

Department of Housing



Annual Report

2004 / 2005

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DEPARTMENT OF HOUSING

ANNUAL REPORT 2004/05

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Abbreviations and Acronyms

CFO	Chief Financial Officer
HSRP	Human Settlement Redevelopment Programme
DTT	Departmental Task Team
ISLP	Integrated Serviced Land Project
MEC	Member of Executive Council (Provincial Minister)
NHBRC	National Home Builders Registration Council
NTR	National Treasury Regulations
PFMA	Public Finance Management Act, 1999
PHP	People's Housing Process
PSCBC	Public Service Co-ordinating Bargaining Council
SCCPA	Southern Coastal Condensation Problem Area
WCHDB	Western Cape Housing Development Board
WCHDF	Western Cape Housing Development Fund

1. General Information

1.1 Submission of the annual report to the executive authority

I hereby submit the annual report for the Department of Housing for the financial year 2004/05 to Minister R Dyantyi, provincial Minister of Local Government and Housing, in accordance with section 40(1)(d) of the Public Finance Management Act, 1999 (PFMA). The Annual Report contains the activities, performance indicators, financial statements of, and the Auditor General's report on the Department.

It is important to note that in terms of Section 65(1)(a) of the PFMA you must submit the Annual Report to the Western Cape Parliament by 30 September 2005.

1.2 Introduction by the Head of the Department

There was a substantial improvement in housing delivery in the review period. After the substantial underspending in the previous financial year with a roll over of more than R140 million, expenditure increased from R292,728 million to R518,83million in the 2004/05 financial year. There were various factors that contributed to this turnaround. The most important of these were:

- Substantial policy developments at national level, of which the most significant was the scrapping of the R2479 capital contribution for beneficiaries earning less than R1500 per month and
- The approval by the department of a principle of splitting projects into more than one financial year, which countered the impact of inflation on projects.

Another development of note was the implementation of the "Breaking New Ground Strategy" by the National Department of Housing towards the end of 2004. This strategy is aimed at the creation of sustainable human settlements through integration, a shift towards environmental sustainability and the provision of energy efficient housing developments. The programme has as two of its cornerstones the programmes for the Upgrading of Informal Settlements (UISP) and for the provision of Emergency Housing (EHP). It is envisaged that there will be a substantial shift away from conventional project linked subsidy projects to the UISP in the near future. An increased emphasis on higher density housing and medium density housing as well as the provision of rental housing are additional elements of the new strategy.

A pilot project under the Breaking New Ground Strategy that was embarked upon in the Western Cape is the N2 Gateway project. This project entails the settling of some 22000 families currently residing in informal settlements adjacent to the N2 between the Cape Town International Airport and the City as well as in backyards in surrounding areas. The upgrading of District Six also forms part of the project. A range of housing options from single level free standing units up to three storey walk up rental units will be provided under the project. The developer is the City of Cape Town, who has the full support of the Provincial Government as well as the National Department of Housing as spelt out in a tri partite Memorandum of Understanding that was signed by all three parties. The project commenced towards the end of the financial year and is expected to be completed during the 2006/07 financial year.

The year under review also saw the official completion of the Integrated Serviced Land Project, which has been running since 1991 and provided 33 000 housing opportunities as well as other social facilities to communities in the Crossroads, Philippi, Delft and Weltevreden Valley Areas. This was the longest running presidential SIPP project in the country. An amount of R1 158m was spent. Much has been achieved in this project which was the first project in this province that was based on extensive community consultation and participation. A separate report on the project will be issued as soon as the audit of the project is finalized.

It is expected that the momentum that was gained in the delivery process during the review period will be maintained and delivery will accelerate during the next couple of years. The national allocation of this province will be severely stretched if this happens and we will be looking forward to proving that we deserve a bigger slice of the national fund.

The Department was restructured and a new establishment was approved by Cabinet. Five new management posts were created and the process for filling these new posts has started. More emphasis is placed on planning, empowerment and capacity building. Once all the posts on the new establishment are filled, the department will have increased capacity to render an improved level of service to the primary and secondary clients, the former being municipalities and underserved communities.

1.3 Information on the Ministry

As a consequence of the national elections, there was a change in May 2004 with the appointment of Minister Marius Fransman as Executive Authority for both Housing and Local Government. The Minister also had to oversee the departure of previous Head of Department and the appointment of Dr. Laurine Platzky to act in this capacity for the remainder of the year.

Minister Fransman instituted fortnightly meetings between the Departmental Senior Management, his ministry team and himself. To deal with the specific issue of underexpenditure and underperformance on projects, he created a Monitoring and Evaluation Team under the Chief Director to report to him directly on Blocked Projects.

The Minister was very active in creating closer alignment with municipalities and, together with officials from both Housing and Local Government, was involved in a series of Imbizo's and Letsemas to both urban and forgotten or unerresourced rural areas specific attention was given to the issues concern of women contractors.

The Ministry was also directly involved in supporting the National Pilot on the N2 and Breraking New Ground Strategy since September 2004. It supported the National Ministry in various of its programs including National Imbizo's and a task team on large developers and contractors.

As Communications, particularly with different communities is so critical, the Ministry worked particularly closely with the Department and GCIS in raising and addressing increased public participation, and narrowing the social distance between Government and communities.

The closer working relationships engendered by the Minister, laid the foundation for future combining of the departments of Housing and Local Government.

During the period under review, the Minister made three international trips. In September he was invited, to present a paper and participate in a 2 day conference in Bavaria on "Social Cohesion", along with other delegates from the PGWC. The conference was hosted by the Ecumenical Foundation of South Africa and their partners, the Evangelische Akademie Tutzing.

He was also invited to Cuba by UNECA, the official construction and infrastructure development company of the Cuban Government.(broadly equivalent to Housing and Public Works). His visits happened within the framework of a national cooperation agreement between our governments. The first visit in October (5 working days) had a twofold purpose: to establish a technical support program with Cuba and secondly to examine Cuban models of volunteerism and community development work, in order to extract relevant lessons and potential institutional co-operation. This was followed by a visit by the Cuban Deputy Construction Minister and UNECA officials to the Western Cape, where they met the Premier and some members of Cabinet. The second visit, of 3 working days, also happened in response to an invitation from UNECA . The purpose was to finalise the interviews for the

Cuban professionals who would be coming to the Western Cape, in order that they could start in early 2005. This second trip included officials from public Works and Transport as well as Housing. A direct consequence of these visits is the fact that our Housing department has been strengthened by 12 Cuban Technical advisors.

1.4 Mission Statement

To promote and facilitate the provision of adequate housing development and implement and maintain sound administration by:

- Enabling and empowering municipalities and communities
- Communicating effectively and efficiently

1.5 Legislative Mandate

The following legislation is directly and indirectly applicable to housing:

- Constitution of the Republic of South Africa, 1996 (Act 108 of 1996)
- Constitution of the Western Cape, 1998 (Act 1 of 1998)
- Public Finance Management Act, 1999 (Act 1 of 1999) (as amended by Act 29 of 1999) and National Treasury Regulations
- Division of Revenue Act (Annual)
- Public Service Act, 1994 (Act 103 of 1994) and Public Service Regulations, 2000.
- Skills Development Act, 1998 (Act 97 of 1998)
- Skills Levy Act, 1999 (Act 90 of 1999)
- Employment Equity Act, 1998 (Act 55 of 1998)
- Labour Relations Act, 1995 (Act 66 of 1995)
- Basic Conditions of Employment Act, 1997 (Act 75 of 1997)
- Occupational Health and Safety Act, 1993 (Act 85 of 1993)
- Promotion of Access to information Act, 2000 (Act 2 of 2000)
- Promotion of Administrative Justice Act, 2000 (Act 3 of 2000)

Line Functions

- Housing Act, 1997 (Act 107 of 1997) as amended
- Western Cape Housing Development Act, 1997 (Act 95 of 1999)
- Housing Consumers Protection Measures Act, 1998 (Act 95 of 1998)
- Rural Areas Act, 1987 (Act 9 of 1987)
- Transformation of Certain Areas Act, 1998 (Act 9 of 1998)
- Rental Housing Act, 1997 (Act 50 of 1999)
- Less Formal Township Establishment Act, 1991 (Act 113 of 1991)
- Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998 (Act 19 of 1998)

- Home Loan and Mortgage Disclosures Act, 2000 (Act 63 of 2000)

1.6 Public Entity

The public entity mainly responsible for housing development is the Western Cape Housing Development Board, established in terms of the Western Cape Development Act, 1999 (Act no 6 of 1999). The functions of the Board are varied, including to:

- Assist and support the provincial Minister of Local Government and Housing.
- Consider and approve the financing of housing projects
- Interpret and evaluate national and provincial housing policy
- Manage the assets that passed to it in terms of the Western Cape Housing Development Act, 1999 (Act 6 of 1999).

The Board does not have permanent staff and therefore the Department provides secretariat support to the Board. The Head of Department responsible for housing in the Province is the Accounting Officer of the Board.

**HEAD OF DEPARTMENT
(S MAJIET)
DATE:**

PART 2: PROGRAMME PERFORMANCE

2.1 Voted Funds (R'000)

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Under Expenditure
	551 885	712 881	600 453	112 428
Responsible Minister	Minister of Local Government and Housing			
Administering Dept	Department of Housing			
Accounting Officer	Acting Head of Department: Housing			

2.2 Aim of the Vote:

Promote and facilitate the provision of adequate housing development and implement and maintain sound administration by: enabling and empowering municipalities and communities; and communicating this effectively and efficiently

2.3 Summary of programmes

The Housing sector adopted uniform budget and programme structures that reflect the minimum number of programmes. The activities of the Department of Housing are organised in the following five programmes:

Programme	Sub-programme
1. Administration	1.1. Office of the MEC 1.2. Corporate Services
2. Housing Planning and Research	2.1. Administration 2.2. Policy 2.3. Planning 2.4. Research 2.5. Municipal Support
3. Housing Performance/Subsidy Programmes	3.1. Subsidy Administration 3.2. Individual 3.3. Project Linked 3.4. PHP 3.5. Consolidation 3.6. Institutional 3.7. Hostels 3.8. Relocation 3.9. Disaster Management /Emergency Programme 3.10. Rural Housing Stock 3.11. Savings Linked
4. Urban Renewal and Human Settlement Redevelopment	4.1. Administration 4.2. Urban Renewal 4.3. Human Settlements

Programme	Sub-programme
5. Housing Asset Management	5.1. Administration 5.2. Maintenance 5.3. Transfer of Rental stock 5.4. Sale of Rental stock 5.5. Management of Rental Stock 5.6. Devolution of Rental Stock 5.7. Rental Tribunal 5.8. Management of Assets 5.9. Land Administration 5.10. Discount Benefit 5.11. Subsidy (4 of 1987)

2.4 Overview of Service Delivery Environment for 2004/05

Various external factors have an impact on the quality of the service delivered by the department to its clients. The most significant of these are:

- The low income housing environment is influenced largely by policy developed at national level
- The lack of capacity at municipal level to deliver in terms of the housing mandate
- The willingness of financial institutions to enter the low income housing market
- The poverty of beneficiaries
- The impact of HIV/AIDS
- The growing housing backlog
- The high expectations of beneficiary communities in respect of delivery.

The positive developments in national housing policies that have happened over the past number of years have impacted positively on delivery in this province and delivery as well as expenditure of housing funds improved considerably from the previous year's low levels. The most significant of these changes were the introduction during the year of the Breaking New Ground Strategy as well as the relaxation of the conditions surrounding the contribution of R2479 payable by all the beneficiaries in low income housing.

One of the major shifts in national housing policy has been the move towards the upgrading of informal settlements. The N2 Gateway project has been accepted as one of the 9 National Pilot Projects for the Upgrading of Informal Settlements Programme (UISP) and the project has been commenced with during the review period.

Another significant policy shift is the approval of the policy for the provision of housing in emergencies under the Emergency Housing Programme (EHP).

There has been severe distress in communities, notably the Joe Slovo community along the N2, as a result of flooding as well as devastating fires, which lead to some 3 000 families being left homeless during January 2005.

In spite of the positive impact of some of the above mentioned factors, the overall situation in respect of housing provision in the province still remains desperate and the backlog is still increasing.

Although the housing grant funding allocated to this province has increased by about 5% from the 2003/04 financial year to the 2004/05 financial year, it is still insufficient but an increased expenditure trend might have a positive influence on future allocations.

As far as the management of assets is concerned, the decision at national level to formally introduce the In Duplum principle to debtor accounts resulted in the increase of income for the Department, as well as reducing the arrear debt on the books. Due to the fact that debtor's arrears on their accounts were reduced, numerous debtors came forward to settle their bonds with the Department.

As far as service delivery is concerned, the restructuring of the Department, as approved by Cabinet, will lead to an improvement with the expansion of capacity when the newly created posts are filled. There is a shift from the delivery of houses to the development of sustainable human settlements.

2.5 Overview of the organisational environment for 2004/05

During the review period the restructuring of the Department was taken further and various changes have occurred. The most important of these were the appointment of the new MEC for Local Government and Housing, Mr. M Fransman.

The previous Head of the Department of Housing, Mr. J.W. Africa had left the Department during the course of the year and he was replaced in an acting capacity by Dr. L Platzky. Various new Management members were appointed towards the end of the financial year, including the new Chief Director for Planning, Policy and Human Settlement Developments, Mr. E.A. Sotomi. The proposed new establishment of the Department was submitted to Cabinet for approval and the implementation date of this establishment coincides with the amalgamation of the Departments of Housing and Local Government into one new Department of Local Government and Housing on the 1st April 2005.

As a result of the previously identified lack of planning capacity now being addressed, the new departmental establishment now includes a Directorate to deal with planning as well as a Directorate that will be responsible for Human Settlement Development.

2.6 Strategic Overview and key policy developments for the 2004/05 financial year:

Breaking New Ground Strategy

During the review period a very important step was taken towards the achievement of the goal of creating integrated and sustainable human settlements with the approval of the Comprehensive Housing Plan as formulated in the Breaking New Ground Strategy. A new increased emphasis is placed on the upgrading of informal settlements and also existing formal settlements. There is also a real commitment to start addressing the possible introduction of more choice to beneficiaries, in particular in respect of rental housing.

R2479 contribution

In general, the relaxation of the requirements regarding the payment of the R2479 as well as the annual increase for inflation in the subsidy quantum have contributed to the Department being able to spend the entire provincial Conditional Grant of R 446m plus more than R70m of the amount of R141m rolled over from the 2003/04 financial year. This was achieved through the good cooperation that had been established between role-players at provincial, municipal and private sector level.

Human Settlement Redevelopment Programme

On the HSRP, expenditure totalled R16,2m, which is an increase of more than 30% on the expenditure for the previous year. Certain projects have only commenced late in the financial year but the overall picture is more positive than in previous years. This programme is being phased out at national level and the 2005/06 financial year will be the last year during which new funds will be allocated to provinces under the existing programme. The goals of this programme have been included in the new Comprehensive Housing Plan and funding will happen out of the Conditional Grant for housing.

N2 Gateway Project

Another significant milestone achieved was the launch of the N2 Gateway project which is a joint initiative undertaken by the Province, the City of Cape Town and the National Department of Housing. The project, which entails the upgrading of a number of informal settlements along the N2, will ultimately accommodate some 22000 families and cost more than R2bn.

The Integrated Serviced Land Report (iSLP)

The iSLP came to a close on 31 March 2005 after creating more than 32 000 houses, 788 classrooms, 16 community health centers, 11 halls, 9 sports facilities, 4 libraries, 6 pre-school resource centers and providing a further 50 capacity building programmes. The iSLP has, by far, been the biggest housing project of this Department after 1994. Before the iSLP, residents were civically disempowered. Now these same people are part of creating the new system and this process was assisted by the diverse capacity building programmes offered.

On 3 March 2005 a workshop of role-players in government and their project managers focused on the practical applications of the iSLP experience in future housing projects.

Application of In Duplum Principle

Debtors accounts were previously overstated due to the fact that interest have accrued to the extent of it being double to triple the loan amount initially taken up. This situation also resulted in overstating the Department's books.

Based on a High Court ruling the national Department of Housing decided to formally apply the In Duplum principle, which stipulates that the outstanding arrears on a debtor's account could only accrue to the extent of equal the capital amount outstanding.

This turn of events did not only assist debtors to settle their accounts, where possible, but also resulted in an improvement in the payment of installments.

The Human Settlements Redevelopment Programme (HSRP)

On the Human Settlements Redevelopment Programme (HSRP), 16 new projects were approved to a value of R14,3m, bringing the number of current projects to 43 - to a total value of R36,5m. Of these, 20 projects were completed by 31 March 2005 and the total expenditure for 2004/5 was R16,2m. It is not foreseen that many new projects under this programme, in its present form, will be approved. There is an overall balance of R29,7m on the HSRP and the outstanding 23 running projects will be concluded or replaced by new projects over the next two financial years.

Hostels

In 2004/5 the hostels program continued on the delivery mode of the past with an accelerated tempo. A total amount of R35m (translating into 1300 units) was spent. The current projects are: Ikapa (3&4) and Kayamandi (1&4). The project at Zwelihle (Hermanus) for 179 units was completed in this year. Two new projects were initiated and are in the construction phase. These are White City (Paarl) and Kayamandi (Stellenbosch) phase 3.

