

VOTE 8

Human Settlements

Operational budget	R4 123 328 000
MEC remuneration	Nil
Total amount to be appropriated	R4 123 328 000
Responsible MEC	MEC for Public Works and Human Settlements ¹
Administering department	Human Settlements
Accounting officer	Head: Human Settlements

1. Overview

Vision

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

Mission

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

Strategic outcomes

The impact and outcomes of the department are as follows:

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

Core functions

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

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

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

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

Legislative mandates

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

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

2. Review of the 2021/22 financial year

This section provides a review of 2021/22, outlining the main achievements and progress made during the year, as well as providing a brief discussion on challenges and new developments.

Rental Housing Tribunal

The Rental Housing Tribunal in 2021/22 has, despite the major disruptions experienced in 2020/21 as a result of the Covid-19 pandemic and its associated nationwide lockdown, managed to resolve a number of disputes directly related to the Covid-19 pandemic. These disputes included the non-payment of rentals by tenants because of loss of income and illegal evictions of landlords as a result of not being able to keep up with their bond repayments due to the non-collection of revenue.

The rate of amicably resolved cases increased from 80 per cent in 2020/21 to 89 per cent in 2021/22. This is an achievement under very unfavourable conditions caused by the Covid-19 pandemic. Stakeholder meetings and information sessions were held successfully, with many held virtually due to the national lockdown regulations. The extensive usage of various municipal social media platforms, newsletters and radio slots became the driving force for educating the citizens of the province with regard to their rights and obligations as tenants and landlords.

The MEC for Human Settlements and Public Works appointed new Tribunal members whose three-year term of office commenced on 1 February 2021, and is due to end on 31 January 2024.

Community Residential Unit (CRU)

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

In line with a previous national directive, all projects previously planned as CRUs which fall within approved Provincial Restructuring Zones were implemented as social housing projects. This change meant that more people benefit as the social housing programme caters for a bigger market (people who earn R1 500 to R15 000) as opposed to the CRU programme which caters only for the low income market (people who earn from R800 to R3 500).

The department also continued its two-pronged approach to enhance the CRU norms and standards. The first prong relates to the introduction of a new row-housing typology which seeks to be more cost effective as it follows a single storey unit housing design which is currently being developed by the department. Secondly, on 28 January 2021 the department approved a revision to the current CRU norms and standards to cater for the adjustment of project costs. The norms and standards guide the costing of projects. These were last updated in 2014 and needed to be revised to align to current inflation to ensure that projects are more affordable.

In 2021/22, a total of 400 units are in the final stages of completion in the Msunduzi, Newcastle, Greater Kokstad and uBuhlebezwe Municipalities, and are expected to be completed in the last quarter of 2021/22.

Informal Settlements Upgrade (ISU)

The upgrading of informal settlements projects is a national and provincial priority. Projects in this regard are currently at various stages of the delivery cycle. This programme forms an integral part of the priorities of government. In 2021/22, 743 informal settlement projects were identified and assessed throughout the province. This includes the eThekweni Metro which identified and documented all of its informal settlements and plans to gradually upgrade informal settlements, including relocating additional families to Greenfield projects taking into account the available budget. Approximately 547 informal settlements exist in various areas within the eThekweni Metro, with approximately 256 559 dwellings, and all of these informal settlements were assessed in 2021/22.

The ISU programme currently has 48 projects that are under the detailed planning stage, while 17 projects are under construction. Of these, 23 projects were planned to result in 8 970 serviced sites which was

revised to a target of 5 208, and the department plans to connect all of these sites to services such as water and sewer by the end of 2021/22. The electricity will be provided by each respective municipality. At the end of the third quarter of 2021/22, the department serviced 3 751 sites against the revised target of 5 208 serviced sites. The department is anticipating to achieve the target of 5 208 by year-end.

In 2021/22, 103 ISU plans were completed across various districts, namely Harry Gwala (nine), iLembe (16), Ugu (nine), uMgungundlovu (39), uMzinyathi (seven), uThukela (eight), as well as Zululand (15). The ISU plans undertaken promote participatory planning processes for the development of settlement layout plans based primarily on a negotiated process with the community. In this process, infrastructure assessments have the objective of ascertaining the current capacity, as well as future demands in a particular settlement. ISU plans assist the department in ascertaining a cost estimate of infrastructure provision where a need has been identified. Such information relates to the detailed costing of interim and permanent engineering services, such as bulk electricity, water, sewer treatment plants, roads, foot paths and solid waste, among others. Such developmental interventions are pivotal in the upgrading of informal settlements, as well as in ensuring that the poorest of the poor do not have to live in precarious environments.

Rural housing development

The programme generally caters for the construction of top structures in rural areas, where there is a prevalence of people living below the poverty line. While there are many projects planned for rural areas, several beneficiaries were identified through Operation Sukuma Sakhe (OSS) war-rooms across various wards. The OSS war-rooms prioritise vulnerable groups such as the elderly and people with disabilities, who cannot wait for projects to go through normal processes and require a speedy intervention.

Houses continue to be delivered throughout districts to ensure that the mandate to provide access to decent shelter is achieved. In 2021/22, 7 110 rural houses were delivered by the end of the third quarter against a target of 7 075 rural houses. This programme has not been without challenges due to the remote nature of some rural settlements; for instance, contractors are faced with considerable costs to deliver materials utilising poor road infrastructure. The department is over-achieving in this regard as a result of acceleration of service delivery and contractors being ahead of the development programme.

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

Title Deeds Restoration programme

The issuing of title deeds to housing beneficiaries remained a key focus area of the department, *albeit* with challenges. While targets have been hard to achieve, strides have been made in the resolution of outstanding planning matters of various projects. This was a bottleneck that held back the transfer process as township registers could not be opened prior to planning and services sign-off.

The eThekweni Metro has the highest backlog of title deeds, which requires various actions to be completed. A total of 21 683 cumulative properties have completed technical assessments and have been lodged with the Surveyor General for the opening of Township Registers, moving a step closer to the transfer stage. Currently, a further 12 012 properties are undergoing technical assessments to ensure compliance with service standards.

Beneficiary verifications have been conducted on 1 320 properties, where no disputes were recorded. These properties have thus moved to the transfer stage. Due to the time that lapsed from occupation to transfer, several disputes were recorded in relation to other properties. Dispute Resolution Committees have been set up across municipalities to assist in this regard.

The consolidated plan of action for outstanding title deeds is being implemented, with 16 160 pre-1994 and 103 607 post-1994 properties set to be transferred over the MTEF.

Emergency Housing Programme

The department continued to aid families affected by the storm disasters. To fast-track the interventions, a panel of service providers was appointed. Recently, an increase in extreme weather conditions was observed, leading to many families being in need of emergency housing assistance. The remainder of

families that were affected by heavy storms in previous years were assisted through the provision of Temporary Residential Units (TRUs).

Heavy rains were experienced during January and February 2021 as a result of Tropical Cyclone Eloise which mostly affected the uMkhanyakude, Zululand, iLembe, King Cetshwayo, uMzinyathi, uThukela and uMgungundlovu Districts. The department was allocated R102.590 million with respect to the Provincial Emergency Housing grant (PEHG) for the provision of TRUs for 1 592 affected households, which will all be completed during 2021/22 in line with the provisions of the grant. As at the end of third quarter, the department spent only 49.5 per cent of this funding due to delays in finalising beneficiary verification. This exercise took longer than anticipated due to the fact that some beneficiaries were not residing at their homes after the disaster. They had to be traced from relatives who, in some cases, were residing in other areas. The department is planning to allocate a portion of these funds towards the recent disasters in the province in order to accelerate the rate of spending.

The department worked closely with the Provincial Disaster Management Centre and District Disaster offices to ensure that all recorded incidents are provided with the necessary interventions. There were incidents of fire that occurred in informal settlements, and these were responded to through the issuing of material vouchers to enable families to rebuild their structures.

3. Outlook for the 2022/23 financial year

This section looks at the key focus areas of 2022/23, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments. The main purpose of the department's budget allocation is for the provision of housing to various sectors of the population including rural areas and informal settlements, with the bulk of the funding being provided *via* the Human Settlements Development grant (HSDG). In 2022/23, the department will implement the anti-land invasion strategy which has necessitated the safeguarding of departmental owned properties against illegal occupation, and will continue with the provision of housing, as detailed below.

Rental Housing Tribunal

The plan for 2022/23 is to conduct hearings using virtual platforms such as Microsoft Teams and Zoom with regard to meetings of the Rental Housing Tribunal. These virtual hearings will ensure no physical contact and reduce the backlog of cases as a result of the Covid-19 national lockdown. The backlog of cases is at 800 cases and the Rental Housing Tribunal will attend all district meetings which are held on a weekly basis in order to eradicate the full backlog caused by the Covid-19 national lockdown.

The finalisation of the National Regulations will result in the Rental Housing Act, No. 50 of 1999 being amended which will make provision for the establishment of the Rental Housing Appeals Tribunal. This Tribunal will attend to disputes or lodged appeals of the rulings passed by the Rental Housing Tribunal. Previously, appealing parties used to approach the High Court to review the rulings of the Rental Housing Tribunal. It is anticipated that the amendment will come into effect in 2022/23.

CRU

The department approved the 20-year strategy in May 2019 for the upgrading of hostels to CRUs, and this strategy guides the upgrading of all hostels across the province and ensures that development costs are standardised and that the delivery of completed units is upscaled. Over the 2022/23 MTEF, a major focus in the CRU programme continues to be on the redevelopment of old hostels to CRUs and the construction of new CRU projects in four municipalities, where 2 154 units are planned to be constructed. Of these units, 300 units are planned to be constructed in Greater Kokstad Municipality, 150 units in uBuhlebezwe Municipality, 1 164 units in Msunduzi Municipality, as well as 540 units in Newcastle Municipality. Note that these are total project yields or units, while the department is planning to construct 650 units in 2022/23, out of the 2 154 units planned to be constructed over the MTEF. In 2020/21, the department approved the redevelopment of the Nhlalakahle (hostel) CRU, located in the uMvoti Municipality, with a total planned yield of 336 new CRU units, and 75 of these will be completed in 2022/23. The eThekweni Metro has appointed the contractor for the Thokoza (hostel) CRU project with a potential yield of 64 units planned at the end of the project. In this regard, a demolition application is underway to clear the

construction site. In addition, there are various hostel upgrading projects in the eThekweni Metro currently at the planning stage, with some of these projects expected to commence with construction during 2022/23, including 50 Donnelly Road CRUs.

Municipalities are being capacitated on property management skills for effective and efficient management of all CRU rental stock. It is expected that more CRU projects will be packaged going forward in line with the approved Rental Housing roll-out plan which seeks to develop a total yield of 6 458 new CRUs over the MTSF. In 2022/23, the department is planning to build a total of 650 new CRU units in the Msunduzi, Newcastle, Greater Kokstad, uBuhlebezwe, eThekweni and uMvoti Municipalities. The programme provides for projects, such as the construction of new CRUs, refurbishment of existing CRUs, hostel upgrades, including the Kokstad CRU, Rocky Park hostel upgrades in iLembe, Jika Joe in Msunduzi, Newcastle N11 in Amajuba, etc. The 650 new CRU units are made up of 75 units in Nhlalakahle, 100 units in Jika Joe, 75 units in Ubuhlebethu, 100 units in Kokstad, 50 units in eThekweni (hostels), 50 units in Donnelly Road, as well as 200 units in Newcastle N11.

Informal Settlements Upgrade (ISU)

The upgrading of informal settlements projects is a national and provincial priority. Projects in this regard are currently at various stages of the delivery cycle, as explained. In 2022/23, the department is allocated R756.868 million funding with respect to the Informal Settlements Upgrading Partnership Grant for Provinces (ISUPG). It is estimated that over 10 000 sites will be provided with services such as water, sanitation, roads and storm water services, among others, in 2022/23 in areas such as Madundube, Etete, Nyathikazi, Lamontville, Ntuzuma, etc. The department allocated R80 million to the planning of new projects and R90 million to the purchase of strategic land parcels for informal settlement upgrades. The completed upgrading plans undertaken in 2021/22 will create a roadmap to the upgrading of informal settlements to ensure that technical assessments, socio-economic, environmental and geotechnical factors, as well as the availability of bulk infrastructure services will be provided to those living under precarious conditions. In 2022/23, the department, through its integrated planning directorate, will be appointing service providers to undertake detailed planning and detailed designs to install interim, basic and permanent services such as water, sanitation, roads and storm water services, among others, in various informal settlements around eThekweni, iLembe, uThukela, uMgungundlovu, King Cetshwayo, as well as Amajuba District Municipalities.

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

The ISU programme includes major projects, such as 200 units in Greater Amaoti, 2 259 units in Madundube, 949 units in Driefontein, 6 200 units in uMlazi extension of Part 4, as well as 8 985 units in Johnstown, Blaauwbosch Laagte and Cavan Phase 1, which will be implemented over the MTEF.

Rural housing development

The programme generally caters for the construction of top structures in rural settings. The implementation of this programme will be more focused in 2022/23 through close co-operation with war-rooms in the various wards, and the department will continue to prioritise vulnerable groups such as the elderly and people with disabilities. The yield of projects has been reduced over the years to ensure that projects are targeted at these priority groups so that delivery can cover more areas, meaning fewer units but in more areas. Houses will continue to be delivered throughout districts to ensure access to housing for the needy.

A total of 7 803 units are planned for 2022/23 and the areas in which these houses will be built include Qiniselani Manyuswa at eThekweni Metro, Macambini Extension 2 at iLembe District, AmaHlongwa Phase 2 at Ugu District, KwaNgwanase at uMkhanyakude District, and uMsinga Top at uMzinyathi District, among others.

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

The relations with OSS war-rooms will be strengthened as this is the most practical way of identifying the most vulnerable families within communities, who will then be prioritised in terms of project delivery.

Finance Linked Individual Subsidy Programme (FLISP)

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

The uptake of the programme is gaining momentum, though, and efforts are being made to reach more potential beneficiaries. Notably, this programme has made considerable improvement in performance, with 1 651 subsidised units over the past five years. Strategies to ensure wider access to the subsidy include:

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

FLISP is also a key focus area for the achievement of urban development. In order to increase the supply of middle income or affordable market housing to meet the high demand, the department will engage with private sector developers and other stakeholders, including financial institutions and large employers. Furthermore, greater emphasis will be given to Integrated Residential Development Programme (IRDP) projects, which will make available serviced sites for the gap income market housing.

Emergency Housing Programme

There were severe weather incidences and heavy rainfalls in November and December 2021, as well as in January 2022. As such, disaster assessments were undertaken in the affected areas. The PDMC released an interim report which indicates that about 3 847 families require urgent assistance by way of TRUs as their houses were totally destroyed, and 833 families of the total number affected were displaced and are currently living with neighbours and relatives. The total estimated cost for the provision of TRUs is R247.900 million. The necessary applications have been submitted to the National Department of Human Settlements to source funding for the required interventions.

While this programme only focuses on temporary accommodation, a plan has been developed through the OSS programme to ensure that permanent solutions are provided to these families.

4. Alignment of the budget to the NDP and MTSF

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

The 2019 to 2024 MTSF is a guiding framework for the department to implement the priorities and programmes to progressively achieve the objectives of government over the five-year period. In response to the seven priorities for the sixth administration, the department has aligned its programmes and interventions to Priorities 1 (Building a Capable, Ethical and Developmental State), 2 (Economic Transformation and Job Creation) and 5 (Spatial Integration, Human Settlements and Local Government).

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

- Spatial transformation through multi-programme integration in priority development areas.

- Adequate housing and improved quality living environments.
- Security of tenure.

The department acknowledges that there is growing demand for housing, particularly in urban areas, and therefore budget planning is centered on the provision of sustainable human settlements through the IRDP and the ISU programme.

Over the 2022/23 MTEF, the department will continue to implement programmes that are responsive to these outcomes, and these include investing in human settlement priority development areas, continued implementation of urban housing programmes, social or rental housing programmes, CRUs and other programmes that support homeownership for both the subsidy and the gap market, among others. Increased focus is placed on serviced sites, providing homeowners with title deeds or an alternative form of land ownership registration, as well as identifying and upgrading informal settlements.

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

5. Reprioritisation

The department has moved significant funds between various economic classifications over the 2022/23 MTEF, but this is mainly due to the re-classification of some aspects of the budget. There is also a small amount that was reprioritised between economic classifications. These are discussed here:

- There was an increase of R871.677 million in 2022/23 and R1.203 billion in 2023/24, with carry-through, under *Goods and services* and this was mainly due to the reclassification of housing-related expenses from *Transfers and subsidies to: Households*, to align this item with the Economic Reporting Format (ERF) and Standard Chart of Accounts (SCOA), in line with advice from National Treasury. According to ERF, the immediate use of funds should be applied when classifying transactions, in order to identify what is being bought. The department is responsible for the construction of houses through contractors, to be distributed to beneficiaries. The department is procuring goods and services in this regard and these amounts are therefore classified as *Goods and services*. As such, this is a correction of the budget within Programme 3, rather than reprioritisation.
- There was an increase of R2.070 billion in 2022/23 and R1.885 billion in 2023/24, with carry-through, under *Transfers and subsidies to: Provinces and municipalities* and this was mainly due to the reclassification of housing-related expenses from *Transfers and subsidies to: Households*, to align this item with the ERF and SCOA. According to ERF, the immediate use of funds should be applied when classifying transactions, in order to identify what is being bought. The municipalities are responsible for the projects and the department transfers funds to the municipalities which are responsible and accountable for the construction of houses to be distributed to the beneficiaries. Again, this is a correction of the budget within Programme 3, rather than reprioritisation.
- There was a decrease of R2.942 billion in 2022/23 and R3.089 billion in 2023/24, with carry-through, under *Transfers and subsidies to: Households* mainly due to the reclassification of housing-related expenses to align the item with the ERF and SCOA. These funds were moved to *Goods and services*, as well as *Transfers and subsidies to: Provinces and municipalities*, as mentioned. The original classification of most housing-related expenses as *Transfers and subsidies to: Households* has led to a misalignment with the ERF, hence the correction now being undertaken within Programme 3.
- The increase of R80 000 in 2022/23 and 2023/24 under *Machinery and equipment* in Programme 3 relates to the estimations made for the purchase of office furniture for vacant funded posts to be filled. These funds were reprioritised from *Goods and services* due to savings resulting from the implementation of cost-cutting measures on items such as travel and subsistence.

6. Procurement

The 2022/23 procurement plan is in the process of being finalised. The department will continue to strengthen its procurement systems focusing on reducing turn-around times when procuring goods and services by means of inviting price quotations and competitive bids. The department will continue to strengthen its control measures, contract management and records management in order to maintain an unqualified audit in the area of procurement. The department endeavours to continue to uphold the principles of procurement by ensuring that all contracts are awarded in a manner which is fair, equitable, transparent, competitive and cost effective.

7. Receipts and financing

7.1 Summary of receipts and financing

Table 8.1 indicates the sources of funding for Vote 8 for the period 2018/19 to 2024/25. The budget for 2022/23 is made up of the equitable share of R419.260 million, provincial cash resources of R5.477 million and the HSDG of R2.935 billion, R756.868 million in respect of the ISUPG, as well as R6.499 million in respect of the EPWP Integrated Grant for Provinces. The equitable share grows by 4.5 per cent, while the conditional grants decrease by 8.2 per cent in the outer year.

The department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25. These funds relate to disasters that occurred during 2019 and 2020 where there were floods and storms, which resulted in damage to houses. The allocation for the EPWP Integrated Grant for Provinces is based on the previous year's achievements and is not allocated beyond 2022/23, at this stage.

