuance of title deeds, R214 million over the MTEF is made available to fund the transfer of housing properties to beneficiaries. Included in the allocation for 2021/22 and over the MTEF is an amount from the HSDG of R374 million for coordinating, managing and overseeing the maintenance of the Departments' immovable assets in the form of flats, hostels and vacant stands. The allocation will deal with the Extended Discount Benefit Scheme (EDBS) and the transfer of housing properties to beneficiaries.

The EPWP incentive grant amount of R8.5 million will assist the Department to contribute to job creation initiatives across the province. Also included in the Department's allocation is an amount of R172 million over the MTEF, earmarked for payment of rates and taxes as well as payment of water and lights for five provincial assets. Lastly, an amount of R65.5 million is allocated as a once off additional funding to fund the Departments relief from accruals.

The allocations made available to the department will enable it to focus on the following: accelerating implementation of Mega Projects and winding down the Legacy Projects; procuring of serviced sites for rapid land release; upgrading of informal settlements; urban renewal programmes; re-development of hostels, title deeds acquisition; and township formalisation.

### 6.2 DEPARTMENTAL RECEIPTS

TABLE 8.2: DEPARTMENTAL RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Sales of goods and services other than capital assets	694	456	451	512	512	509	300	321	321
Interest, dividends and rent on land	220	367	5 959	448	448	403	473	378	378
Sales of capital assets			350						

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Transactions in financial assets and liabilities	1 989	(14)	3 218	4 812	4 812	4 257	200	220	250
<b>Total departmental receipts</b>	<b>2 903</b>	<b>809</b>	<b>9 978</b>	<b>5 772</b>	<b>5 772</b>	<b>5 169</b>	<b>973</b>	<b>919</b>	<b>949</b>

The department has a mandate to collect revenue from Department-owned properties and other sources of minor revenue. However, it is experiencing challenges primarily due to the reluctance of occupants to pay for services provided and their inability to pay. The department carried out a cost benefit analysis to determine if it was economically viable to continue with collections. It was apparent that there were no benefits from continuing with collections because of the amount paid to the collection company. The returns gained by the department by using a service provider to collect revenue were far below the costs incurred. The department has taken the decision to transfer ownership of these properties to qualifying and approved beneficiaries.

In terms of its mandate, the department is not revenue driven and consequently does not generate a large amount of revenue. The revenue that it collects is derived from the following: employee parking tariffs, sale of tender documents, replacement of security cards, interest on overdue debt accounts, recoveries from previous years' expenditure, servitude rights and commissions. The department received a once-off amount in the form of a refund as well as interest accrued from a purchase of land that did not materialise in Evaton West in the Sedibeng region which increased revenue collection to R9.9 million in the 2019/20 financial year. The budget will remain relatively stable after the department transferred properties to the Department of Infrastructure Development (DID) and did not receive any revenue from servitude rights.

## 7. PAYMENT SUMMARY

### 7.1 KEY ASSUMPTIONS

The assumptions that underpin the department's 2021 MTEF expenditure are summarised below. There are no anticipated increases for compensation of employees or for goods and services over the MTEF. The following elements have been taken into consideration when determining budgets for personnel and other economic classifications for the 2021 MTEF:

- Number of staff and possible changes over the MTEF
- Equalisation of pay progression across the public service
- Inflation in the cost of goods and services, based on headline Consumer Price Index (CPI) projections
- Provision for eradicating informal settlements
- Provision for upgrading infrastructure services
- The impact of VAT.

### 7.2 PROGRAMME SUMMARY

TABLE 8.3: SUMMARY OF PAYMENTS AND ESTIMATES: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Administration	413 801	474 752	589 132	537 483	590 644	590 644	533 702	537 136	549 643
2. Housing Needs, Research and Planning	45 352	17 029	15 028	21 557	20 057	20 057	21 619	23 651	24 694
3. Housing Development	5 333 252	4 990 996	4 982 581	4 924 834	4 578 800	4 578 800	5 148 814	5 414 936	5 651 200
4. Housing Assets Management Property Management	171 603	313 596	176 007	255 578	188 406	188 406	207 997	138 067	142 571
<b>Total payments and estimates</b>	<b>5 964 008</b>	<b>5 796 373</b>	<b>5 762 748</b>	<b>5 739 452</b>	<b>5 377 907</b>	<b>5 377 907</b>	<b>5 912 132</b>	<b>6 113 790</b>	<b>6 368 108</b>

### 7.3 SUMMARY OF ECONOMIC CLASSIFICATION

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>764 860</b>	<b>714 351</b>	<b>815 206</b>	<b>749 376</b>	<b>861 037</b>	<b>840 196</b>	<b>873 115</b>	<b>808 863</b>	<b>828 615</b>
Compensation of employees	420 565	439 799	451 003	503 564	472 070	472 425	468 560	474 996	515 190
Goods and services	344 295	274 552	364 203	245 812	388 264	367 068	404 555	333 867	313 425
Interest and rent on land					703	703			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Transfers and subsidies to:	5 054 603	5 081 379	4 931 105	4 982 216	3 685 122	3 705 963	4 965 120	5 228 737	5 456 951
Households	5 054 603	5 081 379	4 931 105	4 982 216	3 685 122	3 705 963	4 965 120	5 228 737	5 456 951
Payments for capital assets	144 501	431	16 247	7 860	831 748	831 748	73 897	76 190	82 542
Buildings and other fixed structures	118 578								
Machinery and equipment	19 451	431	16 247	3 316	3 316	3 316	2 708	2 177	3 273
Land and sub-soil assets					823 888	823 888	68 120	71 390	74 280
Software and other intangible assets	6 472			4 544	4 544	4 544	3 069	2 623	4 989
Payments for financial assets	44	212	190						
Total economic classification	5 964 008	5 796 373	5 762 748	5 739 452	5 377 907	5 377 907	5 912 132	6 113 790	6 368 108

The table above illustrates the departmental expenditure and budget per programme and by economic classification over a seven-year MTEF period. The total expenditure of the department was relatively stable from 2018/19 to 2019/20, at R5.7 billion. For the year under review, the department received an amount of R5.7 billion during the main appropriation to fund the provision of sustainable human settlements where all citizens have access to housing and other social amenities. The overall budget of the department for the 2020/21 financial year was reduced from R5.7 billion to R5.3 billion during the special adjustment budget process. An amount of R598 million was surrendered back to the Revenue Fund. During the main adjustment budget process the department received approval for a rollover amount of R172 million, for the Human Settlements Development Grant (HSDG) R109.4 million, for the Title Deeds Restoration Grant R55.5 million and an equitable share (Rates and Taxes) R7 million to cater for accruals and commitment on projects from the previous financial year. The Department received an additional funding amount of R100 million to cater for payment of security services accruals.

The budget increases from R5.9 billion in the 2021/22 financial year to R6.3 billion over the MTEF; this growth is mainly due to inflation-related adjustments. The departmental budget will fund the servicing of stands; provision of housing units; the Finance Linked Individual Programme (FLISP) programme; eradication of informal settlements; Urban Renewal projects; hostel redevelopment; acceleration of Mega Projects and the winding down of the Legacy Projects; the Rapid Land Release Programme and relief from accruals amongst other things. Included in the departmental budget for the MTEF is the provincial earmarked budget for the issuance of title deeds as well as the Informal Settlements Upgrading Partnership Grant.

**Programme 1: Administration:** there is a significant increase in expenditure from R413.8 million in 2017/18 to R589.1 million in the 2019/20 financial year mainly due to inflationary increases and once-off allocations under goods and services. The increase is also attributed to related expenditure that was previously incurred under operational budget for capital expenditure. The programme received a total equitable share rollover amount of R7.033 million during the 2020/21 financial year from the provincial Treasury to be utilised for the payment of property rates and taxes for non-transferred RDP stock in five provincial hostels. An additional funding amount of R100 million was received for payment of accruals in relation to security services. Expenditure within this programme is managed strictly through cost containment measures. The budget over the MTEF is expected to increase from R533.7 million in 2021/22 to R549.6 million in the outer year. The Department will continue to manage expenditure within the programme to align with national and provincial priorities, ensuring that the cost-containment measures are put in place while supporting the core programmes.