Expanded Public Works Programme (EPWP)

The Western Cape Department of Housing drew up its provincial Housing Sector Plan for the Expanded Public Works Programme in August 2004. This document was submitted to both the provincial Department of Transport and Public Works as well as the national Department of Housing and was fully accepted by all parties. Owing to various constraints, mainly of a contractual nature, it was not possible to substantially implement the programme on projects approved before April 2005.

However, there is one Pilot Project currently in progress at Laingsburg where 108 houses are being serviced and built. On this particular project the municipality, in conjunction with the community and their consultants went ahead with implementing the project in terms of the EPWP guidelines.

It is significant that this department was active in informing the municipalities by letter of the guidelines of EPWP and organised and ran a series of workshops for the municipalities and their consultants to inform them about their obligations with regard to EPWP. These workshops took place in Piketberg, Cape Town and George in November and December 2004. At these workshops it was explained to the municipalities that from 1 April 2005 onwards, no new subsidised housing project applications would be considered for approval unless they are EPWP compliant.

2.7 Departmental receipts (R'000)

Departmental Revenue	Actual Collection 2003/04	Budgeted Collection 2004/05	Actual Collection 2004/05	% Deviation from Target
Current revenue	27 985	25 077	38 757	54.6
Tax revenue				
Non-tax revenue	27 985	25 077	38 757	54.6
Capital revenue				
(specify)				
Departmental revenue	27 985	25 077	38 757	54.6

Sources of revenue

Departmental Revenue	Actual Collection 2003/04	Budgeted Collection 2004/05	Actual Collection 2004/05	% Deviation from Target
Sales of goods and services	25	40	26	(35)
Interest, dividends and rent on land	1 852	25 000	1 014	(95.9)
Financial transactions in assets and liabilities	26 108	37	37 717	1 019.4
Departmental revenue	27 985	25 077	38 757	54.6

The Department was not successful in collecting the potential debt owing to it by its rental and sales debtors. The main reason for this is the fact that the majority of the debtors is indigent. It is also true that many debtors have fallen into a culture of non-payment and must be encouraged or coerced to pay their dues. To this end a dedicated intervention is needed, and towards the later part of the 2004/5 financial year the Department negotiated and engaged the services of Servcon (a public entity established by the National Department) to assist with this task

2.8 Departmental payments (R'000)

Programmes	Voted for 2004/05	Roll-overs and adjustments	Virement	Total voted	Actual Expenditure	% Deviation from voted
Administration	22 913	(3 105)	319	20 127	19 746	(11.9)
Housing Planning and Research	16 938	2 519		19 457	17 759	(8.7)
Housing Performance/ Subsidy Programme	440 022	150 617	283	590 922	518 830	(12.2)
Urban Renewal and Housing Settlement Redevelopment	18 085	21 734		38 819	18 420	(53.7)
Housing Asset management	53 927	(10 769)	(602)	42 556	16 858	(39.6)
Total	551 885	160 996		712 881	600 453	(15.8)

Specific challenges and responses

Challenge 1: Lack of capacity in the Department

At both the managerial as well as the operational level the Department has experienced substantial capacity constraints preventing effective service delivery. These were addressed by embarking on a process that culminated in the Cabinet approval of the Department's new Establishment as well as the appointment of the first members of the new extended departmental management team. In an endeavour to sustain a reasonable level of service delivery, contract workers were appointed in the process.

Challenge 2: Underspending of the Provincial Conditional Grant for Housing

The Department appointed project managers to assist in the monitoring of projects, the reporting on progress and the expediting of expenditure. Regular reporting meetings took place where problems were put on the table and possible solutions discussed.

Challenge 3: Lack of professional skills in dealing with the PHP

As part of a national initiative, this Department has acquired the services of 11 Cuban professionals to provide technical assistance to PHP projects in the Province. These professionals are now being assigned to projects throughout the province where their expertise will be available to poor communities involved in their own projects.

Challenge 4: Lack of coordinated planning in terms of the PSDF and IDP's of municipalities

As a result of this the Department has extended its establishment to also include a component to deal with the alignment of all settlement planning at director level.

Challenge 5: The high cost of well located land for the development of integrated settlements.

In the Breaking New Ground Strategy this matter is receiving attention through the provision of additional funding for purchasing suitable land.

Issues requiring ongoing attention

Policy development

There are still quite a bit of development required at national level to finalise the Social Housing Policy as well as the Medium Density Policy. At provincial level certain development is required to incorporate/streamline the implementation of the UISP and the EHP into the other housing programmes.

Increased Housing Funding Requirement

Studies are to be conducted provincially to influence the revision of provincial funding allocations to this province. Feasible arrangements with financial institutions are required.

Integrated development

Alignment between the PSDF and IDP's requires integrated planning and funding. Greater alignment between IDP's and the Provincial Spatial Development Framework (PSDF) is of paramount importance. Similarly, the accessing of suitable land and/or buildings for the kick-starting of sustainable Social Housing projects is a high priority.

Expanded Public Works Programme (EPWP)

As from 1 April 2005 onwards all new subsidised housing projects approved will comply with the EPWP guidelines.

2.9 Programme Performance

Section 27(4) of the PFMA (measurable objectives) came into effect from 1 August 2002 for the 2004/05 financial year and departments are now obliged to provide measurable objectives for each main division within the department's vote. In this regard, the Department is also required to report in the annual report on actual performance against service delivery objectives and targets. The programme performance of the Department is in accordance with the strategic plan as tabled in the Provincial Legislature.

2.10 Service Delivery Achievements

Programme 2: Housing planning and research

Strategic objectives:

- To provide a regulatory framework for housing delivery
- To develop provincial multi-year housing delivery plans
- To conduct housing research
- To provide capacity and support to municipalities with regard to housing delivery in line with the Housing Act

Sub-Programme	Measurable Objective	Performance Measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
						Unit	%
2.2	To develop policy guidelines, Proclamation of Acts and Amendments	Number of Acts passed and policy guidelines developed	5	Demand basis	1 Bill published. 2 policy guidelines developed	N/A	N/A
2.3	To develop provincial multi-year housing plans in accordance in line with National Housing Policy by October each year	Housing Development Plan in place	Review and update Provincial Housing Plan by 1 October	Review and update Provincial Housing Plan by 1 October	Plan revised by October 2004	0	
2.4	To conduct research on demand for housing	No. of research projects conducted and nature of projects.	None	44 project-linked subsidy projects	Housing demand figures revised with Housing plan revision	43	98
2.5	To enhance capacity and provide support to municipalities in the provision of housing delivery	Number of training workshops provided to municipalities	4 workshops held	6 workshops.	10 workshops	4 workshops	66
		No. of officials trained.	100	150	261	111	74
		No. of visits planned to municipalities	Not available	35	38	3	8.5

Specific challenges and responses

Challenge 1: Implementing policies developed at national level

Policies have to be adjusted for provincial implementation. UISP, EHP implementation strategies were formulated and workshopped throughout the province.

Response to Challenge 1

Describe what management measures have been taken, or are being taken to respond to the issue so as to mitigate or prevent it impacting up the department's activities and performance.

Issues requiring ongoing attention

Funding for housing in the light of the insufficient housing budget.

Studies need to be undertaken to influence the allocations to this province. Land acquisition, upgrading of informal settlements as well as the provision of social infrastructure are some of the activities that can at present not be sufficiently funded.

Integrated development of settlements

Integrated and coordinated planning between the various spheres of government as well as synchronised budgeting is required. The Department needs to establish a joint development forum to ensure this.

Policy development

Various national housing policies need to be further developed. The Provincial departments of Housing should play a strong role in influencing these policies at national level.

Programme 3 Housing performance/subsidy programmes

Strategic Goal: To promote the effective and efficient delivery of National and Provincial Housing Programmes

Strategic objectives:

To provide subsidies to qualifying beneficiaries in accordance with housing policy under the various subsidy instruments

Sub-Programme	Measurable Objective	Performance Measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
						Units	%
3.2	To provide x% individual subsidies to qualifying beneficiaries in accordance with Housing Policies	Number of Properties delivered-	323	1 500	1 123	(377)	(25)
		Number of serviced sites subsidised	323	1 500	1 123	(377)	(25)
		Number of top structures subsidised	323	1 500	1 132	(377)	(25)
		Number of subsidies approved ¹	232	1 500	1 123	(377)	(25)
3.3	To provide x% project linked subsidies to qualifying beneficiaries in accordance with Housing Policies	Number of - houses completed	Not reflected	5 000	8 967 houses completed 16 965 sites serviced	3 967	79
		-Number of subsidies approved	11 281	5 000	1 217	(3 783)	(76)
3.4	To provide x% PHP subsidies to qualifying beneficiaries in accordance with Housing Policies	Number of subsidies approved	3 916	10 000	12 913	2 913	29
		Number of housing units completed	Not reflected	9 500	3 551	(5 949)	(62)
		Number of housing support centres funded	Not reflected	25	29	4	16
3.5	To provide x% Consolidation subsidies to qualifying beneficiaries in accordance with Housing Policies	Number of subsidies approved	114	1 500	281	(1 219)	(82)
3.6	To provide x% Institutional subsidies to qualifying beneficiaries in accordance with Housing Policies	-Number of Housing institutions registered	0	2	0	(2)	(100)
		-Number of approved subsidies	45	1 000	168	(832)	(83)
		-Number of rental agreements signed	n/a	1 000	168	(832)	(83)
3.7	To provide x% of Hostels redeveloped in accordance with Housing Policies	-Number of hostels upgraded	5	3	4	1	33
		-Number of units upgraded	518	350	1 100	750	214
3.8	To provide x% Relocation subsidies to qualifying beneficiaries in accordance with Housing Policies	-Number of relocated subsidies approved.	12	500	1 800	1 300	260

Sub-Programme	Measurable Objective	Performance Measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
						Units	%
3.9	To provide support for disaster relief in accordance with the Housing Policy	-Number of families assisted	N/A	2 000	3 239	1 239	62
3.10	To provide x% Rural Housing subsidies to qualifying beneficiaries in accordance with the Housing Policy	-Number of rural housing subsidies approved -Number of houses delivered	0	100	54	(46)	(46)
3.11	To provide x% Savings Linked subsidies to qualifying beneficiaries in accordance with the Housing Policy	-Number of subsidies approved	0	100	0	(100)	(100)

Specific challenges and responses

Challenge 1: Impact of the compulsory R2,479 contribution on housing delivery
The exemption of beneficiaries participating in People's Housing Process (PHP) initiatives from making the compulsory R2,479 contribution caused a significant shift towards PHP and a decrease in project-linked applications.

Furthermore, developer driven projects that were approved for construction during this time were delayed whilst beneficiaries attempted to save the required contribution..

Response to Challenge 1

In order to provide the necessary technical assistance to PHP projects, the Department established a dedicated PHP team whose capacity was significantly boosted by the 11 Cuban professionals acquired by the Department.

National policy has now been amended with retrospective effect and beneficiaries with a household income of R1 500 per month are exempted from making the compulsory contribution.

Issues requiring ongoing attention

With the advent of the UISP and the EHP, the coordination of these programmes with the existing housing subsidy programmes is required. Certain procedural revisions at provincial sphere are required to enable the new programmes to be adequately managed.

Acquiring additional funding for the various housing programmes remains a challenge.

The overall quality of the product that is delivered under the various subsidy programmes depends on the quality of the monitoring that takes place. The Department has to continuously strive towards improvement in this area.

The same applies in particular to the traditional PHP where more frequent presence on site is required to ensure a quality product.

To bring 4 Hostel projects that are being planned, namely Ikapa 5, Slangpark (Grabouw), Plettenberg Bay and De Doorns that could result in about 2 300 new units, to the implementation stage.

Programme 4 – Urban renewal and human settlement redevelopment

Strategic goal 1: To rehabilitate dysfunctional areas with the aim of economic and social development

Strategic objectives:

- To rehabilitate dysfunctional urban areas with the notion of economic and social development
- To create integrated and functional settlements

Sub-Programme	Measurable Objective	Performance Measure	Actual Outputs 2003/04	Target outputs 2004/05	Actual outputs 2004/05	Deviation from Target	
						Unit	%
4.2	Support the macro planning of identifying urban nodes Type of settlement supported	Compliance to identified Urban Renewal nodes Informal settlements Formal Townships De-densify	12	70% of the expenditure in the identified nodes 13	70% of the expenditure in the identified nodes 10	(3)	(23)
	Number and type of projects targeted at Urban Renewal	-Number and type of projects commenced: infrastructure projects economic projects community projects	5	6	3	(3)	(50)
4.3	To build sustainable and functional communities	Projects identified and implemented	18	8	3	(5)	(62.5)

Specific challenges and responses

Challenge 1: Spending the available funding: HSRP

As a result of historical problems that have been reported on previously, this national programme is to be terminated in 2005/06. Therefore only 16 new projects were approved and implemented. Previously an amount of more than R22 m had been rolled over from the 2003/04 financial year to the 2004/05 financial year and had to be added to the new allocation of R14,5 m. The expenditure for the review period was R16,2m which constitutes an increase of more than 30% on the expenditure for the previous year. This was achieved through more intensive monitoring of projects and applying pressure on municipalities

UISP Implementation

The implementation of this new programme at national level had to be communicated and workshopped throughout the province. A series of workshops were held and the new policies pertaining to both the UISP as well as the Emergency Housing programme were conveyed to municipal officials, consultants and developers involved in the low income housing field.

Issues requiring ongoing attention

Spending of HSRP funding

The large roll over that will occur once more will have to be monitored and managed well. The major portion of the funds has been committed but there are still some unallocated monies. The biggest challenge on this project is the conclusion of the Khayelitsha Site C project. This project was started four years ago and is extremely complicated, comprising various intricate activities. It is at present progressing well and ultimately more than 3000 families will benefit from it.

Implementation of process under UISP

The UISP was approved by MINMEC at the end of June 2004. This enabling policy was presented to other Departments and all the municipalities in the Province at 6 workshops during August to September 2004. It was greeted with excitement and altogether 13 funding applications have been received, although dedicated funding will only be available from 1 April 2005. This programme can only succeed and have the impact visualized by politicians if the necessary funding is made available as for the Western Cape Province alone, about R7 000 million is required to upgrade the 150 000 families in informal settlements by 2010.

Programme 5- Housing asset management

Strategic goal: To provide for the effective and efficient management of housing assets.

Strategic objectives: To provide for the efficient and effective management of:

- asset maintenance
- the transfer of Housing assets
- the sale of housing assets
- debt management processes
- devolution of housing assets to municipalities
- regulating rental housing within the province
- housing asset management
- land use promoting ownership of state financed rental housing

Sub-Programme	Measurable Objective	Performance Measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
						Units	%
5.2	To ensure that housing assets are maintained in line with the Maintenance Plan	-Number of houses maintained	2314	2455	2350	(105)	(5)
5.3	To provide transfer of Rental Stock	-Number of Properties transferred	75	350	124	(226)	(65)
5.4	To provide for the Sale of Rental Stock	-Number of properties sold	75	300	20	(280)	(93)
5.5	To ensure effective and efficient rental collection	Potential income received (%)	25	40	20	(20)	(50)
		Debt collection rate (%)	25	30	25	(5)	(16.7)
		Reduction of debtor days (days outstanding)	120+	90+	120+	(30)	(33.3)
		Reduction of bad debts (% not recoverable)	77	70	75	(5)	(7)
5.6	Devolution of housing assets	-Number of houses and properties devolved to municipalities	12	100	84	(16)	(16)
5.7	To promote, facilitate and regulate rental housing within the Province	-Number of registered cases resolved	296	347	233	(114)	(33)
5.8	To effectively manage housing assets	Average Occupancy of houses (%)	100	100	100	100	100

Sub-Programme	Measurable Objective	Performance Measure	Actual Outputs 2003/04	Target Outputs 2004/05	Actual Outputs 2004/05	Deviation from Target	
						Units	%
		Physical State of Housing Assets (1-5) -Good -Average -Poor	45 45 10	55 35 10	65 25 10	10 10	18.2 28.6
5.9	To effectively manage land matters	Physical state of vacant land (%) -Good -Average -Poor					
5.10	To promote ownership of state financed rental housing	Number of residential properties transferred to households Number of discounts provided	75 120	350 200	124 128	(226) (72)	(65) (36)
5.11	Subsidy (4 of 1987) To provide subsidies to qualifying tenants iro repayments of loans of previous dispensation housing	Value of subsidies (R'000)	8 000	8 000	-	(8 000)	

Specific challenges and responses

Challenge 1: The maintenance of housing assets still remains a challenge

As a result of a lack of capacity in the personnel and especially in the works Inspectorate, the Department was unable to implement the plan for the upgrading of existing assets. Available personnel were utilised on a full time basis on the day to day maintenance and emergency repairs. The personnel shortage was precipitated to an extent by the decision to assign six of the 14 inspectors in the Cape Town office to the PHP on a full time basis. The process for the filling of the vacant posts in the Inspectorate will be a priority.

