

VOTE 8

Human Settlements

Operational budget	R3 529 676 000
MEC remuneration	Nil
Total amount to be appropriated	R3 529 676 000
Responsible MEC	MEC for Public Works and Human Settlements ¹
Administering department	Human Settlements
Accounting officer	Head: Human Settlements

1. Overview

Vision

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

Mission

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

Strategic outcomes

The impact and outcomes of the department are as follows:

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

Core functions

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

- To promote the provision of housing development.
- To promote the provision of affordable housing and essential services.
- To manage, control and maintain the immovable assets of the department.
- To administer and manage housing subsidies of targeted groups.
- To research, establish, monitor and implement policies within the National Housing Policy Framework.
- To formulate a Provincial Housing Development Plan for the province.
- To facilitate and create housing institutions.

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

- To provide legal advice on land and environmental issues.
- To administer and co-ordinate the Community Residential Unit (CRU) programme.
- To administer the clearance of slums in KZN.
- To capacitate housing stakeholders.

Legislative mandates

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

- Constitution of the Republic of South Africa (Act No. 108 of 1996)
- Housing Act (Act No. 107 of 1997)
- KZN Housing Act (Act No. 12 of 1998, as amended)
- Housing Consumers Protection Measures Act (Act No. 95 of 1998, amended by Act No. 27 of 1999)
- Rental Housing Act (Act No. 50 of 1999)
- Sectional Titles Act (Act No. 95 of 1986, as amended by Acts No. 24 and 29 of 2003)
- Prevention of Illegal Eviction and Unlawful Occupation of Land Act (Act No. 19 of 1998)
- Home Loan and Mortgage Disclosure Act (Act No. 63 of 2000)
- Disestablishment of South African Trust Limited Act (Act No. 26 of 2002)
- Constitutional Court judgment of 2000, on the enforceability of social and economic rights
- Housing Development Schemes for Retired Persons Act (Act No. 65 of 1988, amended by Act No. 20 of 1998)
- National Building Regulations and Building Standards Act (Act No. 103 of 1977)
- Construction Industry Development Board Act (Act No. 38 of 2000)
- Preferential Procurement Policy Framework Act (PPPFA) (Act No. 5 of 2000) and revised regulations dated 16 January 2023
- Housing Consumers Protection Measures Act (Act No. 17 of 2007)
- Social Housing Act (Act No. 16 of 2008)
- Housing Development Agency Act (Act No. 23 of 2008)
- Public Finance Management Act (Act No. 1 of 1999, amended and the Treasury Regulations)
- Broad Based Black Economic Empowerment Act (Act No. 53 of 2003)
- National Environmental Management Act (Act No. 107 of 1998, amended by Act No. 8 of 2004)
- Communal Land Rights Act (Act No. 11 of 2004)
- Communal Property Associations Act (Act No. 28 of 1996)
- Deeds Registries Act (Act No. 47 of 1937)
- Extension of Security of Tenure Act (Act No. 62 of 1997)
- Land Administration Act (Act No. 2 of 1995)
- Reconstruction and Development Programme Fund Act (Act No. 7 of 1994)
- Municipal Finance Management Act (Act No. 56 of 2003)
- Corruption Act (Act No. 94 of 2004, as amended)
- Expropriation Act (Act No. 39 of 1951, repealed by Act No. 63 of 1975)
- National Heritage Resources Act (Act No. 25 of 1999)
- Protection of Personal Information Act (Act No. 4 of 2013)
- Skills Development Act (Act No. 97 of 1998)
- Standards Act (Act No. 29 of 1993)
- State Land Disposal Act (Act No. 48 of 1961)
- Intergovernmental Relations Framework Act (Act No. 13 of 2005)

Aligning the department's budget to achieve government's prescribed outcomes

The NDP is a long-term development plan of the country that aims to ensure that all South Africans attain a decent standard of living through the elimination of poverty and reduction of inequality. Chapter 8 of the NDP sets out the plan for transforming human settlements. It sets out the five spatial principles for human settlements development, namely spatial justice, spatial sustainability, spatial resilience, spatial quality and spatial efficiency.

The 2019 to 2024 MTSF is a guiding framework for the department to implement the priorities and programmes to progressively achieve the objectives of government over the five-year period. In response to the seven priorities for the 6th Administration, the department has aligned its programmes and interventions to Priorities 1 (Building a capable, ethical and developmental state), 2 (Economic transformation and job creation) and 5 (Spatial integration, human settlements and local government).

With regard to Priority 5, the outcomes over the MTSF period are as follows:

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

The department acknowledges that there is growing demand for housing, particularly in urban areas, and hence budget planning is centered on the provision of sustainable human settlements through the Integrated Residential Development programme (IRDP) and the Informal Settlements Upgrade (ISU) programme.

Over the 2024/25 MTEF, the department will continue to implement programmes that are responsive to these outcomes, and these include investing in human settlement priority development areas, continued implementation of urban housing programmes, social or rental housing programmes, the CRU programme and other programmes that support homeownership for both the subsidy and the gap market, among others. Increased focus is placed on serviced sites, providing homeowners with title deeds or an alternative form of land ownership registration, as well as identifying and upgrading informal settlements.

Job creation initiatives and programmes supporting economic transformation, such as the Siyakha Incubation Programme, will also continue to be undertaken. The department will also address Priority 1 through the implementation of the approved audit improvement plan to ensure that measures, processes, systems and controls by the department are effectively managed to support the achievement of a clean audit outcome in line with the department's five-year strategic outcome, among others. The department will continue to place emphasis on the promotion of good governance, accountability and best practices within the service delivery environment through its fraud prevention and ethics management strategies.

2. Review of the 2023/24 financial year

This section provides a review of 2023/24, outlining the main achievements and progress made during the year, as well as providing a brief discussion on challenges and new developments.

Rental Housing Tribunal

The plan for 2023/24 was to conduct hearings using virtual platforms with regard to proceedings of the Rental Housing Tribunal. Although this plan was implemented, load shedding continued to pose a serious problem as some scheduled virtual hearings had to be cancelled or held physically. In some instances, as has been the case previously, it called for the usage of telephonic mediations and this increased the total number of mediations that were dealt with in a day, and increased the turnaround time. The department commenced with the implementation of the digital court system, as well as the electronic case management system, though the electronic case management system was delayed by SCM processes and full roll-out is anticipated in 2024/25. It is envisaged that this online platform will improve landlord/tenant interaction with the Tribunal and administrative staff. Furthermore, the system will allow for the tracking of cases lodged, as well as producing accurate statistical reports to relevant stakeholders such as the local municipalities and live updates to the relevant stakeholders. However, progress achieved in this regard was slower than anticipated and full implementation is not expected by the end of the current year, but implementation will continue in 2024/25.

The process of finalisation of the National Regulations that will impact on the full implementation of the Rental Housing Act, No. 50 of 1999, is also moving slower than was anticipated and is not expected to be finalised by the end of 2023/24, taking into account the outstanding Chief State Law advisor's approval of the Draft Regulations, as well as the outstanding Parliamentary processes. These Regulations are currently with the Chief State Law advisor for approval.

In 2023/24, the Tribunal Chairperson was appointed and hearings were scheduled for the Tribunal. The term of office of the previous members expired in January 2024, and seven new members were appointed before the term expired, with the new term starting on 01 February 2024 and ending 31 January 2027.

CRU

The CRU programme aims to create a sustainable, affordable and secure rental housing option for households earning between R800 and R3 500 per month. The projects are usually developed or managed on provincial or municipal owned land parcels in order to curb construction costs. The department uses its CRU norms and standards to guide the implementation of CRUs to ensure viable and sustainable CRU projects within reasonable costs.

In line with a previous national directive, all projects previously planned as CRUs which fall within approved provincial restructuring zones were implemented as social housing projects. This change meant that more people benefit as the social housing programme caters for a bigger market (people who earn R1 850 to R22 000) as opposed to the CRU programme which caters only for the low-income market (people who earn from R800 to R3 500).

Municipalities were capacitated on property management skills for effective and efficient management of all CRU rental stock. It is expected that more CRU projects will be packaged going forward in line with the approved Rental Housing roll-out plan which seeks to develop a total yield of new CRUs. In 2023/24, a total of 535 CRU units are in the final stages of completion in the Newcastle, Greater Kokstad, uBuhlebezwe Municipalities and the eThekweni Metro, and are expected to be completed in the last quarter of 2023/24. This number of CRU units is based on the revised target in the revised business plan.

Informal Settlements Upgrade (ISU)

The upgrading of informal settlements projects is a national and provincial priority. Projects in this regard are currently at various stages of the delivery cycle. This programme forms an integral part of the priorities of government. In 2023/24, 55 projects are currently under the detailed planning stage, 16 projects are currently at the installation of bulk infrastructure services stage, while 19 projects are under construction of services (to yield 4 080 sites).

The ISU plans undertaken promote participatory planning processes for the development of settlement layout plans based primarily on a negotiated process with the community. In this process, infrastructure assessments are aimed at ascertaining the current capacity, and future demands in a particular settlement.

ISU plans assist the department in ascertaining a cost estimate of infrastructure provision where a need has been identified. Such information relates to the detailed costing of interim and permanent engineering services, such as bulk electricity, water, sewer treatment plants, roads, foot paths and solid waste, among others. Such developmental interventions are pivotal in the upgrading of informal settlements, as well as in ensuring that the poorest of the poor do not have to live in precarious environments.

During the 2023/24 Adjustments Estimate process, the Informal Settlements Upgrading Partnership Grant for Provinces (ISUPG) business plan was revised to include an Operational Support Capital Programme (OPSCAP) allocation, as per the recently amended conditions of the 2023 Division of Revenue Act (DORA) that allow the department to use up to 5 per cent of its ISUPG budget for operational expenses. In this regard, the target for the total yield was adjusted from 4 818 to 4 080 sites and 733 sites were completed as at the end of the third quarter.

Rural housing development

The rural housing programme is intended to provide housing opportunities to residents who live in rural settlements, where there is no outright land ownership. The settlements are usually governed by traditional authorities, and residents have communal land rights. Rural development is critical to ensure sustainability

and poverty alleviation as poverty is high in rural areas. To this end, this programme performed well in 2023/24 and is geared to continue delivering much-needed housing opportunities through planned projects. While there are many projects planned for rural areas, several beneficiaries were identified through OSS war-rooms across various wards. The OSS war-rooms prioritise vulnerable groups, such as the elderly and people with disabilities, who cannot wait for projects to go through normal processes and require a speedy intervention.

The rural housing programme delivered 5 450 units by the end of third quarter across all districts in the province, against the annual revised target of 6 573 units, indicating an acceleration of service delivery in this programme. This programme has not been without challenges due to the remote nature of some rural settlements, for instance, contractors are faced with considerable costs to deliver materials utilising poor road infrastructure.

Although there are challenges, this programme has assisted in improving the lives of the most vulnerable groups who had no other opportunity to access decent housing and enjoy security and comfort.

Finance Linked Individual Subsidy Programme (FLISP)

The department focused on interventions targeting those categorised as gap market beneficiaries, who earn too much to qualify for a full government housing subsidy, while still earning too low to afford bonded housing. The FLISP subsidises individuals earning between R3 501 to R22 000 who purchase properties through financial institutions, and it is recognised that mortgage bonds are usually only availed to persons earning above R22 000, which is the middle-income market. There is a limitation on available developments within the affordable price range, and a further limitation is funding for potential developers for this target market.

The uptake of the programme has gained momentum in recent years, but reached a plateau in 2023/24, with an estimated reduction in delivery going into 2024/25 due to notable interest rate hikes affecting the affordability of property to entry level buyers. It is anticipated, however, that during 2024/25, there will be improvement following economic stability with more favourable interest rates anticipated.

Emergency Housing Programme

The department continued to provide assistance to families affected by disasters in the province, including the April 2022 flood disaster. To fast-track the provision of interventions, the department utilised the existing panel of service providers that were appointed for emergency cases and disaster related cases.

Heavy rains were experienced during April and May 2022 which led to floods that affected various districts within the province and mostly Ugu, eThekweni and iLembe. The department applied for funding to the NDHS and was allocated R325.764 million in the 2022/23 Adjustments Estimate with respect to the Provincial Emergency Housing grant (PEHG) for the provision of emergency interventions, such as construction of Temporary Residential Units (TRUs) and a further R16.368 million in the 2022/23 Second Adjustments Estimate process.

As at the end of 2022/23, these funds were under-spent by R23.849 million in relation to the refurbishment costs and operational costs for the Montclair Lodge Temporary Emergency Accommodation (TEA). The full R23.849 million was approved to be rolled over into 2023/24 by National Treasury in respect of the PEHG as these funds were fully committed. As at the end of the third quarter, the department has spent R14.443 million of this allocation in respect of the operational costs of running the lodge.

Most of the flood victims were residing in mass care centres, and some were housed by relatives and neighbours. As a result of the unavailability of suitable land to construct TRUs, the department also explored and obtained approval to procure rental accommodation to assist with accommodating victims that were housed in mass care centres.

The department worked closely with the Provincial Disaster Management Centre, District Disaster Offices, the Housing Development Agency (HDA) and the affected municipalities to ensure that all recorded victims were provided with the necessary interventions.

3. Outlook for the 2024/25 financial year

This section looks at the key focus areas of 2024/25, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. The main purpose of the department's budget allocation is for the provision of housing to various sectors of the population including rural areas and informal settlements, with the bulk of the funding being provided *via* the Human Settlements Development grant (HSDG).

The HSDG and the ISUPG saw significant budget cuts over the 2024/25 MTEF as part of a major reprioritisation exercise undertaken by National Treasury to address various budget pressures. The number of units, sites and housing opportunities across all projects will be reduced significantly as a result of these budget cuts and therefore, targets were revised.

In 2024/25, the department will continue to implement the anti-land invasion strategy which has necessitated the safeguarding of departmental owned properties against illegal occupation, and will continue with the provision of housing, as detailed below.

Rental Housing Tribunal

The plan for 2024/25 is to fully implement virtual hearings to conduct Tribunal proceedings through digitised Tribunal courts. The Tribunal court digitisation is aimed at conducting hearings with parties far apart, i.e. one party being overseas and the other in another province. This effectively closes the distance-gap and improves the case resolution turnaround time to ensure compliance with the Tribunal's service standard. The department will continue with plans to link the uninterruptible power supply (UPS) to the court digital system, so that the proceedings can continue even during load shedding.

The introduction of the electronic case management system in 2024/25 will ensure an effective records management system, improving the process from the lodgement of a complaint to the resolution thereof. This was delayed by SCM procurement processes in 2023/24. This will improve landlord/tenant interaction with the Tribunal and administrative staff in the most appropriate and efficient manner. Furthermore, the system will allow for tracking of cases lodged, as well as produce accurate statistical reports to relevant stakeholders, such as the local municipalities and live updates to the relevant stakeholders.

The Rental Housing Amendment Act No. 35 of 2014 was assented to in 2014 by the President but the effective date was not promulgated owing to the need, among others, to finalise the regulations. The promulgation of the implementation date of the National Regulations under the Rental Housing Act No. 50 of 1999 and the Rental Housing Amendment Act No. 35 of 2014 will have a direct impact on the number of Tribunal members to be appointed. The implementation date is not known yet, while the Regulations have been consulted with various stakeholders but still need to be presented at MINMEC and tabled at Parliament, but it is anticipated that it will be passed in 2024/25 since there were delays in 2023/24. In this regard, provision is made for the appointment of 13 Tribunal members instead of the current seven. This will extend the mandate of the Tribunal to deal with appeals on rulings of the Tribunal, as well as to handle applications for variation of rulings, rescissions, and spoliation applications. These processes are currently being dealt with at either a Magistrates Court or High Court level.

CRU

The department approved the 20-year strategy in May 2019 for the upgrading of hostels to CRUs, and this strategy guides the upgrading of all hostels across the province and ensures that development costs are standardised and that the delivery of completed units is upscaled. During 2024/25, the department will be reviewing and updating this strategy and its performance against this strategy.

A major focus in the CRU programme will continue to be on the redevelopment of old hostels to CRUs and the construction of new CRU projects in various municipalities. The department is planning to construct over 270 new units, as well as various hostel refurbishment projects as part of the hostel upgrading programme. The programme provides for projects, such as the construction of new CRUs, refurbishment of existing CRUs, old hostel upgrades, including the Kokstad CRU, Rocky Park, upgrades in iLembe, Jika Joe in Msunduzi, Newcastle N11 in Amajuba, etc. The 270 new CRU units are made up of 95 units in Newcastle, 50 units in Greater Kokstad, and 75 units in the uBuhlebezwe Municipalities, among others.

Informal Settlements Upgrade (ISU)

The upgrading of informal settlements projects is a national and provincial priority. Projects in this regard are currently at various stages of the delivery cycle, as explained. In 2024/25, the department is allocated R597.069 million with respect to the ISUPG. This grant sees a significant reduction when compared to the 2023/24 baseline of R228.646 million in 2024/25, R354.021 million in 2025/26 and R691.933 million in 2026/27 due to budget cuts implemented by National Treasury. These cuts necessitated the scaling down of a number of projects undertaken by the department under this programme. This will negatively affect and delay the development programme of the ISUP. The targeted number of serviced sites to be delivered over the MTEF has been significantly reduced in line with the reduced allocation.

In 2024/25, it is estimated that 982 sites (with a budget allocation of R70.910 million) will be provided with services, such as water, sanitation, roads and storm water services, among others, in areas, such as Madundube, Groutville, Etete, Nyathikazi, Steve Biko, Driefontein, Lamontville, Ntuzuma, Johnstown Blaauwbosch Laagte and Cavan, etc. The department allocated R103.850 million towards planning costs for the projects, R15 million for the installation of temporary bulk services, R351.099 million for the installation of bulk services, R1 million for the purchase of strategic land parcels for informal settlement upgrades and R29.853 million for OPSCAP (to be used towards *Compensation of employees*, the Informal Settlement Upgrading Strategy and Management Plan, the Outreach Programme, as well as the National Housing Needs Register). The completed upgrading plans undertaken in 2024/25 will create a roadmap to the upgrading of informal settlements to ensure that technical assessments, socio-economic, environmental, and geotechnical factors, as well as the availability of bulk infrastructure services will be provided to those living under precarious conditions.

The KZN ISU programme forum seeks to provide a vehicle for reporting and monitoring on the ISUPG and grant utilisation, as well as to offer technical assistance to municipalities and informal settlement practitioners for optimum incremental upgrading interventions. Since its inception in 2018, the KZN ISU programme forum continues to provide a platform for knowledge sharing and an avenue for robust stakeholder participation and engagement, thereby ensuring stratified and collaborative participation. The forum meets on a quarterly basis and is chaired by the department.

The 2024/25 ISU programme includes major projects, such as 20 000 units in Greater Amaoti, 9 244 units in the Umlazi precinct, 9 244 units in the Cato Manor precinct, 2 259 units in Madundube, 3 000 units in Vulindlela in uMhlathuze, 5 000 units in Mzingazi in Umfolozi, 3 500 units in Nzalabantu, 3 000 units in the Glenwood South East Sector, 3 000 units in Copesville Phase 2, 4 000 units in Mkhholombe, as well as 8 985 units in Johnstown, Blaauwbosch Laagte and Cavan Phase 2 and 3, which will be implemented over the MTEF.

Rural housing development

The construction of top structures in rural areas will continue to be a focus area as it assists those who reside in undignified mud structures and are unable to provide better shelter for themselves. The identification of the most vulnerable residents will continue to ensure that they are prioritised as the demand for houses exceeds available resources. The established relationship with war-rooms will continue to be strengthened to ensure that deserving families are prioritised for housing.

The province will also focus on delivering houses to those who have been affected by severe weather patterns in the last three years. While some incidents have not been declared as disasters, they have exposed the need to intensify the delivery in rural areas. The relations with OSS war-rooms will be strengthened as this is the most practical way of identifying the most vulnerable families within communities, who will then be prioritised in terms of project delivery.

There will be a shift in focus to districts that are severely under-developed and have high poverty indices. These areas include the Ugu, uMzinyathi, King Cetshwayo, uMgungundlovu and Harry Gwala Districts.