**Programme 2: Housing Needs, Planning and Research:** expenditure under this programme decreased from R45.3 million to R15 million between 2017/18 and 2019/20 due to the budget reprioritisation to other programmes to align personnel budget with the concurred staff establishment. The budget increases from R21.6 million to R24.7 million over the MTEF. The increase relates to the correction of compensation of employees where officials within this programme are correctly allocated linked to the programmes and PERSAL.

The increased expenditure under the Policy sub-programme of R27.5 million in the 2017/18 financial year was due to the development and implementation of policies to achieve strategic objectives and ensure alignment and compliance with the regulatory environment. The increase in expenditure of R9 million in the 2017/18 financial year was in respect of the Planning sub-programme which was to support the development and alignment of the departmental planning frameworks including the APPs, the integrated multi-year housing development plan, the mid-term budget policy statement and the Programmes of Action in line with national and provincial requirements. The budget is adjusted downwards to R6.9 million in the outer year of the MTEF.

The programme budget for compensation of employees decreased to curb over-expenditure on other programmes. The department did not succeed in developing and approving all the policies during the 2019/20 financial year; however, it successfully worked on the draft policy to guide the development of serviced sites and the research proposal on land acquisition

and release. Policies that the Department planned to develop and approve during the 2019/20 financial year but was not successful in concluding were:

- Unlawful occupation of land policy (policy draft with Cabinet Memo and presentation submitted to the Exco sub-committee for consideration):
- Management of common spaces in walk-ups policy (enhanced draft policy document shared and draft comments received from the Midvaal Local Municipality as part of consultation and alignment. The document is yet to serve before the Policy Review Committee (PRC) that will recommend all future policies for approval)
- De-registration of missing and untraceable beneficiaries policy (this policy is yet to serve before the proposed PRC that will recommend all future policies for approval)
- Property maintenance policy (the policy is yet to serve before the PRC of the Department).

**Programme 3: Housing Development:** expenditure decreased from R5.3 billion in 2017/18 to R4.9 billion in the 2019 /20 financial year because of the budget cut of R150 million that was reprioritised by the national Department of Human Settlements to fund priority projects in other provinces. In the 2020/21 financial year, the budget was revised downwards by R475 million during the special adjustment budget and the funds were surrendered back to the Revenue Fund; in the main budget process, the programme received approval from National Treasury for the rollover amount of R109.4 million for the HSDG to cater for accruals and commitment on projects from the previous financial year. The provision of social housing and the provision of housing subsidies remain critical and are budgeted for in this programme.

Over the MTEF, the budget for the programme will increase to R5.6 billion in the outer year. These budgets will enable the department to deliver on Outcomes 3 and 4 which are “Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods” and “Social justice through security of tenure and asset value for beneficiaries” respectively. The programme’s budget for 2021/22 and over the MTEF comprises of the HSDG of R3.8 billion and the Informal Settlements Upgrading Partnership Grant of R1.1 billion to fund the provision of sustainable human settlements where all citizens have access to housing and other social amenities. Furthermore, the programme received provincial equitable budget of R188.6 million in the 2021/22 financial year and over the MTEF to fund servicing of stands; provision of housing units; eradication of informal settlements and the Urban Renewal projects; accelerating of Mega Projects and the winding down of the Legacy Projects; the Rapid Land Release programme; and fast tracking the issuance of title deeds. The programme also receives a budget of R8.5 million from the EPWP integrated grant made available for job creation initiatives in the province as well as funding made available for provincial infrastructure.

The expenditure for the sub-programme **Financial Intervention** increased from R703 million in the 2017/18 financial year to R800 million in 2018/19. During the 2020/21 financial year, the Department could not deliver the housing units as projected; reasons for the under-performance included some milestones in the townships formalisation process that had not been finalised. Furthermore, there were delays in issuing services certificates and beneficiaries occupying houses but not approved on the Housing Subsidy System (HSS). These negatively impacted the registration of properties; performance during the first quarter of 2020/21 was very weak because a set target of 4 545 was not delivered due to the reasons mentioned. The registration process was impeded by the COVID-19 restrictions as interfacing with communities was not allowed; therefore no verifications could take place to allow preparation of draft deeds. The budget will be utilised to ensure that 1 571 houses are built under the FLISP, 388 non-credit linked individual subsidies disbursed to qualifying beneficiaries and 171 credit-linked individual housing subsidies disbursed to qualifying beneficiaries.

The expenditure for the sub-programme **Incremental Intervention** increased from R4.1 billion in 2017/18 financial year to R4.5 billion in the 2019/20 financial year. During the year under review, the total housing opportunities were reduced by 22 per cent from a total of 30 111 to 23 414. Another priority programme that was markedly affected negatively by the budget cuts was hostel re-development. The programme’s budget went down by about 25 per cent from 122.5 million to R92. 5 million.

**Programme 4: Housing Assets Management and Property Management:** under this programme, expenditure was R171.6 million in 2017/18. It increased to R313.6 million in the 2018/19 financial year mainly to fund the Extended Enhanced Discount Benefit Scheme (EEDBS) resulting from the reprioritisation of the departmental business plan. The budget decreases from R255.5 million in the 2019/20 financial year to R142.5 million in the outer year of the MTEF due to budget cuts.

Over the MTEF, the programme’s personnel budget increases from R35 million in the 2020/21 financial year to R37.4 million in 2023/24 to align the expenditure on the approved staff establishment. During the special adjustment process, the budget baseline was revised downwards with an amount of R122.7 million being surrendered to the Revenue Fund while during the main adjustment process the programme received approval for the rollover of R55.5 million for the Title Deeds Restoration Grant to cater for accruals and commitment on projects from the previous financial year. The Title Deeds Restoration Grant takes care of title deeds issuance from the Deeds Office/Title Deeds registration. The Department plans on delivering a total of 18 259 and 3 063 title deeds in 2021/22 and 2022/23 respectively across the various categories.

The budget for **compensation of employees** increases from R472 million in 2021/22 to R515 million over the MTEF. The increases over the period are mainly for filling critical vacant positions in the department. The personnel budget will over the MTEF keep costs, including overtime, within affordable levels; seek to align the budget with the headcount; be aligned with HR

plans; and minimise growth to ensure that compensation of employees does not crowd out critical posts, amongst other things. **Goods and services** significantly increases over the MTEF due to the restructuring of the departmental operational budget. The restructuring was done mainly to address the pressure as a result of the increased costs of operations. The main cost drivers of expenditure included payment of rates and taxes, security services, operating leases and legal services. The budget decreased from R364 million in 2019/20 and declines to R313 million in the outer year of the MTEF due to budget reclassification as per the human settlements sector guide.

Over the MTEF, **transfers and subsidies** both increase minimally primarily due to the national Department of Human Settlements reprioritising the grants between the years. Apart from the HSDG funding, the budget includes the EPWP Integrated Grant earmarked for job creation initiatives across the province; the Title Deeds Restoration Grant that will assist the Department to fast track the issuing of title deeds to beneficiaries; and the Informal Settlements Upgrading Partnership Grant for Provinces aimed at eradicating informal settlements across the province.

There are resources also allocated to machinery and equipment to fund tools of trade such as desktops/laptops and installation of IT infrastructure. In 2017/18, expenditure increased to R25.9 million; the increase in expenditure was caused by the procurement of the telecommunications system (network LAN). The budget for procurement of assets is centralised under this item as a control measure. Over the 2021/22 MTEF, R8.2 million is allocated under the economic classification for procurement of office furniture and equipment and installation of ICT (network points) for staff.

## 7.4 INFRASTRUCTURE PAYMENTS

### 7.4.1 DEPARTMENTAL INFRASTRUCTURE PAYMENTS

Please refer to the 2021 Estimates of Capital Expenditure (ECE).