Challenge 2: The timeous finalisation of cases lodged with the Rental Housing Tribunal still remains a challenge

As a result of 6 of the 11 posts being vacant for the past 3 years, only 67% of the cases lodged with the Tribunal were finalised within the year. This entailed a decrease in the number of cases finalised from 2003/04 to 2004/05 (233 compared to 296), mainly due to an increase in maintenance related (37 to 60) that are only finalised over extended periods within which the work have to be completed. While the staff complement remained the same, there were high increases in telephonic enquiries (4037 to 4717) and in office enquiries (1419 to 1508) taking up the time of the officials. Of note is the situation that these enquiries also entailed in increase in maintenance related enquiries (telephonic from 283 to 331 and office enquiries from 104 to 163).

Response to Challenge 2

Management has reinvestigated the staff complement and has now changed the job titles, job content and post levels. The facilities of the Tribunal has also been redesigned and redeveloped at considerable expense to increase the effectiveness and speed of resolution of complaints. The process for the filling of the vacant posts in the Component will be a priority.

Challenge 3: Transfer of WCHDB properties to municipalities and implementation of the pre-emptive provisions in the Housing Amendment Act.

Response to Challenge 3

The response to these challenges were systematic and cautious as the application of the pre-emptive right clause was unclear and the sporadic requests by the Local Authorities for land in terms of section 19(2) of the Housing Act, Act 107 were not strictly monitored to see whether they complied with the conditions of the Board's resolution.

In order to remedy the shortcoming as far as devolution is concerned, it was resolved that municipalities first present the Department with a concise business plan on the intended use of the property prior to devolution. In this manner, the Department can link this plan to the Provincial Spatial Development Plan and ensure that available land is used optimally for human settlement development.

With respect to the pre-emptive right, a procedural framework has been drawn up to augment the Amendment Act.

2.11 Transfer Payments

NAME OF INSTITUTION/MUNICIPALITY	AMOUNT TRANSFERRED (R'000)
Housing subsidies	
Households	510 943
Human resettlement and redevelopment programme	
Households	16 179
Settlement assistance	
City of Cape Town	795
Breede River/Winelands	150
Langeberg	150
Bergriver	179
Energy efficient low cost housing	
City of Cape Town	4 000
Total	532 622

The Department transferred only R5,274m in respect of grants not listed in DORA, 2004. Before transferring any funds to a municipality or other entities, the Department enters into an agreement with that entity, stipulating the terms and conditions of the grant/transfer payment. All transfer allocations are published in the Provincial Gazette before any payments are done. All entities, including municipalities must submit audited financial statements at the time stipulated in the individual agreements before any future transfers are approved. Any unspent funds are recovered and surrendered to the Provincial Revenue Fund.

2.12 Conditional grants

Summary of Conditional Grants for 2004/05 (R'000)

Conditional Grant	Total Allocation	Total transfers
Housing subsidy programme	587 452	510 943
Human resettlement and redevelopment programme	36 544	16 179
Total	623 996	527 122

HOUSING SUBSIDY PROGRAMME: R587 452 000

Transfers from the national Department were made according to the revised payment schedule.

Funds were paid out to municipalities and developers in terms of predetermined milestones on a progress payment system in accordance with the contracts entered into between the WCHDB and the developer or municipality.

The conditional grant for housing was only utilised for the provision of housing in terms of national and provincial housing programmes. No part of the grant was utilised for administrative costs. These costs are being appropriated for from the equitable share of the Department.

Analysis of expenditure and problems and successes with service delivery

There was a significant improvement in the expenditure of the conditional grant for housing. This was as a result of progress of the many projects approved in the previous and current financial years. As previously mentioned, the compulsory beneficiary contribution that was still applicable at this time, impacted negatively on the house construction in respect of projects registered with the NHBRC. Many green fields projects were serviced in terms of the project-linked subsidy instrument with the top-structures being funded in terms of the PHP subsidy programme.

The increased expenditure trend in Individual Subsidies was as a result of the Servcon rightsizing programme. On the 25 October 2004 Housing MINMEC resolved that the 4078 Servcon properties with outstanding balances equal to or below the subsidy amount of R25 800 per property (including CPA and Self-help schemes) should be right sized in-situ. This process should start in the period under review and continue into the 2005/06 financial year, depending on the budget reprioritization of affected Departments.

Measures taken to ensure service delivery remains on track

Monitoring of projects was carried out. The Department's restructured establishment now also includes 3 posts of project manager that will be filled and should improve the capacity to assist in delivery.

HUMAN SETTLEMENT REDEVELOPMENT GRANT: R36 544 000

Transfers from the national Department were made as scheduled. Payments were done to the municipalities with the submission of certified claims. No funds were retained for administrative costs as it was appropriated under the equitable share of the Department.

Analysis of expenditure and problems and successes with service delivery

An increased in expenditure took place on already approved projects. Many projects approved in the 2003/04 financial year could only commence during the 2004/05 year as a result of the discrepancy between the financial year of local authority and state departments.

Measures taken to ensure service delivery remains on track

Regular meetings were held with municipalities, site visits were conducted and written reports were requested. One project that had been approved in a previous year to the value of more than R3 million was terminated and the funding allocated to one of the most prominent projects in Khayelitsha.

2.13 Capital investment, maintenance and asset management plan

The Department manages a portfolio of land and buildings which belong to the Western Cape Housing Development Board.

The aforesaid assets mainly consist of residential properties that have been or are being sold (in terms of installment sales agreements) or rented to individual beneficiaries, as well as undeveloped land.

The undeveloped parcels of land that are suitable for human settlement development are made available for development to municipalities as the developer of choice, as well as to private developers in line with business plans that are submitted. Land that is not needed for human settlement development is sold off to the highest bidder.

Capital Investment

The current maintenance backlog on the Western Cape Housing Development Board's housing stock has been surveyed and a plan has been prepared to eradicate this. The work envisaged is estimated to cost about R 32m and the plan is to complete this work over a three year period. For this, it is estimated that more than R 10 m would be required per annum for the period from 01 April 2005 to 31 March 2008.

Asset Management

The Department did not acquire any new immovable assets, but has sold immovable assets and devolved properties to municipalities to the value of R 4 257 095,00.

Research was conducted to find the best alternative of updating the Property Register. A scope was compiled for the tendering process, however towards the latter part of the reporting period it was resolved that Servcon should be approached to update the Property Register. Servcon is presently working on a pilot project of 1016 properties, which can be extended to include the balance of the property register.

The current condition of the WCHDB's capital stock is as follows

Good = 65%
Fair = 25%
Poor = 10%

The Department approved a maintenance plan to upgrade its rental stock, but this plan was not fully implemented because of capacity constraints, and implementation is continued during the 2005/6 financial year. No facilities were closed down or downgraded during the period under review.

Maintenance

Budgeted expenditure on normal maintenance (day to day) was R3m, which was subjected to the amount of complaints received. In respect of the number of complaints received an amount of +- R2m was spent.

No backlog on the day to day maintenance of rental stock. Rate of progress is according to plan.

PART 3: REPORT OF THE AUDIT COMMITTEE

PROVINCIAL GOVERNMENT WESTERN CAPE DEPARTMENT OF HOUSING (VOTE 8) SHARED AUDIT COMMITTEE REPORT FOR THE FINANCIAL YEAR ENDING 31 MARCH 2005

We are pleased to present our report for the above-mentioned financial year.

Appointment of the Shared Audit Committee

The Department of Housing (Vote 8) is served by a Shared Audit Committee appointed under Cabinet Resolution 75/2003 of 23 June 2003 for the 2 year period to 31 March 2005 extended by Resolution 95/2005 for 2 more years to 31 March 2007.

Audit Committee Members and Attendance:

The Shared Audit Committee members attended meetings during the financial year under review, in terms of their adopted Audit Charter, as indicated below:

Member	Number of Meetings Attended
Mr J.A. Jarvis (Chairperson)	5
Mr J. January	5
Mr V.W. Sikobi (resigned May 2005)	1
Mr R. Warley	4
Mr. P. Jones (appointed April 2005)	0

Audit Committee Responsibility

The Audit Committee has complied with its responsibilities arising from section 38(1) (a) of the PFMA and Treasury Regulation 3.1.13 and 27(1) (10). The Audit Committee has also regulated its affairs and discharged its responsibilities in terms of the Audit Committee Charter. However it did not address internal audit issues as envisaged in its Charter and the PFMA, due to the suspension of Internal Audit activity in 2003 (Provincial Treasury Circular No. 25/2003).

Effectiveness of Internal Control

In 2004 the Sihluma Sonke Consortium was appointed to develop and transfer internal audit skills to the Provincial Government over a three-year period.

The assessment of Internal Controls by Internal Audit was suspended in 2003 and the Operational Audit Plan was rescheduled to commence in 2005/6, following completion of the Risk Assessment and Process and Control Mapping exercises.

In view of the above the Audit Committee has had to rely on the opinions and work done by the Auditor General in preparing this report.

Various control weaknesses and deficiencies were highlighted in the Auditor General's report and brought to the attention of the Accounting Officer. These included instances of non-compliance with laws and regulations and Asset Management.

The Audit Committee resolved to meet with the Accounting Officer to agree on a course of action to address weaknesses and deficiencies that were emphasized by the Auditor General.

During the year under review the Audit Committee has promoted better communication and exchange of information between the Forensic Audit, Internal Control units, Internal Audit, and the Office of the Auditor General.

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed and discussed with the Auditor General and the Accounting Officer (or his/her representative) the audited annual financial statements to be included in the annual report;
- Reviewed the Auditor General's management letters and the responses thereto;
- Reviewed significant adjustments resulting from the audit.
- Reviewed the Auditor General's report.

The Audit Committee concurs and accepts the Audit Opinion of the Auditor General on the Annual Financial Statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor General.

Appreciation

The Audit Committee wishes to express its appreciation to the Provincial Treasury, Officials of the Department, the Auditor General and the Sihluma Sonke Consortium for their assistance and co-operation in compiling this report.



J.A. JARVIS
Chairperson of the Shared Audit Committee
Date: 4 August 2005

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VOTE 8**

**ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

PART 4: ANNUAL FINANCIAL STATEMENTS

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**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2005**

Report by the Accounting Officer to the Members of the Provincial Parliament of the Western Cape.

1. General review of the state of affairs

The total allocation of R587 452 000 for housing subsidies included R141 417 000 that was rolled over from the 2003/04 financial year. The total spending on the grant was R510 943 000 (2003/04 = R281 865 000). The underspending of R76 509 000 was planned to make provision for the N2 Gateway Presidential project that was implemented on 1 April 2005. This underspending was realised through repriorisation of projects when it became evident that no additional funding for this project will be forthcoming from the National Department of Housing or the National Treasury in 2005/06 and 2006/07. Application was made to the Provincial Treasury for the approval to roll – over all the unspent funds.

Although business plans for the full Human Settlement Redevelopment Programme grant of R14 310 000 were submitted timeously to the national Department of Housing in April 2004, it was only approved very late in the financial year. This programme is for capital projects that are being completed over more than 1 financial year. This resulted in the Department not achieving the outcomes of this programme as stipulated in the strategic plan for the year under review. Application was made to the Provincial Treasury for the approval to roll – over all the unspent funds. This programme is also being phased out in 2005/06 and will be incorporated in the new Integrated Housing Development and Redevelopment Grant.

A new macro structure for the Department was approved by the Provincial Cabinet in October 2004. It was however also decided that the Department of Housing should amalgamate with the Department of Local Government from 1 April 2005. The new amalgamated establishment was approved on 6 April 2005. It is envisaged that the Department will start implementing the new establishment in the second quarter of the 2005/06 financial year.

The Department also collected revenue of R 38 935 000 (2003/04 = R27 985 000) in the financial year. This is R13 858 000 in excess of the revenue budget. Application will be made to the Provincial Treasury for the re-appropriation of the excess revenue for housing purposes in the 2005/06 financial year.

Excluded from the financial statements is R7, 794m that was spent from the iSLP fund administered by the Department. This programme was finalised on 31 March 2005.

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**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2005**

General view on spending for the financial year

Final appropriation	R'000
Total	712 881
Administration	20 127
Housing planning and research	19 457
Housing performance/subsidy programmes	590 922
Urban renewal and human settlement	39 819
Housing asset management	42 556

Underspending	R'000
Total	112 428
Administration	381
Housing planning and research	1 698
Housing performance/subsidy programmes	72 092
Urban renewal and human settlement	21 399
Housing asset management	16 858

All programmes and subprogrammes remained within their approved budgets. Application was made to the Provincial Treasury for the roll over of all unspent conditional grants, committed capital expenditure and transfer payments. The reasons for the under spending are discussed under 'Notes to the appropriation statement'.

2. Services rendered by the Department

2.1 Tariff policy

Parking fees

All tariffs are revised annually by the Department of Transport and Public Works and approved by the Provincial Treasury in terms of National Treasury Regulation 7.3.1. These tariffs are applicable to all officials, consultants or persons who utilise official parking bays. These bays are also allocated by the said department.

2.2 Free Services

The Department rendered a free agency service i.r.o. support services to the Department of Local Government resulting from the departmentalisation on 1 August 2002. All direct costs are however claimed from the said department.

**WESTERN CAPE PROVINCE
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**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2005**

2.3 Consumables

One main store is operated through the LOGIS procurement system. Consumables are centrally procured and issued upon requisition to the various components.

3. Capacity constraints

The Department experienced capacity constraints to cope with the changing housing delivery environment and policies implemented over the past years. To alleviate the capacity constraints, a new macro structure was approved by the Provincial Cabinet in October 2004. The Department started with the implementation of this new structure in January 2005 by appointing the Senior Management. The Department also amalgamated with the Department of Local Government as from 1 April 2005. The amalgamated establishment was approved on 6 April 2005.

4. Utilisation of donor funds

No donor funds were received or utilised by the Department.

5. Public entities

The Western Cape Housing Development Board.

5.1 General

The Western Cape Housing Development Board is a provincial public entity as listed in terms of Schedule 3 of the Public Finance Management Act, 1999 (Act No. 1 of 1999) (as amended).

5.2 The Western Cape Housing Development Board (WCHDB).

Purpose

The WCHDB was established in terms of the Western Cape Housing Development Act, 1999 (Act No. 6 of 1999). The duties and functions of the Board are stipulated in Section 7 of the said Act.

Financial arrangements

The Western Cape Housing Development Fund (WCHDF) was dormant during the 2004/05 financial year. All expenditure relating to assets was expensed under programme 5: Housing asset management. The income derived from the WCHDB assets and debtors was paid into the Provincial Revenue Fund.

The accounting authority is the head of the department responsible for housing in the Province and the chief financial officer of the Department is also the chief financial officer of the Board.

The performance of the Board and the financial statements of the Western Cape Housing Development Fund will be tabled in a separate report to the Provincial Parliament.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2005**

6. Organisations to who transfer payments have been made

All transfer payments and the purpose for the payments made are reported in Annexure 1 B of the Notes to the Annual Financial Statements.

Accountability arrangements in place over each transfer payment made is stipulated in the individual agreements to the entities receiving the transfer payments.

7. Public/private partnerships (PPP)

The Department did not entered into any PPP during the year under review.

8. Corporate governance arrangements

The internal audit consortium, appointed by the Provincial Treasury to perform the internal audit function in the Province, developed a high level risk profile for the Department. This, together with the risk profile developed for the Department of Local Government, will be the platform and foundation to be used by the Department of Local Government and Housing in identifying, managing and controlling the business risks of the Department. A new Fraud Prevention Plan will also be compiled for the new Department.

The Report of the Audit Committee is incorporated as Part 3 in the Annual Report of the Department.

9. Discontinued activities/activities to be discontinued

No activities were discontinued or are to be discontinued.

10. New/proposed activities

None

11. Events after the accounting date

The Department amalgamated with the Department of Local Government on 1 April 2005. The Provincial Cabinet approved the amalgamated establishment on 6 April 2005.

No conditions/events, both favorable and unfavorable, existed at year-end. No events occurred between 31 March 2005 and the date of approval of the financial statements that necessitated adjusting the financial statements as on 31 March 2005.

12. Alleged irregularities: Low cost housing

A forensic audit, focussing on the verification of procedures pertaining to applications for subsidised housing and the processing thereof and the investigation of alleged irregularities was finalised by the Chief Directorate: Internal Audit (Directorate: Forensic Audit) during the financial year under review. A separate report on their findings and recommendation was issued by Internal Audit on 24 July 2003. Disciplinary steps against officials were conducted during the year. The outcome of this is handled under Part 5 of the 2004/05 Annual Report for the Department.

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**REPORT BY THE ACCOUNTING OFFICER
for the year ended 31 March 2005**

The Directorate: Forensic Audit is also investigating other cases of alleged fraudulent payments on other projects. Separate reports will be issued when the investigations are finalised. R1 088 475,00 was recovered from a developer in May 2005.

Approval

The annual financial statements set out on pages 38 to 74 have been approved by the Accounting Officer.