A total of 5 365 units (excluding units relating to the 2019 disaster) are planned for and these will be constructed in areas, such as Buhlebomzinyathi in the Amajuba District, Isithebe in the iLembe District, Dondotha in the King Cetshwayo District, Emadungeni in the Harry Gwala District, Amakhabeleni in the uMzinyathi District, Mdletshe in the uMkhanyakude District, Vimbemshini in the Zululand District, etc.

Finance Linked Individual Subsidy Programme (FLISP)

The department will continue to focus on interventions targeting those categorised as gap market beneficiaries, who earn too much to qualify for a full government housing subsidy, while still earning too low to afford bonded housing. The FLISP thus subsidises individuals earning between R3 501 to R22 000 who purchase properties through financial institutions, and it is recognised that mortgage bonds are usually only availed to persons earning above R22 000, which is the middle-income market. There is a limitation on available developments within the affordable price range, and a further limitation is funding for potential developers for this target market.

In 2024/25, the department will focus on implementing new interventions for FLISP i.e., the non-mortgage aspects introduced with the new FLISP policy following the receipt of the framework or guidelines for the implementation thereof from the NDHS in 2023/24. This will see an improvement in the performance of this programme as a wider market may be assisted with the new interventions as the subsidy is no longer limited to access only to mortgage bond finance. The increase of the subsidy quantum payable per income bracket rolled out in 2023, will also assist with increased expenditure on target, and crucially, will enable beneficiaries to improve affordability to purchase properties.

The department will continue to implement strategies to ensure wider access to the subsidy, which include:

- Liaising with private sector developers to ensure that they are aware of FLISP for their potential buyers.
- Enabling housing stokvels and other financing vehicles to be considered under FLISP, and not only mortgage bonds.
- Investigating the possibility of banks providing finance against Permits to Occupy (PTOs) or leaseholds in rural areas.

The above strategies were proposed to radically improve FLISP delivery, and all have been included in the new FLISP policy being implemented. These strategies, together with an intensified communication strategy and the anticipated stability in the economic and employment climate, are anticipated to improve delivery in 2024/25. The promotion of the urban development agenda therefore remains a primary area of intervention for the department in 2024/25.

4. Reprioritisation

The department undertook reprioritisation between programmes and economic classifications, as follows:

- Programme 1: Administration was increased by R21.412 million in 2024/25 and R23.270 million in 2025/26 towards *Goods and services* to cater for budget pressures against items such as advertising and contractors in respect of the MEC's Community Outreach Programmes, audit costs in respect of external audit fees, communication, computer services in respect of maintenance of servers and renewal of software licences, fleet services in respect of repairs and maintenance of the departmental vehicles and increases in fuel tariffs, operating leases in respect of office building leases, property payments in respect of municipal, cleaning and security services. These funds were moved from the following programmes and economic classifications:
 - R2.499 million in 2024/25 and R2.772 million in 2025/26 was moved from Programme 2: Housing Needs, Research and Planning mainly against *Compensation of employees* in respect of vacant funded posts and *Goods and services* against items, such as administrative fees, travel and subsistence and training and development, due to cost-cutting.
 - R15.479 million in 2024/25 and R10.608 million in 2025/26 was moved from Programme 3: Housing Development against various economic classification categories. The reduction was mainly against *Compensation of employees* (R1.232 million in 2024/25 and R487 000 in 2025/26) and *Machinery and equipment* (R80 000 in 2024/25 and R61 000 in 2025/26) due to vacant posts, and *Goods and services* (R4.368 million in 2024/25 and R6.259 million in 2025/26) due to the decision to use OPSCAP to fund the FLISP communication strategy, as well as from cost-cutting. The department also undertook reprioritisation from *Transfers and subsidies to: Households* (R9.799 million in 2024/25 and R3.801 million in 2025/26) due to enforced savings.

- o R3.434 million in 2024/25 and R9.890 million in 2025/26 was moved from Programme 4: Housing Asset Management against *Transfers and subsidies to: Departmental agencies and accounts* due to savings as a result of the early retirement of 14 officials within the Property Management Directorate in 2023/24. This was done in line with the NDHS target to disestablish the KZN Housing Fund by 2025. The department is in the process of developing and transferring properties to municipalities and beneficiaries. This will result in the workload becoming less.

In addition, reprioritisation was undertaken within the programme, across sub-programmes and economic classification categories. In this regard, the department undertook reprioritisation towards *Compensation of employees* to cater for the carry-through costs of the 2023 unfunded wage agreement, and this was offset by the reprioritisation undertaken towards *Goods and services*. These funds were moved from *Machinery and equipment* due to enforced savings.

- There was reprioritisation undertaken within Programme 2, across sub-programmes and economic classification categories. In this regard, the department undertook reprioritisation towards *Compensation of employees* to cater for the carry-through costs of the 2023 unfunded wage agreement between sub-programmes, offset by the reprioritisation towards *Goods and services* in Programme 1. These funds were moved from *Goods and services* due to savings realised from the implementation of the cost-cutting measures.
- Reprioritisation was undertaken within Programme 3, across sub-programmes and economic classification categories. The department undertook reprioritisation towards *Compensation of employees* (R18.941 million in 2024/25 and R14.947 million in 2025/26) to cater for the carry-through costs of the 2023 unfunded wage agreement, as well as the OPSCAP allocation in respect of the ISUPG. This increase was offset to an extent by the reprioritisation towards *Goods and services* in Programme 1. *Goods and services* was also increased by R15.711 million in 2024/25 and R3.120 million in 2025/26 as a result of the introduction of the OPSCAP allocation under the ISUPG. This allocation caters for the implementation of the National Housing Needs Register in various municipalities across the province, as well as Community Outreach Programmes in respect of the implementation of housing projects.

Buildings and other fixed structures was increased by R6 million in 2024/25 and R8 million in 2025/26 to cater for the completion of the Social and Amenities programme for Sonkombo in the iLembe District and Town View project in the Mpofana Municipality over the MTEF. *Machinery and equipment* was increased by R541 000 in 2024/25 and R560 000 in 2025/26 to cater for the purchase of departmental vehicles. These funds were moved from *Transfers and subsidies to: Households* due to enforced savings.

- Reprioritisation was undertaken within Programme 4, across sub-programmes and economic classification categories. The department undertook reprioritisation towards *Compensation of employees* to cater for the carry-through costs of the 2023 unfunded wage agreement, and this was offset by the reprioritisation towards *Goods and services* in Programme 1.

5. Procurement

The 2024/25 procurement plan is in the process of being finalised. The department will continue to strengthen its procurement systems focusing on reducing turnaround times when procuring goods and services by means of inviting price quotations and competitive bids. The department will continue to strengthen its control measures, contract management and records management in order to maintain an unqualified audit opinion in the area of procurement. The department endeavours to continue to uphold the principles of procurement by ensuring that all contracts are awarded in a manner which is fair, equitable, transparent, competitive and cost effective.

The major procurement that will be undertaken by the department relates to the purchase of security systems for the various district offices, procurement of cleaning services for the head and regional offices, the placement of FLISP advertisements, the renewal of Microsoft office licences, etc. The department will continue to implement housing projects across the province and will appoint service providers, implementing agents, and all the related services to ensure delivery in line with its targets.

6. Receipts and financing

6.1 Summary of receipts and financing

Table 8.1 indicates the sources of funding for Vote 8 for the period 2020/21 to 2026/27. The budget for 2024/25 comprises the equitable share of R418.357 million, the HSDG of R2.508 billion, R597.069 million in respect of the ISUPG, as well as R6.331 million in respect of the EPWP Integrated Grant for Provinces.

The department received disaster allocations of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, which partly explains the decrease in 2024/25, though the main reason for the reduction was because the HSDG and ISUPG were cut significantly over the 2024/25 MTEF as part of a major reprioritisation exercise undertaken by National Treasury to address various budget pressures. The disaster allocations in 2022/23 and 2023/24 related to disasters that occurred during 2019 and 2020 where there were floods and storms, which resulted in damage to houses. The allocation for the EPWP Integrated Grant for Provinces is based on the previous year's achievements and is not allocated beyond 2024/25, at this stage. This grant allocation amounts to R6.331 million in 2024/25 with this grant affected by reductions made by National Treasury in order to provide funding for the Presidential Employment Stimulus.

Table 8.1 : Summary of receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Equitable share	403 443	423 210	432 455	412 849	412 849	412 849	418 357	436 306	455 997
Conditional grants	3 069 141	3 282 937	4 040 723	3 930 148	3 505 402	3 505 402	3 111 319	3 107 268	2 802 953
Human Settlements Development grant	3 020 763	2 455 021	2 935 224	3 132 253	2 797 568	2 797 568	2 507 919	2 598 582	2 632 179
EPWP Integrated Grant for Provinces	11 638	7 149	6 499	7 669	6 921	6 921	6 331	-	-
Title Deeds Restoration grant	36 740	-	-	-	-	-	-	-	-
Provincial Emergency Housing grant	-	106 392	342 132	-	-	-	-	-	-
Informal Sett. Upgrading Part. Grant for Prov.	-	714 375	756 868	790 226	700 913	700 913	597 069	508 686	170 774
Total receipts	3 472 584	3 706 147	4 473 178	4 342 997	3 918 251	3 918 251	3 529 676	3 543 574	3 258 950
Total payments	3 547 458	3 713 205	4 062 628	4 342 997	4 344 117	4 368 097	3 529 676	3 543 574	3 258 950
Surplus/(Deficit) before financing	(74 874)	(7 058)	410 550	-	(425 866)	(449 846)	-	-	-
Financing									
of which									
Provincial roll-overs	86 095	-	-	-	418 302	418 302	-	-	-
Provincial cash resources	5 476	7 058	7 752	-	7 564	7 564	-	-	-
Surplus/(Deficit) after financing	16 697	-	418 302	-	-	(23 980)	-	-	-

The department receives a provincial allocation, as well as funding for several conditional grants, namely the HSDG, Title Deeds Restoration grant (TDRG) which was absorbed into the HSDG from 2021/22, EPWP Integrated Grant for Provinces, PEHG, as well as the ISUPG which commenced in 2021/22.

2020/21 financial year:

The HSDG increased by R278.136 million in 2020/21 in respect of funds for the disaster recovery component within the HSDG. Although the 2020/21 allocation was high, this was after a budget cut of R106.920 million which related to the ISUPG as it was ring-fenced within the HSDG in 2020/21. There were also fiscal consolidation budget cuts over the 2020/21 MTEF, implemented against *Compensation of employees* and *Goods and services*, and reflected against the equitable share.

The provincial roll-over of R86.095 million in 2020/21 relates to funds rolled over from 2019/20 in respect of the PEHG for storms that occurred between December 2018 and January 2019 that affected eight districts in KZN, with damage to 2 800 houses. In addition, these funds were for severe storms and heavy rain experienced in April 2019 that caused damage to houses (mostly mud structures) in rural areas, where a total of 1 277 households were affected in areas, such as Ugu, iLembe, uMzinyathi and uThukela, etc.

An amount of R5.476 million was approved to be allocated to the department relating to funds collected from the sale of units at Ridgeview Gardens in respect of the FLISP development, as well as portion of interest received from the Ithala Development Finance Corporation (IDFC) relating to the Military Veterans' housing project, where funds were paid to the IDFC in 2016/17, but little progress was made on this project. These funds were allocated to the department to cater for the FLISP communication strategy, as well as to cover spending pressures under the rural housing project in the Zululand District.

The department's conditional grant budget was decreased by R427.700 million in 2020/21. This cut formed part of the national government's budget reprioritisation to source the R100 billion being cut from national departments towards the country's Covid-19 response. Also, the equitable share budget was reduced by R11.443 million as part of the provincial response to the Covid-19 pandemic.

The department under-spent the 2020/21 allocation by R16.697 million mainly due to the budget providing for the purchase of laptops for new employees, as well as the upgrading of existing laptops and purchasing of additional laptops in response to the Covid-19 pandemic as employees had to work from home. This purchase was still at the procurement stage at year-end with orders placed, but delivery not occurring before year-end. There was also under-spending against *Compensation of employees* as a result of vacant posts.

2021/22 financial year:

In 2021/22, National Treasury issued Government Gazette No. 44 593 which saw the allocation of funds to the department with respect to the PEHG. In this regard, the department had made an application for disaster funding following Tropical Cyclone Eloise in February 2021. An amount of R102.590 million was allocated for the provision of TRUs for 1 592 affected households. A further R3.802 million was transferred to the department in this regard, making the transfer a total of R106.392 million. It must be noted that the department's equitable share was cut by R44.879 million, R61.484 million and R80.407 million over the 2021/22 MTEF in respect of fiscal consolidation cuts made by National Treasury, as well as *Compensation of employees* budget cuts.

Provincial cash resources reflects R7.058 million which relates to the following:

- R5.476 million was allocated to the department relating to funds collected from the sale of units at Ridgeview Gardens in respect of the FLISP development, as well as portion of interest received from the IDFC relating to the Military Veterans' housing project, as explained. These funds were allocated to the department to cater for the FLISP communication strategy, as well as to cover spending pressures under the rural housing project in the Zululand District.
- R1.582 million was allocated to the department relating to funds collected from the sale of units at Ridgeview Gardens in respect of the FLISP development. These funds were allocated to cater for pressures from the purchase of computer equipment.

The department fully spent the 2021/22 allocation at year-end.

2022/23 financial year:

The department received additional funding of R363.079 million, as follows:

- R325.764 million was allocated *via* the PEHG, with National Treasury issuing Government Gazette no. 47 197 on 5 August 2022 allocating this funding to the province. These funds were appropriated in the 2022/23 Adjustments Estimate and were allocated in response to the application submitted by the department following the April 2022 flood disaster and were for the provision of 4 983 TRUs.
- Subsequent to the tabling of the 2022/23 Adjustments Estimate, National Treasury issued Government Gazette No. 48 095 which saw the allocation of a portion of an unallocated Schedule 7 grant to this province by the NDHS from the unallocated PEHG. As such, an additional R16.368 million was allocated to the department against the PEHG for the provision of TRUs, as well as TEAs.
- R7.762 million was allocated for the carry-through costs of the 2021 wage agreement. In this regard, National Treasury allocated additional funding to the province for the non-pensionable allowance and this funding was allocated against the equitable share.
- R5.433 million was allocated for the 3 per cent cost of living adjustment for all levels of employees, with these funds received from National Treasury. These funds were allocated across all programmes against *Compensation of employees* in respect of equitable share funding.
- R2.275 million was allocated from donor funds received by the province since the April 2022 flood disaster occurred, reflected against provincial cash resources. These funds were to be used towards the cost of providing meals and so forth to people being assisted with accommodation in private facilities. These funds were specifically and exclusively allocated for this purpose.

- R5.477 million was allocated to the department against provincial cash resources relating to funds collected from the sale of units at Ridgeview Gardens in respect of the FLISP development, as well as portion of interest received from the IDFC relating to the Military Veterans' housing project, as explained. These funds were allocated to the department to cater for the FLISP communication strategy, as well as to cover spending pressures under the rural housing project in the Zululand District.

The 2022/23 budget was under-spent by R418.302 million, of which R416.465 million related to conditional grants (R360.340 million against HSDG, R32.276 million against ISUPG and R23.849 million against the PEHG) and R1.837 million related to the equitable share. This was mainly due to delays caused by the April 2022 flood disasters, and procurement delays. This is explained further under 2023/24 below.

2023/24 financial year:

The department received a roll-over of R418.302 million, of which R416.465 million relates to conditional grants and R1.837 million relates to the equitable share. Details of these roll-overs are as follows:

- R360.340 million was approved by National Treasury in respect of the HSDG as this was fully committed by the end of 2022/23. The department was allocated funds to address the October 2019 floods and these funds were ring-fenced within the HSDG. While the plans to implement the earlier disaster projects were in place, the province experienced floods during April 2022 which caused damage to repair work that had already commenced. This April 2022 flood damage then delayed the implementation of the permanent housing projects due to the risk of rebuilding on unstable sites, where some sites were washed away by mudslides. These funds were allocated to *Transfers and subsidies to: Households* in Programme 3.
- R32.276 million was approved for roll-over by National Treasury in respect of the ISUPG which was fully committed by the end of 2022/23. The under-spending was mainly due to delays caused by the April 2022 flood disaster. Production on sites was stalled as access roads and bridges were either blocked or washed away by the floods. Also, most of the department's resources and capacity were channelled toward emergency works relating to the April 2022 flood response and this included undertaking damage assessments, as well as assessing how the displaced and distressed communities could be assisted. National Treasury approved a roll-over of the full amount of R32.276 million in respect of the JBC housing project (phases 2 and 3) in the Amajuba District Municipality, as these funds were committed in the form of contracts. These funds were allocated to *Transfers and subsidies to: Households* in Programme 3.
- R23.849 million was approved by National Treasury in respect of the PEHG. This was fully committed by year-end in relation to the refurbishment costs and operational costs for the Montclair Lodge TEA. These funds were allocated in 2022/23 in response to the application submitted by the department following the April 2022 floods and were for the provision of TRUs. These funds were allocated to *Transfers and subsidies to: Households* in Programme 3.
- R1.837 million was rolled over from 2022/23 from unspent committed funds for emergency interventions from donor funds received in respect of the April 2022 flood disaster. This allocation is being utilised for services of social facilitation and beneficiary administration towards registering TEA occupants on the Housing Subsidy System for housing benefits linked to projects and to relocate the qualifying flood victims. These funds were allocated to *Goods and services* in Programme 3. These funds are specifically and exclusively allocated to the department.

Additional funding of R7.564 million was allocated in respect of funds collected from the sale of units at Ridgeview Gardens for FLISP development, as well as unspent funds re-called by the department from various municipalities. These funds were allocated to *Goods and services* in Programme 1 to cater for spending pressures on operating leases for office buildings due to an escalation in lease rates agreed upon between the department and DOPW, as well as the carry-through impact of the 2021/22 MTEF budget cuts.

The department's budget allocation was reduced in-year by R424.746 million in respect of fiscal consolidation budget cuts by National Treasury due to lower than expected revenue collected *via* SARS. The conditional grant cuts amounted to R334.685 million against the HSDG, R89.313 million against the ISUPG and R748 000 against the EPWP Integrated Grant for Provinces. These cuts were effected in the 2023/24 Adjustments Estimate as follows:

- The EPWP Integrated Grant for Provinces cut was effected fully against *Goods and services* under Programme 3 in respect of EPWP job creation projects.
- The full ISUPG cut was effected against *Transfers and subsidies to: Households* under Programme 3 in respect of upgrading projects.
- The HSDG cut was effected against *Transfers and subsidies to: Provinces and municipalities* (R6.694 million), *Transfers and subsidies to: Households* (R315.597 million) and *Buildings and other fixed structures* (R1 million) in Programme 3, and *Transfers and subsidies to: Departmental agencies and accounts* (R11.394 million) relating to the KZN Housing Fund in Programme 4.

In terms of the December 2023 IYM, the department is projecting to over-spend the 2023/24 equitable share allocation by R23.980 million against *Goods and services* mainly due to the budget pressures arising from the carry-through effects of the 2021/22 MTEF budget cuts, which were much higher in 2023/24.

The 2024/25 MTEF shows low growth due to the significant budget cuts against the department's equitable share budget over the 2021/22 MTEF, as well as further equitable share cuts made in the 2024/25 MTEF of R15.738 million in 2024/25, R15.551 million in 2025/26 and R16.645 million in 2026/27, and significant budget cuts made against the HSDG and ISUPG over the 2024/25 MTEF as detailed in Section 7.4.

6.2 Departmental receipts collection

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

Table 8.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	372	368	361	380	380	381	402	420	439
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	38	8	16	22	22	186	23	24	25
Sale of capital assets	2 806	3 651	925	741	741	1 813	774	809	846
Transactions in financial assets and liabilities	2 429	2 664	4 332	1 863	1 863	15 000	1 937	2 024	2 117
Total	5 645	6 691	5 634	3 006	3 006	17 380	3 136	3 277	3 427

Sale of goods and services other than capital assets is derived from commission on PERSAL deductions, such as insurance premiums and garnishee orders, rental on state-owned property, parking fees and tender fees. The budget grows over the MTEF in line with inflation.

