

# Vote 8

## Human Settlements

R thousand	2025/26			
	Main appropriation	Adjusted appropriation	Decrease	Increase
Operational budget	3 549 877	3 651 589		101 712
MEC remuneration <sup>1</sup>				
<b>Total amount to be appropriated</b>	<b>3 549 877</b>	<b>3 651 589</b>		<b>101 712</b>
<i>of which:</i>				
Current payments	557 650	574 830		17 180
Transfers and subsidies	2 977 840	3 060 807		82 967
Payments for capital assets	14 387	15 952		1 565
Payments for financial assets	-	-		
Responsible MEC	MEC for Transport and Human Settlements			
Administering department	Human Settlements			
Accounting Officer	Head: Human Settlements			

### 1. Vision and mission

#### Vision

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

#### Mission

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

### 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 2025/26

The main appropriation of the Department of Human Settlements was R3.550 billion in 2025/26. Some adjustments were made to the department's budget, and this resulted in a net increase of R101.712 million. Thus, the adjusted appropriation of the department is R3.652 billion and this is discussed in more detail below.

The main reasons for the increase in the department's budget, as well as other adjustments, are summarised below, and are explained in detail in Section 4.

- *Virement between programmes:* The following virements were undertaken across programmes:

<sup>1</sup> The salary of the MEC for Human Settlements is budgeted for under Vote 12: Transport

- o Programme 1: Administration was increased by R279 000 against *Goods and services* to fund the shortfall for water dispensers in the department which is in compliance with Occupational Health and Safety (OHS) recommendations. These funds were moved from Programme 2 against *Goods and services*, as explained below. Also, R1.060 million was moved against *Transfers and subsidies to: Households* to cater for payments in respect of claims against the state of an arbitration award in favour of an official who left the department in the previous financial year. These savings were moved from Programme 3: Housing Development against *Compensation of employees*.
- o Programme 4: Housing Asset Management was increased by R1.125 million against *Transfers and subsidies to: Departmental agencies and accounts* to fund the shortfall which arose from the implementation of the 2025 wage agreement, as well as for audit costs which were not sufficiently budgeted for due to the impact of historic budget cuts. These savings were moved from Programme 2: Housing Needs Research and Planning from *Goods and services* due to software licences and maintenance fees for the ArcGIS online system which was budgeted and paid for under Programme 1 and was erroneously also budgeted for under Programme 2. Savings were also realised against Travel and subsistence due to cost-cutting and also because of over-estimations made with respect to contract employees paid against the Operational Support Capital Programme (OPSCAP) portion of the Human Settlements Development grant (HSDG). This was offset by a movement to Programme 3 of R33.642 million, as explained below.
- o Programme 3: Housing Development was increased by a total amount of R33.642 million against *Transfers and subsidies to: Households* to cater for spending pressures in relation to the re-alignment of the new subsidy quantum for housing projects such as Sobonakhona Rural, Sobantu Housing and Richmond Housing projects. These savings of R33.642 million were realised from *Transfers and subsidies to: Departmental agencies and accounts* within the HSDG under Programme 4 due to R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro still having balances on funds which were paid in the previous financial year, thus no further transfer will be made towards this in 2025/26. This was offset by the movement of R279 000 to *Goods and services* under Programme 1, as explained.

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. Where applicable, Treasury approval was given for the increase in *Compensation of employees* and transfers. 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 R33.642 million against *Transfers and subsidies to: Departmental agencies and accounts* in Programme 4 in respect of R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro as these still had balances remaining from funds which were paid in the previous financial year. Legislature approval is also required for the decrease in *Transfers and subsidies to: Provinces and municipalities* and *Transfers and subsidies to: Households* in Programme 3. Legislature approval is required for the decrease in Programme 4 as this exceeds 8 per cent of the budget for this programme.

- *Roll-overs*: An amount of R100 million was approved by National Treasury to be rolled over from 2024/25 to 2025/26 in respect of the HSDG with regard to the amount shown as under-spending in 2024/25 relating to the Aloe Ridge Social Housing project. These funds were allocated to Programme 3 against *Transfers and subsidies to: Households*.
- *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 increased by a net amount of R1.712 million, as follows:

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

Tables 8.1 and 8.2 reflect a summary of the 2025/26 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	283 916	-	-	1 339	-	3 070	4 409	288 325
2. Housing Needs, Research and Planning	21 183	-	-	(1 404)	-	120	(1 284)	19 899
3. Housing Development	3 054 408	100 000	-	32 582	-	(1 478)	131 104	3 185 512
4. Housing Asset Management	190 370	-	-	(32 517)	-	-	(32 517)	157 853
<b>Total</b>	<b>3 549 877</b>	<b>100 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 712</b>	<b>101 712</b>	<b>3 651 589</b>
<b>Amount to be voted</b>								<b>101 712</b>

**Table 8.2 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>557 650</b>	<b>-</b>	<b>-</b>	<b>(4 530)</b>	<b>21 200</b>	<b>510</b>	<b>17 180</b>	<b>574 830</b>
Compensation of employees	368 132	-	-	(3 600)	-	1 713	(1 887)	366 245
Goods and services	189 518	-	-	(930)	21 200	(1 203)	19 067	208 585
Interest and rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>2 977 840</b>	<b>100 000</b>	<b>-</b>	<b>3 640</b>	<b>(21 200)</b>	<b>527</b>	<b>82 967</b>	<b>3 060 807</b>
Provinces and municipalities	68 741	-	-	(20 000)	-	942	(19 058)	49 683
Departmental agencies and accounts	190 370	-	-	(32 517)	-	-	(32 517)	157 853
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	2 718 729	100 000	-	56 157	(21 200)	(415)	134 542	2 853 271
<b>Payments for capital assets</b>	<b>14 387</b>	<b>-</b>	<b>-</b>	<b>890</b>	<b>-</b>	<b>675</b>	<b>1 565</b>	<b>15 952</b>
Buildings and other fixed structures	6 100	-	-	-	-	-	-	6 100
Machinery and equipment	8 287	-	-	890	-	675	1 565	9 852
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 549 877</b>	<b>100 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 712</b>	<b>101 712</b>	<b>3 651 589</b>
<b>Amount to be voted</b>								<b>101 712</b>

## 4. Changes to programme purposes

There are no changes to the programme purposes.

### 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 2025/26 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 R4.409 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	283 916	-	-	1 339	-	3 070	4 409	288 325
<b>Total</b>	<b>283 916</b>	<b>-</b>	<b>-</b>	<b>1 339</b>	<b>-</b>	<b>3 070</b>	<b>4 409</b>	<b>288 325</b>
<b>Amount to be voted</b>								<b>4 409</b>

Table 8.4 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation	
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts			Other adjustments
<b>Current payments</b>	<b>276 134</b>	-	-	<b>279</b>	-	<b>1 688</b>	<b>1 967</b>	<b>278 101</b>
Compensation of employees	151 147			(1 060)		944	(116)	151 031
Goods and services	124 987			1 339		744	2 083	127 070
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>727</b>	-	-	<b>1 060</b>	-	<b>707</b>	<b>1 767</b>	<b>2 494</b>
Provinces and municipalities	150					62	62	212
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	577			1 060		645	1 705	2 282
<b>Payments for capital assets</b>	<b>7 055</b>	-	-	-	-	<b>675</b>	<b>675</b>	<b>7 730</b>
Buildings and other fixed structures							-	-
Machinery and equipment	7 055					675	675	7 730
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>283 916</b>	-	-	<b>1 339</b>	-	<b>3 070</b>	<b>4 409</b>	<b>288 325</b>
<b>Amount to be voted</b>								<b>4 409</b>

### Virement – Programme 1: Administration: R1.339 million

The main appropriation of the Corporate Services sub-programme in Programme 1 increased by R1.339 million. Of this, R279 000 was allocated against *Goods and services* to fund the shortfall for water dispensers in the department which is in compliance with OHS recommendations. These savings were moved from Programme 2 against *Goods and services* due to software licences and maintenance fees for the ArcGIS online system which were budgeted and paid for under Programme 1. An amount of R1.060 million was allocated against *Transfers and subsidies to: Households* to cater for payments in respect of claims against the state of an arbitration award in favour of an official who left the department in the previous financial year. These savings were moved from Programme 3 against *Compensation of employees*.