**ACCOUNTING OFFICER (period under review)
(DR LF PLATZKY)
DATE: 31 May 2005**

**WESTERN CAPE PROVINCE
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VOTE 8**

**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2005**

**REPORT OF THE AUDITOR-GENERAL TO THE PROVINCIAL PARLIAMENT OF THE
WESTERN CAPE ON THE FINANCIAL STATEMENTS OF THE WESTERN CAPE
DEPARTMENT OF HOUSING (VOTE 8)
FOR THE YEAR ENDED 31 MARCH 2005**

1. AUDIT ASSIGNMENT

The financial statements as set out on pages 38 to 74, for the year ended 31 March 2005, have been audited in terms of section 188 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996), read with sections 4 and 20 of the Public Audit Act, 2004 (Act No. 25 of 2004). These financial statements, the maintenance of effective control measures and compliance with relevant laws and regulations are the responsibility of the accounting officer. My responsibility is to express an opinion on these financial statements, based on the audit.

2. NATURE AND SCOPE

The audit was conducted in accordance with Statements of South African Auditing Standards. Those standards require that I plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

An audit includes:

- examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements,
- assessing the accounting principles used and significant estimates made by management, and
- evaluating the overall financial statement presentation.

Furthermore, an audit includes an examination, on a test basis, of evidence supporting compliance in all material respects with the relevant laws and regulations which came to my attention and are applicable to financial matters.

The audit was completed in accordance with Auditor-General Directive No. 1 of 2005.

I believe that the audit provides a reasonable basis for my opinion.

3. AUDIT OPINION

In my opinion, the financial statements fairly present, in all material respects, the financial position of the Western Cape Department of Housing at 31 March 2005 and the results of its operations and cash flows for the year then ended, in accordance with prescribed accounting practice and in the manner required by the PFMA.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2005**

4. EMPHASIS OF MATTER

Without qualifying the audit opinion expressed above, attention is drawn to the following matters:

4.1 Outstanding municipal debt

As disclosed in disclosure note 16 to the financial statements, the department had a contingent liability in respect of arrear municipal rates. Due to the fact that the department was still in the process of reconciling and reviewing these accounts, the total effect of the liability could not be quantified.

4.2 Asset management

Processes and procedures to ensure the safeguarding, maintenance of assets as well as the effective and efficient utilisation of assets could not be confirmed as a formal asset management policy did not exist. Furthermore, a formal asset register that conforms to the guidelines issued by National Treasury was not maintained as details such as acquisition dates, details relating to disposals, and other asset details were not available on the Logis printout that was utilised by the department as the asset register.

4.3 Non-compliance with laws and regulations

The following instances of non-compliance with the PFMA or National Treasury regulations were identified:

- (i) Invoices were found not to have been paid within 30 days of receipt of invoice as the department did not have an adequate system implemented to determine the date of receipt of invoices.
- (ii) Paysheets to confirm existence of employees were not returned in a timely manner from the various paypoints.

4.4 Internal audit

No internal audit work had been performed at the department during the financial year under review upon which reliance could be placed.

4.5 Risk assessment and fraud prevention plan

Although a risk assessment had been performed by the internal auditors during the financial year under review, the fraud prevention plan adopted by the department was still the generic document which will be tailored to the specific needs of the department.

4.6 Internal checking and control

Various control weaknesses and deficiencies were highlighted and brought to the attention of the accounting officer by way of informal queries and a management letter, which included, *inter alia*, the following:

**WESTERN CAPE PROVINCE
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VOTE 8**

**REPORT OF THE AUDITOR-GENERAL
for the year ended 31 March 2005**

- Measures to verify the completeness and accuracy of royalty income were inadequate;
- Documentation in respect of subsidies was not readily available;
- There was a lack of adequate controls in respect of the awarding of bids to companies owned by the same individual; and
- Stock count procedures were inadequate.

4.7 Previous audit report

With reference to page 37, paragraph 4.1 of the 2003/04 annual report, it was reported that irregular expenditure amounting to R690 000 relating to the appointment of consultants had occurred. Since current legislation does not allow for the condonation of such expenditure, the department is currently awaiting an adjustment to the relevant legislation before this matter can be finalised.

5. APPRECIATION

The assistance rendered by the staff of the Western Cape Department of Housing during the audit is sincerely appreciated.



I Theron for Auditor-General

Cape Town

29 July 2005



A U D I T O R - G E N E R A L

**WESTERN CAPE PROVINCE
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**ACCOUNTING POLICIES
for the year ended 31 March 2005**

The Annual Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Annual Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), the Treasury Regulations for Departments and Constitutional Institutions issued in terms of the Act and the Division of Revenue Act, Act 5 of 2004. The following issued, but not yet effective Standards of Generally Recognised Accounting Practice have not been fully complied with in the Annual Financial Statements: GRAP 1, 2 and 3.

4. Basis of preparation

The Annual Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid. Under the accrual basis of accounting transactions and other events are recognised when incurred and not when cash is received or paid.

5. Revenue

Appropriated funds

Voted funds are the amounts appropriated to a department in accordance with the final budget known as the Adjusted Estimates of National/Provincial Expenditure. Unexpended voted funds are surrendered to the National/Provincial Revenue Fund, unless otherwise stated.

Departmental revenue

Tax revenue

A tax receipt is defined as compulsory, irrecoverable revenue collected by entities. Tax receipts are recognised as revenue in the statement of financial performance on receipt of the funds.

Sale of goods and services other than capital assets

This comprises the proceeds from the sale of goods and/or services produced by the entity. Revenue is recognised in the statement of financial performance on receipt of the funds.

Fines, penalties and forfeits

Fines, penalties and forfeits are compulsory receipts imposed by court or quasi-judicial body. Revenue is recognised in the statement of financial performance on receipt of the funds.

Interest, dividends and rent on land

Interest and dividends received are recognised upon receipt of the funds, and no provision is made for interest or dividends receivable from the last receipt date to the end of the reporting period. They are recognised as revenue in the Statement of Financial Performance of the department and then transferred to the National/Provincial Revenue Fund.

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**ACCOUNTING POLICIES
for the year ended 31 March 2005**

Revenue received from the rent of land is recognised in the statement of financial performance on receipt of the funds.

Sale of capital assets

The proceeds from the sale of capital assets is recognised as revenue in the statement of financial performance on receipt of the funds.

Financial transactions in assets and liabilities

Repayments of loans and advances previously extended to employees and public corporations for policy purposes are recognised as revenue in the statement of financial performance on receipt of the funds.

Cheques issued in previous accounting periods that expire before being banked are recognised as revenue in the statement of financial performance when the cheque becomes stale. When the cheque is reissued the payment is made from Revenue.

Local and foreign aid assistance

Local and foreign aid assistance is recognised in the statement of financial performance on receipt of funds. Where amounts are expensed before funds are received, a receivable is raised. Where amounts have been inappropriately expensed using Local and Foreign aid assistance, a payable is raised. In the situation where the department is allowed to retain surplus funds, these funds are shown as a reserve.

6. Expenditure

Compensation of employees

Salaries and wages comprise payments to employees. Salaries and wages are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system. The expenditure is classified as capital where the employees were involved, on a full time basis, on capital projects during the financial year. All other payments are classified as current expense.

Social contributions include the entities' contribution to social insurance schemes paid on behalf of the employee. Social contributions are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

Short-term employee benefits

The cost of short-term employee benefits is expensed in the Statement of Financial Performance in the reporting period when the final authorisation for payment is effected on the system. Short-term employee benefits, that give rise to a present legal or constructive obligation are disclosed as a disclosure note to the Annual Financial Statements and are not recognised in the Statement of Financial Performance.

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**ACCOUNTING POLICIES
for the year ended 31 March 2005**

Long-term employee benefits and other post employment benefits

Termination benefits

Termination benefits are recognised and expensed only when the final authorisation for payment is effected on the system.

Medical benefits

The department provides medical benefits for its employees through defined benefit plans. Employer contributions to the fund are incurred when the final authorisation for payment is effected on the system. No provision is made for medical benefits in the Annual Financial Statements of the department.

Post employment retirement benefits

The department provides retirement benefits for certain of its employees through a defined benefit plan for government employees. These benefits are funded by both employer and employee contributions. Employer contributions to the fund are expensed when the final authorisation for payment to the fund is effected on the system. No provision is made for retirement benefits in the Annual Financial Statements of the department. Any potential liabilities are disclosed in the Annual Financial Statements of the National/Provincial Revenue Fund and not in the Annual Financial Statements of the employer department.

Other employee benefits

Obligations arising from leave entitlement, thirteenth cheque and performance bonus that are reflected in the disclosure notes have not been paid for at year-end.

Goods and services

Payments made for goods and/or services are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. The expense is classified as capital if the goods and services was used on a capital project.

Interest and rent on land

Interest and rental payments resulting from the use of land, are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system. This item excludes rental on the use of buildings or other fixed structures.

Financial transactions in assets and liabilities

Financial transactions in assets and liabilities include bad debts written off. Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or under spending available to the department. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts.

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**ACCOUNTING POLICIES
for the year ended 31 March 2005**

Unauthorised expenditure

Unauthorised expenditure, is defined as:

- The overspending of a vote or a main division within a vote, or
- Expenditure that was not made in accordance with the purpose of a vote or, in the case of a main division, not in accordance with the purpose of the main division.

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is approved by the relevant authority, recovered or written off as irrecoverable.

Irregular expenditure

Irregular expenditure, is defined as :

expenditure, other than unauthorised expenditure, incurred in contravention or not in accordance with a requirement of any applicable legislation, including:

- the Public Finance Management Act
- the State Tender Board Act, or any regulations made in terms of this act, or
- any provincial legislation providing for procurement procedures in that provincial government.

It is treated as expenditure in the Statement of Financial Performance. If such expenditure is not condoned and it is possibly recoverable it is disclosed as receivable in the Statement of Financial Position at year-end.

Fruitless and wasteful expenditure

Fruitless and wasteful expenditure, is defined as:

expenditure that was made in vain and would have been avoided had reasonable care been exercised, therefore

- it must be recovered from a responsible official (a debtor account should be raised), or
- the vote. (If responsibility cannot be determined.)

Such expenditure is treated as a current asset in the Statement of Financial Position until such expenditure is recovered from the responsible official or written off as irrecoverable.

1. Transfers and subsidies

Transfers and subsidies include all irrecoverable payments made by the entity. Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system.

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**ACCOUNTING POLICIES
for the year ended 31 March 2005**

2. Expenditure for capital assets

Capital assets are assets that can be used repeatedly and continuously in production for more than one year. Payments made for capital assets are recognised as an expense in the Statement of Financial Performance when the final authorisation for payment is effected on the system.

3. Investments

Investments include; Investments in Associates; Joint ventures; Investments in controlled entities and Other investments.

Investments are shown at cost. On disposal of an investment, the surplus/(deficit) is recognised as revenue in the Statement of Financial Performance.

4. Receivables

Receivables are not normally recognised under the modified cash basis of accounting. However, receivables included in the Statement of Financial Position arise from cash payments that are recoverable from another party, when the payments are made.

Receivables for services delivered are not recognised in the Statement of Financial Position as a current asset or as income in the Statement of Financial Performance, as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are disclosed separately as part of the disclosure notes to enhance the usefulness of the Annual Financial Statements.

8. Cash and cash equivalents

Cash and cash equivalents consists of cash on hand and balances with banks, short term investments in money market instruments and demand deposits. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

9. Payables

Payables are not normally recognised under the modified cash basis of accounting. However, payables included in the Statement of Financial Position arise from advances received that are due to the Provincial/National Revenue Fund or another party.

10. Lease commitments

Lease commitments for the period remaining from the reporting date until the end of the lease contract are disclosed as part of the disclosure notes to the Annual Financial Statements. These commitments are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on the cash basis of accounting.

Operating lease expenditure is expensed when the payment is made.

Finance lease expenditure is expensed when the payment is made, but results in the acquisition of the asset under the lease agreement. A finance lease is not allowed in terms of the Public Finance Management Act.

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**ACCOUNTING POLICIES
for the year ended 31 March 2005**

11. Accruals

This amount represents goods/services that have been received, but no invoice has been received from the supplier at the reporting date, OR an invoice has been received but final authorisation for payment has not been effected on the system. These amounts are not recognised in the Statement of Financial Position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

12. Contingent liability

This is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the department; or

a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability

Contingent liabilities are not recognised in the Statement of Financial position, but the information is disclosed as part of the disclosure notes.

13. Commitments

This amount represents goods/services that have been approved and/or contracted, but no delivery has taken place at the reporting date. These amounts are not recognised in the Statement of financial position as a liability or as expenditure in the Statement of Financial Performance as the Annual Financial Statements are prepared on a modified cash basis of accounting, but are however disclosed as part of the disclosure notes.

14. Capitalisation reserve

The capitalisation reserve represents an amount equal to the value of the investment and/or loans capitalised. On disposal, repayment or recovery, such amounts are transferred to the Revenue Fund.

15. Recoverable revenue

Recoverable revenue represents payments made and recognised in the Statement of Financial Performance as an expense in previous years due to non-performance in accordance with an agreement, which have now become recoverable from a debtor. Repayments are transferred to the Revenue Fund as and when the repayment is received.

16. Comparative figures

Where necessary, comparative figures have been restated to conform to the changes in the presentation in the current year. The comparative figures shown in these Annual Financial Statements are limited to the figures shown in the previous year's audited Annual Financial Statements and such other comparative figures that the department may reasonably have available for reporting. Reclassification of expenditure has occurred due to the implementation of

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**ACCOUNTING POLICIES
for the year ended 31 March 2005**

the Standard Chart of Accounts. It is not practical to present comparative amounts in the Cash Flow Statements as this would involve reclassification of amounts dating back to the 2002/03 year-end.

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**APPROPRIATION STATEMENT
for the year ended 31 March 2005**

Appropriation per programme									
		2004/05						2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	18,328		107	18,435	18,435		100.0	16,811	14,727
Transfers and subsidies	231		212	443	443		100.0	102	102
Payment for capital assets	1,249			1,249	868	381	69.5	1,143	494
2. Housing planning and research									
Current payment	15,339	(162)		15,177	13,485	1,692	88.9	13,855	13,512
Transfers and subsidies	4,031	162		4,193	4,195	(2)	100.0		
Payment for capital assets	87			87	79	8	90.8	30	14
3. Housing performance/subsidy programmes									
Current payment	8,512		92	8,604	8,604		100.0	13,289	10,860
Transfers and subsidies	582,077		174	582,251	510,159	72,092	87.6	423,282	281,865
Payment for capital assets	50		17	67	67		100.0	120	3
4. Urban renewal and human settlement									
Current payment	1,770			1,770	965	805	54.5		
Transfers and subsidies	38,049			38,049	17,455	20,594	45.9	34,613	12,375
5. Housing asset management									
Current payment	36,594	(9,551)	(602)	26,441	14,202	12,239	53.7	37,337	36,667
Transfers and subsidies	6,000	9,551		15,551	10,947	4,604	70.4		
Payment for capital assets	564			564	549	15	97.3	30	
TOTAL	712 881			712 881	600 453	112 428	84.2	540 612	370 619
Reconciliation with Statement of Financial Performance									
Departmental revenue received				13 680				2 823	
Actual amounts per Statements of Financial Performance (Total revenue)				726 561				543 435	
Actual amounts per Statements of Financial Performance (Total expenditure)					600 453				370 619

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**APPROPRIATION STATEMENT
for the year ended 31 MARCH 2005**

Appropriation per economic classification									
	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	43,633	(424)	92	43,301	40,126	3,175	92.7	39,655	39,478
Goods and services	36,910	(9,112)	(495)	27,303	15,564	11,739	57.0	30,370	25,068
Financial transactions in assets and liabilities	592	(580)		12		12		19	19
Transfers and subsidies to:									
Provinces and municipalities	5,616	9,523		15,139	14,900	239	98.4	12,795	12,791
Non-profit institutions								500	500
Households	624,205	583	386	625,174	528,300	96,874	84.5	455,895	292,244
Gifts and donations								8	8
Payment for capital assets									
Machinery and equipment	1,261	10	15	1,286	968	318	75.3	1,370	511
Software and other intangible assets	200		2	202	131	71	64.9		
Land and subsoil assets	464			464	464		100.0		
Total	712,881			712,881	600,453	112,428	84.20	540,612	370,619

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**DETAIL PER PROGRAMME 1: ADMINISTRATION
for the year ended 31 March 2005**

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1.1 Office of the MEC									
Current payment	463		7	470	470	-	100.0	2,800	2,696
Transfers and subsidies	1			1	1	-	100.0		
Payment for capital assets				-		-		23	23
1.2 Corporate services									
Current payment	17,865		100	17,965	17,965	-	100.0	13,992	12,012
Transfers and subsidies	230		212	442	442	-	100.0	102	102
Payment for capital assets	1,249			1,249	868	381	69.5	1,120	471
1.3 Special functions									
Current payment								19	19
TOTAL	19,808	-	319	20,127	19,746	381	98.1	18,056	15,323

Economic Classification	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	11,352	(467)		10,885	10,885	-	100.0	8,947	8,846
Goods and services	6,976	467	107	7,550	7,550	-	100.0	7,768	5,862
Financial transactions in assets and liabilities						-		19	19
Transfers and subsidies to:									
Provinces and municipalities	30	-3		27	27	-	100.0	94	94
Households	201	3	212	416	416	-	100.0		
Gifts and donations								8	8
Payment for capital assets									
Machinery and equipment	1,049			1,049	739	-	70.4	1,220	494
Software and other intangible assets	200			200	129	-	65.5		
Total	19,808	-	319	20,127	19,746	381	98.1	18,056	15,323

