

VOTE 8

Human Settlements

Operational budget	R3 265 987 000
MEC remuneration	Nil
Total amount to be appropriated	R3 265 987 000
Responsible MEC	MEC for Transport and Human Settlements ¹
Administering department	Human Settlements
Accounting officer	Head: Human Settlements

1. Overview

Vision

The vision of the department is: *Together, building homes, changing lives.*

Mission

The mission of the Department of Human Settlements (DOHS) is: *To create inclusive, resilient and sustainable human settlements through the development of transformed human settlements.*

Strategic outcomes

The impact and outcomes of the department are as follows:

- Impact: Improved quality of life through transformed human settlements.
- Outcome: Improved organisational efficiency to promote an agile, capable, developmental and ethical department.
- Outcome: Transformed human settlements in rural and urban environments.
- Outcome: Increased access to adequate housing through various programmes.
- Outcome: Strengthened economic transformation of the human settlements sector.

Core functions

The following core functions were 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.
- 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.

¹ The salary of the MEC of Human Settlements is budgeted for under Vote 12: Transport.

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 (PFMA), (Act No.1 of 1999, as amended)
- 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 2030 National Development Plan (NDP) remains as the country's long-term developmental plan to guide government's initiatives towards eliminating poverty and reducing inequality by 2030. Chapter 8 of the NDP serves as a roadmap of the human settlement's trajectory towards sustainable human settlements and an improved quality of household life.

The department therefore continues to align its programmatic interventions to support the long-term transformational agenda for human settlement developments through the institutionalisation and implementation of the 2024-2029 MTDP aligned to the priorities of the Government of National Unity (GNU).

The 2024-2029 MTDP identified three strategic priorities, as mentioned hereunder, to guide government's policy and priority interventions:

- Strategic Priority 1: Drive inclusive growth and job creation.
- Strategic Priority 2: Reduce poverty and tackle the high cost of living.
- Strategic Priority 3: Build a capable, ethical and developmental.

The department has thus aligned its 2025/26 to 2029/30 five-year strategic outcomes to the three strategic priorities of the MTDP. In this regard, the department has committed to the intended impact: "Improved quality of life through transformed human settlements" through the following outcomes:

- Improved organisational efficiency to promote an agile, capable, developmental, and ethical department.
- Transformed human settlements in rural and urban environments.
- Increased access to adequate housing through various programmes.
- Strengthened economic transformation of the human settlements sector.

The department is thus aligned to the strategic priorities, as well as the human settlements sector priorities and in accordance with its provincial competencies through the implementation of its programme interventions which include, among others:

- Improved audit outcome measures.
- Implementation/institutionalisation of Five Pillars of Professionalisation of the Public Service/ Programme for building a professional and agile department.
- Implement digital transformation measures.
- Skills development programmes.
- Planning and implementation of catalytic projects.
- Investment within Priority Human Settlements and Housing Development Areas (PHSDA).
- Implementation of the First Home Finance (FHF) Programme.
- Upgrading of informal settlements in a phased manner.
- Provision of housing units in line with housing programmes.
- Servicing of sites.
- Title deed registrations.
- Siyakha Incubation Programme.
- National Skills Fund (NSF) skills training programme.
- Expanded Public Works Programme (EPWP).

In 2026/27, the initiatives are therefore aligned to support the priorities of the 7th Administration and are synchronised with the key strategic interventions of the 2024-2029 MTDP.

2. Review of the 2025/26 financial year

This section provides a review of 2025/26, outlining the main achievements and progress made during the year, and a brief discussion of challenges and new developments.

Rental Housing Tribunal

The plan for 2025/26 was to finalise the implementation of the digitised Tribunal Court System for virtual hearings. 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 system was implemented, and teething problems were addressed. The system is now fully operational. The processes leading to promulgation of the effective date for the Rental Housing Amendment Act 2014 and the National Regulations of the Rental Housing Act, No. 50 of 1999, remain not finalised, and with the parliamentary process still outstanding, it will not be finalised within the remaining period in the current financial year.

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 that 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 yield of new CRUs. In 2025/26, a total of 303 CRU units are in the final stages of completion in the Newcastle, Greater Kokstad and Johannes Phumani Phungula Municipalities and the eThekweni Metro, among others, and are expected to be completed in 2025/26.

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 2025/26, 97 projects were under the detailed planning stage and interim services, 22 projects were at the installation of bulk infrastructure services stage, while 23 projects were under construction of services (to yield 1 726 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 have the objective of ascertaining the current capacity, as well as 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. In 2025/26, the target for the total yield was adjusted from 1 726 sites to 1 850 sites, and 1 787 sites were completed by mid-year.

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 2025/26 and is geared to continue delivering the 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 4 124 units by the end of the third quarter across all districts in the province, against the annual target of 6 515 units. 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. 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 FLISP thus subsidises individuals that earn within the range mentioned above.

The recent interest rate cuts have assisted potential buyers in the property market. The continued interest rate cuts will see more qualifying individuals buying properties and applying for FLISP. Non-mortgage options have also been rolled out in the province and the FLISP unit has embarked on a few options to assist buyers in the qualifying categories. The programme also has a promotions team that accompanies the Capacity Building unit to educate the public throughout the province about FLISP.

The biggest challenge in the FLISP programme is finalising applications timely due to incomplete applications or outstanding supporting documents. Despite numerous appeals to the applicants, most do not heed the requests, and many applications are eventually declined for non-submission of required documents.

During 2024/25, First National Bank (FNB) approached the department for a partnership to assist homeowners who have existing bonds with the bank. These homeowners have either lost their jobs or have become pensioners or deceased estates and are finding it difficult to service their home loans. These properties are on the brink of repossession and FNB has sought financial assistance to pay off the balances and hand over the title deeds to these owners. As at the end of the third quarter of 2025/26, there were 39 approvals with a further 16 in progress which will be finalised by the end of March 2026. The department reprioritised funds within its baseline to assist with this initiative.

3. Outlook for the 2026/27 financial year

This section looks at the key focus areas of 2026/27, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. The main purpose of the department's budget allocation is for the provision of housing to various sectors of the population including rural areas and informal settlements, with the bulk of the funding being provided *via* the Human Settlements Development grant (HSDG). In 2026/27, 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

Another attempt to procure an electronic case management system in 2026/27, will be made. This system is necessary for an effective records and file management system, from the lodgement of a complaint to the resolution thereof. This will improve landlord/tenant interaction with the Tribunal and administrative staff in the most appropriate and efficient manner. Statistical integrity, timeous case tracking, email and text notifications, as well as reminders to parties, and accurate reports are some of the benefits that are going to be derived from the usage of the system. The department is awaiting the finalisation of the processes leading to the promulgation of the Rental Housing Amendment Act No. 35 of 2014. This Act 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 an 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 need to be presented at MINMEC and tabled at Parliament, but it is anticipated that it will be passed in 2026/27 after the completion of the parliamentary processes. The term of office for the current KZN Rental Housing Tribunal expires on 31 January 2027. Processes leading to the appointment of new members whose term will commence on 1 February 2027 and will expire on 31 January 2030, will be implemented. The Tribunal is currently operating with five members and two alternate members as prescribed by the Rental Housing Act, No. 50 of 1999. This has ensured that the Tribunal has capacity to deal with more cases.

CRU

In 2026/27, the CRU programme will continue the construction of new CRU projects in various municipalities. In 2026/27, the department is planning to construct 316 new units. The programme provides for projects, such as the construction of new CRUs, refurbishment of existing CRUs, old hostel upgrades, including the Kokstad CRU, Newcastle N11 in Amajuba, Donnelly Road CRU in eThekweni, as well as upgrading hostels in eThekweni. The 316 new CRU units are made up of 60 units in the eThekweni Metro, 80 units in the Newcastle, 48 units in the Greater Kokstad, 23 units in the Johannes Phumani Phungula, 55 units in uMzimkhulu and 50 in the uMvoti Municipalities. The construction of new CRU projects is being planned across five municipalities, namely eThekweni Metro, Jozini, Maphumulo, uPhongolo, and Mandeni which accumulatively have an estimated yield of 1 500 new units.

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 2026/27, it is estimated that 730 sites will be provided with services such as water, sanitation, roads and storm water services, among others, in areas, such as Madundube, Groutville Etete, Nyathikazi, Inyoni, Steve Biko, Johnstown, Blaauwbosch Laagte and Cavan, North-East Sector, etc. The department allocated funds towards the planning of projects, for the installation of temporary and permanent bulk services, for the purchase of strategic land parcels for informal settlement upgrades, as well as Operational Support Capital Programme (OPSCAP) (to be used towards *Compensation of employees*, the ISU Strategy and Management Plan, the Outreach Programme, as well as the National Housing Needs Register). The completed upgrading plans undertaken in 2026/27 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 aims to provide a vehicle for reporting and monitoring of the ISUPG and grant utilisation, and to offer technical assistance to municipalities and informal settlement practitioners in the province 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 2026/27 ISU programme includes major projects, such as 20 000 units in Greater Amaoti, 3 020 units in uMvoti, 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 ISUP, 3 000 units in Glenwood South East Sector, 3 000 units in Copesville Phase 2, 4 000 units in Mkholombe, as well as 8 985 units in Johnstown, Blaauwbosch Laagte and Cavan Phase 2 and 3, which will be implemented over the MTEF. These numbers remain unchanged because they relate to the entire project yield and not specific project delivery for the year.

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 previous 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. The districts that are severely under-developed and have high poverty indices remain a priority. A total of 6 107 units are planned to be constructed throughout the province in 2026/27.

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. 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 FLISP thus subsidises individuals earning between R3 501 to R22 000 who purchase properties through financial institutions. In 2026/27, the department will focus on implementing additional options for FLISP i.e., the non-mortgage aspects introduced with the revised FLISP Policy following the receipt of the framework or guidelines for the implementation from the NDHS in 2022/23. This will see an improvement in the performance of this programme as a wider market may be assisted with the additional options as the subsidy is no longer limited to applicants with mortgage bond finance. The increase of the subsidy quantum payable per income bracket rolled out in 2023, will also assist with keeping expenditure on target, and crucially, will enable beneficiaries to improve their 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, pension backed loans, instalment sale/rent to own and utilising the Government Employees Housing Scheme (GEHS) to be considered on FLISP, and not simply mortgage bonds.
- Investigating the possibility of banks providing finance against Permission 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 2026/27. The promotion of the urban development agenda remains a primary area of intervention for the department in 2026/27.

Furthermore, the department will continue the initiative identified in 2024/25 to assist homeowners who have existing home loans with financial institutions but are finding it difficult to service them. These include homeowners who have lost their jobs or have become pensioners or deceased estates. There are 221 homeowners that were identified who require such assistance. The attorney has submitted 96 applications to date. There are 39 applications that have been approved and paid as at the end of the third quarter of 2025/26 with a further 16 in process which will be finalised by the end of March 2026. There are 39 applications that have been rejected with one on hold due to a query. There is a balance of 126 applications to be processed in 2026/27. This programme is scheduled to end in March 2027. The department will monitor the progress on this initiative over time.

4. Reprioritisation

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

- Programme 2: Housing Needs, Research and Planning was increased by R1.601 million in 2026/27 and R1.675 million in 2027/28 against *Compensation of employees* to cater for the critical Director: Planning and Development post, which is currently filled on a contract basis utilising OPSCAP funding under the conditional grant budget. These funds were reprioritised from Programme 3: Housing Development against *Compensation of employees* due to savings realised from staff exits. It should be noted that posts from Programme 3 will be critically assessed before the application to fill is sent to OTP for approval.

- Programme 3: Housing Development was decreased by R1.601 million in 2026/27 and R1.675 million in 2027/28 against *Compensation of employees* due to the decision taken by the department not to fill the post of the Director vacated during 2025/26 and to redirect the funds to Programme 2 to cater for the critical Director: Planning and Development post which is currently filled on a contract basis utilising OPSCAP funding. Due to the criticality of this post, the department decided to fill it permanently.
- Programme 4: Housing Asset Management was decreased by a net amount of R3.154 million in 2026/27 and R3.158 million in 2027/28 against *Transfers and subsidies to: Departmental agencies and accounts* due to R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro still having balances on funds which were paid in the previous financial year. The municipality is finalising the procurement of contractors to continue with the project through the municipality. These funds were reprioritised to Programme 3 against *Transfers and subsidies to: Households* towards housing projects.

In addition to the above reprioritisation between programmes, the following reprioritisation was undertaken mainly within Programme 1: Administration, affecting economic classification categories as follows:

- Programme 1 was decreased by R2.396 million in 2026/27 and R3.069 million in 2027/28 against *Compensation of employees* due to various posts that became vacant and will not be filled as the department took a decision to place a moratorium on filling these posts. A further R224 000 and R200 000, respectively, was decreased against *Goods and services*. These funds were reprioritised to the following economic classification categories:
 - A net amount of R2.120 million in 2026/27 and R2.769 million in 2027/28 was reprioritised to *Goods and services* for pressures resulting from the carry-through impact of the previous years' budget cuts, largely against items such as property payments, fleet services, and computer services.
 - An amount of R500 000 in 2026/27 and 2027/28, respectively, was reprioritised to *Machinery and equipment* for the replacement of communication equipment, which was stolen during a hijacking of a government vehicle. This equipment included a MacBook, a video camera, and a photo editing machine.

5. Procurement

The 2026/27 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 security services for the head and regional offices, the placement of FLISP advertisements and the renewal of Microsoft office licences. 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. The department will also procure the equipment required to implement a virtual court system, which includes the procurement of an electronic case management system in respect of the Rental Housing Tribunal. This system is necessary for an effective records and file management system, from the lodgement of a complaint to the resolution thereof.

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 2022/23 to 2028/29. The budget for 2026/27 comprises the equitable share of R475.340 million, the HSDG of R2.435 billion, R353.550 million in respect of the ISUPG, as well as R2.168 million in respect of the EPWP Integrated Grant for Provinces. The equitable share grows by 4.1 per cent, 4 per cent and 2.8 per cent over the MTEF, while the grant

allocation is reduced by a net amount of R13.443 million in 2026/27 and R31.136 million in 2027/28, and then increasing by R59.212 million in 2028/29.

The department received disaster allocations of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG. The main reason for the reduction in the HSDG and ISUPG were cuts over the 2024/25 MTEF which saw significant reductions especially against the ISUPG, while the budget cuts over the 2026/27 MTEF are mainly against the HSDG, with the ISUPG being increased as it was recognised that previous reductions made against this grant were too high.

Table 8.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25	2025/26			2026/27	2027/28	2028/29
Equitable share	432 455	412 849	418 357	436 306	434 066	434 066	475 340	475 232	488 584
Conditional grants	4 040 723	3 505 402	3 211 324	3 113 571	3 112 511	3 112 511	2 790 647	2 899 758	2 990 106
<i>Human Settlement Development grant</i>	2 935 224	2 797 568	2 607 924	2 599 445	2 598 582	2 598 582	2 434 929	2 539 428	2 624 243
<i>EPWP Intergrated Grant for Provinces</i>	6 499	6 921	6 331	5 243	5 243	5 243	2 168	-	-
<i>Provincial Emergency Housing grant</i>	342 132	-	-	-	-	-	-	-	-
<i>Informal Sett. Upgrading Part. Grant for Prov.</i>	756 868	700 913	597 069	508 883	508 686	508 686	353 550	360 330	365 863
Total receipts	4 473 178	3 918 251	3 629 681	3 549 877	3 546 577	3 546 577	3 265 987	3 374 990	3 478 690
Total payments	4 062 628	4 103 222	3 819 391	3 549 877	3 651 589	3 651 589	3 265 987	3 374 990	3 478 690
Surplus/Deficit before financing	410 550	(184 971)	(189 710)	-	(105 012)	(105 012)	-	-	-
Financing									
of which:									
Provincial roll-overs	-	418 302	263 741	-	100 000	100 000	-	-	-
Provincial cash resources	7 752	7 564	25 974	-	5 012	5 012	-	-	-
Surplus/Deficit after financing	418 302	240 895	100 005	-	-	-	-	-	-

2022/23 financial year:

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

- R325.764 million was allocated *via* the Provincial Emergency Housing grant (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 Temporary Residential Units (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 Temporary Residential Units (TRUs), as well as Temporary Emergency Accommodation (TEA).
- R7.762 million was allocated for the carry-through costs of the 2021 wage agreement 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 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.
- 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 Ithala Development Finance Corporation (IDFC) relating to the Military Veterans' housing 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 2022/23 budget was under-spent by R418.302 million, of which R416.465 million related to conditional grants (R360.340 million against the HSDG, R32.276 million against the 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.
- 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.
- 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.
- 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 was 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.