Table 8.1 : Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Equitable share	381 574	405 861	403 443	415 210	423 210	423 210	419 260	412 798	430 961
Conditional grants	3 365 663	3 850 852	3 069 141	3 176 545	3 279 135	3 279 135	3 698 591	3 922 479	3 602 330
<i>Human Settlements Development grant</i>	3 252 757	3 583 907	3 020 763	2 455 021	2 455 021	2 455 021	2 935 224	3 132 253	2 776 615
<i>EPWP Integrated Grant for Provinces</i>	11 484	15 090	11 638	7 149	7 149	7 149	6 499	-	-
<i>Title Deeds Restoration grant</i>	101 422	100 612	36 740	-	-	-	-	-	-
<i>Provincial Emergency Housing grant</i>	-	151 243	-	-	102 590	102 590	-	-	-
<i>Informal Sett. Upgrading Part. Grant for Prov.</i>	-	-	-	714 375	714 375	714 375	756 868	790 226	825 715
Total receipts	3 747 237	4 256 385	3 472 584	3 591 755	3 702 345	3 702 345	4 117 851	4 335 277	4 033 291
Total payments	3 734 629	4 261 359	3 547 458	3 597 231	3 709 403	3 709 403	4 123 328	4 335 277	4 033 291
Surplus/(Deficit) before financing	12 608	(4 974)	(74 874)	(5 476)	(7 058)	(7 058)	(5 477)	-	-
Financing									
of which									
Provincial roll-overs	-	50 450	86 095	-	-	-	-	-	-
Provincial cash resources	37 842	40 997	5 476	5 476	7 058	7 058	5 477	-	-
Surplus/(Deficit) before financing	50 450	86 473	16 697	-	-	-	-	-	-

2018/19 financial year:

Provincial cash resources in 2018/19 reflect R37.842 million in respect of funds collected from the sale of units in Ridgeview Gardens. The department requested approval from Provincial Treasury to retain profits from the sale of 330 units at Ridgeview Gardens for FLISP development. The development was to be repaired, upgraded and made available for application of the FLISP subsidy instrument. The department appointed three conveyancing attorneys to fast-track the process of transferring the units to the beneficiaries. A total amount of R37.842 million was received from the sale of 144 of the 330 units.

The department under-spent by R50.450 million in 2018/19 in respect of the HSDG and this relates to the flood disaster that occurred in the province on 10 October 2017. The under-spending of these funds was attributable to delays in the finalisation of procurement processes in Ugu. The department was allocated a total amount of R100 million in the 2018/19 Adjustments Estimate in this regard. Ugu was allocated R53.773 million for the reconstruction of 250 units and R46.227 million was allocated to eThekweni for the reconstruction of 367 units, which was fully spent at year-end.

2019/20 financial year:

The provincial roll-over of R50.450 million in 2019/20 relates to funds rolled over from 2018/19 in respect of the HSDG for the flood disaster that occurred in the province on 10 October 2017 and this is shown as a provincial roll-over because the funds were not paid back to National Treasury.

Provincial cash resources in 2019/20 reflect R40.997 million, partly in respect of funds from the sale of a further 330 units at Ridgeview Gardens, where an amount of R29.133 million was collected. The amount allocated also includes funds that were paid back by the uMzimkhulu and the iMpendle Municipalities. The department transferred funds in April 2007 to these municipalities to undertake various housing projects and, during the reconciliation of funds transferred, it was discovered that there were unspent funds and these were paid back to the department.

The department under-spent the 2019/20 allocation by R86.473 million in respect of the storms that occurred between December 2018 and January 2019 that affected eight districts in the province, with damage to 2 800 houses. In addition, these funds were for severe storms and heavy rain experienced in April 2019 that caused damage to houses (mostly mud structures) in rural areas, where a total of 1 277 households were affected. The under-spending of R86.095 million was due to the SCM processes being prolonged as there was no response on the initial tender process which commenced in May 2019. As a result, the department then established a database of contractors for a three-year period, and a service provider was selected from this database. Also, the EPWP Integrated Grant for Provinces was under-spent in respect of the payment of stipends for two projects, namely Ndalini rural housing project in uPhongolo and Greytown slums clearance in uMvoti. The invoices could not be submitted for the week which commenced on 23 March 2020 due to the nationwide lockdown.

2020/21 financial year:

The HSDG saw an increase of R278.136 million in 2020/21 in respect of funds for the disaster recovery component within the HSDG. Although the allocation in 2020/21 increased, this was after a budget cut of R106.920 million which related to the ISU programme as it remained ring-fenced within the HSDG in 2020/21. The number of units, sites and housing opportunities across all projects was reduced accordingly as a result of these cuts, whereas there was an increase in 2020/21 which related to funds for the disaster recovery component for reconstruction and repair of houses in the eThekweni Metro. There were also equitable share fiscal consolidation budget cuts over the MTEF and these were implemented against *Compensation of employees* and *Goods and services* and are reflected against the equitable share.

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

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

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

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

2021/22 financial year:

The department received additional funding of R112.172 million, as follows:

- R102.590 million was allocated in terms of Government Gazette No. 44593 with respect to the PEHG. In this regard, the department made an application for disaster funding following the damage caused by Tropical Cyclone Eloise in February 2021. This funding was for the provision of TRUs for 1 592 affected households.
- R8 million was allocated towards the 2021 wage agreement. National Treasury allocated the additional funding to the province for the non-pensionable allowance portion of the 2021 wage agreement while the 1.5 per cent increase should have been budgeted for from within the department's baseline.
- R1.582 million was approved to be allocated to the department relating to funds collected from the sale of units at Ridgeview Gardens in respect of FLISP development, to be used for pressures from the purchase of 300 laptops, computer monitors and docking stations in the department.

The 2022/23 MTEF shows a decrease in the outer year as a result of the department receiving a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, as mentioned. These funds relate to disasters that occurred during 2019 and 2020 where there were floods and storms, which resulted in damage to houses.

7.2 Departmental receipts collection

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

Table 8.2 : Summary of departmental receipts collection

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	424	415	372	457	457	457	460	480	502
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1	13 318	38	21	21	2	21	22	23
Sale of capital assets	27 668	6 229	2 806	707	707	3 547	710	741	774
Transactions in financial assets and liabilities	17 713	1 123	2 429	3 650	3 650	3 650	3 700	3 863	4 037
Total	45 806	21 085	5 645	4 835	4 835	7 656	4 891	5 106	5 336

Sale of goods and services other than capital assets is derived from commission on PERSAL deductions such as insurance premium and garnishee orders, rental on state-owned property, parking fees and tender fees. The conservative revenue budgeting over the MTEF is due to the uncertain nature of this source.

Interest, dividends and rent on land includes interest from staff debts and from interest on cash balances held in attorneys' account. The 2019/20 high collection is mainly from interest received from Ithala in respect of the amount of R100 million that was paid to Ithala in 2016/17 for the Military Veterans' Project. Furthermore, interest was received from the acquisition of Boschhoek Farm for the Siyahlala la housing project. The fluctuating trend is due to the uncertain nature of this source, and revenue budgeting over the MTEF relates to interest on outstanding staff debts.

Sale of capital assets relates to cash received from the sale of state property and the sale of redundant assets, such as motor vehicles and office equipment. The department purchased 330 units in Ridgeview Gardens in 2014, with the intention of renovating and re-selling these units individually. The department was granted approval by Provincial Treasury in 2016/17 to sell these units as part of the FLISP programme, contributing to the high collection from 2017/18 to the 2021/22 Revised Estimate. From the total 330 units, 293 have been sold to date. The revenue budget over the MTEF relates to the sale of redundant assets.

Transactions in financial assets and liabilities derives its revenue mainly from the recovery of previous years' expenditure such as staff debts in respect of breached bursary contracts, as well as refunds of unspent

funds from various projects. The 2018/19 collection was from the refund of unspent housing funds in various projects paid by the uMzikhulu Municipality. The revenue budget over the MTEF grows steadily.

7.3 Donor funding – Nil

8. Payment summary

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

8.1 Key assumptions

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

- All inflation related increases are based on CPI projections.
- Over the 2022/23 MTEF, National Treasury has provided provinces with the budget for the cost of living adjustment, however this is not yet allocated to departments until the current wage agreement (2022) is finalised. Allocations will take place in-year after assessing how much is needed per Vote and taking into account savings from vacancies. With regard to the non-implementation of the last leg of the 2018/19 agreement, the government won this matter in court, and the unions lost their appeal to the Constitutional Court, thus the wage freeze remains in place. In this regard, National Treasury reduced the province's baseline against *Compensation of employees* over the 2021/22 MTEF in respect of freezing salary increases, as well as additional reductions implemented to support fiscal consolidation. Additional funds were allocated in 2021/22 by National Treasury when an agreement was reached with the unions that there would be increases. However, only the non-pensionable cash allowance was funded. The department is planning to fill 69 funded vacant posts over the MTEF, and this is detailed in section 8.3 below.
- The department receives a budget of R6.499 million from the EPWP Integrated Grant for Provinces and this is used to employ 150 people who will undertake work, such as housing enhancement, EPWP skills development programme and the maintenance of hostels. Following the recently held Provincial Executive Council Lekgotla, the department has identified a further R4.500 million through internal reprioritisation, and this will be used to employ 120 people who will be provided with accredited training and be placed under housing projects to do construction work.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2021/22 will continue to be adhered to over the 2022/23 MTEF, in conjunction with National Treasury Instruction Note 03 of 2017/18: Cost containment measures.

8.2 Amendments to provincial and equitable share funding: 2020/21 to 2022/23 MTEF

Table 8.3 shows amendments to provincial and equitable share funding received over the 2020/21, 2021/22 and 2022/23 MTEF periods, and excludes conditional grant funding. The carry-through amounts for the outer year (i.e. 2024/25) are based on the incremental percentage used in the 2022/23 MTEF.

Table 8.3 : Summary of amendments to provincial and equitable share allocations for the 2020/21 to 2022/23 MTEF

R thousand	2020/21	2021/22	2022/23	2023/24	2024/25
2020/21 MTEF period	(3 118)	(8 559)	(12 342)	(12 885)	(13 465)
Fiscal consolidation and PES formula updates budget cuts	(1 373)	(6 727)	(12 342)	(12 885)	(13 465)
Adjustment to COE (due to revised CPI inflation projections)	(1 745)	(1 832)	-	-	-
2021/22 MTEF period		(30 919)	(46 093)	(78 748)	(82 292)
Fiscal consolidation budget cut		(7 551)	(7 959)	(14 394)	(15 042)
COE budget cut (wage freeze and fiscal consolidation)		(37 328)	(53 525)	(66 013)	(68 984)
COE budget cut reversal due to CG COE		8 484	9 914	-	-
Funds from FLISP sales etc. allocated to housing register and Youth Directorate		5 476	5 477	-	-
Adjustment to outer year		-	-	1 659	1 734
2022/23 MTEF period			-	-	-
Total	(3 118)	(39 478)	(58 435)	(91 633)	(95 757)

In the 2020/21 MTEF:

- The department's budget was reduced by R1.373 million, R6.727 million and R12.342 million as a result of the PES formula updates and fiscal consolidation budget cuts, aimed at reducing spending levels across all three spheres of government. The budget cuts were effected against all four programmes, mainly against *Compensation of employees* for programmes 1, 2 and 3 and *Transfers and subsidies to: Departmental agencies and accounts* in respect of Programme 4, as well as against *Goods and services* in 2020/21 only.
- The department's equitable share was reduced by R1.745 million in 2020/21 and R1.832 million in 2021/22, related to lowering of the CPI projections influencing the growth in *Compensation of employees* and this was implemented against all four programmes. The budget cuts were made because the CPI rate was previously set at 5.5 per cent but was lowered to 4.8 per cent.

In the 2021/22 MTEF, the following adjustments were made:

- R7.551 million, R7.959 million and R14.394 million were cut over the MTEF in respect of the fiscal consolidation cuts. The cuts were proportionally effected against all four programmes, mainly against *Compensation of employees* and *Goods and services*.
- R37.328 million, R53.525 million and R66.013 million were cut over the MTEF in respect of the *Compensation of employees*' budget reduction (wage freeze and fiscal consolidation). The cuts were proportionally effected against three programmes in respect of *Compensation of employees*.
- The department's equitable share was increased by R1.659 million in 2023/24, with carry-through, for an adjustment to the outer year related to a recalculation of the wage freeze cuts.
- The department's baseline is increased by R8.484 million in 2021/22 and R9.914 million in 2022/23 due to National Treasury recognising that the full *Compensation of employees* budget cuts were made against the provincial equitable share allocation in error as some staff are remunerated from the conditional grant allocations.
- The department requested that funds collected in 2019/20 from the sale of FLISP units, interest on funds held in terms of the Military Veterans' housing project, etc. be allocated back to them. The amount that was collected was R18.327 million, and this was requested to be allocated over three financial years. Due to a number of in-year fiscal pressures, a total of R16.429 million was allocated back, with R5.476 million allocated in 2020/21, R5.476 million in 2021/22 and R5.477 million in 2022/23. These funds were allocated to the department to cater for the FLISP communication strategy and to cover spending pressures under the rural housing project in the Zululand District. These funds were allocated under Programme 3 to the Youth Directorate.

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

8.3 Summary by programme and economic classification

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

The allocation in 2018/19 includes additional funding of R100 million relating to the flood disaster that occurred in the province on 10 October 2017, allocated under the HSDG. The increase in 2019/20 was due to the reallocation of funds collected from the sale of units at Ridgeview Gardens, as well as additional funding of R151.243 million allocated by National Treasury relating to the PEHG, as mentioned. Also contributing to the increase was the HSDG roll-over of R50.450 million.

The HSDG allocation saw an increase of R278.136 million in 2020/21 to account for funds received for the disaster recovery component within the HSDG to be used for the reconstruction and repair of houses in the eThekweni Metro. There was also a roll-over of R86.095 million in respect of the PEHG and R5.476 million approved to be allocated to the department relating to funds collected from the sale of units at Ridgeview Gardens in respect of the FLISP development, as explained. These were offset to some

extent by budget cuts implemented as part of national government's budget reprioritisation to source the R100 billion being cut from national departments for the Covid-19 response, as well as budget cuts to reduce growth of the public sector wage bill implemented against the provision made for the 2020 cost-of-living adjustment. The department also saw budget cuts to provide for the provincial Covid-19 response.

The increase from the 2021/22 Main to the Adjusted Appropriation is as a result of R102.590 million disaster funding allocated in respect of the PEHG following Tropical Cyclone Eloise in February 2021. Further contributing to the increase was R8 million that was allocated towards the 2021 wage agreement. In addition, R1.582 million was allocated to the department relating to funds collected from the sale of units at Ridgeview Gardens in respect of FLISP development, as mentioned.

The 2022/23 MTEF shows a decrease in the outer year as a result of the department receiving a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24, allocated under the HSDG in Programme 3, against *Goods and services* (inventory: materials and supplies).

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Administration	227 193	231 590	236 079	243 127	261 909	261 909	246 558	239 031	249 549
2. Housing Needs, Research and Planning	17 328	17 076	16 357	19 460	17 960	17 960	19 654	19 477	20 334
3. Housing Development	3 305 378	3 765 984	3 122 097	3 162 856	3 261 446	3 261 446	3 685 151	3 902 537	3 587 016
4. Housing Asset Management	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Total	3 734 629	4 261 359	3 547 458	3 597 231	3 709 403	3 709 403	4 123 328	4 335 277	4 033 291

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	514 818	522 971	498 792	505 207	505 711	510 297	1 577 734	1 884 045	1 489 058
Compensation of employees	320 699	334 569	336 554	368 088	355 066	351 531	369 480	356 379	356 379
Goods and services	193 886	188 402	162 238	137 119	150 645	158 766	1 208 254	1 527 666	1 132 679
Interest and rent on land	233	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 201 974	3 721 953	3 044 100	3 082 696	3 182 681	3 178 095	2 541 149	2 446 614	2 538 990
Provinces and municipalities	193 813	86 069	104 441	64 447	78 787	78 787	2 332 248	2 235 425	2 325 619
Departmental agencies and accounts	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	50	-	-	-	-	-	-	-
Households	2 823 431	3 389 125	2 766 734	2 846 461	2 935 806	2 931 220	36 936	36 957	36 979
Payments for capital assets	17 837	16 370	4 566	9 328	21 011	21 011	4 445	4 618	5 243
Buildings and other fixed structures	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Machinery and equipment	2 405	3 994	4 566	4 121	15 804	15 804	4 445	4 618	5 243
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	65	-	-	-	-	-	-	-
Total	3 734 629	4 261 359	3 547 458	3 597 231	3 709 403	3 709 403	4 123 328	4 335 277	4 033 291

Programme 1: Administration reflects a steady increase from 2018/19 to 2020/21. The increase from the 2021/22 Main to the Adjusted Appropriation is mainly due to savings realised from other programmes and funds allocated to the department relating to the sale of units at Ridgeview Gardens in respect of the FLISP development. These savings and funds were allocated to Programme 1 to cater for pressures from the purchase of 300 laptops, monitors and docking stations in the department as a result of the high demand for laptops due to the new work from home arrangements. These funds were also for the purchase of two VW panel-vans to be used for community outreach programmes. Also contributing to the increase was additional funding allocated by National Treasury against *Compensation of employees* towards the non-pensionable cash allowance portion of the 2021 wage agreement. The budget cuts effected during the 2021/22 MTEF against *Compensation of employees* continue to affect the rate at which the department will be able to fill posts, as the department will only be able to fill posts that become vacant in-year. The department has 21 funded vacant posts within this programme, including Deputy Director: Rental Housing

and Tribunal, Assistant Director: Facilities, Assistant Director: Financial Control and Administration Officers, among others, and these posts will be filled over the MTEF. The fluctuating trend over the 2022/23 MTEF is also due to the fiscal consolidation cuts and wage freeze effected in the 2021/22 MTEF. The 2022/23 MTEF allocations also provide for the management of office accommodation, training and development, IT related functions, etc. for the entire department.

Programme 2: Housing Needs, Research and Planning reflects a decreasing trend from 2018/19 to 2020/21. The decrease in 2019/20 was due to savings realised from vacant posts. These savings were moved to Programme 1 to cater for expenditure pressures relating to property payments. The decrease in 2020/21 was mainly due to the budget cuts to assist with funding the provincial response to the Covid-19 pandemic, as well as the budget cuts effected against *Compensation of employees* to reduce the growth of the public sector wage bill. The decrease from the 2021/22 Main to the Adjusted Appropriation was mainly due to savings realised from vacant posts and moved to Programme 1. This programme provides for creating platforms for various stakeholders for discussing, drafting and informing human settlement policies, and also provides for the identification of any skills gaps in the major stakeholders that are an integral part of the housing delivery chain, including municipalities, traditional leaders and institutions, emerging contractors, youth and women. The MTEF allocations were affected by the budget cuts implemented over the 2021/22 MTEF, with carry-through, with these effected against *Compensation of employees* to reduce growth of the public sector wage bill. This also explains the fluctuating trend over the 2022/23 MTEF. The department has six funded vacant posts within this programme, including an Assistant Manager post, four Senior Administration Officers, as well as a Personal Assistant post, which will be filled over the MTEF.