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

- *Savings* of R1.060 million were realised from *Compensation of employees* due to posts such as Chief Director: Corporate Services, Senior State Accountant: Financial Management and Registry Clerk: Assets Management that were vacated in-year. The department placed a moratorium on filling these posts while the restructuring process is ongoing. These savings were moved to *Goods and services* to cater for audit costs, which was inadequately budgeted for due to the impact of historic budget cuts.

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

### Other adjustments – Programme 1: Administration: R3.070 million

The main appropriation of the Corporate Services sub-programme in Programme 1 increased by R3.070 million, explained as follows:

- Funds were suspended from the department's budget for allocation to Vote 7: Health, as explained. In this regard, R300 000 was reduced from *Compensation of employees* with these savings emanating from posts vacated during the current year. This includes posts such as Senior State Accountant: Financial Management, Registry Clerk: Assets Management, etc.
- The department was allocated back an amount of R2.126 million from the department's own revenue collected in 2025/26 from various sources including funds recalled from several municipalities in respect of unspent balances on completed projects (R1.126 million), proceeds from the sale of Ridgeview Gardens for FLISP units (R686 000), as well as refunds from the FLISP programme in respect of beneficiaries not qualifying for home loans (R1.194 million). These funds

are allocated towards addressing some of the department’s in-year budget pressures, and are allocated to Programme 1 as follows:

- o R744 000 was allocated to *Goods and services* to fund the shortfall for water dispensers in the department which is in compliance with OHS recommendations.
- o R62 000 was allocated to *Transfers and subsidies to: Provinces and municipalities* to cater for motor vehicles licence fees which were under-budgeted for as a result of the impact of historic budget cuts.
- o R645 000 was allocated to *Transfers and subsidies to: Households* to cater for unanticipated staff exit costs and for the payment in respect of claims against the state related to an arbitration award in favour of an official who left the department in the previous financial year.
- o R675 000 was allocated to *Machinery and equipment* to cater for the purchase of new vehicles.
- *Compensation of employees* was increased by R1.244 million relating to additional funds allocated to the department for the 2025 wage agreement.

### Service delivery measures – Programme 1: Administration

Table 8.5 shows the revised service delivery information for Programme 1. It is noted that the department has removed one performance indicator, as indicated by a strike-through and the wording “No longer measured” in the Revised target column. Additionally, the department has revised the targets for one performance indicator, as shown in the revised target column. One performance indicator was added and this has been indicated by bold italics in the table. Three targets in this programme are annual and were therefore not reported on at mid-year, as projects were planned in the latter part of the year. All changes are made to ensure alignment with the 2025/26 APP.

**Table 8.5 : Service delivery measures – Programme 1: Administration**

Outputs	Performance indicators	Performance targets		
		2025/26 Original target	2025/26 Mid-year actual	2025/26 Revised target
<b>Planning</b>				
1.1 Improved Organizational efficiency to promote an agile, capable and ethical and development at department	<del>• % of approved Human Resource plan implemented</del>	20%		No longer measured
	• <b><i>No. of Human Resource Plans approved</i></b>	1	Annual	
	• No. of ICT Governance Framework performance reports submitted	4	2	
	• % implementation of the approved internal audit plan	100%	100%	
	• % of invoices paid within 30 days of receipt	100%	45%	
	• % implementation of the approved audit improvement plan	100%	Annual	
	• No. of Annual Performance Information managements reports submitted	1	1	
	• % of awards of the approved Procurement Plan	100%	22%	80%
	• % of the Organizational Functionality Assessment Improvement Plan implemented	25%	Annual	
• <b><i>% of Financial Disclosures submitted by Senior Management Services by the 30th of April of each year</i></b>	100%	100%		

### 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 8.6 and 8.7 reflect a summary of the 2025/26 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 R1.284 million, are provided in the paragraphs following the tables.

Table 8.6 : Programme 2: Housing Needs, Research and Planning

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
1. Administration	566			11		4	581
2. Policy	4 331			42		24	4 397
3. Planning	6 763			(1 457)		38	5 344
4. Research	9 523					54	9 577
<b>Total</b>	<b>21 183</b>	<b>-</b>	<b>-</b>	<b>(1 404)</b>	<b>-</b>	<b>120</b>	<b>19 899</b>
<b>Amount to be voted</b>							<b>(1 284)</b>

Table 8.7 : Summary by economic classification

R thousand	Main appropriation	Adjustments appropriation				Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts		
<b>Current payments</b>	<b>21 183</b>	<b>-</b>	<b>-</b>	<b>(1 415)</b>	<b>-</b>	<b>120</b>	<b>19 888</b>
Compensation of employees	17 846			42		120	18 008
Goods and services	3 337			(1 457)			1 880
Interest and rent on land							-
<b>Transfers and subsidies to:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>11</b>
Provinces and municipalities							-
Departmental agencies and accounts							-
Higher education institutions							-
Foreign governments and international organisations							-
Public corporations and private enterprises							-
Non-profit institutions							-
Households				11			11
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures							-
Machinery and equipment							-
Heritage assets							-
Specialised military assets							-
Biological assets							-
Land and subsoil assets							-
Software and other intangible assets							-
<b>Payments for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>21 183</b>	<b>-</b>	<b>-</b>	<b>(1 404)</b>	<b>-</b>	<b>120</b>	<b>19 899</b>
<b>Amount to be voted</b>							<b>(1 284)</b>

### Virement – Programme 2: Housing Needs, Research and Planning: (R1.404 million)

The main appropriation of Programme 2 decreased by R1.404 million from savings against *Goods and services*. These savings were as a result of the department erroneously budgeting for software licences and maintenance fees for the ArcGIS online system against this programme whereas they were also budgeted for under Programme 1. Savings were also realised from Travel and subsistence due to cost-cutting, as well as for contract employees paid from the OPSCAP under the HSDG. These savings were moved as follows:

- R279 000 was moved to *Goods and services* under Programme 1 to partly fund the shortfall for water dispensers in compliance with OHS recommendations.
- R1.125 million was moved to *Transfers and subsidies to: Departmental agencies and accounts* under Programme 4 to fund the shortfall relating to the 2025 wage agreement.

There were further virements undertaken between sub-programmes and economic classification categories within the programme, as follows:

- The Administration sub-programme was increased by R11 000 against *Compensation of employees* to fund the shortfall relating to the 2025 wage agreement.
- The Policy sub-programme was increased by R42 000 against *Compensation of employees* to fund the shortfall relating to the 2025 wage agreement.

These savings amounting to R53 000 were realised from the Planning sub-programme against *Goods and services* mainly against travel and subsistence due to cost-cutting.

In addition to the above virements between sub-programmes, the following virements were undertaken within sub-programmes, affecting economic classification categories within Programme 2, as follows:

- Within the Panning sub-programme, R6 000 was identified against *Compensation of employees* due to an official whose contract expired at the end of March 2025. These savings were moved to *Transfers and subsidies to: Households* to cater for their leave gratuity.
- Within the Research sub-programme, R5 000 was identified against *Compensation of employees* due to an official whose contract expired at the end of March 2025. These savings were moved to *Transfers and subsidies: to Households* to cater for their leave gratuity.

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

### Other adjustments – Programme 2: Housing Needs, Research and Planning: R120 000

*Compensation of employees* was increased by R120 000 relating to additional funds allocated to the department for the 2025 wage agreement.

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

Table 8.8 shows the revised service delivery information for Programme 2. It is noted that the department has removed four performance indicators, as indicated by a strike-through and the wording “No longer measured” in the Revised target column. The department has also amended the wording of three performance indicators, which is indicated by a strike-through of the amended text and in bold italics for new additions. Additionally, the department has revised the targets for five performance indicators, as shown in the revised target column. All changes are made to ensure alignment with the 2025/26 APP. Most of the targets in this programme are annual and were therefore not reported on at mid-year, as projects were planned in the latter part of the year.