Interest, dividends and rent on land includes interest from staff debts. The high collection in the 2023/24 Revised Estimate is attributed to interest received in respect of land purchased for housing development projects in the AbaQulusi Municipality in Zululand. The budget is conservative over the MTEF and this relates to interest on outstanding staff debts.

Sale of capital assets relates to the sale of state properties and the sale of redundant assets, such as motor vehicles and office equipment. The department purchased 330 units in Ridgeview Gardens in 2014, with the intention of renovating and re-selling these units individually. The department was granted approval by Provincial Treasury in 2016/17 to sell these units as part of the FLISP programme, contributing to the high collection in the prior years and the 2023/24 Revised Estimate. Out of a total of 330 units, 304 units have been sold to date. The 2023/24 Revised Estimate includes R654 000 from the sale of redundant vehicles. The department does not budget for the sale of units in Ridgeview Gardens, hence, the revenue budget over the MTEF relates to the sale of redundant motor vehicles.

Transactions in financial assets and liabilities derives its revenue mainly from the recovery of previous years' expenditure, such as staff debts in respect of breached bursary contracts, as well as refunds of unspent funds from various projects. The fluctuating trend over the period relates to the uncertain nature of

this source. This category also includes funds related to FLISP with respect to refunds received when beneficiaries are disqualified for a home loan by financial institutions. The high 2023/24 Revised Estimate was due to unspent funds returned by the Dr Nkosazana Dlamini Zuma Local Municipality and Big Five Hlabisa Local Municipality. In this regard, an amount of R6.491 million was unspent in respect of completed projects, and the department requested that the unspent balances be appropriated back to them in the 2023/24 Adjustments Estimate, and this was approved by the Provincial Executive Council.

6.3 Donor funding and agency receipts - Nil

7. Payment summary

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

7.1 Key assumptions

The department applied the following broad assumptions when compiling the budget:

- All inflation related increases are based on CPI projections.
- Over the 2024/25 MTEF, National Treasury provided funding for the carry-through of the 2023 wage agreement to the Departments of Education, Health and Social Development only, with all other departments expected to absorb this higher cost from within their baselines. As such, the department undertook reprioritisation to fund the carry-through costs of the 2023 wage agreement over the MTEF.
- The department's budget for *Compensation of employees* shows a decrease of 0.9 per cent in 2024/25 as a result of the 2024/25 budget cuts implemented against this category and this will be reviewed in-year. There is growth of 3 per cent in 2025/26 and 2.2 per cent in the outer year of the MTEF. The low increase over the MTEF is insufficient for the 1.5 per cent pay progression, 4.4 per cent and 4.45 per cent cost of living adjustment in 2024/25 and 2025/26, as per National Treasury guidelines. This will be reviewed in the next budget process.

7.2 Amendments to provincial and equitable share funding: 2022/23 to 2024/25 MTEF

Table 8.3 shows amendments to provincial and equitable share funding received over the 2022/23, 2023/24 and 2024/25 MTEF periods, and excludes conditional grant funding. The carry-through amounts for the outer year (i.e. 2026/27) are based on the incremental percentage used in the 2024/25 MTEF.

Table 8.3 : Summary of amendments to provincial and equitable share allocations for the 2022/23 to 2024/25 MTEF

R thousand	2022/23	2023/24	2024/25	2025/26	2026/27
2022/23 MTEF period	-	-	-	-	-
2023/24 MTEF period		51	3 134	1 589	1 661
Cost of living adjustment carry-through (3%)		5 272	5 245	5 305	5 544
PES data update and own revenue reductions		(5 221)	(2 111)	(3 716)	(3 883)
2024/25 MTEF period			(15 738)	(15 551)	(16 645)
Fiscal consolidation reduction by National Treasury			(15 738)	(15 551)	(16 645)
Total	-	51	(12 604)	(13 962)	(14 984)

In the 2022/23 MTEF, the department received no additional funding.

In the 2023/24 MTEF, the following adjustments were made:

- The department's equitable share was increased by R5.272 million, R5.245 million, R5.305 million over the MTEF, with carry-through, in respect of the carry-through costs of the 3 per cent cost of living adjustment allocated to *Compensation of employees* in all four programmes.
- The department's equitable share was reduced by R5.221 million, R2.111 million and R3.716 million over the MTEF, with carry-through. These reductions relate to the equitable share reduction as a result of the annual updates of the data that informs the PES formula, as well as reductions in the province's

own revenue baseline. These budget cuts were implemented proportionately under Programmes 1 and 4 against *Compensation of employees*.

In the 2024/25 MTEF, the following adjustments were made:

- The department's equitable share was reduced by R15.738 million in 2024/25, R15.551 million in 2025/26 and R16.645 million in 2026/27, due to fiscal consolidation budget cuts made by National Treasury. These were implemented across all programmes against various economic categories.

7.3 Summary by programme and economic classification

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

The HSDG allocation was reduced by R268.696 million in 2024/25, R302.425 million in 2025/26 and R268.828 million in 2026/27 in respect of budget cuts implemented by National Treasury. These cuts were effected against *Transfers and subsidies to: Provinces and municipalities*, *Transfers and subsidies to: Households* and to a lesser extent *Compensation of employees* in Programme 3, as well as *Transfers and subsidies to: Departmental agencies and accounts* in Programme 4. The number of units, sites and housing opportunities across all projects will be reduced significantly as a result of these budget cuts. Furthermore, the cuts will result in the non-filling of posts.

The ISUPG allocation was reduced by R228.646 million in 2024/25, R354.021 million in 2025/26 and R691.933 million in 2026/27 in respect of budget cuts implemented by National Treasury. These cuts were effected against *Transfers and subsidies to: Households* and to a lesser extent *Compensation of employees* and *Goods and services* in Programme 3, as well as *Transfers and subsidies to: Departmental agencies and accounts* in Programme 4.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
1. Administration	236 079	271 188	279 448	236 172	250 036	275 336	264 879	276 689	289 248
2. Housing Needs, Research and Planning	16 357	17 638	20 118	22 430	21 130	20 810	19 379	20 154	21 162
3. Housing Development	3 122 097	3 257 678	3 580 364	3 914 546	3 919 496	3 918 496	3 088 581	3 095 930	2 800 867
4. Housing Asset Management	172 925	166 701	182 698	169 849	153 455	153 455	156 837	150 801	147 673
Total	3 547 458	3 713 205	4 062 628	4 342 997	4 344 117	4 368 097	3 529 676	3 543 574	3 258 950

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	498 792	509 546	556 284	498 592	549 110	578 821	540 216	550 752	554 093
Compensation of employees	336 554	351 414	351 831	360 537	358 493	358 120	354 959	365 720	373 824
Goods and services	162 238	158 132	204 453	138 055	190 617	220 701	185 257	185 032	180 269
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 044 100	3 179 929	3 497 175	3 832 521	3 779 315	3 773 832	2 974 483	2 975 608	2 687 335
Provinces and municipalities	104 441	70 636	137 006	94 453	125 259	125 843	39 661	79 019	77 068
Departmental agencies and accounts	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 766 734	2 942 592	3 177 573	3 568 219	3 500 601	3 494 534	2 777 985	2 745 788	2 462 594
Payments for capital assets	4 566	23 700	9 153	11 884	15 692	15 444	14 977	17 214	17 522
Buildings and other fixed structures	-	8 655	1 298	5 000	4 000	4 000	8 000	10 000	10 000
Machinery and equipment	4 566	15 045	7 855	6 884	11 692	11 444	6 977	7 214	7 522
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	30	16	-	-	-	-	-	-
Total	3 547 458	3 713 205	4 062 628	4 342 997	4 344 117	4 368 097	3 529 676	3 543 574	3 258 950

Programme 1 reflects a steady increase from 2020/21 to 2022/23. The increase in 2021/22 was mainly due to funds allocated to the department relating to the sale of units at Ridgeview Gardens in respect of the FLISP development. These funds were allocated to Programme 1 to cater for pressures from the purchase of computer equipment. These funds were also for the purchase of two vehicles to be used for the MEC's Community Outreach Programmes. Also contributing to the increase was additional funding allocated by National Treasury against *Compensation of employees* towards the 2021 wage agreement. The increase in 2022/23 was due to savings moved from Programmes 2 and 3 against *Compensation of employees* due to delays in filling vacant posts and *Goods and services* as a result of various procurement delays. These savings were moved to Programme 1 to cater for budget pressures in respect of the MEC's Community Outreach Programmes, the renewal of Microsoft Office licences for 2022/23, advertising, audit costs for real time audit relating to the construction of TRUs following the April 2022 flood disaster, and the purchase of computer equipment for new staff, among others. Also contributing to the increase was additional funding allocated by National Treasury against *Compensation of employees* towards the carry-through costs of the 2021 wage agreement. The increase from the 2023/24 Adjusted Appropriation to the Revised Estimate is mainly due to budget pressures caused by the impact of the 2021/22 MTEF budget cuts which were higher in 2023/24. The decrease from the 2023/24 Revised Estimate to 2024/25 is due to the 2024/25 MTEF fiscal consolidation budget cuts of R5.666 million, with carry-through, implemented against *Compensation of employees*, and the impact will be the non-filling of all vacant posts. The increasing trend over the two outer years of the 2024/25 MTEF is inflationary and provides for the management of office accommodation, training and development, IT related functions, etc., for the entire department.

Programme 2 reflects an increasing trend from 2020/21 to 2022/23. The low spending in 2020/21 was mainly due to the budget cuts to assist with funding the provincial response to the Covid-19 pandemic, as well as the budget cuts effected against *Compensation of employees* to reduce the growth of the public sector wage bill. The increase in 2022/23 was mainly due to spending in relation to the appointed Director: Transversal Programmes who was appointed in 2022/23 and reprioritisation was undertaken from Programme 1. Also contributing to the increase was additional funding allocated by National Treasury against *Compensation of employees* towards the carry-through costs of the 2021 wage agreement. The decrease from the 2023/24 Main to the Adjusted Appropriation is due to the reprioritisation of funds to Programme 1 as a result of vacant funded posts. This programme provides platforms for various stakeholders to discuss, draft and inform human settlement policies, and also provides for the identification of any skills gaps in the major stakeholders that are an integral part of the housing delivery chain, including municipalities, traditional leaders and institutions, emerging contractors, youth and women. The programme shows an inflationary increase over the MTEF, with the exception of 2024/25 which sees a decrease of 6.9 per cent due to the 2024/25 MTEF fiscal consolidation budget cuts of R1.416 million effected against this programme, as well as reprioritisation of R2.499 million undertaken to assist with budget pressures against Programme 1.

Programme 3 spending was low in 2020/21 due to the conditional grant budget cuts implemented against the HDSG and the TDRG, as well as a smaller cut made against the equitable share of this programme to assist with funding the provincial response to the Covid-19 pandemic. Also, budget cuts were effected against *Compensation of employees* to reduce the growth of the public sector wage bill. This decrease was slightly offset by a roll-over of R86.095 million in respect of the PEHG, as explained. The increase in 2021/22 was due to the allocation of R106.392 million relating to the PEHG following Tropical Cyclone Eloise, as mentioned. Further contributing to the increase was additional funding allocated by National Treasury against *Compensation of employees* towards the non-pensionable cash allowance portion of the 2021 wage agreement. The increase in 2022/23 was mainly due to the additional funding received *via* the PEHG of R342.132 million in respect of the April 2022 flood disaster, as well as additional funds allocated by National Treasury against *Compensation of employees* towards the carry-through costs of the 2021 wage agreement. The significant reduction over the 2024/25 MTEF is due to the significant budget cuts, mainly against the HSDG and ISUPG of R495.418 million in 2024/25, R653.129 million in 2025/26 and R970.002 million in 2026/27, effected against *Compensation of employees*, *Transfers and subsidies to: Provinces and municipalities*, *Transfers and subsidies to: Households* and, to a lesser extent, *Goods and services*. The number of units, sites and housing opportunities across all projects will be reduced as a result of these cuts. Also, the cuts will result in the non-filling of all vacant posts over the MTEF.

Programme 4 (which comprises the KZN Housing Fund) reflects a fluctuating trend from 2020/21 to 2022/23. The decrease from 2020/21 to 2021/22 was due to the budget cuts to reduce the growth of the public sector wage bill, which were higher in 2021/22. The increase in 2022/23 was mainly due to the reprioritisation of funding from Programme 3 in respect of *Transfers and subsidies to: Households* mainly relating to the N11 CRU in the Amajuba District because the project was adversely affected by delays in the supply of building materials on site, as well as inclement weather conditions. These funds were moved to Programme 4 to cater for the costs of municipal services and rates and taxes, as well as to cover the costs of the Rectification Programme in the former R293 towns under the eThekweni Metro and Ex Own Affairs under the DOPW which were inadequately budgeted for. The low growth in 2024/25 and the negative growth over the outer years of the MTEF, is due to a portion of the 2024/25 MTEF equitable share and conditional grant budget cuts being effected against this programme. This programme's allocation was reduced by R944 000 in 2024/25, R933 000 in 2025/26 and R6.328 million in 2026/27 in respect of fiscal consolidation budget cuts against the equitable share funding. Furthermore, a portion of the HSDG budget cuts of R9.637 million in 2024/25, R10.937 million in 2025/26 and R11.055 million in 2026/27 were implemented against this programme. The impact of these cuts will be the non-filling of vacant posts and the scaling down of the Rehabilitation and rectification of pre-1994 housing stock and emergency maintenance work. The 2024/25 MTEF provides for the issuance of title deeds, maintenance of rental units, as well as selling of rental units to beneficiaries, among others. Although the NDHS is targeting to dis-establish the KZN Housing Fund by 2025, provision has been made for this beyond 2025 as the department is being prudent. The progress on meeting this target will be monitored and the department will review the allocations in line with progress made.

Compensation of employees reflects a fairly steady increase from 2020/21 to 2022/23. The decrease from the 2023/24 Main to the Adjusted Appropriation was due to savings identified against *Compensation of employees* because of vacant posts, as mentioned. This was offset to some extent by pressures relating to the unfunded 2023 wage agreement. The department has a total of 65 vacant posts, including Directors, Assistant Directors, Senior Administrative Officers and Administration Officers, among others, but the department has placed an internal moratorium on filling posts due to the 2024/25 MTEF budget cuts and the budget pressures experienced by the department from the carry-through costs of the unfunded 2023 wage agreement. This means the department will not fill any vacant posts over the MTEF and will hold back on filling posts that become vacant in-year. The MTEF shows negative growth of 0.9 per cent in 2024/25, as well as low growth of 3 per cent in 2025/26 and 2.2 per cent in 2026/27, due to a portion of the 2024/25 MTEF budget cuts of R23.103 million in 2024/25, R17.674 million in 2025/26 and R12.627 million in 2026/27 being effected against this category, relating to both the equitable share and conditional grants. This growth is not sufficient to provide for the carry-through costs of the 2023 wage agreement, the 1.5 per cent pay progression, as well as the 4.4 per cent and 4.45 per cent cost of living adjustment in 2024/25 and 2025/26, respectively, as per National Treasury guidelines. The negative growth in 2024/25 means that some of the department's existing posts have become unfunded. The allocation against this category will be reviewed in-year.

Goods and services reflects a fluctuating trend over the seven-year period. The reduction in 2021/22 was due to savings realised in respect of advertising costs, as well as a shift undertaken from *Goods and services* to *Transfers and subsidies to: Households* in respect of a skills development programme which was originally allocated against *Goods and services*. The significant increase from the 2023/24 Main to the Adjusted Appropriation was due to savings realised from *Compensation of employees* in respect of vacant funded posts, as well as *Transfers and subsidies to: Households* in respect of various delays in the implementation of housing projects. These funds were moved to *Goods and services* to cater for the mass job creation under the EPWP programme as per the SOPA, 2022 resolution, the implementation of the National Housing Needs Register in various municipalities, as well as Community Outreach Programmes in respect of the implementation of housing projects. This is part of the OPSCAP allocation within the ISUPG as per the conditions of DORA that allow the department to use up to 5 per cent of its ISUPG budget for administrative expenses. The increase from the 2023/24 Adjusted Appropriation to the Revised Estimate is mainly attributable to budget pressures caused by the carry-through impact of the 2021/22 MTEF budget cuts which were higher in 2023/24. This explains the decrease of 16.1 per cent in 2024/25 as the Revised Estimate base is high. Further, contributing to the decrease is a portion of the 2024/25 MTEF fiscal

consolidation budget cuts of R10 million in respect of the HSDG effected against this category in 2024/25 only. The MTEF provides for operational costs of the department, implementation of the anti-land invasion strategy and the one per cent allocation of the HSDG for the management of catalytic projects by HDA.

In respect of *Transfers and subsidies*:

- The fluctuating trend against *Provinces and municipalities* from 2020/21 to 2022/23 relates to the transfer to the eThekweni Metro for the CRU programme being re-aligned to the agreement entered into by the department and the eThekweni Metro to transfer funds for the CRU programme. The decrease in 2021/22 related to under-spending in respect of the CRU programme due to delays in signing the bilateral agreement in respect of the Donnelly CRU. Further contributing to the decrease were delays in the receipt of municipal rates and tax invoices from the uMhlathuze Municipality. These invoices were settled in 2022/23, which partly explains the increase in 2022/23. The increase in 2022/23 was also due to the high payments made to accredited municipalities in respect of operational costs. The increase from the 2023/24 Main to Adjusted Appropriation was due to a virement undertaken from *Households* in respect of the Jika Joe CRU project in the Msunduzi Municipality which was delayed by the relocation of existing residents to make way for the construction of the next phase. These savings were moved to *Provinces and municipalities* to cater for hostel redevelopment in the eThekweni Metro in terms of an agreement entered into between the Metro and the department. The three-year agreement with the Metro expires at the end of 2023/24, hence the significant decrease in 2024/25. The amounts allocated over the 2024/25 MTEF cater mainly for the hostel redevelopment programme in the eThekweni Metro, as well as operational costs for accredited municipalities. This category was affected by the 2024/25 MTEF budget cuts of R85.168 million in 2024/25, R45.818 million in 2025/26 and R47.758 million in 2026/27 effected against the HSDG. These cuts will result in the scaling down of the CRU programme as fewer projects are planned for over the MTEF.
- *Departmental agencies and accounts* relates to transfers to the KZN Housing Fund and to the HDA. Funding in respect of the KZN Housing Fund was moved to this category in line with an A-G finding in the 2013/14 audit. The decrease from 2020/21 to 2021/22 was due to the budget cuts to reduce the growth of the public sector wage bill. The increase in 2022/23 was mainly due to the reprioritisation of funding from Programme 3 in respect of *Households* mainly relating to the N11 CRU in the Amajuba District because the project was adversely affected by delays in the supply of building materials on site, as well as inclement weather conditions. These funds were moved to this category to cater for the costs of municipal services and rates and taxes, as well as to cover the costs of the Rectification Programme in the former R293 towns under the eThekweni Metro and Ex Own Affairs under the DOPW which were inadequately budgeted for. The low growth in 2024/25 and the negative growth over the outer years of the MTEF, is due to a portion of the 2024/25 MTEF equitable share and conditional grant budget cuts being effected against this programme. This category was reduced by R944 000 in 2024/25, R933 000 in 2025/26 and R6.328 million in 2026/27 in respect of fiscal consolidation budget cuts against the equitable share. Furthermore, a portion of the HSDG budget cuts of R9.637 million in 2024/25, R10.937 million in 2025/26 and R11.055 million in 2026/27 were implemented against this programme. The impact of these cuts will be the non-filling of vacant posts and the scaling down of the rehabilitation and rectification of pre-1994 housing stock and emergency maintenance work. The 2024/25 MTEF provides for the issuance of title deeds, maintenance of rental units, as well as selling of rental units to beneficiaries, among others.
- *Households* shows a fluctuating trend from 2020/21 to 2022/23, largely in respect of the HSDG, as the bulk of the housing programmes are budgeted for within this category. The low spending in 2020/21 was a result of the budget cuts implemented against the HSDG, as mentioned. The spending in 2020/21 takes into account funds of R278.136 million received for the disaster recovery component within the HSDG, as well as a provincial roll-over of R86.095 million in respect of the PEHG, but the grants saw significant cuts over the 2020/21 MTEF. The 2021/22 amount includes R106.392 million allocated for disaster funding following Tropical Cyclone Eloise in February 2021. The increase in 2022/23 was mainly due to the allocation of R325.764 million in the 2022/23 Adjustments Estimate following the April 2022 flood disaster to cater for the provision of 4 983 TRUs. This category bears the brunt of the 2024/25 MTEF budget cuts with cuts of R384.229 million in 2024/25, R596.635 million in 2025/26 and R917.092 million in 2026/27 effected against both the HSDG and the ISUPG.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The spending in 2021/22 and 2022/23 was in respect of the Emfihlweni and Sonkombo community hall projects. The decrease from the 2023/24 Main to Adjusted Appropriation was due to the in-year budget cuts implemented by National Treasury against the HSDG. The MTEF was not affected by the budget cuts, and caters for the completion of these projects, as well as the Town View project in the Mpofana Municipality.

