



KwaZulu-Natal Department of Human Settlements


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 KwaZulu-Natal Department of Human Settlements

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## human settlements

Department:  
Human Settlements  
**PROVINCE OF KWAZULU-NATAL**



# 2019/20

ANNUAL PERFORMANCE PLAN

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## FOREWORD



*The Honourable Ms. N.P. Nkonyeni, MPL  
Member of the Executive Council for  
Department of Human Settlements and  
Public Works, KwaZulu-Natal*

The Department of Human Settlements has become more resolute in the provision of sustainable human settlements. We are better coordinated, strategic and continually find practical ways to effectively provide decent, integrated and sustainable human settlements.

The department convened its Strategic Planning Session in preparation for this Annual Performance Plan, where past performance was critically looked at and a strategic roadmap discussed to achieve more impactful ways of providing sustainable human settlements.

The department will ensure effective utilisation of the PGDP Action Work groups for spatial integration and service delivery to achieve sustainable livelihoods. 30% has been targeted for the empowerment of all vulnerable groups throughout the human settlements value chain to support economic transformation and job creation. The upgrading of informal settlements will receive a more coordinated and targeted attention, working towards ring-fenced funding and dedicated personnel.

Among the key focus areas will be the release of state land and serviced sites, provision of houses for farm dwellers, eradication of title deeds backlogs, provision of middle-income housing and the planning and implementation of catalytic projects.



We will strengthen our stakeholder relations and human resource capacity to be able to achieve this. The organisational structure is being reviewed to support an enhanced service delivery model which advocates for district based decentralization for improved service delivery.

The department will also ensure the development of a capable state through targeted training and development programmes critical to the sector. Good governance will be enforced and consequent management applied to eliminate fruitless expenditure of state resources.

Monitoring and Evaluation is also an area that will be strengthened for on-time and progressive project management, innovation and service excellence.



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**Honourable Ms. N.P. Nkonyeni, MPL**  
**MEC for KwaZulu-Natal Department of Human Settlements and Public Works**

## Official Sign-Off

It is hereby certified that this Annual Performance Plan was developed by the management of the Department of Human Settlements in KwaZulu-Natal during the strategic planning review session held in July 2018, November 2018 and July 2019. It takes into account all the relevant policies, reviews and changes, legislation and other mandates for which the KwaZulu-Natal Provincial Department of Human Settlements is responsible. It accurately reflects the strategic outcomes oriented goals and objectives which the KwaZulu-Natal Department of Human Settlements will endeavor to achieve over the 2019/20-2021/22 period.

**Ms. S. Pillay**  
Chief Financial Officer

Signature: \_\_\_\_\_



**Mr. M.O.S. Zungu**  
Acting Accounting Officer

Signature: \_\_\_\_\_



**Approved by:**  
**Honourable Ms. N.P. Nkonyeni, MPL**  
**MEC for KwaZulu-Natal Department of Human Settlements and Public Works**

Signature: \_\_\_\_\_



## Glossary of Terms

### A

AG	Auditor-General	MEC	Member of Executive Council
APP	Annual Performance Plan	MINMEC	Ministers and Members of Executive Councils
BAS	Basic Accounting System	MPAT	Management Performance Assessment Tool
BNG	Breaking New Ground	MTEF	Medium Term Expenditure Framework
COGTA	Cooperative Governance and Traditional Affairs	MTSF	Medium Term Strategic Framework
CRU	Community Residential Unit	MVHP	Military Veterans Housing Programme
CBO	Community Based Organisation	MYHDP	Multi-year Housing Development Plan
CS	Community Survey	NDHS	National Department of Human Settlements
DORA	Division of Revenue Act	NDP	National Development Plan
DPSA	Department of Public Service and Administration	NGO	Non-Government Organisation
EEDBS	Enhanced Extended Discount Benefit Scheme	NHBRC	National Home Builders Registration Council
EPHP	Enhanced Peoples Housing Process	NHFC	National Housing Finance Corporation
EPRE	Estimates of Provincial Revenue and Expenditure	NHNR	National Housing Needs Register
EPWP	Expanded Public Works Programme	NURCHA	National Urban Reconstruction & Housing Agency
FLISP	Finance Linked Individual Subsidy Programme	OSS	Operation Sukuma Sakhe
FTE	Full Time Equivalent	OPSCAP	Operational Capital Budget
GEPF	Government Employee Pension Fund	PEMP	Poverty Eradication Master Plan
GHS	General Household Survey	PGDP	Provincial Growth and Development Plan
GWEA	Government Wide Enterprise Architecture	PGDS	Provincial Growth and Development Strategy
HDA	Housing Development Agency	PMU	Project Management Unit
HSDG	Human Settlements Development Grant	PSEDS	Provincial Spatial Economic Development Strategy
HSS	Housing Subsidy System	SALGA	South African Local Government Association
ICT	Information and Communication Technology	SCM	Supply Chain Management
IDP	Integrated Development Plan	SDG	Sustainable Development Goals
IMST	Information Management Systems and Technology	SMME	Small, Medium and Micro Entrepreneurs
ISUP	Informal Settlement Upgrade Programme	SHRA	Social Housing Regulatory Authority
IT	Information Technology	TRA	Temporary Residential Accommodation
ITB	Ingonyama Trust Board	TRP	Title Deed Restoration Programme
IRDP	Integrated Residential Development Programme	VIP	Ventilated Improved Pit
KPA	Key Performance Area		
KZN	KwaZulu-Natal		
KZN HSMSP	KwaZulu-Natal Human Settlements Master Spatial Plan		

## **A Strategic Overview**

**Strategic Overview**

**Legislative and Policy Mandates**

**Updated situational analysis**

**Performance Delivery Environment**

**Revisions to Legislation and other Mandates**

**Governance Issues**

**Outlook for the 2019/20 Financial Year**

**Overview of the 2019/20 Budget and MTEF Estimates**



**Westgate Grange/Aloe Ridge Social Housing Project**



# 1. Strategic Overview

## VISION

Together Breaking New Ground to achieve decent, integrated and sustainable human settlement patterns.

## MISSION

To deliver suitably located housing opportunities and security of tenure over the next five years through collaborative partnerships, legislative planning processes and empowerment of women and youth in construction.

## VALUES

The Department subscribes to the principles of Batho Pele and embraces the following key values:

- Commitment to performance;
- Trust and honesty;
- Transparency and consultation;
- Integrity; and
- Accountability.

CORE VALUES / PRINCIPLES FOR THE DEPARTMENT OF HUMAN SETTLEMENTS	
<b>Commitment to performance</b>	We will continue to motivate our staff to work hard and efficiently through recognition while providing service excellence at all times.
<b>Trust and honesty</b>	We provide service impartially, fairly, equitably and without bias.
<b>Transparency and consultation</b>	We will be open about our day-to-day activities, how much our Department receives and how that money is spent. Annual reports, strategic plans, service commitment charters, etc. are available to the public.
<b>Integrity</b>	Integrity means doing the right thing at all times and in all circumstances, whether or not anyone is watching. It takes having the courage to do the right thing, no matter what the consequences will be. Building a reputation of integrity takes years.
<b>Accountability</b>	We will continue to be answerable for both our financial and non-financial performance. The publishing of the Annual Report will provide an accurate reflection of the functioning of the Department.

## STRATEGIC GOALS

The Department's strategic goals summarized as follows:

1.	Ensure effective and efficient governance of human settlement services
2.	Promote integrated planning for urban, peri-urban and rural development for sustainable human settlements
3.	Improve project management services in line with high quality and approved subsidy quantum within set time frames as required for all human settlements projects

4.	Phasing out of the KwaZulu-Natal Housing Fund in line with the disestablishment of the National Housing Fund inclusive of the devolving of properties to municipalities and issuing of title deeds to families living in “ Ex-Regulation 293 Townships” and “Ex-Own Affairs Townships”
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<b>Strategic Goal 1</b>	Ensure effective and efficient governance of human settlement services
<b>Goal Statement</b>	Ensure effective and efficient governance of human settlement services
<b>Strategic Objective</b>	Facilitate the financial viability of the Department
	Implement the approved Human Resource Plan
	Improve Information Systems
	Provide strategic leadership to achieve good governance
<b>Strategic Objective Indicator and Target</b>	Approved Human Settlement Development Grant (HSDG) Business Plan (5)
	Approved Medium Term Expenditure Framework ( MTEF) Database with the Estimated Provincial Revenue and Expenditure Report (EPRE) for Human Settlements (2)
	Approved Human Resource Plan reviewed annually (3)
	Approved IT (Information Technology) Strategy reviewed annually (5)
	Approved Litigation Management Strategy reviewed annually (2)
	Approved Communication Strategy reviewed annually (2)
<b>Rationale</b>	Fully fledged, proficient resources ensuring the attainment of the strategic objectives of the Department and administrative support.
<b>Impact</b>	<p>Increased spatial access, equity, efficiency, effectiveness and utilisation of human settlements.</p> <ul style="list-style-type: none"> <li>Improved Human Resource Management including reconfiguration of the organisational structure, appropriate placement of staff [appropriate skills mix and competencies], strengthened performance management and decreased vacancy rates;</li> <li>Increased Financial &amp; Supply Chain Management (SCM) efficiency and accountability to improve revenue generation (rentals) and value for money;</li> <li>Budget aligned with service delivery priorities and needs;</li> <li>Improved governance and leadership including regulatory framework compliance, and reviewed policies and delegations to facilitate implementation of the Strategic Plan;</li> <li>Improved information systems, data quality and information management, and improved performance monitoring and reporting; and</li> <li>Strengthened infrastructure to improve service delivery.</li> </ul>
<b>Linkages</b>	Outcome 12, Provincial Growth and Development Plan (PGDP) Goal 2 & 6

<b>Strategic Goal 2</b>	Promote integrated planning for urban, peri-urban and rural development for sustainable human settlements
<b>Goal Statement</b>	Provide an enabling environment for integrated sustainable human settlements in urban, peri- urban and rural areas.
<b>Strategic Objective</b>	Planning of integrated and sustainable human settlements in line with the KwaZulu-Natal Human Settlements Master Spatial Plan (KZN HSMSP)
<b>Strategic Objective indicator and Target</b>	Municipal Spatial Development plans aligned to the KZN HSMSP's focus areas (30)
	Approved beneficiary capacitation strategy on home ownership reviewed annually (2)
	Number of nationally approved catalytic projects in planning (6)
<b>Rationale</b>	Sustainable human settlement developments in support of spatial restructuring is created

<b>Impact</b>	<ul style="list-style-type: none"> <li>• Capacitated municipalities, community structures, emerging contractors;</li> <li>• Improved performance towards achieving the Sustainable Development Goals (SDG) targets;</li> <li>• Improved spatial planning of projects/settlements;</li> <li>• Maximise investment potential;</li> <li>• Job creation;</li> <li>• Improved human settlements outcomes, upgraded households in informal settlements;</li> <li>• Poverty alleviation;</li> <li>• Ensuring property can be accessed by all as an asset for wealth creation and empowerment;</li> <li>• Leveraging growth in the economy; and</li> <li>• Combating crime, promoting social cohesion and improving quality of life for the poor.</li> </ul>
<b>Linkages</b>	National Development Plan (NDP) – Chapter 8; Outcome 8, PGDP Goal 3, Sustainable Development Goal (SDG) 1 & 11

<b>Strategic Goal 3</b>	Improve project management services in line with high quality and approved subsidy quantum within set time frames as required for all human settlements projects
<b>Goal Statement</b>	Achieving human settlements outcomes in terms of time, cost and quality.
<b>Strategic Objective</b>	<p>Implement the Upgrading of Informal Settlements, Integrated Residential Developments, Enhanced Peoples Housing Process, Finance Linked Individual Programme (Middle-income Market Housing), Social/Rental Housing and Community Residential Units Programmes (Outcome 8)</p> <p>Fast-track the implementation of the Title Deeds Restoration Programme (From 01 April 1994 to 31 March 2014)</p> <p>Fast-track the issuing of title deeds (From 01 April 2014 to 31 March 2016)</p>
<b>Strategic Objective Indicator and Target</b>	<p>Number of urban housing opportunities created in line with National Service Delivery Outcome 8, National Development Plan, the Provincial Growth and Development Strategy, Integrated Urban Development Framework, KZN HSMSP (60,180)</p> <p>Approved implementation plan to fast track the implementation of the Title Deeds Restoration Programme (From 01 April 1994 to 31 March 2014) reviewed annually (2)</p> <p>Approved implementation plan to fast track the issuing of title deeds which were not issued during the “swopping” of project milestones during 01 April 2014 to 31 March 2016 reviewed annually (2)</p>
<b>Rationale</b>	Efficient management of sustainable human settlements developments.
<b>Impact</b>	<ul style="list-style-type: none"> <li>• Improved human settlements outcomes, upgraded households in informal settlements;</li> <li>• Reduction of slums;</li> <li>• Promote security of tenure;</li> <li>• Job creation;</li> <li>• Poverty alleviation;</li> <li>• Ensuring property can be accessed by all as an asset for wealth creation and empowerment;</li> <li>• Leveraging growth in the economy; and</li> <li>• Combating crime, promoting social cohesion and improving quality of life for the poor.</li> </ul>
<b>Linkages</b>	NDP – Chapter 8; Outcome 8, PGDP Goal 3, SDG 1 & 11

<b>Strategic Goal 4</b>	Phasing out of the KwaZulu-Natal Housing Fund in line with the dis-establishment of the National Housing Fund inclusive of the devolving of properties to municipalities and issuing of title deeds to families living in “ Ex-Regulation 293 Townships” and “Ex-Own Affairs Townships”
<b>Goal Statement</b>	Dis-establishment of the National Housing Fund inclusive of the devolving of properties to municipalities and issuing of title deeds
<b>Strategic Objective</b>	Fast-track the implementation of the Title Deeds Restoration Programme (prior to 01 April 1994)
	Fast track the devolution of properties of the KwaZulu-Natal Housing Fund to municipalities in terms of Section 15 of the Housing Act, 1997
<b>Strategic Objective Indicator and Target</b>	Approved Implementation Plan for the Title Deeds Restoration Programme (prior to 01 April 1994) reviewed annually (2)
	Approved Implementation Plan for the devolution of the KwaZulu-Natal Housing Fund properties to the municipalities in terms of section 15 of the Housing Act, 1997 reviewed annually (2)
<b>Rationale</b>	Devolution of properties to municipalities for human settlement development and promotion of home ownership
<b>Impact</b>	<ul style="list-style-type: none"> <li>• Improved quality of life;</li> <li>• Promote security of tenure thus creating an economic asset for the home-owner;</li> <li>• Restoration of dignity to the home-owner;</li> <li>• Utilization of well-located state land for human settlement developments; and</li> <li>• Job Creation and revenue generation for the municipalities.</li> </ul>
<b>Linkages</b>	PGDP Goal 3, SDG 1 & 11

The Department is committed to Chapter 8 of the NDP. Chapter 8 of the Plan relates to transforming human settlements and the national space economy to “create the conditions for more humane and environmentally sustainable living and working environments” and achieving a “decent standard of living”. Emphasis is placed on a holistic approach, including access to employment opportunities, provision of transport to work, housing and basic services.

The Department responds to Outcome 8 that relates to “sustainable human settlements and improved quality of household life” through:

- Adequate housing and improved quality living environments;
- A functionally equitable residential market; and
- Enhanced institutional capabilities for effective co-ordination of spatial investment decision.

The Provincial Growth and Development Strategy (PGDS) as well as the PGDP are also key strategic planning tools that inform the development of human settlements within the Province. Other key policy mandates that impact on the achievement of the Department’s mandate include the Provincial Spatial Economic Development Strategy (PSEDS) and the Province’s Poverty Eradication Master Plan (PEMP). These were considered in the development of the KZN HSMSP.

The KZN HSMSP is the roadmap for the Department’s planning initiatives and intended to streamline planning processes to enable the implementation of strategic spatial interventions. It has identified Key Focus Areas for prioritised investment based on housing needs and demands; the population and infrastructure capacity of those areas.

The KZN HSMSP will address the planning imperatives of the Department. It is adopted by the KwaZulu-Natal (KZN) Cabinet as a provincial policy framework for integrated and sustainable human settlements.



## STRATEGIC OBJECTIVES LINKED TO STRATEGIC GOALS

Strategic Goals	Strategic Objective	Programme
Ensure effective and efficient governance of human settlement services	<ul style="list-style-type: none"> <li>Facilitate the financial viability of the Department</li> <li>Implement the approved Human Resource Development Plan</li> <li>Improve information systems</li> <li>Provide strategic leadership to achieve good governance</li> </ul>	Programme 1
Promote integrated planning for urban, peri-urban and rural development for sustainable human settlements	<ul style="list-style-type: none"> <li>Planning of integrated and sustainable human settlements in line with the KZN HSMSP</li> </ul>	Programme 2
Improve project management services in line with high quality and approved subsidy quantum within set time frames as required for all human settlements projects	<ul style="list-style-type: none"> <li>Implement the upgrading of informal settlements, integrated residential developments, enhanced peoples housing process, Finance-Linked Individual Programme (Middle-income Market Housing), social/ rental housing and community residential units (Outcome 8)</li> <li>Fast-track the implementation of the Title Deeds Restoration Programme (From 01 April 1994 to 31 March 2014)</li> <li>Fast-track the issuing of title deeds (From 01 April 2014 to 31 March 2016)</li> </ul>	Programme 3
Phasing out of the KwaZulu-Natal Housing Fund in line with the disestablishment of the National Housing Fund inclusive of the devolving of properties to municipalities and issuing of title deeds to families living in “ Ex-Regulation 293 Townships” and “Ex-Own Affairs Townships”	<ul style="list-style-type: none"> <li>Fast-track the implementation of the Title deeds Restoration Programme (prior to 01 April 1994)</li> <li>Fast track the devolution of properties of the KwaZulu-Natal Housing Fund to municipalities in terms of section 15 of the Housing Act, 1997</li> </ul>	Programme 4

## PROVINCIAL PRIORITIES FOR 2019/20

Provincial priorities for 2019/20 are in Part B of the Annual Performance Plan (APP) as part of the introduction to each Programme.

## PLANNING PROCESS

The Department conducted strategic planning review workshops in July 2018, November 2018 and July 2019 to review performance and determine strategic priorities for the 2019/20 APP with the guidance and leadership of the Member of Executive Council (MEC) for Public Works and Human Settlements and the Acting Head of Department. Among the attendees were various key stakeholders of the Department.

Consultations were further undertaken with the Programme Managers to provide the necessary inputs towards the compilation of this plan.

## NOTES ON THE PRESENTATION OF CORE BUSINESS FOR 2019/20

The format for the APP used is that determined by the National Treasury and is in line with Treasury requirements. Core performance indicators [per Budget Programme] as determined by the National Department of Human Settlements is referred to as “**Customised Sector Performance Indicators**” in **Part B of the APP**. These indicators are monitored quarterly and formal reports are submitted to Provincial and the National Department of Human Settlements, “Provincial Quarterly Performance Report”.

Provinces have the responsibility to add performance indicators and targets in addition to National indicators, in order to actively monitor and report on progress and outcomes. Provincial indicators and targets are reflected in **Part B of the APP under “Provincial Performance Indicators”**. Quarterly targets indicated in the same section will provide measures against which progress is monitored on a quarterly basis.

Other core and sub-set indicators are included in the Monitoring & Evaluation Framework to regulate quarterly reporting. Operational Plans incorporate sub-set indicators and targets to ensure comprehensive reporting against priorities.

## 2. Legislative and Policy Mandates

### 2.1 Constitutional and Legislative Mandates

The Department derives its mandate from Section 26 of the Constitution of the Republic of South Africa, Act 108 of 1996.

The Department's core functions mandated by the following key legislation in addition to other transversal legislation:

LEGISLATION	AMENDMENT	PROVISIONS OF THE ACT
<b>Housing Act 107 of 1997</b>	Housing Amendment Act, 2006 White Paper A New Housing Policy and Strategy for South Africa	The Housing Act provides for the facilitation of a sustainable housing development process; for this purpose to lay down general principles applicable to housing development in all spheres of government, to define the functions of national, provincial and local governments in respect of housing development. In short, the Act gives effect to section 26 of the Constitution by, inter alia, clarifying the roles of the three spheres of government in relation to realisation of the right to access to adequate housing (section 26 of the Constitution).
<b>Social Housing Act 16 of 2008</b>	Social Housing Act, 2008	To establish and promote a sustainable social housing environment; To define the functions of national, provincial and local governments in respect of social housing; To provide for the establishment of the Social Housing Regulatory Authority in order to regulate all social housing institutions obtaining or having obtained public funds; To allow for the undertaking of approved projects by other delivery agents with the benefit of public money; and to give statutory recognition to social housing Institutions.
<b>Rental Housing Act 50 of 1999</b>	Rental Housing Amendment Bill, 2006	Provision for rulings by Rental Housing Tribunals; to expand the provisions pertaining to Leases; and to make further provision for the filling of vacancies in Rental Housing.
<b>Housing Consumers Protection Act, 1998</b>	Housing Consumer's Protection Measures Amendment Act, 2006	To make provision for late enrolment and non-declared late enrolment; to make provision for the position of owner builders; to extend the warranty scheme to include roof leaks; to make provision for the use of money or moneys in the fund; to extend the offences created in the Act and to amend provisions pertaining to the granting of exemption by the Council and lodging of appeals with the Minister.
<b>KwaZulu-Natal Housing Act, 1998 (12 of 1998 as amended)</b>	No recent amendment	Chapter 4 provides that: The Department shall be responsible for the administration of the bank account of the Fund and manage and co-ordinate housing development in the Province. The Department shall, subject to national and provincial housing policy and after consultation with the Minister, on behalf of the Provincial Government:

LEGISLATION	AMENDMENT	PROVISIONS OF THE ACT
<b>KwaZulu-Natal Housing Act, 1998 (12 of 1998 as amended) (continued)</b>		<ul style="list-style-type: none"> <li>a) undertake projects;</li> <li>(b) maintain, sell, or lease dwellings and other immovable property;</li> <li>(c) notwithstanding anything to the contrary in any law and either with the prior consent of the owner or following the expropriation of such land, perform such work and undertake such projects on privately owned land as the Minister may, subject to such terms and conditions as he or she may determine, approve;</li> <li>(d) determine provincial policy in respect of housing development;</li> <li>(e) promote the adoption of provincial legislation to ensure effective housing delivery; and</li> <li>(f) Prepare and maintain a multi-year plan in respect of the execution in the Province of every national and provincial housing programme, which is consistent with a national and provincial housing policy.</li> </ul>
<b>Sectional Titles Act, 1986 (95 of 1986, as amended by Act 24 &amp; 29 of 2003)</b>	Sectional Titles Amendment Act, 2013	Amends the Sectional Titles Act, 1986, to further regulate notification of the intended establishment of schemes and the sale of units to lessees; to provide for the cancellation of registered sectional plans in a prescribed manner; to regulate the issuing of a certificate of registered section a little in respect of a fraction of an undivided share in a section; to provide for the deletion of an obsolete reference; to provide for the registration of a transfer of a part of the common property with the consent of the owners of the sections and the holders of registered real rights; to provide for the endorsing of title deeds to reflect amended participation quota schedules; to regulate the alienation of a portion of land over which a real right of extension or part thereof is registered; to provide for the consent of holders of registered real rights over exclusive use areas to the alienation of common property; to provide for the cession of a mortgage real right of extension and a mortgage real right of exclusive use area; to provide for the cancellation of part of a section pursuant to an expropriation; to further provide for the consent of bondholders with the registration of a sectional plan of extension; and to provide for the issuing of more than one certificate of real right of extension and more than one certificate of real right of exclusive use area.
<b>Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998</b>	No recent amendments	This Act provides for the prohibition of unlawful eviction; it further provides for procedures for the eviction of unlawful occupiers. This Act is very important for the Department as it constantly either institutes eviction proceedings against an unlawful occupier/ land invader(s) or the Department defends mass evictions of unlawful occupiers/ invaders.
<b>Housing Development Agency Act, 2008</b>	No recent amendments	This Act establishes the Housing Development Agency; it further provides for the Agency's functions and powers; and for matters connected therewith.