Additional funding of R7.564 million was allocated in respect of funds collected from the sale of units at Ridgeview Gardens for FLISP development, and 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 DOPWI, 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.

At the end of 2023/24, the department reflected a net under-spending of R240.895 million, being the under-spending in respect of the HSDG of R263.741 million, offset by the over-spending of R22.846 million against the equitable share. In this regard, the department requested a roll-over of R263.741 million being the unspent but committed funds in relation to the funding of R474.974 million that was ring-fenced within the HSDG to address the October 2019 to January 2022 flood disasters. These funds were under-spent in 2023/24 due to stringent pre-construction activities which were put in place by the department to avoid the recurrence of disasters in future, and this proved to take longer than anticipated. This under-expenditure also related to various challenges, such as stoppages by local business forums, sites which were inaccessible, shortage of material supply and socio-political issues, among others. The department requested a conditional grant roll-over of this full amount as these funds were committed in the form of orders and contracts. National Treasury approved this roll-over and this was formalised in the 2024/25 Adjustments Estimate.

The over-spending of R22.846 million against the equitable share was due to budget pressures experienced by the department mainly due to the carry-through impact of the 2021/22 MTEF fiscal consolidation budget cuts which were higher in 2023/24.

2024/25 financial year:

- The department's budget was reduced by R15.738 million in 2024/25, R15.551 million in 2025/26 and R16.645 million in 2026/27, with carry-through, as a result of the fiscal consolidation budget cuts made against the equitable share over the 2024/25 MTEF, in view of lower than anticipated economic growth, lower than anticipated revenue collection, as well as the need to manage the country's debt levels. In addition, the province saw reductions against the equitable share as a result of updates to the data that informs the PES formula.
- Furthermore, significant budget cuts were implemented by National Treasury against the department's conditional grants. In this regard, 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, while the ISUPG was reduced by R228.646 million in 2024/25, R354.021 million in 2025/26 and R691.933 million in 2026/27.
- An amount of R263.741 million was approved by National Treasury to be rolled over from 2023/24 to 2024/25 in respect of the HSDG as the funds were fully committed by the end of 2023/24. The department was allocated funding to address the October 2019 to January 2022 flood disasters and these funds were ring-fenced within the HSDG, as explained.
- During the 2024/25 Adjustments Estimate, the department's budget was increased by R25.974 million allocated from provincial cash resources, as explained below:
 - The department was allocated an amount of R5.339 million which was held in the Provincial Revenue Fund (PRF) in respect of the KZN Housing Fund, to be used towards the costs related to the KZN Housing Fund.
 - The department was allocated back an amount of R20.635 million from the department's own revenue collected in 2024/25 from various sources including funds recalled from several municipalities in respect of unspent balances on completed housing projects (R17.750 million), proceeds from the sale of units at Ridgeview Gardens (R708 000), refunds from the FLISP in respect of beneficiaries not qualifying for home loans (R1.751 million), as well as other smaller sources (R426 000). These funds were allocated towards addressing some of the department's in-year budget pressures, and were allocated to Programme 1.

During the 2024/25 Second Adjustments Estimate process, the department was allocated R100 million against the HSDG. The funds were received late in March 2025 and were transferred to the Msunduzi Municipality in respect of the Aloe Ridge Social housing project at year-end. Upon preparing the 2024/25 AFS in May, the department sought a technical opinion from the Accounting Services unit at KZN Provincial Treasury on the accounting treatment of the transfer. According to the technical opinion, the department was advised to treat the transfer as an advance payment to the municipality and therefore reverse it as an expenditure, in line with the new requirements of the Modified Cash Standards (MCS), thereby explaining the under-spending.

At the end of 2024/25, the department reflected an under-expenditure of R100.005 million. Of this, R100 million relates to the allocation made to the department in the Second Adjustments Estimate against the HSDG.

The remaining R5 000 related to the equitable share and no roll-over was requested in this regard.

2025/26 financial year:

- In the 2025/26 MTEF, the department was not allocated any provincial cash resources and there were no further budget cuts effected over the MTEF. The baseline is however still impacted by the carry-through of historic budget cuts.
- An amount of R100 million was approved by National Treasury to be rolled over from 2024/25 to 2025/26 in respect of the HSDG with regard to the amount shown as under-spending in 2024/25 relating to the Aloe Ridge Social Housing project.

During the 2025/26 Adjustments Estimate, the department's budget was increased by a net amount of R1.712 million, as follows:

- Funds amounting to R3.300 million were suspended from the department towards budget pressures in Vote 7: Health after the Provincial Executive Council resolved that all departments and public entities should make contributions from their budgets towards offsetting the budget pressures shown by the Department of Health. These funds were suspended from the equitable share, as follows:
 - R300 000 was reduced from *Compensation of employees* in Programme 1 from savings realised on posts vacated during the year.
 - R1.053 million was reduced from *Compensation of employees* in Programme 3 due to posts that were vacated in-year. The department placed a moratorium on filling these posts while it is in the process of restructuring its organogram.
 - R1.947 million was reduced from *Goods and services* in Programme 3 in respect of the over-estimations made for security services to protect the installation of services for temporary units in Ward 3 Inanda due to the potential risk of land invasion.
- The department was allocated back an amount of R3.006 million from the department's own revenue collected in 2025/26 from various sources including funds recalled from several municipalities in respect of unspent balances on completed projects (R1.126 million), proceeds from the sale of Ridgeview Gardens for FLISP units (R686 000), as well as refunds from the FLISP programme in respect of beneficiaries not qualifying for home loans (R1.194 million). These funds will be used towards addressing some of the department's in-year budget pressures, and were allocated to Programme 1 and Programme 3, as follows:
 - Programme 1 received R744 000 allocated to *Goods and services* to fund the shortfall for water dispensers in the department which is in compliance with OHS recommendations. An amount of R62 000 was allocated to *Transfers and subsidies to: Provinces and municipalities* to cater for motor vehicles licence fees which were under-budgeted for due to the impact of historic budget cuts. An amount of R645 000 was allocated to *Transfers and subsidies to: Households* to cater for unanticipated staff exit costs and the payment in respect of claims against the state for an arbitration award in favour of an official who left the department in the previous financial year. Finally, R675 000 was allocated to *Machinery and equipment* to cater for the purchase of new vehicles.
 - Programme 3 receives R880 000 and this was allocated to *Transfers and subsidies to: Provinces and municipalities* for the payment of rates and taxes in respect of the Ridgeview Gardens FLISP Housing Project.
- Funds amounting to R2.006 million were added to the department's equitable share budget from funds set aside in the Contingency Reserve after these funds were allocated to the province by National Treasury in the main budget process. These funds are towards implementing the 2025 wage agreement and were allocated to *Compensation of employees* in Programme 1 (R1.244 million), Programme 2 (R120 000) and Programme 3 (R642 000).
- There was also a correction made by National Treasury to the *Transfers and subsidies to: Households* budget under the HSDG and under the ISUPG. In this regard, National Treasury noted that these two grants erroneously received a top-up of R863 000 and R197 000, respectively. These funds should have been allocated under the equitable share against *Compensation of employees*. As such, the HSDG was reduced by R863 000, and the ISUPG was reduced by R197 000 under Programme 3, while the department's equitable share allocation was increased by R1.060 million, which was allocated to *Compensation of employees* under Programme 3 in respect of this correction.

Note that National Treasury allocated additional funds of R1.137 million in 2026/27 and R1.191 million in 2027/28 against the equitable share to provide the carry-through to the correction made in the 2025/26 Adjustments Estimate with respect to the 2025 wage agreement funding erroneously included under the conditional grant budgets when the main budget was set.

In terms of the November 2025 IYM, the department is projecting to fully spend its 2025/26 budget.

Over the 2026/27 MTEF, the department's budget shows negative growth of 8 per cent in 2026/27, positive growth of 3.3 per cent in 2027/28, and 3.1 per cent in 2028/29. It should be noted that the equitable share was increased by R18.206 million in 2026/27, and this allocation is in relation to the Early Retirement Programme (ERP) and Voluntary Exit Programme (VEP). Furthermore, the budget was cut due to data updates of the PES formula and an inflation adjustment, with R2.476 million in 2027/28 and R2.705 million in 2028/29 cut in this regard. The conditional grant allocation shows an increasing trend over the 2026/27 MTEF, however, it should be noted that significant budget cuts were effected against the HSDG with these funds reallocated to the ISUPG over the MTEF. The HSDG was cut by R198.176 million in 2026/27, R212.748 million in 2027/28, and R127.933 million in 2028/29, while the ISUPG got additional funding of R182.565 million in 2026/27, R181.612 million in 2027/28, and R187.145 million in 2028/29.

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		
	2022/23	2023/24	2024/25	2025/26			2026/27	2027/28	2028/29
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sales of goods and services other than capital assets	361	325	366	407	407	407	409	411	423
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	16	204	3 617	24	24	104	24	24	25
Sales of capital assets	925	1 726	799	809	809	809	815	815	840
Transactions in financial assets and liabilities	4 332	14 894	17 434	2 024	2 024	3 689	2 025	2 026	2 089
Total	5 634	17 149	22 216	3 264	3 264	5 009	3 273	3 276	3 377

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, etc. The budget grows over the MTEF in line with inflation.

Interest, dividends and rent on land records revenue from interest on staff debts, as well as interest on land purchases. The high collection in 2024/25 is due to the interest received from the KwaDukuza Municipality and the Greater Kokstad Municipality relating to interest earned on unspent housing projects funds. These funds were re-appropriated back to the department in the 2024/25 Adjustments Estimate. The budget is conservative over the 2026/27 MTEF, and this relates to interest on outstanding staff debts.

Sale of capital assets relates to the sale of state properties and 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 collection in the prior years. Of the total 330 units, 313 have been sold to date. It must be noted that revenue collected from the sale of these units is re-allocated back to the department. The department does not budget for the sale of units in Ridgeview Gardens, since it is not known exactly when such units will be sold. Therefore, 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 the financial institutions. The high revenue collection in 2023/24 and 2024/25 was due to unspent funds returned by the Dr. Nkosazana Dlamini Zuma Local Municipality and the Big Five Hlabisa Local Municipality. Furthermore, the over-collection in 2024/25 is from funds recovered from Umpheme Development for contribution costs in respect of a court application

brought against the department which was later withdrawn. Also, amounts were recovered from various municipalities, where there were savings on project costs or where the projects were incomplete. These municipalities are the uMkhanyakude District Municipality, Johannes Phumani Phungula Municipality, uMthonjaneni Municipality, KwaDukuza Municipality, Ray Nkonyeni Municipality, Greater Kokstad Municipality, Richmond Municipality, and uMvoti Municipality. These funds were re-allocated back to department in the 2024/25 Adjustments Estimate. The budget growth is very conservative over the 2026/27 MTEF due to the uncertain nature of this source.

6.3 Agency funding

Tables 8.3 and 8.4 reflect the details of agency funding for the period 2022/23 to 2028/29.

The department received agency receipts in respect of the National Skills Fund (NSF).

Table 8.3 : Details of donor funding and agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25	2025/26			2026/27	2027/28	2028/29
Agency funding	-	-	28 889	-	50 473	50 473	-	-	-
NSF	-	-	28 889	-	50 473	50 473	-	-	-
Total	-	-	28 889	-	50 473	50 473	-	-	-

Table 8.4 : Details of payments and estimates of donor funding and agency receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25	2025/26			2026/27	2027/28	2028/29
Agency funding	-	-	28 889	-	50 473	50 473	-	-	-
NSF	-	-	28 889	-	50 473	50 473	-	-	-
Total	-	-	28 889	-	50 473	50 473	-	-	-

The department sought funding totaling an amount of R123 million from the National Department of Higher Education and Training through the NSF for skills development and training of 2 000 learners in all districts of the province. In 2024/25, R28.889 million was transferred to the department and expenditure incurred was R28.889 million. The department is expected to receive R50.473 million in 2025/26. The funding has been approved for various learning areas namely Community House Building (500 learners), Construction Health and Safety (500 learners), Supervision of Construction Processes (500 learners) and Construction Contracting (500 learners). The department has recruited 1 000 learners and classes have started on two learning areas namely Community House Building (NQF Level 2) and Construction Health and Safety (NQF Level 3).

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. Note that National Treasury revised the CPI projections from 4.5 per cent to 3.1 per cent for the outer year of the MTEF, namely 2028/29.
- The department's budget for *Compensation of employees* shows negative growth of 8.6 per cent in 2026/27 and positive growth of 4.7 per cent in 2027/28 mainly due to the carry-through effects of the 2024/25 MTEF budget cuts. The growth in the outer year of the MTEF is largely in line with inflation. It is also noted that the department is in the process of implementing a new organogram, pending approval by the Department of Public Service and Administration (DPSA). Furthermore, the department's conditional grant budget sees a net reduction over the MTEF, as previously mentioned. This growth is not sufficient to provide for the carry-through costs of the 2025 wage agreement, the 1.5 per cent pay progression, as well as possible wage increases over the MTEF. The department is not planning on

filling any posts over the MTEF, and posts that become vacant in-year will be assessed for criticality. The allocation over the MTEF will be reviewed in-year.

7.2 Amendments to provincial and equitable share funding: 2024/25 to 2026/27 MTEF

Table 8.5 shows amendments to provincial and equitable share funding received over the 2024/25, 2025/26, and 2026/27 MTEF periods, and excludes conditional grant funding. The carry-through amounts for the outer year (i.e. 2028/29) are based on the incremental percentage used in the 2026/27 MTEF.

Table 8.5 : Summary of amendments to provincial and equitable share allocations for the 2024/25 to 2026/27 MTEF

R thousand	2024/25	2025/26	2026/27	2027/28	2028/29
2024/25 MTEF period	(15 738)	(15 551)	(16 645)	(17 394)	(17 933)
Fiscal consolidation reduction by National Treasury	(15 738)	(15 551)	(16 645)	(17 394)	(17 933)
2025/26 MTEF period		-	-	-	-
2026/27 MTEF period			19 343	(1 285)	(2 705)
Allocation for ERP and VEP			18 206	-	-
Budget cut due to data updates of PES formula and inflation adjustment			-	(2 476)	(2 705)
Reallocation from Human Settlements grant			1 137	1 191	-
Total	(15 738)	(15 551)	2 698	(18 679)	(20 638)

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, with carry-through, due to fiscal consolidation budget cuts made by National Treasury. These were implemented across all programmes against various economic categories.

In the 2025/26 MTEF, the department received no additional funding, nor were any further fiscal consolidation budget cuts made.

In the 2026/27 MTEF, the following adjustments were made:

- The department's equitable share was increased by R18.206 million in 2026/27 due to the allocation for ERP and VEP. These funds were allocated against Programme 3.
- The department's equitable share was reduced by R2.476 million in 2027/28 and by R2.705 million in 2028/29 due to data updates of the PES formula and an inflation adjustment. These cuts were effected against *Goods and services* across all programmes, except Programme 4 where the budget cut was made against *Transfers and subsidies to: Departmental agencies and accounts*.
- The department's equitable share was increased by R1.137 million in 2026/27 and R1.191 million in 2027/28. This allocation provides the carry-through for the correction made in the 2025/26 Adjustments Estimate with regard to the *Compensation of employees* budget. This was erroneously over-stated against the department's conditional grant allocation and is thus added to the PES allocation. These funds were allocated against *Goods and services* in Programme 1.

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 8.6 and 8.7 provide a summary of the Vote's payments and budgeted estimates over the MTEF, by programme and economic classification, respectively.

