

# Vote 8

## Human Settlements

R thousand	2019/20			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	4 006 642	4 249 332		242 690
MEC remuneration <sup>1</sup>				
<b>Total amount to be appropriated</b>	<b>4 006 642</b>	<b>4 249 332</b>		<b>242 690</b>
<i>of which:</i>				
Current payments	558 785	560 121		1 336
Transfers and subsidies	3 433 882	3 675 255		241 373
Payments for capital assets	13 975	13 956	(19)	
Payments for financial assets	-	-		
Responsible MEC	MEC for Public Works and Human Settlements			
Administering department	Human Settlements			
Accounting Officer	Head: Human Settlements			

### 1. Vision and mission

#### Vision

The vision of the department is: *Together breaking new ground to achieve decent, integrated and sustainable human settlement patterns.*

#### Mission statement

The mission of the Department of Human Settlements (DOHS) is: *To deliver suitably located housing opportunities and security of tenure over the next five years through collaborative partnership, legislative planning processes and empowerment of women in construction.*

### 2. Strategic objectives

**Strategic policy direction:** By focusing on its role of achieving decent, integrated and sustainable housing opportunities and security of tenure, the department seeks to align its operations and strategic position with the overall aim of government to achieve accountability and effective service delivery for all citizens. The department's strategic objectives are summarised as follows:

- Ensuring the financial viability of the department.
- Provision of skilled human resources.
- Accelerating urban housing opportunities.
- Accelerating the creation of rental housing opportunities, and implementing projects that ensure spatial, social and economic integration.
- Identifying and implementing rectification projects to ensure transfers and home ownership.

### 3. Summary of adjusted estimates for the 2019/20 financial year

The main appropriation of the department was R4.007 billion in 2019/20. During the year, the department received additional funding of R242.690 million, increasing the budget to R4.249 billion. The reasons for this increase and other adjustments are summarised below, and explained in Section 4.

- *Roll-overs:* A roll-over of R50.450 million was approved in respect of the Human Settlements Development grant (HSDG) relating to the flood disaster that occurred in the province on 10 October

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

2017. The department was allocated R100 million in the 2018/19 Adjustments Estimate in this regard. These funds were under-spent due to delays in the finalisation of procurement processes in the Ugu District. The Ugu District was allocated R53.773 million for the reconstruction of 250 units and R46.227 million was allocated to the eThekweni Metro for the reconstruction of 367 units. An amount of R49.550 million was spent by the Metro. In the Ugu District, the unspent funds were fully committed and a contractor was appointed and is currently in the process of sub-dividing plots for the construction of housing units, after which construction will commence. These funds were allocated to *Transfers and subsidies to: Households* in Programme 3: Housing Development.

- *Virement between programmes:* The following virements were undertaken between programmes:
  - Savings of R700 000 were identified under Programme 2: Housing Needs, Research and Planning against *Compensation of employees* as a result of three vacant posts which were vacated during 2018/19 due to resignations. These savings were moved to Programme 1: Administration against *Goods and services* to cater for expenditure relating to property payments including municipal services such as water and electricity, security services, cleaning services and building maintenance, etc., which were under-budgeted for.
  - Savings of R10 million were identified under Programme 3 as follows:
    - Savings of R5 million were identified against *Compensation of employees* due to internal delays in filling critical vacant posts. These savings were moved to Programme 1 against *Goods and services* to cater for outreach programmes and community participation costs, where the department conducts awareness campaigns aimed at promoting government engagements with members of the public, and conducts community facilitation to address service delivery challenges, broader public protests, etc., which was not budgeted for.
    - Savings of R5 million were identified against *Transfers and subsidies to: Households* in respect of the Title Deeds Restoration grant (TDRG) due to a number of unresolved beneficiary dispute cases, such as land ownership challenges. These are as a result of housing projects that were constructed on private land. The municipalities are required to establish dispute resolution committees in order to resolve these cases, but they have capacity constraints. These savings were moved to Programme 4: Housing Asset Management against *Transfers and subsidies to: Departmental agencies and accounts* within the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in the eThekweni Metro.

In addition to the above virements, the department undertook virements across sub-programmes and economic categories within programmes, as explained in Section 4. The increase of R5 million in *Transfers and subsidies to: Departmental agencies and accounts* relating to town planning, opening of township registers, land surveying, structural assessment and conveyancing in the eThekweni Metro, as well as the increase in *Transfers and subsidies to: Non-profit institutions* in respect of a donation to the Wentworth Organisation of Women (WOW), were approved by Provincial Treasury.

These virements are permissible in terms of the PFMA and Treasury Regulations. Several virements require Legislature approval, and these are highlighted in grey and are summarised below:

Legislature approval is required for the decrease in *Transfers and subsidies to: Households* in respect of the TDRG and the decrease in *Payments for capital assets* in respect of *Machinery and equipment*, as the capital budget for the Vote as a whole is decreased.

- *Shifts:* The department did not undertake any shifts across programmes but shifts were undertaken across economic categories and sub-programmes within programmes, as explained in Section 4.
- *Other adjustments:* The department received additional funding of R192.240 million, as follows:
  - R40.997 million was approved to be allocated to the department relating to funds collected from the sale of units at Ridgeview Gardens. The department requested approval to purchase 330 units in the Ridgeview Gardens for Finance Linked Individual Subsidy Programme (FLISP) development, as well as to retain the profits from the sale of these units from Provincial

Treasury, and this approval was obtained in June 2016. The development has been repaired, upgraded and has been made available for application of the FLISP subsidy instrument. The amount allocated also includes funds that were paid back by the uMzimkhulu and the iMpendle Municipalities. The department transferred funds to the uMzimkhulu and iMpendle Municipalities to undertake various housing projects and, during the reconciliation of funds transferred against each performance, it was discovered that there were unspent funds and they were paid back to the department by these municipalities. The amount of R40.997 million was allocated under Programme 1 against *Goods and services* (R3 million) to cater for property payments that were inadequately budgeted for and for the development of an electronic management system which will be used as a back-up of manual records in the event of fire or disaster, as well as to Programme 3 against *Buildings and other fixed structures* (R175 000) relating to the Social and Economic Amenities programme. The balance of R37.822 million was allocated to Programme 3 against *Transfers and subsidies to: Households* for rural housing projects such as Umzumbe Cluster D and Malangeni rural housing in Ugu District, Mkhonto rural housing in iLembe District, etc., which progressed faster than anticipated.

- o National Treasury issued a Government Gazette (No. 42593) on 26 July 2019 which gave effect to allocating a portion of an unallocated Schedule 7 grant to KwaZulu-Natal and the Western Cape. As such, the department is the recipient of R151.243 million relating to the Provincial Emergency Housing grant (PEHG). This relates to the storms between December 2018 and January 2019 that affected eight districts in the province with damage to 2 800 houses. In addition, these funds are for severe storms and heavy rain experienced in April 2019 that caused damage to houses (mostly mud structures) in rural areas in 19 municipalities, where a total of 1 277 households were affected. These funds were allocated against *Transfers and subsidies to: Households* under Programme 3 for transitional residential area units (temporary structures) in areas including Ugu, iLembe, uMzinyathi, uThukela, etc. In total, 2 347 units will be provided.

Tables 8.1 and 8.2 reflect a summary of the 2019/20 adjusted appropriation of the department, summarised according to programme and economic classification. Note that further details of adjustments at economic classification level are provided in *Annexure – Vote 8: Human Settlements*.

