

Vote 8

Human Settlements

R thousand	2023/24			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	4 342 997	4 344 117		1 120
MEC remuneration ¹				
Total amount to be appropriated	4 342 997	4 344 117		1 120
<i>of which:</i>				
Current payments	498 592	549 110		50 518
Transfers and subsidies	3 832 521	3 779 315	(53 206)	
Payments for capital assets	11 884	15 692		3 808
Payments for financial assets	-	-		
Responsible MEC	MEC for Public Works and Human Settlements			
Administering department	Human Settlements			
Accounting Officer	Head: Human Settlements			

1. Vision and mission

Vision

The vision of the department is: *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.*

2. 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.

3. Summary of the adjustments estimate for 2023/24

The main appropriation of the Department of Human Settlements was R4.343 billion in 2023/24. Some adjustments were made to the department's budget and this resulted in a net increase of R1.120 million. Thus, the adjusted appropriation of the department is R4.344 billion.

It should be noted that the department was not allocated funding in respect of the 2023 wage agreement which was implemented on 1 April 2023, as the national and provincial fiscus is unable to assist with

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

any additional funding. The department is able to absorb the costs in the current budget due to savings from non-filling of vacant funded posts. As such, the department undertook minor reprioritisation in this regard.

The main reasons for this increase, as well as other adjustments, are summarised below, and explained in detail in Section 4.

- *Roll-overs:* an amount of R418.302 million was rolled over from 2022/23 to 2023/24, comprising the following:
 - R360.340 million was approved by National Treasury in respect of the Human Settlements Development grant (HSDG) as this was fully committed by the end of 2022/23. The department was allocated funds to address the October 2019 floods and these funds were ring-fenced within the HSDG. While the plans to implement the earlier disaster projects were in place, the province experienced floods during April 2022 which caused damage to repair work that had already commenced. This April 2022 flood damage then delayed the implementation of the permanent housing projects due to the risk of rebuilding on unstable sites, where some sites were washed away by mud slides. These funds were allocated to *Transfers and subsidies to: Households* in Programme 3: Housing Development.
 - R32.276 million was approved for roll-over by National Treasury in respect of the Informal Settlements Upgrading Partnership grant (ISUPG) which was fully committed by the end of 2022/23. The under-spending was mainly due to delays caused by the April 2022 flood disaster. Production on sites was stalled as access roads and bridges were either blocked or washed away by the floods. Also, most of the department's resources and capacity were channelled toward emergency works relating to the April 2022 flood response and this included undertaking damage assessments, as well as assessing how the displaced and distressed communities could be assisted. National Treasury approved a roll-over of the full amount of R32.276 million in respect of the JBC housing project (phases 2 and 3) in the Amajuba District Municipality, as these funds were committed in the form of contracts. These funds were allocated to *Transfers and subsidies to: Households* in Programme 3.
 - R23.849 million was approved by National Treasury in respect of the Provincial Emergency Housing grant (PEHG). This was fully committed by year-end in relation to the refurbishment costs and operational costs for the Montclair Lodge Temporary Emergency Accommodation (TEA). These funds were allocated in 2023/24 in response to the application submitted by the department following the April 2022 floods and were for the provision of Temporary Residential Units (TRUs). The department has concluded all procurement processes. These funds were allocated to *Transfers and subsidies to: Households* in Programme 3.
 - R1.837 million was rolled over from 2022/23 from unspent committed funds for emergency interventions from donor funds received in respect of the April 2022 flood disaster. This allocation will be utilised for services of social facilitation and beneficiary administration towards registering TEA occupants on the Housing Subsidy System (HSS) for housing benefits linked to projects and to relocate the qualifying flood victims. These funds were allocated to *Goods and services* in Programme 3. These funds are specifically and exclusively allocated to the department for this purpose and may not be used for any other purpose.
- *Virement between programmes:* The following virements were undertaken across programmes:
 - Net savings of R6.300 million were realised from *Compensation of employees* under Programme 2: Housing Needs, Research and Planning (R1.300 million) and *Transfers and subsidies to: Departmental agencies and accounts* under Programme 4: Housing Asset Management (R5 million) due to vacant funded posts relating to the KZN Housing Fund, such as an Assistant Director, Senior Administrative Officers and Personal Assistants, among others. These savings were moved to Programme 1: Administration, as follows:
 - R1.148 million was moved to *Goods and services* in the Corporate Services sub-programme to fund spending pressures against operating leases for office buildings due to an escalation in lease rates, as well as the carry-through impact of the 2021/22 MTEF budget cuts.

- R990 000 was moved to *Transfers and subsidies to: Households* in the Corporate Services sub-programme to cater for unanticipated staff exit costs.
- R4.162 million was moved to *Machinery and equipment* in the Corporate Services sub-programme to cater for the purchase of two main servers for the Pietermaritzburg and Durban offices and 60 desktops which were under-budgeted for.

In addition to the above virements, the department undertook virements across sub-programmes and economic categories within programmes. Details are provided in Section 4 below.

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

Legislature approval is required in terms of Section 43(4)(b) of the PFMA for the decrease of R5 million against *Transfers and subsidies to: Departmental agencies and accounts* in Programme 4 in respect of vacant funded posts relating to the KZN Housing Fund. Legislature approval is also required for the reduction of R79.677 million against *Transfers and subsidies to: Households* in Programme 3 in relation to gazetted planned expenditure for various housing projects that were delayed, as detailed in Table 8.18.

- *Shifts*: The department did not undertake any shifts across programmes but shifts were undertaken across economic categories and sub-programmes within programmes, as explained in Section 4.
- *Other adjustments*: The department's budget allocation was decreased by a net amount of R417.182 million, as explained below:
 - o In-year fiscal consolidation budget cuts of R424.746 million were implemented by National Treasury against the department's conditional grant allocations as a result of lower than expected revenue collection *via* SARS, and this necessitated that they effect budget cuts to provinces in-year. The conditional grant cuts amounted to R334.685 million against the HSDG, R89.313 million against the ISUPG and R748 000 against the EPWP Integrated Grant for Provinces. These cuts were effected as follows:
 - The EPWP Integrated Grant for Provinces cut of R748 000 was fully effected against *Goods and services* under Programme 3 in respect of EPWP job creation projects.
 - The full ISUPG cut was effected against *Transfers and subsidies to: Households* under Programme 3 in respect of upgrading projects.
 - The HSDG cut of R334.685 million was effected against *Transfers and subsidies to: Provinces and municipalities* (R6.694 million), *Transfers and subsidies to: Households* (R315.597 million) and *Buildings and other fixed structures* (R1 million) in Programme 3, and *Transfers and subsidies to: Departmental agencies and accounts* (R11.394 million) relating to the KZN Housing Fund in Programme 4.
 - o Offsetting these cuts to an extent was additional funding of R7.564 million allocated to the department in respect of funds collected from the sale of units at Ridgeview Gardens for Finance Linked Individual Subsidy Programme (FLISP) development, as well as unspent funds re-called by the department from various municipalities. These funds were allocated to Programme 1 against *Goods and services* to cater for spending pressures against operating leases for office buildings due to an escalation in lease rates agreed upon between the department and DOPW, as well as the carry-through impact of the 2021/22 MTEF budget cuts.

Tables 8.1 and 8.2 reflect a summary of the 2023/24 adjusted appropriation of the department, summarised according to programme and economic classification.

Note that further details of adjustments at economic classification level are provided in *Annexure – Vote 8: Human Settlements*.