Programme 3: Housing Development spending was high in 2019/20 due to funds allocated to the department relating to the flood disaster that occurred in the province on 10 October 2017. These funds were for reconstruction and repair of damaged houses, flats and hostels in areas such as the eThekweni Metro, as well as uMdoni, uMuziwabantu, uMzumbi and Ray Nkonyeni. The decrease in 2020/21 was mainly due to the conditional grant budget cuts implemented against the HDSG and the TDRG, as well as a smaller cut made against the equitable share funding of this programme to assist with funding the provincial response to the Covid-19 pandemic. Also, budget cuts were effected against *Compensation of employees* to reduce the growth of the public sector wage bill. This decrease was slightly offset by a roll-over of R86.095 million in respect of the PEHG. 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 were for severe storms and heavy rain experienced in April 2019 that caused damage to houses (mostly mud structures) in rural areas, where 1 277 households were affected. The increase from the 2021/22 Main to Adjusted Appropriation is due to the allocation of R102.590 million in terms of Government Gazette No. 44593 with respect to the PEHG. In this regard, the department made an application for disaster funding following Tropical Cyclone Eloise in February 2021. This allocation was for the provision of TRUs for 1 592 affected households, as mentioned. Further contributing to the increase was additional funding allocated by National Treasury against *Compensation of employees* towards the non-pensionable cash allowance portion of the 2021 wage agreement. The increasing trend over the 2022/23 MTEF includes provision for the implementation of the anti-land invasion strategy, which has necessitated the guarding of departmental owned properties against illegal occupation, as well as operating leases, professional fees and all other operational costs of the department. The programme will also continue to cater for projects such as the ISU programme, rural housing development, etc. In addition, *Machinery and equipment* was increased by R80 000 in 2022/23 and 2023/24 in respect of the estimations made for the purchase of office furniture for vacant funded posts to be filled, as mentioned. The department has 18 funded vacant posts within this programme, including Chief Director: Sustainable Human Settlements, Deputy Director: Administration Support, Administrative Officer and Control Works Inspector, among others, and these posts will be filled over the MTEF. The department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25. These funds relate to disasters that occurred during 2019 and 2020 where there were floods and storms, which resulted in damage to houses, as mentioned.

Programme 4: Housing Asset Management (which comprises the KZN Housing Fund) reflects a fluctuating trend from 2018/19 to 2020/21 due to the increase in 2019/20 in respect of 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. The decrease from 2019/20 to 2020/21 was due to the TDRG being allocated in Programme 3 only in 2020/21, as well as the budget cuts against *Compensation of employees* to reduce the growth of the public sector wage bill. The decrease from 2020/21 to the 2021/22 Main Appropriation relates to the *Compensation of employees* budget cuts, as well as fiscal consolidation cuts of R5.562 million that were effected over the 2021/22 MTEF. The department will review the need to fill posts that are vacated in-year. The further decrease from the 2021/22 Main to the Adjusted Appropriation relates to savings identified against *Transfers and subsidies to: Departmental agencies and accounts* due to vacant posts in respect of the KZN Housing Fund and these savings were moved to Programme 1. The 2022/23 MTEF provides for the issuance of title deeds, maintenance of rental units, as well as selling of rental units to beneficiaries, among others. The department has 24 funded vacant posts within this programme, including six Assistant Managers, three Senior Administration Officers and five Administration Officers, among others, and these posts will be filled over the MTEF.

Compensation of employees reflects a steady increase from 2018/19 to 2020/21. The decrease from the 2021/22 Main to the Adjusted Appropriation was due to savings identified against *Compensation of employees* due to vacant posts, as mentioned. This was offset to some extent by R8 million allocated by National Treasury against *Compensation of employees* towards the non-pensionable cash allowance portion of the 2021 wage agreement. The budget over the 2022/23 MTEF is reduced by the *Compensation of employees* budget cuts that were effected over the 2021/22 MTEF to reduce growth of the public sector wage bill, as mentioned. As such, the department has not provided for any pay increases over the MTEF, but has provided for medical aid contributions and housing allowances and annual pay progression. Although the budget does not show growth in this regard, the department will not fill all the posts that become vacant and will move these savings as and when they become available to pay for pay progression. This will be reviewed when the need arises, as mentioned. During the 2021/22 MTEF, the baseline was increased by R8.484 million in 2021/22 and R9.914 million in 2022/23 due to National Treasury recognising that the full *Compensation of employees* budget cuts were made against the provincial equitable share allocation in error, as some staff are remunerated from the conditional grant allocations. This explains the reduction in 2023/24 as additional funding was allocated until 2022/23. The department has 69 funded vacant posts, including Deputy Director: Rental Housing and Tribunal, Assistant Director: Facilities, Assistant Director: Financial Control, Administration Officers, Chief Director: Sustainable Human Settlements, Deputy Director: Administration Support, Administrative Officer and Control Works Inspector, among others, and these posts will be filled over the MTEF.

Goods and services reflects a reduction in 2020/21 due to savings identified in this category as a result of delays in the implementation of capacity building programmes such as housing consumer education, as well as various training programmes, as the department was in the process of implementing a new training strategy in line with Covid-19 regulations. Furthermore, savings were realised due to the late receipt of invoices as the department invoiced quarterly and not monthly in respect of the Housing Development Agency (HDA) for the management of catalytic projects, such as Inner City, uMlazi Regeneration, Cornubia and Greater Amaoti. These savings were moved to other economic classification categories. The increase from the 2021/22 Main to the Adjusted Appropriation was due to savings moved to this category to cater for spending pressures relating to various items. These include the purchase of PPE, hygiene products, the fumigation of offices, operating leases, contractors, rental and hiring, as well as advertising, among others, mainly as part of the department's response to Covid-19, including community outreach programmes which were inadequately budgeted for. Furthermore, savings were moved to this category to cater for the FLISP communication strategy, which is an advertising strategy for FLISP to make people aware of the programme, as well as to cater for expenditure incurred in relation to the management of the roll-out of the mass sanitisation of the informal settlements in response to Covid-19. In addition, funds collected from the sale of units at Ridgeview Gardens in respect of the FLISP development were allocated to this category to cater for pressures from the purchase of 300 monitors and docking stations in the department as a result of the high demand for laptops due to Covid-19 and the new work from home arrangements, as discussed. The increasing trend over the 2022/23 MTEF is mainly due to the reclassification of housing-related expenses from *Transfers and subsidies to: Households*, to align the treatment of these expenses with the ERF and SCOA. The department is responsible for the construction of houses through contractors, to be distributed to beneficiaries. The department procures goods and services

in this regard and these amounts are therefore classified as *Goods and services*. As such, the increase is rather as a result of a correction of the budget rather than reprioritisation, as explained. The prior year amounts have not been restated as the department did not keep detailed records at this level. The department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25, as mentioned.

Interest and rent on land pertains to interest paid on overdue accounts in respect of the payment made to the Government Employees Pension Fund (GEPF) for employees who took early retirement in previous financial years.

In respect of *Transfers and subsidies*:

- The reduction against *Provinces and municipalities* from 2018/19 to 2019/20 relates to the transfer to the eThekweni Metro for the CRU programme being re-aligned to the agreement entered into by the department and the eThekweni Metro to transfer funds for the CRU programme. The transfers for the CRU programme continue over the 2022/23 MTEF and relate to the Thokoza CRU and Donnelly Road CRU in the eThekweni Metro. The increase in 2020/21 was mainly due to a shift of the TDRG funds, which were originally budgeted for against *Goods and services* for the appointment of conveyancers to undertake title deeds transfer activities such as township establishment, conveyancing, etc. The increase from the 2021/22 Main to the Adjusted Appropriation was due to savings moved to this category to cater for the payment of operational costs for the accredited municipalities which was delayed in 2020/21, as the invoices were received late at the end of March 2021 and were only paid in 2021/22. The savings also catered for the payment of property rates and taxes for departmental owned properties in the uMhlathuze Municipality, which were not budgeted for. The increase over the 2022/23 MTEF is mainly due to the reclassification of housing-related expenses from *Transfers and subsidies to: Households*, to align the treatment of these expenses with the ERF and SCOA. The municipalities are responsible for the projects and the department transfers funds to the municipalities, which are responsible and accountable for the construction of houses to be distributed to the beneficiaries. This is a correction of the budget, rather than reprioritisation, as explained. The prior year amounts have not been restated as the department did not keep detailed records at this level.
- *Departmental agencies and accounts* relates to transfers to the KZN Housing Fund and funds transferred to the HDA. Funding in respect of the KZN Housing Fund were moved to this category in line with an A-G finding in the 2013/14 audit. The increase in 2019/20 is in respect of 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. The decrease in 2020/21 was due to the reduction in growth of the public sector wage bill for staff paid under the KZN Housing Fund, which is also carried through over the MTEF. The reduction from the 2021/22 Main to Adjusted Appropriation was due to savings identified against this category as a result of vacant posts in respect of the KZN Housing Fund and these savings were moved to other categories. There is steady growth over the MTEF to cater for increased municipal services, as well as rates and taxes for departmental housing properties.
- *Non-profit institutions* reflects an allocation of R50 000 in 2019/20 which relates to a donation to Wentworth Organisation of Women (WOW) to cover costs incurred by the organisation on undertaking door-to-door surveys and profiling beneficiaries for possible low-cost housing in Austerville Ward 68.
- *Households* shows a fluctuating trend from 2018/19 to 2020/21, due to fluctuations in the HSDG, as the bulk of the housing programmes are budgeted for within this category. The 2018/19 amount includes additional funding of R100 million to deal with repairs to houses damaged by the October 2017 storms in areas such as eThekweni, uMdoni, uMuziwabantu, uMzumbe, as well as Ray Nkonyeni. The increase in 2019/20 was due to additional funds of R151.243 million received for storms between December 2018 and January 2019, as well as the roll-over of R50.450 million, as mentioned. The decrease in 2020/21 was a result of the budget cuts implemented against the HSDG, as mentioned. Although the spending decreases in 2020/21, this takes into account an increase of R278.136 million in 2020/21 in respect of funds received for the disaster recovery component within the HSDG, as well as a provincial roll-over of R86.095 million in respect of the PEHG, as mentioned, but the grants saw significant cuts over the 2020/21 MTEF. The increase from the 2021/22 Main to the Adjusted Appropriation was due to savings moved to this category to cater for staff exit costs and donations of school uniforms to needy

children for three schools in the Dundee area in the Endumeni Municipality, as well as furniture such as beds, a kitchenette, etc. which were donated to needy beneficiaries identified through OSS. In addition, the PEHG received an allocation of R102.590 million in terms of Government Gazette No. 44 593. In this regard, the department made an application for disaster funding following Tropical Cyclone Eloise in February 2021. This allocation was for the provision of TRUs for 1 592 affected households, as mentioned. The significant reduction over the MTEF is mainly due to the reclassification of housing-related expenses to align these expenses with the ERF and SCOA. These funds were moved to *Goods and services* and *Transfers and subsidies to: Provinces and municipalities*, as mentioned. The prior year amounts have not been restated as the department did not keep detailed records at this level.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The decreasing trend from 2018/19 to 2019/20 was due to the department anticipating to finalise the programme in 2017/18 but continued to incur some expenditure for projects that had already commenced and needed to be finalised. These funds were in respect of the scope of the programme which was extended in-year in order to complete the remaining work within various districts, including the eThekweni Metro, Cornubia Social Amenity, Sonkombo Social Amenity, etc., and to ensure that proper handover processes were undertaken. Other Social and Economic Amenities include Dududu Social Amenity in uMdoni Municipality and Siyathuthuka Social Amenity in Richmond Municipality. There is no spending in 2020/21 due to poor performance by the contractor on the Emfihlweni and Sonkombo community hall projects. The legal section of the department gave the go ahead for the department to terminate the contract and appoint contractors from the database to complete both community hall projects. The allocation in 2021/22 is for finalisation of work which was affected by the poor performance of the implementing agent in 2020/21. The department is anticipating to complete all projects by the end of 2021/22, hence there are no allocations over the 2022/23 MTEF.

Machinery and equipment shows an increasing trend from 2018/19 to 2020/21 due to its cyclical nature. The increase in 2020/21 relates to expenditure incurred in relation to the procurement of vehicle-drawn storage carts (tankers) to be used in the roll-out of the mass sanitisation of the informal settlements in respect of the Covid-19 interventions. This equipment was used by various districts and municipalities in the province. The increase from the 2021/22 Main to the Adjusted Appropriation is due to savings moved to this category for the purchase of 300 laptops which were ordered in 2020/21 but delivered and paid for in 2021/22 as a result of the high demand for laptops due to Covid-19 and the new work from home arrangements. The savings were also for the purchase of two VW panel-vans to be used for community outreach programmes, as mentioned. The allocations over the 2022/23 MTEF cater for the purchase of office furniture for vacant funded posts to be filled, as well as purchase of vehicles and other equipment. This category was increased by R80 000 in 2022/23 and 2023/24 in respect of the estimations made for the purchase of office furniture for vacant funded posts to be filled.

Payments for financial assets relates to the write-off of staff debts in 2019/20.

8.4 Summary of conditional grants payments and estimates

Tables 8.6 and 8.7 provide a summary of the conditional grant payments and budgeted estimates over the period by conditional grant name and economic classification, respectively.

Note that the historical figures set out in Table 8.6 reflect actual spending per grant, and should not be compared to Table 8.1, which represent the actual receipts for each grant.

The department has three grants over the 2022/23 MTEF, namely the HSDG, EPWP Integrated Grant for Provinces and the ISUPG. The EPWP Integrated Grant for Provinces receives funding up to 2022/23, while the HSDG and the ISUPG receive funding over the MTEF. Details are given in *Annexure – Vote 8: Human Settlements*.

The department's main funding relates to the HSDG, which aims to promote the provision of low income housing using different programmes such as project linked subsidies, IRDP, rural housing subsidies, informal settlements upgrade, social housing, etc.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Human Settlements Development grant	3 202 307	3 634 357	3 020 733	2 455 021	2 455 021	2 455 021	2 935 224	3 132 253	2 776 615
EPWP Integrated Grant for Provinces	11 484	15 040	11 638	7 149	7 149	7 149	6 499	-	-
Title Deeds Restoration grant	101 422	100 612	36 740	-	-	-	-	-	-
Provincial Emergency Housing grant	-	65 148	86 095	-	102 590	102 590	-	-	-
ISU Partnership grant	-	-	-	714 375	714 375	714 375	756 868	790 226	825 715
Total	3 315 213	3 815 157	3 155 206	3 176 545	3 279 135	3 279 135	3 698 591	3 922 479	3 602 330

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	187 753	190 610	158 998	135 485	137 583	142 498	1 204 483	1 525 201	1 114 865
Compensation of employees	89 923	96 012	91 821	87 176	87 176	87 176	87 308	86 950	86 950
Goods and services	97 830	94 598	67 177	48 309	50 407	55 322	1 117 175	1 438 251	1 027 915
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 111 937	3 612 068	2 993 764	3 035 422	3 135 914	3 130 999	2 493 677	2 396 847	2 487 034
Provinces and municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Departmental agencies and accounts	143 229	200 792	130 431	125 132	125 132	125 132	125 132	125 132	125 132
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	50	-	-	-	-	-	-	-
Households	2 775 044	3 325 252	2 759 015	2 846 001	2 932 153	2 927 238	36 454	36 454	36 454
Payments for capital assets	15 523	12 479	2 444	5 638	5 638	5 638	431	431	431
Buildings and other fixed structures	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Machinery and equipment	91	103	2 444	431	431	431	431	431	431
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 315 213	3 815 157	3 155 206	3 176 545	3 279 135	3 279 135	3 698 591	3 922 479	3 602 330

As previously mentioned, the HSDG received additional funding of R100 million in 2018/19 to deal with repairs to houses damaged by the flood disaster that occurred in the province on 10 October 2017. The HSDG was increased by R151.243 million in 2019/20 for storms between December 2018 and January 2019, as well as the roll-over of R50.450 million, as mentioned. The decrease in 2020/21 is attributed to the budget cuts implemented against the HSDG as part of national government's budget reprioritisation to source the R100 billion being cut from national departments for the national Covid-19 response. The number of units, sites and housing opportunities across all projects were reduced as a result of these budget cuts. Although the allocation decreases due to significant cuts against this grant in the previous MTEF, the 2020/21 spending takes into account an increase of R278.136 million in respect of funds received for the disaster recovery component within the HSDG. The 2021/22 allocation provided for the acceleration of service delivery in respect of the rural housing subsidy programme. In this regard, the funds were allocated to projects such as Kwandwalane, Malangeni and Vulamehlo rural housing in the Ugu District Municipality, Amazizi Phase 3B rural housing in the uThukela District Municipality, Sibubulwane rural housing in the King Cetshwayo District Municipality, Siyathuthuka phase 2 in the uMgungundlovu District Municipality and Amakhabeleni in the uMzinyathi District Municipality, etc., which progressed faster than anticipated and are ahead of the development programme as there is an urgent need for housing. The increase over the 2022/23 MTEF provides for projects such as rural housing projects, including the KwaXolo Phase 1 and the Ubuhlebomzinyathi Phase 2 rural housing projects. The department received disaster allocations of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25. These funds relate to disasters that occurred during 2019 and 2020 where there were floods and storms, which resulted in damage to houses.

The department receives funding in respect of the EPWP Integrated Grant for Provinces for skills development programmes such as training, mentors, acquiring tools and payment of stipends. The allocation for the EPWP Integrated Grant for Provinces is based on the previous year's achievements and is not allocated beyond 2022/23, at this stage. The allocation in 2022/23 is lower due to the budget cuts

effected against the National Department of Public Works, however, the department has been performing above its targets regarding the creation of employment under the EPWP programme.

The department receives funding for the TDRG from 2018/19 up to 2020/21. These funds were previously ring-fenced in the HSDG to eradicate the title deeds registration backlog. This grant was created in 2018/19 by shifting funds that were allocated for eradicating the title deeds backlog from the HSDG to ensure that these funds cannot be utilised by provinces for other purposes. There were budget cuts of R69.406 million implemented against the TDRG as part of national government's Covid-19 response in the 2020/21 Special and Second Adjustments Estimate. This grant was absorbed back into the HSDG from 2021/22 onward.

The department received funding for the PEHG in 2019/20. These funds were for storms which occurred between December 2018 and January 2019 that affected eight districts in the province with storm damage to 2 800 houses. In addition, these funds were for repairs related to severe storms and heavy rain experienced in April 2019 that caused damage to houses (mostly mud structures) in rural areas in 19 municipalities, where a total of 1 277 households were affected. These funds were not fully spent at the end of 2019/20, and R86.095 million was rolled over to 2020/21. The PEHG received an allocation of R102.590 million in the 2021/22 Adjustments Estimate in terms of Government Gazette No. 44 593. In this regard, the department made an application for disaster funding following Tropical Cyclone Eloise in February 2021. This allocation was for the provision of TRUs for 1 592 affected households, as mentioned.

The department receives funding of R714.375 million in respect of the ISUPG for the first time in 2021/22. The funding was still part of the HSDG in 2020/21 with specific conditions which included that at least 15 per cent of the HSDG must be spent on informal settlements upgrading. The new grant was created by shifting funds from the HSDG to ensure that the funds allocated for this purpose cannot be utilised by provinces for other purposes. The allocation in respect of this grant is R756.868 million in 2022/23, R790.226 million in 2023/24 and R825.715 million in 2024/25. The projects budgeted for in 2022/23 include the Etete Phase 4 housing project, Empangeni IRDP housing project, Greater Amaoti housing project, Johnstown, Blaauwbosch Laagte and Cavan Phases 2 and 3, etc.

The conditional grant allocations against *Compensation of employees* mainly relate to the HSDG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. The increase in 2019/20 relates to contract posts budgeted for under the Operational Capital (OPSCAP) allocation within the HSDG. These posts are filled on a contractual basis as they are linked to projects. These posts include Project Construction Managers, Community Development Practitioner, etc. in respect of the HSDG and the TDRG. The decrease from 2020/21 to the 2022/23 MTEF is due to the TDRG being absorbed back into the HSDG and being budgeted for under *Goods and services*. The department did not implement budget cuts in respect of the HSDG against this category in 2020/21. The decrease over the MTEF is in line with no provision made for salary increases funded through the HSDG. No provision is made for any growth in the outer year and this will be reviewed in the next budget process.