**Table 8.8 : Service delivery measures – Programme 2: Housing Needs, Research and Planning**

Outputs	Performance indicators	Performance targets		
		2025/26 Original target	2025/26 Mid-year actual	2025/26 Revised target
<b>Planning</b>				
1.1 Transformed Human settlements in rural and urban environments	<ul style="list-style-type: none"> <li>• No. of <del>UISP</del> <b><i>Informal Settlements completed</i></b> in Phase 1 (<del>pre-feasibility</del>) projects completed</li> <li>• No. of Informal Settlements completed in Phase 2</li> <li>• No. of Multi-Year Human Settlements Development Plans approved</li> <li>• No. of municipalities provided with technical support</li> <li>• No. of human settlement development projects approved for planning (Stage 1)</li> <li>• No. of catalytic projects in planning <b><i>phase</i></b></li> <li>• No. of hectares of land procured/proclaimed</li> <li>• <del>No. of farm residents housing assistance projects at pre-feasibility stage</del></li> <li>• No. of <b><i>UISP</i></b> projects in Phase 2 (planning) <del>of the UISP</del></li> <li>• <del>No. of informal settlements upgrade plans completed</del></li> <li>• <del>No. of projects in Phase 1 (pre-feasibility) of the UISP</del></li> <li>• % of investment of the total Human Settlements allocation in PSHDAs</li> <li>• No. of PSHDA development plans developed</li> <li>• <del>No. of priority development areas invested in</del></li> </ul>	10	2	5
		5	Annual	
		1	Annual	
		43	Annual	
		15	2	5
		3	Annual	
		150	Annual	50
		4	<del>Annual</del>	No longer measured
		61	Annual	86
		3	-	No longer measured
		24	-	No longer measured
		8	Annual	
		6	Annual	2
		150	-	No longer measured
1.2 Research	<ul style="list-style-type: none"> <li>• No. of reports developed in terms of approved research studies</li> </ul>	2	Annual	
1.3 Administration	<ul style="list-style-type: none"> <li>• No. of individuals provided with human settlements consumer education</li> </ul>	6 000	3 000	

### 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 Expanded Public Works Programme (EPWP) Integrated Grant for Provinces.

Tables 8.9 and 8.10 reflect a summary of the 2025/26 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 R131.104 million, are given below the tables.

**Table 8.9 : 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	101 473			(1 060)		(418)	(1 478)	99 995
2. Financial Interventions	445 546			30 025			30 025	475 571
3. Incremental Interventions	978 664			19 189		(1 060)	18 129	996 793
4. Social Interventions	186 979	100 000		(80 137)			19 863	206 842
5. Rural Intervention	1 341 746			64 565			64 565	1 406 311
<b>Total</b>	<b>3 054 408</b>	<b>100 000</b>	<b>-</b>	<b>32 582</b>	<b>-</b>	<b>(1 478)</b>	<b>131 104</b>	<b>3 185 512</b>
<b>Amount to be voted</b>								<b>131 104</b>

**Table 8.10 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>260 333</b>	<b>-</b>	<b>-</b>	<b>(3 394)</b>	<b>21 200</b>	<b>(1 298)</b>	<b>16 508</b>	<b>276 841</b>
Compensation of employees	199 139			(2 582)		649	(1 933)	197 206
Goods and services	61 194			(812)	21 200	(1 947)	18 441	79 635
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>2 786 743</b>	<b>100 000</b>	<b>-</b>	<b>35 086</b>	<b>(21 200)</b>	<b>(180)</b>	<b>113 706</b>	<b>2 900 449</b>
Provinces and municipalities	68 591			(20 000)		880	(19 120)	49 471
Departmental agencies and accounts							-	-
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	2 718 152	100 000		55 086	(21 200)	(1 060)	132 826	2 850 978
<b>Payments for capital assets</b>	<b>7 332</b>	<b>-</b>	<b>-</b>	<b>890</b>	<b>-</b>	<b>-</b>	<b>890</b>	<b>8 222</b>
Buildings and other fixed structures	6 100						-	6 100
Machinery and equipment	1 232			890			890	2 122
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							-	-
<b>Total</b>	<b>3 054 408</b>	<b>100 000</b>	<b>-</b>	<b>32 582</b>	<b>-</b>	<b>(1 478)</b>	<b>131 104</b>	<b>3 185 512</b>
<b>Amount to be voted</b>								<b>131 104</b>

#### Roll-overs – Programme 3: Housing Development: R100 million

An amount of R100 million was approved by National Treasury to be rolled over from 2024/25 to 2025/26 in respect of the HSDG relating to the amount shown as under-spending in 2024/25 for the Aloe Ridge Social Housing project in the Msunduzi Municipality. These funds were allocated to the sub-programme: Social Interventions against *Transfers and subsidies to: Households*.

#### Virement – Programme 3: Housing Development: R32.582 million

The department undertook virements between programmes, which resulted in an increase of R32.582 million in Programme 3, as follows:

- Savings of R33.642 million were realised from Programme 4 against *Transfers and subsidies to: Departmental agencies and accounts* due to R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro still having balances on funds which were paid in the previous financial year. These savings were moved to this programme under the Rural Interventions sub-programme against *Transfers and subsidies to: Households* to cater for spending pressures in relation to the re-alignment of the new subsidy quantum for housing projects such as Sobonakhona Rural, Sobantu Housing and Richmond Housing projects.
- Savings of R1.060 million were realised from the Administration sub-programme against *Compensation of employees*. These savings were moved to Programme 1 against *Transfers and subsidies to: Households* to cater for payments in respect of claims against the state of an arbitration award in favour of an official who left the department in the previous financial year.

In addition to the above virements, the department moved funds between sub-programmes, affecting economic classification categories within Programme 3, as follows:

- The Social and Rental Intervention sub-programme was decreased by a total of R80.137 million which is from the following:
  - R20 million against *Transfers and subsidies to: Provinces and municipalities* as there were delays in the implementation of a hostel upgrade project by the eThekweni Metro and the implementation is now anticipated in 2026/27. The challenges experienced included the long process of appointing contractors, site establishments and obtaining work permits. Also contributing to the delays was the process to enroll the contractors with the National Home Builders Registration Council (NHBRC) and this slowed down progress since some site conditions are difficult and each site has to be enrolled individually. Also contributing to the slow progress was the need for extra funding for retaining walls, sub-soil drainage and other added costs due to challenging site conditions.
  - R60.137 million against *Transfers and subsidies to: Households* due to the contracts for the Kokstad Community Residential Unit (CRU) in the Kokstad Municipality and the Buhlebethu CRU in the Johannes Phumani Phungula Municipality (previously known as Ubuhlebezwe Municipality), where the service provider was terminated for poor performance. As such, work has stopped on these projects and the department is now in the process of closing off the current contract and starting the process of appointing a new service provider to complete the project.

These savings were moved as follows:

- R30.025 million was moved to the Financial Interventions sub-programme and was allocated as follows:
  - R78 000 against *Goods and services* in respect of FLISP to cater for management fees at the Ridgeview Housing project in respect of 18 units that are not yet transferred.
  - R29.947 million against *Transfers and subsidies to: Households* to cater for:
    - FLISP was under-budgeted for due to limited available budget. The introduction of the revised subsidy amounts meant that applicants are now qualifying for much higher subsidy amounts. This has resulted in a need for additional funding in this programme.
    - Payment of accruals from 2024/25 in respect of invoices for Rectification housing projects such as, Lower Langfontein, Kwamakhutha Wirewall, Ifafa Glebe, Argosy farm, Roosboom Rehabilitation, Msunduzi Wirewall and Emathendeleni Rehabilitation. These invoices were received in the latter part of March for work completed in 2024/25 and processed during 2025/26.
    - Spending pressures in relation to the re-alignment to the new subsidy quantum for the Thokozani/Albert Falls Rectification project in the uMshwathi Municipality.
    - Rem Rietvlei Rectification Project and Argosy Farm Project in the uMngeni Municipality and Richmond Municipality, respectively, due to requirements to complete all units on the new enhanced specification. These specifications include milestones such as electrification, and ceiling boards which were not on the old/ original specification.