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**DETAIL PER PROGRAMME 2: HOUSING PLANNING AND RESEARCH
for the year ended 31 March 2005**

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 Administration									
Current payment	11,286	464		11,750	11,750		100.0	13,855	13,512
Transfers and subsidies	31	160		191	191		100.0		
Payment for capital assets	87			87	79	8	90.8	30	14
2.2 Policy									
Current payment	2,232	(626)		1,606	1,131	475	70.4		
Transfers and subsidies		2		2	2		100.0		
2.3 Planning									
Current payment	428			428		428			
2.4 Research									
Current payment	322			322		322			
Transfers and subsidies	4,000			4,000	4,000		100.0		
2.5 Municipal support									
Current payment	1,071			1,071	606	465	56.4		
TOTAL	19,457	-	-	19,457	17,759	1,698	91.3	13,885	13,526

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	12,439			12,439	11,638	801	93.6	11,625	11,649
Goods and services	2,900			2,900	1,847	1,053	63.7	2,230	1,863
Transfers & subsidies									
Provinces and municipalities	4,031			4,031	4,028	3	99.9		
Capital									
Machinery & equipment	87			87	79	8	90.8	30	14
TOTAL	19,457	-	-	19,457	17,759	1,698	91.3	13,885	13,526

**WESTERN CAPE PROVINCE
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VOTE 8**

**DETAIL PER PROGRAMME 3: HOUSING PERFORMANCE/SUBSIDY PROGRAMMES
for the year ended 31 March 2005**

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 Subsidy administration									
Current payment	8,512		92	8,604	8,604		100.0	13,289	10,860
Transfers and subsidies	625		174	799	612	187	76.6		
Expenditure for capital assets	50		17	67	67		100.0	120	3
3.2 Individual									
Transfers and subsidies	5,035	37,795		42,830	42,830		100.0	10,000	2,532
3.3 Project-linked									
Transfers and subsidies	291,417	28,930		320,347	320,347		100.0	244,107	168,066
3.4 People's housing process									
Transfers and subsidies	190,000	(68,322)		121,678	100,704	20,974	82.8	100,000	94,487
3.5 Consolidation									
Transfers and subsidies	2,000			2,000	393	1,607	19.7	10,000	1,030
3.6 Institutional									
Transfers and subsidies				-				10,000	
3.7 Hostels									
Transfers and subsidies	35,000	1,597		36,597	36,597		100.0	30,000	11,765
3.8 Relocation									
Transfers and subsidies	1,000			1,000	311	689	31.1	8,500	2,135
3.9 Disaster management/emergency programme									
Transfers and subsidies	56,000			56,000	7,999	48,001	14.3	3,175	1,850
3.10 Rural housing									
Transfers and subsidies	1,000			1,000	366	634	36.6	2,500	
3.11 Savings-linked									
Transfers and subsidies								5,000	
TOTAL	590,639	-	283	590,922	518,830	72,092	87.8	436,691	292,728

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	7,001	43	92	7,136	7,136		100.0	8,950	8,882
Goods and services	1,511	(43)		1,468	1,467	1	99.9	4,339	1,978
Financial transactions in assets and liabilities	592	(580)		12		12			
Transfers & subsidies									
Provinces and municipalities	25			25	18	7	72.0		
Households	581,460	580	174	582,214	510,142	72,072	87.6	423,282	281,865
Capital									
Machinery & equipment	50		15	65	65		100.0	120	3
Software & other intangible assets			2	2	2		100.0		
TOTAL	590,639	-	283	590,922	518,830	72,092	87.8	436,691	292,728

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**DETAIL PER PROGRAMME 4: URBAN RENEWAL AND HUMAN SETTLEMENT
REDEVELOPMENT
for the year ended 31 March 2005**

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 Administration									
Current payment	1,770			1,770	965	805	54.5		
Transfers and subsidies	5			5	2	3	40.0		
4.2 Urban renewal									
Transfers and subsidies	11,682			11,682	6,603	5,079	56.5	13,033	4,157
4.3 Human settlements									
Transfers and subsidies	26,362			26,362	10,850	15,512	41.2	21,580	8,218
TOTAL	39,819			39,819	18,420	21,399	46.3	34,613	12,375

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	1,302			1,302	925	377	71.0		
Goods and services	468			468	40	428	8.5		
Transfers & subsidies									
Provinces and municipalities	1,505			1,505	1,276	229	84.8	1,500	1,496
Non-profit institutions				-		-		500	500
Households	36,544			36,544	16,179	20,365	44.3	32,613	10,379
TOTAL	39,819			39,819	18,420	21,399	46.3	34,613	12,375

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**DETAIL PER PROGRAMME 5: HOUSING ASSET MANAGEMENT
for the year ended 31 March 2005**

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 Administration									
Current payment	4,562	(28)		4,534	4,342	192	95.8	11,859	11,698
Transfers and subsidies		28		28	28		100.0		
Expenditure for capital assets	564			564	549	15	97.3	30	
5.2 Maintenance									
Current payment	6,680		(602)	6,078	2,176	3,902	35.8	1,910	1,910
5.3 Transfer of housing assets									
Current payment								203	203
5.4 Sales of housing assets									
Current payment								625	116
5.5 Management of housing assets									
Current payment	23,706	(9,661)		14,045	6,075	7,970	43.3	21,209	21,209
Transfers and subsidies		9,520		9,520	9,520	-	100.0		
5.6 Devolution of housing assets									
Current payment		4		4	4	-	100.0	1,531	1,531
5.7 Rental Tribunal									
Current payment	1,646	(3)		1,643	1,468	175	89.3		
Transfers and subsidies		3		3	3		100.0		
5.8 Management of assets									
Current payment		137		137	137		100.0		
5.10 Discount benefit scheme									
Transfers and subsidies	3,000			3,000	1,396	1,604	46.5		
5.11 Subsidy (4/1987)									
Transfers and subsidies	3,000			3,000		3,000			
TOTAL	43,158	-	(602)	42,556	25,698	16,858	60.4	37,367	36,667

Programme per subprogramme	2004/05							2003/04	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Payment	Variance	Payment as % of final appropriation	Final Appropriation	Actual Payment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current									
Compensation to employees	11,539			11,539	9,542	1,997	82.7	10,133	10,101
Goods and services	25,055	(9,536)	(602)	14,917	4,660	10,257	31.2	16,033	15,365
Transfers & subsidies									
Provinces and municipalities	25	9,526		9,551	9,551	-	100.0	11,201	11,201
Households	6,000			6,000	1,396	4,604	23.3		
Capital									
Machinery & equipment	75	10		85	85	-	100.0		
Land and subsoil assets	464			464	464	-	100.0		
TOTAL	43,158	-	(602)	42,556	25,698	16,858	60.4	37,367	36,667

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2005**

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in note 11 (Transfers and subsidies) and Annexure 1 (A-K) to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 8 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per Programme	Voted Funds after virement R'000	Actual Expenditure R'000	Variance R'000	%
1. Administration	20,127	19,746	381	98.1
	Under spending due to the non-filling of posts in anticipation of the amalgamation with the Department of Local Government on 1 April 2005.			
2. Housing, planning and research	19,457	17,759	1,698	91.3
	Under spending due to the late finalisation of the restructured establishment. It was approved by the Provincial Cabinet on 6 October 2004.			
3. Housing performance/subsidy programmes	590,922	518,830	72,092	87.8
	Under spending is due to reprioritisation of housing projects to make provision for the N2 Gateway project that was implemented on 1 April 2005, the upgrade of informal settlement programme (UISP) and the R2,479 contribution falling away for certain income groups on 1 April 2005. New housing project applications are also being evaluated against the Provincial Spatial Development Plan (PSDP)			
4. Urban renewal and human settlement	39,819	18,420	21,399	46.3
	An under spending of R20.365 m on the Human settlement redevelopment programme (HSRP) is due to business plans approved on a very late stage. These are capital projects that run over more than 1 financial year			
5. Housing asset management	42,556	25,698	16,858	60.4
	Under spending mainly due to the problems experiencing to reconcile municipal accounts and a lack in capacity in the property maintenance component			

**WESTERN CAPE PROVINCE
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**NOTES TO THE APPROPRIATION STATEMENT
for the year ended 31 March 2005**

4.2 Variance per Economic classification

	R'000
Current expenditure:	14,926
Compensation of employees	3,175
Goods and services	11,739
Financial transactions in assets and liabilities	12
Transfers and subsidies:	97,113
Provinces and municipalities	239
Households	96,874
Payments for capital assets:	389
Machinery and equipment	318
Software and other intangible assets	71

**WESTERN CAPE PROVINCE
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VOTE 8**

**STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2005**

	<i>Note</i>	2004/05 R'000	2003/04 R'000
REVENUE			
Annual appropriation	1	712,881	540,612
Departmental revenue	2	13,680	2,823
TOTAL REVENUE		726,561	543,435
EXPENDITURE			
Current expenditure			
Compensation of employees	3	40,126	39,478
Goods and services	4	15,564	25,068
Financial transactions in assets and liabilities	5	-	19
Total current expenditure		55,690	64,565
Transfers and subsidies	6	543,200	305,543
Expenditure for capital assets			
Machinery and Equipment	7	968	511
Software and other intangible assets	7	131	-
Land and subsoil assets	7	464	-
Total expenditure for capital assets		1,563	511
TOTAL EXPENDITURE		600,453	370,619
NET SURPLUS/(DEFICIT)		126,108	172,816
NET SURPLUS/(DEFICIT) FOR THE YEAR		126,108	172,816
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds to be surrendered to the Revenue Fund	11	112,428	169,993
Departmental revenue to be surrendered to revenue fund	12	13,680	2,823
NET SURPLUS/(DEFICIT) FOR THE YEAR		126,108	172,816

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**STATEMENT OF FINANCIAL POSITION
at 31 March 2005**

	<i>Note</i>	2004/05 R'000	2003/04 R'000
ASSETS			
Current assets		181,173	244,017
Cash and cash equivalents	8	176,994	242,284
Prepayments and advances	9	77	109
Receivables	10	4,102	1,624
TOTAL ASSETS		181,173	244,017
LIABILITIES			
Current liabilities		180,945	243,811
Voted funds to be surrendered to the Revenue Fund	11	112,428	169,993
Departmental revenue to be surrendered to the Revenue Fund	12	728	2,752
Payables	13	67,789	71,066
Non-current liabilities			
TOTAL LIABILITIES		180,945	243,811
NET ASSETS		228	206
Represented by:			
Recoverable revenue		228	206
TOTAL		228	206

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2005**

	<i>Note</i>	2004/05 R'000	2003/04 R'000
Recoverable revenue			
Opening balance		206	183
Debts written off	5.1	-	(18)
Debts raised		22	41
Closing balance		<u>228</u>	<u>206</u>
 TOTAL		 <u>228</u>	 <u>206</u>

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**CASH FLOW STATEMENT
for the year ended 31 March 2005**

	<i>Note</i>	2004/05 R'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		749,192
Annual appropriated funds received		712,881
Departmental revenue received		38,757
Net (increase)/decrease in working capital		(2,446)
 Surrendered to Revenue Fund		(210,774)
Current payments		(58,967)
Transfers and subsidies paid		(543,200)
Net cash flow available from operating activities	14	(63,749)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital assets		(1,563)
Net cash flows from investing activities		(1,563)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Increase/(decrease) in loans received		22
Net cash flows from financing activities		22
 Net increase/(decrease) in cash and cash equivalents		(65,290)
 Cash and cash equivalents at the beginning of the period		242,284
Cash and cash equivalents at end of period	8	176,994

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

1. Annual Appropriation

- 1.1** Included are funds appropriated in terms of the Appropriation Act for National Departments (Voted funds) and Provincial Departments (Equitable Share):**

	Final Appropriation R'000	Actual Funds Received R'000	Variance over/ (under) R'000	Total Appropriation 2003/04 R'000
Administration	20,127	20,127	-	18,056
Housing planning and research	19,457	19,457	-	13,885
Housing performance/subsidy programmes	590,922	590,922	-	436,691
Urban renewal and human settlement	39,819	39,819	-	34,613
Housing asset management	42,556	42,556	-	37,367
Total	712,881	712,881	-	540,612

1.2	Conditional grants	<i>Note</i>	2004/05	2003/04
	Total grants received (R'000)	<i>Annexure 1A</i>	<u>623,996</u>	<u>455,895</u>

**It should be noted that the Conditional grants are included in the amounts per the Total Appropriation in Note 1.1.

2. Departmental revenue to be surrendered to revenue fund (R'000)
Description

Sales of goods and services other than capital assets		26	25
Interest, dividends and rent on land		1,014	1,852
Financial transactions in assets and liabilities	2.1	<u>37,717</u>	<u>26,108</u>
Total revenue collected		<u>38,757</u>	<u>27,985</u>
Less: Departmental revenue budgeted*		<u>25,077</u>	<u>25,162</u>
Departmental revenue collected		<u>13,680</u>	<u>2,823</u>

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

2.1 Financial transactions in assets and liabilities

	<i>Note</i>	2004/05	2003/04
		R'000	R'000
Cheques written back			47
Other		37,717	26,061
		<u>37,717</u>	<u>26,108</u>

3. Compensation of employees

3.1 Salaries and wages

Basic salary	27,938	26,890
Performance award	977	852
Service Based	247	651
Compensative/circumstantial	573	954
Periodic Payments	592	479
Other non-pensionable allowances	3,928	3,781
	<u>34,255</u>	<u>33,607</u>

3.2 Social contributions

3.2.1 Short term employee benefits

Pension	3,809	3,722
Medical	1,970	2,036
Bargain council	9	6
Insurance	5	-
	<u>5,793</u>	<u>5,764</u>

3.2.2 Post employment retirement benefits

Pensions	78	105
Insurances	-	2
	<u>78</u>	<u>107</u>

Total compensation of employees

<u>40,126</u>	<u>39,478</u>
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Average number of employees

<u>276</u>	<u>270</u>
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4. Goods and services

Advertising	695	629
Attendance fees (including registration fees)	3	91
Bank charges and card fees	42	42
Bursaries (employees)	231	13
Communication	1,141	1,190
Computer services	75	-
Consultants, contractors and special services	878	2,456
Courier and delivery services	6	4
Tracing agents & debt collections	135	144

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

	<i>Note</i>	2004/05 R'000	2003/04 R'000
Entertainment		218	191
External audit fees	4.1	2,145	1,461
Equipment less than R5,000		278	50
Freight service		1	-
Inventory	4.2	1,156	857
Legal fees		242	530
Maintenance, repair and running costs		2,198	11,365
Medical services		86	10
Operating leases		450	338
Photographic services		-	1
Plant flowers and other decorations		2	3
Printing and publications		213	-
Professional bodies and membership fees		58	-
Resettlement costs		39	63
Subscriptions		5	-
Owned and leasehold property expenditure		1,428	2,166
Translations and transcriptions		16	-
Travel and subsistence	4.3	3,000	3,028
Venues and facilities		463	32
Protective, special clothing & uniforms		8	12
Training & staff development		352	392
		15,564	25,068
4.1 External audit fees			
Regulatory audits		1,807	1,461
Performance audits		338	-
Total external audit fees		2,145	1,461
4.2 Inventory			
Domestic Consumables		10	7
Food and Food supplies		64	-
Fuel, oil and gas		12	4
Parts and other maint mat		74	58
Sport and recreation		4	-
Stationery and printing		992	788
		1,156	857
4.3 Travel and subsistence			
Local		2,974	2,965
Foreign		26	63
		3,000	3,028
5. Financial transactions in assets and liabilities			
Debts written off	5.1	-	19
		-	19

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

		2004/05 R'000	2003/04 R'000			
5.1	Bad debts written off					
	Nature of debts written off					
	Western Cape Housing Development Board debtors	-	1			
	Balances transferred from Department 70	-	18			
	(Recoverable revenue)	-	19			
6.	Transfers and subsidies					
	Provinces and municipalities	ANNEXURE 1B 14,900	12,791			
	Non-profit institutions	ANNEXURE 1C -	500			
	Households	ANNEXURE 1D 528,300	292,244			
	Gifts and donations	-	8			
		543,200	305,543			
7.	Expenditure and capital assets					
	Machinery and equipment	ANNEXURE 3 968	511			
	Land and subsoil assets	ANNEXURE 3 464	-			
	Software and other intangible assets	ANNEXURE 4 131	-			
	Total	1,563	511			
8.	Cash and cash equivalents					
	Consolidated Paymaster General Account	(1,899)	1,181			
	Cash receipts	4	-			
	Disbursements	(1)	-			
	Cash on hand	2	4			
	Cash with commercial banks	178,888	241,099			
		176,994	242,284			
9.	Prepayments and advances					
	Description					
	Travel and subsistence	77	109			
		77	109			
10.	Receivables					
		Less than one year	One to three years	Older than three years	Total	2003/04
	Amounts owing by other entities	ANNEXURE 5 349			349	31
	Staff debtors	Note 10.1 18			18	8
	Clearing accounts	Note 10.2 2,070	906	215	3,191	1,121
	Other debtors	Note 10.3 80		464	544	464
		2,517	906	679	4,102	1,624