LEGISLATION	AMENDMENT	PROVISIONS OF THE ACT
<b>Communal Land Rights Act 2004</b>	No recent amendments	This Act provides for legal security of tenure by transferring communal land, including KwaZulu-Natal Ingonyama land, to communities, or by awarding comparable redress; to provide for the conduct of a land rights enquiry to determine the transition from old order rights to new order rights; to provide for the democratic administration of communal land by communities; to provide for Land Rights Boards; and to provide for the co-operative performance of municipal functions on communal land.
<b>Deeds Registries Act 47 of 1937</b>	Deeds Registries Amendment Act 34 of 2013	Amends the Deeds Registries Act, 1937, so as to provide discretion in respect of the rectification of errors in the name of a person or the description of property mentioned in deeds and other documents; to provide for the issuing of certificates of registered title taking the place of deeds that have become incomplete or unserviceable; to substitute an obsolete reference; to substitute an outdated heading; to delete reference to the repealed Agricultural Credit Act, 1966; and To further, regulate the updating of deeds in respect of the change of names of companies, close corporations and the surnames of women.
<b>State Land Disposal Act 48 of 1961</b>	No recent amendments	This Act provides for the disposal of certain State land and for matters incidental thereto, and it further prohibits the acquisition of State land by prescription.
<b>Government Immovable Asset Management Act 19 of 2007</b>	No recent amendments	Provides for a uniform framework for the management of an immovable asset that is held or used by a national or provincial Department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a national or provincial Department; and to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a national or provincial Department.

## 2.2 Policy and Programme Mandates

The Department's core functions are informed by the following policies:

NAME OF POLICY	MANDATE
<b>The National Housing Code, 2009</b>	The Code sets the underlying policy principles, guidelines, norms, and standards that apply to Government's various housing assistance programmes introduced since 1994 and updated. It also identifies various housing subsidy instruments available to assist low-income households to access adequate housing. It further provides for the qualification criteria per subsidy instrument and the process that needs to be followed in order to access the specific instrument.

NAME OF POLICY	MANDATE
<b>Breaking New Ground - A Comprehensive Plan for the Development of Sustainable Human Settlements</b>	<p>The specific objectives include:</p> <ul style="list-style-type: none"> <li>• Accelerating the delivery of housing as a key strategy for poverty alleviation;</li> <li>• Utilizing provision of housing as a major job creation strategy;</li> <li>• Ensuring property can be accessed by all as an asset for wealth creation and empowerment;</li> <li>• Leveraging growth in the economy;</li> <li>• Combating crime, promoting social cohesion and improving quality of life for the poor; and</li> <li>• Supporting the functioning of the entire single residential property market to reduce duality within the sector by breaking the barriers between the first economy residential property boom and the second economy slump.</li> </ul> <p>The Department will enhance its contribution to spatial restructuring by:</p> <ul style="list-style-type: none"> <li>• Progressive Informal Settlement Reduction;</li> <li>• Promoting Densification and Integration;</li> <li>• Enhancing Spatial Planning;</li> <li>• Enhancing the location of new housing projects;</li> <li>• Supporting Urban Renewal and Inner City Regeneration;</li> <li>• Developing social and economic infrastructure; and</li> <li>• Enhancing the Housing Product.</li> </ul>
<b>National Development Plan</b>	<p>Chapter 8: Transforming Human Settlements</p> <p>The objectives include the following:</p> <ul style="list-style-type: none"> <li>• Strong and efficient spatial planning system, well integrated across the spheres of government;</li> <li>• Upgrade all informal settlements on suitable, well located land by 2030;</li> <li>• More people living closer to their places of work; and</li> <li>• More jobs in or close to dense, urban townships.</li> </ul> <p>Actions:</p> <ul style="list-style-type: none"> <li>• Reforms to the current planning system for improved coordination;</li> <li>• Develop a strategy for densification of cities and resource allocation to promote better located housing and settlements;</li> <li>• Introduce spatial development framework and norms, including improving the balance between location of jobs and people;</li> <li>• Conduct a comprehensive review of the grant and subsidy regime for housing with a view to ensure diversity in product and finance options that would allow for more household choice and greater spatial mix and flexibility; and</li> <li>• Introduce mechanisms that would make land markets work more effectively for the poor and support rural and urban livelihoods.</li> </ul>
<b>Outcome 8: Medium Term Strategic Framework 2014-2019</b>	<p>The framework focuses on policy and funding reforms to achieve the following:</p> <ul style="list-style-type: none"> <li>• Better spatial planning to better target resource allocation;</li> <li>• Ensuring that poor households have adequate housing in better living environments; and</li> <li>• Supporting the development of a functionally and equitable residential property market improving institutional capacity; and coordination.</li> </ul> <p>In order to achieve the vision of sustainable human settlements and improved quality of household life the Department drives effective programmes to achieve the following:</p> <ul style="list-style-type: none"> <li>• Adequate housing and improved quality living environments;</li> <li>• A functionally equitable residential property market; and</li> <li>• Enhanced (institutional) capabilities for effective coordination of spatial investment decisions.</li> </ul>

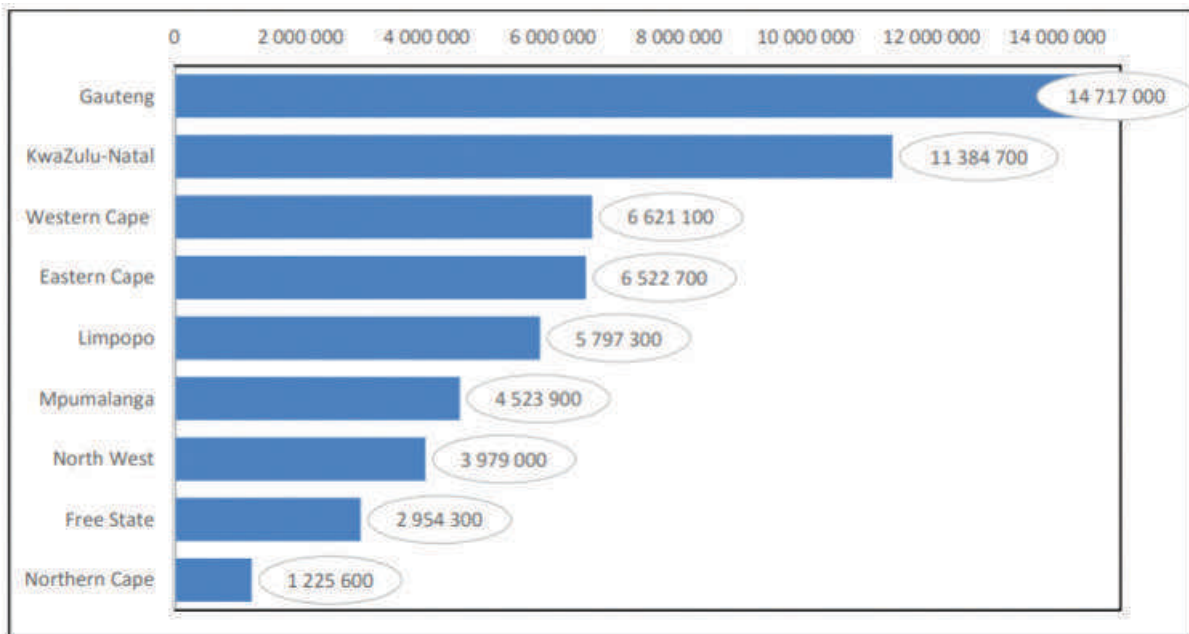
NAME OF POLICY	MANDATE
<b>Provincial Growth and Development Plan</b>	<p>Strategic Objective 3.4: Sustainable human settlements</p> <p>The provision of a house remains an important part of human settlements. It is now common because livable human settlements require decent planning that involves designing a safe environment; infrastructure that allows and enables economic activity; delivery of services and social facilities as well as good maintenance capacity. This desired human settlement has been slow to materialise and the causes are many and varied, yet not insurmountable. This intervention is about finding an appropriate institutional mechanism to achieve a coordinated and aligned service delivery programme, with the Department being the driver of this institutional mechanism as they are most acutely affected by the uncoordinated service delivery response.</p>
<b>Provincial Human Settlements Master Spatial Plan for KwaZulu-Natal (KZN HSMSP)</b>	<p>The principles of the KZN HSMSP are as follows:</p> <ul style="list-style-type: none"> <li>• Guide and align all investment in Human Settlements;</li> <li>• Creation of balanced settlements reflecting spatial equity, economic potential and competitiveness, and environmental sustainability;</li> <li>• Spatial targeting and spatial concentration;</li> <li>• Accessibility and choice;</li> <li>• Value creation and capture;</li> <li>• Effective governance; and</li> <li>• Responsiveness to demographic and economic context.</li> </ul>
<b>Integrated Urban Development Framework</b>	<p>The vision of the integrated urban development framework is to manage urbanisation and to achieve the goals of economic development, job creation and improved living conditions of citizens of South Africa.</p> <p>The overall objectives is to create efficient urban spaces by:</p> <ul style="list-style-type: none"> <li>• Reducing travel costs and distances;</li> <li>• Aligning land use, transport planning and housing;</li> <li>• Preventing development of houses in marginalised areas;</li> <li>• Increasing urban densities and reducing sprawl;</li> <li>• Shift jobs and investment towards dense peripheral townships; and</li> <li>• Improve public transport and the coordination between transport modes.</li> </ul> <p>The Integrated Urban Development Framework responds to several Sustainable Development Goals and in particular <b>Goal 11: making cities and human settlements inclusive, safe resilient and sustainable</b>. It is about creating more functionally integrated, balanced and vibrant urban settlements.</p> <p>It recognises the need for a more comprehensive, integrated approach to urban development that responds to both the urban and rural environments.</p>

### 3. Updated Situational Analysis

#### 3.1 Population Profile and Demographic Characteristics

According to the mid-year population estimates, 2018 issued by Statistics South Africa, the estimated population of the Province of Kwa-Zulu Natal has grown from 10,3 million in 2011 to 11,4 million in 2018. The Province is still the second most populated Province (i.e. 19, 7%) in South Africa, with the most populace Province being Gauteng having 25, 4% of the country's population as reflected hereunder:

**Figure 1: Mid-Year Population Estimates, 2018**



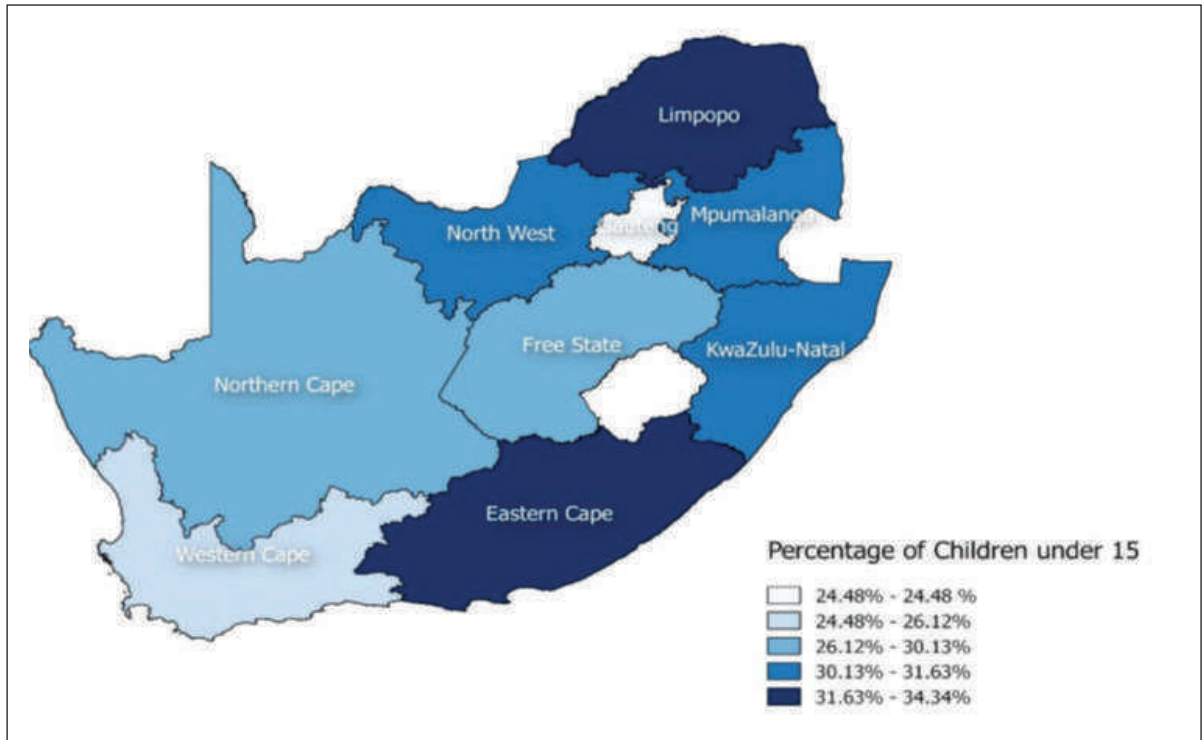
Source: Statistics SA: Mid-Year Population Estimates, 2018

Although, the population has grown gradually from 8.57 million in 1996, its share of the national population has declined from 21,3% in 2002 to 19,7% in 2018. 52% of the KZN population are females while males make up 48%.



Reflected below are the provincial comparisons of the population estimates by age and sex:

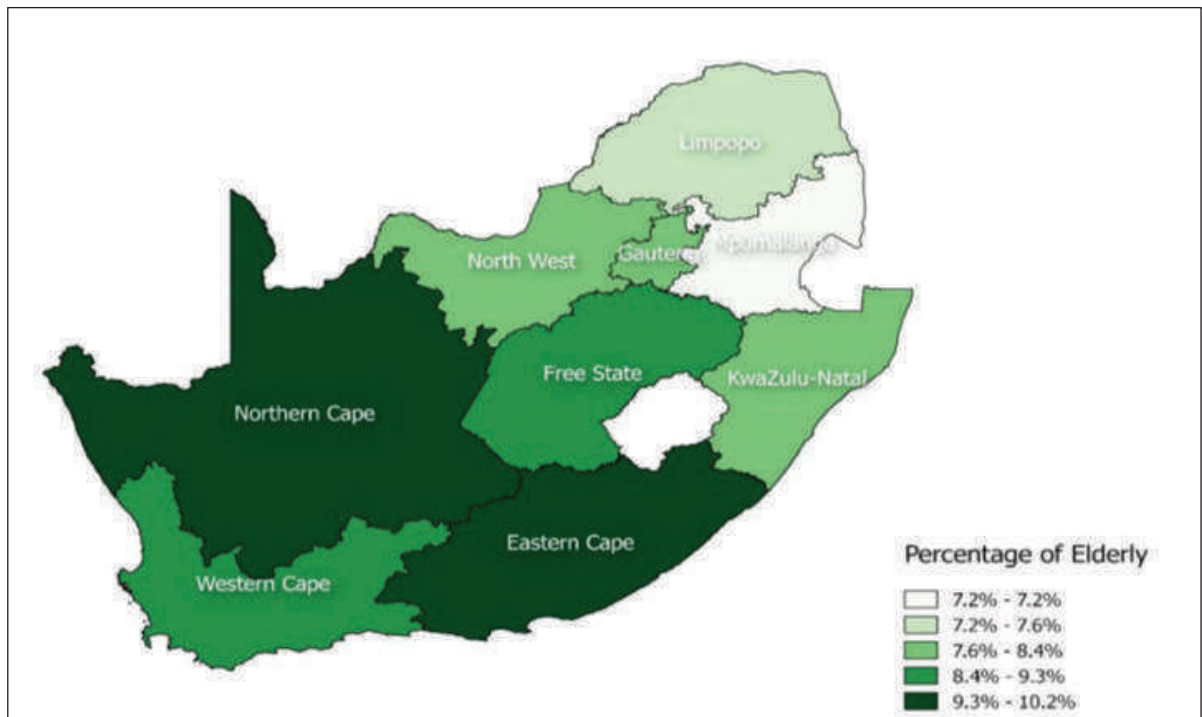
**Figure 2: Population under 15 years of age**



Source: Statistics SA: Mid-Year Population Estimates, 2018

36,6% of the Province’s population is youth (i.e. 15-34 years of age) while approximately 31,5% of individuals are younger than 15 years.

**Figure 3: Proportion of elderly aged 60+**



Source: Statistics SA: Mid-Year Population Estimates, 2018

8,1% of the Province's population is aged 60 years and above, with the Maphumulo and Ndwedwe local municipalities having the highest percentage of elderly persons, i.e. 10,6% and 10,0% respectively. Focussed attention towards the Department's programmes for vulnerable groups will therefore be given to these areas.

The Province has 44 municipalities, 11 districts, with eThekweni being a metropolitan municipality and the remaining 10 district municipalities. In terms of the Census 2011 data, the eThekweni Municipality accounts for 34% (i.e. 3.6 million) of the total provincial population, followed by the uMgungundlovu District (1.1million), King Cetshwayo District (0.95 million), Zululand District (0.84 million) and the Ugu District (0.76 million). The Harry Gwala District is the least populous district with an estimated half a million people. The eThekweni Metropolitan municipality as well as the uMgungundlovu and King Cetshwayo District municipalities are the major economic drivers within the Province with Durban experiencing rapid urbanisation.

A distinct characteristic of this Province is that it is predominately rural in nature where 35% of the land falls under the custodianship of the Ingonyama Trust Board (ITB). 51% of the population reside in rural areas. The disperse rural settlements as well as difficult terrain conditions significantly impact on infrastructure service delivery initiatives as well as on spatial planning reform interventions. Despite this, this Department continues to progressively implement its rural housing initiatives to ensure that the housing needs of beneficiaries within these areas are addressed. Strengthened stakeholder relations with the ITB will ensure a meaningful partnership to enhance service delivery within rural areas. The implementation of the KZN HSMSP will also provide for better spatial planning within these areas.

According to the General Household Survey (GHS) of 2017 issued by Statistics SA, an estimated 3,9% of the Province's citizens aged 5 years and older are classified as disabled. The utilisation of the disability variation allowance as well as housing initiatives for the vulnerable groups such as Operation Sukuma Sakhe (OSS) to address the housing needs will be strengthened.

In terms of GHS, 2018, 81% of all households reside in informal dwellings. Although the percentage of households that have received a government subsidy to access housing increased from 5,6% in 2002 to 13,6% by 2018, 13,1% of households were still living in informal dwellings.

### 3.2 Migration Patterns

According to Statistics SA's mid-year population estimates, 2018, it was estimated that for the period 2011-2016, 344,302 people would migrate out of the Province while 275,920 would migrate into the Province. The net migration will therefore be -68,382. It is noted that most of the people from the Province are migrating to the Provinces of Gauteng and Western Cape. It is further projected that for the period 2016-2021, 366,150 people would be migrating out of the Province.

In terms of the Statistics SA Community Survey (CS) 2016, Report 03-01-10 relating to the Province's profile, it was indicated that the majority of persons who moved did so as households. Reasons for migration to other Provinces include amongst others employment opportunities and education.

### 3.3 Urbanization

In line with international trends, the country has experienced rapid urbanization. According to Statistics SA and the World Bank, South Africa's population is urbanized at a rate of 60% to 64%. According to the NDP, 70% of the population will be urbanized by 2030 with an estimated 7.8 million people living in the cities. By 2050, urban population will grow to an estimated 80%.

The country's urbanization is characterized by "an urbanization of poverty". The impact of rapid urbanization in the Province has resulted in the following:

- Fragmented urban forms with unequal access to job opportunities, amenities and public services;
- Mushrooming of informal settlements and their locations in precarious conditions;
- Illegal occupation of land/properties both private and government owned;
- Illegal occupations of run down or abandoned buildings;
- Construction of illegal buildings within over and under services, servitude; and
- Increase in housing backlog (currently at more than 400 000 households).

The rapid rate of urbanization has also placed an additional burden on access to basic services, effective and integrated planning, infrastructure development by municipalities, as well as increase in informal settlements (slums).