### 7.4.2 DEPARTMENTAL PUBLIC-PRIVATE-PARTNERSHIP (PPP) PROJECTS

N/A

## 7.5 TRANSFERS

### 7.5.1 Transfers to public entities

TABLE 8.5: SUMMARY OF DEPARTMENTAL TRANSFERS TO PUBLIC ENTITIES

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Gauteng Partnership Fund	224 719	609 000	780 024	1 119 342	1 119 342	1 119 342	350 824	350 824	366 260
<b>Total departmental transfers</b>	<b>224 719</b>	<b>609 000</b>	<b>780 024</b>	<b>1 119 342</b>	<b>1 119 342</b>	<b>1 119 342</b>	<b>350 824</b>	<b>350 824</b>	<b>366 260</b>

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

The GPF receives contributions from the GDHS from time to time but the entity funds itself mainly from interest earned from the original capitalisation of the GDHS donation. The GPF receives interest from loans extended to borrowers. In the 2017/18 financial year, the contribution increased from R224.7 million; there was a significant increase in the contribution, of R780 million, in 2019/20. The increase of R1.1 billion in the 2020/21 financial year was mainly to facilitate the delivery of Mega Projects across all corridors of the GCR. The GPF will receive a contribution of R350.8 million in 2021/22 which will assist to strengthen its strategic objective of increasing and leveraging private sector funding for affordable housing with the aim of increasing the rate of delivery of sustainable human settlements in the province. The funding is expected to increase to R366.2 million in the 2023/24 financial year to accelerate delivery of the above over the MTEF.

### 7.5.2 Transfers to other entities

N/A.

### 7.5.3 Transfers to local government

TABLE 8.6 SUMMARY OF DEPARTMENTAL TRANSFERS TO LOCAL GOVERNMENT BY CATEGORY

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Category A	492 797	386 649	55 103		19 500	19 500	122 562	161 035	208 512
Category B	246 070	226 283	151 438	40 000	138 500	138 500	36 000	30 000	31 320
<b>Total departmental transfers</b>	<b>738 867</b>	<b>612 932</b>	<b>206 541</b>	<b>40 000</b>	<b>158 000</b>	<b>158 000</b>	<b>158 562</b>	<b>191 035</b>	<b>239 832</b>

Transfers to local government decreased from R738.8 million to R206.5 million between 2017/18 and 2019/20. During the 2018/19 period, the Department transferred a total of R387 million to Category A and R226.2 million to Category B municipalities. All transfers made to Category A municipalities were for the delivery of housing stock/units, where the municipality is appointed as the implementing agent. R40.5 million was transferred to Randfontein Municipality for the construction of a water reservoir which unlocked a number of developments in the West Rand area and parts of the southern region. The budget for construction of the water reservoir was funded from the mining town's earmarked allocation. R82 million was transferred to Merafong Municipality and was earmarked for construction of a bridge over a railway line to connect the old and new developments; R22 million was earmarked for servicing of 500 sites; and R34 million was allocated for the construction of 265 housing units.

In the 2017/18 financial year, Category A municipalities received R492.7 million whereas Category B municipalities received R246 million. The Department entered into subsidy funding agreements with all of the municipalities receiving funds. The funding was primarily for construction of top structures and to a lesser degree for servicing of stands. Mining towns' funds are being used to a large degree for infrastructure upgrades. These areas do not receive funds from the USDG. Funding is provided for these targeted areas to unblock development bottlenecks. The budget for transfers to local government decreased to R386.6 million in 2018/19 and to R226.2 million for both Category A and B as the Department planned to implement some of the projects previously implemented by municipalities. The budget for the 2021/22 financial year amounts to R158.5 million and decreases to R191 million in the 2022/23 financial year. For the outer years of the MTEF, the budget for transfers amounts to R239 million.

## 8. PROGRAMME DESCRIPTION

### PROGRAMME 1: ADMINISTRATION

#### Programme description

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

#### Programme objectives

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



TABLE 8.7: SUMMARY OF PAYMENTS AND ESTIMATES: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Corporate Services	413 801	474 752	589 132	537 483	590 644	590 644	533 702	537 136	549 643
<b>Total payments and estimates</b>	<b>413 801</b>	<b>474 752</b>	<b>589 132</b>	<b>537 483</b>	<b>590 644</b>	<b>590 644</b>	<b>533 702</b>	<b>537 136</b>	<b>549 643</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>387 021</b>	<b>473 076</b>	<b>570 731</b>	<b>527 833</b>	<b>580 994</b>	<b>581 246</b>	<b>526 037</b>	<b>530 343</b>	<b>539 302</b>
Compensation of employees	218 739	207 246	216 908	294 892	244 898	244 898	236 291	242 876	272 857
Goods and services	168 282	265 830	353 823	232 941	335 393	335 645	289 746	287 467	266 445
<b>Transfers and subsidies to:</b>	<b>826</b>	<b>1 033</b>	<b>1 964</b>	<b>1 790</b>	<b>1 790</b>	<b>1 538</b>	<b>1 888</b>	<b>1 993</b>	<b>2 079</b>
Households	826	1 033	1 964	1 790	1 790	1 538	1 888	1 993	2 079
<b>Payments for capital assets</b>	<b>25 910</b>	<b>431</b>	<b>16 247</b>	<b>7 860</b>	<b>7 860</b>	<b>7 860</b>	<b>5 777</b>	<b>4 800</b>	<b>8 262</b>
Machinery and equipment	19 438	431	16 247	3 316	3 316	3 316	2 708	2 177	3 273
Software and other intangible assets	6 472			4 544	4 544	4 544	3 069	2 623	4 989
<b>Payments for financial assets</b>	<b>44</b>	<b>212</b>	<b>190</b>						
<b>Total economic classification</b>	<b>413 801</b>	<b>474 752</b>	<b>589 132</b>	<b>537 483</b>	<b>590 644</b>	<b>590 644</b>	<b>533 702</b>	<b>537 136</b>	<b>549 643</b>

The Administration programme budget is utilised for items that are centralised to Corporate Services such as lease payments for office buildings, security services, cleaning services, bursaries, telephone payments, LAN upgrades, payment for software licences, fleet services, legal costs and internal audit costs allocated within the sub-programme.

The actual expenditure for the programme increases from R413.8 million in the 2017/18 financial year to R589.1 million in 2019/20 to cater for the on-going rendering of administrative support to the entire Department. During the 2020/21 financial year, the budget decreases from R537.4 million to R468.2 because of the reduction in budget and the fact that the personnel budget is re-classified from this programme to other programmes in line with the approved organisational structure and to align budget with expenditure where it is incurred and functions performed.

The budget for the programme increases from R533.7 million in 2021/22 and to R549.6 million in the outer year of the MTEF due to the adjustment to the baseline to cater for inflation and thereby sustain the provision of administrative support to the department. Also included in the budget for 2021/22 is an amount of R65.5 million allocated as a once off additional funding to fund the Departments relief from accruals.

Expenditure on compensation of employees increases from R218.7 million in 2017/18 to R294.8 million in the 2020/21 financial year. The budget for compensation of employees increases from R236.2 million in 2021/22 to R272.8 million over the MTEF to cover the cost of living adjustment and filling vacant posts in the programme.

The goods and services budget is mainly for payments to lease office buildings, software licences such as Microsoft Office licenses, fleet services, relief from accruals. and provision of managerial and support services requirements for the Department. Transfers and subsidies: the payment of leave gratuity and injury on duty increases from R826 thousand in 2017/18 to R1 million in the 2018/19 financial year. This makes provision for injury on duty claims and leave gratuity payments as part of exit package of employees when they resign or retire.

The budget for procurement of assets is centralised in this programme as a control measure. Over the 2021 MTEF, R8.2 million is allocated under the economic classification for procurement of office furniture and equipment and installation of ICT (network points) for staff.

## PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

### Programme description

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

It performs a number of transversal functions including quality assurance, research and development and inputs into policy development and into planning and housing support.