Amounts of R464,000 (2004: R447,000) included above may not be recoverable, but has not been written off in the Statement of financial performance

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

		Note	2004/05 R'000	2003/04 R'000	
10.1	Staff debtors				
	Personnel debt		18	8	
			<u>18</u>	<u>8</u>	
10.2	Clearing accounts				
	Loss control account		215	215	
	Miscellaneous disallowances		2,976	906	
			<u>3,191</u>	<u>1,121</u>	
10.3	Other debtors				
	Nature of advances				
	Provincial debtors		490	464	
	Salary control accounts		54	-	
			<u>544</u>	<u>464</u>	
11.	Voted funds to be surrendered to the Revenue Fund				
	Opening balance		169,993	25,703	
	Transfer from Statement of Financial Performance		112,428	169,993	
	Paid during the year		(169,993)	(25,703)	
	Closing balance		<u>112,428</u>	<u>169,993</u>	
12.	Departmental revenue to be surrendered to revenue fund				
	Opening balance		2,752	3	
	Transfer from Statement of Financial Performance		13,680	2,823	
	Departmental revenue received		25,077	25,162	
	Paid during the year		(40,781)	(25,236)	
	Closing balance		<u>728</u>	<u>2,752</u>	
13.	Payables – current				
	Description				
		30 Days	30+ Days	2004/05 R'000 Total	2003/04 R'000 Total
	Amounts owing to other depart- ments	ANNEXURE 6		-	191
	Advances received	13.1	11,817	11,817	18,522
	Clearing accounts	13.2		-	237
	Other payables	13.3	55,972	55,972	52,116
			<u>-</u>	<u>67,789</u>	<u>71,066</u>

**WESTERN CAPE PROVINCE
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VOTE 8**

**NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

	<i>Note</i>	2004/05 R'000	2003/04 R'000
13.1 Advances received			
Integrated Services Land Project		11,817	18,522
		<u>11,817</u>	<u>18,522</u>
13.2 Clearing accounts			
Suspense Miscellaneous		-	225
Other		-	12
		<u>-</u>	<u>237</u>
13.3 Other payables			
Western Cape Housing Development Fund		55,972	52,116
		<u>55,972</u>	<u>52,116</u>
14. Reconciliation of net cash flow from operating activities to surplus/(deficit)		2004/05 R'000	
Net surplus/(deficit) as per Statement of Financial Performance		126,108	
(Increase)/decrease in receivables – current		(2,478)	
(Increase)/decrease in prepayments and advances		32	
Increase/(decrease) in payables – current		(3,277)	
Surrenders		(210,774)	
Capital expenditure		1,563	
Departmental revenue budgeted		25,077	
Net cash flow generated by operating activities		<u>(63,749)</u>	
15. Appropriated funds and departmental revenue surrendered			
Appropriated funds surrendered		169,993	25,703
Departmental revenue surrendered		40,781	25,236
		<u>210,774</u>	<u>50,939</u>

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

These amounts are not recognised in the financial statements and are disclosed to enhance the usefulness of the financial statements

			2004/05 R'000	2003/04 R'000
16. Contingent liabilities	Note			
Liable to	Nature			
Housing loan guarantees	Employees	<i>ANNEXURE 2</i>	302	477
Other departments (unconfirmed balances)		<i>ANNEXURE 6</i>	11	-
Capped Leave Commitments			5,011	5,391
			5,324	5,868
<p>Due to numerous allegations by municipalities regarding state debt and the financial difficulties it places the municipalities in, as well as rumours that the Department of Housing is in arrears with the payment of municipal accounts on behalf of the Western Cape Housing Development Board, the Department embarked on a project to verify, reconcile and pay all legitimate municipal accounts. The section dealing with the payment of the accounts was transferred to the Directorate: Financial management and regular meetings are held with the City of Cape Town to try and resolve the issues. The change of financial systems of the City of Cape Town and the amalgamation of the 5 municipal administrations contribute to the dilemma of information/payment history not readily available. The total amount outstanding is not available at this moment in time.</p>				
17. Commitments				
Current expenditure				
Approved and contracted			727	1,170
Capital expenditure				
Approved and contracted			96,874	163,651
Total commitments			97,601	164,821
18. Accruals				
By economic classification	30 Days	30+ Days	Total	Total
Goods and services	269	619	888	247
Transfers and subsidies	473	8,796	9,269	678
			10,157	925
Listed by programme level				
Programme 1: Administration			405	94
Programme 2: Housing planning and research			112	110
Programme 3: Housing performance/subsidy program			9,269	446
Programme 5: Housing asset management			371	275
			10,157	925
Confirmed balances with other department		<i>ANNEXURE 6</i>	233	-
			233	-

**WESTERN CAPE PROVINCE
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**DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

	<i>Note</i>	2004/05 R'000	2003/04 R'000
19. Employee benefits			
Leave entitlement		5,792	5,391
Thirteenth cheque		412	2,267
Performance awards		758	670
		6,962	8,328

	Building & other fixed structures	Machinery and equipment	Total	Total
20. Leases				
20.1 Operating leases				
Not later than 1 year	335	335	265	
Later than 1 year and not later than 3 years	386	386	200	
Later than three years	7	7	13	
Total present value of lease liabilities	728	728	478	

21. Irregular expenditure

21.1 Reconciliation of irregular expenditure

Opening balance	690	247
Irregular expenditure – current year	-	443
Irregular expenditure awaiting condonement	690	690
Analysis		
Current	-	443
Prior years	690	247
	690	690

22. Senior management personnel

Aggregate Compensation

Class of Key Management

- The Minister, Deputy Ministers, Director-General	9	682
- Deputy Director Generals (1)	810	595
- Chief Directors (1)	555	470
- Chief Financial Officer (CFO) (1)	489	372
	1,863	2,119

The compensation paid to key personnel includes performance bonuses of R36 000 paid to the CFO and an arbitration award of R155 057.25 to the previous Head of Department. The arbitration award was claimed from the Department of the Premier and will be handled as wasteful expenditure in the 2005/06 financial year if the claim is not settled. As from April 2004 the MEC for Local Government and Housing was paid by the Department of Local Government.

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

**ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS RECEIVED**

NAME OF DEPARTMENT	GRANT ALLOCATION				SPENT			2003/04	
	Division of Revenue Act	Roll Overs	Adjust- ments	Total Avai- lable	Amount received by depart- ment	Amount spent by depart- ment	% of available funds spent by department	Division of Revenue Act	Amount spent by depart- ment
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Department of Housing (Housing subsidies)	446,035	141,417		587,452	587,452	510,943	87.0	423,282	281,865
Department of Housing (HSRP)	14,310	22,234		36,544	36,544	16,179	44.3	32,613	10,379
	460,345	163,651	-	623,996	623,996	527,122		455,895	292,244

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

**ANNEXURE 1 B
STATEMENT OF TANSFERS MADE TO MUNICIPALITIES**

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER		SPENT			2003/04
	Adjus- ted Alloca- tion	Roll Overs	Adjust- ments	Total Availa- ble	Actual Transfer	% of Available funds Transferre d	Amount received by munici- pality	Amount spent by munici- pality	% of available funds spent by munici- pality	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	%	R'000
City of Cape Town	4,000			4,000	4,000	100.0	4,000	4,000	100.0	
City of Cape Town	1,006			1,006	795	79.0	795	795	100.0	794
Breede River/Winelands	165			165	150	90.9	150	150	100.0	120
Langeberg	150			150	150	100.0	150	150	100.0	150
Bergriver	179			179	179	100.0	179	179	100.0	
Witzenberg										132
Boland										300
City of Cape Town (RSCL)	92			92	92	100.0	92	-		
Eden District Mun. (RSCL)	5			5	5	100.0	5			
Breede River/Winelands (Rates & Taxes)	1			1	1	100.0	1			
City of Cape Town (Rates & Taxes)	10,074			10,074	9,481	94.1	9,481			
Breede Valley (R & T)	11			11	11	100.0	11			
Knysna (R & T)	31			31	31	100.0	31			
Oudtshoorn (R & T)	2			2	2	100.0	2			
Swartland (R & T)	3			3	3	100.0	3			
	15,719	-	-	15,719	14,900		14,900	5,274		1,496

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

**ANNEXURE 1C
STATEMENT OF TRANSFERS TO NON-PROFIT ORGANISATIONS**

NON-PROFIT ORGANISATIONS	TRANSFER ALLOCATION				TRANSFER		2003/04
	Appropriation Act	Roll overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000		R'000
Transfers							
District Six Development Trust				-			500
TOTAL	-	-	-	-	-		500

**WESTERN CAPE PROVINCE
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

ANNEXURE 1D

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2003/04
	Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Appropriation Act
	R'000	R'000	R'000	R'000	R'000		R'000
Transfers							
Housing subsidies	587,452			587,452	510,943	87.0	281,865
Human settlement redevelopment programme	36,544			36,544	16,179	44.3	10,379
Leave gratuities	209		227	436	436	100.0	
Claims against the State			742	742	742	100.0	
Total	624,205	-	969	625,174	528,300		292,244

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

ANNEXURE 2

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2005 – LOCAL

Guarantor institution	Guarantee in respect of	Original guaranteed capital amount	Opening balance 1 April 2004	Guarantees issued during the year	Guarantees released during the year	Guaranteed interest for year ended 31 March 2005	Closing balance 31 March 2005	Realised losses i.r.o. claims paid out
		R'000	R'000	R'000	R'000	R'000	R'000	R'000
	Housing							
Standard Bank			21		21		-	
Nedbank			79				79	
First National Bank			79		64		15	
ABSA			250	42	84		208	
Old Mutual Bank			48		48		-	
	Total	-	477	42	217	-	302	-

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

ANNEXURE 3

PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2005

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers out R'000	Closing balance R'000
MACHINERY AND EQUIPMENT		968	-	-	-	
Computer equipment		714				
Furniture and office equipment		209				
Other machinery and equipment		45				
LAND AND SUBSOIL ASSETS		464	-	-	-	
Land		464				
		1,432	-	-	-	

PHYSICAL ASSET MOVEMENT SCHEDULE FOR THE YEAR ENDED 31 MARCH 2004

	Opening Balance R'000	Additions R'000	Disposals R'000	Transfers in R'000	Transfers out R'000	Closing balance R'000
MACHINERY AND EQUIPMENT		511	-	-	-	
Computer equipment		467				
Furniture and office equipment		29				
Other machinery and equipment		15				
		511	-	-	-	

**WESTERN CAPE PROVINCE
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

ANNEXURE 4

SOFTWARE AND OTHER INTANGIBLE ASSETS MOVEMENT SCHEDULE AS AT 31 March 2005

	Opening Balance R'000	Additions	Disposals R'000	Transfers in R'000	Transfers out R'000	Closing balance R'000
Computer software	-	131				
	-	131	-	-	-	

**WESTERN CAPE PROVINCE
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**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

**ANNEXURE 5
INTER-GOVERNMENT RECEIVABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000
Department				
Dept. of Local Government (WC)	328	15	5	5
Dept. of Justice and Constitutional Development		8	8	
Dept. of Provincial and Local Government	5			
Dept. of Local Government and Traditional Affairs			1	1
Dept. of Social Services (Gauteng)			2	2
TOTAL	333	23	16	8

**WESTERN CAPE PROVINCE
DEPARTMENT OF HOUSING
VOTE 8**

**ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2005**

**ANNEXURE 6
INTER-GOVERNMENT PAYABLES**

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding	
	31/03/2005 R'000	31/03/2004 R'000	31/03/2005 R'000	31/03/2004 R'000

Department

Amounts not included in Statement of
financial position

Current

Dept. of Economic Development and
Tourism

77

Dept. of Public Transport, Roads & Works
(Gauteng)

4

SAMD I

11

Dept. of Transport and Public Works

152

Total

233

-

11

-

Amounts included in Statement of financial
position

Current

Cape Administrative Academy

8

8

Department 70

183

Total

8

191

PART 5: HUMAN RESOURCE MANAGEMENT

1. Service Delivery

The following tables reflect the components of the Service Delivery Improvement (SDI) Plan and the progress made in the implementation of the plans.

Table 1.1 - Main services provided and standards

Main services	Actual customers	Potential customers	Standard of service	Actual achievement against standards
Processing of subsidies	Beneficiaries	N/A	28 days	80%
Progress payments	Developers	N/A	30 days	100%
Dealing with complaints to Rental Housing Tribunal	Landlords and tenants	N/A	Settlement of complaints in 90 days	70%
Consideration of projects	Beneficiaries and developers	N/A	90 days	90%
Dealing with debtor complaints	Municipalities, tenants and purchasers	N/A	30 days	70%

Table 1.2 - Consultation arrangements with customers

Type of arrangement	Actual Customers	Potential Customers	Actual achievements
Ministerial Roadshows	Beneficiaries, Municipalities and councillors	Beneficiaries, Municipalities and councillors	25 sessions
Meetings with the Municipalities	Beneficiaries, Municipalities and councillors	Beneficiaries, Municipalities and councillors	Regular by various sections/Average of 8 meetings per month
Workshops with Beneficiaries and developers	Developers, contractors, sister departments, CBO's, NGO's and consultants	Developers, contractors, sister departments, CBO's, NGO's and consultants	Monthly/Average of 5 meetings per month
Multi-disciplinary Task Team meetings	Municipalities	Municipalities	Monthly

Table 1.3- Service delivery access strategy

Access Strategy	Actual achievements
Allocation and expenditure of the housing subsidy grant by municipalities	87%
Allocations and expenditure of the Human resettlement and redevelopment grant	44.3%
Houses constructed	12 518
Sites serviced	16 965

Table 1.4 - Service information tool

Types of information tool	Actual achievements
Website	Up and running
Housing Subsidy System	Not fully operational
Help Desk	Fully operational
Debtor System	Fully operational with limitations

Table 1.5 - Complaints mechanism

Complaints Mechanism	Actual achievements
Helpdesk maintained	Continuously in place
Ministerial enquiries	Timely response

2. Expenditure

The following tables summarise final audited expenditure by programme and by salary bands.

TABLE 2.1 – Personnel costs by programme for the period 1 April 2004 to 31 March 2005

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Personnel cost as a percent of total expenditure	Average personnel cost per employee (R'000)
1 - Administration	19,746	10,885	243	2,332	1.81	150
2 – Housing Planning and Research	17,759	11,638	59	462	1.94	158
3 - Housing Subsidy Programmes	518,830	7,136	34	2	1.19	126
4 - Urban Renewal and Human Set Dev	18,420	925	14		0.15	160
5 - Old Business / Rent Housing	25,698	9,542	48	2,343	1.59	140
Total	600,453	40,126	398	5,139	6.68	145

TABLE 2.2 – Personnel costs by salary bands for the period 1 April 2004 to 31 March 2005

Salary Band	Personnel Expenditure (R'000)	% of total personnel cost	Average personnel cost per employee (R'000)	Number of Employees as at 31 March 2005
Lower skilled (Levels 1-2)	2,219	5	69	32
Skilled (Levels 3-5)	3,929	8.9	85	46
Highly skilled production (Levels 6-8)	21,654	48.9	149	145
Highly skilled supervision (Levels 9-12)	12,651	28.5	226	56
Senior management (Levels 13-15)	3,864	8.7	386	10
Total	* 44,317	100	153	289

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* As per PERSAL

The following tables provide a summary per programme and salary bands, of expenditure incurred as a result of salaries, overtime, homeowner's allowance and medical assistance.

The cost excludes periodical payments, bonus, pension, acting and supervisory allowances, Regional Service Council levies and subsistence and travelling expenditures.