Table 8.1 : Summary by programmes

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	236 172	-	-	6 300	-	7 564	13 864	250 036
2. Housing Needs, Research and Planning	22 430	-	-	(1 300)	-	-	(1 300)	21 130
3. Housing Development	3 914 546	418 302	-	-	-	(413 352)	4 950	3 919 496
4. Housing Asset Management	169 849	-	-	(5 000)	-	(11 394)	(16 394)	153 455
Total	4 342 997	418 302	-	-	-	(417 182)	1 120	4 344 117
Amount to be voted								1 120

Table 8.2 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	498 592	1 837	-	37 472	4 393	6 816	50 518	549 110
Compensation of employees	360 537	-	-	(3 362)	1 318	-	(2 044)	358 493
Goods and services	138 055	1 837	-	40 834	3 075	6 816	52 562	190 617
Interest and rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3 832 521	416 465	-	(41 659)	(5 014)	(422 998)	(53 206)	3 779 315
Provinces and municipalities	94 453	-	-	37 500	-	(6 694)	30 806	125 259
Departmental agencies and accounts	169 849	-	-	(5 000)	-	(11 394)	(16 394)	153 455
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	3 568 219	416 465	-	(74 159)	(5 014)	(404 910)	(67 618)	3 500 601
Payments for capital assets	11 884	-	-	4 187	621	(1 000)	3 808	15 692
Buildings and other fixed structures	5 000	-	-	-	-	(1 000)	(1 000)	4 000
Machinery and equipment	6 884	-	-	4 187	621	-	4 808	11 692
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	4 342 997	418 302	-	-	-	(417 182)	1 120	4 344 117
Amount to be voted								1 120

4. Changes to programme purposes and service delivery measures

There are no changes to the programme purposes.

There were also no changes made to the department's service delivery indicators. The service delivery indicators as tabled in the 2023/24 EPRE fully align to the final 2023/24 APP.

4.1 Programme 1: Administration

The purpose of this programme is to identify and eliminate bottle-necks, as well as continuously improve the flow of financial, administrative and management information.

The strategic objectives of this programme are to strengthen governance and service delivery.

Tables 8.3 and 8.4 reflect a summary of the 2023/24 adjusted appropriation of Programme 1, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall increase of R13.864 million, are provided in the paragraphs following the tables.

Table 8.3 : Programme 1: Administration

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Corporate Services	236 172	-	-	6 300	-	7 564	13 864	250 036
Total	236 172	-	-	6 300	-	7 564	13 864	250 036
Amount to be voted								13 864

Table 8.4 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
Current payments	229 153	-	-	1 148	-	7 564	8 712
Compensation of employees	149 271			(1 246)		(1 246)	148 025
Goods and services	79 882			2 394		7 564	89 840
Interest and rent on land						-	-
Transfers and subsidies to:	667	-	-	990	-	990	1 657
Provinces and municipalities	164					-	164
Departmental agencies and accounts						-	-
Higher education institutions						-	-
Foreign governments and international organisations						-	-
Public corporations and private enterprises						-	-
Non-profit institutions						-	-
Households	503			990		990	1 493
Payments for capital assets	6 352	-	-	4 162	-	4 162	10 514
Buildings and other fixed structures						-	-
Machinery and equipment	6 352			4 162		4 162	10 514
Heritage assets						-	-
Specialised military assets						-	-
Biological assets						-	-
Land and subsoil assets						-	-
Software and other intangible assets						-	-
Payments for financial assets						-	-
Total	236 172	-	-	6 300	-	7 564	250 036
Amount to be voted							13 864

Virement – Programme 1: Administration: R6.300 million

The main appropriation of the Corporate Services sub-programme in Programme 1 increased by R6.300 million, with these savings realised from *Compensation of employees* under Programme 2 (R1.300 million) and *Transfers and subsidies to: Departmental agencies and accounts* under Programme 4 (R5 million) due to vacant funded posts in respect of the KZN Housing Fund, such as an Assistant Director, Senior Administrative Officers and Personal Assistants, among others. These funds were moved to Programme 1, as follows:

- *Goods and services* was increased by R1.148 million to cater for spending pressures against operating leases for office buildings due to an escalation in lease rates, as well as the carry-through impact of the 2021/22 MTEF budget cuts.
- *Transfers and subsidies to: Households* was increased by R990 000 to cater for unanticipated staff exit costs.
- *Machinery and equipment* was increased by R4.162 million to cater for the purchase of two main servers for the Pietermaritzburg and Durban offices and 60 desktops which were under-provided for.

In addition to the above virements from Programmes 2 and 4, the following internal virement was undertaken within Programme 1, across economic classification categories:

- Savings of R1.246 million were realised from *Compensation of employees* due to vacant funded posts such as Director: Budget and Planning and Director: Rental Housing Tribunal, among others. These savings were moved within the programme to *Goods and services* to cater for spending pressures against operating leases for office buildings due to an escalation in lease rates, as well as budget pressures from the carry-through of the 2021/22 MTEF budget cuts.

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

Other adjustments – Programme 1: Administration: R7.564 million

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

4.2 Programme 2: Housing Needs, Research and Planning

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

Tables 8.5 and 8.6 reflect a summary of the 2023/24 adjusted appropriation of Programme 2, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R1.300 million, are provided in the paragraphs after the tables.

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

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	498			45			45	543
2. Policy	5 079			(922)			(922)	4 157
3. Planning	5 520			(375)			(375)	5 145
4. Research	11 333			(48)			(48)	11 285
Total	22 430	-	-	(1 300)	-	-	(1 300)	21 130
Amount to be voted								(1 300)

Table 8.6 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	22 430	-	-	(1 418)	-	-	(1 418)	21 012
Compensation of employees	19 783			(1 549)			(1 549)	18 234
Goods and services	2 647			131			131	2 778
Interest and rent on land	-			-			-	-
Transfers and subsidies to:	-	-	-	118	-	-	118	118
Provinces and municipalities							-	-
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households				118			118	118
Payments for capital assets	-	-	-	-	-	-	-	-
Buildings and other fixed structures							-	-
Machinery and equipment							-	-
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets	-						-	-
Total	22 430	-	-	(1 300)	-	-	(1 300)	21 130
Amount to be voted								(1 300)

Virement – Programme 2: Housing Needs, Research and Planning: (R1.300 million)

The main appropriation of Programme 2 decreased by R1.300 million from savings against *Compensation of employees* realised from vacant funded posts such as an Assistant Director, Senior Administrative Officers and Personal Assistants under the Policy (R877 000), Planning (R375 000) and Research (R48 000) sub-programmes. These savings were moved to *Machinery and equipment* under Programme 1 to partly cater for spending pressures in relation to the purchase of two main servers for the Pietermaritzburg and Durban offices and 60 desktops which were under-budgeted for.

In addition to the above virement to Programme 1, savings of R294 000 were realised against *Compensation of employees* due to vacant funded posts under the Policy (R45 000) and Research (R249 000) sub-programmes. These savings were moved within the programme, as follows:

- R45 000 was moved within *Compensation of employees* under the Administration sub-programme to cater for the 2023 wage agreement which was not budgeted for.
- R131 000 was moved to *Goods and services* within the Research sub-programme to cater for travel and subsistence costs in respect of accelerated housing consumer education workshops.

- R118 000 was moved to *Transfers and subsidies to: Households* within the Research sub-programme to cater for staff exit costs which were not budgeted for.

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

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

Table 8.7 shows the revised service delivery information for Programme 2. No changes were made to the performance indicators as the information in the 2023/24 EPRE is fully aligned to the final 2023/24 APP. Three targets are annual and thus were not reported on at mid-year as projects were planned in the latter part of the year.

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

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
Planning				
1.1 Spatial transformation through multi-programme integration in priority development	• No. of individuals provided with human settlements consumer education	10 000	6 624	
	• No. of catalytic projects in planning	5	Annual	
	• No. of human settlement development projects planned	25	19	
	• No. of hectares of land procured/proclaimed	150	295	
	• No. of farm residents assistance housing projects in planning	3	Annual	
	• No. of planned projects completed for upgrading to Phase 3 of the ISUP	5	1	
	• No. of integrated implementation programmes for priority development areas completed per year	6	Annual	
	• Percentage of investment of total Human Settlements allocation in PDAs	12%	4.9%	

4.3 Programme 3: Housing Development

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

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

Programme 3 consists of the bulk of the HSDG, the remainder of which falls under Programme 4, as well as the ISUPG. Programme 3 also includes the EPWP Integrated Grant for Provinces, as well as the PEHG.

Tables 8.8 and 8.9 reflect a summary of the 2023/24 adjusted appropriation of Programme 3, summarised according to sub-programme and economic classification.

Details of the main adjustments, which resulted in an overall increase of R4.950 million, are given below the tables.