The significant decrease against *Goods and services* in 2020/21 relates to the budget cuts effected against the conditional grant to fund Covid-19 response nationally, as mentioned. The increase from the 2021/22 Main to the Adjusted Appropriation was due to savings realised under the ISUPG against *Transfers and subsidies to: Households* and moved to *Goods and services* to cater for expenditure incurred in relation to the management of the roll-out of the mass sanitisation of the informal settlements in response to Covid-19. The significant increase over the 2022/23 MTEF is due to the reclassification of housing-related expenses from *Transfers and subsidies to: Households*, to align the treatment of these expenses with the ERF and SCOA. The department is responsible for the construction of houses through contractors, to be distributed to beneficiaries. The department is procuring goods and services in this regard and these amounts are therefore classified as *Goods and services*. As such, the increase is as a result of a correction of the budget rather than reprioritisation, as explained. The prior year amounts have not been restated as the department did not keep detailed records at this level, as mentioned. The 2022/23 MTEF also provides for the roll-out of the mass sanitisation drive which is intended to focus on high risk areas, such as the densely populated informal settlements, TRUs and public sector hostels across all districts and the eThekweni Metropolitan area. The department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25, as explained.

In respect of *Transfers and subsidies*:

- The reduction against *Provinces and municipalities* from 2018/19 to 2019/20 relates to the transfer to the eThekweni Metro for the CRU programme being re-aligned to the agreement entered into by the department and the eThekweni Metro to transfer funds for the CRU programme. The transfers for the CRU programme continue over the 2022/23 MTEF and relate to the Thokoza CRU and Donnelly Road CRU in the eThekweni Metro. The increase in 2020/21 was mainly due to a shift of the TDRG funds, which were originally budgeted for against *Goods and services* for the appointment of conveyancers to undertake title deeds transfer activities such as township establishment, conveyancing, etc. The increase from the 2021/22 Main to the Adjusted Appropriation was due to savings moved to this category to cater for the payment of operational costs for the accredited municipalities which was delayed in 2020/21, as explained. The savings also catered for the payment of property rates and taxes for departmental owned properties in the uMhlathuze Municipality which were not budgeted for. The increase over the 2022/23 MTEF is mainly due to the reclassification of housing-related expenses from *Transfers and subsidies to: Households*, to align these expenses with the ERF and SCOA. The municipalities are responsible for the projects and the department transfers funds to municipalities that are responsible and accountable for the construction of houses to be distributed to the beneficiaries. This is a correction of the budget, rather than reprioritisation, as explained. The prior year amounts have not been restated as the department did not keep detailed records at this level, as mentioned.
- *Departmental agencies and accounts* relates to transfers to the KZN Housing Fund and funds transferred to the HDA. Funding in respect of the KZN Housing Fund was moved to this category in line with an A-G finding in the 2013/14 audit. The increase in 2019/20 was in respect of the TDRG to cater for planning activities, such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in eThekweni. The decrease from 2020/21 to 2021/22 was in respect of the budget cuts against the HSDG from previous financial years which were significant. The category shows no growth from 2021/22 onward due to the fact that the department is anticipating to transfer properties to beneficiaries once the rectification of properties is complete.
- *Non-profit institutions* reflects an amount of R50 000 in 2019/20 which relates to a donation to the WOW to cover costs incurred by the organisation on undertaking door-to-door surveys and profiling beneficiaries for possible low-cost housing in Austerville Ward 68, as mentioned.
- *Households* shows a fluctuating trend from 2018/19 to 2020/21, due to fluctuations in the HSDG as the bulk of the housing programmes are budgeted for within this category. The 2018/19 amount includes additional funding of R100 million to deal with repairs to houses damaged by the October 2017 storms in areas such as eThekweni, uMdoni, uMuziwabantu, Mzumbe, as well as Ray Nkonyeni. The increase in 2019/20 was due to additional funds of R151.243 million received for storms between December 2018 and January 2019, as well as the roll-over of R50.450 million, as mentioned. The decrease in 2020/21 is attributed to the budget cuts implemented against the HSDG, as mentioned. Although the allocation decreases in 2020/21, this takes into account an increase of R278.136 million in 2020/21 in respect of funds received for the disaster recovery component within the HSDG, as well as a provincial roll-over of R86.095 million in respect of the PEHG, as mentioned. There were only minimal cuts against this grant over the MTEF, accounting for the steady growth over that period. The increase from the 2021/22 Main to the Adjusted Appropriation is mainly due to the PEHG allocation of R102.590 million allocated in terms of Government Gazette No. 44 593. In this regard, the department made an application for disaster funding following Tropical Cyclone Eloise in February 2021, as explained. The significant reduction over the MTEF is mainly due to the reclassification of housing-related expenses to align these expenses with the ERF and SCOA. These funds were moved to *Goods and services*, as well as *Transfers and subsidies to: Provinces and municipalities*, as mentioned. The prior year amounts have not been restated as the department did not keep detailed records at this level, as mentioned.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The decreasing trend from 2018/19 to 2019/20 was due to the department anticipating to finalise the programme in 2017/18 but continued to incur some expenditure for projects that had already commenced and needed to be finalised. These funds were in respect of the scope of the programme which was extended

in-year in order to complete the remaining work within various districts, including the eThekweni Metro, Cornubia Social Amenity, Sonkombo Social Amenity, etc., and to ensure that proper handover processes were undertaken. Other Social and Economic Amenities include Dududu Social Amenity in uMdoni Municipality and Siyathuthuka Social Amenity in Richmond Municipality. There was no spending in 2020/21 due to poor performance by the contractor on the Emfihlweni and Sonkombo community hall projects. The legal section of the department gave the go ahead for the department to terminate the contract and appoint contractors from the database to complete both of these community hall projects. The allocation in 2021/22 is for the finalisation of work which was affected by the poor performance of the implementing agent in 2020/21. The department is anticipating to complete all projects by the end of 2021/22, thus explaining why there is no allocation against this category over the 2022/23 MTEF.

Machinery and equipment provides for the purchase of furniture and equipment for employees funded from the HSDG. The increase in 2020/21 relates to expenditure incurred in relation to the procurement of vehicle-drawn water tankers to be used in the roll-out of the mass sanitisation of the informal settlements in respect of the Covid-19 interventions, as explained.

8.5 Summary of infrastructure payments and estimates

Table 8.8 presents a summary of infrastructure payments and estimates by infrastructure category. Detailed information on infrastructure is given in the *2022/23 Estimates of Capital Expenditure (ECE)*.

Table 8.8 : Summary of infrastructure payments and estimates by category

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25
Existing infrastructure assets	-	-	-	-	-	-	-	-	-
Maintenance and repair: Current	-	-	-	-	-	-	-	-	-
Upgrades and additions: Capital	-	-	-	-	-	-	-	-	-
Refurbishment and rehabilitation: Capital	-	-	-	-	-	-	-	-	-
New infrastructure assets: Capital	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Infrastructure transfers	2 967 190	3 342 701	2 795 786	2 791 174	3 144 028	3 040 342	3 565 217	3 789 494	3 469 345
Infrastructure transfers: Current	43 098	17 578	32 190	24 289	36 629	36 629	34 289	34 289	34 289
Infrastructure transfers: Capital	2 924 092	3 325 123	2 763 596	2 766 885	3 107 399	3 003 713	3 530 928	3 755 205	3 435 056
Infrastructure: Payments for financial assets	-	-	-	-	-	-	-	-	-
Infrastructure: Leases	24 494	25 994	26 888	24 354	28 162	28 162	24 954	24 154	27 717
Non infrastructure¹	-	-	-	-	122 751	122 751	126 875	132 985	132 985
Total	3 007 116	3 381 071	2 822 674	2 820 735	3 300 148	3 196 462	3 717 046	3 946 633	3 630 047
<i>Capital infrastructure</i>	2 939 524	3 337 499	2 763 596	2 772 092	3 112 606	3 008 920	3 530 928	3 755 205	3 435 056
<i>Current infrastructure</i>	67 592	43 572	59 078	48 643	64 791	64 791	59 243	58 443	62 006

1. Total infrastructure is the sum of "Capital" plus "Recurrent maintenance". This includes non infrastructure items

The category *New infrastructure assets: Capital* relates to the Social and Economic Amenities programme. The decreasing trend from 2018/19 to 2019/20 was due to the department anticipating to finalise the programme in 2017/18 but continued to incur some expenditure for projects that had already commenced and needed to be finalised. These funds were in respect of the scope of the programme which was extended in-year in order to complete the remaining work within various districts, including the eThekweni Metro, Cornubia Social Amenity, Sonkombo Social Amenity, etc., and to ensure that proper handover processes were undertaken, as explained. There was no spending in 2020/21 due to poor performance by the contractor on the Emfihlweni and Sonkombo community hall projects which resulted in the termination of the contract, as explained. The allocation in 2021/22 is for the finalisation of work which was affected by the poor performance of the implementing agent in 2020/21. The department is anticipating to complete all projects by the end of 2021/22, thus there is no budget against this category over the 2022/23 MTEF.

The category *Infrastructure transfers* changed in the 2021/22 *EPRE*, following the recommendation of Provincial Treasury's Infrastructure unit to include the HSDG funding in the infrastructure table. Historical figures were restated and the trend is explained as follows:

- The category *Infrastructure transfers: Current* relates to the operational costs of accredited municipalities. These costs were previously recorded against *Infrastructure transfers: Capital* but, after assessment, the department established that the funds are current in nature. The decrease in 2019/20 was due to the delay in the finalisation of the implementation protocols for the accredited municipalities

which were under review during 2019/20. The review of these implementation protocols led to delays in the payment of the operational costs of these municipalities, as payment cannot be made until the agreements are signed. The increase from the 2021/22 Main to the Adjusted Appropriation was due to savings that were moved to this category to cater for the payment of operational costs for the accredited municipalities which was delayed in 2020/21 as invoices were received late at the end of March 2021 and were only paid in 2021/22, as mentioned.

- *Infrastructure transfers: Capital* comprises transfers in respect of the CRU programme, as well as housing funds in respect of the HSDG. The increase in 2019/20 was due to additional funds of R151.243 million received for storms between December 2018 and January 2019, as well as the roll-over of R50.450 million, as mentioned. The decrease in 2020/21 was because of the budget cuts implemented against the HSDG, as mentioned. The increase from the 2021/22 Main to the Adjusted Appropriation is due to a shift of R237.924 million allocated to this category to correct the classification in relation to the HSDG infrastructure budget, as mentioned. Furthermore, this category was increased by R102.590 million in terms of Government Gazette No. 44593 with respect to the PEHG related to Tropical Cyclone Eloise, as explained. Although the bulk of the funds previously allocated against *Transfers and subsidies to: Households* were reprioritised to *Goods and services* and *Transfers and subsidies to: Provinces and municipalities*, the department is of the view that they are still infrastructure and should therefore be kept in this line item. There is steady growth over the 2022/23 MTEF in respect of the HSDG. The transfers for the CRU programme continue over the MTEF and relate to the Thokoza CRU and Donnelly Road CRU in the eThekweni Metro. The projects provided for against this category include the redevelopment of 2 554 old hostels to CRUs, constructing 650 new CRUs, ISU with over 10 000 serviced sites, rural housing subsidy with 7 803 units, etc. The 2022/23 allocation includes the R6.499 million funding in respect of the EPWP Integrated Grant for Provinces which is based on previous years' achievements and is not allocated beyond 2022/23, at this stage. In this regard, the workers employed under the EPWP programme are directly involved in construction, hence their costs are capitalised under this category. The department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25. These funds relate to disasters that occurred during 2019 and 2020 where there were floods and storms, which resulted in damage to houses.

The category *Infrastructure: Leases* relates to the operational leases for office accommodation leased by the department. The fluctuating trend over the MTEF relates to inflationary increases, as well as the increase in district offices due to decentralisation. The decentralisation process took place in the prior years and the department now has offices in nearly all districts. The department under-budgeted for operational leases against *Infrastructure: Leases* in 2021/22, 2022/23, as well as 2023/24 and is anticipating to utilise savings from other areas to cover this shortfall. This explains the increase from the 2021/22 Main to the Adjusted Appropriation. This will be adjusted in-year.

The category *Non infrastructure* reflects an amount of R122.751 million in the 2021/22 Adjusted Appropriation to correct the classification in relation to the HSDG infrastructure budget. These allocations cater for items such as operational costs which are not related to infrastructure, including advertising, communication, etc. Allocations against this category are only visible in this table as they are done to correct an error in the 2021/22 EPRE.

8.6 Summary of Public Private Partnerships – Nil

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

Table 8.9 shows transfers made by the department to public entities that are listed in terms of Schedule 3 of the PFMA, as well as transfers to other entities.

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

Table 8.9 : Summary of departmental transfers to public entities and other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Transfers to other entities		-	-	-	-	-	-	-	-	-
Transfers to other entities		184 730	246 759	172 925	171 788	168 088	168 088	171 965	174 232	176 392
KZN Housing Fund	4 (all 3 sub-programmes)	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Wentworth Organisation of Women	3.3 Incremental Interventions	-	50	-	-	-	-	-	-	-
Total		184 730	246 759	172 925	171 788	168 088	168 088	171 965	174 232	176 392

With regard to the KZN Housing Fund, the increase in 2019/20 was in respect of the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in eThekweni. The decrease from 2019/20 to 2020/21 was due to the TDRG being allocated in Programme 3 only in 2020/21, as well as budget cuts against the HSDG which were made over the 2020/21 MTEF. The decrease from the 2021/22 Main to Adjusted Appropriation relates to savings against *Transfers and subsidies to: Departmental agencies and accounts* due to vacant posts in respect of the KZN Housing Fund, and these were moved to Programme 1. The MTEF caters for the issuance of title deeds, maintenance of rental units, as well as selling of rental units to beneficiaries, etc.

In 2019/20, a donation of R50 000 was made to WOW to cover costs incurred on undertaking door-to-door surveys and profiling beneficiaries for possible low-cost housing within Austerville Ward 68, as mentioned.

8.8 Transfers to local government

Tables 8.10 and 8.11 illustrate departmental transfers to local government by category and by grant type, respectively. Transfers to local government exclude funds in respect of motor vehicle licences. These funds will not be transferred to any municipality and, hence, the amounts are not reflected in Tables 8.10 and 8.11. Details of these transfers are presented in the *Annexure – Vote 8: Human Settlements*.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Category A	145 350	53 469	72 045	47 770	54 930	54 930	327 641	356 398	465 360
Category B	48 314	32 505	32 273	16 519	23 699	23 699	1 915 977	1 785 456	1 769 493
Category C	-	-	-	-	-	-	88 473	93 407	90 595
Unallocated	-	-	-	-	-	-	-	-	-
Total	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448

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

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Accredited municipalities	3.2 Financial Intervention	43 098	17 758	32 190	24 289	36 629	36 629	34 289	34 289	34 289
CRU programme	3.4 Social & Rental Intervention	80 000	-	51 501	40 000	40 000	40 000	45 000	45 000	45 000
HSDG	3.4 All Interventions	-	-	-	-	-	-	1 532 962	1 602 814	1 693 001
ISUPG	3.4 Incremental Interventions	-	-	-	-	-	-	719 840	553 158	553 158
Rates and taxes	3.4 Social & Rental Intervention	357	379	524	-	2 000	2 000	-	-	-
Title Deeds Restoration grant	3.2 Financial Intervention	69 997	67 837	20 103	-	-	-	-	-	-
FLISP	3.2 Financial Intervention	212	-	-	-	-	-	-	-	-
Total		193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448

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

Over the 2022/23 MTEF, there has been a reclassification of housing-related expenses from *Transfers and subsidies to: Households* to *Transfers and subsidies to: Provinces and municipalities*, to align the treatment of these expenses with the ERF and SCOA. The municipalities are responsible for the projects and the department transfers funds to the municipalities, which are responsible and accountable for the construction of houses to be distributed to the beneficiaries. As a result, transfers to municipalities now also relate to the HSDG (Categories A, B and C), as well as to the ISUP (Categories A, B and C) over the 2022/23 MTEF.

The amounts in respect of FLISP relate to the servicing of sites. The funding for servicing of sites was anticipated to be once-off in 2017/18, but some costs were carried over to 2018/19. This transfer to the eThekweni Metro was in respect of the necessary planning, servicing of sites and associated activities in support of the department's priority interventions and programmes.

Category A: The CRU programme provides a coherent approach to dealing with different forms of public residential accommodation. It enables the department to provide secure and stable rental tenure for lower income persons in good locations, and forms the basis for transition to the formal housing market. The transfers for the CRU programme continue over the MTEF and relate to the Thokoza CRU and Donnelly Road CRU in the eThekweni Metro, where the construction of units commenced in 2021/22. The MTEF caters for transfers in respect of the CRU programme to the eThekweni Metro only.

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

8.9 Transfers and subsidies

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	2022/23	2023/24	2024/25
1. Administration	1 797	2 478	1 437	618	2 430	2 430	639	667	696
Provinces and municipalities	149	95	123	158	158	158	157	164	171
Motor vehicle licences	149	95	123	158	158	158	157	164	171
Households	1 648	2 383	1 314	460	2 272	2 272	482	503	525
Staff exit costs	1 360	1 926	1 113	-	1 202	1 202	-	-	-
Donations	150	25	-	-	610	610	-	-	-
Bursaries	138	432	201	460	460	460	482	503	525
2. Housing Needs, Research and Planning	481	21	76	-	381	381	-	-	-
Households	481	21	76	-	381	381	-	-	-
Staff exit costs	481	21	76	-	381	381	-	-	-
3. Housing Development	3 014 966	3 472 745	2 869 662	2 910 290	3 011 782	3 007 196	2 368 545	2 271 715	2 361 902
Provinces and municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Op. costs for accredited municipalities (HSDG)	43 098	17 758	32 190	24 289	36 629	36 629	34 289	34 289	34 289
Human Settlements Development grant	-	-	-	-	-	-	1 532 962	1 602 814	1 693 001
ISU Partnership grant	-	-	-	-	-	-	719 840	553 158	553 158
CRU programme (HSDG)	80 000	-	51 500	40 000	40 000	40 000	45 000	45 000	45 000
Title Deeds Restoration grant	69 997	67 837	20 104	-	-	-	-	-	-
FLISP (HSDG)	212	-	-	-	-	-	-	-	-
Rates and taxes for Sec. 21 properties (HSDG)	357	379	524	-	2 000	2 000	-	-	-
Non-profit institutions	-	50	-	-	-	-	-	-	-
Donation: WOW	-	50	-	-	-	-	-	-	-
Households	2 821 302	3 386 721	2 765 344	2 846 001	2 933 153	2 928 567	36 454	36 454	36 454
Staff exit costs	141	548	1 485	-	996	1 325	-	-	-
Claims against the state	-	-	-	-	4	4	-	-	-
Staff exit costs (TDRG)	-	21	36	-	-	-	-	-	-
Staff exit costs (HSDG)	2 468	381	36	154	154	154	154	154	154
Donations	209	-	-	-	-	-	-	-	-
Re-allocation: Ridgeview Gardens	20 842	-	-	-	-	-	-	-	-
EPWP Integrated Grant for provinces	1 169	-	2 884	-	566	566	-	-	-
ISU Partnership grant	-	-	-	714 375	709 852	709 852	-	-	-
Provincial Emergency Housing grant	-	65 148	86 095	-	102 590	102 590	-	-	-
Human Settlements Development grant	2 796 473	3 320 623	2 674 808	2 131 472	2 118 991	2 114 076	36 300	36 300	36 300
of which:									
FLISP	-	-	-	36 000	27 034	27 034	36 300	36 300	36 300
EEDBS	-	-	-	61 932	-	-	-	-	-
OPSCAP	-	-	-	122 751	-	-	-	-	-
Rectification of RDP stock	-	-	-	174 019	179 351	174 436	-	-	-
IRDP	-	-	-	667 291	477 652	477 652	-	-	-
Rural subsidy communal land right	-	-	-	994 285	1 190 483	1 190 483	-	-	-
Others	-	-	-	75 194	244 471	244 471	-	-	-
4. Housing Asset Management	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Departmental agencies and accounts	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Equitable Share	41 501	43 417	42 193	46 656	42 956	42 956	46 833	49 100	51 260
Title Deeds Restoration grant	12 692	10 160	-	-	-	-	-	-	-
Human Settlements Development grant	130 537	193 132	130 732	125 132	125 132	125 132	125 132	125 132	125 132
Total	3 201 974	3 721 953	3 044 100	3 082 696	3 182 681	3 178 095	2 541 149	2 446 614	2 538 990

With regard to Programme 1:

- *Provinces and municipalities* in Programme 1 relates to motor vehicle licence fees.
- *Households* pertains to staff exit costs, donations and bursaries paid to external students in qualifications such as Civil Engineering, Construction Management, Town and Regional Planning, Geographic and Environmental Studies, etc. The increase in 2019/20 relates to higher than anticipated staff exit costs, as well as a donation of R25 000 for catering for the Umkhonto Wesizwe Military Veterans' Women's month celebration event held at KwaMashu in the eThekweni Metro. The increase from the 2021/22 Main to the Adjusted Appropriation was due to savings that were moved to this category. These savings were to cater for unanticipated staff exit costs, donations of school uniforms to needy children for three schools in the Dundee area in the Endumeni Municipality, as well as donations of furniture such as beds, a kitchenette, etc. which was donated to needy beneficiaries identified through OSS, as mentioned. The 2022/23 MTEF allocations provide for external bursaries.