TABLE 2.3 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by programme for the period 1 April 2004 to 31 March 2005

Programme	Salaries		Overtime		Home Owners Allowance (HOA)		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
1 - Administration	7,399	16.7	158	0.4	161	0.4	524	1.2
2 – Housing Planning and Research	8,494	19.2	8	-	167	0.4	587	1.3
3 - Housing Subsidy Programmes	5,150	11.6	25	0.1	109	0.2	343	0.8
4 - Urban Renewal and Hum Set Dev	487	1.1	7	-	12	-	30	0.1
5 - Old Business / Rent Housing	6,053	13.7	344	0.8	173	0.4	471	1.1
Total	27,583	62.2	542	1.2	622	1.4	1955	4.4

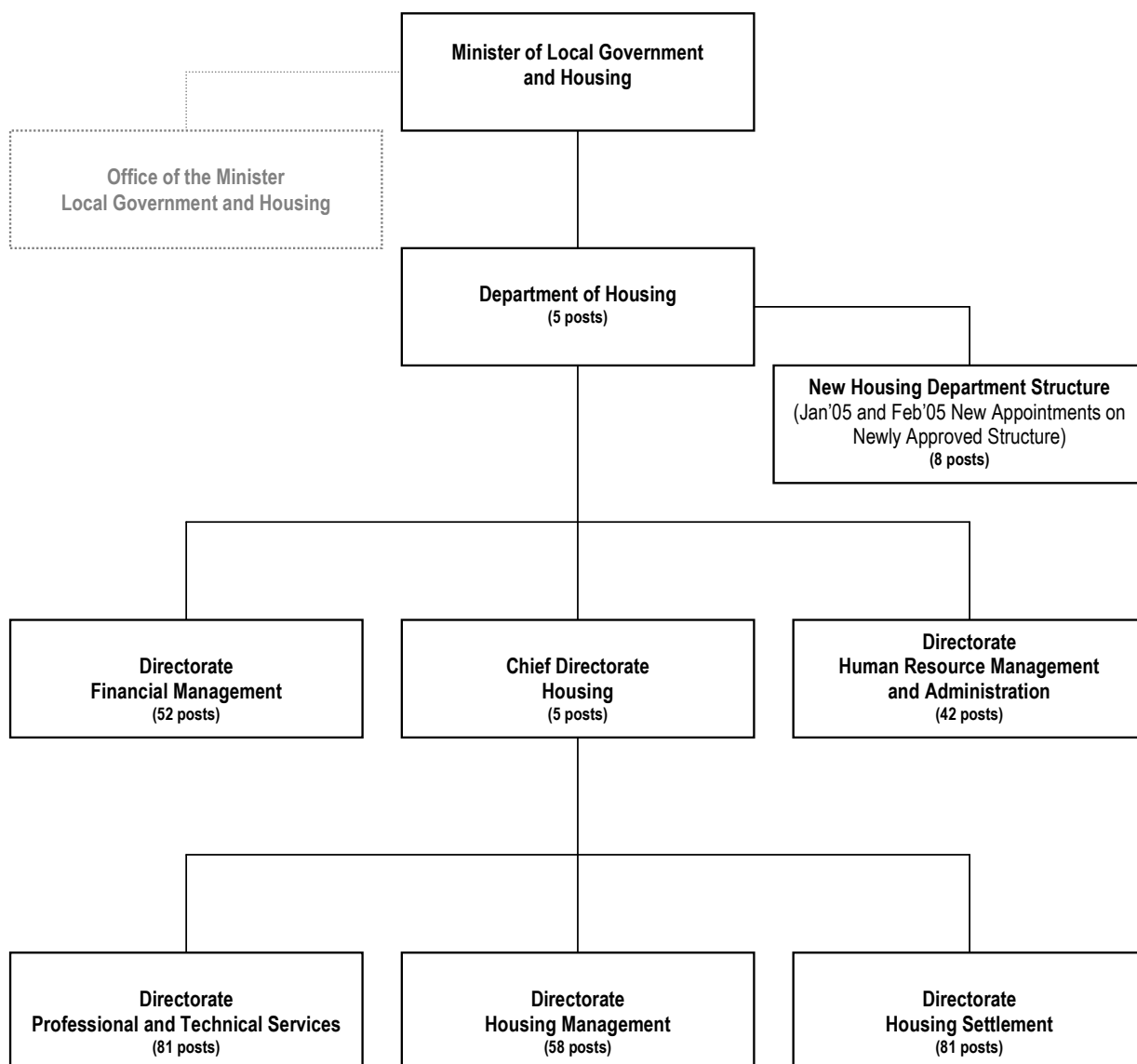
TABLE 2.4 – Salaries, Overtime, Home Owners Allowance and Medical Assistance by salary bands for the period 1 April 2004 to 31 March 2005

Salary Band	Salaries		Overtime		Home Owners Allowance (HOA)		Medical Assistance	
	Amount (R'000)	Salaries as a % of personnel cost	Amount (R'000)	Overtime as a % of personnel cost	Amount (R'000)	HOA as a % of personnel cost	Amount (R'000)	Medical Assistance as a % of personnel cost
Lower skilled (Levels 1-2)	1,211	2.7	8	-	34	0.1	75	0.2
Skilled (Levels 3-5)	2,454	5.5	62	0.1	43	0.1	163	0.4
Highly skilled production (Levels 6-8)	13,327	30.1	329	0.7	374	0.8	1,149	2.6
Highly skilled supervision (Levels 9-12)	8,513	19.2	143	0.3	171	0.4	568	1.3
Senior management (Levels 13-15)	2,078	4.7	-	-	-	-	-	-
Total	27,583	62.2	542	1.2	622	1.4	1,955	4.4

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3. Employment and Vacancies

The organogram indicates the macro structure of the Department of Housing and the approved posts as at 31 March 2005.



The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate and staff that are additional to the establishment. This information is presented in terms of three key variables:- programme, salary band and critical occupations. The Department has identified critical occupations that need to be monitored.

TABLE 3.1 – Employment and vacancies by programme as at 31 March 2005

Programme	Number of posts		Number of posts filled		Vacancy Rate	Number of posts filled additional to the establishment
	Number of permanent posts	* Number of approved contract posts	Number of posts filled with permanent employees	Number of posts filled with contract appointments		
1 - Administration	107	-	73	-	31.8	24
2 – Housing Planning and Research	81	-	61	-	24.7	1
3 - Housing Subsidy Programmes	61	2	55	-	12.7	9
4 - Urban Renewal and Human Set Dev	7	-	5	-	28.6	-
5 - Old Business / Rent Housing	68	6	54	1	25.7	6
	324	8	248	1		
Total	332		249		25	40

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1. A total of eight (8) contract posts were created on the establishment for functions that devolved to municipalities at the end of this reporting period. Only one (1) official was appointed in the said post as reflected in the column "Number of posts filled with contract appointments".
2. Of the forty (40) posts filled additional to the establishment -
 - A total of four (4) is officials who were declared in excess.
 - The Department also made use of twenty-one (21) contract appointees to assist the line managers and support components in concluding work that was a once off project, which had a definite start and end date.
 - Four (4) personnel members were also appointed on contract to render a supportive function as a result of "Restructuring".
 - A total of eleven (11) foreign officials were appointed in the Department to establish better Professional and Technical services to communities.

The total of forty (40) officials is reflected in the column "Number of posts filled with additional appointments".

TABLE 3.2 – Employment and vacancies by salary bands as at 31 March 2005

Salary Band	Number of posts		Number of posts filled		Vacancy Rate	Number of posts filled additional to the establishment
	Number of permanent posts	Number of approved contract pos	Number of posts filled with permanent employees	Number of posts filled with contract appointments		
Lower skilled (Levels 1-2)	22	-	18	-	18.2	14
Skilled (Levels 3-5)	56	4	38	-	36.7	8
Highly skilled production (Levels 6-8)	173	3	138	-	21.6	7
Highly skilled supervision (Levels 9-12)	61	1	44	1	27.4	11
Senior management (Levels 13-15)	12	-	10	-	16.7	-
	324	8	248	1		
Total	332		249		25	40

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1. A total of eight (8) contract posts were created on the establishment for functions that devolved to municipalities at the end of this reporting period. Only one (1) official was appointed in the said post as reflected in the column "Number of posts filled with contract appointments".
2. Of the forty (40) posts filled additional to the establishment -
 - A total of four (4) is officials who were declared in excess.
 - The Department also made use of twenty-one (21) contract appointees to assist the line managers and support components in concluding work that was a once off project, which had a definite start and end date.
 - Four (4) personnel members were also appointed on contract to render a supportive function as a result of "Restructuring" within the Department.
 - A total of eleven (11) foreign officials were appointed in the Department to establish better Professional and Technical services to communities.

The total of forty (40) officials is reflected in the column "Number of posts filled with additional appointments".

TABLE 3.3 – Employment and vacancies by critical occupation as at 31 March 2005

Critical Occupation	Number of posts		Number of posts filled		Vacancy Rate	Number of posts filled additional to the establishment
	Number of permanent posts	Number of approved contract posts	Number of posts filled with permanent employees	Number of posts filled with contract appointments		
PERSAL Controller	1	-	1	-	-	-
Planner	2	-	-	-	100	-
Architect	3	-	1	-	66.7	4
Engineer	10	-	7	-	30	7
Director	9	-	8	-	11.1	-
Chief Director	2	-	2	-	-	-
	27	-	19	-		
Total	27		19		29.6	11

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Eleven (11) Cuban officials were appointed in the Department to establish better Professional and Technical services to communities, as reflected in the column "Number of posts filled with additional appointments".

4. Job Evaluation

The following table summarises the number of jobs that were evaluated during the reporting period under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

TABLE 4.1 – Job Evaluation for the period 1 April 2004 to 31 March 2005

Salary Band	Number of posts	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower skilled (Levels 1-2)	22	-	-	-	-	-	-
Skilled (Levels 3-5)	60	5	8.3	5	100	-	-
Highly skilled production (Levels 6-8)	176	23	13.1	11	47.8	-	-
Highly skilled supervision (Levels 9-12)	62	11	17.7	2	18.2	2	18.2
Senior Management Service Band A (Level 13)	9	8	88.9	-	-	-	-
Senior Management Service Band B (Level 14)	2	2	100	-	-	-	-
Senior Management Service Band C (Level 15)	1	-	-	-	-	-	-
Total	332	49	14.8	18	36.7	2	4.1

The majority of posts on the current establishment were not exposed to job evaluation processes, except for those which had to be advertised and filled urgently (priority posts). The department is in the process of “Restructuring” and was it decided that all proposed posts on the newly approved establishment of the Department must be submitted for job evaluation purposes before it be filled.

The following table provides a summary of the number of employees whose salary positions were upgraded due to their posts being upgraded.

TABLE 4.2 – Profile of employees whose salary positions were upgraded due to their posts being upgraded for the period 1 April 2004 to 31 March 2005

Beneficiaries	African	Indian	Coloured	White	Total
Female	1	-	4	-	5
Male	-	-	-	-	-
Total	1	-	4	-	5

Employees with a disability	Nil
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The salary positions of the five(5)

The following table summarises the number of cases where remuneration levels exceeded the grade determined by Job Evaluation. Reasons for the deviation are provided in each case.

TABLE 4.3 – Profile of employees per occupational classification whose salary level exceeded the grade determined by Job Evaluation for the period 1 April 2004 to 31 March 2005

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
None	-	-	-	-
Total	-	-	-	Nil

Percentage of total employment (289)	Nil
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TABLE 4.4 – Profile of employees per race and gender whose salary level exceed the grade determined by job evaluation for the period 1 April 2004 to 31 March 2005

Beneficiaries	African	Indian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	Nil

Employees with a disability	Nil
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5. Employment Changes

The following tables provide a summary of turnover rates by salary band and by critical occupation.

Appointments refer to applicants appointed from outside the government service. Transfers refer to employees who moved from one department to another – be it into this department or out of this department. Terminations refer to employees who left the government service. The figures include contract appointments.

TABLE 5.1 – Annual turnover rates by salary band for the period 1 April 2004 to 31 March 2005

Salary Band	Number of employees per band as on 1 April 2004	Appointments and Transfers into the department		Terminations and Transfers out of the department		Turnover rate
		Appointments into the department	Transfers into the department	Terminations out of the department	Transfers out of the department	
Lower skilled (Levels 1-2)	27	38	-	32	-	118.5
Skilled (Levels 3-5)	44	19	3	14	7	47.7
Highly skilled production (Levels 6-8)	150	24	5	20	8	18.7
Highly skilled supervision (Levels 9-12)	46	15	1	5	2	15.2
Senior Management Service Band A (Level 13)	5	3	-	1	-	20
Senior Management Service Band B (Level 14)	1	1	-	-	-	0
Senior Management Service Band C (Level 15)	1	-	-	1	-	100
Total	274	100	9	73	17	32.8
		109		90		

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The total of 100 appointments includes 80 short-term contract appointments. Some of the contract appointees had a discontinuity in their service, which resulted in 80 contract appointments. The total of 73 terminations includes 61 contract expiries.

A total of 9 employees were transferred from other departments into promotional posts as advertised within our department. The total of 17 transfers out of the department was as a result of advertised posts which officials applied for at other departments.

TABLE 5.2 – Annual turnover rates by critical occupation for the period 1 April 2004 to 31 March 2005

Salary Band	Number of employees per band as on 1 April 2004	Appointments and Transfers into the department		Terminations and Transfers out of the department		Turnover rate
		Appointme nts into the department	Transfers into the department	Termination s out of the department	Transfers out of the department	
PERSAL Controller	1	-	-	-	-	-
Planner	2	-	-	-	-	-
Architect	3	4	-	1	-	33.3
Engineer	10	7	-	-	-	-
Director	0	3	-	-	-	-
Chief Director	0	1	-	-	-	-
Total	16	15	0	1	-	6.3
		15		1		

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TABLE 5.3 – Reasons why staff left the department for the period 1 April 2004 to 31 March 2005

Termination Type	Number	% of total
Death	-	-
Resignation	11	12.2
Expiry of contract	56	62.2
Dismissal – operational changes	-	-
Dismissal – misconduct	1	1.1
Dismissal – inefficiency	-	-
Discharged due to ill-health	1	1.1
Retirement	4	4.5
Transfers to other Public Service Departments	17	18.9
Others (Severance Packages Res 7/2002)	-	-
Total	90	100
Total number of employees who left (90) as a % of the total employment (274)		32.8

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The following are the reasons for resignations for the period **1 April 2004 to 31 March 2005**

Termination Type	Reason for Termination of Service	Number of Events	Formatted
Resignations	▪ Better remuneration	1	Formatted
	▪ Other occupation	10	
Total		11	

This section provides information on the different age groups with regard to personnel who retired from service for the period **1 April 2004 to 31 March 2005**

Termination Type	Ages 55 - 59	Ages 60 - 64	Age 65	Formatted
Retirements	-	1	3	Formatted
Total			4	

TABLE 5.4 – Promotions by critical occupation for the period 1 April 2004 to 31 March 2005

Critical Occupation	Employees as at 1 April 2004	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progressions as a % of employees by occupation
PERSAL Controller	1	-	-	1	100
Planner	2	-	-	-	-
Architect	3	-	-	2	66.7
Engineer	10	-	-	5	50
Director	-	1	-	-	-
Chief Director	-	-	-	-	-
Total	16	1	6.3	8	50

TABLE 5.5 – Promotions by salary band for the period 1 April 2004 to 31 March 2005

Salary Band	Employees as at 1 April 2004	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	19	-	-	16	84.2
Skilled (Levels 3-5)	37	1	2.7	23	62.2
Highly skilled production (Levels 6-8)	141	1	0.7	113	80.1
Highly skilled supervision (Levels 9-12)	45	2	4.4	34	75.6
Senior management (Levels 13-15)	7	1	14.3	-	-
Total	249	5	2	186	74.7

6. Employment Equity

The definition of **SASCO** as indicated in the table: The South African Classifications of Occupations

TABLE 6.1 – Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2005

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Occupational Category (SASCO)	Male				Female				Total
	African	Coloured	White	Indian	African	Coloured	White	Indian	
Legislators, senior officials and managers	3	2	2	1	-	1	1	-	10
Professionals	1	2	10	-	-	1	3	-	17
Technicians and associate professionals	9	29	12		7	16	5		78
Clerks	4	27	3	-	7	48	13	2	104
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agricultural and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	3	11	3	-	4	-	-	-	21
Plant and machine operators and assemblers	-	1	-	-	-	-	-	-	1
Elementary occupations	2	12	2	-	-	1	-	-	17
TOTAL PERMANENT	22	84	32	1	18	67	22	2	248
Not correctly placed / Excess personnel	-	2	-	-	-	1	1	-	4
Contract Personnel	4	4	2	6	5	10	3	-	37
GRAND TOTAL	26	90	34	7	23	78	26	2	289
Employees with disabilities	-	-	-	-	-	-	-	-	-

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TABLE 6.2 – Total number of employees (including employees with disabilities) in each of the following occupational bands as at 31 March 2005

Occupational Band	Male				Female				Total	Formatted
	African	Coloured	Indian	White	African	Coloured	Indian	White		
Top Management (Salary levels 14 – 15)	2	-	-	-	-	-	-	-	2	
Senior Management (Salary level 13)	1	2	2	1	-	1	1	-	8	
Professionally qualified and experienced specialists and middle management (Salary Levels 11 – 12)	2	2	11	-	-	-	4	-	19	
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents (Salary levels 8 – 10)	4	21	11	-	4	16	4	-	60	
Semi-skilled and discretionary decision making (Salary levels 4 – 7)	10	46	8	-	12	47	13	2	138	
Unskilled and defined decision making (Salary levels 1 – 3)	3	13	-	-	2	3	-	-	21	
TOTAL PERMANENT	22	84	32	1	18	67	22	2	248	Formatted
Not correctly placed / Excess personnel	-	2	-	-	-	1	1	-	4	
Contract Personnel	4	4	2	6	5	10	3	3	37	
GRAND TOTAL	26	90	34	7	23	78	26	5	289	Formatted
Employees with disabilities	-	-	-	-	-	-	-	-	-	

TABLE 6.3 – Recruitment (Appointments) for the period 1 April 2004 to 31 March 2005

“Recruitments” reflect those positions, which were filled from applications from outside the Government Service. Therefore transfers into the Department were indicated separately.