Table 8.8 : Programme 3: Housing Development

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments	
1. Administration	109 530			(10 000)		(10 000)	99 530
2. Financial Interventions	442 745			71 938	17 364	(66 427)	465 620
3. Incremental Interventions	1 858 189	418 302		(61 938)	(17 364)	(250 484)	1 946 705
4. Social and Rental Interventions	282 684					(84 197)	198 487
5. Rural Intervention	1 221 398					(12 244)	1 209 154
Total	3 914 546	418 302	-	-	-	(413 352)	3 919 496
Amount to be voted							4 950

Table 8.9 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	247 009	1 837	-	37 742	4 393	(748)	43 224	290 233
Compensation of employees	191 483			(567)	1 318		751	192 234
Goods and services	55 526	1 837		38 309	3 075	(748)	42 473	97 999
Interest and rent on land							-	-
Transfers and subsidies to:	3 662 005	416 465	-	(37 767)	(5 014)	(411 604)	(37 920)	3 624 085
Provinces and municipalities	94 289			37 500		(6 694)	30 806	125 095
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	3 567 716	416 465		(75 267)	(5 014)	(404 910)	(68 726)	3 498 990
Payments for capital assets	5 532	-	-	25	621	(1 000)	(354)	5 178
Buildings and other fixed structures	5 000					(1 000)	(1 000)	4 000
Machinery and equipment	532			25	621		646	1 178
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets							-	-
Total	3 914 546	418 302	-	-	-	(413 352)	4 950	3 919 496
Amount to be voted								4 950

Roll-overs – Programme 3: Housing Development: R418.302 million

An amount of R418.302 million was rolled over from 2022/23 to 2023/24 and allocated to Programme 3 against the Incremental Interventions sub-programme, comprising the following conditional grant and equitable share funding:

- R360.340 million was approved for roll-over by National Treasury in respect of the HSDG as these funds were fully committed by the end of 2022/23. The department was allocated funds to address the October 2019 floods and these funds were ring-fenced within the HSDG. While the plans to implement the earlier disaster projects were in place, the province experienced floods during April 2022 which caused damage to repair work that had already commenced. This April 2022 flood damage then delayed the implementation of the permanent housing projects due to the risk of rebuilding on unstable sites, where some sites were washed away by mud slides. These funds were allocated to *Transfers and subsidies to: Households*.
- R32.276 million was approved for roll-over by National Treasury in respect of the ISUPG which was fully committed by the end of 2022/23. The under-spending was mainly due to delays caused by the April 2022 flood disaster. Production on sites was stalled as access roads and bridges were either blocked or washed away by the floods. Also, most of the department's resources and capacity were channelled toward emergency works relating to the April 2022 flood response and this included undertaking damage assessments, as well as assessing how the displaced and distressed communities could be assisted. National Treasury approved a roll-over of the full amount of R32.276 million in respect of the JBC housing project (phases 2 and 3) in the Amajuba District Municipality, as these funds were committed in the form of contracts. These funds were allocated to *Transfers and subsidies to: Households*.
- R23.849 million was approved for roll-over by National Treasury in respect of the PEHG. This was fully committed by year-end in relation to the refurbishment costs and operational costs for the Montclair Lodge TEA. These funds were allocated in 2022/23 in response to the application submitted by the department following the April 2022 flood disaster and were for the provision of TRUs. The department concluded all procurement processes and expenditure is anticipated to take place in 2023/24. These funds were allocated to *Transfers and subsidies to: Households*.
- R1.837 million was approved by the Provincial Executive Council to be rolled over from 2022/23 in respect of unspent committed funds for emergency interventions relating to donor funds received in respect of the April 2022 flood disaster. This allocation will be utilised for services of social facilitation and beneficiary administration towards registering TEA occupants on the HSS for housing benefits linked to projects and to relocate the qualifying flood victims. These funds were allocated against *Goods and services*.

Virement – Programme 3: Housing Development

The department moved funds between sub-programmes and economic classification categories within Programme 3, as follows:

- Savings of R10 million were realised from *Compensation of employees* under the Administration sub-programme due to vacant funded posts, such as the Construction Project Manager, Chief Works Inspectors, Project Facilitators, Senior Administration Officers, and an Administration Officer, among others. These savings were moved to the Financial Interventions sub-programme to cater for the mass job creation under the EPWP programme as per the SOPA, 2022 resolution. In this regard R7.298 million was moved to *Goods and services* to provide for accredited training under the department's Skills Development Programme for recruits who will be employed to undertake construction work on various housing projects of the department, and R2.702 million was moved to *Transfers and subsidies to: Households* to cater for the construction work that the recruits will be doing at the different project sites.
- Savings of R61.938 million were identified under the Incremental Interventions sub-programme against *Transfer and subsidies to: Households* as a result of various delays that occurred on different housing project sites, including the following, among others:
 - The Shakaspring Housing Project in the KwaDukuza Municipality was delayed at the planning stage as the project was awaiting the finalisation of environmental authorisations from the National Department of Forestry, Fisheries and the Environment (NDFFE).
 - The Groutville Priority 1/ Chris Hani Housing Project in the KwaDukuza Municipality was suspended by the municipality due to poor performance by the implementing agent.
 - The Folweni Upgrade Housing Project in the eThekweni Metro was delayed by challenges caused by existing formal and informal structures on site, thus hindering construction of bulk infrastructure services.
 - The Burlington Ext. Housing Project in the eThekweni Metro was stalled due to the discovery of hard rock on the construction site which hindered progress on construction and thus requires blasting before any construction work can continue.
 - The Charlestown Housing Project in the Newcastle Municipality was delayed by the unavailability of bulk infrastructure services such as water, electricity and sewer connection that were not set up at the construction site, thus making it difficult to continue with construction.
 - The Oakford Priority Housing Project in the eThekweni Metro was delayed by the unavailability of a sanitation system on the construction site.
 - The Kwamaqumbi Rural Housing Project in the Maphumulo Municipality was delayed by a dispute between the implementing agent and local business forums on the rate that was being offered to the forum by the agent.
 - The Sakhamkhanya Housing Project in the KwaDukuza Municipality was paused due to the implementing agent's non-performance as per the contracted development programme. This resulted in a non-compliance letter being issued to the implementing agent and the termination of the contract.
- These savings were moved to the Financial Interventions sub-programme, as follows:
 - R9.848 million was moved to *Compensation of employees* to cater for additional capacity on ISUPG housing projects, through the appointment of professionals in the Built Environment to assist with project identification and assessments, social facilitation, and quality assurance.
 - R31.091 million was moved to *Goods and services* for the implementation of the National Housing Needs Register in various municipalities across the province, as well as community outreach programmes in respect of the implementation of housing projects which were under-budgeted for. This is part of the Operational Support Capital Programme (OPSCAP) allocation within the ISUPG as per the conditions of the 2023 Division of Revenue Act (DORA) that allow the department to use up to 5 per cent of its ISUPG budget for operational expenses.

- o R20.999 million was moved to *Transfers and subsidies to Households*, of which R1 million is to cater for staff exit costs in the department, and R19.999 million is for the enrolment of housing projects with the National Home Builders Registration Council (NHBC), which was inadequately budgeted.

In addition to the above virements between sub-programmes, the following virements were undertaken within sub-programmes, affecting economic classification categories:

- In the Administration sub-programme:
 - o Further savings of R415 000 were realised against *Compensation of employees* due to vacant funded posts, such as Senior Administration Officers and Administration Officers, among others. These savings were moved to *Transfers and subsidies to: Households* to cater for unanticipated staff exit costs.
 - o Savings of R318 000 were realised against *Goods and services* under the equitable share due to the department's decision to utilise the OPSCAP allocation within the HSDG to fund the FLISP communication strategy, which was previously funded through the equitable share. Of these savings, R293 000 was moved to *Transfers and subsidies to: Households* to cater for unanticipated staff exit costs, and R25 000 was moved to *Machinery and equipment* to cater for the purchase of furniture for a newly appointed Project Manager in the Coastal Region. This is in terms of the Division of Revenue Act (DORA) which allows the department to utilise up to 5 per cent of its HSDG allocation to fund operational expenditure.
- In the Financial Interventions sub-programme:
 - o Savings of R238 000 were identified against *Transfers and subsidies to: Households* in respect of FLISP subsidies due to applicants that are not meeting the stringent qualifying criteria, as well as the rising interest rates that deter prospective buyers from applying for home loans. These savings were moved to *Goods and services* to cater for the FLISP communication strategy, which is an advertising strategy to promote FLISP to first time home buyers, as well as to cater for expenditure incurred for maintenance and levies of the Ridgeview Gardens units which were under-budgeted for.
- In the Social and Rental Interventions sub-programme:
 - o Savings amounting to R37.500 million were realised from *Transfers and subsidies to: Households* in respect of the Jika Joe Community Residential Units (CRUs) project in the Msunduzi Municipality which were delayed by the relocation of existing residents to make way for the construction of the next phase. These savings were moved to *Transfers and subsidies to: Provinces and municipalities* under the HSDG to cater for hostel redevelopment in the eThekweni Metro in terms of an agreement entered into between the Metro and the department whereby the Metro rolls out some of the hostel redevelopment programmes.