The increased demand for housing experienced by eThekweni Metropolitan Municipality is due to rapid migration of poor/indigent families to the city centres, thus increasing the number of informal settlements and informal dwellings. In terms of the PGDS, 2035, eThekweni shows the largest proportional increase in population from 2.75 million in 1996, to 3.09 million in 2001, to 3.44 million in 2011 and now to 3.66 million in 2016<sup>1</sup>).

According to the State of South African Cities Report 2016, 40% of the global urban expansion is taking place in slums. The anticipated acceleration of the population growth in eThekweni together with the estimated 75% households currently living in squalid conditions/informal structures imply that the provision of urban infrastructure, including more affordable housing, urban planning and governance on informal settlements should be intensified in order to accommodate the influx.

The Department addresses some of effects of urbanization through its PGDP Action Work Group 11. This Work Group addresses sustainable human settlements within the Province and comprises key role-players to ensure that human settlements developments are planned and implemented in an integrated manner.

In addition, the Department conducted an Indaba on Urbanization and the Impact on land availability in 2018. In consultation with key stakeholders, challenges associated with unplanned informal settlements, illegal land occupations earmarked for human settlement developments were identified. Resolutions emanating from this Indaba were adopted for implementation.

### 3.4 Economy

The three major economic nodal areas of the Province include Durban, Pietermaritzburg and Richards Bay. Richards Bay is one of the fastest growing industrial areas in KwaZulu-Natal. These centres dominate the share of the provincial Gross Value Added. Other smaller economic areas of development include Newcastle, Ladysmith, which has significant manufacturing potential, Port Shepstone

<sup>1</sup> Provincial Growth and Development Strategy, 2035

that contributes to the trade and commerce sector, as well as the iLembe district and KwaDukuza municipality. Critical sector drivers to the Province's economic development include amongst others: agriculture, construction, manufacturing, mining, trade, tourism, transport and infrastructure.

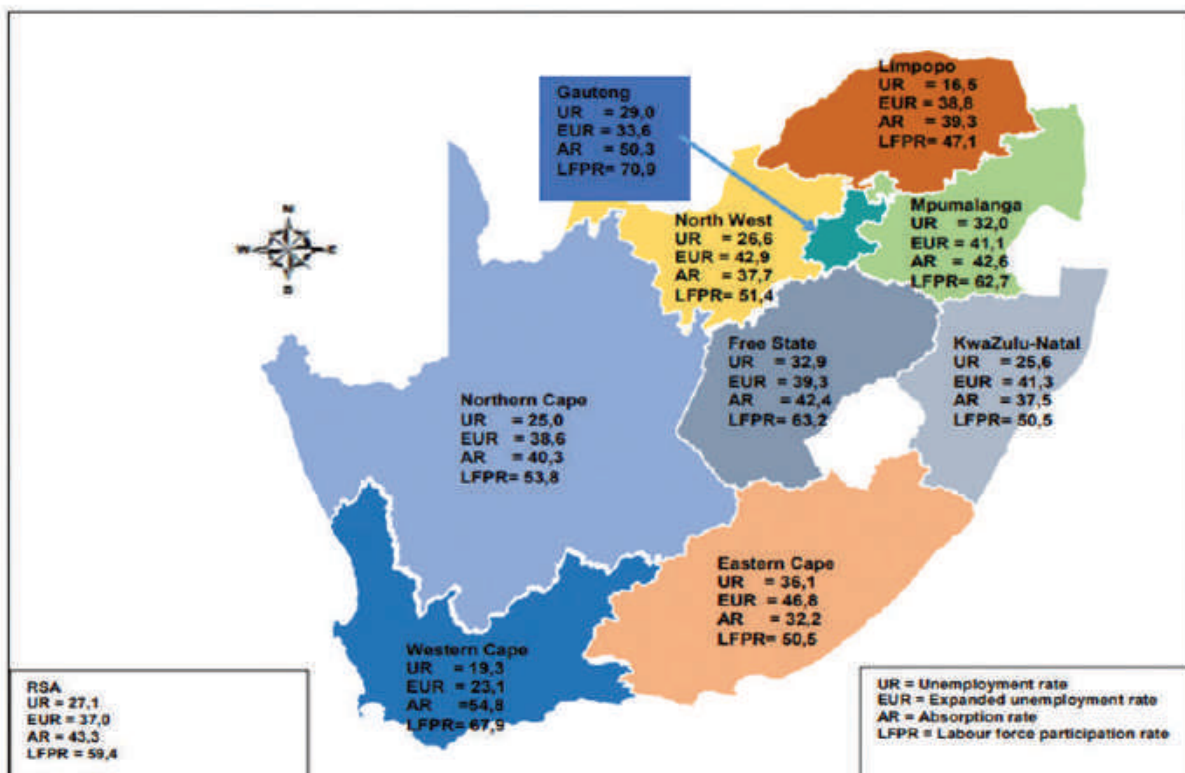
The Department is responsive to these areas of high economic potential with the continued planning and implementation of the catalytic projects within and other nodal areas of development.

Due to the current economic climate, the Province is faced with challenges of slow economic growth rates, high and increasing unemployment rates, increasing population pressures, constraints related to natural resources, energy, infrastructure and skills shortages.

In terms of the Quarterly Labour Survey, Quarter 4, 2018 issued by Statistics SA, the national official unemployment rate has declined i.e. from 27,5% in the 3rd quarter of 2018 to 27,1% for the 4th quarter. Nationally, the year-on-year official unemployment rate has increased by 0, 4 percentage point. A provincial yearly comparison reflects that the largest increase in the number of employed persons was recorded in Gauteng and KwaZulu-Natal i.e. 172,000 and 135,000 respectively.

A synopsis of the labour market measures are as follows:

**Figure 4: Provincial Labour Market measures**



Source: Statistics SA, Quarterly Labour Force Survey, Quarter 4: 2018

The Department will continue to implement the Expanded Public Works Programme (EPWP), well as the training and skilling initiatives such as the Department's Youth Development Programme in order to capacitate and enhance the capacity within the construction sector.

### 3.4.1 Provincial Fiscal Constraints

Due to the current economic climate and fiscal constraints in the country, the provincial HSDG was reduced. This budget reduction will negatively affect service delivery initiatives as follows:

- A reduction in housing opportunities;
- Increase the housing backlog;
- Achieving the Medium Term Strategic Framework (MTSF) targets; and
- Capacity constraints.

In order to address this, the Department will find innovative ways to increase housing opportunities to balance the decreasing budget and increasing needs. The Department will focus on increasing its housing delivery through Finance-Linked Individual Subsidy Programme for Middle-income market group (R3,501-R22,000), servicing of sites, and social/rental housing. Human and financial resources will be optimally utilised within the cost containment imperatives and integrated development initiatives to maximise productivity and effectiveness will be undertaken. The Department is finalising the review of the organisational structure to establish dedicated business units to focus on the priorities and a Departmental Human Resource Turnaround strategy to address:

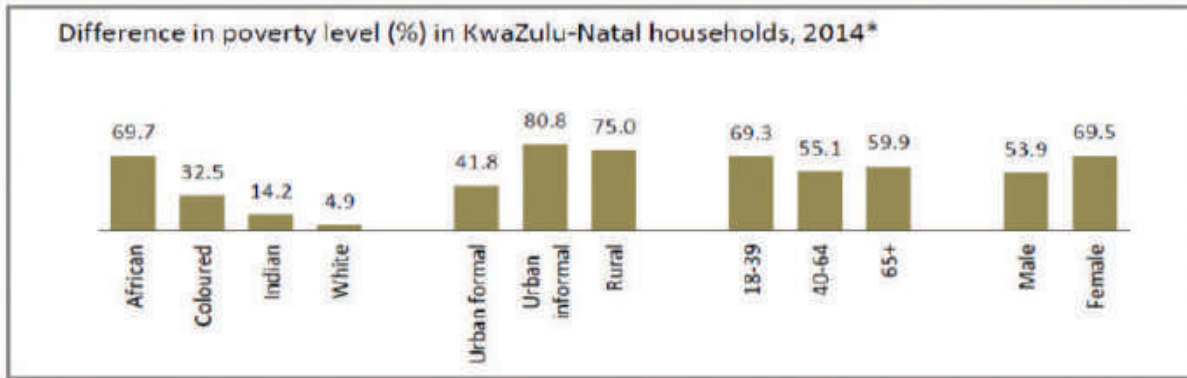
- Retraining and upgrading of the monitors to ensure that they are properly mentored to be construction professionals in order to augment capacity required for adequate project implementation monitoring;
- Training existing project facilitators as social facilitators to mitigate issues leading to service delivery protests;
- The continued implementation of the Department's Youth Development Programme to prepare youth for employment and business opportunities; and
- The Department's continued participation in the National Scholarship and Bursary Programme to ensure that the Department maintains a pool of suitable candidates with required skills in the built environment sector.

## 3.5 Poverty

One of the key social challenges facing this Province is the fact that of all the nine Provinces in South Africa, KwaZulu-Natal has the third highest rate of poverty in the country. KwaZulu-Natal has had 26,3% share of the poor in the country in 2011. The underprivileged are faced with high poverty levels, poor access to basic social services, poor living conditions and limited economic opportunities.

People living in traditional areas are the hardest hit by poverty compared to people living in other settlement types, 47,5% living below the food poverty line. Below this hierarchy is the population living in urban informal areas, 31,7% below food poverty line. The population in rural formal areas (mainly characterised by farms) has the third highest headcount. Urban formal areas have the lowest proportion of the population living below the food poverty line (11,9%).

Figure 5: Difference in poverty level



Source: Provincial Growth and Development Strategy

Some of the country's top 10 poorest municipalities are also within the Province, namely Msinga, uMhlabuyalingana, the former Vulamehlo (now part of Umdoni and eThekweni) and Maphumulo. Msinga is ranked number one on the national list. 139,948 of a population figure of 177,549, is deemed to be highly deprived, i.e. 78,82%. Msinga also has the highest number of deprived communities in the country at 138.

The Department has a significant role to play in contesting poverty levels in the Province through increasing the provision of housing and consequently improving the standard of living of the people through programme interventions such as the provision of housing through Operation Sukuma Sakhe (OSS) and the EPWP. The NDP and the Breaking New Ground (BNG) Comprehensive Plan also play a crucial role in mitigating poverty.

### 3.6 Catalytic Investment Potential

The Department is also contributing to poverty alleviation and economic growth stimulation through investment in catalytic projects. The "mega" catalytic projects are expected to contribute to the principles of the PGDP by providing housing opportunities to people at the low end of the housing market. The Department proposes to transform informal settlements via the Informal Settlements Upgrade Programme (ISUP); Integrated Residential Development Programme (IRDP); Enhanced Peoples Housing Programme (EHP) and the middle-income market. In this way, people living in informal settlements have greater opportunity to access tenure of housing, economic and social opportunities. Through the investment in large-sized projects, municipalities will be able to implement projects to derive benefits from economies of scale.

KwaDukuza has the highest investment potential in KwaZulu-Natal, followed by Ray Nkonyeni, eThekweni, uMhlathuze and Msunduzi areas. The Department has identified and obtained approval from the National Department of Human Settlements for eight "Mega catalytic" projects that are strategically aligned to maximise the investment potential of the Province.



The Department will place concerted efforts in driving and facilitating the planning and implementation of the following catalytic projects:

**Table 1: Catalytic Projects**

Municipality	Mega Catalytic Project	Estimated Yield
Umhlatuze	Empangeni Integrated Residential Development Programme	10,000
eThekwini	Cornubia South(Phase 1&2) Integrated Residential Development Programme	25,000
eThekwini	Amaoti Greater Informal Settlement Upgrade	20,000
eThekwini	KwaMashu Bridge City	27,875
eThekwini	Inner City Regeneration	10,585
eThekwini	Umlazi Urban Regeneration	18,000
Newcastle	Johnston Blaaubosch Cavan Integrated Residential Development Programme	8,400
iLembe	Hyde Park Integrated Residential Development Programme	4,600

A

## 4. Performance Delivery Environment

### 4.1 Housing Needs

Table 2: Housing Needs

District Municipality	Traditional dwelling/hut/structure made of traditional materials	House/flat/room in back yard	Informal dwelling/shack in back yard	Informal dwelling/shack NOT in back yard	Total
eThekwini	40,188	17,435	37,981	111,307	206,911
uMgungundlovu	58,189	4,615	6,399	11,988	81,191
Harry Gwala	60,829	2,253	1,741	2,458	67,281
Ugu	53,132	3,698	2,107	5,816	64,753
King Cetshwayo	54,380	3,209	2,521	2,235	62,345
iLembe	40,417	2,696	5,569	7,657	56,339
uThukela	47,353	4,070	1,063	931	53,417
uMzinyathi	48,563	1,293	718	1,958	52,532
Zululand	39,485	3,933	1,131	774	45,323
uMkhanyakude	32,811	1,737	1,141	958	36,647
Amajuba	7,949	2,237	2,286	2,813	15,285
<b>Total</b>	<b>483,296</b>	<b>47,176</b>	<b>62,658</b>	<b>148,889</b>	<b>742,019</b>

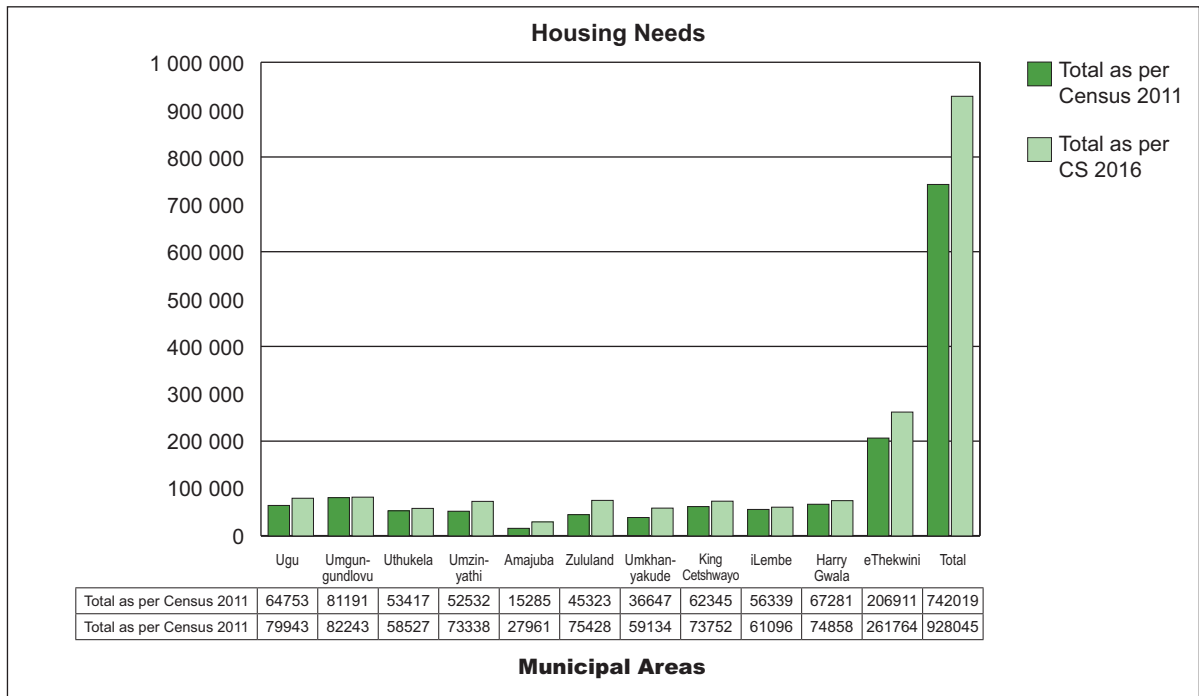
Source: Statistics SA, Census 2011

As reflected above, the housing backlog for the Province is 742,019. KwaZulu-Natal remains the second Province with the highest housing backlog in the country.

Provincially, eThekwini metropolitan municipality has the highest need whilst the Amajuba District has the lowest housing backlog. The eThekwini metropolitan municipality has the highest housing backlogs of 75% of households residing in Informal dwelling/shack not in back yard.

However, in terms of the 2016 CS, the housing need for the Province is estimated at 928,045. As reflected in the graph, all districts are estimated to have an increase in demand for housing with the biggest increases being within the eThekwini, Zululand and uMkhanyakude areas.

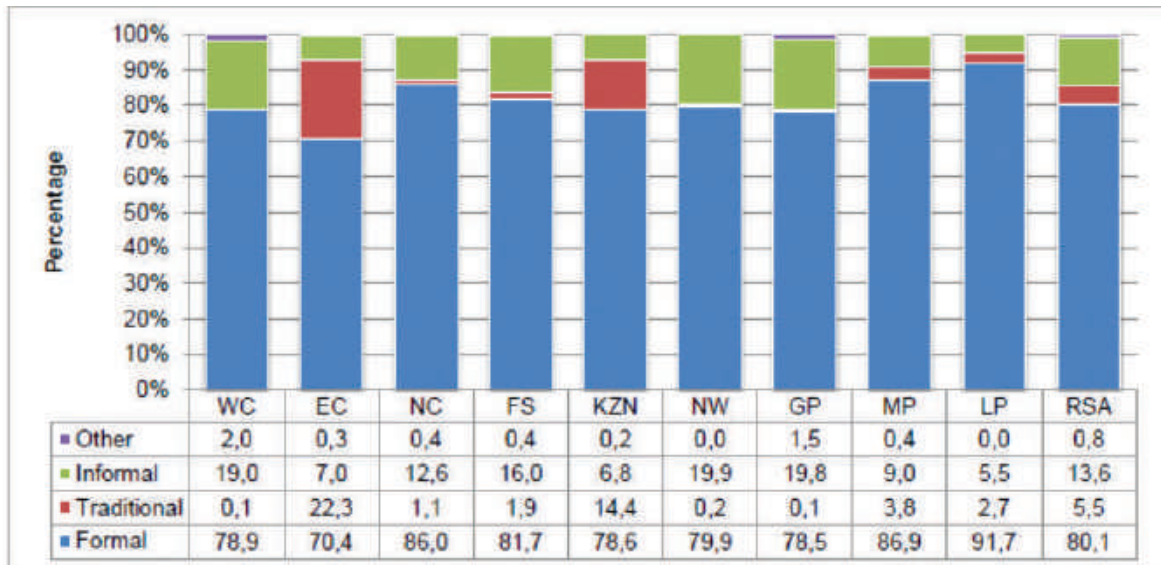
Graph 1: Estimated Housing Need as at 2016



Source: Statistics SA, Census 2011 and CS, 2016

The GHS, 2017 estimates that 80,1% of South African households lived in formal dwellings in 2017, followed by 13,6% in informal dwellings, and 5,5% in traditional dwellings. Within the Province of KwaZulu-Natal 78,6% of households live in formal dwellings, 14,4 % live in traditional and 6,8% live in informal dwellings, as reflected hereunder:

**Figure 6: Percentage of households that lived in formal, informal and traditional dwellings by Province, 2017**



Source: Statistics SA, 2017 GHS

Note: Formal dwelling includes: Formal dwelling/house or brick/concrete block structure on a separate stand or yard or on a farm, Or Flat or apartment in a block of flats, Cluster house in complex, Townhouse (semi-detached house in a complex), Semi-detached house, Formal dwelling/house/flat/room in backyard, Room/flat let on a property or larger dwelling/servants quarters/granny flat/cottage). Informal dwelling includes; Informal dwelling/shack in backyard, Informal dwelling/shack not in backyard (e.g. in an informal/squatter settlement or on a farm). Other dwelling includes Caravan/tent and other.

The 2018 KZN Citizen Satisfaction Survey was undertaken by the Office of the Premier to ascertain whether the key developmental priorities are aligned to the people's expectations. This survey intended to provide the provincial government an opportunity to assess the people's perceptions regarding what the provincial government's focus should be on when providing service delivery.

The results reveal that the majority of the Province's citizens aged 15 years and older ranked job creation as their first priority. This was followed by affordable housing and fighting corruption as the second and third areas of priority, respectively. At a district level, citizens aged 15 years and older within all districts ranked job creation as the top priority area, whilst the provision of housing was ranked the second most important priority for all districts, except for Amajuba and eThekweni, which indicated "crime prevention" as their second most important priority.

The Department is however responsive to the needs of the citizens of this Province. Despite budget constraints, the Department's performance resulted in 20,626 houses built and 5,574 sites delivered during the 2018/19 financial year.

However, despite the efforts made towards addressing the housing needs of the Province, the demand for adequate housing remains a formidable and progressive target. This, together with the service delivery challenges facing the Department, requires the Department to be more responsive and innovative in its endeavor to create sustainable human settlements to improve the quality of household life in the Province.

#### **4.1.1 Management of Informal Settlements**

The informal settlements within this Province remains a key focus area for the Department in line with its Outcome 8 deliverables. i.e. the implementation of the upgrading of informal settlements, increasing the provision of well-located rental accommodation, mobilization of well-located public land for low income and affordable housing, as well as the provision of the Finance-Linked Individual Subsidy Programme to address affordability challenges in the middle-income market.

Census 2011 data indicates that there are 148,889 households, with 378,988 individuals who live in shacks not in backyards of which an estimated 75% of households are within the Province's metropolitan area of eThekweni. This is noticeably higher than the proportion of all households in the Province who live in the metropolitan area; according to the Census, 38% of all households in the Province live in eThekweni. In addition, the number of households living in shacks and not in backyards has decreased in the Province whilst a significant increase of 38% of households living in backyard shacks between 2011 and 2016 is noted.

Rapid urbanization is a direct result of an increase in informal settlements in major cities and towns within the Province for economic opportunities and improved livelihoods.

An upfront assessment and categorization of all informal settlements in KZN was undertaken by municipalities in conjunction with the Department. A total of 743 informal settlements have been identified with an estimated 377,088 informal dwellings. This indicates an increase in the number of informal dwellings compared to Statistic South Africa's CS 2016 figure of 245,167.