Table 8.6 : Summary of payments and estimates by programme: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
1. Administration	279 448	271 281	285 910	283 916	288 325	288 325	305 597	310 043	318 329
2. Housing Needs, Research and Planning	20 118	21 009	18 636	21 183	19 899	19 899	25 349	25 343	26 117
3. Housing Development	3 580 364	3 650 721	3 363 679	3 054 408	3 185 512	3 185 512	2 796 365	2 902 908	2 995 913
4. Housing Asset Management	182 698	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
Total	4 062 628	4 103 222	3 819 386	3 549 877	3 651 589	3 651 589	3 265 987	3 374 990	3 478 690

Table 8.7 : Summary of provincial payments and estimates by economic classification: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25	2025/26			2026/27	2027/28	2028/29
Current payments	556 284	588 056	583 826	557 650	574 830	577 950	514 235	519 567	534 352
Compensation of employees	351 831	360 003	355 395	368 132	366 245	366 245	334 665	350 009	361 285
Goods and services	204 453	228 053	228 431	189 518	208 585	211 705	179 570	169 558	173 067
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 497 175	3 501 556	3 225 102	2 977 840	3 060 807	3 057 687	2 730 213	2 831 546	2 920 207
Provinces and municipalities	137 006	134 992	41 555	68 741	49 683	49 683	47 195	47 202	47 207
Departmental agencies and accounts	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 177 573	3 206 353	3 032 386	2 718 729	2 853 271	2 850 151	2 544 342	2 647 648	2 734 669
Payments for capital assets	9 153	13 610	10 458	14 387	15 952	15 952	21 539	23 877	24 131
Buildings and other fixed structures	1 298	1 587	4 577	6 100	6 100	6 100	13 000	15 000	15 000
Machinery and equipment	7 855	12 023	5 881	8 287	9 852	9 852	8 539	8 877	9 131
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	16	-	-	-	-	-	-	-	-
Total	4 062 628	4 103 222	3 819 386	3 549 877	3 651 589	3 651 589	3 265 987	3 374 990	3 478 690

Programme 1 caters for services, such as providing strategic leadership, co-ordination and management of strategies, as well as the administration of the department. This programme caters for items, such as leasing of office accommodation, property payments, etc. The programme reflects a fluctuating trend over the seven-year period. The decrease from 2022/23 to 2023/24 was mainly due to the budget cuts effected against this programme in the 2021/22 MTEF, which were higher in 2023/24. The increase in 2024/25 was due to the once-off additional allocation to the department from funds which were held in the PRF in respect of the KZN Housing Fund to cater for spending pressures against costs for shared services that are centralised in this programme, which are also utilised by the KZN Housing Fund (R2.800 million), as well as an amount of R20.635 million, which was allocated back to the department from the department's own revenue collected in 2024/25 from various sources, as mentioned, to cater for the shortfall of implementing the unfunded 2024 wage agreement, spending pressures resulting from the payment of accruals from 2023/24 in respect of operating leases due to delays in the receipt of invoices from DOPWI in 2023/24 and audit costs: external in respect of the 2023/24 audit, as well as budget pressures resulting from the carry-through impact of budget cuts implemented in the 2021/22 MTEF, and further budget cuts over the 2024/25 MTEF, as well as unanticipated staff exit costs. The decrease in 2025/26 is attributable to the high base in 2024/25 as a result of the once-off allocation, as mentioned. The department is not planning to fill any posts over the MTEF as a result of the carry-through impact of the 2024/25 MTEF budget cuts. The increasing trend over the two outer years of the 2026/27 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 a fluctuating trend from 2022/23 to 2024/25. The decrease from 2023/24 to 2024/25 was due to the fiscal consolidation budget cuts of R1.416 million effected against this programme over the 2024/25 MTEF. 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 high growth of 27.4 per cent in 2026/27, no growth in 2027/28 and lower growth of 3.1 per cent in 2028/29 mainly due to the reprioritisation to this programme to cater for the carry-through costs of the Director: Research post filled in 2024/25, as well as items such as computer services, travel and subsistence and training and development due to the department adopting a zero-based budgeting approach in this programme over the MTEF which resulted in more funds required for certain items in *Goods and services*.

Programme 3 shows a fluctuating trend from 2022/23 to 2024/25. The spending in 2022/23 and 2023/24 takes into account funds of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of funds ring-fenced within the HSDG to address the October 2019 to January 2022 flood disasters, and this

partly explains the significant decrease in 2024/25. The decrease is further explained by the large portion of the conditional grant and equitable share budget cuts implemented against this programme in respect of the department's capital housing projects over the 2024/25 MTEF. The increase from the 2025/26 Main to Adjusted Appropriation was mainly due to the amount of R100 million approved for roll-over by National Treasury from 2024/25 to 2025/26 against the HSDG, as explained. This largely explains the negative growth of 12.2 per cent in 2026/27, as well as the significant budget cuts that were effected against the HSDG over the MTEF, as mentioned. Furthermore, the allocation over the MTEF is in line with the significantly low growth in conditional grant allocations as a result of the carry-through impact of the 2024/25 MTEF budget cuts effected against the HSDG and ISUPG. The increase in the outer year of the MTEF is largely inflationary. Moreover, it should be noted that ISUPG increases over the MTEF due to an additional net allocation of R182.565 million in 2026/27, R181.612 million in 2027/28, and R187.145 million in 2028/29.

Programme 4 (which comprises the KZN Housing Fund) reflects a decreasing trend from 2022/23 to 2024/25. The decrease from 2022/23 to 2023/24 was largely due to the in-year fiscal consolidation budget cuts of R11.394 million effected against this programme, as well as reprioritisation of funds to cater for operating leases against *Goods and services* in Programme 1. The decrease from 2023/24 to 2024/25 was largely due to a portion of the budget cuts in the amount of R9.637 million in 2024/25 being implemented against this programme. The decrease from the 2025/26 Main to the Adjusted Appropriation was due to a reprioritisation of funds from this programme to *Transfers and subsidies to: Households* in Programme 3 to cater for spending pressures in relation to the re-alignment of the new subsidy quantum for housing projects such as Sobonakhona Rural, Sobantu Housing and Richmond Housing projects. The allocation fluctuates over the 2026/27 MTEF. The 2026/27 MTEF provides for the resolution of outstanding maintenance issues and the rectification of units built prior to 1994. The allocations over the MTEF will be reviewed as progress is made on these programmes, as well as on the target to dis-establish the KZN Housing Fund.

Compensation of employees reflects a fluctuating trend from 2022/23 to 2024/25. The decrease from 2023/24 to 2024/25 can be attributed to the 2024/25 MTEF budget cuts of R23.103 million in 2024/25 effected against this category, relating to both the equitable share and conditional grants. The increase from the 2025/26 Main to Adjusted Appropriation was due to a virement undertaken to this category, as well as once-off additional funding allocated from the department's own revenue from various sources, to cater for the costs of implementing the 2025 wage agreement. The department is not planning on filling any posts over the MTEF, and posts that become vacant in-year will be assessed for criticality. The MTEF shows negative growth of 8.6 per cent in 2026/27 and low growth of 4.6 per cent in 2027/28 mainly due to the carry-through effects of the previous years' budget cuts. This growth is not sufficient to provide for the carry-through costs of the 2025 wage agreement, the 1.5 per cent pay progression, as well as possible wage increases over the MTEF. The growth in the outer year of the MTEF increases largely in line with inflation, with minimal increases over the MTEF against the conditional grants for the 2025 wage agreement, as explained. The allocation against this category will be reviewed in-year.

Goods and services reflects an increase from 2022/23 to 2024/25. The decrease from 2024/25 to the 2025/26 Main Appropriation is partly attributable to the high base in 2024/25 as a result of the carry-through impact of the 2021/22 MTEF budget cuts which were higher in 2023/24, as well as the payment of accruals from 2023/24 in respect of audit costs: external, computer services, operating leases and fleet services, among others, 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 decrease is also attributable to the 2024/25 MTEF budget cuts effected against this category. The increase from the 2025/26 Main to the Adjusted Appropriation is attributable to the once-off additional allocation to the department to cater for the 2025 wage agreement, as well as a portion of the funds allocated back to the department from the department's own revenue collected in 2025/26 from various sources. The MTEF provides mainly for the management of office accommodation, training and development, IT related functions, etc. for the entire department, the implementation of the anti-land invasion strategy and the one per cent allocation of the HSDG for the management of catalytic projects by the Housing Development Agency (HDA).

In respect of *Transfers and subsidies*:

- *Provinces and municipalities* reflects a fluctuating trend from 2022/23 to 2023/24, with a significant decrease in 2024/25, mainly in relation to the operational costs of accredited municipalities, as well as transfers to the eThekweni Metro for the CRU programme which was re-aligned to the agreement entered into by the department and the eThekweni Metro to transfer funds for the CRU programme in respect of the Thokoza and Donnelly CRUs. The significant decrease from 2023/24 to 2024/25 was due to an agreement with the eThekweni Metro, which expired by the end of 2023/24. The MTEF also caters for operational costs for accredited municipalities such as the eThekweni Metro, and the KwaDukuza, Newcastle, Msunduzi, Ray Nkonyeni, uMhlathuze and Alfred Duma Municipalities.
- *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. There is a fluctuating trend from 2022/23 to 2024/25. The decrease from 2022/23 to 2023/24 was largely due to the in-year fiscal consolidation budget cuts of R11.394 million effected against this category, as well as reprioritisation of funds to cater for operating leases against *Goods and services* in Programme 1. The decrease from 2023/24 to 2024/25 was largely due to a portion of the budget cuts in the amount of R9.637 million in 2024/25 being implemented against this category. The decrease from the 2025/26 Main to the Adjusted Appropriation was due to a reprioritisation of funds from this category to *Transfers and subsidies to: Households* in Programme 3 in relation to savings realised on municipal services' costs which resulted from the transfer of the Oribi Village property to the Msunduzi Municipality in line with the department's target to dis-establish the KZN Housing Fund by 31 March 2027. The allocation over the 2026/27 MTEF fluctuates. The 2026/27 MTEF provides for the resolution of outstanding maintenance issues and the rectification of units built prior to 1994. The allocations over the MTEF will be reviewed as progress is made on these programmes, as well as on the target to dis-establish the KZN Housing Fund.
- *Households* shows a fluctuating trend from 2022/23 to 2024/25, largely in respect of the HSDG, as the bulk of the housing programmes are budgeted for within this category. The spending in 2022/23 and 2023/24 takes into account funds of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of funds ring-fenced within the HSDG to address the October 2019 to January 2022 flood disasters. The increase from the 2025/26 Main to Adjusted Appropriation was due to the amount of R100 million approved for roll-over by National Treasury from 2024/25 to 2025/26 against the HSDG in respect of the Aloe Ridge Social Housing project in the Msunduzi Municipality and this roll-over was allocated under this category. The increase was also due to a virement undertaken from *Departmental agencies and accounts* to cater for the re-alignment of housing projects to the new subsidy quantum. This largely explains the negative growth in 2026/27. The category shows steady growth over the 2026/27 MTEF.

Buildings and other fixed structures relates to the Social and Economic Amenities programme. The spending from 2023/24 to 2024/25 was in respect of the Emfihlweni and Sonkombo community hall projects. The increasing trend in this category aligns with the progress made on these projects each year. The 2026/27 MTEF allocations also cater for the Townview community hall project, which resumed in 2025/26 and is anticipated to be completed in 2026/27. The allocation over the MTEF is increasing as the department is introducing two additional Social and Economic Amenities projects at uMkhanyakude and Harry Gwala.

Machinery and equipment shows a fluctuating trend from 2022/23 to 2024/25 due to its cyclical nature. The increase in 2023/24 was to cater for spending pressures due to the purchase of two main servers for the Pietermaritzburg and Durban offices and 60 desktops. The decrease in 2024/25 was due to enforced savings in an effort to curb the budget pressures experienced by the department. The significant increase in 2025/26 is due to the low base in 2024/25, as well as the reprioritisation undertaken to this category to cater for the purchase of vehicles, office equipment and furniture. There is inflationary growth over the two outer years of the MTEF.

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 8.8 and 8.9 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 8.8 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 2026/27 MTEF, namely the HSDG, EPWP Integrated Grant for Provinces and the ISUPG. The EPWP Integrated Grant for Provinces receives funding up to 2026/27, 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, Integrated Residential Development Programme (IRDP), rural housing subsidies, ISU programme, social housing, etc.

The HSDG shows a fluctuating trend over the seven-year period. The increase in 2023/24 was attributable to the additional allocation of R474.974 million in respect of a disaster allocation under the HSDG, which was under-spent by R263.741 million. The increase in 2024/25 was due to the amount of R263.741 million approved for roll-over by National Treasury in respect of the disaster allocation ring-fenced within the HSDG. The increase in the 2025/26 Main to Adjusted Appropriation was due to a correction made by National Treasury during the Adjustments Estimate where an amount of R863 000 was incorrectly allocated to the HSDG under *Compensation of employees*. Furthermore, National Treasury approved R100 million to be rolled over from 2024/25 to 2025/26 during the Adjustments Estimates. The growth in 2026/27 is low and this is due to budget cuts of R198.176 million, R212.748 million, and R127.933 million affecting the MTEF. The department will continue to adjust targets in terms of the numbers of units, sites, and housing opportunities across all projects to align with the available budget.

Table 8.8 : Summary of conditional grants payments and estimates by name

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Human Settlements Development grant	2 574 884	2 894 167	2 771 660	2 599 445	2 698 582	2 698 582	2 434 929	2 539 428	2 624 243
EPWP Integrated Grant for Provinces	6 499	6 921	6 331	5 243	5 243	5 243	2 168	-	-
Provincial Emergency Housing grant	318 283	23 849	-	-	-	-	-	-	-
Informal Settlements Upgrading Part. Grant for Prov.	724 592	733 188	597 069	508 883	508 686	508 686	353 550	360 330	365 863
Total	3 624 258	3 658 125	3 375 060	3 113 571	3 212 511	3 212 511	2 790 647	2 899 758	2 990 106

Table 8.9 : Summary of conditional grants payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	140 156	201 625	185 618	159 040	179 561	182 681	97 623	86 293	89 003
Compensation of employees	89 808	98 518	95 632	105 206	104 449	104 449	62 047	65 081	67 524
Goods and services	50 348	103 107	89 986	53 834	75 112	78 232	35 576	21 212	21 479
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 483 050	3 453 535	3 184 212	2 947 379	3 025 798	3 022 678	2 679 324	2 797 765	2 885 403
Provinces and municipalities	129 639	134 878	41 466	68 591	48 591	48 591	47 036	47 036	47 036
Departmental agencies and accounts	143 962	116 621	117 114	160 636	126 994	126 994	104 090	103 713	104 350
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 209 449	3 202 036	3 025 632	2 718 152	2 850 213	2 847 093	2 528 198	2 647 016	2 734 017
Payments for capital assets	1 052	2 965	5 230	7 152	7 152	7 152	13 700	15 700	15 700
Buildings and other fixed structures	-	1 587	4 301	6 100	6 100	6 100	13 000	15 000	15 000
Machinery and equipment	1 052	1 378	929	1 052	1 052	1 052	700	700	700
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 624 258	3 658 125	3 375 060	3 113 571	3 212 511	3 212 511	2 790 647	2 899 758	2 990 106

The department received an allocation of R106.392 million through the PEHG 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 roll-over allocation was fully spent at the end of 2023/24.

The department received R714.375 million in respect of the ISUPG for the first time in 2021/22. In-year, fiscal consolidation budget cuts of R89.313 million were implemented by National Treasury in 2023/24. This decrease was offset to an extent by the roll-over of R32.276 million received. The decreasing trend from 2024/25 was due to the budget cuts of R228.646 million in 2024/25 implemented by National Treasury against this grant. The decrease in the 2025/26 Main to Adjusted Appropriation was due to a correction by National Treasury during the Adjustments Estimate where an amount of R197 000 was incorrectly allocated to the ISUPG under *Compensation of employees*. The lower allocations over the MTEF are mainly as a result of the budget cuts effected in previous budget processes where the cuts were higher in the outer years. Additional funds of R182.565 million in 2026/27, R181.612 million in 2027/28 and R187.145 million in 2028/29 are allocated against this grant, as explained. The department will continue to adjust targets in terms of the numbers of units, sites and housing opportunities across all projects to align with the available budget.