### Programme objectives

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

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Administration	8 721	9 966	8 960	11 039	11 039	11 039	10 949	11 693	12 208
2. Policy	27 570	5 199	2 465	6 329	5 729	5 729	6 228	6 652	6 946
3. Planning	9 061	1 864	3 603	4 189	3 289	3 289	4 442	5 306	5 540
4. Research									
<b>Total payments and estimates</b>	<b>45 352</b>	<b>17 029</b>	<b>15 028</b>	<b>21 557</b>	<b>20 057</b>	<b>20 057</b>	<b>21 619</b>	<b>23 651</b>	<b>24 694</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>45 294</b>	<b>17 024</b>	<b>15 028</b>	<b>21 557</b>	<b>20 057</b>	<b>20 057</b>	<b>21 619</b>	<b>23 651</b>	<b>24 694</b>
Compensation of employees	43 887	12 674	12 938	15 485	13 985	14 031	15 213	16 215	16 928
Goods and services	1 407	4 350	2 090	6 072	6 072	6 026	6 406	7 436	7 766
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>45</b>	<b>5</b>							
Households	45	5							
<b>Payments for capital assets</b>	<b>13</b>								
Machinery and equipment	13								
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>45 352</b>	<b>17 029</b>	<b>15 028</b>	<b>21 557</b>	<b>20 057</b>	<b>20 057</b>	<b>21 619</b>	<b>23 651</b>	<b>24 694</b>

Expenditure under this programme decreased from R45.3 million to R15 million between 2017/18 and 2019/20 due to budget reprioritisation to other programme to align personnel budget with concurred staff establishment. The decrease in the budget for compensation of employees was to curb over-expenditure on other programmes. From the 2020/21 financial year, the budget increases from R21.6 million to R24.7 million over the MTEF. The Department successfully worked on the draft policy to guide the development of serviced sites and the research proposal on land acquisition and release. A total of 106 210 (154%) against a target of 30 000 potential release opportunities investigated on state-owned land were achieved under the Rapid Land Release Programme that the Department introduced during the financial year. However, the handing over of these opportunities to eligible beneficiaries was not successful owing to planning work that lagged and which needed to precede the handover process. To fast-track this process, the Department is currently working in conjunction with the national Department of Human Settlements (DHS) to approach all beneficiaries on the National Housing Needs Register (NHNR).

To ensure an uninterrupted programme of providing government-assisted housing, the department started developing the Gauteng Human Settlements Spatial Master Plan during the 2020/21 financial year; this had to be completed within the same period. Given the numerous consultations and collation of information from various stakeholders that had to take place as part of developing the Master Plan, to date only a draft Gauteng Human Settlements Master Plan has been completed.

The department managed to formalise only nine townships - Kudube Unit 1, Drieziek Proper and Drieziek Ext 4, Kudube Unit 3, Kudube Unit D, Badirile, Mayfield Ext 11, Daveyton Ext 12, Etwatwa Ext 35, Drieziek Proper and Drieziek Ext 4 - during the financial year. A total of 185 (84%) learners were trained under the National Youth Service against the target of 220. This is one of the initiatives that the Department embarked upon to ensure that the youth benefit from the government's skills development and training programmes and which may assist them to become skilled workers or self-employed individuals.

## SERVICE DELIVERY MEASURES

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

Programme performance measures	Estimated performance	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24
Number of Human Settlement focused Research Reports completed as per request of the Housing Delivery Programme area, per financial year	Two	Two Research Report:: Addressing climate change: mechanisms to reduce the carbon footprint in housing projects	Two Research Report	Two Research Report
Number of Provincial Human Settlements focused policies developed per financial year	1 Strat Plan and 1 APP	Two Policies: Special Cases Policy	Two Policies	Two Policies
Number of Provincial Human Settlements focused legislations developed per financial year	Four	Two Pieces of Legislations: IBH Bill submitted via the Gauteng Provincial Legislature (GPL) Committee processes Gauteng Housing Amendment Bill submitted via the GPL Committee processes	Pieces of Legislation for proclamation Inclusionary Housing Act	Pieces of Legislation for proclamation Inclusionary Housing Act

## PROGRAMME 3: HOUSING DEVELOPMENT

## Programme description

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

## Programme objectives

- To provide and develop integrated infrastructure for the creation of cohesive communities
- To promote home ownership
- To reduce levels of unemployment substantially
- To create a healthy and clean living environment
- To provide engineering services at an affordable and sustainable cost
- To reduce levels of crime and violence
- To upgrade existing housing and create additional affordable housing
- To alleviate poverty
- To create sustainable livelihood
- To create a caring and responsive government
- To create a better life for all
- To implement integrated, high-impact, time-bound and targeted interventions.

TABLE 8.11: SUMMARY OF PAYMENTS AND ESTIMATES: HOUSING DEVELOPMENT

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Administration	174 700	189 613	194 794	164 203	184 203	184 203	185 582	188 192	196 329
2. Financial Interventions	703 157	800 046	235 711	330 966	300 482	300 482	262 195	252 907	237 273
3. Incremental Interventions	4 189 208	3 780 774	4 552 076	4 429 665	4 094 115	4 094 115	4 701 037	4 973 837	5 217 598
4. Social And Rental Intervention	236 205	210 264							
5. Rural Intervention	29 982	10 299							
<b>Total payments and estimates</b>	<b>5 333 252</b>	<b>4 990 996</b>	<b>4 982 581</b>	<b>4 924 834</b>	<b>4 578 800</b>	<b>4 578 800</b>	<b>5 148 814</b>	<b>5 414 936</b>	<b>5 651 200</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>161 353</b>	<b>189 224</b>	<b>194 507</b>	<b>164 203</b>	<b>184 203</b>	<b>184 197</b>	<b>185 582</b>	<b>188 192</b>	<b>196 329</b>
Compensation of employees	152 112	185 043	186 265	158 102	178 102	178 411	177 870	180 010	187 931
Goods and services	9 241	4 181	8 242	6 101	6 101	5 786	7 712	8 182	8 398
<b>Transfers and subsidies to:</b>	<b>5 053 408</b>	<b>4 801 772</b>	<b>4 788 074</b>	<b>4 760 631</b>	<b>3 570 709</b>	<b>3 570 715</b>	<b>4 895 112</b>	<b>5 155 354</b>	<b>5 380 591</b>
Provinces and municipalities									
Households	5 053 408	4 801 772	4 788 074	4 760 631	3 570 709	3 570 715	4 895 112	5 155 354	5 380 591
<b>Payments for capital assets</b>	<b>118 491</b>				<b>823 888</b>	<b>823 888</b>	<b>68 120</b>	<b>71 390</b>	<b>74 280</b>
Buildings and other fixed structures	118 491								
Land and sub-soil assets					823 888	823 888	68 120	71 390	74 280
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>5 333 252</b>	<b>4 990 996</b>	<b>4 982 581</b>	<b>4 924 834</b>	<b>4 578 800</b>	<b>4 578 800</b>	<b>5 148 814</b>	<b>5 414 936</b>	<b>5 651 200</b>

The programme makes up the largest share of the department's budget and expenditure (about 85 per cent of the budget and expenditure is in this programme). The purpose is to establish sustainable human settlements where all citizens have access to housing and other social amenities. The programme performs the core function of the Department: planning, land acquisition, township establishment, delivery of housing opportunities across all housing programmes in the National Housing Code, beneficiary management and issuing of title deeds. The following strategic priorities are included in the 2021/22 financial year and over the MTEF of the budget allocation of this programme: up-scaling Mega Projects, accelerating implementation of the RLRP, supporting access to basic services, closing of Legacy Projects, completing all abandoned/incomplete/blocked projects, hostel redevelopment, upgrading of informal settlements, UISP implementation and resuscitation of URPs.