- The need for extra funding for projects such as Emathendeleni Rectification and Msunduzi Wirewalls for retaining walls, sub-soil drainage and other added costs due to challenging site conditions.
- R19.189 million was moved to the Incremental Interventions sub-programme against *Transfers and subsidies to: Households* to cater for spending pressures resulting from the payment of accruals in respect of projects such as Dalton Cool-Air, Namibia Stop 8, Dumisani Makhaye, Khalanyoni, Marian Ridge Integrated Residential Development Programme (IRDP), Empangeni IRDP and Glenwood Q Section. These invoices were received in the latter part of March for work completed in 2024/25 and payments were processed during 2025/26.
- R30.923 million was moved to the Rural Interventions sub-programme against *Transfers and subsidies to: Households* to cater for spending pressures in relation to the re-alignment of the new subsidy quantum for housing projects such as Sobonakhona Rural, Sobantu Housing and Richmond Housing projects. There were also spending pressures resulting from the payment of accruals in respect of projects such as Mqhawe, Embo, Kwalinda, Muden, Kwamondi, Mavela, Ngono, Msinga Top, Makhabeleni, Mbulwane, Kwamagwaza and KwaNzimakwe among others. These invoices were received in the latter part of March for work completed in 2024/25 and were processed during 2025/26.

In addition to the above virements between sub-programmes, the following virements were undertaken within sub-programmes, affecting economic classification categories within Programme 3, as follows:

- Within the Administration sub-programme, the following virements were undertaken:
  - Savings of R765 000 were realised from *Compensation of employees* due to posts such as Manager: Project Management Inland Region, Manager: Subsidy Administration, Assistant Director: HEAC, Assistant Director: Northern Region and Administrative Clerk: Housing Administration that were vacated in-year. The department placed a moratorium on filling these posts while the restructuring process is ongoing. These savings were moved to *Transfers and subsidies to: Households* to cater for staff exit costs.
  - Savings of R890 000 were realised from *Goods and services* in respect of over-budgeting for security services to protect the installation of services for temporary units in Ward 3, Inanda, due to the potential risk of land invasion. These savings were moved to *Machinery and equipment* for the procurement of shredder machines in the districts and regional offices.
- Within the Financial Interventions sub-programme, further savings of R757 000 were realised from *Compensation of employees* due to officials who exited the department in-year due to expiration of contracts. These posts include Deputy Directors, Construction Project Managers, Project Monitors Technical Support Officers and Data Capturers. These savings were moved to *Transfers and subsidies to: Households* to cater for staff exit costs.

Legislature approval is required as per Section 43(4)(b) of the PFMA for the total reduction of R80.137 million under this programme against *Transfers and subsidies to: Households* in relation to gazetted planned expenditure for various housing projects, as highlighted in grey shading in Table 8.17.

### Shifts – Programme 3: Housing Development

The department undertook the following shifts within Programme 3:

- An amount of R21.200 million was originally allocated under the Social and Rental Interventions sub-programme against *Transfers and subsidies to: Households* for the maintenance and repairs of the Ikhwezi Hostel in the iNkosi Langalibalele Municipality as well as the Sibongile Hostel in the Endumeni Municipality. These funds were shifted to *Goods and services* due to the nature of the work that was done for maintenance and repairs being classified as current under *Goods and services* in line with SCOA. The purpose of these funds remains unchanged.

**Other adjustments – Programme 3: Housing Development: (R1.478 million)**

- The department suspended R3 million from Programme 3 towards the budget pressures in Vote 7: Health, as explained. These funds were suspended as follows:
  - R1.053 million from savings realised under *Compensation of employees* due to posts such as Manager: Project Management Inland Region, Manager: Subsidy Administration, Assistant Director: HEAC, Assistant Director: Northern Region and Administrative Clerk: Housing Administration that were vacated in-year. The department placed a moratorium on filling these posts while the restructuring process is ongoing.
  - R1.947 million from savings realised under *Goods and services* as a result of over-budgeting for security services to protect the installation of services for temporary units in Ward 3 Inanda due to the potential risk of land invasion.
- The department was allocated back an amount of R880 000 from the department's own revenue collected in 2025/26 from various sources, as explained. These funds will be used towards addressing some of the department's in-year budget pressures and are allocated to *Transfers and subsidies to: Provinces and municipalities* for the payment of rates and taxes in respect of the Ridgeview Gardens Housing project.
- *Compensation of employees* was increased by R642 000 relating to additional funds allocated to the department for the 2025 wage agreement.
- There was also a correction made by National Treasury to the *Transfers and subsidies to: Households* budget under the HSDG and under the ISUPG. In this regard, National Treasury noted that these two grants erroneously received a top-up of R863 000 and R197 000, respectively. These funds should have been allocated under the equitable share against *Compensation of employees*. As such, the HSDG is reduced by R863 000 and the ISUPG is reduced by R197 000 against *Transfers and subsidies to: Households*, while the department's equitable share allocation is increased by R1.060 million which was allocated to *Compensation of employees* in respect of this correction.

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

Table 8.11 shows the revised service delivery information for Programme 3. It is noted that the department has revised the targets for most performance indicators in this programme and this is shown in the Revised target column. All changes are made to ensure alignment with the 2025/26 APP. Five targets in this programme are annual and thus were not reported on at mid-year as projects were planned in the latter part of the year.

**Table 8.11 : Service delivery measures – Programme 3: Housing Development**

Outputs	Performance indicators	Performance targets		
		2025/26 Original target	2025/26 Mid-year actual	2025/26 Revised target
1.1 Adequate housing and improved quality living environment	• No. of subsidies disbursed <i>through FHF</i> to households in affordable market	450	156	300
	• % of expenditure incurred for rectification <i>No. of post 1994 housing units houses rectified</i>	411	548	
	• No. of work opportunities created through EPWP aligned projects	5 800	1 748	4 200
	• No. of FTEs achieved through EPWP aligned projects	1 600	202	900
	• No. of person's days of work created through EPWP aligned projects	368 000	46 322	207 000
	• No. of EPWP beneficiaries provided with accredited training	250	133	120
	• No. of initiatives commemorating designated groups	3		No longer measured
	• No. of designated group companies allocated with work	50		No longer measured
	• No. of designated group companies trained	120	Annual	120
	• No. of designated group individuals trained	1 000	Annual	

**Table 8.11 : Service delivery measures – Programme 3: Housing Development**

Outputs	Performance indicators	Performance targets		
		2025/26 Original target	2025/26 Mid-year actual	2025/26 Revised target
1.2 Improved Security of Tenure	• <b>No. of housing units completed</b>	6 946	4 374	8 506
	• No. of UISP-serviced sites delivered <b>completed</b>	1 405	1 902	2 142
	• No. of IRDP-serviced sites delivered	400		No longer measure
	• No. of title deeds registered	2 467	974	2 481
	• No. of Informal Settlements upgraded in Phase 3	2	Annual	
	• No. of MVHP houses completed	100	50	50
1.3 Adequate housing and improved quality living environment	• No. of Community Residential Units (CRU's) delivered <b>constructed</b>	255	Annual	303
	• No. of social housing projects endorsed for SHRA approval	2	Annual	
	• No. of Provincial Steering Committee (PSC)-engagements held for the Social Housing Programme	4		No longer measured

#### 4.4 Programme 4: Housing Asset Management

This programme is responsible for the management and effective disposal of Pre-1994 Housing Fund properties to qualifying beneficiaries in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS) as well as the devolution of vacant land to Municipalities in terms of Section 15 of the Housing Act 107 of 1997. The 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 8.12 and 8.13 reflect a summary of the 2025/26 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 R32.517 million, are provided in the paragraphs after the tables.