Machinery and equipment shows a fluctuating trend from 2020/21 to 2024/25 due to its cyclical nature. The increase in 2021/22 was due to the purchase of computer equipment ordered in 2020/21 but delivered and paid for in 2021/22, as well as the purchase of vehicles to be used for Community Outreach Programmes, as mentioned. The decrease in 2022/23 relates to the non-purchase of tools of trade due to internal delays in filling vacant posts. The increase from the 2023/24 Main to Adjusted Appropriation caters for pressure due to the purchase of two main servers for the Pietermaritzburg and Durban offices and 60 desktops which were under-provided for. The MTEF was not affected by budget cuts, and caters for the replacement of old office furniture and laptops for filled posts, and the purchase of vehicles and other equipment.

Payments for financial assets relates to the write-off of staff debts in 2021/22 and 2022/23.

7.4 Summary of conditional grants payments and estimates

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

The department has three grants over the 2024/25 MTEF, namely the HSDG, EPWP Integrated Grant for Provinces and the ISUPG. The EPWP Integrated Grant for Provinces receives funding up to 2024/25, while the HSDG and the ISUPG receive funding over the MTEF. Details are given in *Annexure – Vote 8: Human Settlements*. The department's main funding relates to the HSDG, which aims to promote the provision of low income housing using different programmes such as project linked subsidies, IRDP, rural housing subsidies, ISU programme, social housing, etc.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Human Settlements Development grant	3 020 733	2 455 018	2 574 884	3 132 253	3 157 908	3 157 908	2 507 919	2 598 582	2 632 179
EPWP Integrated Grant for Provinces	11 638	7 149	6 499	7 669	6 921	6 921	6 331	-	-
Title Deeds Restoration grant	36 740	-	-	-	-	-	-	-	-
Provincial Emergency Housing grant	86 095	106 392	318 283	-	23 849	23 849	-	-	-
Informal Settlements Upgrading Part. Grant for Prov.	-	714 375	724 592	790 226	733 189	733 189	597 069	508 686	170 774
Total	3 155 206	3 282 934	3 624 258	3 930 148	3 921 867	3 921 867	3 111 319	3 107 268	2 802 953

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	158 998	142 755	140 156	137 580	182 402	182 402	159 412	154 157	138 942
Compensation of employees	91 821	92 562	89 808	86 950	98 116	98 116	98 184	99 328	94 113
Goods and services	67 177	50 193	50 348	50 630	84 286	84 286	61 228	54 829	44 829
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	2 993 764	3 130 638	3 483 050	3 787 137	3 734 413	3 734 413	2 942 855	2 942 059	2 652 959
Provinces and municipalities	104 318	70 505	129 639	94 289	125 095	125 095	39 471	78 821	76 861
Departmental agencies and accounts	130 431	126 148	143 962	125 132	113 738	113 738	125 924	117 996	114 077
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 759 015	2 933 985	3 209 449	3 567 716	3 495 580	3 495 580	2 777 460	2 745 242	2 462 021
Payments for capital assets	2 444	9 541	1 052	5 431	5 052	5 052	9 052	11 052	11 052
Buildings and other fixed structures	-	8 655	-	5 000	4 000	4 000	8 000	10 000	10 000
Machinery and equipment	2 444	886	1 052	431	1 052	1 052	1 052	1 052	1 052
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 155 206	3 282 934	3 624 258	3 930 148	3 921 867	3 921 867	3 111 319	3 107 268	2 802 953

The HSDG shows a fluctuating trend over the seven-year period. The 2021/22 allocation was decreased due to the creation of ISUPG which was funded by moving the budget from the HSDG. The increase in 2022/23 was due to an additional allocation of R397.705 million in respect of a disaster allocation under the HSDG, which was under-spent by R360.340 million due to delays caused by the April 2022 flood disaster, as mentioned. The 2023/24 Main Appropriation also included an additional allocation of R474.974 million in respect of a disaster allocation under the HSDG. These funds relate to disasters that occurred during 2019 and 2020 where there were floods and storms, which resulted in damage to houses. The increase from the 2023/24 Main to the Adjusted Appropriation was due to the roll-over of R360.340 million in relation to the 2019 and 2020 disaster allocation, as explained. This was offset to an extent by the 2023/24 in-year fiscal consolidation budget cuts of R334.685 million implemented by National Treasury. The decrease in 2024/25 is partly due to the additional allocation in respect of the 2019 and 2020 disasters not being included in 2024/25, but also because over the MTEF, this grant sees a decrease of R268.696 million in 2024/25, R302.425 million in 2025/26 and R268.828 million in 2026/27. The numbers of units, sites and housing opportunities across all projects will be reduced significantly as a result of these budget cuts.

The department receives funding in respect of the EPWP Integrated Grant for Provinces for skills development programmes, such as training, mentors, acquiring tools and payment of stipends. The allocation for the EPWP Integrated Grant for Provinces is based on the previous year's achievements and is not allocated beyond 2024/25, at this stage. The decrease from the 2023/24 Main to the Adjusted Appropriation was due to the in-year fiscal consolidation budget cuts of R748 000 implemented by National Treasury. This grant allocation increased to R9.624 million in 2024/25 due to the incentive nature of the grant and improved compliance with reporting requirements, but was reduced by R3.293 million by National Treasury in order to provide funding for the Presidential Employment Stimulus, hence the reduction from 2023/24. In 2024/25, the grant will be used to employ 250 youth who will undertake work, such as housing enhancement, EPWP skills development programme and the maintenance of hostels. This is a reduction of 100 people from 2023/24 as a result of the budget cuts implemented against this grant.

The department receives funding for the TDRG up to 2020/21, as explained. This grant was absorbed back into the HSDG from 2021/22 onward.

The department received funding for the PEHG in 2019/20. These funds related to storms which occurred between December 2018 and January 2019 that affected eight districts in the province, with storm damage to 2 800 houses. In addition, these funds were for repairs related to severe storms and heavy rain experienced in April 2019 that caused damage to houses (mostly mud structures) in rural areas in 19 municipalities, where a total of 1 277 households were affected. These funds were not fully spent at the end of 2019/20, and R86.095 million was rolled over to 2020/21. The PEHG received an allocation of R106.392 million in the 2021/22 Adjustments Estimate in terms of Government Gazette No. 44 593. In this regard, the department made an application for disaster funding following Tropical Cyclone Eloise in February 2021. This allocation was for the provision of TRUs for 1 592 affected households. This grant received R325.764 million in the 2022/23 Adjustments Estimate and a further R16.368 million during the Second Adjustments Estimate following the April 2022 flood disaster, and these funds were for the provision of TRUs, as well as TEAs. These funds were not fully spent at the end of 2022/23, and R23.849 million relating to the refurbishment and operational costs of the Montclair Lodge TEA was rolled over to 2023/24, as explained.

The department received funding of R714.375 million in respect of the ISUPG for the first time in 2021/22. The funding was still part of the HSDG in 2020/21 with specific conditions which included that at least 15 per cent of the HSDG must be spent on informal settlements upgrading. The new grant was created by shifting funds from the HSDG to ensure that the funds allocated for this purpose cannot be utilised by provinces for other purposes. The decrease from the 2023/24 Main to the Adjusted Appropriation was due to the in-year fiscal consolidation budget cuts of R89.313 million implemented by National Treasury. This decrease was offset to an extent by the roll-over of R32.276 million in respect of the ISUPG. Over the MTEF, this grant sees a decrease of R228.646 million in 2024/25, R354.021 million in 2025/26 and R691.933 million in 2026/27. The number of units, sites and housing opportunities across all projects will be reduced significantly as a result of these budget cuts.

The conditional grant allocations against *Compensation of employees* relate to the HSDG and the ISUPG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. This category caters for contract posts budgeted for under the OPSCAP allocation within the HSDG and ISUPG. These posts are filled on a contractual basis as they are linked to projects. These posts include Project Construction Managers, Community Development Practitioner, etc. The decrease in 2022/23 was due to delays in filling posts. The increase from the 2023/24 Main to the Adjusted Appropriation relates to a virement undertaken to cater for additional capacity on ISUPG housing projects, through the appointment of professionals in the built environment to assist with project identification and assessments, social facilitation, and quality assurance, within the ISUPG. The low growth over the MTEF is due to a portion of the fiscal consolidation budget cuts of R8.939 million in 2024/25 and R3.056 million in 2025/26 implemented against this category. The budget cuts will result in the reduction in the number of posts that can be filled under the OPSCAP allocation for both the HSDG and the ISUPG, resulting in limited capacity for the department. The growth over the MTEF will be reviewed in the next budget process.

Goods and services reflects a fluctuating trend over the seven year period, in line with the OPSCAP allocation under the HSDG, as well as the ISUPG from 2023/24. The 2024/25 MTEF provides for the management of catalytic projects, the anti-land invasion strategy, etc. The reduction over the MTEF is in line with the reduction of the HSDG and ISUPG as a result of the budget cuts, which affects the OPSCAP funding. This category includes fees for the management of catalytic projects. The budget cuts will result in a reduction in funding for professionals and consultants in the built environment. The implementation of the land invasion strategy and the Housing Needs Register, will also be negatively affected.

In respect of *Transfers and subsidies*:

- There is a fluctuating trend against *Provinces and municipalities* from 2020/21 to 2022/23 and this relates to the transfer to the eThekweni Metro for the CRU programme being re-aligned to the agreement entered into by the department and the eThekweni Metro to transfer funds for the CRU programme. The decrease in 2021/22 was due to delays in the receipt of invoices from the uMhlathuze Municipality in relation to municipal rates and taxes, as well as the delays in signing of the bilateral agreement between the department and the eThekweni Metro. The significant increase in 2022/23 was due to the payment for invoices from 2021/22 in respect of municipal rates and taxes, as well as higher than anticipated operational costs of accredited municipalities. The increase from the 2023/24 Main to Adjusted Appropriation was due to a virement undertaken from *Transfers and subsidies to: Households* in respect of the Jika Joe CRU project in the Msunduzi Municipality which was delayed by the relocation of existing residents to make way for the construction of the next phase. These savings were moved to *Provinces and municipalities* to cater for hostel redevelopment in the eThekweni Metro. The three-year agreement with the Metro expires at the end of the 2023/24, hence the significant decrease in 2024/25 since there are no transfers planned for 2024/25 in respect of the eThekweni Metro. The amounts allocated over the 2024/25 MTEF cater mainly for the operational costs for accredited municipalities.
- *Departmental agencies and accounts* relates to transfers to the KZN Housing Fund and to the HDA. The decrease from 2020/21 to 2021/22 was due to the budget cuts to reduce the growth of the public sector wage bill. The increase in 2022/23 was mainly due to the reprioritisation of funding from *Transfers and subsidies to: Households* mainly relating to the N11 CRU in the Amajuba District because the project was adversely affected by delays in the supply of building materials on site, as well as inclement weather conditions. These funds were moved to this category to cater for the costs of municipal services and rates and taxes, as well as to cover the costs of the Rectification Programme in the former R293 towns under the eThekweni Metro and Ex Own Affairs under the DOPW. The decrease from the 2023/24 Main to the Adjusted Appropriation was due to the in-year fiscal consolidation budget cuts of R11.394 million effected against this category, and the virement of R5 million from this category due to vacant funded posts to *Goods and services* in Programme 1 to cater for operating leases. The significant growth in 2024/25 is due to the low base in 2023/24, despite a portion of the 2024/25 MTEF budget cuts of R9.637 million in 2024/25 being implemented against this category. The outer years of the MTEF reflect a decrease due to the budget cuts of R10.937 million in 2025/26 and R11.055 million in 2026/27. The impact of these cuts will be the scaling down of the rehabilitation and rectification of pre-1994

housing stock and emergency maintenance work. The 2024/25 MTEF provides for the issuance of title deeds, maintenance of rental units, as well as selling of rental units to beneficiaries, among others.

- *Households* caters for various housing programmes, and shows a fluctuating trend from 2020/21 to 2022/23, largely in respect of the HSDG. The low spending in 2020/21 was a result of the budget cuts implemented against the HSDG, as mentioned. The spending in 2020/21 takes into account funds of R278.136 million received for the disaster recovery component within the HSDG, as well as a provincial roll-over of R86.095 million in respect of the PEHG, but the grants saw significant cuts over the 2020/21 MTEF. The 2021/22 amount includes R106.392 million allocated for disaster funding following Tropical Cyclone Eloise in February 2021. The increase in 2022/23 was mainly due to the allocation of R342.132 million following the April 2022 flood disaster to cater for the provision of TRUs and TEAs to affected households. This category is affected by the 2024/25 MTEF fiscal consolidation budget cuts of R384.228 million in 2024/25 and R596.635 million in 2025/26 and R917.037 million in 2026/27 in respect of both the HSDG and the ISUPG. The impact of these budget cuts will be a significant reduction of the number of units, sites and housing opportunities across all projects.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The spending in 2021/22 and 2022/23 was in respect of the Emfihlweni and Sonkombo community hall projects. The decrease from the 2023/24 Main to Adjusted Appropriation was due to the in-year budget cuts implemented by National Treasury against the HSDG. The allocation over the 2024/25 MTEF was not affected by the budget cuts, and caters for the completion of these projects, as well as the Town View project in the Mpofana Municipality.

Machinery and equipment provides for the purchase of furniture and equipment for employees funded from the HSDG. The MTEF allocations are kept constant and will be reviewed in the next budget process.

7.5 Summary of infrastructure payments and estimates

Table 8.8 presents a summary of infrastructure payments and estimates by infrastructure category. Detailed information on infrastructure is given in the 2024/25 ECE.

Table 8.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	-	8 655	1 298	5 000	4 000	4 000	8 000	10 000	10 000
Infrastructure transfers	2 795 786	3 144 625	3 118 240	3 659 362	3 622 284	3 646 340	2 941 739	2 941 905	2 652 805
Infrastructure transfers: Current	32 190	45 505	51 847	44 289	37 595	38 179	39 471	38 821	36 861
Infrastructure transfers: Capital	2 763 596	3 099 120	3 066 393	3 615 073	3 584 689	3 608 161	2 902 268	2 903 084	2 615 944
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	26 888	27 343	27 014	24 154	33 923	33 923	36 101	38 260	39 422
Non infrastructure¹	-	122 508	150 422	132 985	174 924	175 908	155 249	155 363	140 148
Total	2 822 674	3 303 131	3 296 974	3 821 501	3 835 131	3 860 171	3 141 089	3 145 528	2 842 375
<i>Capital infrastructure</i>	2 763 596	3 107 775	3 067 691	3 620 073	3 588 689	3 612 161	2 910 268	2 913 084	2 625 944
<i>Current infrastructure</i>	59 078	72 848	78 861	68 443	71 518	72 102	75 572	77 081	76 283

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

The category *New infrastructure assets: Capital* relates to the Social and Economic Amenities programme. The spending in 2021/22 was in respect of the Emfihlweni and Sonkombo community hall projects. These projects resumed in 2021/22 following poor performance by the contractor in 2020/21 which necessitated termination of the contract with the contractor and thus rendered the projects stagnant while the department was in the process of resolving the matter and appointing a new contractor. The decrease from the 2023/24 Main to Adjusted Appropriation was due to the in-year budget cuts implemented by National Treasury against the HSDG. The 2024/25 MTEF was not affected by the budget cuts, and caters for the completion of these projects, as well as the Town View project in the Mpofana Municipality.

The category *Infrastructure transfers: Current* relates to the operational costs of accredited municipalities, such as the eThekweni Metro, and the KwaDukuza, Newcastle, Msunduzi, Ray Nkonyeni, uMhlathuze and

Alfred Duma Municipalities. These costs were previously recorded against *Infrastructure transfers: Capital* but, after assessment, the department established that the funds are current in nature. The low amount in 2020/21 was due to delays in the finalisation of the implementation protocols for the accredited municipalities which were under review during 2020/21. The increase from 2021/22 onwards was due to the increase in spending of the accredited municipalities which led to an increase in operational costs. The decrease from the 2023/24 Main to the Adjusted Appropriation was due to a portion of the 2023/24 in-year fiscal consolidation budget cut of R6.694 million effected against this category in respect of the eThekweni Metro and the Newcastle Municipality. The operational costs of accredited municipalities reflect a decreasing trend over the MTEF due to portion of the 2024/25 MTEF budget cuts effected against this category. Operational costs are paid based on the percentage spent by municipalities and are therefore difficult to accurately budget for, therefore, these allocations will be revised in-year.

Infrastructure transfers: Capital comprises transfers relating to capital projects for housing development, including upgrading of informal settlements, rural intervention and CRUs, etc. funded by the conditional grants. This category reflects an increasing trend from 2020/21 to 2021/22. The increase in 2021/22 was due to additional funding of R106.392 million following Tropical Cyclone Eloise, as explained. The decrease from the 2023/24 Main to the Adjusted Appropriation was due to a virement of funds from this category due to savings realised from various delays that occurred on different housing projects and these funds were moved to *Non infrastructure*. The projects provided for against this category include the redevelopment of old hostels to CRUs, constructing new CRUs, the ISU programme, the rural housing subsidy, etc. The department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, which partly explains the significant decrease in 2024/25. The decrease over the MTEF is due to a large portion of the 2024/25 MTEF budget cuts implemented against this category in relation to infrastructure housing projects.

The category *Infrastructure: Leases* relates to the operational leases for office accommodation leased by the department. The increasing trend over the MTEF relates to inflationary increases. The 2024/25 MTEF fiscal consolidation budget cuts were not implemented against this category.

The category *Non infrastructure* reflects funding from 2021/22 onward to correct the classification in relation to the HSDG infrastructure budget. These amounts cater for items such as operational costs which are not related to infrastructure, including advertising, communication, etc. The significant increase from the 2023/24 Main to Adjusted Appropriation was to cater for the implementation of the National Housing Needs Register in various municipalities, as well as to provide capacity on ISUPG housing projects through the appointment of professionals in the built environment to assist with project identification, assessments, social facilitation and quality assurance. This is part of the OPSCAP allocation within the ISUPG. The fluctuations over the MTEF are in line with the budget cuts against the ISUPG as the budget informs the amount that can be allocated *via* OPSCAP. These allocations will be reviewed in-year.

7.6 Summary of Public Private Partnerships – Nil

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

Table 8.9 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA, as well as transfers to other entities. The department funds the KZN Housing Fund which is in the process of being dis-established and is an unlisted public entity in terms of Section 47(2) of the PFMA. These allocations were previously made from all categories within Programme 4 but, following an A-G finding, are made from *Transfers and subsidies to: Departmental agencies and accounts*.