Table 8.1 : Summary by programmes

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
1. Administration	239 986	-	-	5 700	-	3 000	8 700	248 686
2. Housing Needs, Research and Planning	18 975	-	-	(700)	-	-	(700)	18 275
3. Housing Development	3 575 213	50 450	-	(10 000)	-	189 240	229 690	3 804 903
4. Housing Asset Management	172 468	-	-	5 000	-	-	5 000	177 468
<b>Total</b>	<b>4 006 642</b>	<b>50 450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192 240</b>	<b>242 690</b>	<b>4 249 332</b>
<b>Amount to be voted</b>								<b>242 690</b>

Table 8.2 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>558 785</b>	<b>-</b>	<b>-</b>	<b>(4 463)</b>	<b>2 799</b>	<b>3 000</b>	<b>1 336</b>	<b>560 121</b>
Compensation of employees	369 098	-	-	(21 477)	-	-	(21 477)	347 621
Goods and services	189 687	-	-	17 014	2 799	3 000	22 813	212 500
Interest and rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>3 433 882</b>	<b>50 450</b>	<b>-</b>	<b>4 657</b>	<b>(2 799)</b>	<b>189 065</b>	<b>241 373</b>	<b>3 675 255</b>
Provinces and municipalities	58 340	-	-	379	50 350	-	50 729	109 069
Departmental agencies and accounts	172 468	-	-	5 000	-	-	5 000	177 468
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	50	-	-	50	50
Households	3 203 074	50 450	-	(772)	(53 149)	189 065	185 594	3 388 668
<b>Payments for capital assets</b>	<b>13 975</b>	<b>-</b>	<b>-</b>	<b>(194)</b>	<b>-</b>	<b>175</b>	<b>(19)</b>	<b>13 956</b>
Buildings and other fixed structures	9 000	-	-	-	-	175	175	9 175
Machinery and equipment	4 975	-	-	(194)	-	-	(194)	4 781
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4 006 642</b>	<b>50 450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>192 240</b>	<b>242 690</b>	<b>4 249 332</b>
<b>Amount to be voted</b>								<b>242 690</b>

#### 4. Changes to programme purposes and service delivery measures

There are no changes to the programme purposes. There were some minor changes to service delivery measures to align the targets in the 2019/20 EPRE with the department's APP, which was published after the EPRE. These changes are highlighted in bold italics in Tables 8.7 and 8.10.

##### 4.1 Programme 1: Administration

The purpose of this programme is to identify and eliminate bottle-necks, as well as continuously improve the flow of financial, administrative and management information. The strategic objectives of this programme are to strengthen governance and service delivery. Tables 8.3 and 8.4 reflect a summary of the 2019/20 adjusted appropriation of Programme 1, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall increase of R8.700 million, are provided in the paragraphs after the tables.

**Table 8.3 : Programme 1: Administration**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Corporate Services	239 986			5 700		3 000	8 700	248 686
<b>Total</b>	<b>239 986</b>	-	-	<b>5 700</b>	-	<b>3 000</b>	<b>8 700</b>	<b>248 686</b>
Amount to be voted							<b>8 700</b>	

**Table 8.4 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>235 083</b>	-	-	<b>3 798</b>	-	<b>3 000</b>	<b>6 798</b>	<b>241 881</b>
Compensation of employees	155 178			(8 291)			(8 291)	146 887
Goods and services	79 905			12 089		3 000	15 089	94 994
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>556</b>	-	-	<b>1 902</b>	-	-	<b>1 902</b>	<b>2 458</b>
Provinces and municipalities	130						-	130
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	426			1 902			1 902	2 328
<b>Payments for capital assets</b>	<b>4 347</b>	-	-	-	-	-	-	<b>4 347</b>
Buildings and other fixed structures							-	-
Machinery and equipment	4 347						-	4 347
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>239 986</b>	-	-	<b>5 700</b>	-	<b>3 000</b>	<b>8 700</b>	<b>248 686</b>
Amount to be voted							<b>8 700</b>	

##### Virement – Programme 1: Administration: R5.700 million

The main appropriation of Programme 1 increased by R5.700 million, being savings moved from Programme 2 (R700 000) and Programme 3 (R5 million), realised under *Compensation of employees* as a result of vacancies. These savings were moved to *Goods and services* under the Corporate Services sub-programme for outreach programmes and community participation, which were not budgeted for. The department conducts awareness campaigns aimed at promoting government engagements with members of the public, as well as community facilitation to address service delivery challenges, broader public protests, etc. Also, property payments relating to security costs, cleaning services, building maintenance, etc. were inadequately budgeted for. In addition, savings of R8.291 million were moved between economic classifications within Programme 1. These savings were identified against *Compensation of employees* due to vacant posts, as mentioned above and were moved as follows:

- R6.389 million was moved to *Goods and services* to cater for spending pressures relating to operating leases, fleet services, as well as property payments, such as municipal services, security services, cleaning services, building maintenance, etc., which were inadequately budgeted for.

- R1.902 million was moved to *Transfers and subsidies to: Households* to cater for staff exit costs (R1.877 million) and a donation (R25 000) for catering in respect of the Umkhonto Wesizwe Military Veterans women's month celebration event held at KwaMashu in the eThekweni Metro. These were not budgeted for.

These virements are permissible in terms of the PFMA and Treasury Regulations.

### Other adjustments – Programme 1: Administration: R3 million

An amount of R3 million was allocated to *Goods and services* in the sub-programme: Corporate Services in Programme 1, being funds collected from the sale of units in Ridgeview Gardens. These funds were allocated for the development of an electronic management system for the department which will be used as a back-up of all manual records, such as contracts, invoices, project files, etc., in the event of a fire or disaster occurring, as well as property payments such as municipal services, security services, cleaning services and building maintenance, which were under-budgeted for, as mentioned.

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

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

Tables 8.5 and 8.6 reflect a summary of the 2019/20 adjusted appropriation of Programme 2, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R700 000, are provided in the paragraphs following the tables.

**Table 8.5 : Programme 2: Housing Needs, Research and Planning**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	451						-	451
2. Policy	5 464			(1 112)			(1 112)	4 352
3. Planning	4 356			(597)			(597)	3 759
4. Research	8 704			1 009			1 009	9 713
<b>Total</b>	<b>18 975</b>	<b>-</b>	<b>-</b>	<b>(700)</b>	<b>-</b>	<b>-</b>	<b>(700)</b>	<b>18 275</b>
<b>Amount to be voted</b>								<b>(700)</b>

**Table 8.6 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>18 965</b>	<b>-</b>	<b>-</b>	<b>(706)</b>	<b>-</b>	<b>-</b>	<b>(706)</b>	<b>18 259</b>
Compensation of employees	16 748			(1 845)			(1 845)	14 903
Goods and services	2 217			1 139			1 139	3 356
Interest and rent on land								
<b>Transfers and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Provinces and municipalities								
Departmental agencies and accounts								
Higher education institutions								
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>16</b>
Buildings and other fixed structures								
Machinery and equipment	10			6			6	16
Heritage assets								
Specialised military assets								
Biological assets								
Land and subsoil assets								
Software and other intangible assets								
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>18 975</b>	<b>-</b>	<b>-</b>	<b>(700)</b>	<b>-</b>	<b>-</b>	<b>(700)</b>	<b>18 275</b>
<b>Amount to be voted</b>								<b>(700)</b>

**Virement – Programme 2: Housing Needs, Research and Planning: (R700 000)**

The department identified savings of R1.845 million from the Policy sub-programme and the Planning sub-programme. These savings were moved to Programme 1 (R700 000), as well as across sub-programmes within Programme 2 (R1.145 million).

The above-mentioned savings of R1.845 million were identified against *Compensation of employees* as a result of three vacant posts which were vacated during 2018/19 due to resignations, and these savings were moved as follows:

- R1.139 million was moved to *Goods and services* within the programme to provide for an increased number of capacity building programmes for housing consumer education as a result of an increase in demand for these programmes. The increase also caters for costs relating to system access and information fees for WinDeed which was inadequately budgeted for. WinDeed is a system utilised for accessing searches, such as property searches, property ownership, etc.
- R6 000 was moved to *Machinery and equipment* within the programme to cater for office furniture which was budgeted for in 2018/19, but invoices were only received in 2019/20.
- The balance of R700 000 was moved to Programme 1 to cater for outreach programmes and community participation, which were not budgeted for, as mentioned.

These virements are permissible in terms of the PFMA and Treasury Regulations.

**Service delivery measures – Programme 2: Housing Needs, Research and Planning**

Table 8.7 shows the revised service delivery information for Programme 2. The department revised various measures to align them with the targets published in the 2019/20 APP. Three measures are no longer utilised and these are indicated by “n/a” in the Mid-year actual and Revised target columns. Three new measures are introduced, and the wording of the output has been amended, and these are indicated in bold italics.