Spending against *Households* in 2018/19, 2020/21 and 2021/22 in Programme 2 relates to staff exit costs. The amount of R21 000 in 2019/20 relates to an arbitration award paid to an employee by the department in respect of an allowance that was not paid to the employee. This category is not budgeted for over the 2022/23 MTEF.

With regard to Programme 3:

- The decreasing trend against *Provinces and municipalities* from 2018/19 to 2019/20 is in respect of the transfer to the eThekweni Metro for the CRU programme, as mentioned. The increase in 2020/21 was mainly due to a shift of the TDRG funds to this category, which were originally budgeted for against *Goods and services* for the appointment of conveyancers to undertake title deeds transfer activities, as mentioned. The increase from the 2021/22 Main to the Adjusted Appropriation was as a result of savings moved to this category to cater for the payment of operational costs for the accredited municipalities which was delayed in 2020/21, as the invoices were received late at the end of March 2021 and were only paid in 2021/22. The savings also catered for the payment of property rates and taxes for departmental owned properties in the uMhlathuze Municipality which were not budgeted for, as explained. The increase over the 2022/23 MTEF is mainly due to the reclassification of housing-related expenses from *Transfers and subsidies to: Households*, to align it with the ERF and SCOA, as explained. The prior year amounts have not been restated as the department did not keep detailed records at this level, as mentioned.

The amounts in respect of FLISP relate to the servicing of sites. The funding for servicing of sites was anticipated to be once-off in 2017/18, but some costs were carried over to 2018/19. This transfer to the eThekweni Metro was for the necessary planning, servicing of sites and associated activities in support of priority interventions and programmes, as mentioned.

- The amount of R50 000 against *Non-profit institutions* in 2019/20 relates to a donation to WOW, as mentioned.
- *Households* shows an increase from 2018/19 to 2019/20, due to increases in the HSDG as the bulk of the housing programmes used to be budgeted for within this category. The increase in 2019/20 was due to additional funds of R151.243 million received for storms between December 2018 and January 2019, as well as the roll-over of R50.450 million, as mentioned. The decrease in 2020/21 was as a result of the budget cuts implemented against the HSDG, as mentioned. Although the spending decreases in 2020/21, this takes into account an increase of R278.136 million in 2020/21 in respect of funds received for the disaster recovery component within the HSDG, as well as a provincial roll-over of R86.095 million in respect of the PEHG, as mentioned. The increase from the 2021/22 Main to the Adjusted Appropriation was due to savings moved to this category to cater for staff exit costs and donations of school uniforms to needy children for three schools in the Endumeni Municipality, as well as furniture such as beds, a kitchenette, etc. which were donated to needy beneficiaries identified through OSS. In addition, the PEHG received an allocation of R102.590 million in terms of Government Gazette No. 44593 following Tropical Cyclone Eloise in February 2021, as explained. The significant reduction over the MTEF is mainly due to the reclassification of housing-related expenses to align them with the ERF and SCOA. These funds were moved to *Goods and services*, as

well as *Transfers and subsidies to: Provinces and municipalities*. The prior year amounts have not been restated as the department did not keep detailed records at this level, as mentioned.

With regard to *Departmental agencies and accounts* in Programme 4, which relates to the KZN Housing Fund, the increase in 2019/20 was in respect of the TDRG to cater for planning activities such as town planning, opening of township registers, land surveying, structural assessments and conveyancing in eThekweni. The decrease in 2020/21 was due to the reduction in growth of the public sector wage bill for staff paid under the KZN Housing Fund, which is also carried through over the 2022/23 MTEF. The reduction from the 2021/22 Main to the Adjusted Appropriation was due to savings identified against this category as a result of vacant posts in respect of the KZN Housing Fund and these savings were moved to other categories. There is steady growth over the MTEF to cater for increased municipal services, as well as rates and taxes for departmental housing properties.

9. Programme description

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

9.1 Programme 1: Administration

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

Tables 8.13 and 8.14 reflect a summary of payments and estimates for the period 2018/19 to 2024/25.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Corporate Services	227 193	231 590	236 079	243 127	261 909	261 909	246 558	239 031	249 549
Total	227 193	231 590	236 079	243 127	261 909	261 909	246 558	239 031	249 549

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	223 117	225 219	232 680	238 839	244 264	244 264	242 005	234 278	244 587
Compensation of employees	135 347	139 859	143 494	156 812	154 236	151 030	157 813	152 034	152 034
Goods and services	87 770	85 360	89 186	82 027	90 028	93 234	84 192	82 244	92 553
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 797	2 478	1 437	618	2 430	2 430	639	667	696
Provinces and municipalities	149	95	123	158	158	158	157	164	171
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 648	2 383	1 314	460	2 272	2 272	482	503	525
Payments for capital assets	2 279	3 840	1 962	3 670	15 215	15 215	3 914	4 086	4 266
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 279	3 840	1 962	3 670	15 215	15 215	3 914	4 086	4 266
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	53	-	-	-	-	-	-	-
Total	227 193	231 590	236 079	243 127	261 909	261 909	246 558	239 031	249 549

The Corporate Services sub-programme caters for services such as providing strategic leadership, co-ordination and management of strategies, as well as the administration of the department. This sub-programme caters for items such as leasing of office accommodation, property payments, etc. The fluctuating trend over the 2022/23 MTEF relates to under-budgeting for operational leases in 2021/22, 2022/23, as well as 2023/24, as explained, followed by an inflationary increase in the outer year.

Compensation of employees shows a steady increase from 2018/19 to 2022/23 in respect of the annual pay progression, and is kept constant in the two outer years of the MTEF due to the budget cuts related to headcount reductions. The department has 21 funded vacant posts within this programme, including Deputy Director: Rental Housing and Tribunal, Assistant Director: Facilities, Assistant Director: Financial Control and Administration Officers, among others, and these posts will be filled over the MTEF. The growth over the MTEF also caters for the pay progression with the exception of the outer year where there is no growth and this will be reviewed in-year, as well as medical aid contributions and housing allowances.

The reduction against *Goods and services* in 2019/20 was as a result of delays in receiving invoices for Microsoft licence fees in that year, as well as delays in the development of an electronic document management system which was going to be used as a back-up of manual records in the event of fire or disaster, among others. The increase in 2020/21 was in respect of savings moved to this category to cater for various spending pressures, including publications in newspapers in respect of community projects that the department successfully implemented and that were ready for handover, as well as higher than anticipated costs of branding and display materials by the Communications unit. The increase from the 2021/22 Main to the Adjusted Appropriation was due to savings moved to this category to cater for spending pressures in various items. These include PPE, hygiene products, the fumigation of offices, operating leases, as well as contractors, rental and hiring, advertising, etc., as mentioned. Furthermore, funds collected from the sale of units at Ridgeview Gardens in respect of the FLISP development were allocated to this category to cater for pressures from the purchase of 300 monitors and docking stations in the department as a result of the high demand for laptops due to the new work from home arrangements, as discussed. The MTEF caters for inflationary adjustments, and provides mainly for the management of office accommodation, training and development, IT related functions, etc. for the entire department.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* relates to motor vehicle licences for the department's entire fleet.
- The fluctuating trend against *Households* relates to staff exit costs, donations and external bursaries. The allocations also relate to bursaries issued by the department to external candidates in qualifications such as Civil Engineering, Construction Management, Town and Regional Planning, Geographic and Environmental Studies, etc. The increase from the 2021/22 Main to Adjusted Appropriation was due to savings moved to this category to cater for unanticipated staff exit costs, donations of school uniforms to needy children, as well as donations of furniture such as beds, a kitchenette, etc., as mentioned.

Machinery and equipment relates to the purchase and replacement of motor vehicles, as well as the purchase of new motor vehicles for districts, as the department has decentralised its offices. The increase from the 2021/22 Main to the Adjusted Appropriation is due to savings moved to this category for the purchase of 300 laptops which were ordered in 2020/21 but delivered and paid for in 2021/22 as a result of the high demand for laptops due to Covid-19 and the new work from home arrangements. The 2022/23 MTEF allocations provide for the purchase of departmental motor vehicles, IT equipment, etc.

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

9.2 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 8.15 and 8.16 illustrate payments and budgeted estimates from 2018/19 to 2024/25.

Table 8.15 : Summary of payments and estimates by sub-programme: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Administration	377	398	430	420	472	490	487	492	514
2. Policy	4 048	3 786	4 044	5 240	3 847	3 829	5 456	5 503	5 745
3. Planning	4 179	3 292	3 786	4 201	4 063	4 063	4 269	4 336	4 527
4. Research	8 724	9 600	8 097	9 599	9 578	9 578	9 442	9 146	9 548
Total	17 328	17 076	16 357	19 460	17 960	17 960	19 654	19 477	20 334

Table 8.16 : Summary of payments and estimates by economic classification: Housing Needs, Research and Planning

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	16 837	17 044	16 243	19 460	17 534	17 534	19 654	19 477	20 334
Compensation of employees	13 901	14 017	15 609	17 410	15 517	15 517	17 468	17 137	17 137
Goods and services	2 703	3 027	634	2 050	2 017	2 017	2 186	2 340	3 197
Interest and rent on land	233	-	-	-	-	-	-	-	-
Transfers and subsidies to:	481	21	76	-	381	381	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	481	21	76	-	381	381	-	-	-
Payments for capital assets	10	11	38	-	45	45	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	10	11	38	-	45	45	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	17 328	17 076	16 357	19 460	17 960	17 960	19 654	19 477	20 334

The budget for the sub-programme: Administration over the 2022/23 MTEF provides for administration of services, managing personnel, financial administration and the co-ordination and monitoring of housing needs, research and planning and shows an increasing trend over the MTEF.

The sub-programme: Policy provides for creating platforms for various stakeholders for discussing, drafting and informing human settlement policies, programmes, innovation and technology, and mainly consists of *Compensation of employees* and the operational costs of the staff within the component. These include policies such as the environmental management policy, policy guideline for the Accreditation of Community Resource Organisations, etc. The 2022/23 MTEF allocations grow steadily, despite the budget cuts that were effected the previous MTEF periods, with inflationary growth in the outer year.

The sub-programme: Planning provides for the facilitation and integration of housing sector planning in all sectors such as local and district municipalities, as well as other departments such as the Department of Cooperative Governance and Traditional Affairs (COGTA), the Department of Transport (DOT) and the Department of Education (DOE), to name a few, in order to align the department's budget with current and future housing needs. The sub-programme further provides technical and professional support to municipalities in the review of their housing sector plans, IDPs and spatial development plans, to ensure alignment to the NDP and PGDS. Furthermore, the sub-programme is responsible for maintaining a pipeline of potential projects identified through an engagement process with municipalities, and for conducting feasibility studies to determine suitability. At project level, the sub-programme identifies and manages the planning activities and studies of all human settlements projects such as environmental, geotechnical, bulk infrastructure, social aspects, land legal and town planning. The allocations over the 2022/23 MTEF cater for the operational costs of staff within the Planning component.

The sub-programme: Research provides for the identification of any skills gaps in the major stakeholders that are an integral part of the housing delivery chain, including municipalities, traditional leaders and institutions, emerging contractors, youth and women. The sub-programme includes planned capacity

building initiatives to ensure broader participation of key stakeholders in the delivery of sustainable human settlements. The budget over the 2022/23 MTEF caters for the implementation of capacity building programmes such as the training of traditional leaders and housing consumers, as well as beneficiary training for communities (i.e. training communities on their rights in housing, such as what type of housing they qualify for).

Compensation of employees shows a minor increase from 2020/21 to 2022/23 in respect of the annual pay progression. The budget shows no growth over the two outer years of the 2022/23 MTEF due to the budget cuts related to headcount reductions. The department has not provided for any pay increases over the MTEF, including the 1.5 per cent pay progression in respect of this programme, but has provided for medical aid contributions and housing allowances, and this will be reviewed in-year. The department has six funded vacant posts within this programme, including an Assistant Manager post, four Senior Administration Officers, as well as a Personal Assistant post, and these posts will be filled over the MTEF.

Goods and services shows an increasing trend over the 2022/23 MTEF to cater for inflationary adjustments. The category continues to make provision for capacity building programmes relating to housing consumer and Councillor training over the 2022/23 MTEF.

Interest and rent on land pertains to interest paid on overdue accounts. The 2018/19 amount relates to interest paid on overdue accounts in respect of the payment made to the GEPP for employees who took early retirement in previous financial years.

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

Machinery and equipment relates to the purchase of office furniture, and no allocations have been made over the MTEF as this is not an annual requirement. However, this will be reviewed in-year, should the need arise.

Service delivery measures: Housing Needs, Research and Planning

Table 8.17 reflects the main service delivery measures pertaining to Programme 2.

Note that there are no current generic measures for this sector, but the department is largely following the sector measures from previous years.

Some of the outputs and performance indicator descriptions have been changed from the 2021/22 EPRE to ensure alignment with the department's 2022/23 APP.

Table 8.17 : Service delivery measures: Housing Needs, Research and Planning

Table 5.11: Service delivery measures: Housing, Roads, Research and Planning						
Outputs		Performance indicators	Estimated performance	Medium-term targets		
			2021/22	2022/23	2023/24	2024/25
Planning						
1.1 Spatial transformation through multi-programme integration in priority development	• No. of individuals provided with human settlements consumer education	10 000	10 000	10 000	10 000	
	• No. of catalytic projects in planning	5	5	5	5	
	• No. of human settlement development projects planned	18	18	18	18	
	• No. of hectares of land procured/proclaimed	150	150	150	150	
	• No. of farm dwelling projects in planning	1	2	1	2	
	• No. of planned projects completed for upgrading to Phase 3 of the ISUP	9	9	9	9	

9.3 Programme 3: Housing Development

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

This programme has a number of projects at various stages of implementation within each municipality. It is also expected to achieve certain key strategic objectives for the department through implementation of projects using various subsidy instruments.

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

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

Programme 3 consists of the bulk of the HSDG, the remainder of which falls under Programme 4. As such, this programme is aligned to the departmental conditional grant business plan, which contains a list of all projects that are to be implemented. This programme is significantly impacted on by any fluctuations in the HSDG allocation.

This programme also includes the EPWP Integrated Grant for Provinces, TDRG, PEHG as well as the ISUPG. Projects to be implemented include the Vulindlela and Sobonakhona rural housing projects, among others.

In 2024/25, the programme has a total additional allocation of R154.825 million which is from the HSDG and the ISUPG. The department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25, as mentioned.

Tables 8.18 and 8.19 illustrate a summary of payments and budgeted estimates from 2018/19 to 2024/25.

Table 8.18 : Summary of payments and estimates by sub-programme: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Administration	89 605	90 698	90 946	111 443	107 443	107 443	111 692	105 190	109 818
2. Financial Interventions	501 981	515 234	521 157	387 436	398 034	398 034	363 456	372 764	382 243
3. Incremental Interventions	1 161 959	1 544 693	1 310 558	1 461 192	1 366 197	1 366 197	1 665 522	1 972 262	1 558 283
4. Social and Rental Interventions	109 156	119 759	125 696	208 500	199 289	199 289	249 184	251 184	249 184
5. Rural Intervention	1 442 677	1 495 600	1 073 740	994 285	1 190 483	1 190 483	1 295 297	1 201 137	1 287 488
Total	3 305 378	3 765 984	3 122 097	3 162 856	3 261 446	3 261 446	3 685 151	3 902 537	3 587 016

Table 8.19 : Summary of payments and estimates by economic classification: Housing Development

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	274 864	280 708	249 869	246 908	243 913	248 499	1 316 075	1 630 290	1 224 137
Compensation of employees	171 451	180 693	177 451	193 866	185 313	184 984	194 199	187 208	187 208
Goods and services	103 413	100 015	72 418	53 042	58 600	63 515	1 121 876	1 443 082	1 036 929
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 014 966	3 472 745	2 869 662	2 910 290	3 011 782	3 007 196	2 368 545	2 271 715	2 361 902
Provinces and municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	50	-	-	-	-	-	-	-
Households	2 821 302	3 386 721	2 765 344	2 846 001	2 933 153	2 928 567	36 454	36 454	36 454
Payments for capital assets	15 548	12 519	2 566	5 658	5 751	5 751	531	532	977
Buildings and other fixed structures	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Machinery and equipment	116	143	2 566	451	544	544	531	532	977
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	12	-	-	-	-	-	-	-
Total	3 305 378	3 765 984	3 122 097	3 162 856	3 261 446	3 261 446	3 685 151	3 902 537	3 587 016

The sub-programme: Administration provides for administration of human settlement development projects, managing of personnel and financial administration. The sub-programme reflects a fluctuating trend over the 2022/23 MTEF. The department requested that funds collected in 2019/20 from the sale of FLISP units, interest on funds held in terms of the Military Veterans' housing project, etc. be allocated back to them, with R5.476 million allocated in 2020/21, R5.476 million in 2021/22 and R5.477 million in 2022/23. These funds are allocated under Programme 3 to the Youth Directorate. This explains the decrease in 2023/24.

The Financial Interventions sub-programme provides for financial support to procure services relating to housing delivery such as the National Home Builders Registration Council (NHBRC), FLISP, rectification of post-1994 houses, EPWP programme, as well as OPSCAP, among others, and these are catered for over the MTEF. The subsidy instruments implemented under this sub-programme include, among others, procurement of land for housing development, the operational costs for accredited municipalities, project home enrolment fees with the NHBRC, OPSCAP within the HSDG, implementation of the anti-land invasion strategy, etc.

The Incremental Interventions sub-programme contributes towards achievement of Outcome 8 targets and ensuring sustainable human settlements. The subsidy instruments implemented include the ISU programme, IRDP, emergency housing assistance, etc. The ISU programme includes major projects, such as 200 units in Greater Amaoti, 2 259 units in Madundube, 949 units in Driefontein, 6 200 units in uMlazi extension of Part 4, as well as 8 985 units in Johnstown, Blaauwbosch Laagte and Cavan Phase 1, which will be implemented over the MTEF. The 2022/23 MTEF also provides for the roll-out of the mass sanitisation drive, with a target of 90 densely populated settlements to be sanitised in each year, which is intended to focus on high risk areas such as the densely populated informal settlements, TRUs and public sector hostels across all districts and the eThekweni Metropolitan area. The department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25, as mentioned.

The sub-programme: Social and Rental Interventions provides for the CRU programme which aims to create a sustainable, affordable and secure rental housing option for households. Over the 2022/23 MTEF, a major focus in the CRU programme continues to be on the redevelopment of old hostels to CRUs and the construction of new CRU projects in four municipalities where 2 154 units are planned to be constructed, as explained. In 2022/23, the department is planning to build a total of 650 new CRU units in the Msunduzi, Newcastle, Greater Kokstad, uBuhlebezwe, eThekweni and uMvoti Municipalities. The programme provides for projects such as construction of new CRUs, refurbishment of existing CRUs, hostel upgrades, including the Kokstad CRU, Rocky Park hostel upgrades in iLembe, Jika Joe in Msunduzi, Newcastle N11

in Amajuba, etc. The 650 new CRU units are made up of 75 units in Nhlalakahle, 100 units in Jika Joe, 75 units in Ubuhlebethu, 100 units in Kokstad, 50 units in eThekweni (hostels), 50 units in Donnelly Road, as well as 200 units in Newcastle N11.