Table 8.9 : Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Transfers to public entities		-	-	-	-	-	-	-	-	-
Transfers to other entities		172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
KZN Housing Fund	4 (all 3 sub-programmes)	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Total		172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673

With regard to the KZN Housing Fund, there is a fluctuating trend over the seven-year period. The decrease from 2020/21 to 2021/22 was due to budget cuts to reduce the growth of the public sector wage bill, which were higher in 2021/22. The decrease from the 2023/24 Main to the Adjusted Appropriation was due to the in-year fiscal consolidation budget cuts of R11.394 million effected against this category, and the virement of R5 million from this category due to vacant funded posts to *Goods and services* in Programme 1 to cater for operating leases, as mentioned. The growth in 2024/25 is due to the low base in 2023/24, despite a portion of the budget cuts of R9.637 million in 2024/25 being implemented against this category. The outer years of the MTEF reflect a decrease due to the fiscal consolidation budget cuts of R10.937 million in 2025/26 and R11.055 million in 2026/27. The 2024/25 MTEF provides for the issuance of title deeds, maintenance of rental units, as well as selling of rental units to beneficiaries, among others.

7.8 Transfers to local government

Tables 8.10 and 8.11 illustrate departmental transfers to local government by category and by grant type, respectively.

Transfers to local government exclude funds in respect of motor vehicle licences. These funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 8.10 and 8.11.

Details of these transfers are presented in the *Annexure – Vote 8: Human Settlements*.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Category A	72 045	39 520	108 057	64 172	98 325	100 479	13 230	54 172	54 172
Category B	32 273	30 985	28 790	30 117	26 770	25 200	26 241	24 649	22 689
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	104 318	70 505	136 847	94 289	125 095	125 679	39 471	78 821	76 861

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

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Accredited municipalities	3.2 Financial Intervention	32 190	45 505	86 847	44 289	37 595	38 179	39 471	38 821	36 861
CRU programme	3.4 Social & Rental Intervention	51 501	25 000	50 000	50 000	87 500	87 500	-	40 000	40 000
Rates and taxes	3.4 Social & Rental Intervention	524	-	-	-	-	-	-	-	-
Title Deeds Restoration grant	3.2 Financial Intervention	20 103	-	-	-	-	-	-	-	-
Total		104 318	70 505	136 847	94 289	125 095	125 679	39 471	78 821	76 861

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

Category A: The CRU programme provides a coherent approach to dealing with different forms of public residential accommodation. It enables the department to provide secure and stable rental tenure for lower income persons in good locations, and forms the basis for transition to the formal housing market. The MTEF allocation was affected by a budget cut of R50 million in 2024/25 in relation to the agreement between the department and the eThekweni Metro which is ending at the end of 2023/24.

Categories A and B: The department provides transfers for title deeds restoration, municipal rates and taxes, as well as operational costs of accredited municipalities including eThekweni, Ugu, uMgungundlovu, uThukela, Zululand, iLembe, Amajuba and King Cetshwayo, among others.

7.9 Transfers and subsidies

Table 8.12 provides a summary of transfers and subsidies per programme, as discussed below.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
1. Administration	1 437	2 600	3 337	667	1 657	1 727	715	744	780
Provinces and municipalities	123	132	159	164	164	164	190	198	207
Motor vehicle licences	123	132	159	164	164	164	190	198	207
Households	1 314	2 468	3 178	503	1 493	1 563	525	546	573
Staff exit costs	1 113	1 399	2 551	-	990	990	-	-	-
Donations	-	609	498	-	-	-	-	-	-
Bursaries	201	460	129	503	503	573	525	546	573
2. Housing Needs, Research and Planning	76	678	130	-	118	118	-	-	-
Households	76	678	130	-	118	118	-	-	-
Staff exit costs	76	678	130	-	118	118	-	-	-
3. Housing Development	2 869 662	3 009 950	3 311 112	3 662 005	3 624 085	3 618 532	2 816 930	2 826 063	2 538 882
Provinces and municipalities	104 318	70 555	136 847	94 289	125 095	125 679	39 471	78 821	76 861
Op. costs for accredited municipalities (HSDG)	32 190	44 516	86 847	44 289	37 595	38 179	39 471	38 821	36 861
CRU programme (HSDG)	51 500	25 000	50 000	50 000	87 500	87 500	-	40 000	40 000
Title Deeds Restoration grant	20 104	-	-	-	-	-	-	-	-
Rates and taxes for Sec. 21 properties (HSDG)	524	989	-	-	-	-	-	-	-
Households	2 765 344	2 939 445	3 174 265	3 567 716	3 498 990	3 492 853	2 777 459	2 747 242	2 462 021
Staff exit costs	1 485	2 057	713	-	708	708	-	-	-
Claims against the state	-	3	2	-	-	-	-	-	-
Staff exit costs (TDRG)	36	-	-	-	-	-	-	-	-
Staff exit costs (HSDG)	36	170	120	154	1 154	1 135	154	154	154
Staff exit costs (ISUPG)	-	-	-	-	-	19	-	-	-
Donations (equitable share)	-	-	2 275	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	2 884	1 864	2 491	2 489	2 489	2 833	632	-	-
EPWP job creation programme (equitable share)	-	-	-	-	2 702	2 702	-	-	-
Informal Sett. Upgrading Part. Grant for Prov.	-	709 707	724 592	790 226	698 143	698 143	597 069	508 686	170 774
Provincial Emergency Housing grant	86 095	106 392	341 132	-	23 849	23 849	-	-	-
Human Settlements Development grant	2 674 808	2 119 252	2 102 940	2 774 847	2 769 945	2 763 464	2 179 604	2 238 402	2 291 093
of which:									
FLISP	-	30 612	30 104	36 300	22 416	22 416	23 591	24 266	24 286
Rectification of RDP stock	-	156 447	211 128	181 356	137 017	177 719	173 871	235 737	184 487
IRDP	-	410 370	337 982	527 715	359 330	360 705	404 613	434 284	511 825
Rural subsidy communal land right	-	1245 250	1 229 948	1 221 398	1 209 154	1 209 154	1 316 762	1 262 011	1 292 979
Others	2 674 808	276 573	293 778	808 078	1 042 028	993 470	260 767	282 104	277 516
4. Housing Asset Management	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Departmental agencies and accounts	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Equitable share	42 193	40 553	38 634	44 717	39 717	43 717	31 543	32 805	33 596
Human Settlements Development grant	130 732	126 148	143 962	125 132	113 738	109 738	125 294	117 996	114 077
Total	3 044 100	3 179 929	3 497 175	3 832 521	3 779 315	3 773 832	2 974 482	2 977 608	2 687 335

With regard to Programme 1:

- *Provinces and municipalities* in Programme 1 relates to motor vehicle licence fees.
- *Households* pertains to staff exit costs, donations and bursaries paid to external students in qualifications, such as Civil Engineering, Construction Management, Town and Regional Planning, Geographic and Environmental Studies, etc. The increase from the 2023/24 Main to the Adjusted Appropriation was to cater for unanticipated staff exit costs. The 2024/25 MTEF allocations provide for external bursaries.

With regard to Programme 2:

- *Households* from 2020/21 to 2022/23 relates to staff exit costs. The increase from the 2023/24 Main to Adjusted Appropriation was due to the unanticipated staff exit costs. This category is not budgeted for over the 2024/25 MTEF due to its uncertain nature.

With regard to Programme 3:

- The fluctuating trend against *Provinces and municipalities* from 2020/21 to 2022/23 relates to the transfer to the eThekweni Metro for the CRU programme being re-aligned to the agreement entered into by the department and the eThekweni Metro to transfer funds for the CRU programme. The decrease in 2021/22 related to under-spending in respect of the CRU programme due to delays in signing the bilateral agreement in respect of the Donnelly CRU between the department and the eThekweni Metro. Further contributing to the decrease were the municipal rates and taxes as a result of delays in the receipt of invoices from the uMhlathuze Municipality. These invoices were settled in 2022/23, which partly explains the increase in 2022/23. The increase in 2022/23 is also due to the high payments made

to accredited municipalities in respect of the operational costs. The increase from the 2023/24 Main to Adjusted Appropriation was due to a virement undertaken from *Households* in respect of the Jika Joe CRU project in the Msunduzi Municipality, as explained. These savings were moved to *Provinces and municipalities* to cater for hostel redevelopment in the eThekweni Metro. The three-year agreement with the Metro expires at the end of the 2023/24, hence the significant decrease since there are no transfers planned for 2024/25 in respect of the eThekweni Metro. The amounts allocated over the 2024/25 MTEF cater mainly for the hostel redevelopment programme in the eThekweni Metro, as well as operational costs for accredited municipalities.

- *Households* shows a fluctuating trend from 2020/21 to 2022/23, largely in respect of the HSDG, as the bulk of the housing programmes are budgeted for within this category. The low spending in 2020/21 was a result of the budget cuts implemented against the HSDG, as mentioned. The spending in 2020/21 takes into account funds of R278.136 million received for the disaster recovery component within the HSDG, as well as a provincial roll-over of R86.095 million in respect of the PEHG, but the grants saw significant cuts over the 2020/21 MTEF. The 2021/22 amount includes R106.392 million allocated for disaster funding following Tropical Cyclone Eloise in February 2021. The increase in 2022/23 was mainly due to the allocation of R325.764 million in the 2022/23 Adjustments Estimate following the April 2022 flood disaster. This category is significantly affected by the 2024/25 MTEF budget cuts of R384.229 million in 2024/25, R596.635 million in 2025/26 and R917.092 million in 2026/27.

With regard to *Departmental agencies and accounts*, there is a fluctuating trend over the seven-year period. The decrease from 2020/21 to 2021/22 was due to budget cuts. The decrease from the 2023/24 Main to the Adjusted Appropriation was due to the in-year fiscal consolidation budget cuts of R11.394 million effected against this category, and the virement of R5 million from this category due to vacant funded posts to *Goods and services* in Programme 1 to cater for operating leases, as mentioned. The growth in 2024/25 is due to the low base in 2023/24, despite a portion of the budget cuts in the amount of R9.637 million in 2024/25 being implemented against this category. The outer years of the MTEF reflect a decrease due to budget cuts of R10.937 million in 2025/26 and R11.055 million in 2026/27. The 2024/25 MTEF provides for the issuance of title deeds, maintenance of rental units, as well as selling of rental units to beneficiaries, among others.

8. Programme description

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

8.1 Programme 1: Administration

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

Tables 8.13 and 8.14 reflect a summary of payments and estimates for the period 2020/21 to 2026/27.

The department implemented the 2021/22 MTEF budget cuts of R24.982 million in 2021/22, R33.441 million in 2022/23 and R55.124 million in 2023/24 against *Compensation of employees* and *Goods and services*. Also, the department implemented a portion of the 2023/24 MTEF budget cuts of R4.125 million in 2023/24, R1.668 million in 2024/25 and R2.936 million in 2025/26 under this programme against *Compensation of employees*.

Furthermore, the department implemented a portion of the 2024/25 MTEF budget cuts of R5.666 million in 2024/25, R5.598 million in 2025/26 and R4.178 million in 2026/27 against *Compensation of employees*. The budget cuts over the MTEF were offset by reprioritisation to this programme, as explained.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
1. Corporate Services	236 079	271 188	279 448	236 172	250 036	275 336	264 879	276 689	289 248
Total	236 079	271 188	279 448	236 172	250 036	275 336	264 879	276 689	289 248

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	232 680	254 638	269 518	229 153	237 865	263 437	258 705	270 268	282 507
Compensation of employees	143 494	152 674	149 206	149 271	148 025	148 955	142 253	147 943	155 340
Goods and services	89 186	101 964	120 312	79 882	89 840	114 482	116 452	122 325	127 167
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 437	2 600	3 337	667	1 657	1 727	715	744	780
Provinces and municipalities	123	131	159	164	164	164	190	198	207
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 314	2 469	3 178	503	1 493	1 563	525	546	573
Payments for capital assets	1 962	13 950	6 585	6 352	10 514	10 172	5 459	5 677	5 961
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 962	13 950	6 585	6 352	10 514	10 172	5 459	5 677	5 961
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	8	-	-	-	-	-	-
Total	236 079	271 188	279 448	236 172	250 036	275 336	264 879	276 689	289 248

The Corporate Services sub-programme caters for services, such as providing strategic leadership, co-ordination and management of strategies, as well as the administration of the department. This sub-programme caters for items, such as leasing of office accommodation, property payments, etc. The sub-programme reflects a steady increase from 2020/21 to 2022/23. The significant increase in 2021/22 was mainly due to funds allocated to the department relating to the sale of units at Ridgeview Gardens in respect of the FLISP development to cater for pressures from the purchase of computer equipment and to purchase vehicles to be used for Community Outreach Programmes. The increase from the 2023/24 Adjusted Appropriation to the Revised Estimate is mainly attributable to budget pressures caused by the impact of the 2021/22 MTEF budget cuts which were higher in 2023/24. The decrease from the 2023/24 Revised Estimate to 2024/25 is partly due to the 2024/25 MTEF budget cuts of R5.666 million, with carry-through, implemented against *Compensation of employees*. The impact of these budget cuts will be the non-filling of vacant posts. The increasing trend over the two outer years of the 2024/25 MTEF is inflationary and provides for the management of office accommodation, training and development, IT related functions, etc. for the entire department.

Compensation of employees shows a steady increase from 2020/21 to 2022/23. The department has 25 vacant posts, such as Director: Rental Housing Tribunal, Director: Budget and Planning, Director: Information Technology, Deputy Director: Provisions and Procurement, Assistant Director: Labour Relations, among others, under this programme. The department does not plan to fill any posts over the MTEF due to a portion of the fiscal consolidation budget cuts of R5.666 million in 2024/25, R5.598 million in 2025/26 and R4.178 million in 2026/27 effected against this category. The MTEF shows negative growth of 4.5 per cent in 2024/25, 4 per cent in 2025/26 and 5 per cent in 2026/27. This growth is not sufficient to provide for the carry-through costs of the 2023 unfunded wage agreement despite the reprioritisation undertaken, the 1.5 per cent pay progression, 4.4 per cent and 4.45 per cent cost of living adjustment in 2024/25 and 2025/26, respectively, as per National Treasury guidelines. The negative growth in 2024/25 means that some of the department's existing posts have become unfunded. The allocation against this category will be reviewed in-year.

Goods and services shows an increasing trend from 2020/21 to 2022/23. The increase in 2021/22 was to cater for spending pressures in various items relating to Covid-19. These included PPE, hygiene products, the fumigation of offices, as well as contractors, rental and hiring, etc. Furthermore, funds collected from the sale of units at Ridgeview Gardens in respect of the FLISP development were allocated to this category to cater for pressures from the purchase of computer equipment, as discussed. The significant increase in 2022/23 was due to spending pressures in relation to the MEC's Community Outreach Programmes, renewal of Microsoft Office licences and real time audit costs relating to the construction of TRUs following the April 2022 flood disaster, among others. The increase from the 2023/24 Main to the Adjusted Appropriation was to cater for spending pressures against operating leases for office accommodation due to an escalation in lease rates, as well as budget pressures from the carry-through of the 2021/22 MTEF budget cuts. The increase from the 2023/24 Adjusted Appropriation to the Revised Estimate is due to the budget pressures resulting from the carry-through impact of the 2021/22 MTEF budget cuts which were higher in 2023/24. The growth in 2024/25 is low, with the two outer years of the MTEF increasing largely in line with inflation. The MTEF provides mainly for the management of office accommodation, training and development, IT related functions, etc. for the entire department.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* relates to motor vehicle licences for the department's entire fleet.
- The fluctuating trend against *Households* is explained in Section 7.9.

Machinery and equipment relates to the purchase and replacement of motor vehicles. The increase in 2021/22 was due to savings moved to this category for the purchase of computer equipment. The increase from the 2023/24 Main to the Adjusted Appropriation was to cater for the purchase of two main servers for the Pietermaritzburg and Durban offices and 60 desktops. The significant decrease in 2024/25 is due to the high base. The MTEF provides for the purchase of departmental motor vehicles, computer equipment, etc.

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

Service delivery measures: Administration

Table 8.15 reflects the main service delivery measures pertaining to Programme 1.

Table 8.15 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2023/24	2024/25	2025/26	2026/27
Planning					
1.1 Improved good governance	• % of approved Human Resource plan implemented	80%	90%	100%	100%
	• No. of ICT Governance Framework performance reports submitted	4	4	4	4
	• % implementation of the approved internal audit plan	100%	100%	100%	100%
	• % of invoices paid within 30 days of receipt	100%	100%	100%	100%
	• No. of progress reports on the approved audit improvement plan submitted	4	4	4	4
	• Annual Performance Information management report submitted	1	1	1	1
	• % of the approved Procurement Plan implemented	100%	100%	100%	100%
	• % implementation of the Organisational Functionality Assessment Improvement Plan	New	25%	25%	50%

8.2 Programme 2: Housing Needs, Research and Planning

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

Tables 8.16 and 8.17 illustrate payments and budgeted estimates from 2020/21 to 2026/27.

The department implemented the 2021/22 MTEF budget cuts of R1.511 million in 2021/22, R2.394 million in 2022/23 and R3.150 million in 2023/24 against *Compensation of employees*. The department did not implement any portion of the 2023/24 MTEF budget cuts against this programme. The 2024/25 MTEF allocations are affected by a portion of the budget cuts of R1.416 million in 2024/25, R1.400 million in 2025/26 and R4.254 million in 2026/27 effected mainly against *Compensation of employees* and to a lesser extent against *Goods and services*. The impact of the budget cuts will be the non-filling of vacant posts, as well as a reduction in operational costs, such as travel and subsistence and training and development.

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

Table 10.1: Summary of payments and estimates by sub-programme: Housing Needs, Research and Planning									
R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
1. Administration	430	527	489	498	543	543	548	570	599
2. Policy	4 044	3 444	3 730	5 079	4 157	4 060	4 051	4 213	4 424
3. Planning	3 786	4 103	4 785	5 520	5 145	5 179	5 079	5 282	5 546
4. Research	8 097	9 564	11 114	11 333	11 285	11 028	9 701	10 089	10 593
Total	16 357	17 638	20 118	22 430	21 130	20 810	19 379	20 154	21 162

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23		2023/24		2024/25	2025/26	2026/27
Current payments	16 243	16 888	19 988	22 430	21 012	20 674	19 379	20 154	21 162
Compensation of employees	15 609	15 312	17 877	19 783	18 234	18 025	16 512	17 173	18 032
Goods and services	634	1 576	2 111	2 647	2 778	2 649	2 867	2 981	3 130
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	76	678	130	-	118	118	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	76	678	130	-	118	118	-	-	-
Payments for capital assets	38	45	-	-	-	18	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	38	45	-	-	-	18	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	27	-	-	-	-	-	-	-
Total	16 357	17 638	20 118	22 430	21 130	20 810	19 379	20 154	21 162

The budget for the sub-programme: Administration over the 2024/25 MTEF provides for administration of services, managing personnel, financial administration and the co-ordination and monitoring of housing needs, research and planning and shows an increasing trend over the MTEF. This sub-programme was not affected by the budget cuts over the MTEF.

The sub-programme: Policy provides for creating platforms for various stakeholders for discussing, drafting and informing human settlement policies, programmes, innovation and technology, and mainly consists of *Compensation of employees* and the operational costs of the staff within the component. These include policies, such as the environmental management policy, policy guideline for the Accreditation of Community Resource Organisations, etc. The MTEF allocations are affected by the fiscal consolidation budget cuts of R479 000 in 2024/25 and 2025/26, respectively and R1.396 million in 2026/27 effected against *Compensation of employees*.

The sub-programme: Planning provides for the facilitation and integration of housing sector planning in all sectors, such as local and district municipalities, as well as other departments such as COGTA, DOT and DOE, to name a few, in order to align the department's budget with current and future housing needs. The sub-programme further provides technical and professional support to municipalities in the review of their housing sector plans, IDPs and spatial development plans, to ensure alignment to the NDP and PGDS. Furthermore, the sub-programme is responsible for maintaining a pipeline of potential projects identified through an engagement process with municipalities, and for conducting feasibility studies to determine

suitability. At project level, the sub-programme identifies and manages the planning activities and studies of all human settlements projects, such as environmental, geotechnical, bulk infrastructure, social aspects, land legal and town planning. The allocations over the 2024/25 MTEF cater for the operational costs of staff within the Planning component. The MTEF allocations are affected by the fiscal consolidation budget cuts of R937 000 in 2024/25, R921 000 in 2025/26 and R681 000 in 2026/27 effected against *Compensation of employees*.