**Table 8.7 : Service delivery measures – Programme 2: Housing Needs, Research and Planning**

Outputs	Performance indicators	Performance targets		
		2019/20 Original target	2019/20 Mid-year actual	2019/20 Revised target
<b>Planning</b>				
1.1 <i>Planning of integrated and sustainable human settlements in line with KZN Human Settlements Master Spatial Plan (HSMSP)</i>	<ul style="list-style-type: none"> <li>• Municipal Spatial Development plans aligned to the KZN HSMSP's focus area</li> <li>• Approved beneficiary capacitation strategy on home ownership reviewed annually</li> <li>• No. of catalytic projects implemented</li> <li>• No. of households provided with consumer education</li> <li>• <b><i>No. of land parcels assessed for suitability for human settlements development</i></b></li> <li>• <b><i>No. of hectares of land procured/proclaimed</i></b></li> <li>• No. of projects in planning</li> <li>• No. of policies approved</li> <li>• Approved multi-year housing development plan reviewed annually</li> <li>• No. of accredited municipalities provided with institutional support</li> <li>• No. of emerging contractors provided with construction management training</li> <li>• No. of municipalities with established National Housing Needs Register system</li> <li>• <b><i>No. of farm dwelling projects in planning</i></b></li> <li>• No. of catalytic projects approved</li> <li>• No. of nationally approved catalytic projects in <b><i>pre-planning (stage 1)</i></b></li> </ul>	10	-	20
		1	n/a	n/a
		3	-	5
		13 000	6 592	8 000
		New	1	2
		New	133	152
		102	22	41
		2	-	
		1	-	
		7	-	
		20	-	
		-	-	4
		New	-	1
		2	n/a	n/a
		5	n/a	n/a

**4.3 Programme 3: Housing Development**

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

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

Programme 3 consists of the bulk of the HSDG and the TDRG, the remainder of which falls under Programme 4. Programme 3 also includes the EPWP Integrated Grant for Provinces and the new PEHG.

Tables 8.8 and 8.9 reflect a summary of the 2019/20 adjusted appropriation of Programme 3, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall increase of R229.690 million, are given below.

Table 8.8 : Programme 3: Housing Development

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	99 466			(5 000)			(5 000)	94 466
2. Financial Interventions	376 802			69 044		175	69 219	446 021
3. Incremental Interventions	1 852 285	50 450		(329 000)		151 243	(127 307)	1 724 978
4. Social and Rental Intervention	190 000						-	190 000
5. Rural Intervention	1 056 660			254 956		37 822	292 778	1 349 438
<b>Total</b>	<b>3 575 213</b>	<b>50 450</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>189 240</b>	<b>229 690</b>	<b>3 804 903</b>
<b>Amount to be voted</b>								<b>229 690</b>

Table 8.9 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>304 737</b>	<b>-</b>	<b>-</b>	<b>(7 555)</b>	<b>2 799</b>	<b>-</b>	<b>(4 756)</b>	<b>299 981</b>
Compensation of employees	197 172			(11 341)			(11 341)	185 831
Goods and services	107 565			3 786	2 799		6 585	114 150
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>3 260 858</b>	<b>50 450</b>	<b>-</b>	<b>(2 245)</b>	<b>(2 799)</b>	<b>189 065</b>	<b>234 471</b>	<b>3 495 329</b>
Provinces and municipalities	58 210			379	50 350		50 729	108 939
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions				50			50	50
Households	3 202 648	50 450		(2 674)	(53 149)	189 065	183 692	3 386 340
<b>Payments for capital assets</b>	<b>9 618</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>-</b>	<b>175</b>	<b>(25)</b>	<b>9 593</b>
Buildings and other fixed structures	9 000					175	175	9 175
Machinery and equipment	618			(200)			(200)	418
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 575 213</b>	<b>50 450</b>	<b>-</b>	<b>(10 000)</b>	<b>-</b>	<b>189 240</b>	<b>229 690</b>	<b>3 804 903</b>
<b>Amount to be voted</b>								<b>229 690</b>

### Roll-over – Programme 3: Housing Development: R50.450 million

An amount of R50.450 million was approved as a roll-over in respect of the HSDG and relates to the flood disaster that occurred in the province on 10 October 2017. The department was allocated a total amount of R100 million in the 2018/19 Adjustments Estimate in this regard. An amount of R49.550 million was spent by the eThekweni Metro. In the Ugu District, the unspent funds were fully committed and a contractor was appointed and is currently in the process of sub-dividing plots for the construction of housing units, after which construction will commence. These funds were allocated under Programme 3 in the Incremental Interventions sub-programme against *Transfers and subsidies to: Households*.

### Virement – Programme 3: Housing Development: (R10 million)

The department moved funds between programmes and economic classifications to offset spending pressures, resulting in a net decrease of R10 million against the main appropriation of Programme 3. These adjustments are discussed in more detail below:

- Savings of R5 million were identified in the Administration sub-programme against *Compensation of employees* due to internal delays in recruitment processes for filling critical vacant posts. These savings were moved to Programme 1 against *Goods and services* to cater for outreach programmes and community participation costs and conduct community facilitation to address service delivery challenges, broader public protests, etc. which were not budgeted for, as mentioned.
- Savings of R5 million were identified against *Transfers and subsidies to: Households* under the Incremental Interventions sub-programme in respect of the TDRG due to a number of unresolved beneficiary dispute cases, such as land ownership challenges. These are as a result of housing projects that are constructed on private land. The municipalities are required to establish dispute resolution committees in order to resolve these cases, but they have capacity constraints. These savings were moved to Programme 4 which relates to the KZN Housing Fund against *Transfers and subsidies to: Departmental agencies and accounts* within the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessment and conveyancing in the eThekweni Metro, as mentioned.

In addition, the following virements were undertaken within Programme 3 between sub-programmes but within the same economic classification:

- Savings of R324 million were identified against the Incremental Interventions sub-programme under *Transfers and subsidies to: Households* due to the following:
  - The Makhoba housing project in the Harry Gwala District had challenges with the installation of bulk water supply which delayed the project.
  - The Masinenge housing project in the Ugu District had challenges on site due to the termination of the contractor as a result of poor performance. The department has since appointed a new contractor, who is currently on site.
  - The Madadeni H39 in the Amajuba District could not spend due to the contractor not being able to claim for completion because of beneficiaries having constructed units which are in the way of services. The contractor is in the process of moving these beneficiaries out of the constructed units in order to complete the services and claim for completion.
  - Kloof Ext 15 and 21 in the eThekweni Metro expected challenges due to delays in the appointment of the contractor for top structures, caused by tender appeals.
- These savings of R324 million were moved to the Rural Intervention sub-programme (R254.956 million) and the Financial Interventions sub-programme (R69.044 million) against *Transfers and subsidies to: Households* as follows:
  - R254.956 million was moved to the Rural Interventions sub-programme to provide for the acceleration of service delivery in respect of the rural housing subsidy programme, on projects such as Osuthu B rural housing, Nkunzana and Matheni rural housing in the Zululand District, Emandungeni and Bhidla rural housing in the Harry Gwala District, Thoyane and Qiniselani Amanuswa rural housing in the eThekweni Metro, Siyathuthuka phase 2 in uMgungundlovu District, etc., which progressed faster than anticipated and are ahead of the development programme as there is an urgent need for housing.
  - R69.044 million was moved to the Financial Interventions sub-programme for the following:
    - R15 million relates to FLISP due to over-performance on this programme as a result of the high volume of applications received which was not anticipated. There was under-performance in this programme in the previous year, hence the department planned interventions such as stakeholder engagements with banks and developers, developed of FLISP communication strategy, etc., which led to these positive results.
    - R16.298 million for the acquisition of land for the implementation of the extension of the Siyahlala-la housing project in the Newcastle Municipality.
    - R37.746 million was allocated for the National Home Builder's Registration Council (NHBC) for project enrolment fees which were inadequately budgeted for.

The following additional virements were undertaken within the sub-programmes and programme affecting economic classifications:

- Savings of R6.341 million were identified against *Compensation of employees* due to internal delays in recruitment processes in filling critical vacant posts that have been advertised. These are budgeted for under the OPSCAP allocation within the HSDG (R3.800 million), as well as equitable share (R2.541 million), and include four Construction Project Managers and four Inspectors. Further savings arose as a result of four resignations and two retirements within the programme.
- Savings of R200 000 were identified against *Machinery and equipment* due to provision for the purchase of office equipment for newly appointed staff. The equipment will not be purchased due to delays in the filling of vacant posts under the HSDG.