**Table 8.12 : 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	29 734			1 125			1 125	30 859
2. Sale and Transfer of Housing Properties	27 000			28 200			28 200	55 200
3. Housing Properties Maintenance	133 636			(61 842)			(61 842)	71 794
<b>Total</b>	<b>190 370</b>	-	-	<b>(32 517)</b>	-	-	<b>(32 517)</b>	<b>157 853</b>
<b>Amount to be voted</b>								<b>(32 517)</b>

**Table 8.13 : Summary by economic classification**

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/ unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	-	-	-	-	-	-	-	-
Compensation of employees								
Goods and services								
Interest and rent on land								
<b>Transfers and subsidies to:</b>	<b>190 370</b>	-	-	<b>(32 517)</b>	-	-	<b>(32 517)</b>	<b>157 853</b>
Provinces and municipalities								
Departmental agencies and accounts	190 370			(32 517)			(32 517)	157 853
Higher education institutions								
Foreign governments and international organisations								
Public corporations and private enterprises								
Non-profit institutions								
Households								
<b>Payments for capital assets</b>	-	-	-	-	-	-	-	-
Buildings and other fixed structures								
Machinery and equipment								
Heritage assets								
Specialised military assets								
Biological assets								
Land and subsoil assets								
Software and other intangible assets								
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>190 370</b>	-	-	<b>(32 517)</b>	-	-	<b>(32 517)</b>	<b>157 853</b>
<b>Amount to be voted</b>								<b>(32 517)</b>

**Virement – Programme 4: Housing Asset Management: (R32.517 million)**

The main appropriation of Programme 4 was decreased by a net amount of R32.517 million due to the following:

- Savings of R33.642 million were realised under the Housing Property Maintenance sub-programme against *Transfers and subsidies to: Departmental agencies and accounts* due to R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro still having unspent balances from funds which were paid in the previous financial year. These savings were moved to *Transfers and subsidies to: Households* in Programme 3 to cater for spending pressures in relation to the re-alignment of the new subsidy quantum for housing projects such as Sobonakhona Rural, Sobantu Housing and Richmond Housing projects.
- Savings of R1.125 million were realised under the Research sub-programme against *Goods and services* in Programme 2 from travel and subsistence due to cost-cutting and from over-budgeting for contract employees paid from the OPSCAP budget under the HSDG. These savings were moved to *Transfers and subsidies to: Departmental agencies and accounts* in Programme 4 to fund the shortfall which arose from the implementation of the 2025 wage agreement and for audit costs which were not sufficiently budgeted for due to the impact of historic budget cuts.

In addition to the above virement to Programme 3, further savings of R28.200 million were realised from the Housing Properties Maintenance sub-programme due to R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro still having unspent balances from funds which were paid in the previous financial year. These savings were moved to the Sale and Transfer of Housing Properties sub-programme within Programme 4, within *Transfers and subsidies to: Departmental agencies and accounts* to cater for the clearing of rates and taxes debt in preparation for the closing off of the KZN Housing Fund.

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 decrease of R32.517 million in *Transfers and subsidies to: Departmental agencies and accounts* in respect of R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro which still had unspent balances from funds which were paid in the previous financial year. The decrease in Programme 4 exceeds the 8 per cent limit and requires Legislature approval.

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

Table 8.14 shows the service delivery information for Programme 4. It is noted that the department did not revise any performance indicators under this programme. All performance indicators align with the 2025/26 APP.

**Table 8.14 : Service delivery measures – Programme 4: Housing Asset Management**

Outputs	Performance indicators	Performance targets		
		2025/26 Original target	2025/26 Mid-year actual	2025/26 Revised target
1.1 Rental units maintained for habitable dwelling	• No. of rental units maintained	100	73	
1.2 Pre-1994 units rectified	• No. of units rectified for pre-1994 stock	150	217	

**5. Specifically and exclusively appropriated allocations**

The department did not receive any specifically and exclusively appropriated allocations in 2025/26 apart from conditional grant funding, which is mentioned in Section 8.

## 6. Gifts, donations and sponsorships

The department is not envisaging any gifts, donations, or sponsorships exceeding R100 000 in 2025/26.

## 7. Infrastructure

Table 8.15 shows the summary of infrastructure payments per main category. Details of the main adjustments, which resulted in an increase of R98.940 million in this category, are provided in the paragraphs after 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		
<b>Existing infrastructure assets</b>	-	-	-	-	-	-	-	-
Maintenance and repair: Current							-	-
Upgrades and additions: Capital							-	-
Refurbishment and rehabilitation: Capital							-	-
<b>New infrastructure assets: Capital</b>	<b>6 100</b>						-	<b>6 100</b>
<b>Infrastructure transfers</b>	<b>2 946 865</b>	<b>100 000</b>	-	-	-	<b>(1 060)</b>	<b>98 940</b>	<b>3 045 805</b>
Infrastructure transfers: Capital	2 898 274	100 000				(1 060)	98 940	2 997 214
Infrastructure transfers: Current	48 591						-	48 591
<b>Infrastructure: Payments for financial assets</b>							-	-
<b>Infrastructure: Leases</b>	<b>36 487</b>						-	<b>36 487</b>
<b>Non infrastructure</b>	<b>155 363</b>						-	<b>155 363</b>
Capital infrastructure	2 904 374	100 000	-	-	-	(1 060)	98 940	3 003 314
Current infrastructure	85 078	-	-	-	-	-	-	85 078
<b>Total</b>	<b>3 144 815</b>	<b>100 000</b>	-	-	-	<b>(1 060)</b>	<b>98 940</b>	<b>3 243 755</b>
<b>Amount to be voted</b>								<b>98 940</b>

- *Roll-overs*: An amount of R100 million was approved by National Treasury to be rolled over from 2024/25 to 2025/26 in respect to the HSDG with respect to the amount shown as under-spending in 2024/25 for the Aloe Ridge Social Housing project in the Msunduzi Municipality. These funds were allocated to *Infrastructure transfers: Capital*.
- *Other adjustments*: The department's infrastructure allocation against *Infrastructure transfers: Capital* was decreased by R1.060 million in relation a correction made by National Treasury, where it was noted that HSDG and ISUPG erroneously received a top-up of R863 000 and R197 000 respectively which was allocated to *Transfers and subsidies to: Households* when the main budget was set. These funds should have been allocated under equitable share against *Compensation of employees*.

## 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 a net increase of R98.940 million in the conditional grant allocation, are given in the paragraphs before and after the tables.

- *Roll-overs*: An amount of R100 million was approved by National Treasury to be rolled over from 2024/25 to 2025/26 in respect of the HSDG relating to the Aloe Ridge Social Housing project in the Msunduzi Municipality and allocated under *Transfers and subsidies to: Households*.

**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		
<b>3. Housing Development</b>	<b>2 952 935</b>	<b>100 000</b>	-	<b>33 642</b>	-	<b>(1 060)</b>	<b>132 582</b>	<b>3 085 517</b>
Human Settlements Development grant	2 438 809	100 000		33 642		(863)	132 779	2 571 588
EPWP Integrated Grant for Provinces	5 243						-	5 243
ISU Partnership grant	508 883					(197)	(197)	508 686
<b>4. Housing Asset Management</b>	<b>160 636</b>	-	-	<b>(33 642)</b>	-	-	<b>(33 642)</b>	<b>126 994</b>
Human Settlements Development grant	160 636			(33 642)			(33 642)	126 994
<b>Total</b>	<b>3 113 571</b>	<b>100 000</b>	-	-	-	<b>(1 060)</b>	<b>98 940</b>	<b>3 212 511</b>
<b>Amount to be voted</b>								<b>98 940</b>

Table 8.17 : Summary of conditional grants by economic classification

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Unforeseeable/ Roll-overs	unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>159 040</b>	-	-	(679)	21 200	-	<b>20 521</b>	<b>179 561</b>
Compensation of employees	105 206			(757)			(757)	104 449
Goods and services	53 834			78	21 200		21 278	75 112
Interest and rent on land							-	-
<b>Transfers and subsidies to:</b>	<b>2 947 379</b>	<b>100 000</b>	<b>-</b>	<b>679</b>	<b>(21 200)</b>	<b>(1 060)</b>	<b>78 419</b>	<b>3 025 798</b>
Provinces and municipalities	68 591			(20 000)			(20 000)	48 591
Departmental agencies and accounts	160 636			(33 642)			(33 642)	126 994
Higher education institutions							-	-
Foreign governments and international organisations							-	-
Public corporations and private enterprises							-	-
Non-profit institutions							-	-
Households	2 718 152	100 000		54 321	(21 200)	(1 060)	132 061	2 850 213
<b>Payments for capital assets</b>	<b>7 152</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7 152</b>
Buildings and other fixed structures	6 100						-	6 100
Machinery and equipment	1 052						-	1 052
Heritage assets							-	-
Specialised military assets							-	-
Biological assets							-	-
Land and subsoil assets							-	-
Software and other intangible assets							-	-
<b>Payments for financial assets</b>							<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 113 571</b>	<b>100 000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1 060)</b>	<b>98 940</b>	<b>3 212 511</b>
<b>Amount to be voted</b>								<b>98 940</b>

- *Virement*: The department undertook the following virements affecting the conditional grants:
  - Programme 3 was increased by an amount of R33.642 million within the HSDG against *Transfers and subsidies to: Households* to cater for spending pressures in relation to the re-alignment of the new subsidy quantum for housing projects such as Sobonakhona Rural, Sobantu Housing and Richmond Housing projects. These savings of R33.642 million were realised from *Transfers and subsidies to: Departmental agencies and accounts* within the HSDG under Programme 4 due to R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro still having unspent balances from the previous financial year.
  - Savings of R757 000 were realised from *Compensation of employees* under the OPSCAP allocation within the HSDG due to officials who exited the department in-year due to expiration of contracts. These posts include Deputy Directors, Construction Project Managers, Project Monitors Technical Support Officers and Data Capturers. These savings were moved to *Transfers and subsidies to: Households* to cater for staff exit costs.
  - Savings of R20 million were realised from *Transfers and subsidies to: Provinces and municipalities* within the HSDG as there were delays in the implementation of the hostel upgrade project by the eThekweni Metro and the implementation is now anticipated in 2026/27. The challenges experienced are detailed under Programme 3.