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 department is not planning to fill any posts over the MTEF, and any vacancies will be assessed for criticality and affordability. 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 2026/27 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 carry-through impact of the 2025/26 MTEF budget cuts, which affects the OPSCAP funding. This category includes fees for the management of catalytic projects. The historic budget cuts result in a reduction in funding for professionals and consultants in the built environment.

In respect of *Transfers and subsidies*:

- *Provinces and municipalities* reflects an increase from 2022/23 to 2023/24, with a significant decrease in 2024/25, mainly in relation to the operational costs of accredited municipalities, as well as transfers to the eThekweni Metro for the CRU programme which was re-aligned to the agreement entered into by the department and the eThekweni Metro to transfer funds for the CRU programme in respect of the Thokoza and Donnelly CRUs. The significant decrease from 2023/24 to 2024/25 was due to an agreement with the eThekweni Metro, which expired by the end of 2023/24. The decrease in the 2025/26 Main to Adjusted Appropriation was due to delays in the implementation of a hostel upgrade project by the eThekweni Metro and the implementation is now anticipated in 2026/27. The allocation over the 2026/27 MTEF is kept constant. The MTEF also caters for operational costs for accredited municipalities such as the eThekweni Metro, and the KwaDukuza, Newcastle, Msunduzi, Ray Nkonyeni, uMhlathuze and Alfred Duma Municipalities.
- *Departmental agencies and accounts* relates to transfers to the KZN Housing Fund and to the HDA. There is a fluctuating trend from 2022/23 to 2024/25. The decrease from 2022/23 to 2023/24 was largely due to the in-year fiscal consolidation budget cuts of R11.394 million effected against this category, as well as reprioritisation of funds to cater for operating leases against *Goods and services* in Programme 1. The decrease from the 2025/26 Main to the Adjusted Appropriation was due to a reprioritisation of funds from this category to *Households* in Programme 3 in relation to savings realised on municipal services' costs, which resulted from the transfer of the Oribi Village property to the Msunduzi Municipality in line with the department's target to dis-establish the KZN Housing Fund by 31 March 2027. The 2026/27 MTEF shows a fluctuating budget and provides for the resolution of outstanding maintenance issues and the rectification of units built prior to 1994. The allocations over the MTEF will

be reviewed as progress is made on these programmes, as well as on the target to dis-establish the KZN Housing Fund.

- *Households* shows a fluctuating trend from 2022/23 to 2024/25, largely in respect of the HSDG, as the bulk of the housing programmes are budgeted for within this category. The spending in 2022/23 and 2023/24 takes into account funds of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of funds ring-fenced within the HSDG to address the October 2019 to January 2022 flood disasters. The increase from the 2025/26 Main to Adjusted Appropriation was due to the amount of R100 million approved for roll-over by National Treasury from 2024/25 to 2025/26 against the HSDG in respect of the Aloe Ridge Social Housing project in the Msunduzi Municipality and this roll-over was allocated under this category. The increase was also due to a virement undertaken from *Departmental agencies and accounts* to cater for the re-alignment of housing projects to the new subsidy quantum. This largely explains the negative growth in 2025/26. The lower allocations over the MTEF are in line with the significantly low growth in conditional grant allocations as a result of the carry-through impact of the 2024/25 MTEF budget cuts effected against the conditional grants, as well as further budget cuts made over the 2026/27 MTEF.
- *Buildings and other fixed structures* relates to the Social and Economic Amenities programme. The spending from 2023/24 to 2024/25 was in respect of the Emfihlweni and Sonkombo community hall projects. The increasing trend in this category aligns with the progress made on these projects each year. The 2026/27 MTEF allocations cater for the Townview community hall project, which resumed in 2025/26 and is anticipated to be completed in 2026/27. The allocation over the MTEF is increasing as the department is introducing two additional Social and Economic Amenities projects at uMkhanyakude and Harry Gwala.
- *Machinery and equipment* provide for the purchase of furniture and equipment for employees, funded from the HSDG. The allocations over the MTEF are kept constant and will be reviewed in the next budget process.

7.5 Summary of infrastructure payments and estimates

Table 8.10 presents a summary of infrastructure payments and estimates by infrastructure category. Detailed information on infrastructure is given in the 2026/27 ECE.

The category *New infrastructure assets: Capital* relates to the Social and Economic Amenities programme. The spending from 2023/24 to 2024/25 was in respect of the Emfihlweni and Sonkombo community hall projects. The increasing trend in this category aligns with the progress made on these projects each year. The 2026/27 MTEF allocations cater for the Townview community hall project, which resumed in 2025/26 and is anticipated to be completed in 2026/27. The allocation over the MTEF is increasing as the department is introducing two additional Social and Economic Amenities projects at uMkhanyakude and Harry Gwala.

Table 8.10 : Summary of provincial infrastructure payments and estimates by category

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2022/23	2023/24	2024/25	Appropriation	Appropriation	Estimate	2026/27	2027/28	2028/29
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	1 298	1 587	4 577	6 100	6 100	6 100	13 000	15 000	15 000
Infrastructure transfers	3 118 240	3 462 726	3 227 598	2 946 865	3 045 805	3 045 805	2 691 824	2 797 765	2 885 403
Infrastructure transfers: Current	51 847	49 178	41 466	48 591	48 591	48 591	47 036	47 036	47 036
Infrastructure transfers: Capital	3 066 393	3 413 548	3 186 132	2 898 274	2 997 214	2 997 214	2 644 788	2 750 729	2 838 367
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	27 014	25 372	43 422	36 487	36 487	36 487	37 370	38 488	39 681
Non infrastructure¹	150 422	186 893	146 857	155 363	155 363	155 363	83 655	86 993	89 703
Total	3 296 974	3 676 578	3 422 454	3 144 815	3 243 755	3 243 755	2 825 849	2 938 246	3 029 787
<i>Capital infrastructure</i>	3 067 691	3 415 135	3 190 709	2 904 374	3 003 314	3 003 314	2 657 788	2 765 729	2 853 367
<i>Current infrastructure</i>	78 861	74 550	84 888	85 078	85 078	85 078	84 406	85 524	86 717

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

The category *New infrastructure assets: Capital* relates to the Social and Economic Amenities programme. The spending from 2023/24 to 2024/25 was in respect of the Emfihlweni and Sonkombo community hall projects. The increasing trend in this category aligns with the progress made on these projects each year. The 2026/27 MTEF allocations cater for the Townview community hall project, which resumed in 2025/26 and is anticipated to be completed in 2026/27. The allocation over the MTEF is increasing as the department is introducing two additional Social and Economic Amenities projects at uMkhanyakude and Harry Gwala.

The category *Infrastructure transfers: Current* comprises transfers in respect of operational costs of accredited municipalities, such as the eThekweni Metro, and the KwaDukuza, Newcastle, Msunduzi, Ray Nkonyeni, uMhlathuze and Alfred Duma Municipalities. Operational costs of the accredited municipalities are flat-lined over the 2026/27 MTEF, as they are paid based on municipalities' spending percentages and are therefore difficult to accurately budget for. These costs were previously recorded against *Infrastructure transfers: Capital*, but after assessment, the department established that the funds are current in nature.

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 shows a fluctuating trend from 2022/23 to 2024/25, largely in respect of the HSDG, as the bulk of the housing programmes are budgeted for within this category. The spending in 2022/23 and 2023/24 takes into account funds of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of funds ring-fenced within the HSDG to address the October 2019 to January 2022 flood disasters, and this partly explains the significant decrease in the 2024/25 allocation. 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. The increase from the 2025/26 Main to Adjusted Appropriation was due to the amount of R100 million approved to be rolled over by National Treasury from 2024/25 to 2025/26 against the HSDG, as explained. These funds were under-spent but committed at the end of 2024/25, as mentioned. The 2026/27 MTEF caters for the rectification of post-1994 houses, the enrolment of housing projects with the National Home Builders Registration Council (NHBRC), the redevelopment of old hostels to CRUs, the construction of new CRU projects, the servicing of several sites under the informal settlements upgrade programme and the rural subsidy programme, among others.

The category *Infrastructure: Leases* relates to the operational leases for office accommodation leased by the department. This category shows minimal positive growth over the 2026/27 MTEF and caters for the operational leases for office accommodation.

The category *Non infrastructure* caters for items such as operational costs which are not related to infrastructure, including advertising, communication, etc. in relation to the HSDG. The high allocation in 2023/24 related to *Compensation of employees* in respect of the appointment of professionals in the built environment to assist with project identification and assessments, social facilitation, and quality assurance for the flood disasters. The 2026/27 MTEF caters for operational costs such as advertising, communication, etc., and the decrease is in line with the significant budget cuts against the HSDG.

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 8.11 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 by 31 March 2027. This is an unlisted public entity in terms of Section 47(2) of the PFMA.

These allocations were previously made from all categories within Programme 4 but, following an A-G finding, are now made from *Transfers and subsidies to: Departmental agencies and accounts*.

Table 8.11 : Summary of departmental transfers to public entities (listed i.t.o Schedule 3 of the PFMA) and other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Transfers to public entities		-	-	-	-	-	-	-	-	-
Transfers to other entities		182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
KZN Housing Fund	4 (all 3 sub-programmes)	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
Total		182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331

With regard to the KZN Housing Fund, there is a fluctuating trend from 2022/23 to 2024/25. The decrease from 2022/23 to 2023/24 was largely due to the in-year fiscal consolidation budget cuts of R11.394 million effected against this category, as well as reprioritisation of funds to cater for operating leases against *Goods and services* in Programme 1. The decrease from 2023/24 to 2024/25 was largely due to a portion of the budget cuts amounting to R9.637 million in 2024/25 being implemented against this category. There was a decrease to 2024/25 due to the reprioritisation of funds from this category to *Transfers and subsidies to: Households* in Programme 3 in relation to savings realised on municipal services' costs which resulted from the transfer of the Oribi Village property to the Msunduzi Municipality in line with the department's target to dis-establish the KZN Housing Fund by 31 March 2027.

The significant increase in 2025/26 is mainly attributable to the reprioritisation undertaken to this category to cater for the maintenance of government properties that have not yet been transferred to municipalities and beneficiaries, the Rehabilitation of pre-1994 stock where the department is ready to commence with the second phase in 2025/26, as well as to cater for the Colita and Fodderville Rectification project which was previously delayed by historic budget cuts, as mentioned. This reprioritisation was much lower in 2026/27, hence the significant decrease in the two outer years of the MTEF. The 2026/27 MTEF provides for the resolution of outstanding maintenance issues and the rectification of units built prior to 1994. The allocations over the MTEF will be reviewed as progress is made on these programmes, as well as on the target to dis-establish the KZN Housing Fund.

7.8 Transfers to local government

Tables 8.12 and 8.13 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 8.12 and 8.13. Details of these transfers are presented in the *Annexure – Vote 8: Human Settlements*.

Table 8.12 : Summary of departmental transfers to local government by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Category A	108 057	102 673	8 929	37 172	18 052	18 052	13 536	13 536	13 536
Category B	28 790	32 205	32 537	31 419	31 419	31 419	33 500	33 500	33 500
Category C	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036

Table 8.13 : 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		
		2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Accredited municipalities	3.2 Financial Interventions	86 847	49 178	41 466	48 591	48 591	48 591	47 036	47 036	47 036
CRU programme	3.4 Social & Rental Interventions	50 000	85 700	-	20 000	-	-	-	-	-
Rates and taxes	3.4 Social & Rental Interventions	-	-	-	-	880	880	-	-	-
Total		136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036

Transfers to municipalities relate to the CRU programme (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 significant decrease from 2023/24 to 2024/25 was due to an agreement with the eThekweni Metro which expired at the end of 2023/24.

Categories A and B: The department provides for operational costs of accredited municipalities including the eThekweni Metro, and the KwaDukuza, Newcastle, Msunduzi, Ray Nkonyeni, uMhlathuze and Alfred Duma Municipalities.

7.9 Transfers and subsidies

Table 8.14 provides a summary of *transfers and subsidies* per programme, as discussed before and after the table.

With regard to Programme 1:

- *Provinces and municipalities* relates to motor vehicle licence fees. The decrease in 2026/27 is largely attributable to the reprioritisation undertaken from this category due to historical over-budgeting as evidenced by a low spending trend.
- *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 2025/26 Main to the Adjusted Appropriation was to cater for unanticipated staff exit costs, from savings realised from *Compensation of employees* in Programme 3. The 2026/27 MTEF allocations cater for external bursaries, which include the payment of institutional fees, meals and accommodation.

With regard to Programme 2:

- *Households* from 2022/23 to 2025/26 relates to staff exit costs. This category is not budgeted for over the 2026/27 MTEF due to its uncertain nature.

Table 8.14 : Summary of transfers and subsidies by programme and main category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
1. Administration	3 337	2 596	1 677	727	2 494	2 494	8 825	798	823
Provinces and municipalities	159	114	89	150	212	212	159	166	171
Motor vehicle licences	159	114	89	150	212	212	159	166	171
Households	3 178	2 482	1 588	577	2 282	2 282	8 666	632	652
Staff exit costs	2 551	1 660	1 133	-	600	663	8 062	-	-
Donations	498	-	-	-	-	-	-	-	-
Bursaries	129	822	455	577	1 682	1 619	604	632	652
2. Housing Needs, Research and Planning	130	182	100	-	11	11	948	-	-
Households	130	182	100	-	11	11	948	-	-
Staff exit costs	130	182	100	-	11	11	948	-	-
3. Housing Development	3 311 112	3 338 567	3 072 164	2 786 743	2 900 449	2 897 329	2 581 764	2 694 052	2 781 053
Provinces and municipalities	136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036
Op. costs for accredited municipalities (HSDG)	86 847	49 178	41 466	48 591	48 591	48 591	47 036	47 036	47 036
CRU programme (HSDG)	50 000	85 700	-	20 000	-	-	-	-	-
Rates and taxes for Sec. 21 properties (HSDG)	-	-	-	-	880	880	-	-	-
Households	3 174 265	3 203 689	3 030 698	2 718 152	2 850 978	2 847 858	2 534 728	2 647 016	2 734 017
Staff exit costs	713	1 016	1 152	-	765	765	6 530	-	-
Claims against the state	2	-	3	-	-	-	-	-	-
Staff exit costs (HSDG)	120	1 019	212	154	911	911	-	-	-
Staff exit costs (ISUPG)	-	19	130	-	-	-	-	-	-
Donations (equitable share)	2 275	-	-	-	-	-	-	-	-
EPWP Integrated Grant for Provinces	2 491	2 832	1 376	360	360	360	-	-	-
EPWP job creation programme (equitable share)	-	475	-	-	-	-	-	-	-
Informal Sett. Upgrading Part. Grant for Prov.	724 592	699 299	574 561	483 449	483 252	483 252	342 943	349 520	354 887
Provincial Emergency Housing grant	341 132	23 849	-	-	-	-	-	-	-
Human Settlements Development grant	2 102 940	2 475 180	2 453 264	2 234 189	2 365 690	2 362 570	2 185 255	2 297 496	2 379 130
of which:									
FLISP	30 104	22 644	24 871	24 266	30 783	30 739	30 861	30 861	30 861
Rectification of RDP stock	211 128	-	202 642	141 094	164 524	203 613	115 203	131 551	132 551
IRDP	337 982	346 590	340 437	458 153	471 008	389 826	595 493	566 270	600 890
Rural subsidy communal land right	1 229 948	1 301 380	1 408 592	1 341 746	1 406 311	1 367 222	1 197 285	1 253 996	1 279 713
Others	293 778	804 566	476 722	268 930	293 064	371 170	246 413	314 818	335 115
4. Housing Asset Management	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
Departmental agencies and accounts	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
Equitable share	38 634	43 590	34 047	29 734	30 859	30 859	34 586	32 983	33 981
Human Settlements Development grant	143 962	116 621	117 114	160 636	126 994	126 994	104 090	103 713	104 350
Total	3 497 175	3 501 556	3 225 102	2 977 840	3 060 807	3 057 687	2 730 213	2 831 546	2 920 207