These savings, totalling R6.541 million, were moved as follows:

- R3.786 million was moved to *Goods and services* to cater for spending pressures in respect of travel and subsistence costs, due to increased usage of private vehicles on official duty as a result of the assessments done for the KZN Govan Mbeki Awards, which aims to promote the culture of excellent service delivery under the equitable share (R2.145 million). There was also an increase because the FLISP communication strategy, which is an advertising strategy for FLISP to make people aware of the programme, was inadvertently not budgeted for under the HSDG (R1.641 million).
- R379 000 was moved to *Transfers and subsidies to: Provinces and municipalities* for the payment of property rates relating to properties that were inadvertently not budgeted for. These properties are in the Ulundi and Msinga Municipalities. These properties were made available for housing development purposes and to formalise existing housing projects on state land under the HSDG.
- R50 000 was moved to *Transfers and subsidies to: Non-profit institutions* under the HSDG for a donation to WOW to cover costs incurred by the organisation on undertaking door-to-door surveys and profiling beneficiaries for possible low-cost housing within Austerville Ward 68.
- R2.326 million was moved to *Transfers and subsidies to: Households* in respect of staff exit costs relating to both the HSDG (R205 000) and the equitable share (R396 000), as well as for the NHBRC for project enrolment fees which were inadequately budgeted for under the HSDG (R1.725 million).

These virements are permissible in terms of the PFMA and Treasury Regulations. The increase of R50 000 in *Transfers and subsidies to: Non-profit institutions* relating to the donation to WOW was approved by Provincial Treasury.

Legislature approval is required for the decrease in *Transfers and subsidies to: Households* in respect of the HSDG and the decrease in *Payments for capital assets* in respect of *Machinery and equipment* because the capital budget for the Vote as a whole is decreased.

### Shifts – Programme 3: Housing Development

The department undertook shifts within the Incremental Interventions sub-programme, between economic classifications which resulted in no change in respect of the sub-programmes or the programme as a whole. These shifts are evident in Table 8.9 and are discussed in detail below:

- R53.149 million was shifted within Programme 3 from *Transfers and subsidies to: Households* to the following economic classifications:
  - R2.799 million was shifted to *Goods and services* to cater for the appointment of professional services to assist in the reduction of the title deeds backlog under the TDRG. These were budgeted for against *Transfers and subsidies to: Households* instead of *Goods and services*. The purpose of the funds remains unchanged.
  - R50.350 million was shifted to *Transfers and subsidies to: Provinces and municipalities* to cater for transfers to various municipalities for the appointment of social facilitators to deal with the title deeds backlog under the TDRG, as well as transfers to the eThekweni Metro in order to

undertake the necessary planning, servicing of sites and associated activities in support of the department's priority interventions and programmes under the TDRG. These were incorrectly budgeted for against *Transfers and subsidies to: Households* instead of *Transfers and subsidies to: Provinces and municipalities*. The purpose of the funds remains unchanged.

### Other adjustments – Programme 3: Housing Development: R189.240 million

The department received additional funds, resulting in an increase of R189.240 million against the main appropriation of Programme 3. These adjustments are discussed in more detail below:

- R37.997 million was approved to be allocated to the department relating to funds collected from the sale of units at Ridgeview Gardens. The department requested approval to purchase 330 units in Ridgeview Gardens for FLISP development, as well as to retain the profits from the sale of these units from Provincial Treasury. This amount also includes funds that were paid back by the iMpendle and the uMzimkhulu Municipalities. The department transferred funds to the uMzimkhulu and iMpendle Municipalities to undertake various housing projects and, during the reconciliation of funds transferred against each performance, it was discovered that there were unspent funds and they were paid back to the department by these municipalities. These funds were returned to the Provincial Revenue Fund and were allocated as follows:
  - R175 000 was allocated under the Financial Interventions sub-programme against *Buildings and other fixed structures* for the Social and Economic Amenities programme, as mentioned.
  - R37.822 million was allocated to the sub-programme: Incremental Interventions against *Transfers and subsidies to: Households* for rural housing projects, such as Umzumbe Cluster D and Malangeni rural housing in Ugu District, Mkhonto rural housing in iLembe District, etc., which progressed faster than anticipated.
- R151.243 million was allocated to the department in respect of the PEHG. This allocation relates to the storms between December 2018 and January 2019 that affected eight districts in the province, with damage to 2 800 houses. This grant caters for the provision of temporary shelter assistance to households affected by disasters or housing emergencies, as well as to repair the damage to housing for low-income households. These funds were allocated to Programme 3 under the Incremental Interventions sub-programme against *Transfers and subsidies to: Households*.

### Service delivery measures – Programme 3: Housing Development

Table 8.10 shows the revised service delivery information for Programme 3.

It is noted that the department revised various measures to align them with the targets published in the 2019/20 APP and these are reflected in the Revised target column. Four new measures are introduced and these are indicated in bold italics. The wording of two outputs has been corrected to align to the APP and this is also highlighted in bold italics.

**Table 8.10 : Service delivery measures – Programme 3: Housing Development**

Outputs	Performance indicators	Performance targets		
		2019/20 Original target	2019/20 Mid-year actual	2019/20 Revised target
1.1 <i>Strategic Objective</i>	<ul style="list-style-type: none"> <li>• <i>No. of urban housing opportunities created in line with National Service Delivery Outcome 8, National Development Plan, Provincial Growth and Development Strategy, Integrated Urban Development</i></li> <li>• <i>Approved implementation plan to fast track the implementation of the Title Deeds Restoration Programme (from 01 April 1994 to 31 March 201) reviewed annually</i></li> <li>• <i>Approved implementation plan to fast track the issuing of the Title Deeds which were not issued during the "swopping" of project milestones during 01 April 2014 to 31 March 2016 reviewed annually</i></li> </ul>	New	-	8 941
		New	-	1
		New	-	1
1.2 <i>Finance linked individual subsidy programme</i>	• No. of <i>houses</i> completed <del>in terms of the FLISP programme</del>	700	226	300

**Table 8.10 : Service delivery measures – Programme 3: Housing Development**

Outputs	Performance indicators	Performance targets		
		2019/20 Original target	2019/20 Mid-year actual	2019/20 Revised target
1.3 Informal settlements upgrade programme	• No. of households connected to basic services (incl. project linked subsidies)	4 120	420	4 673
	• No. of houses completed	3 787	214	3 287
	• No. of informal settlements upgraded	2	-	-
	• No. of households benefiting from informal settlements upgrading	3 787	2 014	5 653
	• No. of housing units for subsidy sub-market provided	17 012	7 094	18 241
1.4 Integrated Residential Development programme	• No. of new sites connected to basic water and sanitation services	4 508	2 203	4 428
	• No. of houses completed	2 845	345	2 675
1.5 Enhanced Peoples' housing process	• No. of houses completed	1 789	1 455	1 763
1.6 Emergency Housing Programme <i>(incl. of OSS)</i>	• No. of houses completed	135	505	1 500
1.7 Rectification prog. (1994-2002)	• No. of units rectified	96	247	817
1.8 Community Residential Units	• No. of CRUs completed	458	-	530
	• No. of social housing units completed	491	-	200
1.9 Rural housing	• No. of houses completed	7 701	4 575	7 850
1.10 Military Veterans' Housing programme	• No. of houses completed	76	-	-
1.11 Job creation	• No. of targeted FTEs	2 850	1 373	-
	• No. of work opportunities created through related programmes	7 000	6 606	-
	• No. of targeted persons day of work	656 000	315 790	-
	• <b>No. of EPWP beneficiaries provided with accredited training</b>	New	213	350
1.12 All subsidy instruments	• No. of properties transferred	30 021	1 290	350
	• No. of serviced sites delivered per human settlements (housing) prog.	8 628	2 623	9 101
	• No. of new housing units completed (excluding rectification)	17 712	7 320	18 541
	• No. of new title deeds issued for the subsidy market (from April 2014)	9 881	645	11 759
	• No. of post-1994 title deeds issued (April 1994-March 2014)	20 140	645	33 521
	• Percentage of HSDF construction budget allocated to designated groups	30%	-	-

#### 4.4 Programme 4: Housing Asset Management

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

Tables 8.11 and 8.12 reflect a summary of the 2019/20 adjusted appropriation of Programme 4, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall increase of R5 million, are provided in the paragraphs after the tables.