These virements are permissible in terms of the PFMA and Treasury Regulations. Where applicable, Provincial Treasury approval was given for the increase in transfers.

Legislature approval is required Section 43(4)(b) of the PFMA for the reduction of R79.677 million under this programme against *Transfers and subsidies to: Households* in relation to gazetted planned expenditure for various housing projects that were delayed, as highlighted in grey in Table 8.18.

Shifts – Programme 3: Housing Development

The department undertook the following shifts within Programme 3:

- An amount of R17.364 million that relates to the ISUPG was incorrectly allocated under the Incremental Interventions sub-programme against *Transfers and subsidies to: Households* for land acquisition in respect of the Paapkuilsfontein Farm in the Inkosi Langalibalele Municipality and the Farm Hyde Park in the KwaDukuza Municipality for Housing Development purposes. These funds

were shifted to the Financial Interventions sub-programme within *Transfers and subsidies to Households* and the purpose of these funds remains unchanged.

- An allocation of R5.014 million that relates to the HSDG within the Social and Rental Interventions sub-programme in respect of renovations and repairs of hostels was incorrectly budgeted for against *Transfers and subsidies to: Households*. These funds were shifted to *Goods and services* to correct the budget for the expenditure incurred in respect of repair work done at the Sibongile and Shakaville hostels. The purpose of these funds remains unchanged.
- An amount of R1.318 million that relates to the EPWP Integrated Grant for Provinces was originally allocated under the Financial Interventions sub-programme against *Goods and services* for the job creation programme in line with the department's previous practice of appointing a service provider who would be responsible for the appointment of field workers and managing the programme. These funds were shifted within the Financial Interventions sub-programme to *Compensation of employees* since the appointment of participants who are employed to perform hostel maintenance in respect of the Austerville and East Street hostels was done directly by the department. The purpose of these funds remains unchanged.
- The department moved R621 000 from *Goods and services* to *Machinery and equipment* within the HSDG due to the re-classification of funds relating to cell phone contracts in line with SCOA. These costs were budgeted for under *Goods and services* instead of *Machinery and equipment* within the Incremental Interventions sub-programme. The purpose of the funds remains unchanged.

Other adjustments – Programme 3: Housing Development: (R413.352 million)

The department's budget was decreased by R413.352 million in Programme 3 as a result of in-year fiscal consolidation budget cuts by National Treasury due to lower than expected revenue collection via SARS. The cuts in Programme 3 amounted to R323.291 million against the HSDG, R89.313 million against the ISUPG and R748 000 against the EPWP Integrated Grant for Provinces, as follows:

- The EPWP Integrated Grant for Provinces cut of R748 000 was effected against *Goods and services* in the Financial Interventions sub-programme in respect of EPWP job creation projects.
- The ISUPG budget cut was effected fully against *Transfers and subsidies to: Households* (R89.313 million) in the Incremental Interventions sub-programme in respect of upgrading projects. The ISUPG budget cut will affect the installation of bulk infrastructure projects, with no change on the number of sites serviced by the department.
- The HSDG cut was effected against *Transfers and subsidies to: Provinces and municipalities* (R6.694 million) in the Financial Interventions sub-programme, *Transfers and subsidies to: Households* (R315.597 million) in the Financial Interventions (R57.985 million), Incremental Interventions (R161.171 million), Social and Rental Interventions (R84.197 million) and Rural Intervention (R12.244 million) sub-programmes, as well as *Buildings and other fixed structures* (R1 million) in the the Financial Interventions sub-programme. These budget cuts will lead to a further reduction in the number of housing units constructed by the department through the HSDG.

Service delivery measures – Programme 3: Housing Development

Table 8.10 shows the revised service delivery information for Programme 3. The department's service delivery indicators as per the 2023/24 EPRE fully align to the final 2023/24 APP. Note that three outputs are annual, and are thus not reported on at mid-year.

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

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
1.1 Adequate housing and improved quality living environment	• No. of Breaking New Ground (BNG) houses delivered	12 611	4 521	
	• No. of serviced sites delivered	5 575	435	
	• No. of households that received subsidies through FLISP	653	435	

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

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
Community Residential Units	• No. of Community Residential Units (CRUs) delivered	535	Annual	
All subsidy instruments	• No. of informal settlements upgraded to Phase 3 of the Upgrading of Informal Settlements (UIS) programme	2	Annual	
1.2 Economically transformed human settlements sector	• No. of Full Time Equivalents (FTEs) created	1 600	1 104	
	• No. of work opportunities created through related programmes	5 800	4 864	
	• No. of targeted persons day of work	368 000	254 024	
	• No. of EPWP beneficiaries provided with accredited training	250	160	
1.3 Companies of designated groups trained	• No. of designated group companies trained	140	-	
1.4 Social housing institutions accredited	• No. of social housing institutions accredited	3	Annual	
1.5 Improved Security of Tenure	• No. of post-1994 title deeds registered	5 025	193	
	• No. of new title deeds registered	1 459	31	
	• No. of post-2014 title deeds registered	170	-	

4.4 Programme 4: Housing Asset Management

This programme is responsible for the management of Ex-Natal Provincial Administration and Own Affairs stock. This stock includes residential properties, vacant land and a variety of other non-residential properties, all of which belong to the KZN Housing Fund. In terms of its mandate, all properties will, on a progressive basis, either be transferred to individual occupants in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS), or be disposed of in the open market. Some of these properties will also be devolved to municipalities. In cases where a transfer is not possible, such stock will remain rental stock. The KZN Housing Fund is in the process of being dis-established and, once this process is finalised, all assets and liabilities will be transferred to the Vote. Tables 8.11 and 8.12 reflect a summary of the 2023/24 adjusted appropriation of Programme 4, summarised according to sub-programme and economic classification. Details of the main adjustments, which resulted in an overall decrease of R16.394 million, are provided in the paragraphs after the tables.

Table 8.11 : Programme 4: Housing Asset Management

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
1. Administration	44 717			(5 000)			(5 000)	39 717
2. Sale and Transfer of Housing Properties	61 932					(6 694)	(6 694)	55 238
3. Housing Properties Maintenance	63 200					(4 700)	(4 700)	58 500
Total	169 849	-	-	(5 000)	-	(11 394)	(16 394)	153 455
Amount to be voted								(16 394)

Table 8.12 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	-	-	-	-	-	-	-	-
Compensation of employees							-	-
Goods and services							-	-
Interest and rent on land							-	-
Transfers and subsidies to:	169 849	-	-	(5 000)	-	(11 394)	(16 394)	153 455
Provinces and municipalities							-	-
Departmental agencies and accounts	169 849			(5 000)		(11 394)	(16 394)	153 455
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 subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	169 849	-	-	(5 000)	-	(11 394)	(16 394)	153 455
Amount to be voted								(16 394)

Virement – Programme 4: Housing Asset Management: (R5 million)

The main appropriation of Programme 4 was decreased by R5 million from savings realised under the Administration sub-programme against *Transfers and subsidies to: Departmental agencies and accounts* due to vacant funded posts and audit costs which were over-budgeted for relating to the KZN Housing Fund. Part of these savings were moved to Programme 1 against *Goods and services* (R1.148 million) to cater for spending pressures against operating leases for office buildings due to an escalation in lease rates, as well as the carry-through impact of 2021/22 MTEF budget cuts. The balance of R3.852 million was moved to *Transfers and subsidies to: Households* (R990 000) to cater for unanticipated staff exit costs and to *Machinery and equipment* (R2.862 million) to cater for the purchase of two main servers for the Pietermaritzburg and Durban offices and 60 desktops which were under-budgeted for.