The summary of informal settlements identified across the Province per district is distributed as follows:

**Table 3: Informal Settlements per District**

Districts	No. of Informal Settlements	No. of Households
eThekweni	547	256,559
Amajuba	10	10,278
King Cetshwayo	14	17,777
Ilembe	10	10,700
Zululand	15	9,685
uMkhanyakude	5	3,160
Ugu	14	7,142
Umzinyathi	3	1,871
Uthukela	15	7,073
Harry Gwala	13	4,557
Umgungundlovu	97	48,286
Msunduzi	75	35,283
Umgungundlovu(and surrounding areas)	22	13,003
Total	196	120,529
<b>Grand Total</b>	<b>743</b>	<b>377,088</b>

There are currently an estimated number of 116 projects addressing various informal settlement areas within the Province. In addition, this Department has made a concerted effort to reduce the number of Temporary Residential Accommodation (TRA) as this has also contributed to the increase in slums within the eThekweni area. Of the original 71 TRAs, 25 have been eradicated with the remaining 46 to be eradicated over the MTSF. Thus far six (6) of the informal settlements projects are completed.

Despite the progress made with the upgrading of informal settlements, factors that impede this service delivery initiative include:

- a) Insufficient bulk infrastructure (water/sanitation/electricity) funding;
- b) Dense informal settlements that require relocation and people are reluctant to move to other areas that are far from their place of employment;
- c) Shortage of suitable land due to apartheid planning legacy;
- d) Protracted land procurement processes of privately owned land and protracted devolutions of state properties to municipalities to develop;
- e) Invasion/illegal occupation of land in undevelopable areas;
- f) Delays due to Environmental and town planning approval;
- g) Budget shortfalls (not considering steep topography, grave relocations, de-stumping of trees and densification);
- h) Socio/political issues – organised land invasion; and
- i) “Shack-lordism” remains a serious factor in informal settlements.

Due to the challenges with the increasing number of informal settlements and invasion/illegal occupation of state-owned land, the Department held an Informal Settlements and Land Invasion Indaba on 23 March 2018 with various sector departments, non-governmental organisations (NGOs) and Community Based Organisations (CBOs). The Indaba deliberated at length on critical interventions and resolved that the Department’s KwaZulu-Natal Informal Settlements Strategy needed be enhanced.

The enhanced strategy is intended to achieve a planned informal settlement approach that entails the development of legal instruments to regularise informal settlements (for example; the use of special zones in the municipal land use management schemes) and recognition of rights of residence.

The approach will entail an element of agreement on minimum health and safety standards and progressively upgrade these standards as regularised informal settlements are brought into the mainstream urban fabric. The success of such an approach is reliant on the development of the community organisations to support participatory regularisation and upgrade programme.

In addition, the continuation and fast tracking all contractually committed UISP projects and the continuation of the IRDP and Mega Catalytic Projects as well as increasing the provision of serviced sites to accommodate more families will be undertaken.

In addition, the eThekweni Informal Settlements Upgrading Summit themed “Stepping up to Urbanisation” was held in February 2019 to address the inherent challenges in the exponential growth and proliferation of informal settlements within the eThekweni Metropolitan. The summit sought, inter alia, to improve the coordination and alignment in the informal settlements upgrade service delivery process and to provide a platform for engagement to all role-players involved in this sector. Resolutions emanating from this process will facilitate a more a holistic and planned approach to address the escalating problem of rapid urbanisation, informal settlements and land invasions within the metropolitan area.

#### **4.1.2 Social Housing Programme**

The provision of social housing complements the initiatives undertaken to address ISUP and the achievement of Outcome 8 objectives. The restructuring zones approved in April 2017 by the National Minister of the Department of Human Settlements implies that social housing can now be made available within the Alfred Duma, KwaDukuza, Newcastle, uMhlathuze, and Ray Nkonyeni municipalities. The Department for the forthcoming year will give support to all relevant municipalities on the packaging, planning and implementation of projects for social housing and Community Residential Units (CRU). This will enhance and upscale the delivery of social housing and CRU's within the Province.

The Department will also implement its reviewed Social Housing Five Year Plan, which will upscale social housing initiatives with the construction of an estimated 20,000 units over the next 5 years. It focusses on strengthening stakeholder relations, more especially with the Social Housing Regulatory Authority (SHRA), which is appointed nationally to administer the disbursement of all funds relating to social housing projects and the regulation of the social housing sector. The Department is in the process of finalizing a 20-year strategy, which will guide the upgrading of all CRU's across the Province and ensure development costs are standardized and delivery is up-scaled.

#### **4.1.3 Finance Linked Individual Subsidy Programme (FLISP)**

There is a high demand for housing within the middle-income market (R 3,501- R22,000 pm), and the Programme is being prioritised to meet this increasing demand. Awareness of this programme with the key stakeholders, i.e. the financial institutions under the Banking Association of South Africa, middle- income market developers, Estate Agency Association Board and state agents, conveyancers and potential FLISP beneficiaries in the primary and secondary market, is being driven aggressively in KZN, as every mortgage bond uptake, sale and transfer of property to this income market should equate to FLISP subsidy beneficiary.



KZN is also embarking on Public Private Partnerships with large employers to collaborate with the Department to assist their middle-income market employees with housing opportunities. This will assist in reaching all potential FLISP qualifying beneficiaries.

#### 4.1.4 Security of Tenure

A key MTSF priority is to reduce title deed backlog [i.e. The Title Deed Restoration Programme (TRP)]. This Programme was established with the main objective of ensuring that approved subsidy beneficiaries for a period up to 31<sup>st</sup> March 2014 obtains their title deeds. The programme is in line with the Freedom Charter clause, which promotes the provision of houses, security and comfort.

The fast tracking of the issuing of all title deeds intended to facilitate entry into the economy by homeowners but also to provide dignity of full ownership. The title deeds backlog countrywide stands at 800,000 and in the Province is 150,648.

The provincial breakdown of the title deed backlog is as follows:

**Table 4: Title deed backlog**

District	Pre-1994 Backlog	Post-1994 Backlog
Zululand	343	2,428
Harry Gwala	0	4,107
uMgungundlovu	3,523	19,481
uThukela	3,006	6,704
eThekwini	11,823	73,012
iLembe	612	3,251
King Cetshwayo	1,189	1,394
uMzinyathi	567	4,405
Amajuba	1,320	5,119
Ugu	632	7,532
uMkhanyakude	200	0
<b>GRAND TOTAL</b>	<b>23,215</b>	<b>127,433</b>

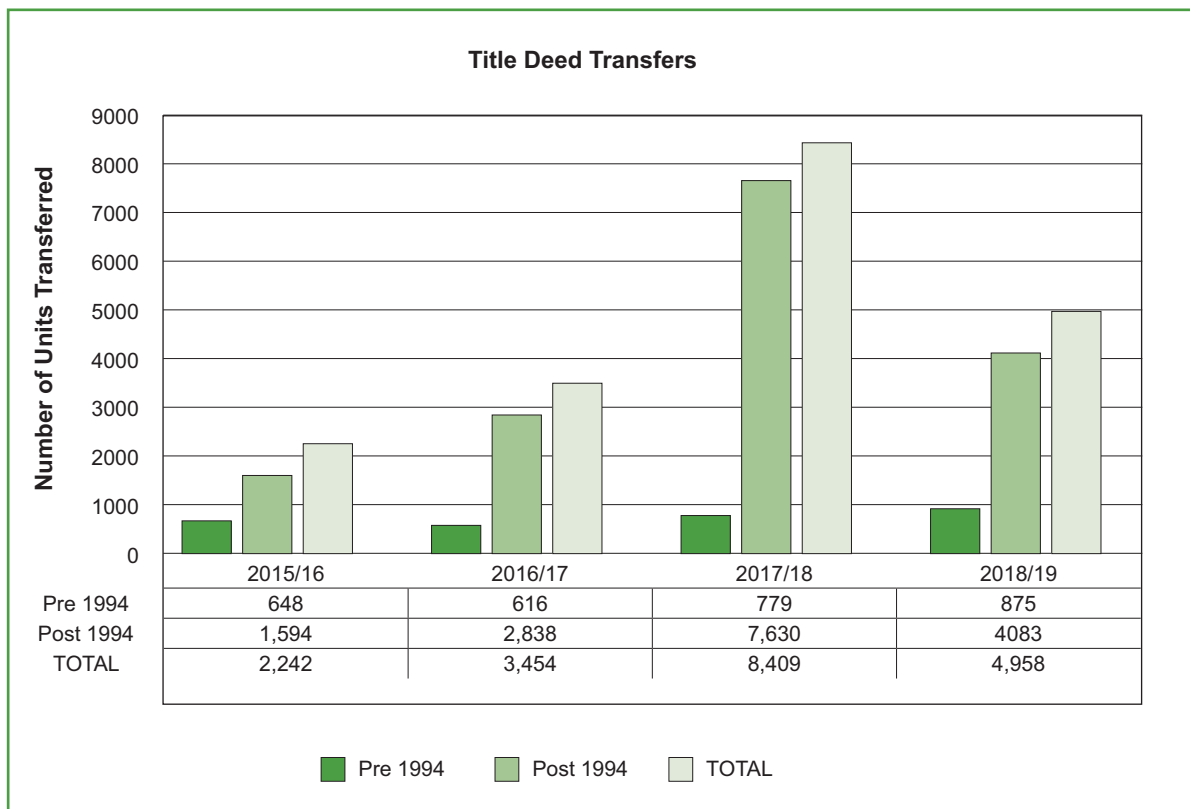
The reduction of the title deeds backlog will have a marked impact on the lives of beneficiaries as this is seen as an economic value of their asset and will provide for the securing of financial loans to improve their house.

The Department has already implemented strategies to address this backlog which has included the procurement of additional capacity such as the appointment of conveyancers, town planners and social facilitators and a land surveyor to undertake various activities to enable the opening of township registers and thereby the issue of title deeds to individuals.

The internal and external institutional arrangements have also been strengthened which includes amongst others, the establishment of a National TRP Steering Committee as well as the Provincial Steering Committee. The establishment of a dedicated Directorate supported by the Departmental district planners has been finalised and is currently managing the entire title deed process. In addition, the National Department of Human Settlements has deployed additional capacity to assist with the fast tracking of the Programme.

The figure below reflects the progress made towards the elimination of the title deeds backlog.

**Graph 2: Progress of title deed transfers**



Source: Departmental Statistics

During the forthcoming year, the Department will continue implementing strategies to address core challenges that impede achievement of the targets set for fast tracking the transfer of title deeds. This includes challenges associated with beneficiary administration/formalization and regularization, township establishment and opening of township registers, land acquisition in R293 townships, settlement of outstanding debt on utilities of rates and services.

#### 4.1.5 Disposal of Service Sites Initiative

The disposal of the service sites initiative aims to meet the departmental service delivery objectives through the sale of serviced sites at affordable prices to beneficiaries who are willing to build their own houses. In so doing so it will enable them the opportunity to experience the benefits of owning an asset. It also aims to bridge the social-economic divide by allowing people access to the property market to provide security of tenure and to contribute to a vibrant property.

This intervention also affords the Department the opportunity to maximize service delivery and to provide alternatives to those who are capable to provide for their own housing needs or who can afford to make payments towards a home loan, which will ultimately result in the individual owning the property.

This initiative further facilitates the development of integrated human settlements in well-located areas that provide convenient access to socio-economic amenities.

#### 4.1.6 Radical Economic Transformation

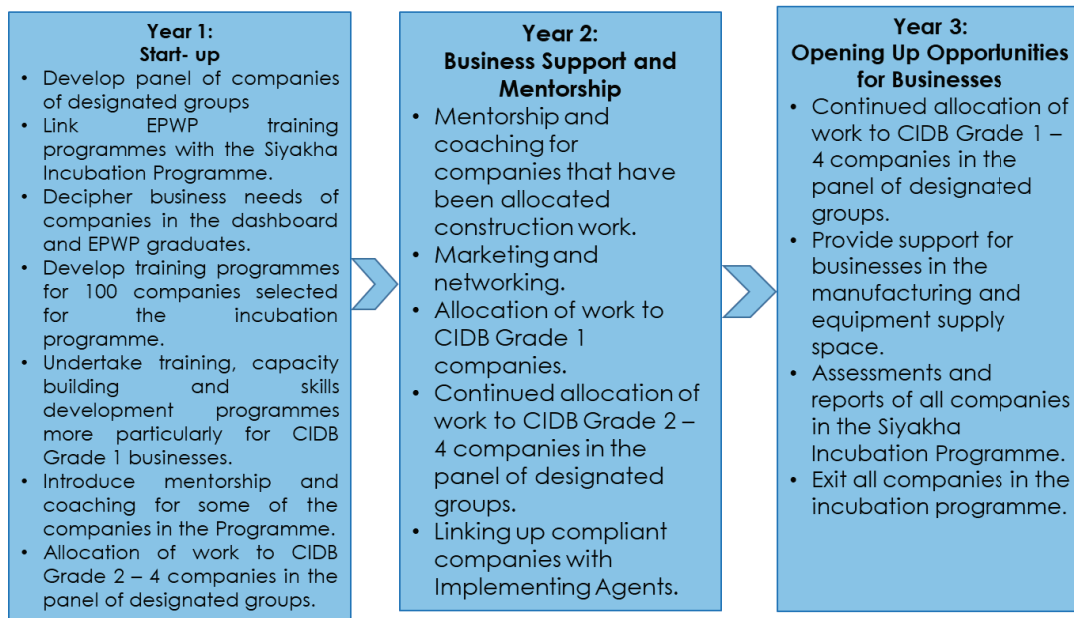
Public Procurement has been identified as a prime vehicle for driving the radical economic transformation agenda of the Government. In driving radical economic transformation, emphasis will be placed on utilising the prequalification criteria which allows for the advancement of selected categories of people in a manner that does not impede on the principles of fairness, equitability and competitiveness as enshrined in Section 217 of the Constitution.

The Department is committed to supporting the key national priority of the empowerment of youth, women, people with disabilities and military veterans through programmes aimed at supporting businesses and providing employment opportunities to these designated groups. With regards to supporting businesses of these groups, the Department has devised a strategy to provide skills and capacitate businesses through varied programmes including Targeted Procurement, Siyakha Incubation Programme and Expanded Public Works Programme (EPWP). Through these programmes, the Department aims to contribute to objectives of radical economic transformation promoting social and economic transformation and optimising participation of these groups in the human settlements value chain.

To demonstrate this commitment, the Department hosted the Human Settlements Youth Summit in December 2018. The summit aimed to inspire, empower and connect youth in the human settlements value chain. The following resolutions emanated from the summit:

- Alignment with other infrastructure sector development initiatives;
- Integrated planning and implementation of transformative programmes thus avoiding silo planning;
- To develop a common vision towards economic development of Black people in general and Africans in particular within local communities;
- To upscale economic benefits to targeted groups through a sector-wide approach thus making black /African Small, Medium and Micro Entrepreneurs (SMMEs) benefit from the economies of scale within the infrastructure sector in the province; and
- To transform the infrastructure sector economic structural arrangement by bringing in black/ African SMMEs as new competitive entrants/participants thus making the infrastructure sector economically inclusive.

To achieve these, the Department is finalising an Incubation Programme, Siyakha Incubation Programme. The incubation programme will be implemented over a period of three (3) years. During this period, companies of in the panel of designated groups will be capacitated and provided with technical and business skills so that they can actively and meaningfully participate in the sector. Activities to be undertaken during the period will be as follows:



## 4.2 Strategic Partnerships

To meet its legislative and policy mandates the Department is continually fostering and strengthening relations with key stakeholders within the construction environment. These include amongst others, the ITB, municipalities, other government departments and organs of state, CBO's and financial institutions.

The Department continues to promote this in the following manner:

- **PDGP, Action Work Group 11**

In response to the PDGP's Strategic Objective 3.4: Sustainable Human Settlements, the Department has established a fully functional Action Work Group to address the following strategic interventions:

- Resuscitate the joint provincial forum to address human settlements to ensure coordinated and integrated development planning and implementation;
- Implement polycentric nodal development aligned to Provincial Spatial Development Framework to achieve sustainable livelihoods;
- Undertake a comprehensive review of the KZN Human Settlements Strategy incorporating the key focus areas of informal settlements upgrade, social housing, housing in the gap income market and a comprehensive rural settlement policy;
- Improving the number of households with registerable form of tenure; and
- Support municipal accreditation to undertake the housing function.

This Action Work Group comprises strategic partners that both influence and make a positive change on human settlement delivery in the Province and includes amongst others, the Housing Development Agency (HDA), Department of Cooperative Governance and Traditional Affairs (COGTA), Accredited Municipalities, District Municipalities, South African Local Government Association (SALGA), Water Authorities, CBOs / NGOs (Federation of Urban and Rural Poor, and Abahlali BaseMjondolo) and ITB.

The Work Group ensures that there is an alignment of plans by various stakeholders thus ensuring that the objectives of PDGP's Strategic Objective 3.4: Sustainable Human Settlements are met, that resources are shared, bottlenecks in the implementation of projects are eliminated thus fast tracking delivery and meeting the intended targets.

As at December 2018, the progress made by the Action Work Group towards the achievement of the PGDP's objective are as follows:

Strategic Objective Indicators : AWG 11	Baseline 2015	Targets 2020	Achievement 2017	Achievement as at December 2018	Comments
Percentage of households living in formal dwellings in KZN	72.6%	73.78	72,66%	72.66%	To be reported in 20/20 financial year
Total no. of households	2,775,843	3,100,574	2,905,735	2,905,735	To be reported in 20/20 financial year
Households in formal dwellings	2,015,262	2,288,223	2,124,446	2,124,446	To be reported in 20/20 financial year
Percentage housing backlog	Decrease by 7%	Decrease by 7%	23,7% (175,830 Delivery/742,019 Backlog)	Decreased by 25,7% 190,562 Delivery/ 742,019 Backlog	Delivery reported from 2011/12 to 2018/19 is 190,562 against the 2010 Backlog of 742,019
Percentage households with a registrable form of tenure.	56%	57%	62,3% (233,432 Delivery/374,845 Backlog)	63,6% 238,261 Delivery/ 374,845 Backlog	Delivery reported from 2011/12 to 2018/19 is 31,721+2010 Baseline of 206,540 against the 2010 Backlog of 374,845
Percentage of Provincial Human Settlements budget spent on formal settlement development	37% (R34 219 000)	42%	40,2% (R1,479,709,000 Expenditure/ R3,677,567,000 Budget)	(28,5% 897,737,763 - Expenditure/ R3,152,757,000- Budget) Total spent Q1-Q3 R2,272,125,786 billion	2018/19 Formal Settlements Dev Expenditure is R897,737,763 against the 2018/19 Provincial Budget of R3,152,757,000
Percentage of Social Housing and Rental Opportunities	944 units R 89,750m	Increased by 10%	3,33% (666 actual units/200 target units), 100,2% (R108,325,000 Expenditure/ R108,150,000 Budget)	0% 0 Actual units/330 target units 50,1% (R84,695,034- Expenditure/ R169,000,000 -Budget)	2018/19 Social & Rental delivery is nil units against the 2018/19 Social & Rental target of 330 units
Number of municipalities accredited to undertake the housing function	5 municipalities at level 2; 2 municipalities at level 1	3 New additional Level 1 municipalities to be accredited	7 New municipalities identified and approved for capacitation in preparation for accreditation	Ongoing Capacity Building Workshops	None

Strategic Objective Indicators : AWG 11	Baseline 2015	Targets 2020	Achievement 2017	Achievement as at December 2018	Comments
Percentage of Operational costs funding for institutional capacity paid based on the projects expenditure /investments in the accredited municipalities <b>(This is for AWG17 information)</b>	3,56 % R49,290 600.00 (Operational Cost) R1,382, 8460.00 (Projects Expenditure)	4,05%	3,5% R45,216,320.000 (Operational Costs) R1,279,571.000 (Projects Expenditure)	65,7% (R30,845,193-Exp/ R46,929,000-Budget)	2018/19 Accreditation Expenditure is R30,845,193 against the 2018/19 Accreditation Budget of R46,929,000

### 4.3 Organisational Environment

The Department is realigning its organisational structure to support the achievement of sustainable human settlements. This realignment will be responsive to the promotion of the principles of the NDP and other priority areas inclusive of youth and women empowerment and the title deeds restoration programme. In order to strength service delivery, the orginaisational structure will be decentralised with 11 fully fledged district offices. Social facilitation capacity will also be strengthened to address social challenges faced with communities and to mitigate service delivery protests.

In terms of the transformation profile of the Department as at May 2019:

- 68% of the of black employees are at senior management level;
- 52% of senior management level employees are female; and
- 1,67% of people with disabilities are employed.

With regard to the age distribution, the Department has a balanced staff complement in terms of youth, middle age and mature staff as reflected hereunder:

AGE BAND	%
20-34 (Youth)	31,4%
35-49 (Middle Aged)	36,9%
50+ (Matured)	31,7%

The above reflects that this Department has opportunities for knowledge retention, mentorship and succession planning to ensure institutional stability and consistency.

The Department continues to identify scarce skills in core delivery functions. In addressing the skills disparities of the Department, the following skills development programmes are being conducted which also equip unemployed graduates with necessary skills, knowledge, values and work experiences in order to improve their chances of employment within and outside the Public Service:



- Graduate Internship Programme;
- Bursary Programme;
- National Scholarship Programme;
- Graduate Mentorship Programme;
- Training Programmes;
- Adult Education and Training Programme; and
- Work Integrated Learning Programme

The Provincial cost containment measures effected for the recruitment processes have also affected the timeous provision of adequate human capital as the Department is only allowed to fill critical service delivery posts with the approval of the Premier and the MEC for Finance. This, together with ensuring that the Department has the objective of having skilled human resources necessitates the implementation of a Human Resource Turnaround Strategy to fast track service delivery.