These savings were moved as follows:

- R78 000 to *Goods and services* in respect of FLISP to cater for management fees at Ridgeview Gardens housing project in respect of 18 units that are not yet transferred.
- R19.922 million to *Transfers and subsidies to: Households* to cater for the following:
  - The introduction of the revised subsidy amounts meant that applicants are now qualifying for much higher subsidy amounts. This resulted in a need for additional funding in this programme.
  - The payment of accruals from 2024/25 in respect of invoices for Rectification housing projects, as detailed earlier.
  - Spending pressures in relation to the re-alignment to the new subsidy quantum for the Thokozani/Albert Falls Rectification project in the uMshwathi Municipality.
  - Rem Rietvlei Rectification Project and Argosy Farm Project in the uMngeni Municipality and Richmond Municipality respectively, due to requirements to complete all units on the

new enhanced specification. These specifications include milestones such as electrification, and ceiling boards which were not on the old/ original specification.

- The need for extra funding for projects such as Emathendeleni Rectification and Msunduzi Wirewalls for retaining walls, sub-soil drainage and other added costs due to challenging site conditions.
- *Shifts*: The department undertook the following shifts affecting the department's conditional grants:
  - An amount of R21.200 million was originally allocated under the Social and Rental Interventions sub-programme against *Transfers and subsidies to: Households* under the HSDG in respect of the maintenance and repairs for the Ikhwezi Hostel in the iNkosi Langalibalele Municipality, as well as the Sibongile Hostel in the Endumeni Municipality. These funds were shifted to *Goods and services* due to the nature of the work that was done for maintenance and repairs being classified as current under *Goods and services* in line with SCOA. The purpose of these funds remains unchanged.
- *Other adjustments*: There was also a correction made by National Treasury to the *Transfers and subsidies to: Households* budget under the HSDG and under the ISUPG. In this regard, National Treasury noted that these two grants erroneously received a top-up of R863 000 and R197 000, respectively in the main budget which was allocated to *Transfers and subsidies to: Households*. These funds should have been allocated under the equitable share against *Compensation of employees*. As such, the HSDG is reduced by R863 000 and the ISUPG is reduced by R197 000 under Programme 3 *Transfers and subsidies to: Households*, while the department's equitable share allocation is increased by R1.060 million which was allocated to *Compensation of employees* under Programme 3 in respect of this correction.

## 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 increase of R82.967 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		
<b>1. Administration</b>	<b>727</b>	-	-	<b>1 060</b>	-	<b>707</b>	<b>1 767</b>	<b>2 494</b>
Provinces and municipalities	150	-	-	-	-	62	62	212
Motor vehicle licences	150					62	62	212
Households	577	-	-	1 060	-	645	1 705	2 282
Staff exit costs						600	600	600
Claims against the state (Equitable Share)				1 060		45	1 105	1 105
External bursaries	577					-	-	577
<b>2. Housing Needs, Research and Planning</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>11</b>
Households	-	-	-	11	-	-	11	11
Staff exit costs				11			11	11
<b>3. Housing Development</b>	<b>2 786 743</b>	<b>100 000</b>	<b>-</b>	<b>35 086</b>	<b>(21 200)</b>	<b>(180)</b>	<b>113 706</b>	<b>2 900 449</b>
Provinces and municipalities	68 591	-	-	(20 000)	-	880	(19 120)	49 471
Op. costs for accredited municipalities (HSDG)	48 591					-	-	48 591
Rates and taxes (FLISP)						880	880	880
CRU programme (HSDG)	20 000			(20 000)			(20 000)	-
Households	2 718 152	100 000	-	55 086	(21 200)	(1 060)	132 826	2 850 978
Staff exit costs (Equitable Share)				765			765	765
Staff exit costs (HSDG)	154			757			757	911
EPWP Integrated Grant for provinces	360						-	360
ISU Partnership grant	483 449					(197)	(197)	483 252
Provincial Emergency Housing grant							-	-
Human Settlement Development grant	2 234 189	100 000		53 564	(21 200)	(863)	131 501	2 365 690
of which:								
FLISP	24 266			6 517			6 517	30 783
Rectification of RDP stock	141 094			22 830			22 830	163 924
IRDP	458 153			13 718		(863)	12 855	471 008
Rural subsidy communal land right	1 341 746			64 565			64 565	1 406 311
Others	268 930	100 000		(54 066)	(21 200)		24 734	293 664
<b>4. Housing Asset Management</b>	<b>190 370</b>	<b>-</b>	<b>-</b>	<b>(32 517)</b>	<b>-</b>	<b>-</b>	<b>(32 517)</b>	<b>157 853</b>
Departmental agencies and accounts	190 370	-	-	(32 517)	-	-	(32 517)	157 853
KZN Housing Fund	190 370	-	-	(32 517)	-	-	(32 517)	157 853
Equitable Share	29 734			1 125			1 125	30 859
Human Settlements Development grant	160 636			(33 642)			(33 642)	126 994
<b>Total</b>	<b>2 977 840</b>	<b>100 000</b>	<b>-</b>	<b>3 640</b>	<b>(21 200)</b>	<b>527</b>	<b>82 967</b>	<b>3 060 807</b>
<b>Amount to be voted</b>								<b>82 967</b>

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- *Roll-overs*: An amount of R100 million was approved by National Treasury to be rolled over from 2024/25 to 2025/26 in respect to the HSDG with respect to the Aloe Ridge Social Housing project. These funds were allocated to Programme 3: Housing Development against *Households*.
- *Virement*: The department undertook the following virements affecting transfers and subsidies:
  - Programme 1 was increased by R1.060 million against *Households* to cater for payments in respect of claims against the state of an arbitration award in favour of an official who left the department in the previous financial year. These savings were moved from *Compensation of employees* in Programme 3, as mentioned.
  - Programme 2 was increased by R11 000 against *Households* to cater for unanticipated staff exit costs. These savings were moved from *Compensation of employees* within Programme 2, as mentioned.
  - Under Programme 3, the following virements were undertaken, affecting both conditional grants and equitable share:
    - *Provinces and municipalities* was decreased by R20 million within the HSDG as there were delays in the implementation of hostel upgrade projects by the eThekweni Metro, and these funds were moved to the sub-programme: Rural Intervention as follows.
      - R78 000 against *Goods and services* in respect of FLISP to cater for management fees at Ridgeview Gardens housing project in respect of 18 units that are not yet transferred.
      - R19.922 million against *Households* to cater for the following:
        - The introduction of the revised subsidy amounts meant that applicants are now qualifying for much higher subsidy amounts. This resulted in a need for additional funding in this programme.
        - The payment of accruals from 2024/25 in respect of invoices for Rectification housing projects, as detailed earlier.
        - Spending pressures in relation to the re-alignment to the new subsidy quantum for the Thokozani/Albert Falls Rectification project in the uMshwathi Municipality.
        - Rem Rietvlei Rectification Project and Argosy Farm Project in the uMngeni Municipality and Richmond Municipality respectively, due to requirements to complete all units on the new enhanced specification. These specifications include milestones such as electrification, and ceiling boards which were not on the old/original specification.
        - The need for extra funding for projects such as Emathendeleni Rectification and Msunduzi Wirewalls for retaining walls, sub-soil drainage and other added costs due to challenging site conditions. million *Households* and the implementation is anticipated in 2026/27, as explained earlier.
    - *Households* shows a net increase of R55.086 million, as follows:
      - R765 000 was moved to this category within the equitable share allocation to cater for staff exit costs. These funds were moved from *Compensation of employees* from within the programme.
      - R757 000 was moved to this category within the HSDG allocation to cater for staff exit costs. These funds were moved from *Compensation of employees* from within the programme.
      - The FLISP intervention under the HSDG was increased by a total amount of R6.517 million. The introduction of the revised subsidy amounts resulted in applicants qualifying for much higher subsidies than was anticipated, and this necessitated additional funding.
      - The Rectification of RDP stock intervention under the HSDG in respect of the Rectification Housing projects was increased by R22.830 million against *Households* to cater for payment of accruals from 2024/25 in respect of invoices for Rectification