Legislature approval is required in terms of Section 43(4)(b) of the PFMA for the decrease of R5 million in *Transfers and subsidies to: Departmental agencies and accounts* in respect of vacant posts relating to the KZN Housing Fund.

Other adjustments – Programme 4: Housing Asset Management: (R11.394 million)

The department's budget was decreased by R11.394 million against the HSDG as a result of fiscal consolidation budget cuts made in-year by National Treasury due to lower than expected revenue collection *via* SARS. These cuts were effected against *Transfers and subsidies to: Departmental agencies and accounts* relating to the KZN Housing Fund. These budget cuts will affect the restitution programme, as well as the maintenance of departmental rental housing stock and rectification of units.

Service delivery measures – Programme 4: Housing Asset Management

Table 8.13 shows the revised service delivery information for Programme 4. The department's service delivery indicators are as per the 2023/24 EPRE fully aligns to the 2023/24 APP. There is one annual target which was not reported on at mid-year as projects were planned in the latter part of the year.

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

Outputs	Performance indicators	Performance targets		
		2023/24 Original target	2023/24 Mid-year actual	2023/24 Revised target
1. Improved Security of Tenure	<ul style="list-style-type: none"> No. of pre-1994 title deeds registered No. of rental units sold to beneficiaries 	2 102	196	
2. Improved good governance	<ul style="list-style-type: none"> No. of debtors reduced 	100	30	
3. Adequate housing and improved quality living environment	<ul style="list-style-type: none"> No. of rental units maintained 	200	53	
	<ul style="list-style-type: none"> No. of rental units maintained 	300	153	
	<ul style="list-style-type: none"> No. of units rectified for pre-1994 stock 	300	133	
	<ul style="list-style-type: none"> No. of land parcels devolved to municipalities for human settlements development in terms of Section 15 of the Housing Act, 1997 	100	Annual	

5. Specifically and exclusively appropriated allocations

Table 8.14 shows the amounts that are specifically and exclusively appropriated for specific purposes in terms of the KZN Adjustments Appropriation Act, 2023.

Note that conditional grants, as well as transfers to public entities and local government (which are also specifically and exclusively appropriated funds) are not included, as they are discussed in Sections 8, 9 and 10 below.

Details of the adjustment, which resulted in an overall increase of R1.837 million in respect of the department's specifically and exclusively appropriated funding, are provided in the paragraph following the table.

Table 8.14 : Summary of specifically and exclusively appropriated funding

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
		1 837					1 837	1 837
Total	-	1 837	-	-	-	-	1 837	1 837
Amount to be voted								1 837

- *Roll-overs*: An amount of R1.837 million was approved by the Provincial Executive Council to be rolled over from 2022/23 in respect of unspent committed funds for emergency interventions relating to donor funds received in respect of the April 2022 flood disaster. This allocation will be utilised for services of social facilitation and beneficiary administration towards registering TEA occupants on HSS for housing benefits linked to projects and relocate the qualifying flood victims, as mentioned. These funds were allocated to Programme 3 against *Goods and services*.

6. Gifts, donations and sponsorships

The department is not envisaging any gifts, donation or sponsorships exceeding R100 000 in 2023/24.

7. Infrastructure

Table 8.15 shows the summary of infrastructure payments per main category. Details of the main adjustments, which resulted in an overall increase of R13.630 million, are provided in the paragraphs following the tables.

Table 8.15 : Summary of infrastructure payments by category

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Existing infrastructure assets	-	-	-	-	-	-	-	-
Maintenance and repair: Current							-	-
Upgrades and additions: Capital							-	-
Refurbishment and rehabilitation: Capital							-	-
New infrastructure assets: Capital	5 000					(1 000)	(1 000)	4 000
Infrastructure transfers	3 659 362	416 465	-	(41 939)	-	(411 604)	(37 078)	3 622 284
Infrastructure transfers: Capital	3 615 073	416 465		(41 939)		(404 910)	(30 384)	3 584 689
Infrastructure transfers: Current	44 289					(6 694)	(6 694)	37 595
Infrastructure: Payments for financial assets							-	-
Infrastructure: Leases	24 154			2 205		7 564	9 769	33 923
Non infrastructure	132 985			41 939			41 939	174 924
Capital infrastructure	3 620 073	416 465	-	(41 939)	-	(405 910)	(31 384)	3 588 689
Current infrastructure	68 443	-	-	2 205	-	870	3 075	71 518
Total	3 821 501	416 465	-	2 205	-	(405 040)	13 630	3 835 131
Amount to be voted								13 630

- *Roll-overs*: An amount of R416.465 million was rolled over from 2022/23 to 2023/24, in respect of the following conditional grants and was allocated to *Infrastructure transfers: Capital*:
 - o R360.340 million was approved by National Treasury in respect of the HSDG as this was fully committed by the end of 2022/23. The department was allocated funds to address the October 2019 floods and these funds were ring-fenced within the HSDG. While the plans to implement the earlier disaster projects were in place, the province experienced floods during April 2022 which caused damage to repair work that had already commenced thus delaying the implementation of the permanent housing projects, as mentioned.
 - o R32.276 million was approved by National Treasury in respect of the ISUPG which was fully committed by the end of 2022/23. The under-spending was mainly due to delays caused by the April 2022 flood disaster, as mentioned.
 - o R23.849 million was approved by National Treasury in respect of the PEHG. This was fully committed by year-end in relation to the refurbishment costs and operational costs for the Montclair Lodge TEA. These funds were allocated in 2022/23 in response to the application submitted by the department following the April 2022 floods and were for the provision of TRUs. The department concluded all procurement processes, as mentioned.

- *Virement*: The department undertook the following virements affecting the infrastructure allocation:
 - Savings amounting to R41.939 million were realised against *Infrastructure transfers: Capital* as a result of various delays that occurred on different housing projects, including the Shakaspring Housing Project in the KwaDukuza Municipality, the Groutville Priority 1/ Chris Hani Housing Project in the KwaDukuza Municipality, the Folweni Upgrade Housing Project in the eThekweni Metro, the Burlington Ext. Housing Project in the eThekweni Metro, and the Charlestown Housing Project in the Newcastle Municipality, among others. These savings were moved to *Non infrastructure* to cater for the implementation of the National Housing Needs Register in various municipalities across the province, as well as to provide capacity on ISUPG housing projects through the appointment of professionals in the Built Environment to assist with project identification, assessments, social facilitation and quality assurance. This is part of the OPSCAP allocation within the ISUPG as per the conditions of DORA in line with recent amendments that allow the department to utilise up to 5 per cent of its ISUPG allocation to fund operational expenditure.
 - *Infrastructure: Leases* was increased by R2.205 million to cater for the spending pressures against leases for office buildings due to an escalation in lease rates agreed upon between the department and DOPW, as well as the severe impact of the carry-through of the budget cuts implemented in the 2021/22 MTEF. These savings were moved from *Transfers and subsidies to: Departmental agencies and accounts* in respect of the KZN Housing Fund in Programme 4 due to vacant funded posts.

Legislature approval is required in terms of Section 43(4)(b) of the PFMA for the reduction of R41.939 million against *Infrastructure transfers: Capital* as this relates to a reduction in *Transfers and subsidies to: Households* in respect of planned expenditure that was gazetted for transfer to specific municipalities.

- *Other adjustments*: The department's infrastructure allocation was decreased by a net amount of R405.040 million, as explained below:
 - In-year fiscal consolidation budget cuts were implemented by National Treasury against the department's conditional grants as a result of lower than expected revenue collection *via* SARS. The budget cuts were effected against the infrastructure allocation as follows:
 - The ISUPG cut was effected against *Infrastructure transfers: Capital* (R89.313 million) in respect of upgrading projects.
 - The HSDG cut was effected against *Infrastructure transfers: Current* (R6.694 million), *Infrastructure transfers: Capital* (R308.903 million), and *New infrastructure assets: Capital* (R1 million).
 - Offsetting these budget cuts to an extent was additional funding of R7.564 million allocated to the department in respect of funds collected from the sale of units at Ridgeview FLISP development, as well as unspent funds re-called by the department from various municipalities. These funds were allocated to *Infrastructure transfers: Leases* to cater for spending pressures against operating leases for office buildings due to an escalation in lease rates, as well as the carry-through impact of the 2021/22 MTEF budget cuts.

8. Conditional grants

Tables 8.16 and 8.17 provide a summary of changes to conditional grants.