**Table 8.11 : Programme 4: Housing Asset Management**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
1. Administration	47 106						-	47 106
2. Sale and Transfer of Housing Properties	49 662			5 000			5 000	54 662
3. Housing Properties Maintenance	75 700						-	75 700
<b>Total</b>	<b>172 468</b>	-	-	<b>5 000</b>	-	-	<b>5 000</b>	<b>177 468</b>
<b>Amount to be voted</b>								<b>5 000</b>

Table 8.12 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
<b>Current payments</b>	-	-	-	-	-	-	-
Compensation of employees						-	-
Goods and services						-	-
Interest and rent on land						-	-
<b>Transfers and subsidies to:</b>	<b>172 468</b>	-	-	<b>5 000</b>	-	<b>5 000</b>	<b>177 468</b>
Provinces and municipalities						-	-
Departmental agencies and accounts	172 468			5 000		5 000	177 468
Higher education institutions						-	-
Foreign governments and international organisations						-	-
Public corporations and private enterprises						-	-
Non-profit institutions						-	-
Households						-	-
<b>Payments for capital assets</b>	-	-	-	-	-	-	-
Buildings and other fixed structures						-	-
Machinery and equipment						-	-
Heritage assets						-	-
Specialised military assets						-	-
Biological assets						-	-
Land and subsoil assets						-	-
Software and other intangible assets						-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-
<b>Total</b>	<b>172 468</b>	-	-	<b>5 000</b>	-	<b>5 000</b>	<b>177 468</b>
Amount to be voted							<b>5 000</b>

### Virement – Programme 4: Housing Asset Management: R5 million

The main appropriation of Programme 4 was increased by R5 million. In this regard, savings of R5 million were identified against *Transfers and subsidies to: Households* under the Incremental Interventions sub-programme in Programme 3 in respect of the TDRG due to a number of unresolved beneficiary dispute cases, such as land ownership challenges. These savings were moved to Programme 4 under the Sale and Transfer of Housing Properties sub-programme against *Transfers and subsidies to: Departmental agencies and accounts* which relates to the KZN Housing Fund within the TDRG to cater for planning activities, such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in the eThekweni Metro, as mentioned.

This virement is permissible in terms of the PFMA and Treasury Regulations. The increase of R5 million in *Transfers and subsidies to: Departmental agencies and accounts* relating to town planning, opening of township registers, land surveying, structural assessment and conveyancing in the eThekweni Metro was approved by Provincial Treasury.

### Service delivery measures – Programme 4: Housing Asset Management

Table 8.13 shows the service delivery information for Programme 4 and there is full alignment in this regard between the information shown in the 2019/20 EPRE and the APP, except that two indicators are introduced in this table as New, as these were omitted from the EPRE and are highlighted in bold italics. In addition, two targets were revised to ensure alignment with the APP, and these are reflected in the Revised target column. The table also shows the actual achievements in the first half of the year.

Table 8.13 : Service delivery measures – Programme 4: Housing Asset Management

Outputs	Performance indicators	Performance targets		
		2019/20 Original target	2019/20 Mid-year actual	2019/20 Revised target
1. To provide secure tenure to communities	<ul style="list-style-type: none"> <li>• No. of pre-1994 title deeds issued</li> <li>• No. of rental units sold to beneficiaries</li> <li>• No. of debtors reduced per financial year</li> <li>• No. of units maintained</li> <li>• No. of units rectified for pre-1994 stock</li> <li>• No. of land parcels devolved to municipalities in terms of Section 15 of the Housing Act, 1997</li> </ul>	5 291	366	5 500
		458	320	
		600	60	
		500	587	
		200	186	566
		100	41	

Table 8.13 : Service delivery measures – Programme 4: Housing Asset Management

Outputs	Performance indicators	Performance targets		
		2019/20 Original target	2019/20 Mid-year actual	2019/20 Revised target
2. <i>Fast-track the implementation of the Title Deeds Restoration Programme (prior to 01 April 1994)</i>	• <i>Approved Implementation Plan for the Title Deeds Restoration Programme (prior to 01 April 1994) reviewed annually</i>	New	-	1
3. <i>Fast track the devolution of properties of the KwaZulu-Natal Housing Fund to municipalities in terms of Section 15 of the Housing Act, 1997</i>	• <i>Approved Implementation Plan for the Devolution of the KwaZulu-Natal Housing Fund properties to the municipalities in terms of Section 15 of the Housing Act, 1997 reviewed annually</i>	New	-	1

## 5. Specifically and exclusively appropriated allocations

The department did not receive any specifically and exclusively appropriated allocations in 2019/20, apart from conditional grant funding and transfers to local government, which are mentioned in Sections 8 and 10 below.

## 6. Gifts, donations and sponsorships

The department is not envisaging granting any gifts, donation or sponsorships exceeding R100 000 during 2019/20.

## 7. Infrastructure

Table 8.14 shows the summary of infrastructure payments per main category. Details of the main adjustments, which resulted in an overall net increase of R54.639 million, are provided in the paragraphs following the tables.

Table 8.14 : Summary of infrastructure payments by category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Unforeseeable/ Roll-overs	Unavoidable	Virement	Shifts	Other adjustments		
<b>Existing infrastructure assets</b>	-	-	-	-	-	-	-	-
Maintenance and repair: Current							-	-
Upgrades and additions: Capital							-	-
Refurbishment and rehabilitation: Capital							-	-
<b>New infrastructure assets: Capital</b>	9 000					175	175	9 175
<b>Infrastructure transfers</b>	58 210	-	-	-	50 350	-	50 350	108 560
Infrastructure transfers: Capital	58 210				50 350		50 350	108 560
Infrastructure transfers: Current							-	-
<b>Infrastructure: Payments for financial assets</b>							-	-
<b>Infrastructure: Leases</b>	21 880			4 114			4 114	25 994
<b>Non infrastructure</b>							-	-
Capital infrastructure	67 210	-	-	-	50 350	175	50 525	117 735
Current infrastructure	21 880	-	-	4 114	-	-	4 114	25 994
<b>Total</b>	<b>89 090</b>	<b>-</b>	<b>-</b>	<b>4 114</b>	<b>50 350</b>	<b>175</b>	<b>54 639</b>	<b>143 729</b>
<b>Amount to be voted</b>								<b>54 639</b>

- *Virement*: Savings of R4.114 million were identified from Programme 1 against *Compensation of employees* which were moved to *Infrastructure: Leases in Goods and services* to cater for inflationary increases on operating leases for office buildings, which were inadequately budgeted.
- *Shifts*: R50.350 million was shifted from *Transfers and subsidies to: Households* to *Transfers and subsidies to: Provinces and municipalities* in Programme 3 for transfer to various municipalities for the appointment of social facilitators to deal with the title deeds backlog under the TDRG, as well as transfers to the eThekwin Metro in order to undertake the necessary planning, servicing of sites and associated activities in support of priority interventions and programmes under the TDRG. These were incorrectly budgeted for against *Transfers and subsidies to: Households* (which are not included in the infrastructure table) instead of *Transfers and subsidies to: Provinces and municipalities* under *Infrastructure transfers: Capital*. The purpose of the funds remains unchanged.

- *Other adjustments:* R175 000 relates to funds that were paid back by the iMpendle and the uMzimkhulu Municipalities and was allocated under *New Infrastructure assets: Capital* relating to the Social and Economic Amenities programme, as mentioned.

## 8. Conditional grants

Tables 8.15 and 8.16 provide a summary of changes to conditional grants. Details of the main adjustments, which resulted in an overall increase of R201.693 million in the conditional grant allocation, are given in the paragraphs following the tables.