The sub-programme: Rural Intervention provides for housing needs that are implemented utilising the rural housing subsidy, which entails extending the benefits of the housing subsidy scheme to those individuals living in areas referred to as rural areas where they enjoy functional security of tenure to the land they occupy as opposed to legal security of tenure. This land is normally in rural areas, belongs to the state and is governed by traditional authorities. The projects that are budgeted for over the 2022/23 MTEF period include projects with current contractual commitments, projects which contribute to medium to high density development (e.g. Breaking New Ground) that promote integrated development, as well as projects that benefits the elderly, military veterans, people living with disabilities and child headed households. All new contracts for housing unit projects will be critically assessed in order to determine the urgency and needs thereof. Where urgent intervention is required, the OSS programme is then used to fast track the delivery of houses. The allocations over the MTEF also cater for rural housing projects, as well as OSS. The rural housing projects include the KwaXolo Phase 1 and the Ubuhlebomzinyathi Phase 2 rural housing projects.

The growth against *Compensation of employees* can mainly be attributed to posts funded by the HSDG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. The department has not provided for any salary increases over the MTEF, but has provided for the 1.5 per cent pay progression, as well as the filling of some critical posts. The declining trend over the MTEF is in respect of the budget cuts implemented against this category over the previous MTEF period. The department has 18 funded vacant posts within this programme, including Chief Director: Sustainable Human Settlements, Deputy Director: Administration Support, Administrative Officer and Control Works Inspector, among others, and these posts will be filled over the MTEF.

Goods and services provides for operational costs of officials, implementation of the anti-land invasion strategy, as well as portion of the EPWP Integrated Grant for Provinces allocation. The EPWP Integrated Grant for Provinces is not allocated beyond 2022/23, at this stage. The department allocates 1 per cent of the HSDG for the management of catalytic projects by HDA. The significant increase over the 2022/23 MTEF is mainly due to the reclassification of housing-related expenses from *Transfers and subsidies to: Households*, to align these expenses with the ERF and SCOA. The department is responsible for the construction of houses through contractors, which are handed over to beneficiaries on completion. The department procures goods and services in this regard and these amounts are therefore classified as *Goods and services*. As such, the increase is rather as a result of a correction of the budget rather than reprioritisation, as explained. The prior year amounts have not been restated as the department did not keep detailed records at this level, as mentioned. The department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25, as mentioned.

With regard to *Transfers and subsidies*:

- *Provinces and municipalities* shows a significant increase over the 2022/23 MTEF mainly due to the reclassification of housing-related expenses from *Transfers and subsidies to: Households*, to align it with the ERF and SCOA. The municipalities are responsible for the projects and the department transfers funds to the municipalities which are responsible and accountable for the construction of houses to be distributed to the beneficiaries. This is a correction of the budget, rather than reprioritisation, as explained. The department indicated that it will not be able to restate the historic amounts as it did not keep proper records in this regard, as mentioned. This category also caters for the operational costs of the accredited municipalities that are implementing housing projects, including the payment of salaries, office accommodation, vehicles, computer systems, purchase of equipment and maintenance, stationery, etc.
- *Non-profit institutions* reflects an allocation of R50 000 in 2019/20 which relates to a donation to WOW, as explained.

- *Households* provides for the bulk of the housing programmes. The significant reduction over the MTEF is mainly due to the reclassification of housing-related expenses to align these expenses with the ERF and SCOA. These funds were moved to *Goods and services*, as well as *Transfers and subsidies to: Provinces and municipalities*, as mentioned. The prior year amounts have not been restated as the department did not keep detailed records at this level.

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The allocation does not continue over the MTEF as the department is anticipating to finalise the Social and Economic Amenities programme in 2021/22. This will be reviewed against final progress at the end of 2021/22.

Machinery and equipment includes the purchase of office furniture and equipment, as well as the purchase of vehicles. This category was increased by R80 000 in 2022/23 and 2023/24 in respect of the estimations made for the purchase of office furniture for vacant funded posts to be filled.

Service delivery measures: Housing Development

Table 8.20 reflects the main service delivery measures pertaining to Programme 3. Note that there are currently no generic measures for this sector. However, the department is largely following the sector measures from the previous years when there were still sector-specific measures.

Some of the outputs have changed to ensure alignment with the department's 2022/23 APP.

Table 8.20 : Service delivery measures: Housing Development

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2021/22	2022/23	2023/24	2024/25	
1.1 Adequate housing and improved quality living environment	• No. of households that received subsidies through FLISP	726	594	594	594	
1.2 Community Residential Units	• No. of CRUs delivered	400	650	650	568	
1.3 Social Housing Units	• No. of social housing units delivered	200	200	400	600	
1.4 Job creation	• No. of FTEs created	1 304	1 500	1 800	2000	
	• No. of work opportunities created through related programmes	5 500	5 700	5 800	6 000	
	• No. of targeted persons day of work	300 000	345 000	414 000	460 000	
	• No. of EPWP beneficiaries provided with accredited training	200	250	280	300	
1.5 Companies of designated groups trained	• No. of designated group companies trained	50	80	100	110	
1.6 Social housing institutions accredited	• No. of social housing institutions accredited	3	3	3	3	
1.7 All subsidy instruments	• No. of serviced sites delivered through a range of programmes in the housing code	13 965	8 925	7 597	6 672	
	• No. of post-1994 title deeds registered	5 497	3 769	4 146	4 561	
	• No. of new title deeds registered	900	1 459	3 355	2 295	
1.8 Densely populated settlements sanitised in terms of the Covid-19 sanitisation and disinfection programme	• No. of densely populated settlements sanitised	90	90	90	90	

9.4 Programme 4: Housing Asset Management

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

Some of the aforementioned properties will also be devolved to municipalities. In cases where a transfer is not possible, such stock will remain rental stock and will be rented out to low income groups. The KZN Housing Fund is in the process of being dis-established and, once this process is finalised, all assets and liabilities will be transferred to the Vote. Negotiations in this regard are still underway. The KZN Housing Fund is funded by equitable share and the HSDG over the MTEF.

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

Tables 8.21 and 8.22 give a summary of payments and budgeted estimates pertaining to this programme. The overall MTEF allocation for this programme shows the effects of the implementation of the EEDBS policy, as explained in greater detail below.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
1. Administration	41 501	43 417	42 193	46 656	42 956	42 956	46 833	49 100	51 260
2. Sale and Transfer of Housing Properties	58 189	64 188	58 675	61 932	61 932	61 932	61 932	61 932	61 932
3. Housing Properties Maintenance	85 040	139 104	72 057	63 200	63 200	63 200	63 200	63 200	63 200
Total	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392

The sub-programme: Administration provides for the management of Ex-Natal Provincial Administration and Own Affairs stock. The 2022/23 MTEF caters for inflationary adjustments.

The sub-programme: Sale and Transfer of Housing Properties provides for the transfer of rental housing stock to qualifying beneficiaries, such as low income earners, in terms of the EEDBS. There is no growth over the 2022/23 MTEF and this will be reviewed in-year.

The sub-programme: Housing Properties Maintenance provides for the co-ordination of the maintenance of departmental rental housing stock and rectification of units built prior to 1994. There is no growth over the 2022/23 MTEF and this will be reviewed in-year.

Service delivery measures: Housing Asset Management

Table 8.23 reflects the main service delivery measures pertaining to Programme 4.

Note that there are currently no generic measures for this sector. However, the department is largely following the sector measures from previous years when there were sector specific outputs. Some of the outputs have changed to ensure alignment with the department's 2022/23 APP.

Table 8.23 : Service delivery measures: Housing Asset Management

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2021/22	2022/23	2023/24	2024/25	
1. To provide secure tenure to communities	<ul style="list-style-type: none"> No. of pre-1994 title deeds issued No. of rental units sold to beneficiaries No. of rental units maintained No. of units rectified for pre-1994 stock No. of land parcels devolved to municipalities for human settlements development in terms of Section 15 of the Housing Act, 1997 	2 702	1 488	1 637	1 801	
		150	200	200	200	
		300	300	300	300	
		300	200	200	200	
		100	100	100	100	
2. Improved good governance	<ul style="list-style-type: none"> No. of debtors reduced 	200	200	200	200	

10. Other programme information

10.1 Personnel numbers and costs

Table 8.24 provides detail of the department's approved establishment and personnel numbers, per level and programme, as well as a breakdown of employees dispensation classification.

Table 8.24 : Summary of departmental personnel numbers and costs by component

	Audited Outcome						Revised Estimate				Medium-term Estimates						Average annual growth over MTEF 2021/22 - 2024/25		
	2018/19		2019/20		2020/21		2021/22				2022/23		2023/24		2024/25		Pers. growth rate	Costs growth rate	% Costs of Total
	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Filled posts	Addit. posts	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs	Pers nos ¹	Costs			
R thousands																			
Salary level																			
1 – 7	219	23 505	236	24 554	223	74 022	208	14	222	73 905	231	74 690	228	71 399	228	71 399	0.9%	(1.1%)	20.4%
8 – 10	283	180 576	272	193 894	232	123 694	241	-	241	157 225	286	169 304	282	162 547	282	162 547	5.4%	1.1%	45.3%
11 – 12	94	73 448	83	74 436	85	87 289	60	-	60	68 352	68	70 171	66	67 118	66	67 118	3.2%	(0.6%)	19.0%
13 – 16	32	37 099	32	37 967	35	42 219	32	1	33	41 329	35	44 169	35	44 169	35	44 169	2.0%	2.2%	12.2%
Other	19	6 071	37	3 718	40	9 330	22	16	38	10 720	41	11 146	41	11 146	41	11 146	2.6%	1.3%	3.1%
Total	647	320 699	660	334 569	615	336 554	563	31	594	351 531	661	369 480	652	356 379	652	356 379	3.2%	0.5%	100%
Programme																			
1. Administration	301	135 347	336	139 859	306	143 494	276	23	299	151 030	333	157 813	333	152 034	333	152 034	3.7%	0.2%	42.8%
2. Housing Needs, Research and Planning	24	13 901	25	14 017	25	15 609	23	-	23	15 517	28	17 468	28	17 137	28	17 137	6.8%	3.4%	4.7%
3. Housing Development	322	171 451	299	180 693	284	177 451	264	8	272	184 984	300	194 199	291	187 208	291	187 208	2.3%	0.4%	52.6%
4. Housing Asset Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	647	320 699	660	334 569	615	336 554	563	31	594	351 531	661	369 480	652	356 379	652	356 379	3.2%	0.5%	100%
Employee dispensation classification																			
PSA appointees not covered by OSDs	425	283 342	564	294 748	519	294 825	458	31	489	301 245	556	319 551	547	304 253	547	304 253	3.8%	0.3%	85.5%
Legal Professionals	8	5 392	8	5 744	8	6 119	8	-	8	6 456	8	6 456	8	6 740	8	6 740	-	1.4%	1.9%
Social Services Professions	11	3 139	11	3 346	11	3 464	11	-	11	3 655	11	3 655	11	3 816	11	3 816	-	1.4%	1.1%
Engineering Professions and related	177	26 108	51	27 831	51	29 235	60	-	60	37 104	60	36 747	60	38 364	60	38 364	-	1.1%	10.7%
Educators and related professionals	6	1 626	6	1 733	6	1 744	6	-	6	1 840	6	1 840	6	1 921	6	1 921	-	1.4%	0.5%
Others (interns, EPWP, learnerships)	20	1 092	20	1 167	20	1 167	20	-	20	1 231	20	1 231	20	1 285	20	1 285	-	1.4%	0.4%
Total	647	320 699	660	334 569	615	336 554	563	31	594	351 531	661	369 480	652	356 379	652	356 379	3.2%	0.5%	100%

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

The personnel numbers show an increasing trend from 2018/19 to 2019/20. The decrease from 2021/22 is in line with the HSDG budget cuts undertaken over MTEF, as there are contract posts budgeted for under the OPSCAP allocation within the HSDG. These posts were filled on a contractual basis as they are linked to projects. In this regard, the department did not provide for growth for these posts, but the allocations are kept constant and do not provide adequately for the 1.5 per cent pay progression over the MTEF. This will be reviewed by the department in the next budget process.

The allocations decrease from 2022/23 to 2023/24 and remain constant in 2024/25 due to the budget cuts attributed to efforts to reduce the headcount numbers of government. The department has not provided for any pay increases over the MTEF, but has provided for medical aid contributions and housing allowances. The department has 69 funded vacant posts, including Deputy Director: Rental Housing and Tribunal, Assistant Director: Facilities, Assistant Director: Financial Control, Administration Officers, Chief Director: Sustainable Human Settlements, Deputy Director: Administration Support, Administrative Officer and Control Works Inspector, among others, and these posts will be filled over the MTEF. The reduction in

the personnel numbers from 661 in 2022/23 to 652 in 2023/24 is mainly due to the significant budget cuts that were effected against *Compensation of employees* in 2023/24 during the 2021/22 MTEF. As a result, the department is considering removing and merging some of the lower level posts that may become vacant over the MTEF, such as Drivers, Administration Clerks and Assistant Managers, among others, where possible. The criticality of each post and the impact of removing or merging that post will be assessed as and when each post becomes vacant over the MTEF.

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

10.2 Training

Table 8.25 gives a summary of departmental spending and information on training. The amounts reflected relate mainly to project management, secretarial, financial management and computer training courses for staff.

The department is required by the Skills Development Act to budget at least 1 per cent of its salary expense for staff training. The department abides by this, exceeding the 1 per cent requirement in most years. The trend over MTEF is based on number of personnel to be trained. The fluctuation in numbers is due to EPWP training under Programme 3. The department will review the 2022/23 MTEF budget in-year.

Table 8.25 : Information on training: Human Settlements

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Number of staff	647	660	615	594	594	594	661	652	652
Number of personnel trained	351	215	46	108	208	208	960	960	960
of which									
Male	161	106	20	32	65	65	463	463	463
Female	190	109	26	76	143	143	497	497	497
Number of training opportunities	36	25	47	18	28	28	32	32	32
of which									
Tertiary	4	2	9	-	2	2	5	5	5
Workshops	4	1	1	1	1	1	4	4	4
Seminars	-	1	8	2	1	1	2	2	2
Other	28	21	29	15	24	24	21	21	21
Number of bursaries offered	-	15	12	12	13	13	18	18	18
Number of interns appointed	40	43	32	30	33	33	30	30	30
Number of learnerships appointed	-	-	-	-	20	20	15	15	15
Number of days spent on training	790	626	360	186	573	573	700	700	700
Payments on training by programme									
1. Administration	986	635	54	1 002	1 002	450	1 083	1 317	1 375
2. Housing Needs, Research and Planning	-	-	-	450	450	450	522	517	581
3. Housing Development	2 576	4 323	2 854	1 557	1 557	1 100	210	210	210
4. Housing Asset Management	-	-	-	-	-	-	-	-	-
Total	3 562	4 958	2 908	3 009	3 009	2 000	1 815	2 044	2 166

ANNEXURE TO VOTE 8 – HUMAN SETTLEMENTS

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	424	415	372	457	457	457	460	480	502
Sale of goods and services produced by department (excluding capital assets)	424	415	372	457	457	457	460	480	502
Sale by market establishments	215	199	185	250	250	250	250	261	273
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	209	216	187	207	207	207	210	219	229
Of which									
Commission Insurance	184	183	187	187	187	187	194	203	212
Sale of tender documents	25	-	-	15	15	15	16	16	17
Other	-	33	-	-	-	-	-	-	-
Sale of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	1	13 318	38	21	21	2	21	22	23
Interest	1	13 318	38	21	21	2	21	22	23
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	27 668	6 229	2 806	707	707	3 547	710	741	774
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Other capital assets	27 668	6 229	2 806	707	707	3 547	710	741	774
Transactions in financial assets and liabilities	17 713	1 123	2 429	3 650	3 650	3 650	3 700	3 863	4 037
Total	45 806	21 085	5 645	4 835	4 835	7 656	4 891	5 106	5 336

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	514 818	522 971	498 792	505 207	505 711	510 297	1 577 734	1 884 045	1 489 058
Compensation of employees	320 699	334 569	336 554	368 088	355 066	351 531	369 480	356 379	356 379
Salaries and wages	285 184	301 006	301 129	332 846	313 675	310 140	333 084	320 858	320 858
Social contributions	35 515	33 563	35 425	35 242	41 391	41 391	36 396	35 521	35 521
Goods and services	193 886	188 402	162 238	137 119	150 645	158 766	1 208 254	1 527 666	1 132 679
Administrative fees	933	1 127	358	820	1 229	1 259	1 164	1 169	1 414
Advertising	645	3 172	5 111	340	6 115	6 403	1 015	981	2 340
Minor assets	842	605	464	776	4 733	4 733	967	679	789
Audit cost: External	6 500	5 438	5 098	4 929	4 929	4 929	5 285	4 785	5 296
Bursaries: Employees	201	284	349	142	142	142	153	153	160
Catering: Departmental activities	3 954	5 243	562	2 215	2 521	4 407	2 151	1 993	2 164
Communication (G&S)	4 786	4 848	4 685	4 129	4 059	4 262	4 268	4 267	4 429
Computer services	13 443	11 710	22 454	14 943	15 452	13 658	15 877	15 661	18 189
Cons & prof sev: Business and advisory services	9 882	15 165	4 607	7 349	4 784	3 088	1 751	3 830	3 836
Infrastructure and planning	50 979	44 588	33 765	24 550	21 054	29 888	27 266	30 488	30 488
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	3 423	1 840	1 349	2 644	3 816	4 308	2 588	2 588	2 691
Contractors	6 376	4 164	2 724	5 180	5 428	3 981	4 511	102	106
Agency and support / outsourced services	-	-	913	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	6 607	6 433	4 287	4 297	4 342	5 151	4 817	4 617	5 098
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	1 071 693	1 392 801	982 465
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	165	-	-
Consumable supplies	2 310	2 612	15 266	853	4 501	4 576	759	759	790
Consumable: Stationery, printing and office supplies	1 474	894	795	1 492	1 091	1 092	1 583	1 581	1 984
Operating leases	27 193	28 664	28 541	25 883	29 691	29 691	25 756	25 756	29 389
Property payments	30 830	25 439	19 050	20 266	20 173	19 398	21 625	21 184	23 461
Transport provided: Departmental activity	653	955	32	1 031	1 231	333	-	-	-
Travel and subsistence	15 259	13 377	6 996	10 368	8 905	10 596	11 284	10 629	13 699
Training and development	3 562	4 958	2 908	3 009	3 009	2 000	1 815	2 044	2 166
Operating payments	954	816	887	1 277	1 109	1 109	1 135	973	1 099
Venues and facilities	-	140	-	-	-	-	-	-	-
Rental and hiring	3 080	5 930	1 037	626	2 331	3 762	626	626	626
Interest and rent on land	233	-	-	-	-	-	-	-	-
Interest	233	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 201 974	3 721 953	3 044 100	3 082 696	3 182 681	3 178 095	2 541 149	2 446 614	2 538 990
Provinces and municipalities	193 813	86 069	104 441	64 447	78 787	78 787	2 332 248	2 235 425	2 325 619
Provinces	149	95	123	158	158	158	157	164	171
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	149	95	123	158	158	158	157	164	171
Municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
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	-	-	-	-	-	-	-
Households	2 823 431	3 389 125	2 766 734	2 846 461	2 935 806	2 931 220	36 936	36 957	36 979
Social benefits	4 450	2 922	2 746	154	2 733	3 062	154	154	154
Other transfers to households	2 818 981	3 386 203	2 763 988	2 846 307	2 933 073	2 928 158	36 782	36 803	36 825
Payments for capital assets	17 837	16 370	4 566	9 328	21 011	21 011	4 445	4 618	5 243
Buildings and other fixed structures	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Buildings	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 405	3 994	4 566	4 121	15 804	15 804	4 445	4 618	5 243
Transport equipment	451	1 045	3 239	1 167	4 347	3 167	1 223	1 277	1 333
Other machinery and equipment	1 954	2 949	1 327	2 954	11 457	12 637	3 222	3 341	3 910
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	65	-	-	-	-	-	-	-
Total	3 734 629	4 261 359	3 547 458	3 597 231	3 709 403	3 709 403	4 123 328	4 335 277	4 033 291