The sub-programme: Research provides for the identification of any skills gaps in the major stakeholders that are an integral part of the housing delivery chain, including municipalities, traditional leaders and institutions, emerging contractors, youth and women. The sub-programme includes planned capacity building initiatives to ensure broader participation of key stakeholders in the delivery of sustainable human settlements. The budget over the 2024/25 MTEF caters for the implementation of capacity building programmes, such as the training of traditional leaders and housing consumers, as well as beneficiary training for communities (i.e. training communities on their rights in housing, such as what type of housing they qualify for). This sub-programme was affected by budget cuts of R2.209 million in 2026/27 only, effected against *Goods and services* in relation to catering: departmental activity, travel and subsistence, and training and development. This sub-programme was also affected by the reprioritisation undertaken to assist with budget pressures against Programme 1.

Compensation of employees shows a steady increase from 2020/21 to 2022/23, with a minor decrease in 2021/22 due to delays in filling posts. The increase in 2022/23 was due to new appointments, as well as the wage agreement increment. The department does not plan to fill any posts over the MTEF due to a portion of the fiscal consolidation budget cuts of R1.416 million in 2024/25, R1.400 million in 2025/26 and R2.166 million in 2026/27 effected against this category. The MTEF shows negative growth of 8.4 per cent in 2024/25, 4 per cent in 2025/26 and 5 per cent in 2026/27. This growth is not sufficient to provide for the carry-through costs of the 2023 unfunded wage agreement despite the reprioritisation undertaken, the 1.5 per cent pay progression, as well as the 4.4 per cent and 4.45 per cent cost of living adjustment in 2024/25 and 2025/26, respectively, as per National Treasury guidelines. The negative growth in 2024/25 means that some of the department's existing posts have become unfunded. The allocation against this category will be reviewed in-year.

Goods and services shows an increasing trend over the 2024/25 MTEF to cater for inflationary adjustments. The category continues to make provision for capacity building programmes relating to housing consumer and Councillor training over the 2024/25 MTEF.

Transfers and subsidies to: Households relates to staff exit costs.

Machinery and equipment relates to the purchase of office furniture, and there are no allocations over the MTEF as this is not an annual requirement.

Service delivery measures: Housing Needs, Research and Planning

Table 8.18 reflects the main service delivery measures pertaining to Programme 2. Note that there are no current generic measures for this sector, but the department is largely following the sector measures from previous years.

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

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2023/24	2024/25	2025/26	2026/27
Planning						
1.1 Spatial transformation through multi-programme integration in priority development	• No. of integrated implementation programmes for priority development areas completed per year	6	3	4	5	
	• % of investment of the total Human Settlements allocation in PDAs	12%	12%	12%	12%	
	• Approved multi-year housing development plan reviewed annually	1	1	1	1	
	• No. of municipalities provided with technical support	43	43	43	43	
	• No. of human settlement development projects planned	25	36	38	42	
	• No. of catalytic projects in planning	5	4	4	4	

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

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2023/24	2024/25	2025/26	2026/27
	• No. of hectares of land procured/proclaimed	150	150	150	150
	• No. of farm residents housing assistance projects at pre-feasibility stage	2	1	1	1
	• No. of farm residents housing assistance projects in planning	3	4	5	5
	• No. of informal settlements upgrade plans completed	15	3	n/a	n/a
	• No. of projects in Phase 1 (pre-feasibility) of the UISP	10	24	30	35
	• No. of projects in Phase 2 (planning) of the UISP	55	90	95	105
	• No. of planned projects completed for upgrading to Phase 3 of the UISP	5	4	5	5
	• No. of priority development areas invested in	150	150	150	150
	• No. of reports developed in terms of approved research studies	1	1	1	1
	• No. of individuals provided with human settlements consumer education	10 000	5 000	10 000	10 000

8.3 Programme 3: Housing Development

This programme is responsible for the implementation and monitoring of housing delivery within all districts including the eThekweni Metro, through various subsidy mechanisms in terms of national and provincial policies. This programme has a number of projects at various stages of implementation within each municipality. It is also expected to achieve certain key strategic objectives for the department through implementation of projects using various subsidy instruments.

The subsidy instruments implemented by the department are explained as follows:

- Individual subsidy instrument provides access to state assistance where qualifying households wish to acquire an existing house or a vacant serviced residential stand, linked to a house construction contract through an approved mortgage loan.
- Institutional instrument provides capital grants to social housing institutions which construct and manage affordable rental units, among others.
- Consolidation instrument provides for the completion of houses on the serviced sites. Beneficiaries of such stands may apply under this instrument for further assistance to construct a house on their stands or to upgrade or complete a house that they may have constructed from their own resources.
- Disaster management instrument is used for temporary housing for disaster victims until they can be provided with permanent houses, among others.
- Social housing instrument aims at developing affordable rental in areas where bulk infrastructure (sanitation, water and transport) may be under-utilised, therefore improving urban efficiency, etc.
- Rectification instrument was created to facilitate the improvement of state financed residential properties created through state housing programme interventions.
- Social and economic facilities instrument is in line with the policy to establish quality, sustainable human settlements, and it was introduced to fund primary social and economic amenities, where funding is not available from other sources.
- Rural housing stock instrument deals with the rules for housing subsidies in respect of housing development on communal land registered in the name of the state, or which will be held by community members subject to the rules or custom of that community, among others.

Programme 3 consists of the bulk of the HSDG, the remainder of which falls under Programme 4. As such, this programme is aligned to the conditional grant business plan, which contains a list of all projects to be implemented. This programme is significantly impacted on by any fluctuations in the HSDG allocation. This programme also includes the EPWP Integrated Grant for Provinces, TDRG, PEHG and the ISUPG.

The department received disaster allocations of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, which partly explains the reduction in 2024/25, as mentioned. The department implemented the 2021/22 MTEF budget cuts of R6.693 million in 2021/22 and R19.696 million

in 2022/23 against *Compensation of employees*. The department did not implement any portion of the 2023/24 MTEF budget cuts against this programme.

The department implemented the bulk of the 2024/25 MTEF conditional grant cuts of R487.705 million in 2024/25, R645.509 million in 2025/26 and R949.706 million in 2026/27 against various economic classification categories under this programme in respect of the HSDG and the ISUPG. Furthermore, a portion of the fiscal consolidation budget cuts against the equitable share of R15.969 million in 2024/25, R16.247 million in 2025/26 and R20.296 million in 2026/27 were implemented against this programme mainly against the *Compensation of employees* and *Transfers and subsidies to: Households* categories. The impact of these cuts will be the non-filling of vacant posts and scaling down of the department's projects.

Tables 8.19 and 8.20 illustrate a summary of payments and budgeted estimates from 2020/21 to 2026/27.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
1. Administration	90 946	95 572	93 380	109 530	99 530	98 530	102 556	106 658	111 991
2. Financial Interventions	521 157	427 063	620 891	442 745	465 620	512 503	461 694	518 718	448 354
3. Incremental Interventions	1 310 558	1 291 624	1 399 663	1 858 189	1 946 705	1 899 822	1 020 393	983 949	740 339
4. Social and Rental Interventions	125 696	198 170	236 482	282 684	198 487	198 487	187 042	224 194	206 804
5. Rural Intervention	1 073 740	1 245 249	1 229 948	1 221 398	1 209 154	1 209 154	1 316 896	1 262 411	1 293 379
Total	3 122 097	3 257 678	3 580 364	3 914 546	3 919 496	3 918 496	3 088 581	3 095 930	2 800 867

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	249 869	238 020	266 778	247 009	290 233	294 710	262 132	260 330	250 424
Compensation of employees	177 451	183 428	184 748	191 483	192 234	191 140	196 194	200 604	200 452
Goods and services	72 418	54 592	82 030	55 526	97 999	103 570	65 938	59 726	49 972
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	2 869 662	3 009 950	3 311 112	3 662 005	3 624 085	3 618 532	2 816 931	2 824 063	2 538 882
Provinces and municipalities	104 318	70 505	136 847	94 289	125 095	125 679	39 471	78 821	76 861
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 765 344	2 939 445	3 174 265	3 567 716	3 498 990	3 492 853	2 777 460	2 745 242	2 462 021
Payments for capital assets	2 566	9 705	2 466	5 532	5 178	5 254	9 518	11 537	11 561
Buildings and other fixed structures	-	8 655	1 298	5 000	4 000	4 000	8 000	10 000	10 000
Machinery and equipment	2 566	1 050	1 168	532	1 178	1 254	1 518	1 537	1 561
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	3	8	-	-	-	-	-	-
Total	3 122 097	3 257 678	3 580 364	3 914 546	3 919 496	3 918 496	3 088 581	3 095 930	2 800 867

The sub-programme: Administration provides for administration of human settlement development projects, managing of personnel and financial administration. The sub-programme reflects an increasing trend over the 2024/25 MTEF, despite the budget cuts that were implemented against this sub-programme. The department requested that funds collected in 2019/20 from the sale of FLISP units, interest on funds held in terms of the Military Veterans' housing project, etc. be allocated back to them, with R5.476 million allocated in 2020/21, R5.476 million in 2021/22 and R5.477 million in 2022/23. These funds were allocated to the Youth Directorate under this programme. The 2024/25 MTEF shows inflationary growth despite the fiscal consolidation budget cuts of R7.712 million in 2024/25, R7.620 million in 2025/26 and R20.296 million in 2026/27 effected entirely against *Compensation of employees* in this sub-programme.

The Financial Interventions sub-programme provides for financial support to procure services relating to housing delivery, such as the National Home Builders Registration Council (NHBRC), FLISP, rectification of post-1994 houses, EPWP programme with the conditional grant, as well as OPSCAP, among others, and these are catered for over the MTEF. The subsidy instruments implemented under this sub-programme include, among others, the procurement of land for housing development, the operational costs for

accredited municipalities, project home enrolment fees with the NHBRC, OPSCAP within the HSDG, implementation of the anti-land invasion strategy, etc. The allocations over the MTEF are affected by a portion of the conditional grant budget cuts of R27.447 million in 2024/25 and R8.524 million in 2025/26, effected against *Compensation of employees, Goods and services* and *Transfers and subsidies to: Provinces and municipalities*. These budget cuts result in non-filling of posts and the reduction of interventions planned over the MTEF.

The Incremental Interventions sub-programme contributes towards ensuring sustainable human settlements. The subsidy instruments implemented include the ISU programme, IRDP, emergency housing assistance, etc. The department received disaster allocations of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, and this partly explains the significant decrease in 2024/25, as mentioned. The decrease is further explained by the large portion of the conditional grant and equitable share budget cuts of R366.117 million in 2024/25, R562.995 million in 2025/26 and R991.895 million being implemented entirely against *Transfers and subsidies to: Households* in respect of the department's capital housing projects over the MTEF. The impact of these cuts will be the reduction in the number of units constructed and sites serviced, as well as hostels upgraded and rehabilitated over the MTEF.

The sub-programme: Social and Rental Interventions provides for the CRU programme which aims to create a sustainable, affordable and secure rental housing option for households. Over the 2024/25 MTEF, the department will scale down on the number of units produced per CRU programme due to the impact of the 2024/25 MTEF conditional grant budget cuts of R94.142 million in 2024/25, R73.990 million in 2025/26 and R91.380 million in 2026/27 effected against *Transfers and subsidies to: Provinces and municipalities* and *Transfers and subsidies to: Households*. The programme provides for projects such as the construction of new CRUs, the refurbishment of existing CRUs, hostel upgrades, including the Kokstad CRU, Rocky Park hostel upgrades in iLembe, Jika Joe in Msunduzi, Newcastle N11 in Amajuba, etc. These projects will be rolled-out in smaller scales by reducing the number of units built per project.

The sub-programme: Rural Intervention provides for housing needs that are implemented utilising the rural housing subsidy, which entails extending the benefits of the housing subsidy scheme to those individuals living in areas referred to as rural areas where they enjoy functional security of tenure to the land they occupy as opposed to legal security of tenure. This land is normally in rural areas, belongs to the state and is governed by traditional authorities. The projects that are budgeted for over the 2024/25 MTEF include projects with current contractual commitments, projects which contribute to medium to high density development (e.g. Breaking New Ground) that promote integrated development, as well as projects that benefit the elderly, military veterans, people living with disabilities and child headed households. All new contracts for housing unit projects will be critically assessed in order to determine the urgency and needs thereof. Where urgent intervention is required, the OSS programme is then used to fast track the delivery of houses. The allocations over the MTEF also cater for rural housing projects, as well as OSS. The allocations over the MTEF are affected by conditional grant budget cuts of R94.142 million in 2024/25, R73.990 million in 2025/26 and R91.380 million in 2026/27, effected against *Transfers and subsidies to: Provinces and municipalities* and *Transfers and subsidies to: Households*. The impact of these cuts will be the scaling down of projects over the MTEF by reducing the number of units produced per project.

The growth against *Compensation of employees* can mainly be attributed to posts funded by the HSDG and ISUPG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. This category shows growth of 2.6 per cent in 2024/25, 2.2 per cent in 2025/26 and negative growth of 0.1 per cent in 2026/27. This growth is not sufficient to provide for the carry-through costs of the 2023 unfunded wage agreement despite the reprioritisation undertaken, the 1.5 per cent pay progression, as well as the 4.4 per cent and 4.45 per cent cost of living adjustment in 2024/25 and 2025/26, respectively, as per National Treasury guidelines. This category was affected by the conditional grant and equitable share budget cuts of R16.021 million in 2024/25, R10.676 million in 2025/26 and R6.283 million in 2026/27, with the impact of this being the non-filling of vacant posts including those that become vacant over the MTEF. The allocation over the MTEF will be reviewed in-year.

Goods and services provides for operational costs of officials, implementation of the anti-land invasion strategy, as well as a portion of the EPWP Integrated Grant for Provinces allocation. The EPWP Integrated

Grant for Provinces is not allocated beyond 2024/25, at this stage. The department allocates 1 per cent of the HSDG for the management of catalytic projects by HDA. The 2024/25 MTEF also provides for the management of catalytic projects, the anti-land invasion strategy, etc.

With regard to *Transfers and subsidies*:

- The fluctuating trend against *Provinces and municipalities* is explained in Section 7.9.
- *Households* fluctuates from 2020/21 to 2022/23, largely in respect of the HSDG, as the bulk of the housing programmes are budgeted for within this category. This is explained in detail in Section 7.9.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme, as explained under Section 7.5 under *New infrastructure assets: Capital*.

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

Service delivery measures: Housing Development

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

Note that there are currently no generic measures for this sector. However, the department is largely following the sector measures from the previous years when there were still sector-specific measures. Some of the outputs have changed to ensure alignment with the department's 2024/25 APP.

It is noted that the targets listed in Table 8.21 are aligned to the latest draft 2024/25 APP. These targets will be revised after the department has undertaken internal engagements in order to take into account the effects of the budget cuts implemented by National Treasury against the department's conditional grants.

Table 8.21 : Service delivery measures: Housing Development

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2023/24	2024/25	2025/26	2026/27	
1.1 Adequate housing and improved quality living environment	• No. of Breaking New Ground (BNG) houses delivered	12 611	7 718	8 040	8 216	
	• No. of serviced sites delivered	5 575	4 475	4 970	4 422	
	• No. of households that received subsidies through FLISP	653	400	450	500	
	• No. of CRUs delivered	535	270	285	155	
	• No. of informal settlements upgraded to Phase 3 of the ISU programme	2	-	-	2	
1.2 Improved Security of Tenure	• No. of post-1994 title deeds registered	5 025	8 085	1 934	1 948	
	• No. of new title deeds registered	170	238	-	-	
	• No. of post-2014 title deeds registered	1 459	300	600	850	
1.3 Adequate housing and improved quality living environment	• No. of houses (units) delivered through the MVHP	100	100	212	200	
	• No. of houses (units) delivered through the IRDP	2 646	1 758	1 971	1 954	
	• No. of houses (units) delivered through the consolidation subsidy programme	265	158	131	154	
	• No. of houses (units) delivered through the OSS intervention for vulnerable groups	621	603	355	234	
	• No. of houses (units) delivered to households affected by disasters	2 224	1 500	1 500	1 500	
	• No. of houses (units) delivered through the rural subsidy programme	6 755	5 199	5 583	5 919	
	• No. of serviced sites delivered through the IRDP	757	-	585	690	
	• No. of serviced sites delivered through the UISP	4 818	4 299	4 970	4 422	
	• No. of social housing projects approved for consolidated capital grant funding	3	2	2	2	
1.4 Economically transformed human settlements sector Social housing institutions accredited	• No. of designated group companies trained	140	170	200	200	
	• No. of work opportunities created through related programmes	5 800	5 900	5 950	6 000	
	• No. of FTEs created	1 600	1 700	1 750	1 800	
	• No. of targeted persons day of work	368 000	391 000	402 500	414 000	
	• No. of EPWP beneficiaries provided with accredited training	250	260	270	280	
	• No. of social housing institutions accredited	3	2	2	2	

8.4 Programme 4: Housing Asset Management

This programme is responsible for the management of Ex-Natal Provincial Administration and Own Affairs stock. This stock includes residential properties, vacant land and a variety of other non-residential properties, all of which belong to the KZN Housing Fund. In terms of its mandate, all properties will, on a progressive basis, either be transferred to individual occupants in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS), or be disposed of in the open market. The EEDBS policy was introduced to assist persons to acquire state financed rental housing, and to assist existing sales debtors to settle the balance on purchase prices of properties acquired from the public sector or to repay publicly financed credit that had been used for housing purposes. It awards subsidies and discounts to qualifying beneficiaries, thereby reducing their debt on properties which assists to fast track the transfer process.

Some of the aforementioned properties will also be devolved to municipalities. In cases where a transfer is not possible, such stock will remain rental stock and will be rented out to low income groups.

The KZN Housing Fund is in the process of being dis-established and, once this process is finalised, all assets and liabilities will be transferred to the Vote. Negotiations in this regard are still underway. The KZN Housing Fund is funded by equitable share and the HSDG over the MTEF.

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

The department implemented the 2021/22 MTEF budget cuts of R4.544 million in 2021/22, R5.952 million in 2022/23 and R9.449 million in 2023/24 under this programme. Also, the department implemented a portion of the 2023/24 MTEF budget cuts of R1.096 million, R443 000 and R780 000 under this programme.

Furthermore, the department implemented a portion of the 2024/25 MTEF fiscal consolidation budget cuts of R944 000 in 2024/25, R933 000 in 2025/26 and R6.328 million in 2026/27, and conditional grant budget cuts of R10.581 million in 2024/25, R11.870 million in 2025/26 and R17.383 million in 2026/27 against *Transfers and subsidies to: Departmental agencies and accounts*. The impact of these cuts will be the non-filling of vacant posts, including those that become vacant in 2024/25 due to retirements and staff exits, and the scaling down of the rehabilitation and rectification of pre-1994 housing stock and emergency maintenance work.

The 2024/25 MTEF provides for the issuance of title deeds, maintenance of rental units, as well as selling of rental units to beneficiaries, among others.

Although the NDHS is targeting to de-establish the KZN Housing Fund by 2025, provision has been made for this beyond 2025 as the department is being prudent. The progress on meeting this target will be monitored and the department will review the allocations in line with the progress made.

Tables 8.22 and 8.23 give a summary of payments and budgeted estimates pertaining to this programme.

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
1. Administration	42 193	40 553	38 736	44 717	39 717	43 717	31 543	32 805	33 596
2. Sale and Transfer of Housing Properties	58 675	57 509	67 149	61 932	55 238	55 238	57 113	56 463	54 504
3. Housing Properties Maintenance	72 057	68 639	76 813	63 200	58 500	54 500	68 181	61 533	59 573
Total	172 925	166 701	182 698	169 849	153 455	153 455	156 837	150 801	147 673

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	102	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	102	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	172 925	166 701	182 698	169 849	153 455	153 455	156 837	150 801	147 673

The sub-programme: Administration provides for the management of Ex-Natal Provincial Administration and Own Affairs stock. The allocations are affected by the 2024/25 MTEF budget cuts of R944 000 in 2024/25, R933 000 in 2025/26 and R6.328 million in 2026/27. The impact of this cut will be the non-filling of vacant post, including those that become vacant over the MTEF due to retirements and staff exits.