housing projects, as explained. Also requiring additional funding were the Rem Rietvlei Rectification Project and Argosy Farm Project in the uMngeni Municipality and Richmond Municipality respectively, due to requirements to complete all units on new enhanced specifications. These specifications include milestones such as electrification, and ceiling boards which were not on the old/ original specification.

- Spending pressures in relation to the re-alignment to the new subsidy quantum for the Thokozani/Albert Falls Rectification project in the uMshwathi Municipality and this required additional funding of R3.977 million. There was also a need for additional funding for projects such as Emathendeleni Rectification and Msunduzi Wirewalls for retaining walls, sub-soil drainage and other added costs due to challenging site conditions.
  - The IRDP intervention under the HSDG was increased by R13.718 million to cater for spending pressures resulting from the payment of accruals for projects such as Dalton Cool-Air, Namibia Stop 8, Dumisani Makhaye, Khalanyoni, Marian Ridge IRDP, Empangeni IRDP and Glenwood Q Section. These funds were moved from Social and Rental intervention resulting from the eThekweni Municipality whose developer is not ready to continue with the Implementation of the Hostel Upgrade Programme during 2025/26. The implementation has since been delayed to 2026/27.
  - The Rural subsidy communal land right intervention under the HSDG was increased by R64.565 million against *Households* to cater for spending pressures resulting from the payment of accruals from 2024/25 in respect of various housing projects such as Mqhawe, Embo, Kwalinda, Muden, Kwamondi, Mavela, Ngono, Msinga Top, Makhabeleni, Mbulwane, Kwamagwaza and KwaNzimakwe among others. Secondly, the re-alignment of the new subsidy quantum for housing projects such as Sobonakhona Rural, Sobantu Housing and Richmond Housing projects required additional funding. These funds were moved from various interventions within the HSDG including the CRU programme in respect of the Kokstad Community Residential Unit CRU in the Kokstad Municipality and the Buhlebethu CRU in the Johannes Phumani Phungula Municipality (previously known as Ubuhlebezwe Municipality), where the service provider was terminated for poor performance. Additionally, savings from Housing Properties Maintenance sub-programme against *Departmental agencies and accounts* due to R293 Rectification of pre-1994 housing stock projects in eThekweni Metro still having balances on funds which were paid in the previous financial year.
- o Programme 4 was decreased by a net amount of R32.517 million under *Departmental agencies and accounts* against the HSDG relating to R293 Rectification of pre-1994 housing stock projects in the eThekweni Metro still having unspent balances from funds which were paid in the previous financial year. These savings were moved to *Households* in Programme 3 to cater for spending pressures in relation to the re-alignment of the new subsidy quantum for housing projects such as Sobonakhona Rural, Sobantu Housing and Richmond Housing projects, as mentioned. Of the R33.642 million savings, R1.125 million was moved to Programme 2 against *Goods and services* and the balance of R32.517 million was moved to Programme 3 against *Households*.

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 decreases under *Households* amounting to R54.066 million in respect of the HSDG in Programme 3, as well as the reduction of R32.517 million under Programme 4 against *Departmental agencies and accounts* in respect of the KZN Housing Fund.

- *Shifts*: The department undertook the following shifts affecting the department's transfers:
  - An amount of R21.200 million for maintenance and repairs of Ikhwezi and Sibongile Hostels were erroneously budgeted for under *Households*. The nature of work that is being done for maintenance and repairs is classified under *Goods and services* in SCOA. The purpose of these funds remains unchanged and these funds were shifted to *Goods and services* in Programme 3.
- *Other adjustments*: The department's *Transfers and subsidies* allocation was increased by a net amount of R527 000 due to the following:
  - R62 000 was allocated to *Provinces and municipalities* in Programme 1 to cater for motor vehicle licence fees which was affected by carry-through costs of previous year's budget cuts. These funds were realised from revenue (R3.006 million) that was allocated back to the department.
  - R645 000 was allocated to *Households* to cater for unanticipated staff exit costs and the payment in respect of claims against the state of an arbitration award in favour of an official who left the department in the previous financial year, as mentioned. This was allocated from the revenue allocated back to the department from the revenue allocated back to the department.
  - The department was allocated back an amount of R880 000 from the department's own revenue collected in 2025/26 from various sources, as explained. These funds were allocated to Programme 3 against *Provinces and municipalities* for the payment of rates and taxes in respect of the Ridgeview Gardens Housing Project.
  - There was also a correction made by National Treasury to the *Households* budget under the HSDG and under the ISUPG. In this regard, National Treasury noted that these two grants erroneously received a top-up of R863 000 and R197 000, respectively and this was allocated to *Households* in the main budget. These funds should have been allocated under the equitable share against *Compensation of employees*. As such, the HSDG is reduced by R863 000 and the ISUPG is reduced by R197 000 under Programme 3 against *Households*, while the department's equitable share allocation is increased by R1.060 million which was allocated to *Compensation of employees* under Programme 3 in respect of this correction.

## 10. Transfers to local government

Tables 8.19 to 8.21 show the details of transfers to local government, which are specifically and exclusively appropriated in terms of the KZN Adjustments Appropriation Act, 2025.

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 a decrease of R19.120 million, are provided in the paragraphs below:

- *Virement*: Savings of R20 million were realised from *Transfers and subsidies to: Provinces and municipalities* as there were delays in the implementation of R293 Rectification of pre-1994 housing stock project in the eThekweni Metro and the implementation is anticipated in 2026/27. The challenges experienced with this project were detailed earlier.
- *Other adjustments*: The department was allocated back an amount of R880 000 from the department's own revenue collected in 2025/26 from various sources, as explained. A portion of these funds will be used towards addressing some of the department's in-year budget pressures and are allocated to Programme 3 to *Transfers and subsidies to: Provinces and municipalities* for the payment of rates and taxes in respect of the Ridgeview Gardens Housing Project.

Legislature approval is required in terms of Section 43(4)(b) of the PFMA for the decreases under *Transfers and subsidies to: Provinces and municipalities*.