**Table 8.15 : Summary of changes to conditional grants**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
<b>3. Housing Development</b>	<b>3 475 747</b>	<b>50 450</b>	<b>-</b>	<b>(5 000)</b>	<b>-</b>	<b>151 243</b>	<b>196 693</b>	<b>3 672 440</b>
Humans Settlements Development grant	3 367 775	50 450					50 450	3 418 225
Title Deeds Restoration grant	92 882			(5 000)			(5 000)	87 882
EPWP Grant Integrated Grant for Provinces	15 090						-	15 090
Provincial Emergency Housing grant						151 243	151 243	151 243
<b>4. Housing Asset Management, Property Management</b>	<b>125 362</b>	<b>-</b>	<b>-</b>	<b>5 000</b>	<b>-</b>	<b>-</b>	<b>5 000</b>	<b>130 362</b>
Humans Settlements Development grant	117 632						-	117 632
Title Deeds Restoration grant	7 730			5 000			5 000	12 730
<b>Total</b>	<b>3 601 109</b>	<b>50 450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>151 243</b>	<b>201 693</b>	<b>3 802 802</b>
<b>Amount to be voted</b>								<b>201 693</b>

**Table 8.16 : Summary of conditional grants by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>205 458</b>	<b>-</b>	<b>-</b>	<b>(2 159)</b>	<b>2 799</b>	<b>-</b>	<b>640</b>	<b>206 098</b>
Compensation of employees	101 848			(3 800)			(3 800)	98 048
Goods and services	103 610			1 641	2 799		4 440	108 050
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>3 386 220</b>	<b>50 450</b>	<b>-</b>	<b>2 359</b>	<b>(2 799)</b>	<b>151 243</b>	<b>201 253</b>	<b>3 587 473</b>
Provinces and municipalities	58 210			379	50 350		50 729	108 939
Departmental agencies and accounts	125 362			5 000			5 000	130 362
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions				50			50	50
Households	3 202 648	50 450		(3 070)	(53 149)	151 243	145 474	3 348 122
<b>Payments for capital assets</b>	<b>9 431</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>-</b>	<b>-</b>	<b>(200)</b>	<b>9 231</b>
Buildings and other fixed structures	9 000						-	9 000
Machinery and equipment	431			(200)			(200)	231
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>3 601 109</b>	<b>50 450</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>151 243</b>	<b>201 693</b>	<b>3 802 802</b>
<b>Amount to be voted</b>								<b>201 693</b>

- *Roll-over:* An amount of R50.450 million was approved as a roll-over in respect of the HSDG and relates to the flood disaster that occurred in the province on 10 October 2017. The department was allocated a total amount of R100 million in the 2018/19 Adjustments Estimate in this regard. An amount of R49.550 million was spent by the eThekweni Metro. In the Ugu District, the unspent funds were fully committed and a contractor was appointed and is currently in the process of subdividing plots for the construction of housing units, after which construction will commence. These funds were allocated under Programme 3 in the Incremental Interventions sub-programme against *Transfers and subsidies to: Households*.
- *Virement:* The department undertook the following virements between Programmes 3 and 4 within the TDRG, as well as within Programme 3 under the HSDG between economic classifications:

- o Savings of R3.800 million were identified against *Compensation of employees* due to internal delays in the recruitment processes in filling critical vacant posts that have been advertised. These are budgeted for under the OPSCAP allocation within the HSDG, and include four Construction Project Managers and four Inspectors, as mentioned.
- o Savings of R5 million were identified against *Transfers and subsidies to: Households* under the TDRG in Programme 3 due to a number of unresolved beneficiary dispute cases, such as land ownership challenges. These are as a result of housing projects that are constructed on private land. The municipalities are required to establish dispute resolution committees in order to resolve these cases, but they have capacity constraints, as mentioned.
- o Savings of R200 000 were identified against *Machinery and equipment* under the HSDG due to provision for the purchase of office equipment for newly appointed staff. The equipment will not be purchased due to delays in the filling of vacant posts.

These savings were moved as follows:

- o R1.641 million was moved to *Goods and services* under the HSDG to cater for an increase because the FLISP communication strategy, which is an advertising strategy for FLISP to make people aware of the programme, was inadvertently not budgeted for.
- o R379 000 was moved to *Transfers and subsidies to: Provinces and municipalities* for the payment of property rates relating to properties that were inadvertently not budgeted for. These properties are in the Ulundi and Msinga Municipalities under the HSDG. These properties were made available for housing development purposes and to formalise existing housing projects on state land.
- o R5 million was moved to Programme 4 against *Transfers and subsidies to: Departmental agencies and accounts* within the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in the eThekweni Metro, as mentioned.
- o R50 000 was moved to *Transfers and subsidies to: Non-profit institutions* for a donation to WOW to cover the costs incurred by the organisation on undertaking door-to-door surveys and profiling beneficiaries for possible low-cost housing within Ward 68 in Austerville under the HSDG.
- o R1.930 million was moved to *Transfers and subsidies to: Households* in respect of staff exit costs relating to the HSDG (R205 000), as well as for the NHBRC for project enrolment fees which were inadequately budgeted for under the HSDG (R1.725 million).

These virements are permissible in terms of the PFMA and Treasury Regulations. The increase of R50 000 in *Transfers and subsidies to: Non-profit institutions* relating to the donation to WOW, as well as the increase in *Transfers and subsidies to: Departmental agencies and accounts* in respect of the TDRG, were approved by Provincial Treasury.

Legislature approval is required for the decrease in *Transfers and subsidies to: Households* in respect of the TDRG, as well as the decrease in *Payments for capital assets* in respect of *Machinery and equipment* because the capital budget for the Vote as a whole is decreased.

- *Shifts*: An amount of R53.149 million was shifted within the TDRG under Programme 3 from *Transfers and subsidies to: Households* to the following economic classifications:
  - o R2.799 million was shifted to *Goods and services* to cater for the appointment of professional services to assist in the reduction of the title deeds backlog under the TDRG. These were budgeted for against *Transfers and subsidies to: Households* instead of *Goods and services*. The purpose of the funds remains unchanged.
  - o R50.350 million was shifted to *Transfers and subsidies to: Provinces and municipalities* to cater for transfers to various municipalities for the appointment of social facilitators to deal with the title deeds backlog under the TDRG, as well as transfers to the eThekweni Metro in order to undertake the necessary planning, servicing of sites and associated activities in support of the

department's priority interventions and programmes under the TDRG. These were incorrectly budgeted for against *Transfers and subsidies to: Households* instead of *Transfers and subsidies to: Provinces and municipalities*. The purpose of the funds remains unchanged.

- *Other adjustments*: R151.243 million was allocated to the department for the PEHG, relating to the storms between December 2018 and January 2019 that affected eight districts in the province with damage to 2 800 houses. This grant caters for the provision of temporary shelter assistance to households affected by disasters or housing emergencies, as well as to repair the damage to housing for low-income households. These funds were allocated to Programme 3 under the Incremental Interventions sub-programme against *Transfers and subsidies to: Households*, as mentioned.

## 9. Transfers and subsidies

Table 8.17 shows the summary of transfers and subsidies by programme and main category. Details of the main adjustments, which resulted in an overall increase of R241.373 million in the transfers and subsidies allocation, are provided in the paragraphs following the tables.

**Table 8.17 : Summary of transfers and subsidies by programme and main category**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
<b>1. Administration</b>	<b>556</b>	-	-	1 902	-	-	1 902	2 458
Provinces and municipalities	130	-	-	-	-	-	-	130
Motor vehicle licences	130	-	-	-	-	-	-	130
Households	426	-	-	1 902	-	-	1 902	2 328
Staff exit costs				1 877			1 877	1 877
Bursaries	426							426
Donations				25			25	25
<b>2. Housing Needs, Research and Planning</b>	<b>-</b>	-	-	-	-	-	-	-
<b>3. Housing Development</b>	<b>3 260 858</b>	<b>50 450</b>	-	<b>(2 245)</b>	<b>(2 799)</b>	<b>189 065</b>	<b>234 471</b>	<b>3 495 329</b>
Provinces and municipalities	58 210	-	-	379	50 350	-	50 729	108 939
Operational costs for accredited municipalities (HSDG)	48 210						-	48 210
Title Deeds Restoration grant	10 000				50 350		50 350	60 350
Section 21 - Rates and taxes (HSDG)				379			379	379
Non-profit institutions	-	-	-	50	-	-	50	50
Donations				50			50	50
Households	3 202 648	50 450	-	(2 674)	(53 149)	189 065	183 692	3 386 340
Staff exit costs (HSDG)	154			205			205	359
Staff exit costs				396			396	396
Title Deeds Restoration grant	58 149			(5 000)	(53 149)		(58 149)	-
Provincial Emergency Housing grant						151 243	151 243	151 243
Other - Transfers from previous year						37 822	37 822	37 822
Human Settlements Development grant	3 144 345	50 450		1 725			52 175	3 196 520
<b>4. Housing Asset Management</b>	<b>172 468</b>	-	-	<b>5 000</b>	-	-	<b>5 000</b>	<b>177 468</b>
Departmental agencies and accounts	172 468	-	-	5 000	-	-	5 000	177 468
KZN Housing Fund	172 468						-	172 468
Of which								
Equitable Share	47 106						-	47 106
Title Deeds Restoration grant	7 730			5 000			5 000	12 730
Human Settlements Development grant	117 632						-	117 632
<b>Total</b>	<b>3 433 882</b>	<b>50 450</b>	<b>-</b>	<b>4 657</b>	<b>(2 799)</b>	<b>189 065</b>	<b>241 373</b>	<b>3 675 255</b>
<b>Amount to be voted</b>								<b>241 373</b>