The sub-programme: Sale and Transfer of Housing Properties provides for the transfer of rental housing stock to qualifying beneficiaries, such as low income earners, in terms of the EEDBS. The allocations are affected by a portion of the HSDG budget cut of R4.819 million in 2024/25, R5.469 million in 2025/26 and R7.428 million in 2026/27. This sub-programme will not be severely impacted by these budget cuts since the department is in the process of devolving the pre-1994 housing stock to the eThekweni Metro.

The sub-programme: Housing Properties Maintenance provides for the co-ordination of the maintenance of departmental rental housing stock and rectification of units built prior to 1994. The allocations are affected by a portion of the HSDG budget cut of R4.818 million in 2024/25, R5.468 million in 2025/26 and R3.627 million in 2026/27. The impact of these cuts will be the scaling down of the rehabilitation and rectification of pre-1994 housing stock and emergency maintenance work.

Service delivery measures: Housing Asset Management

Table 8.24 reflects the main service delivery measures pertaining to Programme 4. Note that there are currently no generic measures for this sector. However, the department is largely following the sector measures from previous years when there were sector specific outputs. It should be noted that the targets listed in Table 8.24 are aligned to the latest draft 2024/25 APP. These targets will be revised after the department has undertaken internal engagements in order to take into account the effects of the budget cuts implemented by National Treasury against the department's equitable share and conditional grant funding.

Table 8.24 : Service delivery measures: Housing Asset Management

Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2023/24	2024/25	2025/26	2026/27
1.1	Improved Security of Tenure	<ul style="list-style-type: none"> No. of pre-1994 title deeds registered 	2 102	3 579	4 515	4 546
		<ul style="list-style-type: none"> No. of rental units sold to beneficiaries 	100	100	100	50
1.2	Improved good governance	<ul style="list-style-type: none"> No. of debtors reduced 	200	150	100	100
1.3	Adequate housing and improved quality living environment	<ul style="list-style-type: none"> No. of rental units maintained 	300	250	200	200
		<ul style="list-style-type: none"> No. of units rectified for pre-1994 stock 	300	200	200	200
		<ul style="list-style-type: none"> No. of land parcels devolved to municipalities for human settlements development in terms of Section 15 of the Housing Act, 1997 	100	50	50	50

9. Other programme information

9.1 Personnel numbers and costs

Table 8.25 provides detail of the department's approved establishment and personnel numbers, per level and programme, as well as a breakdown of employees' dispensation classification.

Table 8.25 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimate						Average annual growth over MTEF 2023/24 - 2026/27		
	2020/21		2021/22		2022/23		2023/24				2024/25		2025/26		2026/27		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Filled posts	Addit. posts	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs			
R thousands																			
Salary level																			
1 – 7	223	74 022	216	73 905	232	81 811	207	14	221	69 379	216	67 116	212	71 144	212	73 169	(1.4%)	1.8%	19.5%
8 – 10	232	123 694	246	157 108	271	148 042	281	-	281	167 188	283	168 519	260	172 696	260	172 930	(2.6%)	1.1%	46.7%
11 – 12	85	87 289	58	68 352	63	67 576	68	-	68	68 667	79	65 044	65	63 877	65	66 973	(1.5%)	(0.8%)	18.2%
13 – 16	35	42 219	34	41 329	35	41 756	31	1	32	42 811	36	44 379	36	48 352	36	50 905	4.0%	5.9%	12.9%
Other	40	9 330	39	10 720	60	12 646	50	16	66	10 075	62	9 902	50	9 651	50	9 847	(8.8%)	(0.8%)	2.7%
Total	615	336 554	593	351 414	661	351 831	637	31	668	358 120	676	354 960	623	365 720	623	373 824	(2.3%)	1.4%	100.0%
Programme																			
1. Administration	306	143 494	292	152 674	333	149 206	322	23	345	148 955	324	142 253	313	147 943	313	155 340	(3.2%)	1.4%	41.2%
2. Housing Needs, Research and Planning	25	15 609	22	15 312	28	17 877	28	-	28	18 025	25	16 512	23	17 173	23	18 032	(6.3%)	0.0%	4.8%
3. Housing Development	284	177 451	279	183 428	300	184 748	287	8	295	191 140	327	196 195	287	200 604	287	200 452	(0.9%)	1.6%	54.0%
4. Housing Asset Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	615	336 554	593	351 414	661	351 831	637	31	668	358 120	676	354 960	623	365 720	623	373 824	(2.3%)	1.4%	100.0%
Employee dispensation classification																			
PSA appointees not covered by OSDs	519	294 825	488	301 128	540	301 902	554	15	569	316 404	571	315 751	518	311 258	518	316 857	(3.1%)	0.0%	86.0%
Legal Professionals	8	6 119	8	6 456	8	6 456	8	-	8	6 740	8	6 740	8	7 042	8	7 366	-	3.0%	1.9%
Social Services Professions	11	3 464	11	3 655	11	3 655	11	-	11	3 816	11	3 816	11	3 987	11	4 170	-	3.0%	1.1%
Engineering Professions and related	31	21 072	41	27 615	36	36 747	11	-	11	15 653	11	16 830	11	27 341	11	28 599	-	22.3%	6.5%
Educators and related professionals	6	1 744	6	1 840	6	1 840	6	-	6	1 921	7	1 921	7	2 618	7	2 738	5.3%	12.5%	0.7%
Others (interns, EPWP, learnerships, etc.)	40	9 330	39	10 720	60	12 646	53	16	69	13 586	68	9 902	68	13 474	68	14 094	(0.5%)	1.2%	3.7%
Total	615	336 554	593	351 414	661	351 831	643	31	674	358 120	676	354 960	623	365 720	623	373 824	(2.6%)	1.4%	100.0%

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

The personnel numbers show a fluctuating trend from 2020/21 to 2022/23. The decrease in 2021/22 is in line with the HSDG budget cuts undertaken over the 2021/22 MTEF, as there are contract posts budgeted for under the OPSCAP allocation within the HSDG. These posts were filled on a contractual basis as they are linked to projects. In this regard, the department did not provide for growth for these posts, but the allocations are kept constant and do not provide adequately for the 1.5 per cent pay progression, the 4.4 per cent and 4.45 per cent cost of living adjustment over the MTEF. This will be reviewed by the department in the next budget process. The budget shows a slight decrease over the 2024/25, as a result of the fiscal consolidation budget cuts. The department undertook reprioritisation to cater for the carry-through costs of the 2023 unfunded wage agreement however, this was offset to an extent by other budget pressures in *Goods and services* and the MTEF budget cuts implemented against *Compensation of employees*.

The department has a total of 31 vacant posts as per the approved organisational structure, including Director: Rental Housing and Tribunal, Deputy Director: Fleet Services, Assistant Director: Facilities, Administration Officers, Deputy Director: Administration Support, Administrative Officer and Control Works Inspector, among others, and these posts will not be filled due to a portion of the 2024/25 MTEF budget cuts being implemented against *Compensation of employees*. The department is considering removing and merging some of the lower level posts that may become vacant over the MTEF, such as Drivers, Administration Clerks and Assistant Directors, among others, where possible.

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

9.2 Training

Table 8.26 gives a summary of departmental spending and information on training. The amounts reflected relate mainly to project management, secretarial, financial management and computer training courses for staff. The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The department abides by this, exceeding the 1 per cent requirement in most years. The trend over MTEF is based on number of personnel to be trained. The fluctuation in numbers is due to EPWP training under Programme 3. The department will review the 2024/25 MTEF budget in-year.

Table 8.26 : Information on training: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Number of staff	615	593	661	668	668	668	676	623	623
Number of personnel trained	46	208	410	960	251	960	450	450	450
of which									
Male	20	65	129	463	85	463	150	150	150
Female	26	143	281	497	166	497	300	300	300
Number of training opportunities	47	28	30	37	9	37	37	37	37
of which									
Tertiary	9	2	1	5	1	5	5	5	5
Workshops	1	1	15	4	4	4	4	4	4
Seminars	8	1	1	2	2	2	2	2	2
Other	29	24	13	26	2	26	26	26	26
Number of bursaries offered	12	13	21	18	5	18	12	12	12
Number of interns appointed	32	33	32	30	20	30	20	20	20
Number of learnerships appointed	-	20	15	15	20	15	20	20	20
Number of days spent on training	360	573	434	800	188	800	480	480	480
Payments on training by programme									
1. Administration	54	603	726	1 317	1 317	790	1 375	1 430	1 502
2. Housing Needs, Research and Planning	-	-	-	517	153	1	481	500	525
3. Housing Development	2 854	994	12 182	3 648	4 504	8 153	3 062	210	210
4. Housing Asset Management	-	-	-	-	-	-	-	-	-
Total	2 908	1 597	12 908	5 482	5 974	8 944	4 918	2 140	2 237

ANNEXURE – VOTE 8: HUMAN SETTLEMENTS

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	372	368	361	380	380	381	402	420	439
Sale of goods and services produced by department (excluding capital assets)	372	368	361	380	380	381	402	420	439
Sale by market establishments	185	172	361	161	161	162	173	181	189
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	187	196	-	219	219	219	229	239	250
Of which									
Commission Insurance	187	186	-	203	203	203	212	221	231
Sale of tender documents	-	-	-	16	16	16	17	18	19
Other	-	10	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	38	8	16	22	22	186	23	24	25
Interest	38	8	16	22	22	186	23	24	25
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	2 806	3 651	925	741	741	1 813	774	809	846
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	2 806	3 651	925	741	741	1 813	774	809	846
Transactions in financial assets and liabilities	2 429	2 664	4 332	1 863	1 863	15 000	1 937	2 024	2 117
Total	5 645	6 691	5 634	3 006	3 006	17 380	3 136	3 277	3 427

Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	498 792	509 546	556 284	498 592	549 110	578 821	540 216	550 752	554 093
Compensation of employees	336 554	351 414	351 831	360 537	358 493	358 120	354 959	365 720	373 824
Salaries and wages	301 129	309 285	312 707	320 839	320 899	320 645	315 594	321 380	329 666
Social contributions	35 425	42 129	39 124	39 698	37 594	37 475	39 365	44 340	44 158
Goods and services	162 238	158 132	204 453	138 055	190 617	220 701	185 257	185 032	180 269
Administrative fees	358	1 009	1 231	1 259	1 542	2 517	1 196	1 094	1 132
Advertising	5 111	3 097	3 863	991	315	8 740	2 821	2 884	1 967
Minor assets	464	2 927	793	664	608	704	639	660	688
Audit cost: External	5 098	5 868	8 592	4 785	4 785	6 843	7 033	7 314	7 680
Bursaries: Employees	349	287	393	153	153	83	160	166	175
Catering: Departmental activities	562	3 106	5 339	2 385	3 113	9 364	3 613	3 118	2 171
Communication (G&S)	4 685	1 987	1 941	2 001	1 371	2 089	2 159	2 245	2 358
Computer services	22 454	21 860	27 675	15 661	16 211	18 944	27 796	28 909	30 353
Cons & prof sev: Business and advisory services	4 607	2 415	8 134	3 879	30 865	25 174	8 779	8 782	3 786
Infrastructure and planning	33 765	30 673	28 525	30 488	29 488	18 266	31 188	30 488	30 488
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	1 349	2 377	1 499	2 588	2 588	3 889	2 691	2 789	2 916
Contractors	2 724	2 965	4 624	1 193	4 737	7 541	3 087	1 702	212
Agency and support / outsourced services	913	-	71	-	456	812	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	4 287	5 903	8 206	4 617	4 617	8 673	9 423	9 780	10 244
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	15 266	4 983	1 785	977	1 982	2 609	1 431	652	666
Consumable: Stationery, printing and office supplies	795	913	1 334	1 571	1 355	1 326	1 598	1 662	1 745
Operating leases	28 541	29 146	28 738	25 756	35 458	35 172	36 101	38 260	39 422
Property payments	19 050	21 161	38 816	21 184	26 902	34 400	26 009	27 409	28 079
Transport provided: Departmental activity	32	386	907	-	-	2 127	500	500	-
Travel and subsistence	6 996	11 342	13 687	10 988	11 538	15 505	11 713	12 049	12 487
Training and development	2 908	1 597	12 908	5 482	5 974	8 944	4 918	2 140	2 237
Operating payments	887	517	1 068	807	666	835	776	803	837
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	1 037	3 613	4 324	626	5 893	6 144	1 626	1 626	626
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 044 100	3 179 929	3 497 175	3 832 521	3 779 315	3 773 832	2 974 483	2 975 608	2 687 335
Provinces and municipalities	104 441	70 636	137 006	94 453	125 259	125 843	39 661	79 019	77 068
Provinces	123	131	159	164	164	164	190	198	207
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	123	131	159	164	164	164	190	198	207
Municipalities	104 318	70 505	136 847	94 289	125 095	125 679	39 471	78 821	76 861
Municipalities	104 318	70 505	136 847	94 289	125 095	125 679	39 471	78 821	76 861
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 766 734	2 942 592	3 177 573	3 568 219	3 500 601	3 494 534	2 777 985	2 745 788	2 462 594
Social benefits	2 746	4 305	3 514	154	2 970	2 970	154	154	154
Other transfers to households	2 763 988	2 938 287	3 174 059	3 568 065	3 497 631	3 491 564	2 777 831	2 745 634	2 462 440
Payments for capital assets	4 566	23 700	9 153	11 884	15 692	15 444	14 977	17 214	17 522
Buildings and other fixed structures	-	8 655	1 298	5 000	4 000	4 000	8 000	10 000	10 000
Buildings	-	8 655	1 298	-	4 000	4 000	8 000	10 000	10 000
Other fixed structures	-	-	-	5 000	-	-	-	-	-
Machinery and equipment	4 566	15 045	7 855	6 884	11 692	11 444	6 977	7 214	7 522
Transport equipment	3 239	3 976	769	1 277	1 277	430	747	767	800
Other machinery and equipment	1 327	11 069	7 086	5 607	10 415	11 014	6 230	6 447	6 722
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	30	16	-	-	-	-	-	-
Total	3 547 458	3 713 205	4 062 628	4 342 997	4 344 117	4 368 097	3 529 676	3 543 574	3 258 950

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	232 680	254 638	269 518	229 153	237 865	263 437	258 705	270 268	282 507
Compensation of employees	143 494	152 674	149 206	149 271	148 025	148 955	142 253	147 943	155 340
Salaries and wages	123 537	129 365	127 121	130 121	128 178	128 708	121 802	126 674	133 008
Social contributions	19 957	23 309	22 085	19 150	19 847	20 247	20 451	21 269	22 332
Goods and services	89 186	101 964	120 312	79 882	89 840	114 482	116 452	122 325	127 167
Administrative fees	68	390	405	317	317	927	220	229	240
Advertising	1 715	1 971	1 966	45	45	2 942	1 528	1 589	1 669
Minor assets	317	2 103	637	332	279	260	262	272	286
Audit cost: External	5 098	5 868	8 592	4 785	4 785	6 843	7 033	7 314	7 680
Bursaries: Employees	349	287	393	153	153	83	160	166	175
Catering: Departmental activities	32	2 893	4 669	133	133	2 273	60	62	66
Communication (G&S)	3 749	1 987	1 934	1 358	1 358	2 089	2 148	2 234	2 346
Computer services	22 454	21 860	27 675	15 661	15 661	18 394	27 796	28 909	30 353
Cons & prof sev: Business and advisory services	349	141	74	126	126	65	75	78	82
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	934	682	1 464	2 344	2 344	3 645	2 447	2 545	2 672
Contractors	220	1 469	2 279	102	102	1 991	194	202	212
Agency and support / outsourced services	913	-	71	-	456	812	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	3 952	5 523	7 671	4 115	4 115	8 113	8 921	9 278	9 742
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 605	192	424	310	310	152	204	212	223
Consumable: Stationery, printing and office supplies	745	863	1 231	1 456	1 216	1 216	1 489	1 549	1 626
Operating leases	28 541	29 146	28 738	25 756	35 458	35 172	36 101	38 260	39 422
Property payments	15 590	17 763	21 011	17 675	17 675	19 136	22 500	23 900	24 570
Transport provided: Departmental activity	-	386	907	-	-	767	-	-	-
Travel and subsistence	1 660	3 707	4 174	3 402	3 402	6 311	3 287	3 418	3 589
Training and development	54	603	726	1 317	1 317	790	1 375	1 430	1 502
Operating payments	702	517	947	495	588	743	652	678	712
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	139	3 613	4 324	-	-	1 758	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 437	2 600	3 337	667	1 657	1 727	715	744	780
Provinces and municipalities	123	131	159	164	164	164	190	198	207
Provinces	123	131	159	164	164	164	190	198	207
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	123	131	159	164	164	164	190	198	207
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 314	2 469	3 178	503	1 493	1 563	525	546	573
Social benefits	1 113	1 400	2 551	-	990	990	-	-	-
Other transfers to households	201	1 069	627	503	503	573	525	546	573
Payments for capital assets	1 962	13 950	6 585	6 352	10 514	10 172	5 459	5 677	5 961
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 962	13 950	6 585	6 352	10 514	10 172	5 459	5 677	5 961
Transport equipment	868	3 976	769	1 277	1 277	430	747	767	800
Other machinery and equipment	1 094	9 974	5 816	5 075	9 237	9 742	4 712	4 910	5 161
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	8	-	-	-	-	-	-
Total	236 079	271 188	279 448	236 172	250 036	275 336	264 879	276 689	289 248

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	16 243	16 888	19 988	22 430	21 012	20 674	19 379	20 154	21 162
Compensation of employees	15 609	15 312	17 877	19 783	18 234	18 025	16 512	17 173	18 032
Salaries and wages	13 522	13 089	14 567	17 104	15 874	15 665	14 238	14 808	15 549
Social contributions	2 087	2 223	3 310	2 679	2 360	2 360	2 274	2 365	2 483
Goods and services	634	1 576	2 111	2 647	2 778	2 649	2 867	2 981	3 130
Administrative fees	48	94	59	146	165	138	133	138	145
Advertising	5	21	8	-	-	-	-	-	-
Minor assets	-	39	5	7	7	16	5	5	5
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	15	-	331	771	1 123	1 080	912	948	996
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	-	249	398	-	-	152	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	16	89	23	-	1	2	-	-	-
Consumable: Stationery, printing and office supplies	-	2	63	32	23	27	51	53	56
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	544	1 082	1 218	1 168	1 299	1 226	1 270	1 321	1 387
Training and development	-	-	-	517	153	1	481	500	525
Operating payments	6	-	6	6	7	7	15	16	16
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	76	678	130	-	118	118	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	76	678	130	-	118	118	-	-	-
Social benefits	76	678	130	-	118	118	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	38	45	-	-	-	18	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	38	45	-	-	-	18	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	38	45	-	-	-	18	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	27	-	-	-	-	-	-	-
Total	16 357	17 638	20 118	22 430	21 130	20 810	19 379	20 154	21 162