Expenditure decreased from R5.3 billion in the 2017/18 financial year to R4.9 billion in the 2019 /20 financial year because of the cut of R150 million that was reprioritised by the national Department of Human Settlements to fund priority projects in other provinces. In the 2020/21 financial year, the budget was revised downwards by R475 million during the special adjustment budget and the funds were surrendered back to the Revenue Fund. In the main budget process, the programme received approval from National Treasury for a rollover amount of R109.4 million for HSDG to cater for accruals and commitment on projects from the previous financial year.

The provision of social housing and the provision of housing subsidies remain critical and are budgeted for in this programme. The programme's budget for 2021/22 and over the MTEF comprises of the Human Settlements Development Grant (HSDG) R3.8 billion and the Informal Settlements Upgrading Partnership Grant R1.1 billion to fund provision of sustainable human settlements where all citizens have access to housing and other social amenities. Furthermore, the programme received a provincial equitable share budget of R188.6 million in the 2021/22 financial year and over the MTEF to fund the servicing of stands; provision of housing units; the FLISP programme; eradication of informal settlements and the URPs; hostel redevelopment; accelerating of Mega Projects and winding down of the Legacy Projects; the Rapid Land Release programme; and fast tracking the issuance of title deeds.

Over the MTEF, the budget for the programme will increase to R5.6 billion in the outer year. The budget will enable the department to deliver on Outcomes 3 and 4 which are "Integrated, sustainable, spatially transformed human settlements and liveable neighbourhoods" and "Social justice through security of tenure and asset value for beneficiaries" respectively.

In the 2020/21 financial year, a total of 106 210 potential release opportunities were investigated on state-owned land and the Department plans on acquiring about 10 000 hectares of land in 2021/22 and 8 000 and 7 000 hectares in the 2022/23 and 2023/24 financial years respectively. This is in recognition of the reality that land in the province is scarce; hence the creation of compact human settlements developments. Alongside this process, the Department will continue to accelerate implementation of the Rapid Land Release Programme in terms of which a total of 11 524 serviced sites have been planned for hand-over to qualifying beneficiaries in the financial year 2021/22. The total number of serviced sites increases in the subsequent years of the MTEF period, with a total of 19 500 and 30 000 serviced sites handed over to beneficiaries.

Despite the budget cuts experienced by the Department during the past financial year, attempts have been made to keep on course the Rapid Land Release Programme (RLRP) as a flagship programme that will reduce the burden for the province on housing demand and targeted at beneficiaries who can build for themselves. In the 2020/21 financial year, the target for serviced sites under the RLRP remained steady at 7 375; this was an increase from the target of 6 179 serviced sites.

The department continues to deliver on its constitutional mandate of providing adequate housing to the citizens of Gauteng. Upscaling of Mega Projects and winding down of the Legacy Projects and completing all abandoned/incomplete/blocked projects is another ground-breaking development for the department. The plan for 2021/22 is to build a total of 6 353 housing units followed by another projected 6 093 and 7 767 in 2022/23 and 2023/24 respectively. A total of 19 279 serviced stands will be provided during the current MTEF period: 5 899 in 2021/22; a projected 3 000 in 2022/23; and 10 380 in 2023/24. This is no small feat given the challenges of land scarcity, COVID-19-related challenges and the high cost of living amid job losses domestically and worldwide. Coupled with the acceleration of implementation of the Mega Projects is the deceleration of the Legacy Projects. The department plans to deliver a total of 3 547 serviced stands under this programme which should cease to exist by the end of the current term of administration. This translates to a total of 767 serviced stands in 2021/22, a projected 200 serviced stands in 2022/23 and 2 580 in 2023/24. There are housing units that the Department plans on delivering under the Legacy Projects over the MTEF: 6 168 in 2021/22, a projected 3 789 in 2022/23 and 2 846 in 2023/24.

The budget for the sub-programme Financial Intervention decreases from R262 million in the 2021/22 financial year to R237 million over the MTEF. During the 2020/21 financial year, the department was unable to deliver the housing units as projected because there had been delays in issuing services certificates and beneficiaries occupying houses not approved on the Housing Subsidy System (HSS). This negatively impacted the registration of properties. The registration process was impeded by the COVID-19 restrictions as interfacing with communities was not allowed and therefore verifications could take place to allow preparation of draft deeds. The budget will be utilised to ensure that 1 571 houses are built under the FLISP, 388 non-credit linked individual subsidies disbursed to qualifying beneficiaries and 171 credit-linked individual housing subsidies disbursed to qualifying beneficiaries.

The expenditure for the sub-programme Incremental Intervention increased from R4.1 billion in the 2017/18 financial year to R4.5 billion in the 2019/20 financial year. During the 2020/21 financial year, total housing opportunities were reduced by about 22 per cent (from a total of 30 111 to a total of 23 414); another priority programme that was markedly affected negatively by the budget cuts was hostel re-development. The programme's budget went down by about 25 per cent (from 122.5 million to R92. 5 million). The budget for the sub-programme increases from R4.7 billion in the 2021/22 financial year to R5.2 billion over the MTEF.

## SERVICE DELIVERY MEASURES

### PROGRAMME 3: HOUSING DEVELOPMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24
Number of informal settlements upgrading per financial year Categories A and B1	New Indicator	19		
Number of Mega Projects stands serviced per financial year	5 950	5 899	3 000	3 000
Number of Legacy Projects stands serviced per financial year	526	767	200	200
Number of approved beneficiaries allocated available housing unit per financial year	8 052	8 000	8 000	8 000
Number of top structures completed i.r.o. incomplete/abandoned/blocked housing projects	239	1 061		
Number of identified interventions implemented in URP areas per financial (Bekkersdal, Winterveldt, Alexandra and Evaton)	4 Bekkersdal, Winterveldt, Alexandra and Evaton	5 Bekkersdal, Kliptown, Winterveldt, Alexandra and Evaton	5 Bekkersdal, Kliptown, Winterveldt, Alexandra and Evaton	5 Bekkersdal, Kliptown, Winterveldt, Alexandra and Evaton
Number of hectares of suitable land acquired for human settlements development per financial year	5 parcels 9 608 ha	7 parcels 10 000 ha	6 parcels 8 000 ha	6 parcels 8 000 ha
Number of release opportunities on serviced sites procured from the private sector per financial year	7 375	1 455	4 524	4 524
Number of family units completed in re-developed Hostels per financial year	48 (18- CoE: Sethokga, 30-CoJ:Jabulani 10, Orlando West 10 and Rethabile 10)	1 000 COE (Thokoza, Wattville, Kwa Thema) COJ (Jabulani, Orlando West, Rethabile, Diepkloof) Mogale City ( Kagiso)	2 000 COE (Sethokga, Thokoza, Watville, Kwa-Thema, Nguni and Mazibuko COJ ( Jabulani, Orlando West, Rethabile, Diepkloof and Meadowlands, Mogale City (Kagiso), Merafong (Khutsong), eMfuleni ( KwaMasiza)	2 000 COE (Sethokga, Thokoza, Watville, Kwa-Thema, Nguni and Mazibuko COJ ( Jabulani, Orlando West, Rethabile, Diepkloof and Meadowlands, Mogale City (Kagiso), Merafong (Khutsong), eMfuleni ( KwaMasiza)
Number of FLISP housing subsidies disbursed for qualifying beneficiaries, per financial year	100	367	367	367