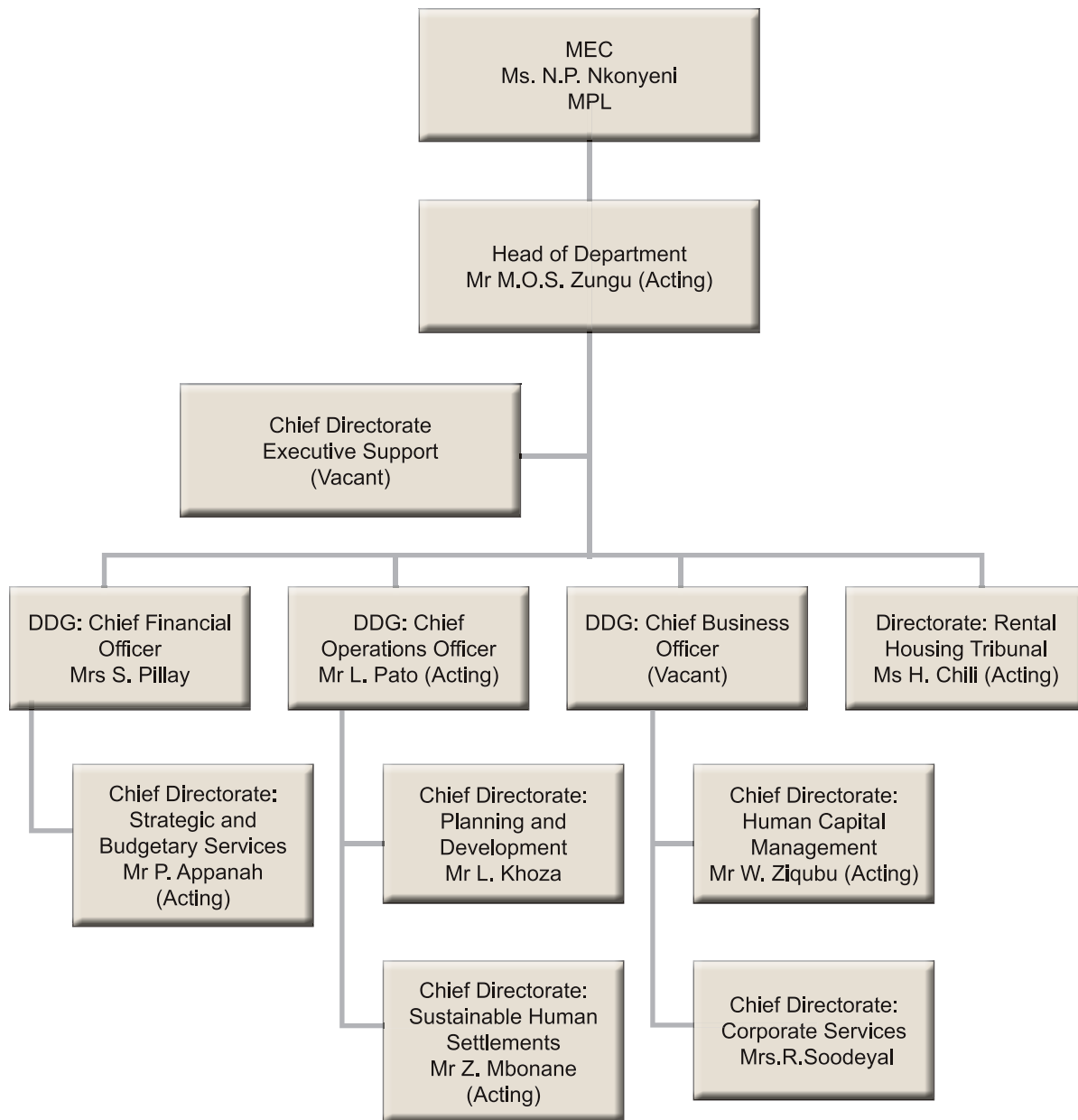
Programme intervention to address skill deficiencies, the proper matching of skills and placements, the effective administration of service conditions and employee wellness programmes as well as performance incentives will also be strengthened.

The Department has a functional performance management system to improve quality of staff performance and performance based interventions as well as a functional Employee Wellness Programme to assist employees to live healthy balanced lifestyle through various initiatives viz:

- GEMS Health Screening on TB, HIV/AIDS, Optometry, Dentistry & Gynecology services;
- Health Life Style Awareness conducted by Herbal Life, Forever Living, & Virgin Active;
- Financial Information Sessions; and
- Referrals to Professional Institutions.

During the forthcoming year, attention will be given to the Human Resource Plan to ensure effective forecasting, inventorying, and securing the Department's provision of skilled human resources, review and alignment of the organizational structure and a seamless human resource administration services that will ensure availability of the right number and maximum utilization of human resources. In addition, the Department will continue to drive the implementation of Strategic Pillars of Employee Health and Wellness (HIV/AIDS & TB Management; Health and Productivity; SHERQ and Wellness Management) as well as promote sound employer-employee relationships that contribute to satisfactory productivity, motivation and morale. Relations with organised labour will be strengthened to promote labour peace, morale, and productivity within the Department. The principles of Consequence Management will also be applied to enforce and ensure accountability.

The organisational structure of the Department according to the last approved organogram is as illustrated:



## 5. Revisions to Legislation and Other Mandates

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#### January 8th Statement by the President of South Africa

As per the priorities for 2019 announced by the President in his January 8th 2019 statement; Investment, in jobs and inclusive growth, spatial transformation as well as a capable, credible and ethical state are the priority areas that are of particular relevance to the Department.

During the forthcoming year, the Department will therefore place emphasis on these key priority areas of the governing parties manifesto through the continued implementation of its various human settlement programmes and projects inclusive of the catalytic projects, Women and Youth Empowerment, and employment initiatives. The Department will also continue to strengthen its monitoring and evaluation mechanisms in order to ensure effective and efficient delivery of services. The principles of consequence management will also be implemented.

#### State of the Nation Address, 2019

As reiterated by the President of the Republic of South Africa in February 2019, the acceleration of inclusive economic growth and job creation remain key priority areas. In addition, the provision of human settlements within well-located areas to promote economic opportunities, provision of services and amenities including expanding the People's Housing Programme will continue to be addressed.

In addition as per the June 2019 State of the Nation address, the seven priorities for the 6th Administration are as follows:

- Economic transformation and job creation;
- Education, skills and health;
- Consolidating the social wage through reliable and quality basic services;
- Spatial integration, human settlements and local government;
- Social cohesion and safe communities;
- A capable, ethical and developmental state; and
- A better Africa and World.

Eradicating poverty, inequality and unemployment as well as accelerating the provision of well-located housing are amongst the overarching goals that will be focussed upon during the forthcoming years.

#### State of the Province Address, June 2019

In line with the priorities mentioned in the State of the Province Address, the Department will continue with the planning and implementation its Catalytic projects and addressing the emergency housing needs for those affected by disasters within the Province. The eradication of TRA will also be prioritised. The Department will further contribute towards the OSS initiative as well as promote radical economic transformation and employment opportunities. Human Resource Management programmes inclusive of staff development and consequence management will be also be promoted. Emphasis on measures to address fraud and corruption will also be undertaken.

## MTSF Priorities for 2019/20 – 2024/25

The National strategic priorities for the 2019/20- 2024/25 MTSF are as follows:

- Work closely with the private sector to develop major development projects that brings together economic nodes, human settlements, smart technologies and public transportation that impact on spatial transformation. These include building at least one new South Africa city of the future;
- Transform the property market to promote access to urban opportunity and social integration through access to well-located, affordable housing and decent shelter, thereby reversing urban fragmentation and highly inefficient sprawl;
- Improve the alignment of housing provision with other public investments and service provision, including schools and health facilities and transport networks, complementing more integrated residential, industrial and commercial development;
- Release land at the disposal of the state for site and service to afford households the opportunity to build and own their own home;
- Transform the composition and functioning of the property industry and accelerate legislative measures to eliminate speculative behaviour, including the establishment of a Property Sector Ombudsman;
- Address the title deeds backlog, along with associated institutional and capacity gaps, to ensure that the transfer of title deeds move with higher speed;
- Develop a more coherent and inclusive approach to land by developing overarching principles for spatial development; and
- Revise the regulations and incentives for housing and land use management.

The Department is aligned to these priorities in accordance with its provincial competencies. This is inclusive of amongst others:

- Investing in Priority Housing Development Areas;
- The continued implementation of catalytic projects,
- Implementing programmes that support affordable rental, implement various programmes that support homeownership for both the subsidy & the gap market;
- Providing homeowners with title deeds or an alternative form of land ownership registration;
- Strengthening homeownership education; and
- Identify and upgrade informal settlements in well located land.

In addition, with the Province of KZN, the following priorities were identified:

1. Basic Services (especially access to clean potable water);
2. Job Creation;
3. Growing the Economy;
4. Growing SMMEs and Cooperatives;
5. Education and Skills Development;
6. Human Settlement and sustainable livelihood;
7. Build a Peaceful Province; and
8. Build a caring and incorruptible government.

The Department is aligned to the priority areas relating to job creation, human settlement and sustainable livelihood as well as to build a caring and incorruptible government. Programme interventions in support of this are reflected in Part B of this document.

As per the resolutions undertaken by the Provincial Executive Council, the Department will also focus on the development of a plan to prioritise and eradicate backlog on housing for disabled beneficiaries as well the hosting the Women in Construction empowerment summit.

## 6. Governance Issues

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### 6.1 Risk Assessment and Mitigating Strategy

In line with Outcome 12, namely: an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship, this Department has placed great emphasis on the promotion of good governance, accountability and best practices within the service delivery environment. Of critical importance to this are risk management functions which are inclusively enshrined towards ensuring Good Governance in all facets within the service delivery model. In attaining these areas of good governance, a greater demand placed with the development of a fair and transparent process of managing inherent impediments of achieving success in this changing environment. The development of a risk model to meet these demands are illustrated in the Risk Framework, as aligned in with supporting regularity prescripts, namely:- a Risk Strategy, Risk Policy with sound determination of a risk appetite based on the tolerance level that will be acceptable to the Department in managing its Risk Register. Emphasis on managing risk related to Ethics, inclusive of Fraud Risks has become a fundamental driver of service delivery to attain and promote professional ethos, inclusive of strengthening capacity to meet to obligations of the service delivery model.

A Fraud Prevention Plan, including a sound and working Whistle Blowing Policy, drives the promotion of good governance, in support of the code of conduct. The management and monitoring of Financial Disclosures, including Gifts and Donation is crucial in achieving sound governance practices.

### 6.2 Management Performance Assessment Tool (MPAT)

In October 2011, the Department of Planning, Monitoring and Evaluation launched MPAT to benchmark good management practice. MPAT assesses the quality of management practices across a comprehensive range of management areas. The MPAT framework is built around four Key Performance Areas (KPA's), namely, Strategic Management, Governance and Accountability, Human Resources and Financial Management. MPAT based on the premise that improved management practices will result in improved performance and service delivery in the Public Service. It also supports the Outcome based approach to service delivery and more especially Outcome 12, which pertains to 'An Efficient, Effective and Development Orientated Public Service'. In order to improve on its good management practices, the Department has developed a comprehensive improvement plan to firmly institutionalise the principles of MPAT and improve on its assessment. The plan is also intended to provide a more holistic means of improving the MPAT ratings and to provide for better management and monitoring of progress over the medium term period.

The overall Departmental Assessment Score for the MPAT 1.8 (2018) was 68%, implying that 68% of the standards in all four KPAs were compliant with legal/regulatory requirements and the remaining 32% were not compliant with legal/regulatory requirements. With the improvement plan being fully implemented, it is anticipated that the 2019 assessment process will show a marked improvement in the Department's overall scores.

The annual review of the MPAT Improvement Plan as reflected under Part B, Programme 1 of this document demonstrates the Department's commitment to improving its management practices.

### 6.3 Report of the Auditor-General for the 2017/18 Financial Year

The Department received an unqualified audit opinion for the 2017/18 financial year. The Department has implemented an Audit Improvement Strategy to mitigate the risks of recurring audit findings. This enhances the controls and measures currently in place and further procedures and controls will be implemented with timelines to monitor progress to these findings. Progress thereof is also reported to various oversight bodies inclusive of the Cluster Audit Risk Committee. As part of the Audit Improvement measures, the identified SCM risk areas have been strengthened with the introduction of checklists and stringent monitoring of the weaknesses identified during the audit cycle. Therefore, the Department does not envisage recurring audit findings during the 2018/19 financial year. The Department will also continuously ensure that expenditure incurred is accounted for under that main division and applications of virements will be done in line with the Public Finance Management Act as well as Treasury Regulations.

Monthly Budget Advisory Committee meetings are held to ensure that each Programme is utilizing their monthly allocations and these meetings are a monitoring tool to avoid possible over and under expenditure within the main divisions. Checklists and Standard Operating Procedures have been implemented to timeously detect Fruitless and Wasteful Expenditure and to mitigate the risk of recurrence. Investigations are also conducted to determine liability of any official and the appropriate action is taken against officials for any transgressions.

## 7. Outlook for the 2019/20 Financial Year

The following key strategic priorities will be undertaken during the forthcoming year:

- The Departmental five-year Strategic Plan will be developed in line with National and Provincial prescripts;
- Realignment of the organisational structure in line with the new service delivery model;
- Urban development, with emphasis on informal settlements, to address the high demand due to rapid urbanisation, land invasion/occupation;
- Radical economic transformation programmes;
- Fast track the implementation of the TRP;
- Address housing needs for the vulnerable groups (OSS and emergency housing/households with disabled beneficiaries);
- The implementation of the National Housing Needs Register (NHNR) within the municipalities;
- Institutionalisation and implementation of the KZN HSMSP;
- Planning and implementation of catalytic projects;
- Facilitate youth development and women empowerment initiatives;
- Implementation of the Military Veterans Programme;
- Accelerate the delivery of the service sites initiative;
- Increased focus on the implementation of FLISP;
- Focused attention on the effective implementation of EPWP;
- Strengthened and focused attention on improving organisational service delivery culture and ethics;
- Undertake Human Settlement Consumer Education programmes; and
- Prioritise housing for farm dwellers.



## 8. Overview of the 2019/20 Budget and MTEF Estimates

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### Expenditure Estimates

Table 5: Expenditure Estimates per Programme

Programme	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Expenditure Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
Administration <sup>2</sup>	198,260	205,279	217,793	225,774	234,685	227,193	239,986	256,413	271,054
Housing Needs, Research and Planning	16,411	15,928	16,511	17,968	17,537	17,328	18,975	20,372	21,452
Housing Development <sup>3</sup>	3,674,667	3,113,612	3,652,475	3,210,917	3,346,218	3,305,378	3,575,213	3,752,000	3,485,415
Housing Assets Management, Property Management	241,687	194,184	179,955	192,578	186,639	184,730	172,468	168,235	170,917
<b>Total</b>	<b>4,131,025</b>	<b>3,529,003</b>	<b>4,066,734</b>	<b>3,647,237</b>	<b>3,785,079</b>	<b>3,734,629</b>	<b>4,006,642</b>	<b>4,197,020</b>	<b>3,948,838</b>

### Summary of Provincial Expenditure by Economic Classification

Table 6: Summary of Provincial Expenditure by Economic Classification

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
<b>Current payments</b>	<b>389,360</b>	<b>457,004</b>	<b>484,804</b>	<b>495,268</b>	<b>519,752</b>	<b>514,818</b>	<b>558,785</b>	<b>567,694</b>	<b>561,017</b>
<b>Compensation of employees</b>	<b>266,232</b>	<b>280,036</b>	<b>298,724</b>	<b>340,345</b>	<b>334,217</b>	<b>320,699</b>	<b>369,098</b>	<b>390,305</b>	<b>405,203</b>
<b>Goods and services</b>	<b>123,128</b>	<b>176,569</b>	<b>186,065</b>	<b>154,923</b>	<b>185,252</b>	<b>193,866</b>	<b>189,687</b>	<b>177,389</b>	<b>155,814</b>
Administrative fees	525	582	533	550	914	933	1,082	1,125	1,134
Advertising	2,031	768	895	823	1,350	645	595	665	350
Minor assets	2,813	2,304	993	393	642	842	422	462	498
Audit costs: External	6,261	5,815	6,927	5,772	7,772	6,500	6,588	7,241	7,415
Bursaries: Employees	122	164	225	200	100	201	220	220	232
Catering: Departmental activities	2,786	6,101	4,553	2,366	3,250	3,954	2,046	2,101	2,251
Communication	8,574	7,308	4,211	8,668	5,284	4,786	4,544	5,094	5,241
Computer Services	16,841	10,701	11,806	13,296	12,338	13,443	14,212	14,707	15,754

<sup>2</sup> Administration budget is the operational costs for Programme 1

<sup>3</sup> Housing Development budget includes project planning costs which is undertaken by Programme 2

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
Consulting and Professional services: Business and Advisory services	2,595	30,268	13,095	8,199	12,225	9,882	14,721	15,176	9,829
Infrastructure and planning	1,371	4,595	44,749	35,746	43,416	50,979	48,655	47,830	30,120
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	3,612	2,532	3,276	3,127	3,133	3,423	6,744	7,294	3,244
Contractors	3,030	8,697	8 024	7,159	11,252	6,376	9,700	1,774	183
Agency and support / outsourced services	85	125	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	4,09	4,701	5,630	4,917	5,756	6,607	4,997	5,002	5,152
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	24	543	-	23	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	49	25	-	1	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	287	58	-	62	-	-	-	-	-
Inventory: Material and supplies	380	890	-	56	-	-	-	-	-
Inventory: Medical supplies	2	3	-	10	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
MEDSAS inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	500	531	2,237	3,564	1,923	2,308	1,768	736	755
Consumable: Stationery, printing and office supplies	1,121	1,346	1,006	1,484	1,560	1,476	1,468	1,495	1,743
Operating leases	20,468	30,966	28,609	23,333	23,977	27,193	23,238	24,277	25,496
Property payments	23,901	32,514	30,384	12,799	28,376	30,830	26,049	23,029	25,160
Transport provided: Departmental activity	698	1,207	563	1,070	227	590	370	370	370
Travel and subsistence	13,024	12,903	13,146	11,925	14,989	15,322	11,299	12,781	14,293
Training and development	2,892	4,621	1,358	2,455	-	3,562	7,435	2,331	2,484
Operating payments	2,201	1,359	1,014	4,965	4,867	954	1,408	1,553	1,634
Venues and facilities	1,694	667	389	265	216	0	-	-	-
Rental and Hiring	1,032	4,275	2,442	1,695	1,829	3,080	2,126	2,126	2,476
<b>Interest and rent on land</b>	-	<b>399</b>	<b>15</b>	-	<b>283</b>	<b>233</b>	-	-	-
<b>Transfers and subsidies to</b>	<b>3,726,668</b>	<b>3,065,932</b>	<b>3,548,460</b>	<b>3,147,010</b>	<b>3,251,179</b>	<b>3,201,974</b>	<b>3,433,882</b>	<b>3,623,992</b>	<b>3,382,250</b>

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
Provinces and municipalities	163,157	124,345	257,039	107,179	128,519	193,813	58,340	98,370	88,398
Departmental agencies and accounts	259,687	194,114	179,955	192,578	186,639	184,730	172,468	168,235	170,917
Public Corporations and Private Enterprises		100,000				-	-	-	-
Households	3,303,824	2,647,473	3,111,466	2,847,253	2,936,021	2,823,431	3,203,074	3,357,387	3,122,935
<b>Payments for capital assets</b>	<b>14,712</b>	<b>5,596</b>	<b>33,120</b>	<b>4,959</b>	<b>14,148</b>	<b>17,837</b>	<b>13,975</b>	<b>5,334</b>	<b>5,571</b>
Buildings and other fixed structures	6,170	1,712	29,913	-	10,000	15,432	9,000	-	-
Machinery and equipment	8,585	3,884	3,207	4,959	4,148	2,405	4,975	5,334	5,571
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>285</b>	<b>471</b>	<b>350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>4,131,025</b>	<b>3,529,003</b>	<b>4,066,734</b>	<b>3,647,237</b>	<b>3,785,079</b>	<b>3,734,629</b>	<b>4,006,642</b>	<b>4,197,020</b>	<b>3,948,838</b>

Source: BAS

## Relating Expenditure Trends to Strategic Outcome Orientated Goals

The decrease in 2016/17 is mainly due to an additional amount of R308.377 million received from the National Department of Human Settlements (NDHS). In terms of Section 19 and 20 of the Division of Revenue Act (DORA) in 2015/16, money was allocated to the Province from the Gauteng Province due to good performance in the delivery of units.

In addition, the Department received additional funding for the carry-through of previous wage agreements of R7,312 million. Cabinet also agreed to provide funding towards housing projects in an amount of R100 million to cater for various electrification and housing projects as well as reallocation of funds amounting to R130 million received from Ithala and National Housing Finance Corporation (NHFC) which were transferred during 2011/12 and 2012/13.

The increase in 2017/18 relates to the reallocation of funds received from the National Urban Reconstruction and Housing Agency (NURCHA), as well as additional R200 million received from NDHS in terms of section 20 of the DORA. The increase from 2018/19 and 2019/20 MTEF relates to the additional funding for the flood disaster that occurred in the Province in October 2017.

## Current Payments

### Compensation of Employees

Compensation of employees reflects a steady increase from 2015/16 to 2018/19. The increase over the 2019/20 MTEF is in respect of the filling of 31 critical vacant posts such as Chief Director: Human Capital, State Accountants, Employee Wellness Practitioners, etc., as well as the carry-through costs of previous wage agreements.

## Goods and Services

Goods and Services reflects a steady increase from 2015/16 to 2018/19 in line with inflationary increases and the fast tracking of housing project launches. The allocations over the 2019/20 MTEF include the provision for the implementation of the anti-land invasion strategy which has necessitated the safeguarding of departmental owned properties against illegal occupation, operating leases, professional fees and all other operational costs of the Department. The Department allocates 1% of the HSDG to HDA for the management of catalytic projects and the reduction in the HSDG resulted in a reduction of this allocation to HDA, hence the decreasing trend over the 2019/20 MTEF. Furthermore, the EPWP Integrated Grant for Provinces is not allocated beyond 2019/20.