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	249 869	238 020	266 778	247 009	290 233	294 710	262 132	260 330	250 424
Compensation of employees	177 451	183 428	184 748	191 483	192 234	191 140	196 194	200 604	200 452
Salaries and wages	164 070	166 831	171 019	173 614	176 847	176 272	179 554	179 898	181 109
Social contributions	13 381	16 597	13 729	17 869	15 387	14 868	16 640	20 706	19 343
Goods and services	72 418	54 592	82 030	55 526	97 999	103 570	65 938	59 726	49 972
Administrative fees	242	525	767	796	1 060	1 452	843	727	747
Advertising	3 391	1 105	1 889	946	270	5 798	1 293	1 295	298
Minor assets	147	785	151	325	322	428	372	383	397
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	515	213	339	1 481	1 857	6 011	2 641	2 108	1 109
Communication (G&S)	936	-	7	643	13	-	11	11	12
Computer services	-	-	-	-	550	550	-	-	-
Cons & prof sev: Business and advisory services	4 258	2 025	7 662	3 753	30 739	24 957	8 704	8 704	3 704
Infrastructure and planning	33 765	30 673	28 525	30 488	29 488	18 266	31 188	30 488	30 488
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	415	1 695	35	244	244	244	244	244	244
Contractors	2 504	1 496	2 345	1 091	4 635	5 550	2 893	1 500	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	335	380	535	502	502	560	502	502	502
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	13 645	4 702	1 338	667	1 671	2 455	1 227	440	443
Consumable: Stationery, printing and office supplies	50	48	40	83	116	83	58	60	63
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	3 460	3 398	17 805	3 509	9 227	15 264	3 509	3 509	3 509
Transport provided: Departmental activity	32	-	-	-	-	1 360	500	500	-
Travel and subsistence	4 792	6 553	8 295	6 418	6 837	7 968	7 156	7 310	7 511
Training and development	2 854	994	12 182	3 648	4 504	8 153	3 062	210	210
Operating payments	179	-	115	306	71	85	109	109	109
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	898	-	-	626	5 893	4 386	1 626	1 626	626
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 869 662	3 009 950	3 311 112	3 662 005	3 624 085	3 618 532	2 816 931	2 824 063	2 538 882
Provinces and municipalities	104 318	70 505	136 847	94 289	125 095	125 679	39 471	78 821	76 861
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	104 318	70 505	136 847	94 289	125 095	125 679	39 471	78 821	76 861
Municipalities	104 318	70 505	136 847	94 289	125 095	125 679	39 471	78 821	76 861
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 765 344	2 939 445	3 174 265	3 567 716	3 498 990	3 492 853	2 777 460	2 745 242	2 462 021
Social benefits	1 557	2 227	833	154	1 862	1 862	154	154	154
Other transfers to households	2 763 787	2 937 218	3 173 432	3 567 562	3 497 128	3 490 991	2 777 306	2 745 088	2 461 867
Payments for capital assets	2 566	9 705	2 466	5 532	5 178	5 254	9 518	11 537	11 561
Buildings and other fixed structures	-	8 655	1 298	5 000	4 000	4 000	8 000	10 000	10 000
Buildings	-	8 655	1 298	-	4 000	4 000	8 000	10 000	10 000
Other fixed structures	-	-	-	5 000	-	-	-	-	-
Machinery and equipment	2 566	1 050	1 168	532	1 178	1 254	1 518	1 537	1 561
Transport equipment	2 371	-	-	-	-	-	-	-	-
Other machinery and equipment	195	1 050	1 168	532	1 178	1 254	1 518	1 537	1 561
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	3	8	-	-	-	-	-	-
Total	3 122 097	3 257 678	3 580 364	3 914 546	3 919 496	3 918 496	3 088 581	3 095 930	2 800 867

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	172 925	166 701	182 596	169 849	153 455	153 455	156 837	150 801	147 673
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	102	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	102	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	102	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	172 925	166 701	182 698	169 849	153 455	153 455	156 837	150 801	147 673

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	158 998	142 755	140 156	137 580	182 402	182 402	159 412	154 157	138 942
Compensation of employees	91 821	92 562	89 808	86 950	98 116	98 116	98 184	99 328	94 113
Salaries and wages	90 860	91 612	89 008	86 150	97 316	97 314	96 184	93 848	90 757
Social contributions	961	950	800	800	800	802	2 000	5 480	3 356
Goods and services	67 177	50 193	50 348	50 630	84 286	84 286	61 228	54 829	44 829
Administrative fees	72	268	520	330	541	541	461	330	330
Advertising	2 341	1 061	240	240	240	240	1 240	1 240	240
Minor assets	36	539	105	105	116	116	105	105	105
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	515	3	162	1 478	1 297	1 297	2 633	2 100	1 100
Communication (G&S)	936	-	-	621	-	-	-	-	-
Computer services	-	-	-	-	550	550	-	-	-
Cons & prof serv: Business and advisory services	4 258	2 025	5 523	3 753	28 969	28 969	8 704	8 704	3 704
Cons and prof serv: Infrastructure and planning	32 534	30 673	18 219	30 488	29 421	29 421	31 188	30 488	30 488
Cons and prof serv: Laboratory services	-	-	-	-	-	-	-	-	-
Cons and prof serv: Scientific and tech services	-	-	-	-	-	-	-	-	-
Legal costs	415	1 695	244	244	244	244	244	244	244
Contractors	2 197	1 469	2 429	1 091	1 313	1 313	2 893	1 500	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. GMT)	335	380	502	502	502	502	502	502	502
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	13 535	4 378	704	594	535	535	1 160	370	370
Consumable: Stationery, printing and office supplies	2	29	28	-	58	58	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	3 460	3 398	9 442	3 509	9 227	9 227	3 509	3 509	3 509
Transport provided: Departmental activity	32	-	-	-	-	-	500	500	-
Travel and subsistence	2 754	3 773	3 563	3 292	3 294	3 294	3 292	3 292	3 292
Training and development	2 854	502	8 558	3 648	2 086	2 086	3 062	210	210
Operating payments	3	-	109	109	-	-	109	109	109
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	898	-	-	626	5 893	5 893	1 626	1 626	626
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 993 764	3 130 638	3 483 050	3 787 137	3 734 413	3 734 413	2 942 855	2 942 059	2 652 959
Provinces and municipalities	104 318	70 505	129 639	94 289	125 095	125 095	39 471	78 821	76 861
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	104 318	70 505	129 639	94 289	125 095	125 095	39 471	78 821	76 861
Municipalities	104 318	70 505	129 639	94 289	125 095	125 095	39 471	78 821	76 861
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	130 431	126 148	143 962	125 132	113 738	113 738	125 924	117 996	114 077
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	130 431	126 148	143 962	125 132	113 738	113 738	125 924	117 996	114 077
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 759 015	2 933 985	3 209 449	3 567 716	3 495 580	3 495 580	2 777 460	2 745 242	2 462 021
Social benefits	72	170	154	154	1 154	1 154	154	154	154
Other transfers to households	2 758 943	2 933 815	3 209 295	3 567 562	3 494 426	3 494 426	2 777 306	2 745 088	2 461 867
Payments for capital assets	2 444	9 541	1 052	5 431	5 052	5 052	9 052	11 052	11 052
Buildings and other fixed structures	-	8 655	-	5 000	4 000	4 000	8 000	10 000	10 000
Buildings	-	8 655	-	-	4 000	4 000	8 000	10 000	10 000
Other fixed structures	-	-	-	5 000	-	-	-	-	-
Machinery and equipment	2 444	886	1 052	431	1 052	1 052	1 052	1 052	1 052
Transport equipment	2 371	-	-	-	-	-	-	-	-
Other machinery and equipment	73	886	1 052	431	1 052	1 052	1 052	1 052	1 052
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 155 206	3 282 934	3 624 258	3 930 148	3 921 867	3 921 867	3 111 319	3 107 268	2 802 953

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	134 847	132 802	135 347	132 400	142 924	142 924	123 860	128 723	130 403
Compensation of employees	82 839	89 892	89 450	86 950	86 950	86 950	79 031	83 894	85 574
Salaries and wages	81 879	88 942	88 650	86 150	86 150	86 150	78 231	83 094	84 774
Social contributions	960	950	800	800	800	800	800	800	800
Goods and services	52 008	42 910	45 897	45 450	55 974	55 974	44 829	44 829	44 829
Administrative fees	71	268	402	330	388	388	330	330	330
Advertising	1 539	1 061	240	240	240	240	240	240	240
Minor assets	36	24	105	105	116	116	105	105	105
Catering: Departmental activities	253	3	-	1 100	1 100	1 100	1 100	1 100	1 100
Communication (G&S)	936	-	-	621	-	-	-	-	-
Computer services	-	-	-	-	550	550	-	-	-
Cons & prof serv: Business and advisory services	3 611	1 641	5 493	3 704	3 771	3 771	3 704	3 704	3 704
Cons and prof serv: Infrastructure and planning	24 167	30 673	18 219	30 488	29 421	29 421	30 488	30 488	30 488
Legal costs	338	1 695	244	244	244	244	244	244	244
Contractors	785	-	-	-	-	-	-	-	-
Fleet services (incl. GMT)	335	380	502	502	502	502	502	502	502
Consumable supplies	13 015	-	370	370	312	312	370	370	370
Consumable: Stationery, printing and office supplies	2	1	-	-	58	58	-	-	-
Property payments	3 460	3 398	9 442	3 509	9 227	9 227	3 509	3 509	3 509
Travel and subsistence	2 720	3 766	3 561	3 292	3 292	3 292	3 292	3 292	3 292
Training and development	-	-	7 210	210	860	860	210	210	210
Operating payments	3	-	109	109	-	-	109	109	109
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	737	-	-	626	5 893	5 893	626	626	626
Transfers and subsidies	2 754 214	2 186 527	2 294 523	2 869 290	2 896 194	2 896 194	2 249 083	2 340 811	2 376 647
Provinces and municipalities	84 214	70 505	129 639	94 289	125 095	125 095	39 471	78 821	76 861
Municipalities	84 214	70 505	129 639	94 289	125 095	125 095	39 471	78 821	76 861
Municipalities	84 214	70 505	129 639	94 289	125 095	125 095	39 471	78 821	76 861
Households	2 670 000	2 116 022	2 164 884	2 775 001	2 771 099	2 771 099	2 209 612	2 261 990	2 299 786
Social benefits	36	170	154	154	1 154	1 154	154	154	154
Other transfers to households	2 669 964	2 115 852	2 164 730	2 774 847	2 769 945	2 769 945	2 209 458	2 261 836	2 299 632
Payments for capital assets	2 444	9 541	1 052	5 431	5 052	5 052	9 052	11 052	11 052
Buildings and other fixed structures	-	8 655	-	5 000	4 000	4 000	8 000	10 000	10 000
Buildings	-	8 655	-	-	4 000	4 000	8 000	10 000	10 000
Other fixed structures	-	-	-	5 000	-	-	-	-	-
Machinery and equipment	2 444	886	1 052	431	1 052	1 052	1 052	1 052	1 052
Transport equipment	2 371	-	-	-	-	-	-	-	-
Other machinery and equipment	73	886	1 052	431	1 052	1 052	1 052	1 052	1 052
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 891 505	2 328 870	2 430 922	3 007 121	3 044 170	3 044 170	2 381 995	2 480 586	2 518 102

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	-	-	-	-	-	-	-	-	-
Transfers and subsidies	129 228	126 148	143 962	125 132	113 738	113 738	125 924	117 996	114 077
Departmental agencies and accounts	129 228	126 148	143 962	125 132	113 738	113 738	125 924	117 996	114 077
Entities receiving funds	129 228	126 148	143 962	125 132	113 738	113 738	125 924	117 996	114 077
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	129 228	126 148	143 962	125 132	113 738	113 738	125 924	117 996	114 077

Table 8.J : Payments and estimates by economic classification: Title Deeds Restoration grant: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	15 397	-	-	-	-	-	-	-	-
Compensation of employees	6 074	-	-	-	-	-	-	-	-
Salaries and wages	6 073	-	-	-	-	-	-	-	-
Social contributions	1	-	-	-	-	-	-	-	-
Goods and services	9 323	-	-	-	-	-	-	-	-
Administrative fees	1	-	-	-	-	-	-	-	-
Advertising	802	-	-	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	42	-	-	-	-	-	-	-	-
Cons and prof serv: Infrastructure and planning	8 367	-	-	-	-	-	-	-	-
Legal costs	77	-	-	-	-	-	-	-	-
Travel and subsistence	34	-	-	-	-	-	-	-	-
Transfers and subsidies	20 140	-	-	-	-	-	-	-	-
Municipalities	20 104	-	-	-	-	-	-	-	-
Municipalities	20 104	-	-	-	-	-	-	-	-
Households	36	-	-	-	-	-	-	-	-
Social benefits	36	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	35 537	-	-	-	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 203	-	-	-	-	-	-	-	-
Departmental agencies and accounts	1 203	-	-	-	-	-	-	-	-
Entities receiving funds	1 203	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 203	-	-	-	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	8 754	5 285	4 809	5 180	4 432	4 432	5 699	-	-
Compensation of employees	2 908	2 670	358	-	1 318	1 318	-	-	-
Salaries and wages	2 908	2 670	358	-	1 318	1 318	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	5 846	2 615	4 451	5 180	3 114	3 114	5 699	-	-
Administrative fees	-	-	118	-	153	153	131	-	-
Catering: Departmental activities	262	-	162	378	197	197	533	-	-
Cons & prof serv: Business and advisory services	605	-	30	49	-	-	-	-	-
Contractors	1 412	1 469	2 429	1 091	1 313	1 313	1 393	-	-
Consumable supplies	520	609	334	224	223	223	790	-	-
Consumable: Stationery, printing and office supplies	-	28	28	-	-	-	-	-	-
Transport provided: Departmental activity	32	-	-	-	-	-	-	-	-
Travel and subsistence	-	7	2	-	2	2	-	-	-
Training and development	2 854	502	1 348	3 438	1 226	1 226	2 852	-	-
Rental and hiring	161	-	-	-	-	-	-	-	-
Transfers and subsidies	2 884	1 864	1 690	2 489	2 489	2 489	632	-	-
Households	2 884	1 864	1 690	2 489	2 489	2 489	632	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	2 884	1 864	1 690	2 489	2 489	2 489	632	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	11 638	7 149	6 499	7 669	6 921	6 921	6 331	-	-

Table 8.M : Payments and estimates by economic classification: Provincial Emergency Housing grant: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	-	-	-	-	-	-	-	-	-
Transfers and subsidies	86 095	106 392	318 283	-	23 849	23 849	-	-	-
Households	86 095	106 392	318 283	-	23 849	23 849	-	-	-
Other transfers to households	86 095	106 392	318 283	-	23 849	23 849	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	86 095	106 392	318 283	-	23 849	23 849	-	-	-

Table 8.N : Payments and estimates by economic classification: ISUPG: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23	2023/24			2024/25	2025/26	2026/27
Current payments	-	4 668	-	-	35 046	35 046	29 853	25 434	8 539
Compensation of employees	-	-	-	-	9 848	9 848	19 153	15 434	8 539
Salaries and wages	-	-	-	-	9 848	9 848	17 953	10 754	5 983
Social contributions	-	-	-	-	-	2	1 200	4 680	2 556
Goods and services	-	4 668	-	-	25 198	25 198	10 700	10 000	-
Minor assets	-	515	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	1 000	1 000	-
Cons & prof serv: Business and advisory services	-	384	-	-	25 198	25 198	5 000	5 000	-
Cons and prof serv: Infrastructure and planning	-	-	-	-	-	-	700	-	-
Contractors	-	-	-	-	-	-	1 500	1 500	-
Consumable supplies	-	3 769	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	500	500	-
Rental and hiring	-	-	-	-	-	-	1 000	1 000	-
Transfers and subsidies	-	709 707	724 592	790 226	698 143	698 143	567 216	483 252	162 235
Households	-	709 707	724 592	790 226	698 143	698 143	567 216	483 252	162 235
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	709 707	724 592	790 226	698 143	698 143	567 216	483 252	162 235
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	714 375	724 592	790 226	733 189	733 189	597 069	508 686	170 774

Table 8.O : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
A KZN2000 eThekwinini	72 045	39 520	108 927	64 172	98 325	100 479	13 230	54 172	54 172
Total: Ugu Municipalities	1 286	2 502	2 750	2 214	2 214	1 917	2 214	2 214	2 214
B KZN212 uMdoni	500	-	-	-	-	-	-	-	-
B KZN213 uMzombe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	786	2 502	2 750	2 214	2 214	1 917	2 214	2 214	2 214
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	6 551	4 546	3 177	4 429	4 429	3 500	4 429	4 429	4 429
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	242	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpendle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	6 309	4 546	3 177	4 429	4 429	3 500	4 429	4 429	4 429
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	5 514	1 815	1 504	1 772	1 772	1 611	1 772	1 772	1 772
B KZN235 Okhahlamba	100	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	350	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	5 064	1 815	1 504	1 772	1 772	1 611	1 772	1 772	1 772
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	750	-	-	-	-	-	-	-	-
B KZN241 eNdumeni	-	-	-	-	-	-	-	-	-
B KZN242 Ngquthu	750	-	-	-	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	5 443	16 053	12 120	15 501	12 154	6 825	11 625	10 033	8 073
B KZN252 Newcastle	5 294	16 053	12 120	15 501	12 154	6 825	11 625	10 033	8 073
B KZN253 eMadlangeni	149	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	763	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	493	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	170	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	100	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 uMhlabyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	-	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	2 634	4 551	4 220	4 429	4 429	4 729	4 429	4 429	4 429
B KZN281 uMfolozi	200	-	-	-	-	-	-	-	-
B KZN282 uMhlathuze	2 334	4 551	4 220	4 429	4 429	4 729	4 429	4 429	4 429
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	100	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	7 453	1 518	4 149	1 772	1 772	6 618	1 772	1 772	1 772
B KZN291 Mandeni	3 158	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	4 295	1 518	4 149	1 772	1 772	6 618	1 772	1 772	1 772
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	1 879	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	1 079	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	100	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	500	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	200	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	104 318	70 505	136 847	94 289	125 095	125 679	39 471	78 821	76 861

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
A KZN2000 eThekwinini	51 501	25 000	50 000	50 000	87 500	87 500	-	40 000	40 000
Total: iLembe Municipalities	524	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	524	-	-	-	-	-	-	-	-
Total	52 025	25 000	50 000	50 000	87 500	87 500	-	40 000	40 000

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
A KZN2000 eThekweni	20 544	14 520	58 927	14 172	10 825	12 979	13 230	14 172	14 172
Total: Ugu Municipalities	786	2 502	2 750	2 214	2 214	1 917	2 214	2 214	2 214
B KZN216 Ray Nkonyeni	786	2 502	2 750	2 214	2 214	1 917	2 214	2 214	2 214
Total: uMgungundlovu Municipalities	2 595	4 546	3 177	4 429	4 429	3 500	4 429	4 429	4 429
B KZN225 Msunduzi	2 595	4 546	3 177	4 429	4 429	3 500	4 429	4 429	4 429
Total: uThukela Municipalities	787	1 815	1 504	1 772	1 772	1 611	1 772	1 772	1 772
B KZN238 Alfred Duma	787	1 815	1 504	1 772	1 772	1 611	1 772	1 772	1 772
Total: Amajuba Municipalities	4 094	16 053	12 120	15 501	12 154	6 825	11 625	10 033	8 073
B KZN252 Newcastle	4 094	16 053	12 120	15 501	12 154	6 825	11 625	10 033	8 073
Total: King Cetshwayo Municipalities	2 334	4 551	4 220	4 429	4 429	4 729	4 429	4 429	4 429
B KZN282 uMhlathuze	2 334	4 551	4 220	4 429	4 429	4 729	4 429	4 429	4 429
Total: iLembe Municipalities	1 050	1 518	4 149	1 772	1 772	6 618	1 772	1 772	1 772
B KZN292 KwaDukuza	1 050	1 518	4 149	1 772	1 772	6 618	1 772	1 772	1 772
Total	32 190	45 505	86 847	44 289	37 595	38 179	39 471	38 821	36 861

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27
A KZN2000 eThekweni	-	-	-	-	-	-	-	-	-
Total: Ugu Municipalities	500	-	-	-	-	-	-	-	-
B KZN212 uMdoni	500	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	3 956	-	-	-	-	-	-	-	-
B KZN222 uMngeni	242	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	3 714	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	4 727	-	-	-	-	-	-	-	-
B KZN235 Okhahlamba	100	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	350	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	4 277	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	750	-	-	-	-	-	-	-	-
B KZN242 Nquthu	750	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	1 349	-	-	-	-	-	-	-	-
B KZN252 Newcastle	1 200	-	-	-	-	-	-	-	-
B KZN253 eMadlangeni	149	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	763	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	493	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	170	-	-	-	-	-	-	-	-
B KZN266 Ulundi	100	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	300	-	-	-	-	-	-	-	-
B KZN281 uMfolozi	200	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	100	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	5 879	-	-	-	-	-	-	-	-
B KZN291 Mandeni	3 158	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	2 721	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	1 879	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	1 079	-	-	-	-	-	-	-	-
B KZN434 uBuhlebezwe	100	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	500	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	200	-	-	-	-	-	-	-	-
Total	20 103	-	-	-	-	-	-	-	-