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

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

**Programme objectives**

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

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
1. Administration	6 118	35 233	34 940	35 783	35 783	35 783	39 929	36 677	38 290
2. Sales And Transfer Of Housing Properties	100 309	66 304	76 210	164 795	112 623	112 623	68 120	71 390	74 281
3. Devolution Of Housing Properties									
4. Housing Properties Maintenance	65 176	212 059	64 857	55 000	40 000	40 000	99 948	30 000	30 000
<b>Total payments and estimates</b>	<b>171 603</b>	<b>313 596</b>	<b>176 007</b>	<b>255 578</b>	<b>188 406</b>	<b>188 406</b>	<b>207 997</b>	<b>138 067</b>	<b>142 571</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>171 192</b>	<b>35 027</b>	<b>34 940</b>	<b>35 783</b>	<b>75 783</b>	<b>54 696</b>	<b>139 877</b>	<b>66 677</b>	<b>68 290</b>
Compensation of employees	5 827	34 836	34 892	35 085	35 085	35 085	39 186	35 895	37 474
Goods and services	165 365	191	48	698	40 698	19 611	100 691	30 782	30 816
Interest and rent on land									
<b>Transfers and subsidies to:</b>	<b>324</b>	<b>278 569</b>	<b>141 067</b>	<b>219 795</b>	<b>112 623</b>	<b>133 710</b>	<b>68 120</b>	<b>71 390</b>	<b>74 281</b>
Households	324	278 569	141 067	219 795	112 623	133 710	68 120	71 390	74 281
<b>Payments for capital assets</b>	<b>87</b>								
Buildings and other fixed structures	87								
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>171 603</b>	<b>313 596</b>	<b>176 007</b>	<b>255 578</b>	<b>188 406</b>	<b>188 406</b>	<b>207 997</b>	<b>138 067</b>	<b>142 571</b>

The programme expenditure was R171.6 million in 2017/18 and increased to R313.6 million in the 2018/19 financial year mainly for the purpose of funding the EEDBS resulting from the reprioritisation of the departmental business plan. The budget decreases from R255.6 million during the 2020/21 financial year to R142.6 million in the outer year of the 2021 MTEF due to budget cuts.

Over the MTEF, the programme's personnel budget is increased from R35.8 million in the 2020/21 financial year to R38.3 million in 2023/24 to align the expenditure with the approved staff establishment. The budget baseline was revised downwards with an amount of R122.7 million during the special adjustment process and surrendered to the Revenue Fund.



The programme received provincial allocation of R68.1 million for providing security of tenure through the issuance of title deeds. The Title Deeds Restoration Grant deals with title deeds issuance from the Deeds Office/Title Deeds registration. The Department plans on delivering a total of 18 259 title deeds and 3 063 title deeds in 2021/22 and 2022/23 respectively across the various categories.

The department has planned to formalise about 245 townships under the current term of which in 2020/21 37 and in 2021/22 25 townships will be formalised. For the post-1994 title deeds, the department planned to register 2 493 in 2020/21; this was much lower than what was planned in 2019/20 (5 830). However, in 2021/22 the department will register 30 246 title deeds. To fast-track the registration and issuance of title deeds, the Department will issue 10 201 title deeds in 2020/21 and 40 847 title deeds in 2021/22 across all three categories of title deeds. A total of 11 274 new title deeds have been lost to the Department because of the unavoidable budget cuts in the HSDG. Overall for the current term, title deeds are projected at 192 120: new title deeds 75 444, pre-1994 8 000 and post-1994 108 676.

## SERVICE DELIVERY MEASURES

### PROGRAMME 4: HOUSING ASSETS AND PROPERTY MANAGEMENT

Programme performance measures	Estimated performance	Medium-term estimates		
	2020/21	2021/22	2022/23	2023/24
Number of rental housing disputes resolved by the Rental Housing Tribunal by the end of the current financial year	1 360	2 288	2 400	2 400
Number of new properties transferred to qualifying beneficiaries per financial year	6 708	8 600	16 835	16 835
Number of pre-1994 title deeds registered per financial year	1 000	3 000	2 000	2 000
Number of title deeds registered for post - 1994 projects completed by 31 March 2014	2 493	13 622	35 937	35 937

## 9. OTHER PROGRAMME INFORMATION

### 9.1 PERSONNEL NUMBERS AND COSTS

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

Actual				Revised estimate				Medium-term expenditure estimate						Average annual growth over MTEF			
2017/18		2018/19		2019/20		2020/21		2021/22		2022/23		2023/24		2020/21 - 2023/24			
Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Filled posts	Additional posts	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel numbers <sup>1</sup>	Costs	Personnel growth rate	Costs growth rate	% Costs of Total	
R thousands																	
Salary level																	
1 – 6	432	218 739	432	207 246	432	216 908	428	4	432	125 490	432	181 885	432	167 474	0%	10%	29%
7 – 10	263	43 887	263	12 674	263	12 938	259	4	263	165 230	260	148 013	260	140 803	(0)%	1%	32%
11 – 12	154	152 112	154	185 043	154	186 265	145	9	154	117 836	154	95 402	154	129 202	0%	3%	24%
13 – 16	53	5 827	53	34 836	53	34 892	49	4	53	63 869	53	49 696	53	77 711	0%	7%	14%
Other															0%	0%	0%
Total	902	420 565	902	439 799	902	451 003	881	21	902	472 425	899	474 996	899	515 190	(0)%	5%	100%
Programme																	
Direct charges																	
Total	902	420 565	902	439 799	902	451 003	881	21	902	472 425	899	474 996	899	515 190	(0)%	5%	100%
Employee dispensation classification																	
Public Service Act appointees not covered by OSDs	693		697		801		664	9	673		673		673		0%	0%	0%
Professional Nurses, Staff Nurses and Nursing Assistants																	

Personnel costs increased from R420.5 million in 2017/18 to R451 million in 2019/20 financial years. This was owing to many critical posts that needed to be filled. The increase in personnel costs was due to the continuation of implementation of the organisational structure. Over the MTEF, the compensation budget allocation will escalate due to an increase in the number of posts as per the proposed structure which has been submitted to DPSA and which is in support of the Ten Pillar Programme. The increase in compensation of employees over the MTEF caters for pay progression and other benefits such as 13<sup>th</sup> cheques.

## 9.2 TRAINING

TABLE 8.16: INFORMATION ON TRAINING: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Number of staff	902	192 241	902	902	902	902	899	899	899
Number of personnel trained	600	635	200	260	260	260	300	300	300
of which									
Male	240	254	80	100	100	100	140	140	140
Female	360	381	120	160	160	160	160	160	160
Number of training opportunities	25	26	36	38	38	38	40	40	40
of which									
Tertiary	12	13	12	12	12	12	12	12	12
Workshops	6	6	12	18	18	18	20	20	20
Seminars	2	2	6	4	4	4	4	4	4
Other	5	5	6	4	4	4	4	4	4
Number of bursaries offered	100	106	107	121	121	121	125	125	125
Number of interns appointed	30	32	42	42	42	42	50	50	50
Number of learnerships appointed	15	16		10	10	10	10	10	10
Number of days spent on training	126	133	144	152	152	152	160	160	160
<b>Payments on training by programme</b>									
Total payments on training	5 818	5 868	3 448	5 036	4 636	4 365	5 413	5 819	9 080

The budget allocation for training & development is 1 per cent of the total compensation of employees budget. The transformation of the GDHS requires continuous and uncompromising acquisition of the requisite skills. The table above gives the number of staff participating in the training programmes provided by the department to improve efficiency and service delivery. It shows a gender breakdown in relation to the various types of training as well as details of the number of bursaries and training developments. The training offered relates to the core service delivery programmes which are aimed at improving performance and efficiency: technical planning and project management, strategic management and governance and financial management. The other training cost relates to bursaries for various institutions for different courses.

The department will, over the 2021 MTEF, continue to offer bursaries (undergraduate and postgraduate) and support to staff members interested in pursuing their studies. In addition, the Department grants internal and external bursaries based on the number of applications received per annum and the cost attached to them. However, the Department will be conducting a skills audit focusing on the core occupations to inform a new human resource plan over the MTEF. This will result in different priorities that will be aligned to the departmental strategic plan and government priorities.