With regard to Programme 3:

- *Provinces and municipalities* reflects a decrease from 2022/23 to 2024/25, in relation to the operational costs of accredited municipalities, as well as transfers to the eThekweni Metro for the CRU programme which was re-aligned to the agreement entered into by the department and the eThekweni Metro to transfer funds for the CRU programme in respect of the Thokoza and Donnelly CRUs. The significant decrease from 2023/24 to 2024/25 was due to an agreement with the eThekweni Metro that expired at the end of 2023/24. The MTEF also caters for operational costs for accredited municipalities such as the eThekweni Metro, and the KwaDukuza, Newcastle, Msunduzi, Ray Nkonyeni, uMhlathuze and Alfred Duma Municipalities. It should also be noted that this category was decreased by R20 million in 2025/26 within the HSDG as there were delays in the implementation of hostel upgrade projects by the eThekweni Metro, and these funds were moved within the programme to the sub-programme: Rural Intervention within the same category.
- *Households* fluctuates from 2022/23 to 2024/25, largely in respect of the HSDG, as the bulk of the housing programmes are budgeted for within this category. The spending in 2022/23 and 2023/24 takes into account funds of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of funds ring-fenced within the HSDG to address the October 2019 to January 2022 flood disasters, and this partly explains the significant decrease in 2024/25. 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 in 2026/27, with carry-through, which were implemented against this category in respect of the department's capital housing projects over the MTEF. There was an increase in 2024/25 due to the R263.741 million approved for roll-over by National Treasury from 2023/24 to 2024/25 against the HSDG, as explained. This largely explains the significant decrease in 2025/26. The fluctuation over the MTEF is also attributable to the reprioritisation undertaken against this category to address budget pressures in Programme 4. Furthermore, the allocation over the MTEF is in line with the significantly low growth in conditional grant allocations, resulting from the carry-through impact of the 2024/25 MTEF budget cuts applied to conditional grants. National Treasury approved funds amounting to R100 million to be rolled over from 2024/25 to 2025/26 in respect to the HSDG with respect to the Aloe Ridge Social Housing project. These funds were allocated to this category. There was also a correction made by National Treasury which affected the *Households* budget under the HSDG and under ISUPG. In this regard, National Treasury noted that these two grants erroneously received a top-up of R863 000 and R197 000, respectively and this was allocated to *Households* in the main budget. These funds should have been allocated under the equitable share against *Compensation of employees*. As such, the HSDG was reduced by R863 000, and the ISUPG was reduced by R197 000 under Programme 3 against *Households*, while the department's equitable share allocation was increased by R1.060 million, which was allocated to *Compensation of employees* under Programme 3 in respect of this correction. It should be noted that the allocation for the HSDG was significantly cut over the 2026/27 MTEF as explained, and this explains the trend against this category. On the other hand, additional funds were allocated to the ISUPG, as explained.

With regard to *Departmental agencies and accounts*, there is a decreasing trend from 2022/23 to 2024/25. The decrease from 2022/23 to 2023/24 was largely due to the in-year fiscal consolidation budget cuts of R11.394 million effected against this category, as well as reprioritisation of funds to cater for operating leases in Programme 1. The decrease from 2023/24 to 2024/25 was largely due to R9.637 million in budget cuts, implemented in 2024/25, being effected against this category. The significant increase in 2025/26 is mainly attributable to the reprioritisation undertaken to this category to cater for the maintenance of government properties that have not yet been transferred to municipalities and beneficiaries, the Rehabilitation of pre-1994 stock where the department commenced with the second phase in 2025/26, as well as to cater for the Colita and Fodderville Rectification project which was previously delayed by historic budget cuts. The decrease from the 2025/26 Main to the Adjusted Appropriation was due to a reprioritisation of funds, amounting to a net R32.517 million, from this category against the HSDG relating to R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro still having unspent balances from funds which were paid in the previous financial year. These savings were moved to *Households* in Programme 3 to cater for spending pressures in relation to the re-alignment of the new subsidy quantum for housing projects such as Sobonokhona Rural, Sobantu Housing and Richmond

Housing projects. Savings of R33.642 million were realised under the Housing Property Maintenance sub-programme against *Departmental agencies and accounts*, and these savings were moved to *Households* in Programme 3, as previously mentioned. Savings of R1.125 million were realised under the Research sub-programme against *Goods and services* in Programme 2 from travel and subsistence due to cost-cutting and from over-budgeting for contract employees paid from the OPSCAP budget under the HSDG. These savings were moved to *Departmental agencies and accounts* in Programme 4, to fund the shortfall arising from the implementation of the 2025 wage agreement, and for audit costs that were not sufficiently budgeted for due to the impact of historic budget cuts. The 2026/27 MTEF provides for the resolution of outstanding maintenance issues and the rectification of units built prior to 1994. The allocations over the MTEF will be reviewed as progress is made on these programmes, as well as on the target to dis-establish the KZN Housing Fund.

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. This programme also:

- Provides overall strategic leadership, coordination, and management of strategies towards the achievement of sustainable human settlements for all people in the province.
- Administer the department in line with good governance practice.
- Formulate and/or review policies and strategies in line with legal prescripts and national and provincial priorities.

This programme plays a vital function to ensure that the administrative support functions to support core delivery programmes are effectively provided. Tables 8.15 and 8.16 reflect a summary of payments and estimates for the period 2022/23 to 2028/29.

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 fluctuating trend over the seven-year period. The department is not planning to fill any posts over the MTEF due to the carry-through impact of the 2024/25 MTEF budget cuts. The increasing trend over the 2026/27 MTEF is inflationary and provides for the management of office accommodation, training and development, IT-related functions, etc., for the entire department.

Table 8.15 : Summary of payments and estimates by sub-programme: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
1. Corporate Services	279 448	271 281	285 910	283 916	288 325	288 325	305 597	310 043	318 329
Total	279 448	271 281	285 910	283 916	288 325	288 325	305 597	310 043	318 329

Table 8.16 : Summary of payments and estimates by economic classification: Administration

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	269 518	258 282	279 382	276 134	278 101	278 101	288 933	301 068	309 075
Compensation of employees	149 206	148 755	145 427	151 147	151 031	151 031	155 840	162 317	167 348
Goods and services	120 312	109 527	133 955	124 987	127 070	127 070	133 093	138 751	141 727
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 337	2 596	1 677	727	2 494	2 494	8 825	798	823
Provinces and municipalities	159	114	89	150	212	212	159	166	171
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 178	2 482	1 588	577	2 282	2 282	8 666	632	652
Payments for capital assets	6 585	10 403	4 851	7 055	7 730	7 730	7 839	8 177	8 431
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 585	10 403	4 851	7 055	7 730	7 730	7 839	8 177	8 431
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	8	-	-	-	-	-	-	-	-
Total	279 448	271 281	285 910	283 916	288 325	288 325	305 597	310 043	318 329

Compensation of employees shows that the department does not plan to fill any posts over the MTEF due to the carry-through impact of historic budget cuts. The MTEF shows low growth of 3.2 per cent in 2026/27, inflationary growth of 4.2 per cent in 2027/28 and 3.1 per cent in 2028/29. This growth is not sufficient to provide for the carry-through costs of the 2025 wage agreement despite the reprioritisation undertaken, the 1.5 per cent pay progression and possible wage increments, as per National Treasury guidelines. The allocation against this category will be reviewed in-year.

Goods and services shows growth over the MTEF which is 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 as explained in Section 7.9.
- The fluctuating trend against *Households* is explained in Section 7.9.

Machinery and equipment relates to the purchase and replacement of motor vehicles, computer equipment, and office furniture. 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 8.17 reflects the main service delivery measures pertaining to Programme 1. The department added two new indicators in 2025/26.

Table 8.17 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2025/26	2026/27	2027/28	2028/29
Corporate Services					
1.1	Improved organisational efficiency to promote an agile, capable and ethical and developmental department	<ul style="list-style-type: none"> • % of approved Human Resource plan implemented • % implementation of the Human Settlements implementation plan for the framework towards professionalism • No. of digital transformational projects completed • % implementation of the approved internal audit plan • % of valid invoices paid within 30 days of receipt • % implementation of the approved audit improvement plan 	<ul style="list-style-type: none"> 100% New New 100% 100% 100% 	<ul style="list-style-type: none"> 100% 100% 5 100% 100% 100% 	<ul style="list-style-type: none"> 100% - 5 100% 100% 100%

Table 8.17 : Service delivery measures: Administration

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2025/26	2026/27	2027/28	2028/29
	• % of awards of the approved procurement plan	80%	100%	100%	100%
	• % of the Organisational Functionality Assessment Improvement Plan implemented	25%	25%	25%	-
	• % of financial disclosures submitted by Senior Management Services by the 30th of April of each year	100%	100%	100%	100%

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, 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 8.18 and 8.19 illustrate payments and budgeted estimates from 2022/23 to 2028/29.

Table 8.18 : Summary of payments and estimates by programme: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
1. Administration	489	548	540	566	581	581	2 521	2 631	2 713
2. Policy	3 730	4 073	4 059	4 331	4 397	4 397	4 614	4 818	4 967
3. Planning	4 785	5 183	4 967	6 763	5 344	5 344	6 423	6 092	6 280
4. Research	11 114	11 205	9 070	9 523	9 577	9 577	11 791	11 802	12 157
Total	20 118	21 009	18 636	21 183	19 899	19 899	25 349	25 343	26 117

Table 8.19 : Summary of payments and estimates by programme: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	19 988	20 809	18 536	21 183	19 888	19 888	24 401	25 343	26 117
Compensation of employees	17 877	18 216	16 738	17 846	18 008	18 008	20 447	21 389	22 053
Goods and services	2 111	2 593	1 798	3 337	1 880	1 880	3 954	3 954	4 064
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	130	182	100	-	11	11	948	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	130	182	100	-	11	11	948	-	-
Payments for capital assets	-	18	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	18	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	20 118	21 009	18 636	21 183	19 899	19 899	25 349	25 343	26 117

The budget for the sub-programme: Administration over the 2026/27 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.

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 grow in line with inflation.

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, Integrated Development Plans (IDPs) and spatial development plans, to ensure alignment to the NDP and PGDS/MTDP. 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 2026/27 MTEF grow largely in line with inflation, and cater for the operational costs of staff within the Planning component.

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 2026/27 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).

Compensation of employees shows growth of 13.5 per cent from the 2025/26 Adjusted Appropriation to 2026/27, 4.6 per cent in 2027/28, and 3.1 per cent in 2028/29 and caters for the carry-through costs of filled posts and the carry-through impact of the unfunded 2025 wage agreement, the 1.5 per cent pay progression, and the possible wage increases over the MTEF. The allocation against this category will be reviewed in-year.

Goods and services is constant between 2026/27 and 2027/28 with a slight increase in 2028/29 due to the requirement to pay for BBBEE verification which was previously paid for by EDTEA. This is estimated at approximately R1 million per annum over the MTEF, with verifications to be undertaken on a quarterly basis each year. The budget also caters for inflationary adjustments relating to operational costs such as computer services and travel and subsistence. The category continues to make provision for capacity building programmes relating to housing consumer and Councillor training over the 2026/27 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 8.20 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 8.20 : Service delivery measures: Housing Needs, Research and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2025/26	2026/27	2027/28	2028/29	
Planning						
1.1	Transformed human settlements in rural and urban environments	<ul style="list-style-type: none"> • No. of informal settlements completed in Phase 1 • No. of informal settlements completed in Phase 2 • No. of multi-year human settlements development plans reviewed • No. of municipalities provided with technical support • No. of human settlements development projects approved for planning (Stage 1) • No. of catalytic projects in planning phase 	5	1	1	1
			5	2	2	2
			1	1	1	1
			43	43	43	43
			5	1	1	1
			3	3	3	3

Table 8.20 : Service delivery measures: Housing Needs, Research and Planning

Outputs	Performance indicators	Estimated performance		Medium-term targets		
		2025/26	2026/27	2027/28	2028/29	
	<ul style="list-style-type: none"> No. of hectares of land procured No. of Upgrading of Informal Settlements Programme (UISP) projects in Phase 2 (planning) % of human settlements allocations invested in Priority Human Settlements and Housing Development Areas (PHSHDAs) No. of PHSHDA development plans developed 	50	50	50	50	
		86	61	70	67	
		10%	8%	8%	8%	
		2	1	-	-	
Administration						
1.2	Transformed human settlements in rural and urban environments	• No. of individuals provided with human settlements consumer education	5 000	4 000	4 000	4 000
Research						
1.3	Transformed human settlements in rural and urban environments	• No. of research reports approved	2	2	2	2

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.

Programme 3 is the core function of the department and serves to promote effective and efficient human settlements delivery through various housing subsidy instruments. Its focus is to achieve targets, which contribute to the national priority targets. This programme also plays a fundamental role towards the realisation of the department’s mission and vision. The housing programmes implemented by this programme include: FLISP, Enhanced People’s Housing Process (EPHP), IRDP, emergency housing and OSS, as well as Social and Rental Housing, CRUs, Rectification/Rehabilitation (Post-1994), Military Veterans’ Housing Programme, social and economic amenities, Consolidation and Rural Housing Programmes.

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, PEHG and the ISUPG.

Tables 8.21 and 8.22 illustrate a summary of payments and budgeted estimates from 2022/23 to 2028/29.

Table 8.21 : Summary of payments and estimates by sub-programme: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
1. Administration	93 380	101 347	95 130	101 473	99 995	99 995	109 808	106 863	110 157
2. Financial Interventions	620 891	370 781	510 053	445 546	475 571	519 754	357 323	380 058	386 313
3. Incremental Interventions	1 399 663	1 665 716	1 232 547	978 664	996 793	991 699	1 010 869	938 480	998 434
4. Social and Rental Interventions	236 482	211 497	117 357	186 979	206 842	206 842	121 080	223 511	221 296
5. Rural Intervention	1 229 948	1 301 380	1 408 592	1 341 746	1 406 311	1 367 222	1 197 285	1 253 996	1 279 713
Total	3 580 364	3 650 721	3 363 679	3 054 408	3 185 512	3 185 512	2 796 365	2 902 908	2 995 913

Table 8.22 : Summary of payments and estimates by economic classification: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25	2025/26			2026/27	2027/28	2028/29
Current payments	266 778	308 965	285 908	260 333	276 841	279 961	200 901	193 156	199 160
Compensation of employees	184 748	193 032	193 230	199 139	197 206	197 206	158 378	166 303	171 884
Goods and services	82 030	115 933	92 678	61 194	79 635	82 755	42 523	26 853	27 276
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 311 112	3 338 567	3 072 164	2 786 743	2 900 449	2 897 329	2 581 764	2 694 052	2 781 053
Provinces and municipalities	136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	3 174 265	3 203 689	3 030 698	2 718 152	2 850 978	2 847 858	2 534 728	2 647 016	2 734 017
Payments for capital assets	2 466	3 189	5 607	7 332	8 222	8 222	13 700	15 700	15 700
Buildings and other fixed structures	1 298	1 587	4 577	6 100	6 100	6 100	13 000	15 000	15 000
Machinery and equipment	1 168	1 602	1 030	1 232	2 122	2 122	700	700	700
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	8	-	-	-	-	-	-	-	-
Total	3 580 364	3 650 721	3 363 679	3 054 408	3 185 512	3 185 512	2 796 365	2 902 908	2 995 913

The sub-programme: Administration provides for administration of human settlement development projects, managing of personnel and financial administration. The sub-programme reflects low growth in 2026/27 and an increasing trend over the 2026/27 MTEF. The growth over the MTEF caters for inflationary increases, and possible wage increases. The 2026/27 MTEF allocations are impacted by the carry-through of the historic budget cuts effected against this sub-programme.