Details of the main adjustments, which resulted in an overall decrease of R8.281 million in the conditional grant allocation, are given in the paragraphs following the tables.

Table 8.16 : Summary of changes to conditional grants

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
3. Housing Development	3 805 016	416 465	-	-	-	(413 352)	3 113	3 808 129
Human Settlements Development grant	3 007 121	360 340				(323 291)	37 049	3 044 170
EPWP Integrated Grant for Provinces	7 669					(748)	(748)	6 921
ISU Partnership grant	790 226	32 276				(89 313)	(57 037)	733 189
Provincial Emergency Housing grant		23 849					23 849	23 849
4. Housing Asset Management	125 132	-	-	-	-	(11 394)	(11 394)	113 738
Human Settlements Development grant	125 132					(11 394)	(11 394)	113 738
Total	3 930 148	416 465	-	-	-	(424 746)	(8 281)	3 921 867
Amount to be voted								(8 281)

Table 8.17 : Summary of conditional grants by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	137 580	-	-	41 177	4 393	(748)	44 822	182 402
Compensation of employees	86 950			9 848	1 318		11 166	98 116
Goods and services	50 630			31 329	3 075	(748)	33 656	84 286
Interest and rent on land							-	-
Transfers and subsidies to:	3 787 137	416 465	-	(41 177)	(5 014)	(422 998)	(52 724)	3 734 413
Provinces and municipalities	94 289			37 500		(6 694)	30 806	125 095
Departmental agencies and accounts	125 132					(11 394)	(11 394)	113 738
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	3 567 716	416 465		(78 677)	(5 014)	(404 910)	(72 136)	3 495 580
Payments for capital assets	5 431	-	-	-	621	(1 000)	(379)	5 052
Buildings and other fixed structures	5 000					(1 000)	(1 000)	4 000
Machinery and equipment	431				621		621	1 052
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
Payments for financial assets							-	-
Total	3 930 148	416 465	-	-	-	(424 746)	(8 281)	3 921 867
Amount to be voted								(8 281)

- *Roll-overs:* R416.465 million was rolled over from 2022/23 to 2023/24, with the full amount allocated to *Transfers and subsidies to: Households* in Programme 3, comprising the following conditional grants:
 - R360.340 million was approved by National Treasury in respect of the HSDG as this was fully committed by the end of 2022/23. The department was allocated funds to address the October 2019 floods and these funds were ring-fenced within the HSDG. While the plans to implement the earlier disaster projects were in place, the province experienced floods during April 2022 which caused damage to repair work that had already commenced thus delaying the implementation of the permanent housing projects, as mentioned.
 - R32.276 million was approved by National Treasury in respect of the ISUPG which was fully committed by the end of 2022/23. The under-spending was mainly due to delays caused by the April 2022 flood disaster, as mentioned.
 - R23.849 million was approved by National Treasury in respect of the PEHG. This was fully committed by year-end in relation to the refurbishment costs and operational costs for the Montclair Lodge TEA. These funds were allocated in 2022/23 in response to the application submitted by the department following the April 2022 floods and were for the provision of TRUs. The department concluded all procurement processes.
- *Virement:* The department undertook the following virements affecting the department's conditional grants:
 - Savings of R64.630 million were identified under the HSDG against *Transfers and subsidies to: Households* in respect of FLISP subsidies due to applicants that are not meeting the stringent qualifying criteria and the rising interest rates that deter prospective buyers from applying for home loans, as well as various delays that occurred on different housing projects, such as the

Burlington Ext. Housing Project in the eThekwin Metro, the Charlestown Housing Project in the Newcastle Municipality, and the Jika Joe CRUs project in the Msunduzi Municipality, among others. These savings were moved within the HSDG, as follows:

- R6.131 million was moved to *Goods and services* to cater for the community outreach programmes in respect of the implementation of housing projects, the FLISP communication strategy under the OPSCAP allocation, as well as to cater for expenditure incurred for maintenance and levies of the Ridgeview Gardens units which were under-budgeted for.
- R37.500 million was moved to *Transfers and subsidies to: Provinces and municipalities* to cater for hostel redevelopment in the eThekwin Metro in terms of an agreement entered into between the Metro and the department, as mentioned.
- R20.999 million was moved within *Transfers and subsidies to: Households* to cater for staff exit costs in the department (R1 million) and R19.999 million for the enrolment of housing projects with NHBRC which was inadequately budgeted.
- o Savings of R35.046 million were identified under the ISUPG against *Transfers and subsidies to: Households* as a result of various delays that occurred on different housing projects, such as the Shakaspring Housing Project in the KwaDukuza Municipality, the Groutville Priority 1/ Chris Hani Housing Project in the KwaDukuza Municipality and the Folweni Upgrade Housing Project in the eThekwin Metro, among others. These savings were moved within the ISUPG, as follows:
 - R9.848 million was moved to *Compensation of employees* to cater for additional capacity on ISUPG housing projects, through the appointment of professionals in the Built Environment to assist with project identification and assessments, social facilitation, and quality assurance.
 - R25.198 million was moved to *Goods and services* to cater for the implementation of the National Housing Needs Register in various municipalities across the province, as well as community outreach programmes in respect of the implementation of housing projects which were under-budgeted for.

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

Legislature approval is required in terms of Section 43(4)(b) of the PFMA for the reduction of R78.677 million against *Transfers and subsidies to: Households* in respect of planned expenditure that was gazetted for transfer to specific municipalities.

- *Shifts:* The department undertook the following shifts within the HSDG:
 - o An allocation of R5.014 million that relates to the HSDG within the Social and Rental Interventions sub-programme in respect of renovations and repairs of hostels was incorrectly budgeted for against *Transfers and subsidies to: Households*. These funds were shifted to *Goods and services* to correct the budget for the expenditure incurred in respect of repair work done at the Sibongile and Shakaville hostels. The purpose of these funds remains unchanged.
 - o The department moved R621 000 from *Goods and services* to *Machinery and equipment* within the HSDG due to the re-classification of funds in line with SCOA relating to cell phone contracts which were budgeted for under *Goods and services* instead of *Machinery and equipment* within the Incremental Interventions sub-programme. The purpose of the funds remains unchanged.
- *Other adjustments:* The department's conditional grant allocation was decreased by a net amount of R424.746 million as a result of fiscal consolidation budget cuts implemented in-year by National Treasury due to lower than expected revenue collection *via* SARS. The conditional grants cuts amounted to R334.685 million for the HSDG, R89.313 million for the ISUPG and R748 000 for the EPWP Integrated Grant for Provinces. These cuts were effected as follows:
 - o The EPWP Integrated Grant for Provinces cut of R748 000 was fully effected against *Goods and services* in respect of EPWP job creation projects.

- o The ISUPG cut was effected against *Transfers and subsidies to: Households* (R89.313 million) in respect of upgrading projects.
- o The HSDG cut was effected against *Transfers and subsidies to: Provinces and municipalities* (R6.694 million), *Transfers and subsidies to households* (R315.597 million), and *Building and other fixed structures* (R1 million) in Programme 3, as well as *Transfers and subsidies to: Departmental agencies and accounts* (R11.394 million) relating to the KZN Housing Fund in Programme 4.

9. Transfers and subsidies

Table 8.18 shows the summary of transfers and subsidies by programme and main category. Details of the main adjustments, which resulted in an overall decrease of R53.206 million in the transfers and subsidies allocation, are provided in the paragraphs following the table.