- *Roll-overs*: An amount of R50.450 million was approved as a roll-over in respect of the HSDG and relates to the flood disaster that occurred in the province on 10 October 2017. The unspent funds were fully committed and a contractor was appointed and is currently in the process of sub-dividing plots for the construction of housing units in the Ugu District, after which construction will commence. These funds were allocated under Programme 3 in the Incremental Interventions sub-programme against *Households*, as mentioned.
- *Virement*: The department undertook the following virements affecting *Transfers and subsidies*:
  - o Programme 1 was increased by R1.902 million against *Households* to cater for unanticipated staff exit costs of R1.877 million, as well as a donation of R25 000 toward catering in respect of the Umkhonto Wesizwe Military Veterans women's month celebration event held at KwaMashu in the eThekweni Metro, which were not budgeted for, as mentioned.
  - o Under Programme 3, the following virements were undertaken:

- *Provinces and municipalities* increased by R379 000 for the payment of property rates relating to properties that were inadvertently not budgeted for under the HSDG. These properties are in the Ulundi and Msinga Municipalities. These properties were made available for housing development purposes and to formalise existing housing project on state land.
- R50 000 was moved to *Non-profit institutions* for a donation to WOW to cover the costs incurred by the organisation in undertaking door-to-door surveys and profiling beneficiaries for possible low-cost housing within Ward 68 in Austerville under the HSDG.
- *Households* was decreased by a net amount of R2.674 million in respect of the R5 million moved to Programme 4 within the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in the eThekweni Metro. This net decrease is after an increase of R396 000 in respect of unplanned staff exit costs, R205 000 in respect of staff exit costs under the HSDG, which were higher than anticipated, as well as R1.725 million for the NHBRC for project enrolment fees which were inadequately budgeted for under the HSDG.
- o Programme 4, which relates to the KZN Housing Fund, was increased by R5 million against *Departmental agencies and accounts* within the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in the eThekweni Metro, as mentioned. This increase in transfer was approved by Provincial Treasury.

Legislature approval is required for the decreases in *Transfers and subsidies to: Households* in respect of the TDRG.

- *Shifts*: The department undertook the following shifts resulting in a net decrease of R2.799 million, affecting *Transfers and subsidies*:
  - o R53.149 million was shifted from *Households* in respect of the title deeds backlog under the TDRG. Of this, R50.350 million was shifted to *Provinces and municipalities* as explained below and R2.799 million was shifted to *Goods and services*, as mentioned. The purpose of the funds remains unchanged.
  - o R50.350 million was shifted to *Provinces and municipalities* from *Households* for transfer to various municipalities for the appointment of social facilitators to deal with the title deeds backlog under the TDRG, as well as transfers to the eThekweni Metro in order to undertake the necessary planning, servicing of sites and associated activities in support of priority interventions and programmes under the TDRG. These were incorrectly budgeted for against *Households* instead of *Provinces and municipalities*. The purpose of the funds remains unchanged.
- *Other adjustments*: Additional funds of R189.065 million were allocated to *Households* as follows:
  - o R37.822 million relates to funds collected from the sale of units at Ridgeview Gardens to be used for rural housing projects, as mentioned. This amount also includes funds that were paid back by the iMpendle and the uMzimkhulu Municipalities.
  - o R151.243 million was allocated to the department in respect of the PEHG. This allocation relates to the storms between December 2018 and January 2019 that affected eight districts in the province with damage to 2 800 houses, as mentioned.

## 10. Transfers to local government

Tables 8.18 to 8.21 show the details of transfers to local government, which are specifically and exclusively appropriated in terms of the KZN Adjustments Appropriation Act, 2019. It is noted that the amount against *Transfers and subsidies to: Provinces and municipalities* in Table 8.2 includes provision for motor vehicle licences. This amount is excluded from the transfers to local government table, as these funds will not be transferred to any municipality. The adjusted appropriation increased by R50.729 million from the main appropriation, and details of the movements are given in Section 9 above.

Table 8.18 : Summary of transfers to local government

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A KZN2000 eThekweni	20 418	-	-	-	45 536	-	45 536	65 954
<b>Total: Ugu Municipalities</b>	<b>4 520</b>	-	-	-	-	-	-	<b>4 520</b>
B KZN216 Ray Nkonyeni	4 520	-	-	-	-	-	-	4 520
<b>Total: uMgungundlovu Municipalities</b>	<b>10 464</b>	-	-	-	<b>(2 000)</b>	-	<b>(2 000)</b>	<b>8 464</b>
B KZN225 Msunduzi	10 464	-	-	-	(2 000)	-	(2 000)	8 464
<b>Total: uThukela Municipalities</b>	<b>3 560</b>	-	-	-	-	-	-	<b>3 560</b>
B KZN238 Alfred Duma	3 560	-	-	-	-	-	-	3 560
<b>Total: Amajuba Municipalities</b>	<b>10 620</b>	-	-	-	<b>(3 000)</b>	-	<b>(3 000)</b>	<b>7 620</b>
B KZN252 Newcastle	10 620	-	-	-	(3 000)	-	(3 000)	7 620
<b>Total: King Cetshwayo Municipalities</b>	<b>2 396</b>	-	-	-	-	-	-	<b>2 396</b>
B KZN282 uMhlatuze	2 396	-	-	-	-	-	-	2 396
<b>Total: iLembe Municipalities</b>	<b>6 232</b>	-	-	-	<b>9 814</b>	-	<b>9 814</b>	<b>16 046</b>
B KZN292 KwaDukuza	6 232	-	-	-	9 814	-	9 814	16 046
<b>Total</b>	<b>58 210</b>	-	-	<b>379</b>	<b>50 350</b>	-	<b>50 729</b>	<b>108 939</b>
Amount to be voted								<b>50 729</b>

Table 8.19 : Transfers to local government - Operational costs for accredited municipalities (HSDG)

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A KZN2000 eThekweni	15 418	-	-	-	-	-	-	15 418
<b>Total: Ugu Municipalities</b>	<b>4 520</b>	-	-	-	-	-	-	<b>4 520</b>
B KZN216 Ray Nkonyeni	4 520	-	-	-	-	-	-	4 520
<b>Total: uMgungundlovu Municipalities</b>	<b>8 464</b>	-	-	-	-	-	-	<b>8 464</b>
B KZN225 Msunduzi	8 464	-	-	-	-	-	-	8 464
<b>Total: uThukela Municipalities</b>	<b>3 560</b>	-	-	-	-	-	-	<b>3 560</b>
B KZN238 Alfred Duma	3 560	-	-	-	-	-	-	3 560
<b>Total: Amajuba Municipalities</b>	<b>7 620</b>	-	-	-	-	-	-	<b>7 620</b>
B KZN252 Newcastle	7 620	-	-	-	-	-	-	7 620
<b>Total: King Cetshwayo Municipalities</b>	<b>2 396</b>	-	-	-	-	-	-	<b>2 396</b>
B KZN282 uMhlatuze	2 396	-	-	-	-	-	-	2 396
<b>Total: iLembe Municipalities</b>	<b>6 232</b>	-	-	-	-	-	-	<b>6 232</b>
B KZN292 KwaDukuza	6 232	-	-	-	-	-	-	6 232
<b>Total</b>	<b>48 210</b>	-	-	-	-	-	-	<b>48 210</b>
Amount to be voted								-

Table 8.20 : Transfers to local government - Title Deeds Restoration grant

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A KZN2000 eThekweni	5 000	-	-	-	45 536	-	45 536	50 536
<b>Total: uMgungundlovu Municipalities</b>	<b>2 000</b>	-	-	-	<b>(2 000)</b>	-	<b>(2 000)</b>	-
B KZN225 Msunduzi	2 000	-	-	-	(2 000)	-	(2 000)	-
<b>Total: Amajuba Municipalities</b>	<b>3 000</b>	-	-	-	<b>(3 000)</b>	-	<b>(3 000)</b>	-
B KZN252 Newcastle	3 000	-	-	-	(3 000)	-	(3 000)	-
<b>Total: iLembe Municipalities</b>	<b>-</b>	-	-	-	<b>9 814</b>	-	<b>9 814</b>	<b>9 814</b>
B KZN292 KwaDukuza	-	-	-	-	9 814	-	9 814	9 814
<b>Total</b>	<b>10 000</b>	-	-	-	<b>50 350</b>	-	<b>50 350</b>	<b>60 350</b>
Amount to be voted								<b>50 350</b>