The Financial Interventions sub-programme provides for financial support to procure services relating to housing delivery, such as the NHBRC, FLISP, rectification of post-1994 houses, the EPWP programme, 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 decrease in 2026/27 is due to budget cuts against the HSDG, but these are offset by additional funds allocated against the ISUPG over the 2026/27 MTEF. Furthermore, the OPSCAP percentage has been reduced from 5 per cent to 3 per cent as per the Division of Revenue Act (DORA) Framework. The allocations over the 2026/27 MTEF are also affected by the carry-through of the historic conditional grant budget cuts. The department is not planning to fill posts over the MTEF, and posts that become vacant will be assessed for criticality and affordability. The 2026/27 MTEF also caters for the implementation of the initiative under FLISP where the department will partner with financial institutions to assist homeowners who have existing bonds with the bank. These homeowners have either lost their jobs due or have become pensioners or deceased estates, and are finding it difficult to service their home loans.

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 significant decrease over the years is mainly due to the high base in 2024/25 as a result of a roll-over allocation of R263.741 million in respect of funds that were ring-fenced within the HSDG in respect of the flood disasters. The department will continue to align its targets for the number of units constructed and sites serviced, as well as hostels upgraded and rehabilitated to the available budget over the MTEF. The 2026/27 MTEF caters mainly to the servicing of several sites under the informal settlements upgrade programme and the IRDP, including the Dannhauser Stage 3, La Mercy Housing Project, Inyoni Bulk Services, Smero and Caluza Housing Project, and Mandlanzini Airport Buffer Housing, among others.

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 2026/27 MTEF, the major focus area in the CRU programme continues to be on the redevelopment of old hostels to CRUs and the construction of new CRU projects. In 2025/26, the department planned to build a total of 303 new CRU units, as well as various hostel refurbishment projects as part of the hostel upgrading programme. The

303 new CRU units are made up of 150 units in Newcastle, 45 units in Greater Kokstad, and 30 units in Johannes Phumani Phungula, 20 in uMvoti and 58 in eThekweni. The growth over the 2026/27 MTEF is affected by the carry-through of historic budget cuts and it should be noted that the department is introducing new projects over the MTEF, such as Bayview CRU in the eThekweni Metro, Mkuze CRU in the Jozini Municipality and Maphumulo CRU in the Maphumulo Municipality. The department will continue to align its targets for the number of units produced to the available budget over the MTEF.

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 2026/27 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, and include uBuhlebomzinyathi, Zungu Rural, Mhambuma, Matimatolo Phase 2, and Kwambila, among others. The growth over the MTEF is negative in 2026/27, with positive growth of 3.7 and 0.9 per cent in the outer years of the MTEF. This is in line with the significantly low growth in the conditional grant allocations as a result of the carry-through impact of the 2024/25 MTEF budget cuts. The department will continue to align its targets for the number of units produced to the available budget over the MTEF.

The fluctuations against *Compensation of employees* in this programme can mainly be attributed to posts funded by the HSDG and ISUPG, in line with DORA, which allows for a portion (which has been reduced from 5 per cent to 3 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. This category shows negative growth of 19.7 per cent in 2026/27 partly due to anticipated staff exits, including retirements and contract terminations, as well as the impact of the 2024/25 MTEF budget cuts against the department's conditional grants. The two outer years of the MTEF show growth of 5 per cent in 2027/28 and 3.4 per cent in 2028/29. This growth is not sufficient to provide for the carry-through costs of the 2025 wage agreement despite the reprioritisation undertaken, the 1.5 per cent pay progression, as well as possible wage increases over the MTEF as per National Treasury guidelines. The department is not planning to fill posts over the 2026/27 MTEF, and posts that become vacant will be assessed for criticality and affordability. 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 allocated up to 2026/27, at this stage. The department allocates 1 per cent of the HSDG for the management of catalytic projects by HDA. The significant decrease in 2026/27 is attributable to the high base in 2025/26 due to the shift to this category, as mentioned. This category shows a fluctuating trend over the 2026/27 MTEF and provides for the management of catalytic projects, land invasion strategy, etc.

With regard to *Transfers and subsidies*:

- The fluctuating trend against *Provinces and municipalities* is explained in Section 7.9.
- *Households* 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 8.23 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 outputs have been updated to align with the department's 2026/27 APP. The department added one new indicator in 2025/26. It is noted that the targets listed in Table 8.23 align with the latest draft 2026/27 APP.

Table 8.23 : Service delivery measures: Housing Development

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2025/26	2026/27	2027/28	2028/29
Financial Interventions					
1.1 Increased access to adequate housing through various programmes	• No. of subsidies disbursed through (First Home Finance) FHF	300	300	300	300
	• No. of post 1994 houses rectified	411	386	598	617
	• No. of Social and Economic Amenities completed	New	-	1	1
Incremental Interventions					
1.2 Increased access to adequate housing through various programmes	• No. of housing units completed	8 506	8 232	8 466	7 964
	• No. of serviced sites completed	2 142	1 061	1 252	1 271
	• No. of informal settlements upgraded in Phase 3	15	16	18	18
	• No. of title deeds registered	2 481	1 367	1 472	1 856
	• No. of Military Veterans housing projects (MVHP) houses completed	50	60	60	60
	• No. of informal settlements upgraded to Phase 3	-	-	-	1
Social and Rental Interventions					
1.3 Increased access to adequate housing through various programmes	• No. of CRUs constructed	303	316	307	302
	• No. of social housing projects endorsed	2	2	2	2
Rural Interventions					
1.4 Strengthened economic transformation of the human settlements sector	• No. of designated group companies trained	120	100	80	60
	• No. of designated group individuals trained	1 000	1 000	-	-
	• No. of work opportunities created through EPWP aligned projects	4 200	4 200	4 400	4 600
	• No. of Full Time Equivalent (FTEs) achieved through EPWP aligned projects	900	900	1 000	1 000
	• No. of person's days of work created through EPWP aligned projects	207 000	207 000	230 000	253 000
	• No. of EPWP beneficiaries provided with accredited training	120	120	140	160

8.4 Programme 4: Housing Asset Management

This programme is responsible for the management and effective disposal of pre-1994 Housing Fund properties to qualifying beneficiaries in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS), as well as the devolution of vacant land to municipalities in terms of Section 15 of the Housing Act 107 of 1997. The National Minister of Human Settlements has however, issued a proclamation of the completion date of 31 March 2027 for the Housing Fund's pre-1994 stock, by which all pre-1994 stock properties must be transferred to the rightful beneficiaries and where applicable the devolution of vacant land to municipalities. Therefore, EEDBS and the programme for the devolution of properties will be phased out. The department will however continue with the following programmes:

Pre-1994 Rectification

The policy intent for the Rectification of pre-1994 residential properties is to facilitate the improvement of state properties with specific focus on:

- The improvement of municipal engineering services where inappropriate levels of service were delivered.
- The renovations and/or upgrading or the complete reconstruction of dwellings that are severely structurally compromised, and that are regarded as inappropriate for transfer into ownership of the beneficiary or unfit for human habitation, thus posing a threat to the health and safety of the inhabitants.

In addition, the removal of asbestos is strictly regulated by the Asbestos Abatement Regulations, 2020 and in accordance with the Occupational Health and Safety Act (Act No. 85 of 1993). The pre-1994 Rectification programme therefore also includes the removal of asbestos and the rehabilitation of the housing units to national building norms and standards in the current projects.

Maintenance Programme

While this programme is also being phased out in light of the Ministerial proclamation, the department will continue to prioritise resolving the outstanding maintenance issues over the 2026/27 MTEF.

It must be noted that *Transfers and subsidies to: Departmental agencies and accounts* relate 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 2026/27 MTEF allocations take into account the activities undertaken by the department to meet the target to dis-establish the KZN Housing Fund by 31 March 2027. Allocations over the MTEF will be reviewed as progress is made on the dis-establishment of the KZN Housing Fund. Tables 8.24 and 8.25 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 8.24 : Summary of payments and estimates by sub-programme: Housing Asset Management

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25	2025/26			2026/27	2027/28	2028/29
1. Administration	38 736	43 590	34 047	29 734	30 859	30 859	34 586	32 983	33 981
2. Sale and Transfer of Housing Properties	67 149	65 848	48 756	27 000	55 200	55 200	25 000	6 096	4 188
3. Housing Properties Maintenance	76 813	50 773	68 358	133 636	71 794	71 794	79 090	97 617	100 162
Total	182 698	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331

Table 8.25 : Summary of payments and estimates by economic classification: Housing Asset Management

R thousand	Audited Outcome			Main appropriation	Adjusted appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25	2025/26			2026/27	2027/28	2028/29
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
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	182 698	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331

The sub-programme: Administration provides for the management of Ex-Natal Provincial Administration and Own Affairs stock, and shows a fluctuating trend over the seven-year period. The decrease in 2025/26 is partly attributable to the high base in 2024/25 due to a once-off allocation, as well as the reprioritisation undertaken from this sub-programme as a result of vacant funded posts largely as a result of staff exits in line with the target to dis-establish the KZN Housing Fund by 31 March 2027, as mentioned. The growth over the MTEF largely caters for inflationary increases.

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 sub-programme shows a decreasing trend over the 2026/27 MTEF in line with the target to dis-establish the KZN Housing Fund by 31 March 2027. In this regard, the allocation in 2026/27 caters for the government properties that still remain and are not anticipated to be transferred to municipalities and beneficiaries by the end of 2025/26. There is a low allocation over the two outer years of the MTEF due to the anticipated phasing out of this sub-programme upon the dis-establishment of the KZN Housing Fund. The allocation over the MTEF will be reviewed in the next budget process, considering progress made on the dis-establishment of the KZN Housing Fund.

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 significant decrease in 2025/26 is mainly attributable to virements undertaken during the 2025/26 Adjustments Estimates process

where a total amount of R61.842 million was realised as savings under this category and was transferred to Programme 3 against *Transfers and subsidies to: Households* (R33.642 million) and the Housing Properties sub-programme within Programme 4, within *Transfers and subsidies to: Departmental agencies and accounts* (R28.200 million). This reprioritisation was much lower in 2026/27, and was kept constant in the two outer years of the MTEF. The 2026/27 MTEF provides for the resolution of outstanding maintenance issues and the rectification of units built prior to 1994. The allocations over the MTEF will be reviewed as progress is made on these programmes, as well as on the target to dis-establish the KZN Housing Fund.

Service delivery measures: Housing Asset Management

Table 8.26 reflects the main service delivery measures pertaining to Programme 4. It should be noted that the targets listed in Table 8.26 are aligned to the latest draft 2026/27 APP. In light of the target to dis-establish the KZN Housing Fund by 31 March 2027, the department will no longer be planning and reporting on the following output indicators:

- No. of rental units sold to beneficiaries.
- No. of debtors reduced.
- No. of land parcels devolved to municipalities for human settlements development.

Table 8.26 : Service delivery measures: Housing Asset Management

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2025/26	2026/27	2027/28	2028/29
1.1 Increased access to adequate housing through various programmes	• No. of rental units maintained	100	80	70	50
	• No. of units rectified for pre-1994 stock	150	150	150	100

9. Other programme information

9.1 Personnel numbers and costs

Table 8.27 provides detail of the department's approved establishment and personnel numbers, per level and programme, as well as a breakdown of employees' dispensation classification. The personnel numbers show an increasing trend from 2022/23 to 2028/29. The fluctuating trend over the 2026/27 MTEF relates to fluctuations against the OPSCAP allocation within the HSDG and ISUPG, 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.

The department did not provide for growth for these posts over the MTEF. The allocations over the MTEF only partially provide for the 1.5 per cent pay progression, the carry-through of the 2025 wage agreement, as well as possible wage increases.

The department has a total of 31 vacant posts as per the approved organisational structure, including Director: Inland Region, Senior Administration Officers, Construction Project Manager, Deputy Director: Fleet Services, Assistant Director: Facilities, Administration Officers, Deputy Director: Administration Support, and Control Works Inspector, among others, and these posts will not be filled due to the carry-through effects of the 2024/25 MTEF budget cuts 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 department has since removed some posts where contracts expired and were not renewed from 2024/25 due to the impact of historical budget cuts.

Table 8.27 : Summary of departmental personnel numbers and costs by component

	Actual Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF		
	2022/23		2023/24		2024/25		2025/26				2026/27		2027/28		2028/29		2025/26 - 2028/29		
	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	Pers. growth rate	Costs growth rate	% Costs of Total
R thousand																			
Salary level																			
1 – 7	232	81 811	221	69 679	161	67 278	152	14	166	70 690	144	66 667	143	68 743	143	70 914	(4.8%)	0.1%	19.5%
8 – 10	271	148 042	281	167 788	229	150 246	223	-	223	152 607	196	143 535	197	151 102	197	155 748	(4.0%)	0.7%	42.6%
11 – 12	63	67 576	68	68 967	89	89 989	91	-	91	93 847	83	84 442	83	88 875	83	91 811	(3.0%)	(0.7%)	25.5%
13 – 16	35	41 756	32	43 411	25	34 951	25	1	26	40 014	23	36 134	23	37 779	23	39 302	(4.0%)	(0.6%)	10.9%
Other	60	12 646	66	10 158	65	12 931	31	16	47	9 087	45	3 887	40	3 510	40	3 510	(5.2%)	(27.2%)	1.5%
Total	661	351 831	668	360 003	569	355 395	522	31	553	366 245	491	334 665	486	350 009	486	361 285	(4.2%)	(0.5%)	100.0%
Programme																			
1. Administration	333	149 206	345	148 755	270	145 427	240	23	263	151 031	262	155 840	257	162 317	257	167 348	(0.8%)	3.5%	44.6%
2. Housing Needs, Research And Planning	28	17 877	28	18 216	23	16 738	21	-	21	18 008	22	20 447	22	21 389	22	22 053	1.6%	7.0%	5.7%
3. Housing Development	300	184 748	295	193 032	276	193 230	261	8	269	197 206	207	158 378	207	166 303	207	171 884	(8.4%)	(4.5%)	49.7%
4. Housing Asset Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	0.0%	0.0%
Total	661	351 831	668	360 003	569	355 395	522	31	553	366 245	491	334 665	486	350 009	486	361 285	(4.2%)	(0.5%)	100.0%
Employee dispensation classification																			
Public Service Act appointees not covered by OSDs	540	290 487	566	321 715	467	313 157	454	15	469	316 170	409	287 905	409	301 697	381	311 584	(6.7%)	(0.5%)	86.3%
Legal Professionals	8	6 456	8	6 740	8	6 740	8	-	8	7 042	8	7 366	8	7 697	8	7 936	0.0%	4.1%	2.1%
Social Services Professions	11	3 655	11	3 816	11	3 816	11	-	11	3 987	11	4 170	11	4 358	11	4 493	0.0%	4.1%	1.2%
Engineering Professions and related occupations	36	36 747	11	15 653	11	16 830	11	-	11	27 341	11	28 599	11	29 886	11	30 812	0.0%	4.1%	8.2%
Educators and related professionals	6	1 840	6	1 921	7	1 921	7	-	7	2 618	7	2 738	7	2 861	7	2 950	0.0%	4.1%	0.8%
Others such as interns, EPWP, learnerships, etc	60	12 646	66	10 158	65	12 931	31	16	47	9 087	45	3 887	40	3 510	40	3 510	(5.2%)	(27.2%)	1.5%
Total	661	351 831	668	360 003	569	355 395	522	31	553	366 245	491	334 665	486	350 009	486	361 285	(6.1%)	(0.5%)	100.0%

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

The contract workers relate 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 8.28 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 the MTEF is based on number of personnel to be trained.

The department’s main training programme relates to the EPWP job creation initiative where beneficiaries are employed under the EPWP to assist in construction sites of different housing projects and are paid stipends while acquiring skills such as brick laying, among others. The department’s training programmes also includes the Siyackha Incubation Programme which offers training and skills development for emerging contractors on the built environment. Other training programmes are determined by requests from staff on their annual personal development plans, and includes Excel and Word courses, among others. The fluctuation in numbers is mainly attributable to the EPWP training under Programme 3, aligned with the available budget. The department will review the 2026/27 MTEF budget in-year.