Table 8.18 : Summary of transfers and subsidies by programme and main category

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments	
1. Administration	667	-	-	990	-	-	990
Provinces and municipalities	164	-	-	-	-	-	164
Motor vehicle licences	164	-	-	-	-	-	164
Households	503	-	-	990	-	-	1 493
Staff exit costs	503	-	-	990	-	-	990
External bursaries	503	-	-	-	-	-	503
2. Housing Needs, Research and Planning	-	-	-	118	-	-	118
Households	-	-	-	118	-	-	118
Staff exit costs	-	-	-	118	-	-	118
3. Housing Development	3 662 005	416 465	-	(37 767)	(5 014)	(411 604)	(37 920)
Provinces and municipalities	94 289	-	-	37 500	-	(6 694)	30 806
Op. costs for accredited municipalities (HSDG)	44 289	-	-	-	-	(6 694)	37 595
CRU programme (HSDG)	50 000	-	-	37 500	-	-	87 500
Households	3 567 716	416 465	-	(75 267)	(5 014)	(404 910)	(68 726)
Staff exit costs (Equitable Share)	-	-	-	708	-	-	708
Staff exit costs (HSDG)	154	-	-	1 000	-	-	1 000
EPWP Integrated Grant for provinces	2 489	-	-	-	-	-	2 489
EPWP job creation programme (Equitable Share)	-	-	-	2 702	-	-	2 702
ISU Partnership grant	790 226	32 276	-	(35 046)	-	(89 313)	(92 083)
Provincial Emergency Housing grant	-	23 849	-	-	-	-	23 849
Human Settlement Development grant	2 774 847	360 340	-	(44 631)	(5 014)	(315 597)	(4 902)
of which:	-	-	-	-	-	-	-
FLISP	36 300	-	-	(238)	-	(13 646)	(13 884)
Rectification of RDP stock	181 356	-	-	-	-	(44 339)	(44 339)
IRDP	527 715	-	-	(26 959)	-	(141 426)	(168 385)
Rural subsidy communal land right	1 221 398	-	-	-	-	(12 244)	(12 244)
Others	808 078	360 340	-	(17 434)	(5 014)	(103 942)	233 950
4. Housing Asset Management	169 849	-	-	(5 000)	-	(11 394)	(16 394)
Departmental agencies and accounts	169 849	-	-	(5 000)	-	(11 394)	(16 394)
KZN Housing Fund	-	-	-	-	-	-	-
Equitable Share	44 717	-	-	(5 000)	-	-	(5 000)
Human Settlements Development grant	125 132	-	-	-	-	(11 394)	(11 394)
Total	3 832 521	416 465	-	(41 659)	(5 014)	(422 998)	(53 206)
Amount to be voted							(53 206)

- **Roll-overs:** An amount of R416.465 million was rolled over from 2022/23 to 2023/24 against *Households* in Programme 3, comprising the following conditional grant funding:
 - o R360.340 million was approved by National Treasury in respect of the HSDG as this was fully committed by the end of 2022/23.
 - o R32.276 million was approved by National Treasury in respect of the ISUPG which was fully committed by the end of 2022/23. The under-spending was mainly due to delays caused by the April 2022 flood disaster, as mentioned.
 - o R23.849 million was approved by National Treasury in respect of the PEHG. This was fully committed by year-end in relation to the refurbishment costs and operational costs for the Montclair Lodge TEA.
- **Virement:** The department undertook the following virements affecting transfers and subsidies:
 - o Programme 1 was increased by R990 000 against *Households* to cater for unanticipated staff exit costs. These savings were moved from *Compensation of employees* under Programme 4 due to vacant funded posts, as mentioned.

- o Programme 2 was increased by R118 000 against *Households* to cater for staff exit costs that were not budgeted for. These savings were moved from *Compensation of employees* within Programme 2 due to vacant funded posts, as mentioned.
- o Under Programme 3, the following virements were undertaken affecting both conditional grants and equitable share:
 - Savings of R79.677 million were realised under *Households* as a result of various delays that occurred on different housing projects such as, the Shakaspring Housing Project in the KwaDukuza Municipality, the Groutville Priority 1/ Chris Hani Housing Project in the KwaDukuza Municipality, the Folweni Upgrade Housing Project in the eThekwin Metro, the Burlington Ext. Housing Project in the eThekwin Metro, the Charlestown Housing Project in the Newcastle Municipality, and the Jika Joe CRUs in the Msunduzi Municipality, among others. These savings were moved within Programme 3 as follows:
 - R37.500 million was moved to *Provinces and municipalities* to cater for hostel redevelopment in the eThekwin Metro in terms of an agreement entered into between the Metro and the department. The three-year agreement with the Metro expires at the end of the current year.
 - R24.409 million was moved within *Households* to cater for unanticipated staff exit costs (R1.708 million), the enrolment of housing projects with NHBRC which was inadequately budgeted for (R19.999 million), as well as to provide for EPWP recruits who are employed to undertake construction work on various housing projects of the department (R2.702 million).
 - The balance was moved to other economic classification categories, as mentioned.
- o Programme 4 decreased by R5 million under *Departmental agencies and accounts* due to vacant funded posts relating to the KZN Housing Fund. These savings were moved to *Goods and services, Households*, as well as *Machinery and equipment* under Programme 1, as mentioned.

These virements are permissible in terms of the PFMA and Treasury Regulations. Where applicable, the increase in transfers was approved by Provincial Treasury. Several virements require Legislature approval, and these are highlighted in grey and are summarised below.

Legislature approval is required in terms of Section 43(4)(b) of the PFMA for the decrease of R79.677 million under *Households* in respect of the ISUPG and HSDG in Programme 3, as well as the reduction of R5 million under Programme 4 against *Departmental agencies and accounts* in respect of the KZN Housing Fund, as highlighted in grey in the table.

- *Shifts*: The department undertook the following shift:
 - o An allocation of R5.014 million that relates to the HSDG within the Social and Rental Interventions sub-programme in respect of renovations and repairs of hostels was incorrectly budgeted for against *Households*. These funds were shifted to *Goods and services* to correct the budget for the expenditure incurred in respect of repair work done at the Sibongile and Shakaville hostels. The purpose of these funds remains unchanged.
- *Other adjustments*: The department's budget allocation in the *Transfers and subsidies* category was decreased by a net amount of R422.498 million as a result of the in-year fiscal consolidation budget cuts implemented by National Treasury against the department's conditional grants as a result of lower than expected revenue collection *via* SARS. These cuts were effected against *Provinces and municipalities* (R6.694 million) and *Households* (R404.910 million) in Programme 3, as well as *Departmental agencies and accounts* (R11.394 million).

10. Transfers to local government

Tables 8.19 to 8.21 shows the details of transfers to local government, which are specifically and exclusively appropriated in terms of the KZN Adjustments Appropriation Act, 2023.

It is noted that the amount against *Provinces and municipalities* in Table 8.2 includes provision for motor vehicle licences. This amount is excluded from the transfers to local government table, as these funds will not be transferred to any municipality.

Details of the main adjustments, which resulted in an overall increase of R30.806 million, are provided in the paragraphs below.

- *Virement*: Savings amounting to R37.500 million were realised from *Transfers and subsidies to: Households* in respect of Jika Joe CRUs project at the Msunduzi Municipality which were delayed by the relocation of existing residents to make way for the construction of the next phase. These savings were moved to *Provinces and municipalities* to cater for hostel redevelopment in the eThekweni Metro in terms of an agreement entered into between the Metro and the department. The three-year agreement with the Metro expires at the end of the current year.
- *Other adjustments*: The department's HSDG budget against *Provinces and municipalities* was cut by R6.694 in respect of the eThekweni Metro and Amajuba District Municipality as a result of fiscal consolidation budget cuts made in-year by National Treasury due to lower than expected revenue collection via SARS.

Table 8.19 : Summary of transfers to local government

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A KZN2000 eThekweni	64 172	-	-	37 500	-	(3 347)	34 153	98 325
Total: Ugu Municipalities	2 214	-	-	-	-	-	-	2 214
B KZN216 Ray Nkonyeni	2 214	-	-	-	-	-	-	2 214
Total: uMgungundlovu Municipalities	4 429	-	-	-	-	-	-	4 429
B KZN225 Msunduzi	4 429	-	-	-	-	-	-	4 429
Total: uThukela Municipalities	1 772	-	-	-	-	-	-	1 772
B KZN238 Alfred Duma	1 772	-	-	-	-	-	-	1 772
Total: Amajuba Municipalities	15 501	-	-	-	-	(3 347)	(3 347)	12 154
B KZN252 Newcastle	15 501	-	-	-	-	(3 347)	(3 347)	12 154
Total: King Cetshwayo Municipalities	4 429	-	-	-	-	-	-	4 429
B KZN282 uMhlathuze	4 429	-	-	-	-	-	-	4 429
Total: iLembe Municipalities	1 772	-	-	-	-	-	-	1 772
B KZN292 KwaDukuza	1 772	-	-	-	-	-	-	1 772
Total	94 289	-	-	37 500	-	(6 694)	30 806	125 095
Amount to be voted								30 806