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	37 172	-	-	(20 000)	-	880	(19 120)	18 052
<b>Total: Ugu Municipalities</b>	<b>2 214</b>	-	-	-	-	-	-	<b>2 214</b>
B KZN216 Ray Nkonyeni	2 214	-	-	-	-	-	-	2 214
<b>Total: uMgungundlovu Municipalities</b>	<b>4 429</b>	-	-	-	-	-	-	<b>4 429</b>
B KZN225 Msunduzi	4 429	-	-	-	-	-	-	4 429
<b>Total: uThukela Municipalities</b>	<b>3 272</b>	-	-	-	-	-	-	<b>3 272</b>
B KZN238 Alfred Duma	3 272	-	-	-	-	-	-	3 272
<b>Total: Amajuba Municipalities</b>	<b>9 303</b>	-	-	-	-	-	-	<b>9 303</b>
B KZN252 Newcastle	9 303	-	-	-	-	-	-	9 303
<b>Total: King Cetshwayo Municipalities</b>	<b>4 429</b>	-	-	-	-	-	-	<b>4 429</b>
B KZN282 uMhlatuze	4 429	-	-	-	-	-	-	4 429
<b>Total: iLembe Municipalities</b>	<b>7 772</b>	-	-	-	-	-	-	<b>7 772</b>
B KZN292 KwaDukuza	7 772	-	-	-	-	-	-	7 772
<b>Total</b>	<b>68 591</b>	-	-	<b>(20 000)</b>	-	<b>880</b>	<b>(19 120)</b>	<b>49 471</b>
<b>Amount to be voted</b>								<b>(19 120)</b>

Table 8.20 : 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	20 000	-	-	(20 000)	-	-	(20 000)	-
<b>Total</b>	<b>20 000</b>	-	-	<b>(20 000)</b>	-	-	<b>(20 000)</b>	<b>-</b>
<b>Amount to be voted</b>								<b>(20 000)</b>

Table 8.21 : Transfers to local government - Rates and Taxes

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
A KZN2000 eThekweni	-	-	-	-	-	880	880	880
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>880</b>	<b>880</b>	<b>880</b>
<b>Amount to be voted</b>								<b>880</b>

## 11. Actual payments and revised spending projections for the rest of 2025/26

Tables 8.22 and 8.23 reflect actual payments as at the end of September 2025, 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 2024/25 Audited outcome.

Table 8.22 : Actual payments and revised spending projections by programme

R thousand	2024/25 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2025 - September 2025	% of budget	October 2025 - March 2026	% of budget	
1. Administration	285 910	288 325	133 629	46.3	154 696	53.7	288 325
2. Housing Needs, Research and Planning	18 636	19 899	9 157	46.0	10 742	54.0	19 899
3. Housing Development	3 363 679	3 185 512	1 639 174	51.5	1 546 338	48.5	3 185 512
4. Housing Asset Management	151 161	157 853	60 496	38.3	97 357	61.7	157 853
<b>Total</b>	<b>3 819 386</b>	<b>3 651 589</b>	<b>1 842 456</b>	<b>50.5</b>	<b>1 809 133</b>	<b>49.5</b>	<b>3 651 589</b>

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

R thousand	2024/25 Audited outcome	Adjusted appropriation	Actual payments		Projected payments		Projected actual
			April 2025 - September 2025		October 2025 - March 2026		
				% of budget		% of budget	
<b>Current payments</b>	<b>583 826</b>	<b>574 830</b>	<b>264 725</b>	<b>46.1</b>	<b>310 105</b>	<b>53.9</b>	<b>574 830</b>
Compensation of employees	355 395	366 245	175 734	48.0	190 511	52.0	366 245
Goods and services	228 431	208 585	88 991	42.7	119 594	57.3	208 585
Interest and rent on land	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>3 225 102</b>	<b>3 060 807</b>	<b>1 573 436</b>	<b>51.4</b>	<b>1 487 371</b>	<b>48.6</b>	<b>3 060 807</b>
Provinces and municipalities	41 555	49 683	21 414	43.1	28 269	56.9	49 683
Departmental agencies and accounts	151 161	157 853	60 496	38.3	97 357	61.7	157 853
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-
Households	3 032 386	2 853 271	1 491 526	52.3	1 361 745	47.7	2 853 271
<b>Payments for capital assets</b>	<b>10 458</b>	<b>15 952</b>	<b>4 295</b>	<b>26.9</b>	<b>11 657</b>	<b>73.1</b>	<b>15 952</b>
Buildings and other fixed structures	4 577	6 100	1 867	30.6	4 233	69.4	6 100
Machinery and equipment	5 881	9 852	2 428	24.6	7 424	75.4	9 852
Heritage assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
<b>Payments for financial assets</b>							
<b>Total</b>	<b>3 819 386</b>	<b>3 651 589</b>	<b>1 842 456</b>	<b>50.5</b>	<b>1 809 133</b>	<b>49.5</b>	<b>3 651 589</b>

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

R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virement	Shifts	Other adjustments		
<b>Current payments</b>	<b>557 650</b>	-	-	<b>(4 530)</b>	<b>21 200</b>	<b>510</b>	<b>17 180</b>	<b>574 830</b>
Compensation of employees	368 132	-	-	(3 600)	-	1 713	(1 887)	366 245
Salaries and wages	329 154	-	-	(3 985)	-	1 713	(2 272)	326 882
Social contributions	38 978	-	-	385	-	-	385	39 363
Goods and services	189 518	-	-	(930)	21 200	(1 203)	19 067	208 585
Administrative fees	1 945	-	-	1 097	-	-	1 097	3 042
Advertising	3 026	-	-	100	-	-	100	3 126
Minor assets	367	-	-	80	-	-	80	447
Audit cost: External	8 866	-	-	1 060	-	675	1 735	10 601
Bursaries: Employees	176	-	-	-	-	-	-	176
Catering: Departmental activities	1 594	-	-	4 170	-	-	4 170	5 764
Communication (G&S)	2 000	-	-	-	-	-	-	2 000
Computer services	31 055	-	-	(703)	-	-	(703)	30 352
Cons. and prof. serv.: Bus. and advisory serv.	12 013	-	-	20	-	-	20	12 033
Infrastructure and planning	19 442	-	-	(14 570)	-	-	(14 570)	4 872
Laboratory services	-	-	-	-	-	-	-	-
Legal services	2 545	-	-	(700)	-	-	(700)	1 845
Scientific and technological services	-	-	-	-	-	-	-	-
Contractors	3 324	-	-	2 431	-	69	2 500	5 824
Agency and support / outsourced services	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-
Fleet services (including govt. motor transport)	10 145	-	-	-	-	-	-	10 145
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	281	-	-	492	-	-	492	773
Consumable: Stationery, printing and office supplies	1 310	-	-	(214)	-	-	(214)	1 096
Operating leases	39 004	-	-	-	-	-	-	39 004
Rental and hiring	1 000	-	-	1 916	-	-	1 916	2 916
Property payments	31 676	-	-	3 403	21 200	(1 947)	22 656	54 332
Transport provided: Departmental activity	500	-	-	1 000	-	-	1 000	1 500
Travel and subsistence	13 109	-	-	(409)	-	-	(409)	12 700
Training and development	5 305	-	-	(203)	-	-	(203)	5 102
Operating payments	835	-	-	-	-	-	-	835
Venues and facilities	-	-	-	100	-	-	100	100
Interest and rent on land	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>2 977 840</b>	<b>100 000</b>	-	<b>3 640</b>	<b>(21 200)</b>	<b>527</b>	<b>82 967</b>	<b>3 060 807</b>
Provinces and municipalities	68 741	-	-	(20 000)	-	942	(19 058)	49 683
Provinces	150	-	-	-	-	62	62	212
Provincial Revenue Funds	150	-	-	-	-	62	62	212
Provincial agencies and funds	-	-	-	-	-	-	-	-
Municipalities	68 591	-	-	(20 000)	-	880	(19 120)	49 471
Municipalities	68 591	-	-	(20 000)	-	880	(19 120)	49 471
Municipal agencies and funds	-	-	-	-	-	-	-	-
Departmental agencies and accounts	190 370	-	-	(32 517)	-	-	(32 517)	157 853
Social security funds	-	-	-	-	-	-	-	-
Entities receiving funds	190 370	-	-	(32 517)	-	-	(32 517)	157 853
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	2 718 729	100 000	-	56 157	(21 200)	(415)	134 542	2 853 271
Social benefits	154	-	-	1 533	-	600	2 133	2 287
Other transfers to households	2 718 575	100 000	-	54 624	(21 200)	(1 015)	132 409	2 850 984
<b>Payments for capital assets</b>	<b>14 387</b>	-	-	<b>890</b>	-	<b>675</b>	<b>1 565</b>	<b>15 952</b>
Buildings and other fixed structures	6 100	-	-	-	-	-	-	6 100
Buildings	6 100	-	-	-	-	-	-	6 100
Other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	8 287	-	-	890	-	675	1 565	9 852
Transport equipment	1 500	-	-	-	-	675	675	2 175
Other machinery and equipment	6 787	-	-	890	-	-	890	7 677
Heritage assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3 549 877</b>	<b>100 000</b>	-	-	-	<b>1 712</b>	<b>101 712</b>	<b>3 651 589</b>
<b>Amount to be voted</b>								<b>101 712</b>