Table 8.28 : Information on training: Human Settlements

R thousand	Actual Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Number of staff	661	668	569	553	553	553	491	486	486
Number of personnel trained	410	960	823	354	354	354	600	600	600
of which:									
Male	129	463	350	104	104	104	210	210	210
Female	281	497	473	250	250	250	390	390	390
Number of training opportunities	30	40	79	40	40	40	48	50	50
of which:									
Tertiary	1	7	7	7	7	7	9	11	11
Workshops	15	5	3	5	5	5	5	5	5
Seminars	1	2	1	2	2	2	2	2	2
Other	13	26	68	26	26	26	32	32	32
Number of bursaries offered	21	12	12	12	12	12	12	12	12
Number of interns appointed	32	39	33	20	20	20	20	20	20
Number of learnerships appointed	15	28	25	20	20	20	20	20	20
Number of days spent on training	434	1 093	1 230	600	600	600	800	800	800
Payments on training by programme									
1. Administration	726	492	558	1 579	1 586	1 586	1 727	1 930	1 784
2. Housing Needs, Research and Planning	-	-	40	833	623	623	1 046	1 082	1 115
3. Housing Development	12 182	14 615	590	2 893	2 893	2 526	959	20	21
4. Housing Asset Management	-	-	-	-	-	-	-	-	-
Total	12 908	15 107	1 188	5 305	5 102	4 735	3 732	3 032	2 920

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		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	361	325	366	407	407	407	409	411	423
Sale of goods and services produced by department	361	324	366	407	407	407	409	411	423
Sale by market establishments	361	324	137	175	175	175	176	177	182
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	-	-	229	232	232	232	233	234	241
<i>Of which</i>									
<i>Commission insurance</i>	-	-	212	215	215	215	215	215	222
<i>Sale of tender documents</i>	-	-	17	17	17	17	17	17	18
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	1	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	16	204	3 617	24	24	104	24	24	25
Interest	16	204	3 617	24	24	104	24	24	25
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	925	1 726	799	809	809	809	815	815	840
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	925	1 726	799	809	809	809	815	815	840
Transactions in financial assets and liabilities	4 332	14 894	17 434	2 024	2 024	3 689	2 025	2 026	2 089
Total	5 634	17 149	22 216	3 264	3 264	5 009	3 273	3 276	3 377

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		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	556 284	588 056	583 826	557 650	574 830	577 950	514 235	519 567	534 352
Compensation of employees	351 831	360 003	355 395	368 132	366 245	366 245	334 665	350 009	361 285
Salaries and wages	312 707	321 872	316 555	329 154	326 882	326 882	293 671	306 793	316 742
Social contributions	39 124	38 131	38 840	38 978	39 363	39 363	40 994	43 216	44 543
Goods and services	204 453	228 053	228 431	189 518	208 585	211 705	179 570	169 558	173 067
Administrative fees	1 231	3 129	2 728	1 945	3 042	3 044	1 269	1 289	1 318
Advertising	3 863	11 766	4 727	3 026	3 126	3 126	2 616	2 781	2 867
Minor assets	793	732	135	367	447	447	287	297	307
Audit cost: External	8 592	7 339	8 884	8 866	10 601	10 601	9 332	9 757	10 059
Bursaries: Employees	393	125	212	176	176	176	472	490	308
Catering: Departmental activities	5 339	9 400	5 701	1 594	5 764	5 764	1 885	1 971	2 001
Communication (G&S)	1 941	2 078	2 039	2 000	2 000	2 000	2 112	2 208	2 276
Computer services	27 675	20 756	35 268	31 055	30 352	30 352	32 899	34 929	36 012
Cons. and prof serv.: Business and advisory services	8 134	22 948	7 316	12 013	12 033	12 033	7 034	6 757	7 440
Infrastructure and planning	28 525	12 318	8 799	19 442	4 872	4 872	2 500	2 600	2 700
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	1 499	4 334	2 144	2 545	1 845	1 845	2 712	2 849	2 937
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	4 624	8 602	7 387	3 324	5 824	5 824	1 747	913	926
Agency and support / outsourced services	71	811	788	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	8 206	9 955	9 212	10 145	10 145	10 145	10 659	11 069	11 087
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	1 785	2 243	1 311	281	773	1 140	569	224	230
Consumable: Stationery, printing and office supplies	1 334	1 334	630	1 310	1 096	1 096	1 333	1 528	1 575
Operating leases	28 738	27 518	45 987	39 004	39 004	39 004	40 597	41 945	42 730
Rental and hiring	4 324	7 221	4 233	1 000	2 916	2 949	500	1 000	500
Property payments	38 816	39 457	61 901	31 676	54 332	57 452	43 427	30 086	30 817
Transport provided: Departmental activity	907	2 329	1 748	500	1 500	1 500	-	-	-
Travel and subsistence	13 687	17 698	11 134	13 109	12 700	12 630	12 907	12 826	13 019
Training and development	12 908	15 107	5 684	5 305	5 102	4 735	3 732	3 032	2 920
Operating payments	1 068	853	463	835	835	835	921	1 007	1 038
Venues and facilities	-	-	-	-	100	135	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 497 175	3 501 556	3 225 102	2 977 840	3 060 807	3 057 687	2 730 213	2 831 546	2 920 207
Provinces and municipalities	137 006	134 992	41 555	68 741	49 683	49 683	47 195	47 202	47 207
Provinces	159	114	89	150	212	212	159	166	171
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	159	114	89	150	212	212	159	166	171
Municipalities	136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036
Municipalities	136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
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	3 177 573	3 206 353	3 032 386	2 718 729	2 853 271	2 850 151	2 544 342	2 647 648	2 734 669
Social benefits	3 514	3 896	2 481	154	2 287	2 350	15 540	-	-
Other transfers to households	3 174 059	3 202 457	3 029 905	2 718 575	2 850 984	2 847 801	2 528 802	2 647 648	2 734 669
Payments for capital assets	9 153	13 610	10 458	14 387	15 952	15 952	21 539	23 877	24 131
Buildings and other fixed structures	1 298	1 587	4 577	6 100	6 100	6 100	13 000	15 000	15 000
Buildings	1 298	1 587	4 577	6 100	6 100	6 100	13 000	15 000	15 000
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	7 855	12 023	5 881	8 287	9 852	9 852	8 539	8 877	9 131
Transport equipment	769	430	761	1 500	2 175	2 175	1 533	1 604	1 654
Other machinery and equipment	7 086	11 593	5 120	6 787	7 677	7 677	7 006	7 273	7 477
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	16	-	-	-	-	-	-	-	-
Total	4 062 628	4 103 222	3 819 386	3 549 877	3 651 589	3 651 589	3 265 987	3 374 990	3 478 690

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	269 518	258 282	279 382	276 134	278 101	278 101	288 933	301 068	309 075
Compensation of employees	149 206	148 755	145 427	151 147	151 031	151 031	155 840	162 317	167 348
Salaries and wages	127 121	128 322	123 457	129 527	129 126	129 126	133 363	138 840	143 143
Social contributions	22 085	20 433	21 970	21 620	21 905	21 905	22 477	23 477	24 205
Goods and services	120 312	109 527	133 955	124 987	127 070	127 070	133 093	138 751	141 727
Administrative fees	405	721	179	249	326	326	262	274	282
Advertising	1 966	2 491	490	2 026	2 126	2 126	2 608	2 773	2 859
Minor assets	637	235	26	159	159	159	171	179	185
Audit cost: External	8 592	7 339	8 884	8 866	10 601	10 601	9 332	9 757	10 059
Bursaries: Employees	393	125	212	176	176	176	472	490	308
Catering: Departmental activities	4 669	1 359	105	60	213	213	287	318	328
Communication (G&S)	1 934	2 078	2 039	2 000	2 000	2 000	2 112	2 208	2 276
Computer services	27 675	20 213	35 159	30 776	30 352	30 352	32 549	34 566	35 638
Cons. and prof serv.: Business and advisory services	74	75	33	13	33	33	17	17	18
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	1 464	4 068	2 023	2 545	1 845	1 845	2 712	2 849	2 937
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	2 279	1 474	340	308	808	808	393	413	426
Agency and support / outsourced services	71	811	788	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	7 671	9 234	8 635	9 545	9 545	9 545	10 159	10 569	10 587
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	424	141	103	99	171	171	175	208	214
Consumable: Stationery, printing and office supplies	1 231	1 274	613	1 154	934	934	1 331	1 465	1 510
Operating leases	28 738	27 518	45 987	39 004	39 004	39 004	40 597	41 945	42 730
Rental and hiring	4 324	1 057	-	-	16	49	-	-	-
Property payments	21 011	21 139	23 475	20 629	21 397	21 397	22 144	22 685	23 376
Transport provided: Departmental activity	907	371	-	-	-	-	-	-	-
Travel and subsistence	4 174	6 551	3 524	4 972	4 951	4 883	5 134	5 108	5 182
Training and development	726	492	927	1 579	1 586	1 586	1 727	1 930	1 784
Operating payments	947	761	413	827	827	827	911	997	1 028
Venues and facilities	-	-	-	-	-	35	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 337	2 596	1 677	727	2 494	2 494	8 825	798	823
Provinces and municipalities	159	114	89	150	212	212	159	166	171
Provinces	159	114	89	150	212	212	159	166	171
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	159	114	89	150	212	212	159	166	171
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	3 178	2 482	1 588	577	2 282	2 282	8 666	632	652
Social benefits	2 551	1 660	1 133	-	600	663	8 062	-	-
Other transfers to households	627	822	455	577	1 682	1 619	604	632	652
Payments for capital assets	6 585	10 403	4 851	7 055	7 730	7 730	7 839	8 177	8 431
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	6 585	10 403	4 851	7 055	7 730	7 730	7 839	8 177	8 431
Transport equipment	769	430	761	1 500	2 175	2 175	1 533	1 604	1 654
Other machinery and equipment	5 816	9 973	4 090	5 555	5 555	5 555	6 306	6 573	6 777
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	8	-	-	-	-	-	-	-	-
Total	279 448	271 281	285 910	283 916	288 325	288 325	305 597	310 043	318 329

Estimates of Provincial Revenue and Expenditure

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2022/23	2023/24	2024/25	Appropriation	Appropriation	Estimate	2026/27	2027/28	2028/29
Current payments	19 988	20 809	18 536	21 183	19 888	19 888	24 401	25 343	26 117
Compensation of employees	17 877	18 216	16 738	17 846	18 008	18 008	20 447	21 389	22 053
Salaries and wages	14 567	15 361	14 442	15 322	15 499	15 499	17 824	18 634	19 212
Social contributions	3 310	2 855	2 296	2 524	2 509	2 509	2 623	2 755	2 841
Goods and services	2 111	2 593	1 798	3 337	1 880	1 880	3 954	3 954	4 064
Administrative fees	59	126	104	66	86	88	83	87	91
Advertising	8	-	-	-	-	-	-	-	-
Minor assets	5	16	-	45	45	45	56	58	60
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	331	982	857	102	119	119	598	653	673
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	279	-	-	350	363	374
Cons. and prof serv.: Business and advisory services	398	152	-	-	-	-	510	530	546
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Scientific and technological 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	-	-	-	-	-	-	-	-	-
Medisas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	23	2	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	63	27	16	34	34	34	45	46	47
Operating leases	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1 218	1 281	814	1 970	965	963	1 256	1 125	1 148
Training and development	-	-	-	833	623	623	1 046	1 082	1 115
Operating payments	6	7	7	8	8	8	10	10	10
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	130	182	100	-	11	11	948	-	-
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	130	182	100	-	11	11	948	-	-
Social benefits	130	182	100	-	11	11	948	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	18	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	18	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	18	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	20 118	21 009	18 636	21 183	19 899	19 899	25 349	25 343	26 117

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2022/23	2023/24	2024/25	Appropriation	Appropriation	Estimate	2026/27	2027/28	2028/29
Current payments	266 778	308 965	285 908	260 333	276 841	279 961	200 901	193 156	199 160
Compensation of employees	184 748	193 032	193 230	199 139	197 206	197 206	158 378	166 303	171 884
Salaries and wages	171 019	178 189	178 656	184 305	182 257	182 257	142 484	149 319	154 387
Social contributions	13 729	14 843	14 574	14 834	14 949	14 949	15 894	16 984	17 497
Goods and services	82 030	115 933	92 678	61 194	79 635	82 755	42 523	26 853	27 276
Administrative fees	767	2 282	2 445	1 630	2 630	2 630	924	928	945
Advertising	1 889	9 275	4 237	1 000	1 000	1 000	8	8	8
Minor assets	151	481	109	163	243	243	60	60	62
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	339	7 059	4 739	1 432	5 432	5 432	1 000	1 000	1 000
Communication (G&S)	7	-	-	-	-	-	-	-	-
Computer services	-	543	109	-	-	-	-	-	-
Cons. and prof serv.: Business and advisory services	7 662	22 721	7 283	12 000	12 000	12 000	6 507	6 210	6 876
Infrastructure and planning	28 525	12 318	8 799	19 442	4 872	4 872	2 500	2 600	2 700
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	35	266	121	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	2 345	7 128	7 047	3 016	5 016	5 016	1 354	500	500
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt. motor transport)	535	721	577	600	600	600	500	500	500
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	-	-	-	-	-	-	-	-	-
Medas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	1 338	2 100	1 208	182	602	969	394	16	16
Consumable: Stationery, printing and office supplies	40	33	1	122	128	128	17	17	18
Operating leases	-	-	-	-	-	-	-	-	-
Rental and hiring	-	6 164	4 233	1 000	2 900	2 900	500	1 000	500
Property payments	17 805	18 318	38 426	11 047	32 935	36 055	21 283	7 401	7 441
Transport provided: Departmental activity	-	1 958	1 748	500	1 500	1 500	-	-	-
Travel and subsistence	8 295	9 866	6 796	6 167	6 784	6 784	6 517	6 593	6 689
Training and development	12 182	14 615	4 757	2 893	2 893	2 526	959	20	21
Operating payments	115	85	43	-	-	-	-	-	-
Venues and facilities	-	-	-	-	100	100	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 311 112	3 338 567	3 072 164	2 786 743	2 900 449	2 897 329	2 581 764	2 694 052	2 781 053
Provinces and municipalities	136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036
Municipalities	136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036
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	3 174 265	3 203 689	3 030 698	2 718 152	2 850 978	2 847 858	2 534 728	2 647 016	2 734 017
Social benefits	833	2 054	1 248	154	1 676	1 676	6 530	-	-
Other transfers to households	3 173 432	3 201 635	3 029 450	2 717 998	2 849 302	2 846 182	2 528 198	2 647 016	2 734 017
Payments for capital assets	2 466	3 189	5 607	7 332	8 222	8 222	13 700	15 700	15 700
Buildings and other fixed structures	1 298	1 587	4 577	6 100	6 100	6 100	13 000	15 000	15 000
Buildings	1 298	1 587	4 577	6 100	6 100	6 100	13 000	15 000	15 000
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 168	1 602	1 030	1 232	2 122	2 122	700	700	700
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 168	1 602	1 030	1 232	2 122	2 122	700	700	700
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	8	-	-	-	-	-	-	-	-
Total	3 580 364	3 650 721	3 363 679	3 054 408	3 185 512	3 185 512	2 796 365	2 902 908	2 995 913

Estimates of Provincial Revenue and Expenditure

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		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
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. and prof serv.: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Scientific and technological 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	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	182 596	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331
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	182 698	160 211	151 161	190 370	157 853	157 853	138 676	136 696	138 331