## Interest and rent on land

*Interest and rent on land* pertains to interest paid on overdue accounts. The 2016/17, 2017/18 and 2018/19 amounts are in respect of interest paid on overdue accounts for payment made to the Government Employees Pension Fund (GEPF) for employees who took early retirement in previous financial years.

## Transfers and Subsidies to: Provinces and Municipalities

The fluctuating trend against *Provinces and municipalities* from 2015/16 to 2017/18 is in respect of the transfer to the eThekweni Metropolitan Municipality for the CRU programme. The Department entered into an agreement with eThekweni Metropolitan Municipality to transfer funds for the CRU programme. The decrease in 2019/20 is due to a reduction in the transfer in respect of the eThekweni CRU Upgrading programme as the Metropolitan Municipality has not fully utilised the funding, which was transferred in 2018/19. The 2020/21 amount largely relates to the operational costs of accredited municipalities, the CRU programme, as well as the TRP.

## Transfers and Subsidies to: Departmental agencies and accounts

The allocation against *Transfers and Subsidies to: Departmental agencies and accounts* mainly relates to transfers to the KwaZulu-Natal Housing Fund. Funding in respect of the KwaZulu-Natal Housing Fund has been moved to this category in line with an Auditor -General (AG) finding relating to the KwaZulu-Natal Housing Fund in the 2013/14 audit. In line with this AG finding, this category reflects the entire budget of Programme 4. It is noted, however, that the necessary codes have not yet been approved on BAS to allow the Department to capture expenditure against the KwaZulu-Natal Housing Fund, as National Treasury is of the opinion that the KwaZulu-Natal Housing Fund is not a registered entity with a Board and therefore should not be treated as a transfer to a Departmental agency.

The decreasing trend from 2015/16 to 2017/18 relates to the transfers made in 2015/16 to the eThekweni Metropolitan Municipality in respect of the Rectification Programme for the pre-1994 housing stock of ex-Own Affairs and ex-R293 areas.

The decrease in 2018/19 is due to over estimations made on the maintenance of housing properties as well as municipal services and rates. The Department is in the process of the devolving of properties to municipalities and beneficiaries.

## Transfers and Subsidies to: Public corporations and private enterprises

In 2016/17 financial year, the Department transferred funding to Ithala Development Finance Corporation Ltd., which is the Account Administrator for the construction of houses for military veterans

through the EPHP programme. The Military Veterans' Housing Company undertakes the construction of houses for the Military Veterans.

### **Transfers and Subsidies to: Households**

*Transfers and subsidies to: Households* shows a fluctuating trend from 2015/16 to 2017/18. This is due to the increase in the HSDG as the bulk of the housing programmes are budgeted for within this category. The decrease from 2015/16 to 2016/17 is because of the Department receiving additional once-off funding of R308.377 million from NDHS in 2015/16, as mentioned.

In addition, the Department received additional funding of R100 million to cater for various housing projects, as well as reallocation of R130.973 million received from Ithala Development Finance Corporation Ltd. and NHFC, as mentioned.

The decrease from the 2017/18 is due to the funding allocated to HDA for the management of catalytic projects. The HSDG increased from 2018/19 and over the 2019/20 MTEF relates to funds allocated to the Department for the flood disaster that occurred in the Province on 10 October 2017. These funds are for reconstruction and repair of damaged houses, repair of damaged flats and repair of damaged CRU's in areas such as the eThekweni Metropolitan Municipality, and the uMdoni, uMuziwabantu, uMzumbane and Ray Nkonyeni Local Municipalities.

### **Buildings and other fixed structures**

Buildings and other fixed structures is mainly related to the Social and Economic Amenities Programme. The decrease in 2016/17 relates to the Social and Economic Amenities Programme where the Department terminated contracts for uMkhanyakude, Amajuba and uMgungundlovu municipalities due to poor performance of the Implementing Agents.

The increase in 2017/18 is due to the accelerated performance by the contractor appointed in March 2017 in respect of the Social and Economic Amenities Programme. This programme delayed in 2016/17 due to delays in appointing new implementing agents for the construction of social and economic amenities. The initial contract terminated in 2015/16 because of poor performance of the contractors.

### **Machinery and Equipment**

Machinery and Equipment shows a fluctuating trend due to its cyclical nature. The increase from the 2016/17 to accruals is in respect of the purchase of additional desktops and laptops. The fluctuating trend from 2018/19 to the 2019/20 MTEF relates to the reduction in the purchase of capital assets due to ongoing implementation of cost-cutting, budget cuts, and the fact that the purchasing of vehicles is cyclical in nature.

### **Payments for financial assets**

The amount under Payments for financial assets relates to the write-off of staff debts in 2015/16 to 2017/18.

## **B Programmes**

**Programme 1: Administration**

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

**Programme 3: Housing Development**

**Programme 4: Housing Assets Management, Property Management**



**Cornubia Phase 1B Integrated Residential Development Project**



## 9. Programmes

### 9.1 PROGRAMME 1: ADMINISTRATION

#### PURPOSE AND STRUCTURE

The purpose of the Administration Programme is to:

- Provide overall strategic leadership, coordination and management of strategies towards the achievement of sustainable human settlements for all people in the Province of KwaZulu-Natal;
- Administer the Department in line with good governance practice; and
- Formulate and/or review policies and strategies in line with legal prescripts and national and provincial priorities.

The Sub-Programme within this Programme includes Corporate Services and comprises the following components:

- Office of the Head of Department
- Office of the Chief Financial Officer
- Financial Management
- Human Resource Management and Organisational Development
- Monitoring and Evaluation
- Intergovernmental Relations
- Legal Services
- Supply Chain Management
- General Administration and Auxiliary Services
- Risk Management and Advisory Services
- Information Management Systems and Technology
- Communication Services
- Budget and Planning Services

Of relevance to this Programme is Outcome 12, namely: an efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Outcome 12 covers the following key strategic areas:

- Service Delivery Quality and Access;
- Human Resource Management and Development;
- Business process, systems, decision rights and accountability;
- Corruption tackled effectively; and
- Citizen Participation.

In order to maintain the highest standards of governance, the leadership team has committed themselves in striving to conform to the governance principles as enshrined in the King Code of Governance for South Africa. To meet these standards and principles, the Department has constituted a number of governance structures to assist the Accounting Officer and Executive Committee in governing the business of the Department in a fair, responsible and transparent manner.

Structures that are in place to monitor and evaluate good governance compliance include the Ethic Committee, a Departmental Risk Management Committee, and the Audit Committee to provide independent oversight. These structures strive to ensure a stance of zero tolerance on fraud corruption and maladministration of public funds. In partnership with the Provincial Internal Audit Services, regular internal audits are conducted to detect inefficiencies in systems and controls.

Key focus areas over the next financial year include sound financial and risk management and the provision of skilled human capital. Due to the current financial constraints faced, this Programme is also responsible for ensuring that cost containment measures are implemented and that there is value for money. Sound financial and resource management is therefore crucial to the current economic environment. The provision of skilled human resources is monitored through the implementation of the approved human resource plan, which comprehensively addresses the human resource requirements of the Department to meet its mandates inclusive of providing sustainable human settlements, and improved quality of life. The Department has embarked on developing a comprehensive human resource turnaround strategy to also support this.

The review and implementation of the Department's Fraud Prevention Strategy and Risk Management Plan will also demonstrate the Department's commitment to zero tolerance of fraud, corruption and maladministration of public funds.

In order to ensure alignment between the IT functions and deliverables with the Department's strategic plan, it was essential to develop the IT strategy. The strategy developed every three years, is reviewed annually. Information and Communication Technology (ICT) forms an integral part of the Department in order to ensure the efficient and effective use of ICT resources as a key enabler of business service delivery. Governance structures, processes and procedures are in place to ensure accountability and responsibility with the use of ICT with the Department.

The implementation of the MPAT improvement plan will also promote the principle that improved management practices will improve government performance and service delivery, i.e. Good Management practice is a precondition for effective, sustainable service delivery.

## STRATEGIC OBJECTIVES AND MTEF TARGETS

Table 7: Provincial Strategic Objectives and MTEF Targets

Strategic Objective	Strategic Objective Indicator	Strategic Objective Target	Audited/Actual Performance			Estimated Performance	Medium Term Target		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Facilitate the financial viability of the Department	Approved HSDG business plan	5	1	1	1	1	1	1	1
	Approved Medium Term Expenditure Framework Database with Estimated Provincial Revenue and Expenditure Report (EPRE) for Human Settlements	2	New indicator	New indicator	New indicator	1	1	1	1
Implement the approved Human Resource Plan	Approved Human Resource plan reviewed annually	3	New indicator	New indicator	1	1	1	1	1
Improve information systems	Approved IT (Information Technology) <sup>4</sup> Strategy reviewed annually	5	1	1	1	1	1	1	1
Provide strategic leadership to achieve good governance	Approved Litigation Management Strategy reviewed annually	2	New indicator	New indicator	New indicator	1	1	1	1
	Approved Communication Strategy reviewed annually	2	New indicator	New indicator	New indicator	1	1	1	1

## PROGRAMME PERFORMANCE INDICATORS AND TARGETS

Table 8: Provincial Performance Indicators and MTEF Targets

Performance Indicators	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Approved ICT Governance Framework Reviewed annually	Reviewed Framework	New indicator	New indicator	1	1	1	1	1
Approved Fraud Prevention Plan Reviewed annually	Reviewed Fraud Prevention Plan	Fraud Prevention Plan Reviewed	1	1	1	1	1	1
Approved Risk Management Plan reviewed annually	Operational and Strategic Internal Audit and Risk Management Plan	New indicator	New indicator	1	1	1	1	1

<sup>4</sup> Government Wide Enterprise Architecture (GWEA) amended to 'IT Strategy' to align with the ICT Planning Guidelines as issued by the Department of Public Service and Administration (DPSA)

Performance Indicators	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of litigation cases mitigated	Litigation register	New indicator	New indicator	New indicator	4	4	4	4
Approved MPAT Improvement Plan reviewed annually	Approved MPAT Improvement Plan	New indicator	New indicator	1	1	1	-	-
All payments due to creditors to be settled within 30 days of receipt of an invoice (unless determined otherwise in a contract or agreement)	Payment Register	New indicator	New indicator	New indicator	New indicator	100%	100%	100%

## PERFORMANCE INDICATORS: ANNUAL AND QUARTERLY TARGETS

Table 9: Performance Indicators: Quarterly and Annual Targets

Performance Indicators	Reporting Period	Targets 2019/20	Quarterly Targets			
			Q1	Q2	Q3	Q4
<b>Annual Targets</b>						
Approved ICT Governance Framework Reviewed annually	Annual	1	-	-	-	1
Approved Fraud Prevention Plan Reviewed annually	Annual	1	-	-	-	1
Approved Risk Management Plan reviewed annually	Annual	1	1	-	-	-
Number of litigation cases mitigated	Quarterly	4	1	1	1	1
Approved MPAT Improvement Plan reviewed annually	Annual	1	1	-	-	-
All payments due to creditors to be settled within 30 days of receipt of an invoice (unless determined otherwise in a contract or agreement)	Quarterly	100%	100%	100%	100%	100%

## RECONCILING PERFORMANCE TARGETS WITH EXPENDITURE TRENDS AND TARGETS

Table 10: Expenditure Estimates for Administration

Sub-Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000				2018/19 R'000	2019/20 R'000	2020/21 R'000
Corporate Services	198,260	205,279	217,793	225,774	234,685	227,193	239,986	256,413	271,054
<b>Total</b>	<b>198,260</b>	<b>205,279</b>	<b>217,793</b>	<b>225,774</b>	<b>234,685</b>	<b>227,193</b>	<b>239,986</b>	<b>256,413</b>	<b>271,054</b>

Source: BAS

The Corporate Services sub-programme caters for services such as providing strategic leadership, co-ordination and management of strategies, administration of the Department in line with good governance practices and formulating or reviewing policies and strategies in line with legal prescripts priorities and includes human resource, finance, facilities management and legal services. The increase over the MTEF is to cater for wage agreements and inflationary adjustments on items such as leasing of office accommodation, property payments, etc., as well as the filling of five critical vacant posts.

**Table 11: Summary of Provincial Expenditure Estimates by Economic Classification**

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
<b>Current payments</b>	<b>188,867</b>	<b>198,248</b>	<b>213,228</b>	<b>220,789</b>	<b>230,001</b>	<b>223,117</b>	<b>235,083</b>	<b>250,960</b>	<b>265,296</b>
<b>Compensation of employees</b>	<b>110,479</b>	<b>118,155</b>	<b>126,843</b>	<b>144,604</b>	<b>140,815</b>	<b>135,347</b>	<b>155,178</b>	<b>165,938</b>	<b>174,326</b>
<b>Goods and services</b>	<b>78,388</b>	<b>79,696</b>	<b>86,385</b>	<b>76,185</b>	<b>88,903</b>	<b>87,770</b>	<b>79,905</b>	<b>85,022</b>	<b>90,970</b>
Administrative fees	294	292	290	300	247	257	315	336	354
Advertising	1,412	386	201	583	238	296	150	120	100
Minor assets	2,085	1,399	540	135	370	591	219	254	288
Audit costs: External	6,261	5,815	6,927	5,772	7,772	6,500	6,588	7,241	7,415
Bursaries: Employees	122	164	225	200	100	201	220	220	232
Catering: Departmental activities	298	108	134	203	191	102	159	160	168
Communication	5,747	4,563	3,683	8,071	4,258	3,801	3,861	4,391	4,488
Computer Services	16,210	10,518	11,488	13,111	11,990	13,156	14,017	14,504	15,520
Consulting and Professional services: Business and Advisory services	97	89	207	76	611	120	430	450	453
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	2,205	1,339	2,752	2,900	2,900	3060	2,800	2,900	3,000
Contractors	77	3	3,042	134	4,118	273	148	174	183
Agency and support / outsourced services	85	103	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	3,899	4,268	5,195	4,415	5,193	6,183	4,495	4,500	4,600
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	2	1	-	23	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	30	8	-	-	-	-	-	-	-

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
Inventory: Fuel, oil and gas	–	–	–	–	–	–	–	–	–
Inventory: Learner and teacher support material	103	40	–	–	–	–	–	–	–
Inventory: Material and supplies	87	520	–	56	–	–	–	–	–
Inventory: Medical supplies	2	3	–	10	–	–	–	–	–
Inventory: Medicine	–	–	–	–	–	–	–	–	–
MEDSAS inventory interface	–	–	–	–	–	–	–	–	–
Inventory: Other supplies	–	–	–	–	–	–	–	–	–
Consumable supplies	88	197	930	146	533	562	296	317	334
Consumable: Stationery, printing and office supplies	1,043	1,267	955	1,388	1,442	1,420	1,293	1,313	1,549
Operating leases	19,626	30,517	28,424	22,977	23,977	27,193	23,238	24,277	25,496
Property payments	11,933	12,999	16,415	8,629	18,684	18,509	15,006	16,205	17,841
Transport provided: Departmental activity	36	–	4	–	–	–	–	–	–
Travel and subsistence	3,837	3,483	3,377	4,311	3,990	3,947	4,311	5,008	6,134
Training and development	1,612	631	851	1,686	1,186	986	1,458	1,590	1,674
Operating payments	1,188	983	745	1,009	951	612	901	1,062	1,141
Venues and facilities	4	–	–	50	1	0	–	–	–
Rental and Hiring	5	–	–	–	151	1	–	–	–
<b>Interest and rent on land</b>	–	<b>397</b>	–	–	<b>283</b>	<b>0</b>	–	–	–
<b>Transfers and subsidies to</b>	<b>1,195</b>	<b>3,037</b>	<b>1,643</b>	<b>887</b>	<b>1,235</b>	<b>1,797</b>	<b>556</b>	<b>600</b>	<b>648</b>
Provinces and municipalities	98	132	104	250	150	149	130	160	188
Departmental agencies and accounts	–	–	–	–	–	–	–	–	–
Public Corporations and Private Enterprises	–	–	–	–	–	–	–	–	–
Households	1,097	2,905	1,539	637	1,085	1,648	426	440	460
<b>Payments for capital assets</b>	<b>8,181</b>	<b>3,523</b>	<b>2,598</b>	<b>4,098</b>	<b>3,449</b>	<b>2,279</b>	<b>4,347</b>	<b>4,853</b>	<b>5,110</b>
Buildings and other fixed structures	–	–	–	–	–	–	–	–	–
Machinery and equipment	8,181	3,523	2,598	4,098	3,449	2,279	4,347	4,853	5,110
Software and other intangible assets	–	–	–	–	–	–	–	–	–
Payment for financial assets	17	471	324	–	–	–	–	–	–
<b>Total</b>	<b>198,260</b>	<b>205,279</b>	<b>217,793</b>	<b>225,774</b>	<b>234,685</b>	<b>227,193</b>	<b>239,986</b>	<b>256,413</b>	<b>271,054</b>



Source: BAS

*Compensation of employees'* shows an increase over the 2019/20 MTEF in respect of the carry-through costs of previous wage agreements. The filling of five critical vacant posts is budgeted for in 2019/20, such as Chief Director: Human Capital, two State Accountants, Employee Wellness Practitioners, etc., as mentioned.

The percentage growth from 2018/19 to 2019/20 is 10.3%, 6.9 % in 2020/21 and 5 % in 2021/22. This growth is sufficient in 2019/20 but, in 2020/21 and 2021/22, it is lower than National Treasury guidelines and the Department will review in the next budget process.

The increase against *Goods and services* over the 2019/20 MTEF is to cater for inflationary adjustments. This category provides mainly for the management of office accommodation, training and development, IT related functions, etc. for the entire Department.

*Interest and rent on land* pertains to interest paid on overdue accounts for payments made to the GEPF for employees who took early retirement during the previous financial years.

*Transfers and subsidies to: Provinces and municipalities* relates to payments for motor vehicle licenses for the Department's entire fleet.

The fluctuating trend against *Transfers and subsidies to: Households* relates to staff exit costs. The allocations over the 2019/20 MTEF relate to bursaries issued by the Department to 16 external candidates in qualifications such as Civil Engineering, Construction Management, Town and Regional Planning, Geographic and Environmental Studies, etc.

*Machinery and equipment* relates to the replacement of motor vehicles, as well as purchasing of new motor vehicles for districts, as the Department has decentralized its offices. The 2019/20 MTEF provides for purchasing of departmental motor vehicles, IT equipment, etc.

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

## 9.2 PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

### PURPOSE AND STRUCTURE

The main purpose of this Programme is to enhance and sustain the strategic direction of the Department by providing effective and efficient human settlement development planning, policy and research as well as capacity building support to the municipalities.

The strategic thrust of this Programme is to ensure that human settlement development is undertaken in an integrated and sustainable manner to achieve sustainability. The promotion and implementation of sound planning principles is therefore pivotal for the creation of sustainable human settlements with strengthened capacity and the effective development of policies that support and facilitate housing delivery. Strategic mandates that support this Programme include amongst others, the NDP, the PSEDS, PGDP, the BNG comprehensive plan for housing delivery and Outcome 8.

The Department also ensures the realization of the “The Comprehensive Plan for the Development of Sustainable Integrated Human Settlements” by partnering with municipalities in the creation of new cities and the regeneration of old cities to create habitable and vibrant environments which are inclusive and seek to erode the apartheid spatial patterns.

This Programme has three sub-components, namely:

- Product Development;
- Integrated Planning; and
- Municipal Support and Consumer Education

Key initiatives of this Programme include:

- The roll out of the KZN HSMSP as adopted by the KZN Provincial Cabinet will guide housing development in specific nodal areas. It will assist the Department in guiding and spatially locating areas for focused development intervention that will contribute to sustainable human settlements. The KZN HSMSP is expected to influence the spatial investments in the Province to have a positive impact on the lives of communities. Additionally, it is aligned to the national investment framework as well as to provincial imperatives as articulated in the PGDP. It further looks at densification and restructuring in urban areas, highlighting the PGDP strategy for compact urban spatial transformation. During the 2019/20 financial year, the Implementation Plan of the KZN HSMSP will be finalized. In addition, 2 (two) Priority Housing Development Areas will be introduced;
- Continued planning of the identified catalytic projects;
- Implementation of the Service Site Programme;
- Continued planning of the identified catalytic/IRDP projects;
- Strengthened institutional support to promote the urban development agenda;
- Capacity building initiatives will be intensified in addressing priorities such as women and youth empowerment programmes;
- Housing consumer education will be intensified to wholistically educate beneficiaries and communities on sustainable human settlement programmes;

- Economic empowerment programmes for emerging contractors; and
- The roll out of the NHNR to ensure that there is a proper establishment of needs for housing and a fair allocation of housing opportunities.