Occupational Band	Male				Female				Total	Formatted
	African	Coloured	Indian	White	African	Coloured	Indian	White		
Top Management (Salary levels 14 – 15)	1	-	-	-	-	-	-	-	1	
Senior Management (Salary level 13)	1	-	1	-	-	-	-	1	3	
Professionally qualified and experienced specialists and middle management (Salary Levels 11 – 12)	1	-	-	-	-	-	-	-	1	
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents (Salary levels 8 – 10)	1	-	-	-	-	-	-	-	1	
Semi-skilled and discretionary decision making (Salary levels 4 – 7)	3	1	-	-	4	3	-	1	12	
Unskilled and defined decision making (Salary levels 1 – 3)	1	1	-	-	-	-	-	-	2	
TOTAL	8	2	1	-	4	3	-	2	20	Formatted
Transfers into the Department	1	2	-	-	2	3	-	1	9	Formatted
Contract appointments	15	8	-	10	17	18	-	12	80	Formatted
GRAND TOTAL	24	12	1	10	23	24	-	15	109	Formatted
Employees with disabilities	-	-	-	-	-	-	-	-	-	

The total of 109 appointments includes 80 short-term contract appointments. Some of the contract appointees had a discontinuity in their service, which resulted in 80 contract appointments.

A total of 9 employees were transferred from other departments into promotional posts as advertised within our department

TABLE 6.4 – Promotions for the period 1 April 2004 to 31 March 2005

“Promotions” reflect those positions, which were filled from within the Department

Occupational Band	Male				Female				Total	Formatted
	African	Coloured	Indian	White	African	Coloured	Indian	White		
Top Management (Salary levels 14 – 15)	-	-	-	-	-	-	-	-	-	
Senior Management (Salary level 13)	-	1	-	-	-	-	-	-	1	
Professionally qualified and experienced specialists and middle management (Salary Levels 11 – 12)	-	-	-	-	-	-	-	-	-	
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents (Salary levels 8 – 10)	-	-	-	-	1	-	-	1	2	
Semi-skilled and discretionary decision making (Salary levels 4 – 7)	-	2	-	-	-	-	-	-	2	
Unskilled and defined decision making (Salary levels 1 – 3)	-	-	-	-	-	-	-	-	-	
	-	3	-	-	1	-	-	1		
GRAND TOTAL	3				2				5	Formatted
Employees with disabilities	-	-	-	-	-	-	-	-	-	

TABLE 6.5 – Terminations for the period 1 April 2004 to 31 March 2005

“Terminations” reflect those positions, which were vacated by employees who left the Government Service. Therefore transfers to another Department were indicated separately.

Occupational Band	Male				Female				Total	Formatted
	African	Coloured	Indian	White	African	Coloured	Indian	White		
Top Management (Salary levels 14 – 15)	-	1	-	-	-	-	-	-	1	
Senior Management (Salary level 13)	-	-	-	1	-	-	-	-	1	
Professionally qualified and experienced specialists and middle management (Salary Levels 11 – 12)	-	1	-	1	-	-	-	-	2	
Skilled technical and academically qualified workers, junior management, supervisors, foremen and superintendents (Salary levels 8 – 10)	-	3	-	1	-	1	-	-	5	
Semi-skilled and discretionary decision making (Salary levels 4 – 7)	1	-	-	-	1	1	-	-	3	
Unskilled and defined decision making (Salary levels 1 – 3)	-	-	-	-	-	-	-	-	-	
TOTAL	1	5	-	3	1	2	-	-	12	Formatted
Transfers out of the Department	3	3	-	-	5	5	-	1	17	Formatted
Contract Expiries	14	6	-	2	19	16	-	4	61	Formatted
GRAND TOTAL	18	14	-	5	25	23	-	5	90	Formatted
Employees with disabilities	-	-	-	-	-	-	-	-	-	

The total of 90 terminations includes 61 contract expiries. Some of the contract appointees had a discontinuity in their service, which resulted in 61 contract expiries.

The total of 17 transfers out of the department was as a result of advertised posts which officials applied for at other departments.

TABLE 6.6 – Disciplinary action for the period 1 April 2004 to 31 March 2005

Disciplinary Action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
	-	4	-	1	-	3	-	-	
GRAND TOTAL	5				3				8

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TABLE 6.7 – Skills development for the period 1 April 2004 to 31 March 2005

Occupational Category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	2	1	1	1	-	1	-	-	6
Professionals	2	3	-	3	-	2	-	1	11
Technicians and associate professionals	9	24	-	10	5	8	-	5	61
Clerks	2	11	-	1	8	25	-	8	55
Service and sales workers	-	-	-	-	-	-	-	-	-
Skilled agricultural and fishery workers	-	-	-	-	-	-	-	-	-
Craft and related trades workers	-	-	-	-	-	-	-	-	-
Plant and machine operators and assemblers	-	2	-	-	-	-	-	-	2
Elementary occupations	2	11	-	1	3	1	-	-	18
TOTAL	17	52	1	16	16	37	-	14	
PERMANENT	86				67				153
Employees with disabilities	-	-	-	-	-	-	-	-	-

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“Skills development” reflects the total number of officials trained in one or more of the various programmes and other short courses, as well as those that underwent training as provided by external providers.

7. Performance Rewards

The Department granted the following performance rewards. These performance rewards allocated to personnel were approved in the previous reporting period, but processed on PERSAL in the current reporting period and reflects in the current reporting period's budget. The information is presented in terms of race, gender, and disability, salary bands and critical occupations.

TABLE 7.1 – Performance Rewards by race, gender, and disability for the period 1 April 2004 to 31 March 2005

Gender and Race Distribution	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees as at 31 March 2005 in group	% of total within group	Cost (R'000)	Average cost per employee (R'000)
African	4	40	1.6	17	4
Male	2	22	0.8	11	6
Female	2	18	0.8	6	3
Coloured	50	154	19.8	366	7
Male	25	86	9.9	201	8
Female	25	68	9.9	165	7
Indian	1	3	0.4	7	7
Male	-	1	-	-	-
Female	1	2	0.4	7	7
White	19	55	7.5	212	11
Male	10	32	4.0	131	13
Female	9	23	3.6	81	9
Employees with a disability	-	-	-	-	-
Total	74	252	29.4	602	8

Officials appointed on a contract basis do not qualify for performance rewards and are therefore not included in the above statistics.

TABLE 7.2 – Performance Rewards by salary bands for personnel below Senior Management Service for the period 1 April 2004 to 31 March 2005

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees as at 31 March 2005	% of total within salary bands	Total Cost (R'000)	Average cost per employee (R'000)	Total cost as a % of the total personnel expenditure of R44,317
Lower skilled (Levels 1-2)	5	18	2.1	16	3	0.0
Skilled (Levels 3-5)	10	39	4.1	39	4	0.1
Highly skilled production (Levels 6-8)	38	141	15.7	272	7	0.6
Highly skilled supervision (Levels 9-12)	18	44	7.4	235	13	0.5
Total	71	242	29.3	562	8	1.3

Officials appointed on a contract basis do not qualify for performance rewards and are therefore not included in the above statistics.

TABLE 7.3 – Performance Rewards by critical occupations for the period 1 April 2004 to 31 March 2005

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees as at 31 March 2005	% of total within occupation	Total Cost (R'000)	Average cost per employee (R'000)	Total cost as a % of the total personnel expenditure of R44,317
PERSAL Controller	-	1	-	-	-	-
Planner	-	-	-	-	-	-
Architect	-	1	-	-	-	-
Engineer	2	7	10.5	32	16	0.1
Director	3	8	15.8	39	13	0.1
Chief Director	-	2	-	-	-	-
Total	5	19	26.3	71	14	0.2

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Officials appointed on a contract basis do not qualify for performance rewards and are therefore not included in the above statistics.

TABLE 7.4 – Performance related rewards (cash bonus), by salary band, for Senior Management Service for the period 1 April 2004 to 31 March 2005

Salary Band	Beneficiary Profile			Cost			Formatted
	Number of beneficiaries	Number of employees as at 31 March 2005	% of total within band	Total Cost (R'000)	Average cost per employee (R'000)	Total cost as a % of the total personnel expenditure of R44,317	
Band A (Level 13)	3	8	30.0	40	10	0.1	
Band B (Level 14)	-	2	-	-	-	-	
Band C (Level 15)	-	-	-	-	-	-	
Total	3	10	30.0	40	10	0.1	Formatted

Officials appointed on a contract basis do not qualify for performance rewards and are therefore not included in the above statistics.

8. Foreign Workers

TABLE 8.1 – Foreign Workers by salary band for the period 1 April 2004 to 31 March 2005

Salary Band	1 April 2004		31 March 2005		Change		Formatted
	Number	% of total	Number	% of total	Number	% change	
Lower skilled (Levels 1-2)	-	-	-	-	-	-	
Skilled (Levels 3-5)	-	-	-	-	-	-	
Highly skilled production (Levels 6-8)	-	-	-	-	-	-	
Highly skilled supervision (Levels 9-12)	1	50	11	100	11	100	
Senior Management (Levels 13 to 15)	-	-	-	-	-	-	
Tptal	1	100	11	100	11	100	Formatted

TABLE 8.2 – Foreign Workers by major occupation for the period 1 April 2004 to 31 March 2005

Major Occupation	1 April 2004		31 March 2005		Change		Formatted
	Number	% of total	Number	% of total	Number	% change	
Architects, Town- and Traffic Planners	-	-	4	36.4	4	36.4	
Engineers and Related Professionals	1	100	7	63.6	7	63.6	
Tptal	1	100	11	100	11	100	Formatted

9. Leave utilisation for the period 1 January 2004 to 31 December 2004

Leave is administered by calendar year and not per financial year. The statistics is therefore given per leave cycle.

The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

TABLE 9.1 – Sick leave for the period 1 January 2004 to 31 December 2004

Salary Band	Total days	Total days certified	% days with medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	212	85	40.1	23	8.65	9	23
Skilled (Levels 3-5)	535	335	62.6	57	21.43	9	75
Highly skilled production (Levels 6-8)	2063	1527	74	144	54.14	14	516
Highly skilled supervision (Levels 9-12)	271	196	72.3	38	14.29	7	136
Senior management (Levels 13-15)	43	36	83.7	4	1.50	11	53
Total	3124	2179	69.8	266	100	12	803

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Sick leave taken by contract workers is included in these figures.

TABLE 9.2 – Disability leave (temporary and permanent) for the period 1 January 2004 to 31 December 2004

Salary Band	Total days taken	Total days certified	% days with medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	-	-	-	-	-	-	-
Skilled (Levels 3-5)	46	46	100	2	25.00	23	6
Highly skilled production (Levels 6-8)	471	470	99.8	6	75.00	79	124
Highly skilled supervision (Levels 9-12)	-	-	-	-	-	-	-
Senior management (Levels 13-15)	-	-	-	-	-	-	-
Total	517	516	99.8	8	100	65	130

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The following table summarises the utilisation of annual leave.

TABLE 9.3 – Annual Leave for the period 1 January 2004 to 31 December 2004

Salary Band	Total days taken	Number of employees using annual leave as at 31 December 2004	Average per employee
Lower skilled (Levels 1-2)	501	25	20
Skilled (Levels 3-5)	1061	70	15
Highly skilled production (Levels 6-8)	4033	164	25
Highly skilled supervision (Levels 9-12)	1285	53	24
Senior management (Levels 13-15)	129	7	18
Total	7009	319	22

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Employees are allocated 22 or 26 working days annual leave, depending on their length of service. Unused leave of a cycle can be utilised within the first six months of the next year. Hence leave taken might exceed the allocated 22 or 26 working days. Leave taken by contract workers is included in the statistics.

TABLE 9.4 – Capped leave for the period 1 January 2004 to 31 December 2004

Salary Band	Number of employees as at 31 December 2004	Total days of capped available as at 31 December 2004	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2004
Lower skilled (Levels 1-2)	37	497	49	1	13
Skilled (Levels 3-5)	50	660	67	1	13
Highly skilled production (Levels 6-8)	161	5509	468	3	34
Highly skilled supervision (Levels 9-12)	47	2742	75	2	58
Senior management (Levels 13-15)	6	857	105	18	143
Total	301	10265	764	3	34

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TABLE 9.5 – Leave payouts for the period 1 April 2004 to 31 March 2005

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee (R'000)
Leave payouts for 2004 due to non-utilisation of leave for the previous cycle	4	1	4
Current leave payout on termination of service for 2004/2005	369	9	41
Leave payouts for 2004/2005 due to Long Service Recognition for 20/30 years service	24	7	3
Total	397	17	23

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10. HIV/AIDS & Health Promotion Programmes

TABLE 10.1 – Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Not known	

TABLE 10.2 – Details of Health Promotion and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	✓		<ul style="list-style-type: none"> Mr GK Erasmus (SMS) Mr D Swanson (HIV/AIDS Co-ordinator)
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		One official per floor level - 5 Members of SHE committee with specific reference to HIV/Aids.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.		✓	No specific health budget.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	✓		<p>SHE Members has a specific role to play. Labour and Employee Relations Section have been specifically tasked with the above.</p> <ul style="list-style-type: none"> H Davids K Vrede N Wentzel AJ Canham M van Niekerk
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	✓		All policies explicitly prohibit any form of unfair discrimination.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	✓		<p>1. HIV/AIDS Programmes</p> <ul style="list-style-type: none"> 07/06/2004 till 10/06/2004 01/11/2004 till 03/11/2004 08/11/2004 till 10/11/2004 14/03/2005 till 15/03/2005 <p>2. Knowledge empowerment, understanding and removal of unfounded perceptions.</p>

Question	Yes	No	Details, if yes
7. Does the department encourage its employees to undergo Voluntary Counseling and Testing? If so, list the results that you have achieved.	✓		Awaiting on reporting statistics from provincial service providers, ± 140 VCT's
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		- Pre & Post Test Counseling (VCT)

Safety & Health Environment (SHE) & HIV and AIDS Committee

11. Labour Relations

No collective agreements were entered into with trade unions within the Department.

TABLE 11.1 – Misconduct and disciplinary hearings finalised for the period 1 April 2004 to 31 March 2005

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	1	12.5
Verbal warning	2	25
Written warning	3	37.5
Final written warning	1	12.5
Suspended without pay	-	-
Fine	-	-
Demotion	-	-
Dismissal	1	12.5
Not guilty	-	-
Case withdrawn	-	-
Total	8	100

TABLE 11.2 – Types of misconduct addressed at disciplinary hearings for the period 1 April 2004 to 31 March 2005

Type of misconduct	Number	% of total
Failure to follow proper procedures	2	50
Unauthorised use of Government vehicle	1	25
Dishonesty	1	25
Total	4	100

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TABLE 11.3 – Precautionary suspensions for the period 1 April 2004 to 31 March 2005

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	52
Cost (R'000) of suspensions	70

The cost (R'000) of suspensions consist of Basic Salaries paid, Housing-, Medical- and Pension subsidies, Regional Service Council levies, Non-pensionable Allowance and Public Service Co-ordinating Bargaining Chamber levies, over the period 1 April 2004 till March 2005.

12. Skills development

The tables reflect the training needs as at the beginning of the period under review, and the actual training provided. The Cape Administrative Academy (CAA) at the Provincial Administration Western Cape presents skills programmes and other short courses. The other forms of training reflect training provided by external providers, e.g. computer training, job-specific courses, etc.

TABLE 12.1 – Training needs identified for the period 1 April 2004 to 31 March 2005

Occupational Category	Gender	Number of employees as at 1 April 2004	Training needs identified at start of reporting period			
			Learner ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	1	-	5	3	8
	Male	6	-	24	6	30
Professionals	Female	4	-	21	17	38
	Male	13	-	105	28	133
Technicians and associate professionals	Female	15	-	90	44	134
	Male	60	-	136	64	200
Clerks	Female	104	-	146	93	239
	Male	50	-	142	83	225
Service and sales workers	Female	-	-	-	-	-
	Male	1	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	2	-	4	1	5
Elementary occupations	Female	1	-	2	2	4
	Male	17	-	38	28	66
Sub Total	Female	125	-	264	159	423
	Male	149	-	449	210	659
Total		274	-	713	369	1082

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TABLE 12.2 – Training provided for the period 1 April 2004 to 31 March 2005

Occupational Category	Gender	Number of employees as at 31 March 2005	Training provided / Interventions within the reporting period			
			Learner ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	2	-	-	2	2
	Male	8	-	-	10	10
Professionals	Female	7	-	5	2	7
	Male	22	-	6	12	18
Technicians and associate professionals	Female	32	-	60	15	75
	Male	69	-	108	63	171
Clerks	Female	90	-	89	21	110
	Male	39	-	31	8	39
Service and sales workers	Female	-	-	-	-	-
	Male	1	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trades workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	2	-	7	1	8
Elementary occupations	Female	1	-	-	-	-
	Male	16	-	8		8
Sub Total	Female	132	-	154	40	194
	Male	157	-	160	94	254
Total		289	-	314	134	448

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“Training provided” reflects various interventions in skills programmes and other short courses, as well as external (outsourced) training courses.

13. Injury on duty

TABLE 13.1 – Injury on duty for the period 1 April 2004 to 31 March 2005

Nature of injury of duty	Number	% of total
Required basic medical attention only	1	50
Temporary Total Disablement	1	50
Permanent Disablement	-	-
Fatal	-	-
Total	2	100

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14. Utilisation of Consultants

No consultants were utilised by the Department to perform normal line functions during the year under review.