Table 8.20 : Transfers to local government - Operational costs for accredited municipalities (HSDG)

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A KZN2000 eThekweni	14 172	-	-	-	-	(3 347)	(3 347)	10 825
Total: Ugu Municipalities	2 214	-	-	-	-	-	-	2 214
B KZN216 Ray Nkonyeni	2 214	-	-	-	-	-	-	2 214
Total: uMgungundlovu Municipalities	4 429	-	-	-	-	-	-	4 429
B KZN225 Msunduzi	4 429	-	-	-	-	-	-	4 429
Total: uThukela Municipalities	1 772	-	-	-	-	-	-	1 772
B KZN238 Alfred Duma	1 772	-	-	-	-	-	-	1 772
Total: Amajuba Municipalities	15 501	-	-	-	-	(3 347)	(3 347)	12 154
B KZN252 Newcastle	15 501	-	-	-	-	(3 347)	(3 347)	12 154
Total: King Cetshwayo Municipalities	4 429	-	-	-	-	-	-	4 429
B KZN282 uMhlathuze	4 429	-	-	-	-	-	-	4 429
Total: iLembe Municipalities	1 772	-	-	-	-	-	-	1 772
B KZN292 KwaDukuza	1 772	-	-	-	-	-	-	1 772
Total	44 289	-	-	-	-	(6 694)	(6 694)	37 595
Amount to be voted								(6 694)

Table 8.21 : Transfers to local government - CRU (HSDG)

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A KZN2000 eThekweni	50 000	-	-	37 500	-	-	37 500	87 500
Total	50 000	-	-	37 500	-	-	37 500	87 500
Amount to be voted								37 500

11. Actual payments and revised spending projections for the rest of 2023/24

Tables 8.22 and 8.23 reflect actual payments as at the end of September 2023, projected payments for the rest of the financial year and the total revised spending in rand value and as a percentage of the Adjusted Appropriation. The tables also show the 2022/23 Audited outcome.

Table 8.22 : Actual payments and revised spending projections by programme

R thousand	2022/23 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2023 - September 2023		October 2023 - March 2024		
			% of budget		% of budget		
1. Administration	279 448	250 036	165 846	66.3	84 190	33.7	250 036
2. Housing Needs, Research and Planning	20 118	21 130	10 707	50.7	10 423	49.3	21 130
3. Housing Development	3 580 364	3 919 496	1 455 075	37.1	2 464 421	62.9	3 919 496
4. Housing Asset Management	182 698	153 455	85 353	55.6	68 102	44.4	153 455
Total	4 062 628	4 344 117	1 716 981	39.5	2 627 136	60.5	4 344 117

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

	2022/23 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		
R thousand			April 2023 - September 2023		October 2023 - March 2024		Projected actual
			% of budget		% of budget		
Current payments	556 284	549 110	293 261	53.4	255 849	46.6	549 110
Compensation of employees	351 831	358 493	179 349	50.0	179 144	50.0	358 493
Goods and services	204 453	190 617	113 912	59.8	76 705	40.2	190 617
Interest and rent on land		-		-	-	-	-
Transfers and subsidies to:	3 497 175	3 779 315	1 413 895	37.4	2 365 420	62.6	3 779 315
Provinces and municipalities	137 006	125 259	75 239	60.1	50 020	39.9	125 259
Departmental agencies and accounts	182 596	153 455	85 353	55.6	68 102	44.4	153 455
Higher education institutions		-		-	-	-	-
Foreign governments and international organisations		-		-	-	-	-
Public corporations and private enterprises		-		-	-	-	-
Non-profit institutions		-		-	-	-	-
Households	3 177 573	3 500 601	1 253 303	35.8	2 247 298	64.2	3 500 601
Payments for capital assets	9 153	15 692	9 825	62.6	5 867	37.4	15 692
Buildings and other fixed structures	1 298	4 000		-	4 000	100.0	4 000
Machinery and equipment	7 855	11 692	9 825	84.0	1 867	16.0	11 692
Heritage assets		-		-	-	-	-
Specialised military assets		-		-	-	-	-
Biological assets		-		-	-	-	-
Land and subsoil assets		-		-	-	-	-
Software and other intangible assets		-		-	-	-	-
Payments for financial assets	16	-		-	-	-	-
Total	4 062 628	4 344 117	1 716 981	39.5	2 627 136	60.5	4 344 117

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

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
Current payments	498 592	1 837	-	37 472	4 393	6 816	50 518	549 110
Compensation of employees	360 537	-	-	(3 362)	1 318	-	(2 044)	358 493
Salaries and wages	320 839	-	-	(1 258)	1 318	-	60	320 899
Social contributions	39 698	-	-	(2 104)	-	-	(2 104)	37 594
Goods and services	138 055	1 837	-	40 834	3 075	6 816	52 562	190 617
Administrative fees	1 259	-	-	283	-	-	283	1 542
Advertising	991	-	-	(676)	-	-	(676)	315
Minor assets	664	-	-	(56)	-	-	(56)	608
Audit cost: External	4 785	-	-	-	-	-	-	4 785
Bursaries: Employees	153	-	-	-	-	-	-	153
Catering: Departmental activities	2 385	-	-	728	-	-	728	3 113
Communication (G&S)	2 001	-	-	(9)	(621)	-	(630)	1 371
Computer services	15 661	-	-	550	-	-	550	16 211
Cons. & prof serv: Business and advisory services	3 879	1 837	-	25 149	-	-	26 986	30 865
Infrastructure and planning	30 488	-	-	(1 000)	-	-	(1 000)	29 488
Laboratory services	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-
Legal costs	2 588	-	-	-	-	-	-	2 588
Contractors	1 193	-	-	3 544	-	-	3 544	4 737
Agency and support / outsourced services	-	-	-	456	-	-	456	456
Entertainment	-	-	-	-	-	-	-	-
Fleet services (incl govt motor transport)	4 617	-	-	-	-	-	-	4 617
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	977	-	-	1 005	-	-	1 005	1 982
Consumable: Stationery, printing and office supplies	1 571	-	-	(216)	-	-	(216)	1 355
Operating leases	25 756	-	-	2 138	-	7 564	9 702	35 458
Property payments	21 184	-	-	704	5 014	-	5 718	26 902
Transport provided: Departmental activity	-	-	-	-	-	-	-	-
Travel and subsistence	10 988	-	-	550	-	-	550	11 538
Training and development	5 482	-	-	2 558	(1 318)	(748)	492	5 974
Operating payments	807	-	-	(141)	-	-	(141)	666
Venues and facilities	-	-	-	-	-	-	-	-
Rental and hiring	626	-	-	5 267	-	-	5 267	5 893
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies to	3 832 521	416 465	-	(41 659)	(5 014)	(422 998)	(53 206)	3 779 315
Provinces and municipalities	94 453	-	-	37 500	-	(6 694)	30 806	125 259
Provinces	164	-	-	-	-	-	-	164
Provincial Revenue Funds	-	-	-	-	-	-	-	-
Provincial agencies and funds	164	-	-	-	-	-	-	164
Municipalities	94 289	-	-	37 500	-	(6 694)	30 806	125 095
Municipalities	94 289	-	-	37 500	-	(6 694)	30 806	125 095
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	169 849	-	-	(5 000)	-	(11 394)	(16 394)	153 455
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	169 849	-	-	(5 000)	-	(11 394)	(16 394)	153 455
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	3 568 219	416 465	-	(74 159)	(5 014)	(404 910)	(67 618)	3 500 601
Social benefits	154	-	-	2 816	-	-	2 816	2 970
Other transfers to households	3 568 065	416 465	-	(76 975)	(5 014)	(404 910)	(70 434)	3 497 631
Payments for capital assets	11 884	-	-	4 187	621	(1 000)	3 808	15 692
Buildings and other fixed structures	5 000	-	-	-	-	(1 000)	(1 000)	4 000
Buildings	5 000	-	-	-	-	(1 000)	(1 000)	4 000
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	6 884	-	-	4 187	621	-	4 808	11 692
Transport equipment	1 277	-	-	-	-	-	-	1 277
Other machinery and equipment	5 607	-	-	4 187	621	-	4 808	10 415
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total	4 342 997	418 302	-	-	-	(417 182)	1 120	4 344 117
Amount to be voted								1 120