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	223 117	225 219	232 680	238 839	244 264	244 264	242 005	234 278	244 587
Compensation of employees	135 347	139 859	143 494	156 812	154 236	151 030	157 813	152 034	152 034
Salaries and wages	113 623	120 812	123 537	138 896	131 817	128 611	139 105	133 326	133 326
Social contributions	21 724	19 047	19 957	17 916	22 419	22 419	18 708	18 708	18 708
Goods and services	87 770	85 360	89 186	82 027	90 028	93 234	84 192	82 244	92 553
Administrative fees	257	244	68	330	330	392	346	317	332
Advertising	296	1 329	1 715	100	886	886	100	45	47
Minor assets	591	363	317	577	3 749	3 749	612	332	347
Audit cost: External	6 500	5 438	5 098	4 929	4 929	4 929	5 285	4 785	5 296
Bursaries: Employees	201	284	349	142	142	142	153	153	160
Catering: Departmental activities	102	196	32	138	770	2 723	145	145	151
Communication (G&S)	3 801	3 760	3 749	3 486	3 438	3 438	3 624	3 624	3 783
Computer services	13 156	11 710	22 454	14 644	15 450	13 656	15 877	15 661	18 189
Cons & prof sev: Business and advisory services	120	166	349	123	152	152	126	126	132
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	3 060	1 044	934	2 400	2 003	2 003	2 344	2 344	2 447
Contractors	273	325	220	93	935	1 473	102	102	106
Agency and support / outsourced services	-	-	913	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	6 183	5 924	3 952	3 795	3 840	4 649	4 315	4 115	4 596
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	562	1 506	1 605	299	167	167	310	310	324
Consumable: Stationery, printing and office supplies	1 420	873	745	1 405	993	993	1 456	1 456	1 770
Operating leases	27 193	28 664	28 541	25 883	29 691	29 691	25 756	25 756	29 389
Property payments	18 509	18 573	15 590	18 127	16 014	16 014	18 116	17 675	19 952
Transport provided: Departmental activity	-	42	-	-	200	333	-	-	-
Travel and subsistence	3 947	3 731	1 660	3 770	2 877	2 877	3 784	3 486	3 640
Training and development	986	635	54	1 002	1 002	450	1 083	1 317	1 375
Operating payments	612	549	702	784	755	755	658	495	517
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	1	4	139	-	1 705	3 762	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 797	2 478	1 437	618	2 430	2 430	639	667	696
Provinces and municipalities	149	95	123	158	158	158	157	164	171
Provinces	149	95	123	158	158	158	157	164	171
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	149	95	123	158	158	158	157	164	171
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1 648	2 383	1 314	460	2 272	2 272	482	503	525
Social benefits	1 360	1 951	1 113	-	1 202	1 202	-	-	-
Other transfers to households	288	432	201	460	1 070	1 070	482	503	525
Payments for capital assets	2 279	3 840	1 962	3 670	15 215	15 215	3 914	4 086	4 266
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	2 279	3 840	1 962	3 670	15 215	15 215	3 914	4 086	4 266
Transport equipment	451	1 045	868	1 167	4 347	3 167	1 223	1 277	1 333
Other machinery and equipment	1 828	2 795	1 094	2 503	10 868	12 048	2 691	2 809	2 933
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	53	-	-	-	-	-	-	-
Total	227 193	231 590	236 079	243 127	261 909	261 909	246 558	239 031	249 549

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	16 837	17 044	16 243	19 460	17 534	17 534	19 654	19 477	20 334
Compensation of employees	13 901	14 017	15 609	17 410	15 517	15 517	17 468	17 137	17 137
Salaries and wages	12 074	12 167	13 522	15 310	13 384	13 384	15 057	14 605	14 605
Social contributions	1 827	1 850	2 087	2 100	2 133	2 133	2 411	2 532	2 532
Goods and services	2 703	3 027	634	2 050	2 017	2 017	2 186	2 340	3 197
Administrative fees	53	119	48	17	129	97	136	146	222
Advertising	17	32	5	-	4	11	-	-	-
Minor assets	14	42	-	-	39	39	11	12	37
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	1 505	1 910	15	804	485	418	736	740	900
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	32	-	-	102	2	2	-	-	-
Cons & prof sev: Business and advisory services	79	24	-	-	-	60	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	57	31	16	3	22	22	6	8	18
Consumable: Stationery, printing and office supplies	43	2	-	34	34	34	34	32	96
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	99	-	-	-	-	-	-	-	-
Travel and subsistence	799	799	544	640	852	884	699	843	1 292
Training and development	-	-	-	450	450	450	522	517	581
Operating payments	5	-	6	-	-	-	42	42	51
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	68	-	-	-	-	-	-	-
Interest and rent on land	233	-	-	-	-	-	-	-	-
Interest	233	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	481	21	76	-	381	381	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	481	21	76	-	381	381	-	-	-
Social benefits	481	21	76	-	381	381	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	10	11	38	-	45	45	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	10	11	38	-	45	45	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	10	11	38	-	45	45	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	17 328	17 076	16 357	19 460	17 960	17 960	19 654	19 477	20 334

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	274 864	280 708	249 869	246 908	243 913	248 499	1 316 075	1 630 290	1 224 137
Compensation of employees	171 451	180 693	177 451	193 866	185 313	184 984	194 199	187 208	187 208
Salaries and wages	159 487	168 027	164 070	178 640	168 474	168 145	178 922	172 927	172 927
Social contributions	11 964	12 666	13 381	15 226	16 839	16 839	15 277	14 281	14 281
Goods and services	103 413	100 015	72 418	53 042	58 600	63 515	1 121 876	1 443 082	1 036 929
Administrative fees	623	764	242	473	770	770	682	706	860
Advertising	332	1 811	3 391	240	5 225	5 506	915	936	2 293
Minor assets	237	200	147	199	945	945	344	335	405
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	2 347	3 137	515	1 273	1 266	1 266	1 270	1 108	1 113
Communication (G&S)	985	1 088	936	643	621	824	644	643	646
Computer services	255	-	-	197	-	-	-	-	-
Cons & prof sev: Business and advisory services	9 683	14 975	4 258	7 226	4 632	2 876	1 625	3 704	3 704
Infrastructure and planning	50 979	44 588	33 765	24 550	21 054	29 888	27 266	30 488	30 488
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	363	796	415	244	1 813	2 305	244	244	244
Contractors	6 103	3 839	2 504	5 087	4 493	2 508	4 409	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	424	509	335	502	502	502	502	502	502
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	1 071 693	1 392 801	982 465
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	165	-	-
Consumable supplies	1 691	1 075	13 645	551	4 312	4 387	443	441	448
Consumable: Stationery, printing and office supplies	11	19	50	53	64	65	93	93	118
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	12 321	6 866	3 460	2 139	4 159	3 384	3 509	3 509	3 509
Transport provided: Departmental activity	554	913	32	1 031	1 031	-	-	-	-
Travel and subsistence	10 513	8 847	4 792	5 958	5 176	6 835	6 801	6 300	8 767
Training and development	2 576	4 323	2 854	1 557	1 557	1 100	210	210	210
Operating payments	337	267	179	493	354	354	435	436	531
Venues and facilities	-	140	-	-	-	-	-	-	-
Rental and hiring	3 079	5 858	898	626	626	-	626	626	626
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 014 966	3 472 745	2 869 662	2 910 290	3 011 782	3 007 196	2 368 545	2 271 715	2 361 902
Provinces and municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	50	-	-	-	-	-	-	-
Households	2 821 302	3 386 721	2 765 344	2 846 001	2 933 153	2 928 567	36 454	36 454	36 454
Social benefits	2 609	950	1 557	154	1 150	1 479	154	154	154
Other transfers to households	2 818 693	3 385 771	2 763 787	2 845 847	2 932 003	2 927 088	36 300	36 300	36 300
Payments for capital assets	15 548	12 519	2 566	5 658	5 751	5 751	531	532	977
Buildings and other fixed structures	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Buildings	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	116	143	2 566	451	544	544	531	532	977
Transport equipment	-	-	2 371	-	-	-	-	-	-
Other machinery and equipment	116	143	195	451	544	544	531	532	977
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	12	-	-	-	-	-	-	-
Total	3 305 378	3 765 984	3 122 097	3 162 856	3 261 446	3 261 446	3 685 151	3 902 537	3 587 016

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	184 730	246 709	172 925	171 788	168 088	168 088	171 965	174 232	176 392

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	187 753	190 610	158 998	135 485	137 583	142 498	1 204 483	1 525 201	1 114 865
Compensation of employees	89 923	96 012	91 821	87 176	87 176	87 176	87 308	86 950	86 950
Salaries and wages	89 069	95 057	90 860	86 376	86 376	86 376	86 508	86 150	86 150
Social contributions	854	955	961	800	800	800	800	800	800
Goods and services	97 830	94 598	67 177	48 309	50 407	55 322	1 117 175	1 438 251	1 027 915
Administrative fees	489	361	72	330	451	451	330	330	330
Advertising	228	900	2 341	240	1 001	1 001	240	240	240
Minor assets	130	141	36	105	620	620	105	105	105
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	2 347	3 137	515	1 262	1 262	1 262	1 262	1 100	1 100
Communication (G&S)	977	1 084	936	621	621	621	621	621	621
Computer services	32	-	-	-	-	-	-	-	-
Cons. & prof sev: Business and advisory services	9 683	14 975	4 258	7 226	4 632	4 632	1 625	3 704	3 704
Infrastructure and planning	50 979	44 588	32 534	24 550	21 054	25 969	27 266	30 488	30 488
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	363	796	415	244	1 813	1 813	244	244	244
Contractors	5 997	3 829	2 197	5 087	4 493	4 493	4 409	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	424	509	335	502	502	502	502	502	502
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	1 071 693	1 392 801	982 465
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	165	-	-
Consumable supplies	1 657	1 010	13 535	535	4 303	4 303	398	370	370
Consumable: Stationery, printing and office supplies	-	1	2	-	28	28	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Property payments	12 321	6 866	3 460	2 139	4 159	4 159	3 509	3 509	3 509
Transport provided: Departmental activity	554	913	32	1 031	1 031	1 031	-	-	-
Travel and subsistence	5 860	5 168	2 754	2 145	2 145	2 145	3 861	3 292	3 292
Training and development	2 576	4 322	2 854	1 557	1 557	1 557	210	210	210
Operating payments	134	-	3	109	109	109	109	109	109
Venues and facilities	-	140	-	-	-	-	-	-	-
Rental and hiring	3 079	5 858	898	626	626	626	626	626	626
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 111 937	3 612 068	2 993 764	3 035 422	3 135 914	3 130 999	2 493 677	2 396 847	2 487 034
Provinces and municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Municipalities	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	143 229	200 792	130 431	125 132	125 132	125 132	125 132	125 132	125 132
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving transfers	143 229	200 792	130 431	125 132	125 132	125 132	125 132	125 132	125 132
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	-	-	-	-	-	-	-
Households	2 775 044	3 325 252	2 759 015	2 846 001	2 932 153	2 927 238	36 454	36 454	36 454
Social benefits	140	402	72	154	154	154	154	154	154
Other transfers to households	2 774 904	3 324 850	2 758 943	2 845 847	2 931 999	2 927 084	36 300	36 300	36 300
Payments for capital assets	15 523	12 479	2 444	5 638	5 638	5 638	431	431	431
Buildings and other fixed structures	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Buildings	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	91	103	2 444	431	431	431	431	431	431
Transport equipment	-	-	2 371	-	-	-	-	-	-
Other machinery and equipment	91	103	73	431	431	431	431	431	431
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 315 213	3 815 157	3 155 206	3 176 545	3 279 135	3 279 135	3 698 591	3 922 479	3 602 330

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	158 705	155 392	134 847	128 336	126 477	131 392	1 160 956	1 288 133	842 308
Compensation of employees	83 358	85 961	82 839	86 818	86 818	86 818	86 950	86 950	86 950
Salaries and wages	82 505	85 007	81 879	86 018	86 018	86 018	86 150	86 150	86 150
Social contributions	853	954	960	800	800	800	800	800	800
Goods and services	75 347	69 431	52 008	41 518	39 659	44 574	1 074 006	1 201 183	755 358
Administrative fees	476	349	71	330	451	451	330	330	330
Advertising	153	433	1 539	240	1 001	1 001	240	240	240
Minor assets	130	141	36	105	105	105	105	105	105
Catering: Departmental activities	1 395	2 420	253	1 100	1 100	1 100	1 100	1 100	1 100
Communication (G&S)	977	1 084	936	621	621	621	621	621	621
Computer services	32	-	-	-	-	-	-	-	-
Cons. & prof sev: Business and advisory services	7 979	882	3 611	7 196	4 362	4 362	1 595	3 704	3 704
Infrastructure and planning	40 573	43 227	24 167	24 550	21 054	25 969	27 266	30 488	30 488
Legal services	-	394	338	244	1 813	1 813	244	244	244
Contractors	1 491	1 362	785	-	-	-	-	-	-
Fleet services (incl. govt motor transport)	424	509	335	502	502	502	502	502	502
Inventory: Materials and supplies	-	-	-	-	-	-	1 034 665	1 155 733	709 908
Consumable supplies	356	41	13 015	370	370	370	370	370	370
Consumable: Stationery, printing and office supplies	-	1	2	-	-	-	-	-	-
Property payments	12 321	6 866	3 460	2 139	4 159	4 159	3 509	3 509	3 509
Transport provided: Departmental activity	436	913	-	1 031	1 031	1 031	-	-	-
Travel and subsistence	5 750	5 073	2 720	2 145	2 145	2 145	2 514	3 292	3 292
Training and development	18	-	-	210	210	210	210	210	210
Operating payments	119	-	3	109	109	109	109	109	109
Venues and facilities	-	140	-	-	-	-	-	-	-
Rental and hiring	2 717	5 596	737	626	626	626	626	626	626
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2 897 542	3 275 854	2 754 214	2 195 915	2 197 774	2 192 859	1 648 705	1 718 557	1 808 744
Provinces and municipalities	123 667	18 137	84 214	64 289	78 629	78 629	1 612 251	1 682 103	1 772 290
Provinces	-	-	-	-	-	-	-	-	-
Municipalities	123 667	18 137	84 214	64 289	78 629	78 629	1 612 251	1 682 103	1 772 290
Municipalities	123 667	18 137	84 214	64 289	78 629	78 629	1 612 251	1 682 103	1 772 290
Non-profit institutions	-	50	-	-	-	-	-	-	-
Households	2 773 875	3 257 667	2 670 000	2 131 626	2 119 145	2 114 230	36 454	36 454	36 454
Social benefits	140	381	36	154	154	154	154	154	154
Other transfers to households	2 773 735	3 257 286	2 669 964	2 131 472	2 118 991	2 114 076	36 300	36 300	36 300
Payments for capital assets	15 523	12 479	2 444	5 638	5 638	5 638	431	431	431
Buildings and other fixed structures	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Buildings	15 432	12 376	-	5 207	5 207	5 207	-	-	-
Machinery and equipment	91	103	2 444	431	431	431	431	431	431
Transport equipment	-	-	2 371	-	-	-	-	-	-
Other machinery and equipment	91	103	73	431	431	431	431	431	431
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	3 071 770	3 443 725	2 891 505	2 329 889	2 329 889	2 329 889	2 810 092	3 007 121	2 651 483

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	130 537	190 632	129 228	125 132	125 132	125 132	125 132	125 132	125 132
Departmental agencies and accounts	130 537	190 632	129 228	125 132	125 132	125 132	125 132	125 132	125 132
Entities receiving transfers	130 537	190 632	129 228	125 132	125 132	125 132	125 132	125 132	125 132
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	130 537	190 632	129 228	125 132	125 132	125 132	125 132	125 132	125 132

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	10 315	12 624	8 754	7 149	6 583	6 583	6 499	-	-
Compensation of employees	457	3 137	2 908	358	358	358	358	-	-
Salaries and wages	457	3 137	2 908	358	358	358	358	-	-
Goods and services	9 858	9 487	5 846	6 791	6 225	6 225	6 141	-	-
Administrative fees	5	-	-	-	-	-	-	-	-
Catering: Departmental activities	952	717	262	162	162	162	162	-	-
Cons & prof sev: Business and advisory services	13	747	605	30	30	30	30	-	-
Contractors	4 503	2 467	1 412	5 087	4 493	4 493	4 409	-	-
Inventory: Other supplies	-	-	-	-	-	-	165	-	-
Consumable supplies	1 301	969	520	165	165	165	28	-	-
Consumable: Stationery, printing and office supplies	-	-	-	-	28	28	-	-	-
Transport provided: Departmental activity	118	-	32	-	-	-	-	-	-
Travel and subsistence	31	3	-	-	-	-	1 347	-	-
Training and development	2 558	4 322	2 854	1 347	1 347	1 347	-	-	-
Operating payments	15	-	-	-	-	-	-	-	-
Rental and hiring	362	262	161	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	1 169	2 416	2 884	-	566	566	-	-	-
Households	1 169	2 416	2 884	-	566	566	-	-	-
Other transfers to households	1 169	2 416	2 884	-	566	566	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	11 484	15 040	11 638	7 149	7 149	7 149	6 499	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	18 733	22 594	15 397	-	-	-	-	-	-
Compensation of employees	6 108	6 914	6 074	-	-	-	-	-	-
Salaries and wages	6 107	6 913	6 073	-	-	-	-	-	-
Social contributions	1	1	1	-	-	-	-	-	-
Goods and services	12 625	15 680	9 323	-	-	-	-	-	-
Administrative fees	8	12	1	-	-	-	-	-	-
Advertising	75	467	802	-	-	-	-	-	-
Cons & prof sev: Business and advisory services	1 691	13 346	42	-	-	-	-	-	-
Infrastructure and planning	10 406	1 361	8 367	-	-	-	-	-	-
Legal services	363	402	77	-	-	-	-	-	-
Contractors	3	-	-	-	-	-	-	-	-
Travel and subsistence	79	92	34	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	69 997	67 858	20 140	-	-	-	-	-	-
Provinces and municipalities	69 997	67 837	20 104	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Municipalities	69 997	67 837	20 104	-	-	-	-	-	-
Municipalities	69 997	67 837	20 104	-	-	-	-	-	-
Households	-	21	36	-	-	-	-	-	-
Social benefits	-	21	36	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	88 730	90 452	35 537	-	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	12 692	10 160	1 203	-	-	-	-	-	-
Departmental agencies and accounts	12 692	10 160	1 203	-	-	-	-	-	-
Entities receiving transfers	12 692	10 160	1 203	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	12 692	10 160	1 203	-	-	-	-	-	-

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	65 148	86 095	-	102 590	102 590	-	-	-
Households	-	65 148	86 095	-	102 590	102 590	-	-	-
Other transfers to households	-	65 148	86 095	-	102 590	102 590	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	65 148	86 095	-	102 590	102 590	-	-	-

Table 8.N : Payments and estimates by economic classification: ISU Partnership grant: Programme 3