## STRATEGIC OBJECTIVES AND MTEF TARGETS

Table 12: Provincial Strategic Objectives and MTEF Targets

Strategic Objective	Strategic Objective Indicator	Strategic Objective Target	Audited/Actual Performance			Estimated Performance	Medium Term Target		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<i>Planning of integrated and sustainable human settlements in line with the KZN HSMSP</i>	Municipal Spatial Development plans aligned to the KZN HSMSP's focus areas	30	New indicator	New indicator	New indicator	20	20	10	10
	Approved beneficiary capacitation strategy on home ownership reviewed annually	2	New indicator	New indicator	New indicator	1	1	-	-
	Number of nationally approved catalytic projects in planning	6	6	3	5	4 <sup>5</sup>	-	-	3

<sup>5</sup> Hyde Park IRDP, Amaoti Greater Informal Settlement Upgrade, Umlazi Urban Regeneration, Johnston Blaaubosch Cavan Catalytic Projects

## PROGRAMME PERFORMANCE INDICATORS AND TARGETS

### CUSTOMIZED SECTOR PERFORMANCE INDICATORS

Table 13: Customised Sector Performance Indicators and MTEF Targets

Performance Indicator	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
Number of Catalytic projects approved	Project Approvals	New indicator	New indicator	New indicator	2	–	2	1
Number of Catalytic projects implemented	Project Approvals (for planning and construction)	New indicator	New indicator	New indicator	4	5 <sup>6</sup>	6	6
Number of households provided with consumer education	Attendance Registers	New indicator	New indicator	New indicator	12,000	8,000	9,000	9,500
Number of land parcels assessed for suitability for human settlements development	Completed assessments	New indicator	New indicator	New indicator	New indicator	2	–	–
Number of Hectares of land procured/ proclaimed	Land Funding Agreement & Invoice	525	89	1,180	–	152	152	–

### PROVINCIAL PERFORMANCE INDICATORS AND TARGETS

Table 14: Provincial Performance Indicators and MTEF Targets

Performance Indicators	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
Number of projects in planning	Project approvals	New Indicator	New Indicator	New Indicator	104	41	80	60
Number of policies approved	Approved policy	4	2	5	1	2	2	2
Approved multi-year housing development plan reviewed annually	Reviewed multi-year housing development plan	1	1	1	1	1	1	1
Number of accredited municipalities provided with institutional support	Payment disbursement of operational funding to the municipalities	New Indicator	New Indicator	New Indicator	7	7	7	7
Number of emerging contractors provided with construction management training	Attendance Registers	New indicator	New indicator	New indicator	New indicator	20	20	30
Number of municipalities with established NHNR system	System generated NHNR reports	New indicator	New indicator	New indicator	New indicator	4	4	4
Number of farm dwelling projects in planning	Project approval	New Indicator	New Indicator	New Indicator	New indicator	1	2	2

<sup>6</sup> Empangeni IRDP, Cornubia Phase 2, Greater Amaoti, Hyde Park Johnston Blaaubosch Cavan IRDP

Table 15: Performance Indicators: Annual and Quarterly Targets

Performance Indicators	Reporting Period	Annual Targets 2019/20	Annual Targets			
			Q1	Q2	Q3	Q4
<b>Annual Targets</b>						
Number of Catalytic projects implemented	Annual	5	–	–	–	5
Number of households provided with consumer education	Quarterly	8,000	1,000	1,000	3,000	3,000
Number of land parcels assessed for suitability for human settlements development	Quarterly	2	–	1	1	–
Number of Hectares of land procured/proclaimed	Quarterly	152	–	119	33	–
Number of projects in planning	Annual	41	10	10	10	11
Number of policies approved	Quarterly	2	–	–	–	2
Approved multi-year housing development plan reviewed annually	Annual	1	–	–	–	1
Number of accredited municipalities provided with institutional support	Quarterly	7	–	–	–	7
Number of emerging contractors provided with construction management training	Annual	20	–	–	–	20
Number of municipalities with established NHNR system	Annual	4	–	–	–	4
Number of farm dwelling projects in planning	Annual	1	–	–	–	1

## RECONCILING PERFORMANCE TARGETS WITH EXPENDITURE TRENDS

Table 16: Expenditure Estimates for Housing Needs, Research and Planning

Sub-Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000				2018/19 R'000	2019/20 R'000	2020/21 R'000
Administration	376	400	336	475	388	377	451	470	526
Policy	4,354	4,087	3,921	5,395	4,529	4,048	5,464	6,082	6,214
Planning	3,447	3,598	3,740	3,991	4,050	4,179	4,356	4,679	4,984
Research	8,234	7,843	8,514	8,107	8,570	8,724	8,704	9,141	9,728
<b>Total</b>	<b>16,411</b>	<b>15,928</b>	<b>16,511</b>	<b>17,968</b>	<b>17,537</b>	<b>17,328</b>	<b>18,975</b>	<b>20,372</b>	<b>21,452</b>

Source: BAS

Table 17: Summary of Provincial Expenditure Estimates by Economic Classification

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000					2017/18 R'000	2018/19 R'000	2019/20 R'000
<b>Current payments</b>	<b>16,411</b>	<b>15,875</b>	<b>16,476</b>	<b>17,968</b>	<b>17,027</b>	<b>16,837</b>	<b>18,965</b>	<b>20,352</b>	<b>21,452</b>
<b>Compensation of employees</b>	<b>12,885</b>	<b>12,991</b>	<b>13,581</b>	<b>15,779</b>	<b>14,509</b>	<b>13,901</b>	<b>16,748</b>	<b>18,096</b>	<b>19,000</b>
<b>Goods and services</b>	<b>3,526</b>	<b>2,884</b>	<b>2,895</b>	<b>2,189</b>	<b>2,518</b>	<b>2,703</b>	<b>2,217</b>	<b>2,256</b>	<b>2,452</b>
Administrative fees	36	36	36	43	51	53	45	50	51
Advertising	2	–	20	–	17	17	5	5	10
Minor assets	–	67	12	–	14	14	10	10	11
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	–	–	–	–	–	–	–	–	–

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
Catering: Departmental activities	1,578	1,456	2,044	765	1,358	1,505	771	828	869
Communication	185	243	-	-	-	-	-	-	-
Computer Services	26	21	60	23	54	32	26	29	60
Consulting and Professional services: Business and Advisory services	-	-	-	-	-	79	-	-	-
Infrastructure and planning	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Scientific and technological services	-	-	-	-	-	-	-	-	-
Legal services	-	-	-	-	-	-	-	-	-
Contractors	12	-	-	-	-	-	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	4	2	-	1	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	92	10	-	2	-	-	-	-	-
Inventory: Material and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
MEDSAS inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	5	1	5	4	60	55	11	11	11
Consumable: Stationery, printing and office supplies	50	64	17	25	56	45	27	31	41
Operating leases	94	-	-	-	-	-	-	-	-

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Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	36	36	-	-	-
Travel and subsistence	799	703	701	809	772	862	766	761	799
Training and development	604	280	-	500	100	0	538	531	600
Operating payments	39	1	-	17	-	5	18	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Rental and Hiring	-	-	-	-	-	-	-	-	-
<b>Interest and rent on land</b>	-	-	-	-	-	<b>233</b>	-	-	-
<b>Transfers and subsidies to</b>	-	-	<b>22</b>	-	<b>500</b>	<b>481</b>	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Public Corporations and Private Enterprises	-	-	-	-	-	-	-	-	-
Households	-	-	22	-	500	481	-	-	-
<b>Payments for capital assets</b>	-	<b>53</b>	<b>12</b>	-	<b>10</b>	<b>10</b>	<b>10</b>	<b>20</b>	<b>0</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	53	12	-	10	10	10	20	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payment for financial assets	-	-	1	-	-	-	-	-	-
<b>Total</b>	<b>16,411</b>	<b>15,928</b>	<b>16,511</b>	<b>17,968</b>	<b>17,537</b>	<b>17,328</b>	<b>18,975</b>	<b>20,372</b>	<b>21,452</b>

Source: BAS

With regards to *Compensation of employees*, the provision has been made over the MTEF for the carry-through costs of previous wage agreements and the filling of three posts, including Chief Architect.

With regard to *Goods and services*, shows an increasing trend over the 2019/20 MTEF due to provision made for capacity building programmes relating to housing consumer and Councillor training.

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

*Machinery and equipment* relates to the purchase of office furniture, and no allocation due to cost cutting.

## 9.3 PROGRAMME 3: HOUSING DEVELOPMENT

### PURPOSE AND STRUCTURE

The purpose of the Programme is to provide housing in the Province through the creation of integrated and sustainable human settlements.

Programme 3 is the core function of the Department and serves to promote effective and efficient human settlements delivery through various housing subsidy instruments. Its focus is to achieve the Outcome 8 targets, which contribute to the national priorities targets, as per the MTSF. This Programme also plays a fundamental role towards the realisation of the Department's mission and vision.

The housing programmes implemented by this Programme include: FLISP, EPHP, ISUP, IRDP, Emergency Housing and OSS, as well as Social/Rental Housing, CRU's, Rectification/Rehabilitation (Post-1994), Military Veterans, Social and Economic Amenities and Rural Housing Programmes. Programme 3 carries the core functions of the Department hence it utilises the bulk of the HSDG in achieving the set targets.

### Informal Settlements Upgrade Programme

The management of informal settlements in the Province remains a priority for the Province as it restores the dignity and improves the living conditions of households living in squalid conditions. Due to migration and urbanisation, informal settlements are most prevalent in the major cities and despite the Department's interventions, the reduction of informal settlements remains a moving target. The Province has however taken into consideration the need for a managed approach to address urbanisation challenges to resolve the unabated increase in informal settlements.

### Finance Linked Subsidy Programme

FLISP is also a key focus area for the achievement of Outcome 8 targets. In order to increase the supply of middle-income market housing to meet the high demand, the Department will be engaging with private sector developers and other stakeholders inclusive, of financial institutions. Furthermore, greater emphasis will be given to IRDP projects, which will make available serviced sites for middle-income market housing. The promotion of the urban development agenda therefore remains a primary area of intervention for the Department.

### Social Housing Programme

The provision of social housing complements the initiatives undertaken to address the ISUP and the achievement of Outcome 8 objectives. The approved restructuring zones by the National Minister of Human Settlements implies that Social Housing can now be made available within the Alfred Duma, KwaDukuza, Newcastle, uMhlathuze, and Ray Nkonyeni municipalities. With the establishment of the Department's provincial database for all accredited Social Housing Institutions, the municipalities have embarked on a process of making land available to these institutions as per their land disposal policies. This will enhance and upscale the delivery of Social Housing units within the Province.

## Community Residential Units Programme

This programme aims to create a sustainable, affordable and secure rental housing option for households earning between R800 and R5,500 per month. Projects are either developed or managed on provincial or municipal owned land parcels in order to curb the costs in relation to the construction of CRUs. The implementation of projects is guided by Provincial norms and standards of the programme to ensure that the Department develops viable and sustainable projects within reasonable costs.

The National Minister of Human Settlements has approved enhancements to the Social Housing Policy, which will have an impact on the CRU programme. The enhancements dictate that all projects previously planned as CRUs within approved Provincial Restructuring Zones will now be implemented as Social Housing projects. CRU projects falling outside the Provincial Restructuring Zones will be retained as CRU's.

The Department is in the process of finalizing a 20-year strategy, which will guide the upgrading of all CRU's across the Province. For the 2019/2020 financial year major focus will be placed on the CRU programme with projects developed in 4 municipalities, viz: Greater Kokstad Municipality, Ubuhlebezwe Municipality, Msunduzi Municipality and Newcastle Municipality.

## Security of Tenure

The reduction of the title deeds backlog will have a marked impact on the lives of beneficiaries who will then realise the economic value of their assets. In addressing the title deeds backlog, Built Environment Service providers including social facilitators, conveyancers, and land surveyors appointed to attend to the opening of township registers, pegging of sites, beneficiary administration and conveyancing matters. The continued implementation of strategies to reduce the title deeds backlog will therefore be prioritised over the forthcoming period. A steering committee has been formed in order to resolve the challenges in eThekweni Municipality. Emanating from this intervention, a process plan has been adopted to unlock the challenges. Constant monitoring of progress is being undertaken to ensure that the identified milestones are achieved.

## Emergency housing programme

Emergency housing programme is one of the instruments through which the Department is responding to emergency situations, which include declared and non-declared disaster incidents. To optimise options for immediate solutions the Department is currently utilising the material supply system as well as temporary shelters.

A database of service providers has been established to expedite emergency housing needs. Where possible, beneficiaries are also included within existing housing project to expedite the housing need. A strategy has been devised to expedite pre-construction planning activities to fast track the construction of houses to address both backlog and newly identified housing interventions.

## The Military Veterans Housing Programme (MVHP)

This Programme has prioritised for 758 military veterans through the EPHP programme. In 2016/17 financial year, a total amount of the R100 million was transferred to Ithala Development Financial Corporation Limited as the Accounts Administrator for disbursement to the military veteran's Implementing Agent for the construction of 530 units. A Project Manager and an Architect have been appointed to provide technical and project management support for the implementation of the programme. Funding for the remaining 228 units will be provided for 2019 – 2021 MTEF period. To address differentiated needs of military veterans, unverified military veterans are accommodated in normal BNG housing projects in areas in close proximity to their homes as well as retrofitting homes of military veterans who previously benefitted from normal housing projects in line with approved specification of military veterans houses.

## Empowerment Youth, Women and People with Disabilities

In a deliberate endeavour towards empowerment of people in designated groups, the Department is devising a strategy to provide skills and capacitate businesses owned by these groups through varied programmes including EPWP, which has an incentive grant allocation of R15,090 million allocation.

Over and above capacitation of the designated groups, funds from the HSDG will be allocated to women-owned companies and 10% of work to youth-owned business.

The Programme will also continue with the implementation of EPWP which is a nationwide programme spearheaded by National Department of Public Works aimed to alleviate poverty through job creation. All the public bodies are expected to partake in the programme by reporting the work opportunities that they have created through their baseline budget.

## STRATEGIC OBJECTIVE MTEF TARGETS

**Table 18: Provincial Strategic Objectives and MTEF Targets**

Strategic Objective	Strategic Objective Indicator	Strategic Objective Target	Audited/Actual Performance			Estimated Performance	Medium Term Target		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Implement the upgrading of informal settlements, integrated residential developments, enhanced peoples housing process, middle income market housing, social/rental housing and community residential units (Outcome 8)	Number of urban housing opportunities created in line with National Service Delivery Outcome 8, National Development Plan, the Provincial Growth and Development Strategy, Integrated Urban Development Framework, KZN HSMSF	60,180	8,293	12,021	8,491	6,814	8,941	5,446	8,145
Fast-track the implementation of the Title deeds Restoration Programme (From 01 April 1994 to 31 March 2014)	Approved implementation plan to fast track the implementation of the Title Deeds Restoration Programme (From 01 April 1994 to 31 March 2014) reviewed annually	2	New Indicator	New Indicator	New Indicator	1	1	1	1

Strategic Objective	Strategic Objective Indicator	Strategic Objective Target	Audited/Actual Performance			Estimated Performance	Medium Term Target		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Fast-track the issuing of title deeds (From 01 April 2014 to 31 March 2016)	Approved implementation plan to fast track the issuing of title deeds which were not issued during the "swopping" of project milestones during 01 April 2014 to 31 March 2016 reviewed annually	2	New Indicator	New Indicator	New Indicator	1	1	1	1

## PROGRAMME PERFORMANCE INDICATORS AND TARGETS

### CUSTOMIZED SECTOR PERFORMANCE INDICATORS

Table 19: Customized Sector Performance Indicators and MTEF Targets

Performance Indicators	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of Informal Settlements Upgraded	Close Out Report	New indicator	New indicator	New indicator	2	2	3	3
Number of Households benefiting from upgrading	Form 4, D6, & HSS Claim Report	New indicator	New indicator	New indicator	4,110	5,653	2,631	4,653
Number of housing units for subsidy sub-market provided <b>(All housing programmes excluding Rectification and middle-income market)</b>	Form 4, D6, & HSS Claim Report	New indicator	New indicator	New indicator	17,842	18,241	17,250 <sup>7</sup>	19,220
Number of affordable rental housing opportunities:								
Number of Social Housing Units Completed	Form 4 & D6	76	971	-	330	200 <sup>8</sup>	731	1,172
Number of Community Residential Units Completed	Form 4, D6, & HSS Claim Report	270	77	108	330	530	550	550
Number of new title deeds issued for the subsidy market (from April 2014)	Deeds Office Printout/ Conveyancers certificate	New indicator	New indicator	New indicator	4,026	11,759	13,886	12,300
Number of post-1994 title deeds issued (April 1994-March 2014)	Deeds Office Printout/ Conveyancers certificate	2,166	3,122	7,630	18,003	33,521	39,869	-

<sup>7</sup> Decrease in HSDG Funding has resulted in a decrease of projections

<sup>8</sup> SHRA has been nationally appointed to administer the disbursement of all funds relating to the Social Housing Programme. The Province will monitor the implementation of the Programme.

Performance Indicators	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of units completed in terms of the FLISP Programme	Form 4 & HSS Detailed expenditure Report	365	315	377	2,226	300	330	363
Number of households provided with adequate sanitation facilities	Form 4, HSS Claim Report, Interim Payment Certificate and D6	New indicator	New indicator	New indicator	4,110	11,341	11,725	13,173
Percentage of HSDG construction budget allocated to designated groups	BAS report/ Proof of Payment	New indicator	New indicator	New indicator	30% (R945,827 million)	30% (R860,638 924,80 2,868,796,416)	30% (R860,638 924,80 2,868,796,416)	30% (R860,638 924,80 2,868,796,416)

## PROVINCIAL PERFORMANCE INDICATORS

**Table 20: Provincial Performance Indicators and MTEF Targets**

Performance Indicators	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Integrated Residential Development Programme</b> Number of new sites connected to basic services	Form 4 & Interim Payment Certificate/HSS Claim Report	3,905	3,288	1,702	2,265	4,428	4,229	3,593
Number of Houses completed	Form 4, D6, & HSS Claim Report	1,454	2,755	1,533	2,704	2,675	1,535	3,291
<b>Informal Settlement Upgrade Programme</b> Number of new sites connected to basic services	Form 4 & Interim Payment Certificate/HSS Claim Report	2,960	3,120	2,239	3,275	4,673	3,291	4,313
Number of Houses completed	Form 4, D6, & HSS Claim Report	3,168	4,212	4,902	4,110	3,287	2,631	4,653
<b>Enhanced Peoples Housing Process:</b> Number of houses completed	Form 4, D6, & HSS Claim Report	2,960	3,691	3,293	3,199	1,763	906	900
<b>Emergency Housing Programme</b> Number of houses completed	Form 4, D6, & HSS Claim Report	1,501	418	1,894	739	1,500	1,539	600
<b>Military Veterans Housing Programme<sup>9</sup></b> Number of Houses completed	Form 4, D6, & HSS Claim Report	-	0	68	76	76	76	90
<b>Rural Housing (Inclusive of Farm Worker Programme):</b> Number of houses completed	Form 4, D6, & HSS Claim Report	16,539	10,093	7,764	6,760	7,850	11,804	11,075

<sup>9</sup> The additional 530 units will be constructed with the R100 million already transferred to Ithala Development Financial Corporation Limited as the Accounts Administrator for disbursement to the military veteran's Implementing Agent. For the 2019/20 financial year, 50 units will be constructed by the military veteran's implementing agent.



Performance Indicators	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
<b>Consolidation Housing Programme:</b> Number of Houses completed	Form 4, D6, & HSS Claim Report	New indicator	New indicator	New indicator	New indicator	360	429	329
<b>Rectification/Rehabilitation (1994-2002 stock) Programme</b> Number of Units rectified	Form 4, D6, & HSS Claim Report	910	509	802	248	817	788	615
<b>Number of work opportunities</b> created through related programmes	EPWP Annexures	6,181	6,691	5,000	5,500	7,000	7,500	8000
<b>Number of Full Time Equivalent (FTE's) created</b>	EPWP Annexures	New indicator	New indicator	New indicator	New indicator	2,850	2,904	2,956
<b>Number of targeted person's days of work</b>	EPWP Annexures	New indicator	New indicator	New indicator	New indicator	656,000	668,000	680,000
<b>Number of EPWP beneficiaries provided with accredited training</b>	EPWP Annexures/ Training Certificates	New indicator	New indicator	New indicator	New indicator	350	380	400
<b>All subsidy instruments:</b> Number of properties transferred (From April 1994)	Deeds Office Printout/ Conveyancers certificate, FLISP - HSS Detailed Expenditure Report	2,166	3,122	32,109	22,029	45,280	53,755	12,300
Number of serviced sites delivered in all housing programmes being utilized by the Province	Form 4 & Interim Payment Certificate/HSS Claim Report	6,879	6,408	3,345	5,540	9,101	7,135	7,624
Number of new housing units completed in the Province across all housing programmes (Excluding Rectification)	Form 4, D6, & HSS Claim Report	26,552	22,532	23,790	20,068	18,541	17,250	19,220

**Table: 21: Performance Indicators: Annual and Quarterly Targets**

Performance Indicators	Reporting Period	Annual Targets 2019/20 <sup>10</sup>	Quarterly Targets			
			Q1	Q2	Q3	Q4
Number of Informal Settlements Upgraded	Quarterly	2	0	0	0	2
Number of Households benefiting from informal settlements upgrading	Quarterly	5,653	1,121	1,364	1,515	1,653
Number of housing units for subsidy sub-market provided (All housing programmes excluding Rectification and middle-income market)	Quarterly	18,241	4,058	4,770	4,602	4,811
Number of Social Housing Units Completed	Quarterly	200	0	0	0	200
Number of Community Residential Units Completed	Quarterly	530	0	0	0	530
Number of new title deeds issued for the subsidy market (from April 2014)	Quarterly	11,759	1,226	1,190	1,125	8,218
Number of post-1994 title deeds issued (April 1994 - March 2014)	Quarterly	33,521	3,171	8,052	9,720	12,578

<sup>10</sup> The HDSG business plan annual target differs from the APP annual target is due to rounding numbers do not necessarily add up to totals

Performance Indicators	Reporting Period	Annual Targets 2019/20 <sup>10</sup>	Quarterly Targets			
			Q1	Q2	Q3	Q4
Number of units completed in terms of the FLISP programme	Quarterly	300	75	75	75	75
Number of households provided with adequate sanitation facilities	Quarterly	11,341	2,537	2,780	2,758	3,266
Percentage of HSDG construction budget allocated to designated groups	Quarterly	30% (R860,638,942,80)	7,5% (R80,000,000,00)	7,5% (R115,000,000,00)	7,5% (R350,319,462,40)	7,5% (R315,319,462,40)
<b>Integrated Residential Development Programme</b>	Quarterly	4,428	790	952	1,071	1,615
Number of new sites connected to basic services	Quarterly	2,675	515	631	694	835
Number of Houses completed						
<b>Informal Settlements Upgrade Programme</b>	Quarterly	4,673	831	948	1,401	1,493
Number of new sites connected to basic services	Quarterly	3,287	681	808	883	915
Number of Houses completed						
<b>Enhanced Peoples Housing Process:</b>	Quarterly	1,763	540	540	380	303
Number of houses completed						
<b>Emergency Housing Programme</b>	Quarterly	1,500	275	475	500	250
Number of houses completed						
<b>Military Veterans Housing Programme</b>	Quarterly	76	6	6	6	58
Number of Houses completed						
<b>Rural Housing (Inclusive of Farm Worker Programme):</b>	Quarterly	7,850	1,921	2,190	2,019	1,720
Number of houses completed						
<b>Consolidation Housing Programme:</b>	Quarterly	360	120	120	120	0
Number of Houses completed						
<b>Rectification/Rehabilitation (1994-2002 stock) Programme</b>	Quarterly	817	200	200	200	217
Number of Units rectified						
<b>Number of work opportunities</b> created through related programmes	Quarterly	7,000	1,400	2,100	2,100	1,400
<b>Number of Full Time Equivalent (FTE's) created</b>	Quarterly	2,850	570	855	855	570
<b>Number of targeted person's days of work</b>	Quarterly	656,000	131,200	196,800	196,800	131,200
<b>Number of EPWP beneficiaries provided with accredited training</b>	Quarterly	350	100	250	0	0
<b>All subsidy instruments:</b>						
Number of properties transferred (From April 1994)	Quarterly	45,280	4,397	9,242	10,845	20,796
Number of serviced sites delivered in all housing programmes being utilized by the Province	Quarterly	9,101	1,621	1,900	2,472	3,108
Number of new housing units completed in the Province across all housing programmes (Excluding Rectification)	Quarterly	18,541	4,133	4,845	4,677	4,886

## RECONCILING PERFORMANCE TARGETS WITH EXPENDITURE TRENDS

Table 22: Expenditure Estimates for Housing Development

Sub-Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000				2018/19 R'000	2019/20 R'000	2020/21 R'000
Administration	86,714	87,407	88,121	95,427	93,947	89,605	99,466	108,786	114,373
Financial Interventions	421,270	374,583	606,705	408,381	380,749	501,981	376,802	311,298	313,089
Incremental Interventions	1,307,268	1,259,157	1,352,987	1,673,583	1,425,062	1,161,959	1,852,285	1,671,353	1,388,938
Social and Rental Interventions	267,718	231,477	108,326	169,000	129,766	109,156	190,000	205,000	205,000
Rural Interventions	1,591,697	1,160,988	1,496,336	864,526	1,316,694	1,442,677	1,056,660	1,455,563	1,464,015
<b>Total</b>	<b>3,674,667</b>	<b>3,113,612</b>	<b>3,652,475</b>	<b>3,210,917</b>	<b>3,346,218</b>	<b>3,305,378</b>	<b>3,575,213</b>	<b>3,752,000</b>	<b>3,485,415</b>

Source: BAS

The sub-programme: Administration provides for administration of human settlement development projects, managing of personnel and financial administration. The sub-programme reflects a steady increase over the 2019/20 MTEF, due to provision made for wage adjustments and inflationary increases.