Table 8.21 : Transfers to local government - Section 21 - Rates and taxes

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Total: uMzinyathi Municipalities</b>	<b>-</b>	-	-	33	-	-	33	33
B KZN244 uMsinga	-	-	-	33	-	-	33	33
<b>Total: Zululand Municipalities</b>	<b>-</b>	-	-	<b>346</b>	-	-	<b>346</b>	<b>346</b>
B KZN266 Ulundi	-	-	-	346	-	-	346	346
<b>Total</b>	<b>-</b>	-	-	<b>379</b>	-	-	<b>379</b>	<b>379</b>
Amount to be voted								<b>379</b>

## 11. Actual payments and revised spending projections for the rest of 2019/20

Tables 8.22 and 8.23 reflect actual payments as at the end of September 2019, projected payments for the rest of the financial year and the total revised spending in Rand value and as a percentage of the adjusted appropriation per programme and economic classification. The tables also show the 2018/19 Audited outcome.

Mid-year spending for the Vote was low, with 40.5 per cent spent compared to the 50 per cent straight-line benchmark. Programme 4 spending was fairly high at 61.2 per cent, while the other three programmes showed low spending compared to the benchmark. The Vote as a whole is projected to be fully spent at year-end.

Table 8.22 : Actual payments and revised spending projections by programme

R thousand	2018/19 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2019 - September 2019	% of budget	October 2019 - March 2020	% of budget	
1. Administration	227 193	248 686	113 198	45.5	135 488	54.5	248 686
2. Housing Needs, Research and Planning	17 328	18 275	8 060	44.1	10 215	55.9	18 275
3. Housing Development	3 305 378	3 804 903	1 492 570	39.2	2 312 333	60.8	3 804 903
4. Housing Asset Management	184 730	177 468	108 541	61.2	68 927	38.8	177 468
<b>Total</b>	<b>3 734 629</b>	<b>4 249 332</b>	<b>1 722 369</b>	<b>40.5</b>	<b>2 526 963</b>	<b>59.5</b>	<b>4 249 332</b>

Table 8.23 : Actual payments and revised spending projections by economic classification

R thousand	2018/19 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2019 - September 2019	% of budget	October 2019 - March 2020	% of budget	
<b>Current payments</b>	<b>514 818</b>	<b>560 121</b>	<b>236 594</b>	<b>42.2</b>	<b>323 527</b>	<b>57.8</b>	<b>560 121</b>
Compensation of employees	320 699	347 621	164 753	47.4	182 868	52.6	347 621
Goods and services	193 886	212 500	71 841	33.8	140 659	66.2	212 500
Interest and rent on land	233	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>3 201 974</b>	<b>3 675 255</b>	<b>1 476 200</b>	<b>40.2</b>	<b>2 199 055</b>	<b>59.8</b>	<b>3 675 255</b>
Provinces and municipalities	193 813	109 069	18 198	16.7	90 871	83.3	109 069
Departmental agencies and accounts	184 730	177 468	108 541	61.2	68 927	38.8	177 468
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-
Non-profit institutions	-	50	-	-	50	100.0	50
Households	2 823 431	3 388 668	1 349 461	39.8	2 039 207	60.2	3 388 668
<b>Payments for capital assets</b>	<b>17 837</b>	<b>13 956</b>	<b>9 575</b>	<b>68.6</b>	<b>4 381</b>	<b>31.4</b>	<b>13 956</b>
Buildings and other fixed structures	15 432	9 175	9 175	100.0	-	-	9 175
Machinery and equipment	2 405	4 781	400	8.4	4 381	91.6	4 781
Heritage assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
<b>Payments for financial assets</b>		-	-	-	-	-	-
<b>Total</b>	<b>3 734 629</b>	<b>4 249 332</b>	<b>1 722 369</b>	<b>40.5</b>	<b>2 526 963</b>	<b>59.5</b>	<b>4 249 332</b>



Table 8.A : Summary by economic classification : Human Settlements

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>558 785</b>	-	-	(4 463)	2 799	3 000	<b>1 336</b>	<b>560 121</b>
Compensation of employees	369 098	-	-	(21 477)	-	-	(21 477)	347 621
Salaries and wages	330 338	-	-	(19 013)	-	-	(19 013)	311 325
Social contributions	38 760	-	-	(2 464)	-	-	(2 464)	36 296
Goods and services	189 687	-	-	17 014	2 799	3 000	22 813	212 500
Administrative fees	1 082	-	-	251	-	-	251	1 333
Advertising	595	-	-	4 607	-	-	4 607	5 202
Minor assets	422	-	-	31	-	-	31	453
Audit cost: External	6 588	-	-	(1 697)	-	-	(1 697)	4 891
Bursaries: Employees	220	-	-	-	-	-	-	220
Catering: Departmental activities	2 046	-	-	2 986	-	-	2 986	5 032
Communication (G&S)	4 544	-	-	230	-	-	230	4 774
Computer services	14 212	-	-	1 314	-	-	1 314	15 526
Cons. & prof serv: Business and advisory services	14 721	-	-	(5 941)	-	-	(5 941)	8 780
Infrastructure and planning	48 655	-	-	4 977	500	-	5 477	54 132
Laboratory services	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-
Legal costs	6 744	-	-	(1 462)	-	-	(1 462)	5 282
Contractors	9 700	-	-	3	2 299	-	2 302	12 002
Agency and support / outsourced services	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-
Fleet services (incl gov motor transport)	4 997	-	-	1 423	-	-	1 423	6 420
Housing	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-
Consumable supplies	1 768	-	-	66	-	-	66	1 834
Consumable: Stationery, printing and office supplies	1 468	-	-	(104)	-	-	(104)	1 364
Operating leases	23 238	-	-	4 858	-	-	4 858	28 096
Property payments	26 049	-	-	(2 836)	-	3 000	164	26 213
Transport provided: Departmental activity	370	-	-	672	-	-	672	1 042
Travel and subsistence	11 299	-	-	4 076	-	-	4 076	15 375
Training and development	7 435	-	-	(424)	-	-	(424)	7 011
Operating payments	1 408	-	-	2 799	-	-	2 799	4 207
Venues and facilities	-	-	-	-	-	-	-	-
Rental and hiring	2 126	-	-	1 185	-	-	1 185	3 311
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>3 433 882</b>	<b>50 450</b>	-	<b>4 657</b>	<b>(2 799)</b>	<b>189 065</b>	<b>241 373</b>	<b>3 675 255</b>
Provinces and municipalities	58 340	-	-	379	50 350	-	50 729	109 069
Provinces	130	-	-	-	-	-	-	130
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	130	-	-	-	-	-	-	130
Municipalities	58 210	-	-	379	50 350	-	50 729	108 939
Municipalities	58 210	-	-	379	50 350	-	50 729	108 939
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	172 468	-	-	5 000	-	-	5 000	177 468
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	172 468	-	-	5 000	-	-	5 000	177 468
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	50	-	-	50	50
Households	3 203 074	50 450	-	(772)	(53 149)	189 065	185 594	3 388 668
Social benefits	154	-	-	2 478	-	-	2 478	2 632
Other transfers to households	3 202 920	50 450	-	(3 250)	(53 149)	189 065	183 116	3 386 036
<b>Payments for capital assets</b>	<b>13 975</b>	-	-	<b>(194)</b>	-	<b>175</b>	<b>(19)</b>	<b>13 956</b>
Buildings and other fixed structures	9 000	-	-	-	-	175	175	9 175
Buildings	9 000	-	-	-	-	175	175	9 175
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	4 975	-	-	(194)	-	-	(194)	4 781
Transport equipment	1 050	-	-	-	-	-	-	1 050
Other machinery and equipment	3 925	-	-	(194)	-	-	(194)	3 731
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>4 006 642</b>	<b>50 450</b>	-	-	-	<b>192 240</b>	<b>242 690</b>	<b>4 249 332</b>
<b>Amount to be voted</b>								<b>242 690</b>