## 9.3 RECONCILIATION OF STRUCTURAL CHANGES

No changes

# **ANNEXURE TO THE ESTIMATES OF PROVINCIAL REVENUE AND EXPENDITURE**

TABLE 8.17: SPECIFICATION OF RECEIPTS: HUMAN SETTLEMENTS

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Sales of goods and services other than capital assets</b>	<b>694</b>	<b>456</b>	<b>451</b>	<b>512</b>	<b>512</b>	<b>509</b>	<b>300</b>	<b>321</b>	<b>321</b>
Sale of goods and services produced by department (excluding capital assets)	694	456	451	512	512	509	300	321	321
Sales by market establishments	694	456	451	512	512	509	300	321	321
<b>Interest, dividends and rent on land</b>	<b>220</b>	<b>367</b>	<b>5 959</b>	<b>448</b>	<b>448</b>	<b>403</b>	<b>473</b>	<b>378</b>	<b>378</b>
Interest	220	367	5 959	448	448	403	473	378	378
<b>Sales of capital assets</b>			<b>350</b>						
Other capital assets			350						
<b>Transactions in financial assets and liabilities</b>	<b>1 989</b>	<b>(14)</b>	<b>3 218</b>	<b>4 812</b>	<b>4 812</b>	<b>4 257</b>	<b>200</b>	<b>220</b>	<b>250</b>
<b>Total departmental receipts</b>	<b>2 903</b>	<b>809</b>	<b>9 978</b>	<b>5 772</b>	<b>5 772</b>	<b>5 169</b>	<b>973</b>	<b>919</b>	<b>949</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>764 860</b>	<b>714 351</b>	<b>815 206</b>	<b>749 376</b>	<b>861 037</b>	<b>840 196</b>	<b>873 115</b>	<b>808 863</b>	<b>828 615</b>
Compensation of employees	420 565	439 799	451 003	503 564	472 070	472 425	468 560	474 996	515 190
Salaries and wages	367 381	384 224	393 187	427 607	414 813	415 690	411 690	416 905	454 543
Social contributions	53 184	55 575	57 816	75 957	57 257	56 735	56 870	58 091	60 647
Goods and services	344 295	274 552	364 203	245 812	388 264	367 068	404 555	333 867	313 425
Administrative fees	123	39	11	97	97	715	110	122	428
Advertising	3 073	714	1 575	1 864	1 600	1 425	1 410	1 688	1 762
Minor assets	573	59	13	747	997	497	787	830	866
Audit cost: External	9 602	8 724	9 329	10 678	18 101	17 370	9 741	13 156	10 956
Bursaries: Employees	2 105	1 422	2 795	3 408	3 408	3 408	3 695	4 007	4 183
Catering:									
Departmental activities	1 839	1 090	1 079	1 861	1 611	1 443	1 971	1 121	1 170
Communication (G&S)	10 499	6 543	6 816	5 148	6 648	6 678	5 816	5 521	4 764
Computer services	7 414	4 815	9 941	4 190	5 887	5 851	4 501	5 228	6 458
Consultants and professional services:									
Business and advisory services	28 605	26 968	20 352	16 512	16 512	17 496	9 596	20 779	11 210
Legal services	4 397	18 803	35 504	19 939	19 939	19 306	17 692	17 089	9 841
Contractors	13 465	40 450	23 693	18 070	113 070	97 512	77 215	19 195	19 732
Agency and support / outsourced services	4 033	4 547	5 655	3 534	4 534	4 862	4 894	5 099	5 180
Fleet services (including government motor transport)	4 605	3 379	11 122	7 275	9 539	8 125	5 565	6 661	6 302
Inventory: Food and food supplies		2							
Consumable supplies	1 632	315	278	551	8 050	4 481	3 035	2 777	3 399
Consumable:									
Stationery, printing and office supplies	2 177	1 676	878	1 056	1 056	1 938	1 142	1 232	1 286
Operating leases	13 305	48 203	52 171	32 464	32 464	37 581	32 542	72 594	73 448
Property payments	221 414	93 697	167 981	108 963	137 996	132 357	214 649	148 189	138 195
Travel and subsistence	5 149	3 958	4 128	3 073	1 573	1 399	3 296	3 380	3 730
Training and development	1 772	671	653	1 628	1 228	957	1 718	1 812	4 897
Operating payments	425	934	1 541	1 681	1 581	1 219	1 773	1 881	4 045
Venues and facilities	8 088	7 543	8 688	3 073	2 373	2 448	3 407	1 506	1 573
<b>Transfers and subsidies</b>	<b>5 054 603</b>	<b>5 081 379</b>	<b>4 931 105</b>	<b>4 982 216</b>	<b>3 685 122</b>	<b>3 705 963</b>	<b>4 965 120</b>	<b>5 228 737</b>	<b>5 456 951</b>
Households	5 054 603	5 081 379	4 931 105	4 982 216	3 685 122	3 705 963	4 965 120	5 228 737	5 456 951
Social benefits	1 690	1 515	78 461	1 790	1 790	1 544	1 888	1 993	2 079
Other transfers to households	5 052 913	5 079 864	4 852 644	4 980 426	3 683 332	3 704 419	4 963 232	5 226 744	5 454 872
<b>Payments for capital assets</b>	<b>144 501</b>	<b>431</b>	<b>16 247</b>	<b>7 860</b>	<b>831 748</b>	<b>831 748</b>	<b>73 897</b>	<b>76 190</b>	<b>82 542</b>

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Machinery and equipment	19 451	431	16 247	3 316	3 316	3 316	2 708	2 177	3 273
Transport equipment									
Other machinery and equipment	19 451	431	16 247	3 316	3 316	3 316	2 708	2 177	3 273
Software and other intangible assets	6 472			4 544	4 544	4 544	3 069	2 623	4 989
Payments for financial assets	44	212	190						
<b>Total economic classification</b>	<b>5 964 008</b>	<b>5 796 373</b>	<b>5 762 748</b>	<b>5 739 452</b>	<b>5 377 907</b>	<b>5 377 907</b>	<b>5 912 132</b>	<b>6 113 790</b>	<b>6 368 108</b>

TABLE 8.19: PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION: ADMINISTRATION

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>387 021</b>	<b>473 076</b>	<b>570 731</b>	<b>527 833</b>	<b>580 994</b>	<b>581 246</b>	<b>526 037</b>	<b>530 343</b>	<b>539 302</b>
Compensation of employees	218 739	207 246	216 908	294 892	244 898	244 898	236 291	242 876	272 857
Salaries and wages	190 108	179 829	187 624	243 596	216 602	216 602	206 191	210 776	239 345
Social contributions	28 631	27 417	29 284	51 296	28 296	28 296	30 100	32 100	33 512
Goods and services	168 282	265 830	353 823	232 941	335 393	335 645	289 746	287 467	266 445
Administrative fees	123	39	11	97	97	715	110	122	428
Advertising	2 814	714	1 575	1 864	1 600	1 425	1 410	1 688	1 762
Minor assets	505	38	13	747	997	497	787	830	866
Audit cost: External	8 178	8 706	9 329	10 678	18 101	17 370	9 741	13 156	10 956
Bursaries: Employees	2 105	1 419	2 795	3 408	3 408	3 408	3 695	4 007	4 183
Catering: Departmental activities	1 674	1 035	915	1 289	1 039	899	1 360	435	454
Communication (G&S)	10 499	6 543	6 816	5 148	6 648	6 678	5 816	5 521	4 764
Computer services	7 414	4 815	9 941	4 190	5 887	5 851	4 501	5 228	6 458
Consultants and professional services: Business and advisory services	26 919	25 105	19 281	11 408	11 408	12 392	4 218	14 725	4 889
Legal services	4 397	18 803	35 504	19 939	19 939	19 306	17 692	17 089	9 841
Contractors	13 465	40 450	23 693	18 070	113 070	97 512	77 215	19 195	19 732
Agency and support / outsourced services		468				328			
Fleet services (including government motor transport)	4 605	3 379	11 122	7 275	9 539	8 125	5 565	6 661	6 302
Consumable supplies	1 580	306	278	474	7 973	4 404	2 947	2 687	3 305
Consumable: Stationery, printing and office supplies	2 173	1 676	878	1 056	1 056	1 938	1 142	1 232	1 286
Operating leases	13 305	48 203	52 171	32 464	32 464	37 581	32 542	72 594	73 448
Property payments	56 348	93 628	167 981	108 963	97 996	113 444	114 701	118 189	108 195
Travel and subsistence	2 574	1 591	1 662	1 078	578	452	1 082	935	1 176
Training and development	1 772	671	653	1 628	1 228	957	1 718	1 812	4 897
Operating payments	368	710	1 222	677	577	500	714	753	2 868
Venues and facilities	7 464	7 531	7 983	2 488	1 788	1 863	2 790	608	635
<b>Transfers and subsidies</b>	<b>826</b>	<b>1 033</b>	<b>1 964</b>	<b>1 790</b>	<b>1 790</b>	<b>1 538</b>	<b>1 888</b>	<b>1 993</b>	<b>2 079</b>
Households	826	1 033	1 964	1 790	1 790	1 538	1 888	1 993	2 079
Social benefits	826	873	1 964	1 790	1 790	1 538	1 888	1 993	2 079
<b>Payments for capital assets</b>	<b>25 910</b>	<b>431</b>	<b>16 247</b>	<b>7 860</b>	<b>7 860</b>	<b>7 860</b>	<b>5 777</b>	<b>4 800</b>	<b>8 262</b>
Machinery and equipment	19 438	431	16 247	3 316	3 316	3 316	2 708	2 177	3 273
Transport equipment									
Other machinery and equipment	19 438	431	16 247	3 316	3 316	3 316	2 708	2 177	3 273
Software and other intangible assets	6 472			4 544	4 544	4 544	3 069	2 623	4 989
Payments for financial assets	44	212	190						
<b>Total economic classification</b>	<b>413 801</b>	<b>474 752</b>	<b>589 132</b>	<b>537 483</b>	<b>590 644</b>	<b>590 644</b>	<b>533 702</b>	<b>537 136</b>	<b>549 643</b>