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
Current payments	140 156	201 625	185 618	159 040	179 561	180 133	85 099	81 293	84 003
Compensation of employees	89 808	98 518	95 632	105 206	104 449	104 449	62 047	60 081	62 524
Salaries and wages	89 008	97 898	95 076	104 771	104 014	103 942	61 612	59 646	62 089
Social contributions	800	620	556	435	435	507	435	435	435
Goods and services	50 348	103 107	89 986	53 834	75 112	75 684	23 052	21 212	21 479
Administrative fees	520	1 541	2 037	1 172	2 172	2 172	1 255	402	403
Advertising	240	9 267	4 219	1 000	1 000	1 000	-	-	-
Minor assets	105	140	42	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	162	6 542	4 739	1 432	5 432	5 432	1 375	1 000	1 000
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	543	109	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	5 523	21 007	7 283	12 000	12 000	12 000	6 507	6 210	6 876
Infrastructure and planning	18 219	12 318	8 799	19 442	4 872	4 872	2 500	2 600	2 700
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Scientific and technological services	244	266	121	-	-	-	-	-	-
Contractors	2 429	5 736	7 047	3 016	5 016	5 016	500	500	500
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	502	721	577	600	600	600	500	500	500
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: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	704	770	1 205	180	180	180	-	-	-
Consumable: Stationery, printing and office supplies	28	5	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Rental and hiring	9 442	6 164	4 233	1 000	2 900	2 900	500	1 000	500
Property payments	-	18 318	38 426	7 547	32 825	33 397	5 500	5 500	5 500
Transport provided: Departmental activity	3 563	1 960	1 748	500	1 500	1 500	-	-	-
Travel and subsistence	8 558	5 794	6 122	5 345	5 915	5 915	4 415	3 500	3 500
Training and development	109	12 015	3 250	600	600	600	-	-	-
Operating payments	-	-	29	-	-	-	-	-	-
Venues and facilities	-	-	-	-	100	100	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 483 050	3 453 535	3 184 212	2 947 379	3 025 798	2 892 447	2 691 824	2 797 765	2 885 403
Provinces and municipalities	129 639	134 878	41 466	68 591	48 591	48 591	47 036	47 036	47 036
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	129 639	134 878	41 466	68 591	48 591	48 591	47 036	47 036	47 036
Municipalities	129 639	134 878	41 466	68 591	48 591	48 591	47 036	47 036	47 036
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	143 962	116 621	117 114	160 636	126 994	126 994	104 090	100 803	102 360
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	143 962	116 621	117 114	160 636	126 994	126 994	104 090	100 803	102 360
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	3 209 449	3 202 036	3 025 632	2 718 152	2 850 213	2 716 862	2 540 698	2 649 926	2 736 007
Social benefits	154	1 038	342	154	911	911	-	-	-
Other transfers to households	3 209 295	3 200 998	3 025 290	2 717 998	2 849 302	2 715 951	2 540 698	2 649 926	2 736 007
Payments for capital assets	1 052	2 965	5 230	7 152	7 152	7 152	13 700	15 700	15 700
Buildings and other fixed structures	-	1 587	4 301	6 100	6 100	6 100	13 000	15 000	15 000
Buildings	-	1 587	4 301	6 100	6 100	6 100	13 000	15 000	15 000
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 052	1 378	929	1 052	1 052	1 052	700	700	700
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 052	1 378	929	1 052	1 052	1 052	700	700	700
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 624 258	3 658 125	3 375 060	3 113 571	3 212 511	3 079 732	2 790 623	2 894 758	2 985 106

Estimates of Provincial Revenue and Expenditure

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		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	135 347	163 664	158 415	128 723	149 244	149 816	72 348	75 483	78 027
Compensation of employees	89 450	85 623	84 414	93 943	93 186	93 186	54 047	57 081	59 524
Salaries and wages	88 650	85 005	83 860	93 543	92 786	92 714	53 647	56 681	59 124
Social contributions	800	618	554	400	400	472	400	400	400
Goods and services	45 897	78 041	74 001	34 780	56 058	56 630	18 301	18 402	18 503
Administrative fees	402	882	1 248	300	1 300	1 300	401	402	403
Advertising	240	6 915	2 321	-	-	-	-	-	-
Minor assets	105	140	42	-	-	-	-	-	-
Catering: Departmental activities	-	4 406	2 925	-	4 000	4 000	-	-	-
Computer services	-	543	109	-	-	-	-	-	-
Cons & prof serv: Business and advisory services	5 493	6 917	4 667	7 000	7 000	7 000	5 900	5 900	5 900
Infrastructure and planning	18 219	12 318	8 449	19 442	4 872	4 872	2 500	2 600	2 700
Scientific and technological services	244	266	121	-	-	-	-	-	-
Contractors	-	2 812	3 102	-	2 000	2 000	-	-	-
Fleet services (incl. govt motor transport)	502	721	577	600	600	600	500	500	500
Consumable supplies	370	547	15	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	5	-	-	-	-	-	-	-
Rental and hiring	9 442	4 386	3 030	-	1 900	1 900	-	-	-
Property payments	-	18 318	38 426	3 546	28 824	29 396	5 500	5 500	5 500
Transport provided: Departmental activity	3 561	1 361	1 103	-	1 000	1 000	-	-	-
Travel and subsistence	7 210	5 489	4 601	3 292	3 862	3 862	3 500	3 500	3 500
Training and development	109	12 015	3 236	600	600	600	-	-	-
Operating payments	-	-	29	-	-	-	-	-	-
Venues and facilities	-	-	-	-	100	100	-	-	-
Transfers and subsidies	2 294 523	2 610 917	2 490 901	2 302 934	2 415 192	2 281 841	2 244 791	2 347 442	2 428 156
Provinces and municipalities	129 639	134 878	41 466	68 591	48 591	48 591	47 036	47 036	47 036
Municipalities	129 639	134 878	41 466	68 591	48 591	48 591	47 036	47 036	47 036
Municipalities	129 639	134 878	41 466	68 591	48 591	48 591	47 036	47 036	47 036
Households	2 164 884	2 476 039	2 449 435	2 234 343	2 366 601	2 233 250	2 197 755	2 300 406	2 381 120
Social benefits	154	1 019	212	154	911	911	-	-	-
Other transfers to households	2 164 730	2 475 020	2 449 223	2 234 189	2 365 690	2 232 339	2 197 755	2 300 406	2 381 120
Payments for capital assets	1 052	2 965	5 230	7 152	7 152	7 152	13 700	15 700	15 700
Buildings and other fixed structures	-	1 587	4 301	6 100	6 100	6 100	13 000	15 000	15 000
Buildings	-	1 587	4 301	6 100	6 100	6 100	13 000	15 000	15 000
Machinery and equipment	1 052	1 378	929	1 052	1 052	1 052	700	700	700
Other machinery and equipment	1 052	1 378	929	1 052	1 052	1 052	700	700	700
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 430 922	2 777 546	2 654 546	2 438 809	2 571 588	2 438 809	2 330 839	2 438 625	2 521 883

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		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	-	-	-	-	-	-	-	-	-
Transfers and subsidies	143 962	116 621	117 114	160 636	126 994	126 994	104 090	103 713	104 350
Departmental agencies and accounts	143 962	116 621	117 114	160 636	126 994	126 994	104 090	103 713	104 350
Entities receiving funds	143 962	116 621	117 114	160 636	126 994	126 994	104 090	103 713	104 350
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	143 962	116 621	117 114	160 636	126 994	126 994	104 090	103 713	104 350

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	4 809	4 089	4 955	4 883	4 883	4 883	2 144	-	-
Compensation of employees	358	1 859	40	-	-	-	-	-	-
Salaries and wages	358	1 859	40	-	-	-	-	-	-
Goods and services	4 451	2 230	4 915	4 883	4 883	4 883	2 144	-	-
Administrative fees	118	130	305	202	202	202	854	-	-
Catering: Departmental activities	162	177	194	432	432	432	375	-	-
Cons & prof serv: Business and advisory services	30	-	-	-	-	-	-	-	-
Contractors	2 429	1 401	2 392	2 016	2 016	2 016	-	-	-
Consumable supplies	334	223	503	180	180	180	-	-	-
Consumable: Stationery, printing and office supplies	28	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	2	2	-	-	-	-	-	-	-
Travel and subsistence	1 348	297	1 521	2 053	2 053	2 053	915	-	-
Training and development	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 690	2 832	1 376	360	360	360	-	-	-
Households	1 690	2 832	1 376	360	360	360	-	-	-
Other transfers to households	1 690	2 832	1 376	360	360	360	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	6 499	6 921	6 331	5 243	5 243	5 243	2 144	-	-

Table 8.K : 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		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	-	-	-	-	-	-	-	-	-
Transfers and subsidies	318 283	23 849	-	-	-	-	-	-	-
Households	318 283	23 849	-	-	-	-	-	-	-
Other transfers to households	318 283	23 849	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	318 283	23 849	-	-	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
Current payments	-	33 872	22 248	25 434	25 434	25 434	10 607	5 810	5 976
Compensation of employees	-	11 036	11 178	11 263	11 263	11 263	8 000	3 000	3 000
Salaries and wages	-	11 034	11 176	11 228	11 228	11 228	7 965	2 965	2 965
Social contributions	-	2	2	35	35	35	35	35	35
Goods and services	-	22 836	11 070	14 171	14 171	14 171	2 607	2 810	2 976
Administrative fees	-	529	484	670	670	670	-	-	-
Advertising	-	2 352	1 898	1 000	1 000	1 000	-	-	-
Catering: Departmental activities	-	1 959	1 620	1 000	1 000	1 000	1 000	1 000	1 000
Cons & prof serv: Business and advisory services	-	14 090	2 616	5 000	5 000	5 000	607	310	976
Infrastructure and planning	-	-	350	-	-	-	-	-	-
Contractors	-	1 523	1 553	1 000	1 000	1 000	500	500	500
Consumable supplies	-	-	687	-	-	-	-	-	-
Rental and hiring	-	1 778	1 203	1 000	1 000	1 000	500	1 000	500
Property payments	-	-	-	4 001	4 001	4 001	-	-	-
Transport provided: Departmental activity	-	597	645	500	500	500	-	-	-
Travel and subsistence	-	8	-	-	-	-	-	-	-
Training and development	-	-	14	-	-	-	-	-	-
Transfers and subsidies	724 592	699 316	574 821	483 449	483 252	483 252	342 943	349 520	354 887
Households	724 592	699 316	574 821	483 449	483 252	483 252	342 943	349 520	354 887
Social benefits	-	19	130	-	-	-	-	-	-
Other transfers to households	724 592	699 297	574 691	483 449	483 252	483 252	342 943	349 520	354 887
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	724 592	733 188	597 069	508 883	508 686	508 686	353 550	355 330	360 863

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Table 8.M : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2025/26	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
A KZN2000 eThekweni	108 057	102 673	8 929	37 172	18 052	18 052	13 536	13 536	13 536
Total: Ugu Municipalities	2 749	3 015	4 018	2 214	2 214	2 629	2 500	2 500	2 500
B KZN212 uMdoni	-	-	-	-	-	-	-	-	-
B KZN213 uMzumbhe	-	-	-	-	-	-	-	-	-
B KZN214 uMuziwabantu	-	-	-	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	2 749	3 015	4 018	2 214	2 214	2 629	2 500	2 500	2 500
C DC21 Ugu District Municipality	-	-	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	3 178	4 413	10 168	4 429	4 429	8 986	4 500	4 500	4 500
B KZN221 uMshwathi	-	-	-	-	-	-	-	-	-
B KZN222 uMngeni	-	-	-	-	-	-	-	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	-	-
B KZN224 iMpindle	-	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	3 178	4 413	10 168	4 429	4 429	8 986	4 500	4 500	4 500
B KZN226 Mkhambathini	-	-	-	-	-	-	-	-	-
B KZN227 Richmond	-	-	-	-	-	-	-	-	-
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	1 503	2 639	3 777	3 272	3 272	3 272	3 500	3 500	3 500
B KZN235 Okhahlamba	-	-	-	-	-	-	-	-	-
B KZN237 iNkosi Langelibalele	-	-	-	-	-	-	-	-	-
B KZN238 Alfred Duma	1 503	2 639	3 777	3 272	3 272	3 272	3 500	3 500	3 500
C DC23 uThukela District Municipality	-	-	-	-	-	-	-	-	-
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
B KZN241 eNdameni	-	-	-	-	-	-	-	-	-
B KZN242 Nquthu	-	-	-	-	-	-	-	-	-
B KZN244 uMsinga	-	-	-	-	-	-	-	-	-
B KZN245 uMvoti	-	-	-	-	-	-	-	-	-
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	12 121	8 630	8 496	9 303	9 303	9 303	10 000	10 000	10 000
B KZN252 Newcastle	12 121	8 630	8 496	9 303	9 303	9 303	10 000	10 000	10 000
B KZN253 eMadiangeni	-	-	-	-	-	-	-	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	-	-	-
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	-	-	-	-	-	-	-	-
B KZN261 eDumbe	-	-	-	-	-	-	-	-	-
B KZN262 uPhongolo	-	-	-	-	-	-	-	-	-
B KZN263 Abaqulusi	-	-	-	-	-	-	-	-	-
B KZN265 Nongoma	-	-	-	-	-	-	-	-	-
B KZN266 Ulundi	-	-	-	-	-	-	-	-	-
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	-	-	-
B KZN271 uMhlabuyalingana	-	-	-	-	-	-	-	-	-
B KZN272 Jozini	-	-	-	-	-	-	-	-	-
B KZN275 Inkosi uMtubatuba	-	-	-	-	-	-	-	-	-
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	-	-	-
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	5 091	4 788	3 408	4 429	4 429	4 429	5 000	5 000	5 000
B KZN281 uMfolozi	-	-	-	-	-	-	-	-	-
B KZN282 uMhlatuze	5 091	4 788	3 408	4 429	4 429	4 429	5 000	5 000	5 000
B KZN284 uMlalazi	-	-	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	-	-	-
B KZN286 Nkandla	-	-	-	-	-	-	-	-	-
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	4 148	8 720	2 670	7 772	7 772	2 800	8 000	8 000	8 000
B KZN291 Mandeni	-	-	-	-	-	-	-	-	-
B KZN292 KwaDukuza	4 148	8 720	2 670	7 772	7 772	2 800	8 000	8 000	8 000
B KZN293 Ndwedwe	-	-	-	-	-	-	-	-	-
B KZN294 Maphumulo	-	-	-	-	-	-	-	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	-	-	-	-	-	-	-	-
B KZN434 Johannes Phumani Phungula	-	-	-	-	-	-	-	-	-
B KZN435 uMzimkhulu	-	-	-	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	-	-	-	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	136 847	134 878	41 466	68 591	49 471	49 471	47 036	47 036	47 036

Table 8.N : Transfers to local government - CRU Programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2025/26	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2026/27	2027/28	2028/29
A KZN2000 eThekweni	50 000	85 700	-	20 000	-	-	-	-	-
Total	50 000	85 700	-	20 000	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
A KZN2000 eThekweni	58 057	16 973	8 929	17 172	17 172	17 172	13 536	13 536	13 536
Total: Ugu Municipalities	2 749	3 015	4 018	2 214	2 214	2 629	2 500	2 500	2 500
B KZN216 Ray Nkonyeni	2 749	3 015	4 018	2 214	2 214	2 629	2 500	2 500	2 500
Total: uMgungundlovu Municipalities	3 178	4 413	10 168	4 429	4 429	8 986	4 500	4 500	4 500
B KZN225 Msunduzi	3 178	4 413	10 168	4 429	4 429	8 986	4 500	4 500	4 500
Total: uThukela Municipalities	1 503	2 639	3 777	3 272	3 272	3 272	3 500	3 500	3 500
B KZN238 Alfred Duma	1 503	2 639	3 777	3 272	3 272	3 272	3 500	3 500	3 500
Total: Amajuba Municipalities	12 121	8 630	8 496	9 303	9 303	9 303	10 000	10 000	10 000
B KZN252 Newcastle	12 121	8 630	8 496	9 303	9 303	9 303	10 000	10 000	10 000
Total: King Cetshwayo Municipalities	5 091	4 788	3 408	4 429	4 429	4 429	5 000	5 000	5 000
B KZN282 uMhlatuze	5 091	4 788	3 408	4 429	4 429	4 429	5 000	5 000	5 000
Total: iLembe Municipalities	4 148	8 720	2 670	7 772	7 772	2 800	8 000	8 000	8 000
B KZN292 KwaDukuza	4 148	8 720	2 670	7 772	7 772	2 800	8 000	8 000	8 000
Total	86 847	49 178	41 466	48 591	48 591	48 591	47 036	47 036	47 036

Table 8.P : Transfers to local government - Rates and taxes

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2022/23	2023/24	2024/25				2025/26	2026/27	2027/28
A KZN2000 eThekweni	-	-	-	-	880	880	-	-	-
Total	-	-	-	-	880	880	-	-	-