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
Current payments	-	-	-	-	4 523	4 523	37 028	237 068	272 557
Compensation of employees	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	4 523	4 523	37 028	237 068	272 557
Minor assets	-	-	-	-	515	515	-	-	-
Cons & prof sev: Business and advisory services	-	-	-	-	240	240	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	37 028	237 068	272 557
Consumable supplies	-	-	-	-	3 768	3 768	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	714 375	709 852	709 852	719 840	553 158	553 158
Provinces and municipalities	-	-	-	-	-	-	719 840	553 158	553 158
Municipalities	-	-	-	-	-	-	719 840	553 158	553 158
Municipalities	-	-	-	-	-	-	719 840	553 158	553 158
Households	-	-	-	714 375	709 852	709 852	-	-	-
Other transfers to households	-	-	-	714 375	709 852	709 852	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	-	-	-	714 375	714 375	714 375	756 868	790 226	825 715

Table 8.0 : Summary of transfers to local government

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
A KZN2000 eThekweni	145 350	53 469	72 045	47 770	54 930	54 930	327 641	356 398	465 360
Total: Ugu Municipalities	4 950	1 317	1 286	2 277	3 031	3 031	212 664	177 132	172 421
B KZN212 uMdoni	-	236	500	-	-	-	40 956	36 736	45 213
B KZN213 uMzombe	-	-	-	-	-	-	43 591	26 845	26 845
B KZN214 uMuziwabantu	-	-	-	-	-	-	37 498	22 657	11 348
B KZN216 Ray Nkonyeni	4 950	1 081	786	2 277	3 031	3 031	72 651	53 397	47 041
C DC21 Ugu District Municipality	-	-	-	-	-	-	17 968	37 497	41 974
Total: uMgungundlovu Municipalities	23 318	2 642	6 551	4 264	4 839	4 839	232 469	401 574	419 606
B KZN221 uMshwathi	-	-	-	-	-	-	37 443	31 377	31 377
B KZN222 uMngeni	718	-	242	-	-	-	8 300	3 853	3 853
B KZN223 Mpofana	678	-	-	-	-	-	5 501	8 640	8 640
B KZN224 iMpendle	-	-	-	-	-	-	600	4 717	4 717
B KZN225 Msunduzi	19 922	2 642	6 309	4 264	4 839	4 839	154 195	317 313	340 345
B KZN226 Mkhambathini	-	-	-	-	-	-	13 239	28 740	23 740
B KZN227 Richmond	2 000	-	-	-	-	-	13 191	6 934	6 934
C DC22 uMgungundlovu District Municipality	-	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	2 062	1 883	5 514	1 793	2 296	2 296	129 607	101 704	101 466
B KZN235 Okhahlamba	-	619	100	-	-	-	22 614	12 417	23 817
B KZN237 iNkosi Langalibalele	32	182	350	-	-	-	13 357	14 434	14 434
B KZN238 Alfred Duma	2 030	1 082	5 064	1 793	2 296	2 296	42 072	52 609	47 971
C DC23 uThukela District Municipality	-	-	-	-	-	-	51 564	22 244	15 244
Total: uMzinyathi Municipalities	1 392	33	750	-	-	-	70 023	69 223	76 223
B KZN241 eNdumeni	446	-	-	-	-	-	-	-	-
B KZN242 Nquthu	717	-	750	-	-	-	-	-	-
B KZN244 uMsinga	229	33	-	-	-	-	19 933	19 933	19 933
B KZN245 uMvoti	-	-	-	-	-	-	50 090	49 290	56 290
C DC24 uMzinyathi District Municipality	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	4 488	437	5 443	3 839	5 894	5 894	638 728	306 613	307 747
B KZN252 Newcastle	4 488	437	5 294	3 839	5 894	5 894	608 057	271 174	272 308
B KZN253 eMadlangeni	-	-	149	-	-	-	175	2 000	2 000
B KZN254 Dannhauser	-	-	-	-	-	-	30 496	33 439	33 439
C DC25 Amajuba District Municipality	-	-	-	-	-	-	-	-	-
Total: Zululand Municipalities	1 102	3 096	763	-	-	-	156 536	172 853	213 946
B KZN261 eDumbe	-	-	-	-	-	-	24 899	32 755	50 725
B KZN262 uPhongolo	90	-	493	-	-	-	70 062	74 041	94 148
B KZN263 Abaqulusi	1 012	2 750	170	-	-	-	7 011	8 759	7 433
B KZN265 Nongoma	-	-	-	-	-	-	47 844	48 057	43 057
B KZN266 Ulundi	-	346	100	-	-	-	6 720	9 241	18 583
C DC26 Zululand District Municipality	-	-	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	5	180	-	-	-	-	131 895	148 727	148 543
B KZN271 uMhlabyalingana	-	-	-	-	-	-	38 754	37 039	33 750
B KZN272 Jozini	-	180	-	-	-	-	24 713	24 310	22 779
B KZN275 Mtubatuba	5	-	-	-	-	-	22 443	20 130	22 360
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	29 326	33 582	36 277
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	16 659	33 666	33 377
Total: King Cetshwayo Municipalities	3 272	2 699	2 634	1 206	4 499	4 499	133 127	121 516	112 248
B KZN281 uMfolozi	-	-	200	-	-	-	-	-	-
B KZN282 uMhlathuze	3 272	2 109	2 334	1 206	4 499	4 499	74 535	58 379	40 772
B KZN284 uMlalazi	-	590	-	-	-	-	22 925	37 704	46 043
B KZN285 Mthonjaneni	-	-	100	-	-	-	9 386	4 239	4 239
B KZN286 Nkandla	-	-	-	-	-	-	26 281	21 194	21 194
C DC28 King Cetshwayo District Municipality	-	-	-	-	-	-	-	-	-
Total: iLembe Municipalities	6 653	19 496	7 453	3 140	3 140	3 140	173 258	210 598	192 687
B KZN291 Mandeni	2 219	1 580	3 158	-	-	-	14 962	-	-
B KZN292 KwaDukuza	4 434	17 916	4 295	3 140	3 140	3 140	92 632	153 802	135 891
B KZN293 Ndwedwe	-	-	-	-	-	-	33 690	56 796	56 796
B KZN294 Maphumulo	-	-	-	-	-	-	31 974	-	-
C DC29 iLembe District Municipality	-	-	-	-	-	-	-	-	-
Total: Harry Gwala Municipalities	1 072	722	1 879	-	-	-	126 143	168 923	115 201
B KZN433 Greater Kokstad	-	250	1 079	-	-	-	39 125	82 117	77 212
B KZN434 uBuhlebezwe	-	-	100	-	-	-	83 036	86 806	37 989
B KZN435 uMzimkhulu	633	472	500	-	-	-	1 700	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	439	-	200	-	-	-	-	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	2 282	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	193 664	85 974	104 318	64 289	78 629	78 629	2 332 091	2 235 261	2 325 448

Table 8.P : Transfers to local government - HSDG: Interventions

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
A KZN2000 eThekweni	-	-	-	-	-	-	236 806	263 852	372 814
Total: Ugu Municipalities	-	-	-	-	-	-	206 600	171 068	166 357
B KZN212 uMdoni	-	-	-	-	-	-	40 956	36 736	45 213
B KZN213 uMzumbhe	-	-	-	-	-	-	43 591	26 845	26 845
B KZN214 uMuziwabantu	-	-	-	-	-	-	37 498	22 657	11 348
B KZN216 Ray Nkonyeni	-	-	-	-	-	-	66 587	47 333	40 977
C DC21 Ugu District Municipality	-	-	-	-	-	-	17 968	37 497	41 974
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	152 916	187 782	205 814
B KZN221 uMshwathi	-	-	-	-	-	-	37 443	31 377	31 377
B KZN222 uMngeni	-	-	-	-	-	-	3 585	-	-
B KZN223 Mpofana	-	-	-	-	-	-	-	4 182	4 182
B KZN224 iMpendle	-	-	-	-	-	-	600	150	150
B KZN225 Msunduzi	-	-	-	-	-	-	84 858	116 399	139 431
B KZN226 Mkhambathini	-	-	-	-	-	-	13 239	28 740	23 740
B KZN227 Richmond	-	-	-	-	-	-	13 191	6 934	6 934
Total: uThukela Municipalities	-	-	-	-	-	-	114 484	85 504	85 266
B KZN235 Okhahlamba	-	-	-	-	-	-	22 614	12 417	23 817
B KZN238 Alfred Duma	-	-	-	-	-	-	40 306	50 843	46 205
C DC23 uThukela District Municipality	-	-	-	-	-	-	51 564	22 244	15 244
Total: uMzinyathi Municipalities	-	-	-	-	-	-	70 023	69 223	76 223
B KZN244 uMsinga	-	-	-	-	-	-	19 933	19 933	19 933
B KZN245 uMvoti	-	-	-	-	-	-	50 090	49 290	56 290
Total: Amajuba Municipalities	-	-	-	-	-	-	143 260	114 831	115 965
B KZN252 Newcastle	-	-	-	-	-	-	123 885	93 456	94 590
B KZN253 eMadlangeni	-	-	-	-	-	-	-	2 000	2 000
B KZN254 Dannhauser	-	-	-	-	-	-	19 375	19 375	19 375
Total: Zululand Municipalities	-	-	-	-	-	-	149 575	163 694	204 787
B KZN261 eDumbe	-	-	-	-	-	-	24 169	31 262	49 232
B KZN262 uPhongolo	-	-	-	-	-	-	70 062	74 041	94 148
B KZN263 Abaqulusi	-	-	-	-	-	-	1 326	1 326	-
B KZN265 Nongoma	-	-	-	-	-	-	47 844	48 057	43 057
B KZN266 Ulundi	-	-	-	-	-	-	6 174	9 008	18 350
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	131 369	147 235	147 051
B KZN271 uMhlabyalingana	-	-	-	-	-	-	38 754	37 039	33 750
B KZN272 Jozini	-	-	-	-	-	-	24 713	24 310	22 779
B KZN275 Mtubatuba	-	-	-	-	-	-	22 443	20 130	22 360
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	28 800	32 090	34 785
C DC27 uMkhanyakude District Municipality	-	-	-	-	-	-	16 659	33 666	33 377
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	106 776	118 339	109 071
B KZN282 uMhlathuze	-	-	-	-	-	-	55 236	55 202	37 595
B KZN284 uMlalazi	-	-	-	-	-	-	21 020	37 704	46 043
B KZN285 Mthonjaneni	-	-	-	-	-	-	4 239	4 239	4 239
B KZN286 Nkandla	-	-	-	-	-	-	26 281	21 194	21 194
Total: iLembe Municipalities	-	-	-	-	-	-	98 510	114 363	96 452
B KZN291 Mandeni	-	-	-	-	-	-	14 962	-	-
B KZN292 KwaDukuza	-	-	-	-	-	-	17 884	112 305	94 394
B KZN293 Ndwedwe	-	-	-	-	-	-	33 690	2 058	2 058
B KZN294 Maphumulo	-	-	-	-	-	-	31 974	-	-
Total: Harry Gwala Municipalities	-	-	-	-	-	-	122 643	166 923	113 201
B KZN433 Greater Kokstad	-	-	-	-	-	-	39 125	82 117	77 212
B KZN434 uBuhlebezwe	-	-	-	-	-	-	79 536	84 806	35 989
B KZN435 uMzimkhulu	-	-	-	-	-	-	1 700	-	-
C DC43 Harry Gwala District Municipality	-	-	-	-	-	-	2 282	-	-
Total	-	-	-	-	-	-	1 532 962	1 602 814	1 693 001

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
A KZN2000 eThekweni	80 357	-	-	40 000	40 000	40 000	45 000	45 000	45 000
Total: uMzinyathi Municipalities	-	33	-	-	-	-	-	-	-
B KZN244 uMsinga	-	33	-	-	-	-	-	-	-
Total: Zululand Municipalities	-	346	-	-	-	-	-	-	-
B KZN266 Ulundi	-	346	-	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	-	180	-	-	-	-	-	-	-
B KZN272 Jozini	-	180	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	-	-	-	2 000	2 000	-	-	-
B KZN282 uMhlathuze	-	-	-	-	2 000	2 000	-	-	-
Total: iLembe Municipalities	-	-	524	-	-	-	-	-	-
B KZN292 KwaDukuza	-	-	524	-	-	-	-	-	-
Unallocated	-	-	-	-	-	-	-	-	-
Total	80 357	559	524	40 000	42 000	42 000	45 000	45 000	45 000

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
A KZN2000 eThekweni	17 085	10 963	20 544	7 770	14 930	14 930	10 970	10 970	10 970
Total: Ugu Municipalities	4 950	474	786	2 277	3 031	3 031	6 064	6 064	6 064
B KZN216 Ray Nkonyeni	4 950	474	786	2 277	3 031	3 031	6 064	6 064	6 064
Total: uMgungundlovu Municipalities	10 956	2 642	2 595	4 264	4 839	4 839	2 493	2 493	2 493
B KZN225 Msunduzi	10 956	2 642	2 595	4 264	4 839	4 839	2 493	2 493	2 493
Total: uThukela Municipalities	676	832	787	1 793	2 296	2 296	1 706	1 706	1 706
B KZN238 Alfred Duma	676	832	787	1 793	2 296	2 296	1 706	1 706	1 706
Total: Amajuba Municipalities	3 102	437	4 094	3 839	5 894	5 894	5 439	5 439	5 439
B KZN252 Newcastle	3 102	437	4 094	3 839	5 894	5 894	5 439	5 439	5 439
Total: King Cetshwayo Municipalities	3 272	1 488	2 334	1 206	2 499	2 499	3 177	3 177	3 177
B KZN282 uMhlathuze	3 272	1 488	2 334	1 206	2 499	2 499	3 177	3 177	3 177
Total: iLembe Municipalities	3 057	742	1 050	3 140	3 140	3 140	4 440	4 440	4 440
B KZN292 KwaDukuza	3 057	742	1 050	3 140	3 140	3 140	4 440	4 440	4 440
Total	43 098	17 578	32 190	24 289	36 629	36 629	34 289	34 289	34 289

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
A KZN2000 eThekweni	47 696	42 506	51 501	-	-	-	-	-	-
Total: Ugu Municipalities	-	843	500	-	-	-	-	-	-
B KZN212 uMdoni	-	236	500	-	-	-	-	-	-
B KZN216 Ray Nkonyeni	-	607	-	-	-	-	-	-	-
Total: uMgungundlovu Municipalities	12 362	-	3 956	-	-	-	-	-	-
B KZN222 uMngeni	718	-	242	-	-	-	-	-	-
B KZN223 Mpofana	678	-	-	-	-	-	-	-	-
B KZN225 Msunduzi	8 966	-	3 714	-	-	-	-	-	-
B KZN227 Richmond	2 000	-	-	-	-	-	-	-	-
Total: uThukela Municipalities	1 386	1 051	4 727	-	-	-	-	-	-
B KZN235 Okhahlamba	-	619	100	-	-	-	-	-	-
B KZN237 iNkosi Langalibalele	32	182	350	-	-	-	-	-	-
B KZN238 Alfred Duma	1 354	250	4 277	-	-	-	-	-	-
Total: uMzinyathi Municipalities	1 392	-	750	-	-	-	-	-	-
B KZN241 eNdameni	446	-	-	-	-	-	-	-	-
B KZN242 Nquthu	717	-	750	-	-	-	-	-	-
B KZN244 uMsinga	229	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	1 386	-	1 349	-	-	-	-	-	-
B KZN252 Newcastle	1 386	-	1 200	-	-	-	-	-	-
B KZN253 eMadlangeni	-	-	149	-	-	-	-	-	-
Total: Zululand Municipalities	1 102	2 750	763	-	-	-	-	-	-
B KZN262 uPhongolo	90	-	493	-	-	-	-	-	-
B KZN263 Abaqulusi	1 012	2 750	170	-	-	-	-	-	-
B KZN266 Ulundi	-	-	100	-	-	-	-	-	-
Total: uMkhanyakude Municipalities	5	-	-	-	-	-	-	-	-
B KZN275 Mtubatuba	5	-	-	-	-	-	-	-	-
Total: King Cetshwayo Municipalities	-	1 211	300	-	-	-	-	-	-
B KZN281 uMfolozi	-	-	200	-	-	-	-	-	-
B KZN282 uMhlathuze	-	621	-	-	-	-	-	-	-
B KZN284 uMlalazi	-	590	-	-	-	-	-	-	-
B KZN285 Mthonjaneni	-	-	100	-	-	-	-	-	-
Total: iLembe Municipalities	3 596	18 754	5 879	-	-	-	-	-	-
B KZN291 Mandeni	2 219	1 580	3 158	-	-	-	-	-	-
B KZN292 KwaDukuza	1 377	17 174	2 721	-	-	-	-	-	-
Total: Harry Gwala Municipalities	1 072	722	1 879	-	-	-	-	-	-
B KZN433 Greater Kokstad	-	250	1 079	-	-	-	-	-	-
B KZN434 uBuhlebezwe	-	-	100	-	-	-	-	-	-
B KZN435 uMzimkhulu	633	472	500	-	-	-	-	-	-
B KZN436 Dr Nkosazana Dlamini Zuma	439	-	200	-	-	-	-	-	-
Total	69 997	67 837	71 604	-	-	-	-	-	-

Table 8.T : Transfers to local government - FLISP

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
A KZN2000 eThekweni	212	-	-	-	-	-	-	-	-
Total	212	-	-	-	-	-	-	-	-

Table 8.U : Transfers to local government - ISU Partnership grant

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2018/19	2019/20	2020/21	2021/22			2022/23	2023/24	2024/25
A KZN2000 eThekweni	-	-	-	-	-	-	34 865	36 576	36 576
Total: uMgungundlovu Municipalities	-	-	-	-	-	-	77 060	211 299	211 299
B KZN222 uMngeni	-	-	-	-	-	-	4 715	3 853	3 853
B KZN223 Mpofana	-	-	-	-	-	-	5 501	4 458	4 458
B KZN224 iMpindle	-	-	-	-	-	-	-	4 567	4 567
B KZN225 Msunduzi	-	-	-	-	-	-	66 844	198 421	198 421
Total: uThukela Municipalities	-	-	-	-	-	-	13 417	14 494	14 494
B KZN237 iNkosi Langaibalele	-	-	-	-	-	-	13 357	14 434	14 434
B KZN238 Alfred Duma	-	-	-	-	-	-	60	60	60
Total: uMzinyathi Municipalities	-	-	-	-	-	-	-	-	-
Total: Amajuba Municipalities	-	-	-	-	-	-	490 029	186 343	186 343
B KZN252 Newcastle	-	-	-	-	-	-	478 733	172 279	172 279
B KZN253 eMahlangueni	-	-	-	-	-	-	175	-	-
B KZN254 Dannhauser	-	-	-	-	-	-	11 121	14 064	14 064
Total: Zululand Municipalities	-	-	-	-	-	-	6 961	9 159	9 159
B KZN261 eDumbe	-	-	-	-	-	-	730	1 493	1 493
B KZN263 AbaQulusi	-	-	-	-	-	-	5 685	7 433	7 433
B KZN266 Ulundi	-	-	-	-	-	-	546	233	233
Total: uMkhanyakude Municipalities	-	-	-	-	-	-	526	1 492	1 492
B KZN276 Big Five Hlabisa	-	-	-	-	-	-	526	1 492	1 492
Total: King Cetshwayo Municipalities	-	-	-	-	-	-	23 174	-	-
B KZN282 uMhlathuze	-	-	-	-	-	-	16 122	-	-
B KZN284 uMlalazi	-	-	-	-	-	-	1 905	-	-
B KZN285 Mthonjaneni	-	-	-	-	-	-	5 147	-	-
Total: iLembe Municipalities	-	-	-	-	-	-	70 308	91 795	91 795
B KZN292 KwaDukuza	-	-	-	-	-	-	70 308	37 057	37 057
B KZN293 Ndwedwe	-	-	-	-	-	-	-	54 738	54 738
Total: Harry Gwala Municipalities	-	-	-	-	-	-	3 500	2 000	2 000
B KZN434 uBuhlebezwe	-	-	-	-	-	-	3 500	2 000	2 000
Total	-	-	-	-	-	-	719 840	553 158	553 158