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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>45 294</b>	<b>17 024</b>	<b>15 028</b>	<b>21 557</b>	<b>20 057</b>	<b>20 057</b>	<b>21 619</b>	<b>23 651</b>	<b>24 694</b>
Compensation of employees	43 887	12 674	12 938	15 485	13 985	14 031	15 213	16 215	16 928
Salaries and wages	38 201	11 306	11 497	13 099	12 299	12 496	13 338	14 221	14 846
Social contributions	5 686	1 368	1 441	2 386	1 686	1 535	1 875	1 994	2 082
Goods and services	1 407	4 350	2 090	6 072	6 072	6 026	6 406	7 436	7 766
Minor assets	16	2							
Catering:									
Departmental activities	75	15	143	241	241	241	262	318	332
Consultants and professional services:									
Business and advisory services	1 686	1 863	1 071	4 853	4 853	4 853	5 113	5 774	6 029
Agency and support / outsourced services	(552)	2 329							
Consumable supplies	5	2							
Consumable:									
Stationery, printing and office supplies	4								
Travel and subsistence	69	108	30	297	297	277	313	329	345
Operating payments	57	1	141	96	96	70	101	117	122
Venues and facilities	47	12	705	585	585	585	617	898	938
<b>Transfers and subsidies</b>	<b>45</b>	<b>5</b>							
<b>Payments for capital assets</b>	<b>13</b>								
Buildings and other fixed structures									
Buildings									
Machinery and equipment	13								
Other machinery and equipment	13								
<b>Payments for financial assets</b>									
<b>Total economic classification</b>	<b>45 352</b>	<b>17 029</b>	<b>15 028</b>	<b>21 557</b>	<b>20 057</b>	<b>20 057</b>	<b>21 619</b>	<b>23 651</b>	<b>24 694</b>

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

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
<b>Current payments</b>	<b>161 353</b>	<b>189 224</b>	<b>194 507</b>	<b>164 203</b>	<b>184 203</b>	<b>184 197</b>	<b>185 582</b>	<b>188 192</b>	<b>196 329</b>
Compensation of employees	152 112	185 043	186 265	158 102	178 102	178 411	177 870	180 010	187 931
Salaries and wages	133 833	162 692	163 517	140 165	155 165	155 845	157 975	160 565	167 630
Social contributions	18 279	22 351	22 748	17 937	22 937	22 566	19 895	19 445	20 301
Goods and services	9 241	4 181	8 242	6 101	6 101	5 786	7 712	8 182	8 398
Minor assets	52	14							
Audit cost: External	1 424								
Bursaries		3							
Catering:									
Departmental activities	81	9	21	142	142	114	150	158	165
Contractors									
Agency and support / outsourced services	4 585	1 750	5 655	3 534	4 534	4 534	4 894	5 099	5 180
Inventory: food and food supplies		2							
Consumable supplies	47	5							
Travel and subsistence	2 475	2 190	2 388	1 517	517	489	1 710	1 914	1 998
Operating payments		208	178	908	908	649	958	1 011	1 055
Venues and facilities	577								
<b>Transfers and subsidies</b>	<b>5 053 408</b>	<b>4 801 772</b>	<b>4 788 074</b>	<b>4 760 631</b>	<b>3 570 709</b>	<b>3 570 715</b>	<b>4 895 112</b>	<b>5 155 354</b>	<b>5 380 591</b>
Households	5 053 408	4 801 772	4 788 074	4 760 631	3 570 709	3 570 715	4 895 112	5 155 354	5 380 591
Social benefits	864	392	287			6			

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Other transfers to households	5 052 544	4 801 380	4 787 787	4 760 631	3 570 709	3 570 709	4 895 112	5 155 354	5 380 591
Payments for capital assets	118 491				823 888	823 888	68 120	71 390	74 280
Buildings and other fixed structures	118 491								
Buildings	118 491								
Payments for financial assets									
Total economic classification	5 333 252	4 990 996	4 982 581	4 924 834	4 578 800	4 578 800	5 148 814	5 414 936	5 651 200

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Current payments	171 192	35 027	34 940	35 783	75 783	54 696	139 877	66 677	68 290
Compensation of employees	5 827	34 836	34 892	35 085	35 085	35 085	39 186	35 895	37 474
Salaries and wages	5 239	30 397	30 549	30 747	30 747	30 747	34 186	31 343	32 722
Social contributions	588	4 439	4 343	4 338	4 338	4 338	5 000	4 552	4 752
Goods and services	165 365	191	48	698	40 698	19 611	100 691	30 782	30 816
Advertising	259								
Minor assets		5							
Catering:									
Departmental activities	9	31		189	189	189	199	210	219
Consultants and professional services:									
Business and advisory services				251	251	251	265	280	292
Consumable supplies		2		77	77	77	88	90	94
Property payments	165 066	69			40 000	18 913	99 948	30 000	30 000
Travel and subsistence	31	69	48	181	181	181	191	202	211
Transfers and subsidies	324	278 569	141 067	219 795	112 623	133 710	68 120	71 390	74 281
Households	324	278 569	141 067	219 795	112 623	133 710	68 120	71 390	74 281
Other transfers to households	324	278 324	64 857	219 795	112 623	133 710	68 120	71 390	74 281
Payments for capital assets	87								
Payments for financial assets									
Total economic classification	171 603	313 596	176 007	255 578	188 406	188 406	207 997	138 067	142 571

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

R thousand	Outcome			Main appropriation	Adjusted appropriation 2020/21	Revised estimate	Medium-term estimates		
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24
Transfers and subsidies	5 421 755	5 163 800	4 968 125	4 134 993	4 244 413	4 244 413	3 824 974	3 955 283	4 125 835
Provinces									
Households	5 421 755	5 163 800	4 968 125	4 134 993	4 244 413	4 244 413	3 824 974	3 955 283	4 125 835
Social benefits									
Other transfers to households	5 421 755	5 163 800	4 968 125	4 134 993	4 244 413	4 244 413	3 824 974	3 955 283	4 125 835
Payments for capital assets									
Total economic classification	5 421 755	5 163 800	4 968 125	4 134 993	4 244 413	4 244 413	3 824 974	3 955 283	4 125 835