The Financial Interventions sub-programme provides for financial support to procure services relating to housing delivery. The subsidy instruments implemented include, among others, procurement of land for housing development, the operational costs for accredited municipalities, National Home Builders Registration Council (NHBRC) enrolment fees, operational capital budget, etc. The increase in 2019/20 is due to the provision made for the procurement of land in uMgungundlovu.

The Incremental Interventions sub-programme contributes towards achievement of Outcome 8 targets and ensuring sustainable human settlements. The subsidy instruments implemented include ISU, IRDP, emergency housing assistance, etc. The increase from 2018/19 to the 2019/20 MTEF is due to the disaster relief funding allocated to deal with repairs to houses damaged by the flood disaster that occurred in the Province on 10 October 2017 in areas such as the eThekweni Metropolitan Municipality, and the uMdoni, uMuziwabantu, uMzumbe and Ray Nkonyeni Local Municipalities.

The sub-programme: Social and Rental Interventions provides for the CRU programme, which aims to create a sustainable, affordable and secure rental housing option for households. Over the 2019/20 MTEF, the programme provides for projects such as CRU upgrades, including Kokstad CRU, Rocky Park in iLembe, Jika Joe in Msunduzi, Newcastle N11 in Amajuba, etc.

The sub-programme: Rural Interventions provides for housing needs that are implemented utilizing the rural housing subsidy. The decreasing trend from 2018/19 and over the 2019/20 MTEF is due to finalizing some of the rural projects on the ground in order to focus mainly on the Outcome 8 targets.

**Table 23: Summary of provincial Expenditure estimates by Economic Classification Economic Classification**

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
<b>Current payments</b>	<b>184,082</b>	<b>242,881</b>	<b>255,100</b>	<b>256,511</b>	<b>272,724</b>	<b>274,864</b>	<b>304,737</b>	<b>296,382</b>	<b>274,269</b>
<b>Compensation of employees</b>	<b>142,868</b>	<b>148,890</b>	<b>158,300</b>	<b>179,962</b>	<b>178,893</b>	<b>171,451</b>	<b>197,172</b>	<b>206,271</b>	<b>211,877</b>
<b>Goods and services</b>	<b>41,214</b>	<b>93,989</b>	<b>96,785</b>	<b>76,549</b>	<b>93,831</b>	<b>103,413</b>	<b>107,565</b>	<b>90,111</b>	<b>62,392</b>
Administrative fees	195	254	207	207	616	623	722	739	729
Advertising	617	382	674	240	1,095	332	440	540	240
Minor assets	728	838	441	258	258	237	193	198	199
Audit costs: External	–	–	–	–	–	–	–	–	–
Bursaries: Employees	–	–	–	–	–	–	–	–	–
Catering: Departmental activities	910	4,537	2,375	1,398	1,701	2,347	1,116	1,113	1,214
Communication	2,642	2,502	528	597	1,026	985	683	703	753
Computer Services	605	162	258	162	294	255	169	174	174
Consulting and Professional services: Business and Advisory services	2,498	30,179	12,888	8,123	11,614	9,683	14,291	14,726	9,376
Infrastructure and planning	1,371	4,595	44,749	35,746	43,416	50,979	48,655	47,830	30,120
Laboratory services	–	–	–	–	–	–	–	–	–
Scientific and technological services	–	–	–	–	–	–	–	–	–
Legal services	1,407	1,193	524	227	233	363	3,944	4,394	244
Contractors	2,941	8,694	4,982	7,025	7,134	6,103	9,552	1,600	–
Agency and support / outsourced services	–	22	–	–	–	–	–	–	–
Entertainment	–	–	–	–	–	–	–	–	–
Fleet services	310	433	435	502	563	424	502	502	552
Housing	–	–	–	–	–	–	–	–	–
Inventory: Clothing material and accessories	22	542	–	–	–	–	–	–	–
Inventory: Farming supplies	–	–	–	–	–	–	–	–	–
Inventory: Food and food supplies	15	15	–	–	–	–	–	–	–
Inventory: Fuel, oil and gas	–	–	–	–	–	–	–	–	–

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
Inventory: Learner and teacher support material	92	8	-	60	-	-	-	-	-
Inventory: Material and supplies	293	370	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
MEDSAS inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	407	333	1,302	3,414	1,330	1,691	1,461	408	410
Consumable: Stationery, printing and office supplies	28	15	34	71	62	11	148	151	153
Operating leases	748	449	185	356	-	0	-	-	-
Property payments	11,968	19,515	13,969	4,170	9,692	12,321	11,043	6,824	7,319
Transport provided: Departmental activity	662	1,207	559	1,070	191	554	370	370	370
Travel and subsistence	8,388	8,717	9,068	6,805	10,227	10,513	6,222	7,012	7,360
Training and development	676	3,710	507	269	269	2,576	5,439	210	210
Operating payments	974	375	269	3,939	2,217	337	489	491	493
Venues and facilities	1,690	667	389	215	215	0	-	-	-
Rental and Hiring	1,027	4,275	2,442	1,695	1,678	3,079	2,126	2,126	2,476
<b>Interest and rent on land</b>	-	<b>2</b>	<b>15</b>	-	-	-	-	-	-
<b>Transfers and subsidies to</b>	<b>3,483,786</b>	<b>2,868,781</b>	<b>3,366,840</b>	<b>2,953,545</b>	<b>3,062,805</b>	<b>3,014,966</b>	<b>3,260,858</b>	<b>3,455,157</b>	<b>3,210,685</b>
Provinces and municipalities	163,059	124,213	256,935	106,929	128,369	193,664	58,210	98,210	88,210
Departmental agencies and accounts	18,000	-	-	-	-	-	-	-	-
Public Corporations and Private Enterprises	-	100,000	-	-	-	-	-	-	-
Households	3,302,727	2,644,568	3,109,905	2,846,616	2,934,436	2,821,302	3,202,648	3,356,947	3,122,475
<b>Payments for capital assets</b>	<b>6,531</b>	<b>1,950</b>	<b>30,510</b>	<b>861</b>	<b>10,689</b>	<b>15,548</b>	<b>9,618</b>	<b>461</b>	<b>461</b>

Economic Classification	Audited Outcomes		Preliminary Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
Buildings and other fixed structures	6,170	1,712	29,913	-	10,000	15,432	9,000	-	-
Machinery and equipment	361	238	597	861	689	116	618	461	461
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>268</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3,674,667</b>	<b>3,113,612</b>	<b>3,652,475</b>	<b>3,210,917</b>	<b>3,346,218</b>	<b>3,305,378</b>	<b>3,575,213</b>	<b>3,752,000</b>	<b>3,485,415</b>

Source: BAS

The strong growth against *Compensation of employees* is for posts from the HSDG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. The increase over the 2019/20 MTEF relates to contract posts such as Project Construction Managers, Community Development Practitioner, etc. in respect of the HSDG and TRP grant which are expected to be filled as and when the need arises.

*Goods and services* provides for operational costs of officials, implementation of the anti-land invasion strategy, as well as portion of the EPWP Integrated Grant for Provinces allocation. The growth from 2019/20 to 2021/22 is very low as the EPWP Integrated Grant for Provinces is not allocated beyond 2019/20.

*Interest and rent on land* pertains to interest paid on overdue accounts in 2016/17 to 2017/18.

*Transfers and subsidies to: Provinces and municipalities* shows an increasing trend over the 2019/20 MTEF largely due to the CRU programme and operational costs of the accredited municipalities that are implementing housing projects, such as the payment of office accommodation, vehicles, computer systems, purchase of equipment, maintenance, stationery, etc.

*Transfers and subsidies to: Departmental agencies and accounts* relates to a transfer to HDA, as mentioned.

The allocation against *Transfers and subsidies to: Public corporations and private enterprises* in 2016/17 relates to funding for the implementation of the Military Veterans' Housing Project. The Department entered into an agreement with Ithala Development Financial Corporation Ltd as an implementing agent, for the construction of these houses.

*Transfers and subsidies to: Households* provides for the bulk of the housing programmes, as well as the TRP. The HSDG grows consistently over the 2019/20 MTEF, followed by a significant cut. The projects that the Department is focusing on over the 2019/20 MTEF include informal settlements upgrade projects, IRDP projects, emergency housing assistance projects, etc.

*Buildings and other fixed structures* relates to the Social and Economic Amenities Programme. The budget does not continue after 2019/20 as the Department is anticipating to finalise the Social and Economic Amenities programme. This will be reviewed against final progress at the end of 2019/20.

*Machinery and equipment* includes purchasing of office furniture and equipment as well vehicles.

## **9.4 PROGRAMME 4: HOUSING ASSETS MANAGEMENT, PROPERTY MANAGEMENT**

### **PURPOSE AND STRUCTURE**

The Programme provides for the maintenance of departmentally owned housing stock, the rectification of housing stock built prior to 1994 and the transfer of ownership of the rectified housing stock in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS) to qualifying persons.

The Department has appointed conveyancers to deal with the transfer of housing stock to identified beneficiaries in terms of the EEDBS. The appointment of land surveyors to proceed with the sectionalisation of flatted housing units.

During the 2019/20 financial year greater emphasis will be placed on educating prospective homeowners on the establishment of body corporates, the workings thereof and the responsibilities of being a homeowner. The programme is also responsible for the devolution of departmentally owned vacant land (not required for housing development) to municipalities in whose jurisdiction the land is situated. This process of transferring properties and devolution of land is intended to lead to the de-establishment of the Housing Fund and the reduction of expenditure incurred on rates, services and maintenance costs.

The various housing initiatives implemented by this Department such as FLISP, land and serviced site programmes and OSS are also supported with Programme 4 making available land for development.

### **REHABILITATION OF PRE-1994 STOCK**

The rehabilitation of pre-1994 stock is being undertaken to all dwellings built from the early 1930's until 1994, including houses in R293 towns and those constructed within the ex- own affairs areas. Some of the houses were transferred without appropriate services whilst others were transferred "voetstoots" and were in a state of disrepair due to structural defects. Therefore, the programme specifically focuses on the improvement of municipal engineering services where inappropriate levels of service were delivered, which may include renovation, upgrading or the complete reconstruction of dwellings that are severely structurally compromised as it poses a threat to the health and safety of the inhabitants.

By virtue of the directive to dispose of the housing and flatted units in terms of the EEDBS to previously disadvantaged communities, as well as decrease its own stock and that of the various municipalities, the Department has entered into contractual arrangements with the municipalities for the rehabilitation of housing units in terms of the minimum requirements as set by the NHBRC.

The rollout of the projects has thus far been successful albeit limited due to the reduced HSDG funding allocation. The balance of funds in the Municipal Housing Operating Accounts are also being accessed for this Programme.

### **MAINTENANCE PROGRAMME**

The deterioration of buildings due to the lack of maintenance can lead to future financial burdens, pose legal and other challenges would affect the delivery of sustainable and habitable housing. The maintenance programme therefore undertakes day- to- day maintenance of Government immovable



assets (flats, houses and vacant land) which need to be properly maintained to ensure that they continue to function as efficiently and effectively as possible.

In view of the intention to rehabilitate and transfer ownership to beneficiaries, the maintenance target for the MTEF has been limited to repairs of defects that pose danger to life and limb as well as health/hygiene risks and to mitigate wasteful or fruitless expenditure.

The maintenance budget and target in terms of the MTEF will be reduced on an annual basis on a sliding scale, as immovable assets are being either transferred to beneficiaries or devolved to the respective municipalities.

## STRATEGIC OBJECTIVES AND MTEF TARGETS

**Table 24: Provincial Strategic Objectives and Annual Targets**

Strategic Objective	Strategic Objective Indicator	Strategic Objective Target	Audited/Actual Performance			Estimated Performance	Medium Term Target		
			2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
<i>Fast-track the implementation of the Title deeds Restoration Programme (prior to 01 April 1994)</i>	Approved Implementation Plan for the Title Deeds Restoration Programme (prior to 01 April 1994) reviewed annually	2	New indicator	New indicator	New indicator	1	1	1	-
<i>Fast track the devolution of properties of the KwaZulu-Natal Housing Fund to municipalities in terms of section 15 of the Housing Act, 1997</i>	Approved Implementation Plan for the devolution of the KwaZulu-Natal Housing Fund properties to the municipalities in terms of section 15 of the Housing Act, 1997 reviewed annually	2	New indicator	New indicator	New indicator	1	1	1	1

## PROGRAMME PERFORMANCE INDICATORS AND TARGETS

### CUSTOMIZED SECTOR PERFORMANCE INDICATORS

**Table 25: Customised Sector Performance Indicators and MTEF Targets**

Performance Indicators	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18		2018/19	2019/20	2020/21
Number of Pre-1994 title deeds issued	Deeds search printout / conveyancers certificate	655	525	779	9,225	5,500	10,389	-

## PROVINCIAL PERFORMANCE INDICATORS AND TARGETS

Table 26: Provincial Performance Indicators and MTEF Targets

Performance Indicators	Data Source	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Number of rental units sold to beneficiaries <sup>11</sup>	Sale agreement	-	-	232	458	458	643	-
Number of Debtors reduced per financial year <sup>12</sup>	Debtors system printout	-	-	200	560	600	1,090	-
Number of units maintained	Job cards and Invoices	3,025	1,985	968	770	500	500	500
Number of units rectified for Pre-1994 stock	Completion Certificate	2,094	993	669	764	566	520	520
Number of Land Parcels devolved to Municipalities in terms of Section 15 of the Housing Act, 1997	Deeds Search printout/ conveyancers certificate	-	-	0	62	100	200	-

Table 27: Performance Indicators: Annual and Quarterly Targets

Performance Indicators	Reporting Period	Annual Targets 2019/20	Quarterly Targets			
			Q1	Q2	Q3	Q4
<b>Quarterly Targets</b>						
Number of Pre-1994 title deeds issued	Quarterly	5,500	1,855	1,099	1,139	1,407
Number of rental units sold to beneficiaries	Quarterly	458	150	150	79	79
Number of Debtors reduced per Financial year	Quarterly	600	150	150	150	150
Number of units maintained	Quarterly	500	125	125	125	125
Number of units rectified for Pre-1994 stock	Quarterly	566	60	36	0	470
Number of land parcels devolved to municipalities in terms of section 15 of the Housing Act, 1997	Quarterly	100	25	25	25	25

<sup>11</sup> Read as a conversion from rental to sales agreement

<sup>12</sup> Indicator refers to the number of debtors reduced on the debtors system to facilitate the transfer of ownership of Departmental properties to beneficiaries through the EEDB Programme.

## RECONCILING PERFORMANCE TARGETS WITH EXPENDITURE TRENDS AND BUDGETS

**Table 28: Expenditure Estimates for Housing Assets Management, Property Management**

Sub-Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000				2018/19 R'000	2019/20 R'000	2020/21 R'000
Administration	47,633	58,506	38,303	42,405	42,405	41,501	47,106	50,603	53,285
Sale and Transfer of Housing Properties	537	335	42,344	65,889	59,950	58,189	49,662	41,932	41,932
Housing Properties Maintenance	193,517	135,343	99,308	84,284	84,284	85,040	75,700	75,700	75,700
<b>Total</b>	<b>241,687</b>	<b>194,184</b>	<b>179,955</b>	<b>192,578</b>	<b>186,639</b>	<b>184,730</b>	<b>172,468</b>	<b>168,235</b>	<b>170,917</b>

Source: BAS

The sub-programme: Administration provides for the management of own affairs stock. The 2019/20 MTEF caters for wage agreements and inflationary adjustments.

The sub-programme: Sale and Transfer of Housing Properties provides for the transfer of rental housing stock to qualifying beneficiaries in terms of the EEDBS. The decrease in 2018/19 is because of an over-estimation made relating to municipal services in respect of bulk water supply relating to the departmentally-owned Oribi village within the Msunduzi Municipality under the HSDG, as mentioned. The decrease in 2020/21 is due to estimations that properties will be transferred to beneficiaries, as well as the relevant municipalities.

The sub-programme: Housing Properties Maintenance provides for the co-ordination of the maintenance of Departmental rental housing stock and rectification of units built prior to 1994. The allocation over the 2019/20 MTEF relates to the rectification of pre-1994 housing stock, which will be implemented in phases due to financial constraints. Due to the budget cuts, the HSDG only has a limited allocation toward the rectification programmes, hence the flat lining of the three years of the MTEF.

**Table 29: Summary of provincial Expenditure estimates by Economic Classification**

Economic Classification	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000				2018/19 R'000	2019/20 R'000	2020/21 R'000
<b>Current payments</b>	-	-	-	-	-	-	-	-	-
<b>Compensation of employees</b>	-	-	-	-	-	-	-	-	-
<b>Goods and services</b>	-	-	-	-	-	-	-	-	-
Communication	-	-	-	-	-	-	-	-	-
Computer Services	-	-	-	-	-	-	-	-	-
Consultants, Contractors and special services	-	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-

Economic Classification	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates			
	2015/16 R'000	2016/17 R'000	2017/18 R'000				2018/19 R'000			2019/20 R'000
Interest and rent on land	-	-	-	-	-	-	-	-	-	-
Maintenance, repair and running costs	-	-	-	-	-	-	-	-	-	-
Other including Assets<5000, training and development, property payments, operating expenditure and venues and facilities	-	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>241,644</b>	<b>194,114</b>	<b>179,955</b>	<b>192,578</b>	<b>186,639</b>	<b>184,730</b>	<b>172,468</b>	<b>168,235</b>	<b>170,917</b>	
Provinces and municipalities	-	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	241,644	194,114	179,955	192,578	186,639	184,730	172,468	168,235	170,917	
Universities and Technikons	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>43</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	43	70	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-
<b>Payment for financial assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>241,687</b>	<b>194,184</b>	<b>179,955</b>	<b>192,578</b>	<b>186,639</b>	<b>184,730</b>	<b>172,468</b>	<b>168,235</b>	<b>170,917</b>	

Source: BAS

## C Links to Other Plans

Capital Investment, Maintenance and Asset Management Plan  
Co-ordination, Co-operation and Outsourcing Plans



**KwaXolo Rural Housing Project**

## CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

### NEW PROJECTS, UPGRADES AND REHABILITATION

Table 30: Summary of infrastructure payments and estimates

R'000	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
<b>New and replacement assets</b>	6,170	1,712	29,913	0	10,000	29,913	9,000	-	-
<b>Existing infrastructure assets</b>	-	-	-	-	-	-	-	-	-
Maintenance and repair	-	-	-	-	-	-	-	-	-
Upgrading and additions	-	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishment	-	-	-	-	-	-	-	-	-
<b>Infrastructure transfer</b>	<b>163,053</b>	<b>124,161</b>	<b>256,934</b>	<b>106,929</b>	<b>128,369</b>	<b>256,573</b>	<b>58,210</b>	<b>98,210</b>	<b>88,210</b>
Infrastructure transfers - Current	-	-	-	-	-	-	-	-	-
Infrastructure transfers - Capital	163,053	124,161	256,934	106,929	128,369	256,573	58,210	98,210	88,210
<b>Infrastructure: Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Infrastructure: Leases</b>	20,839	28,858	25,626	21,777	21,777	25,626	21,880	22,761	23,900
<b>Total Infrastructure</b>	<b>190,062</b>	<b>153,731</b>	<b>312,473</b>	<b>128,706</b>	<b>160,146</b>	<b>282,199</b>	<b>130,090</b>	<b>140,971</b>	<b>122,110</b>
<i>Capital infrastructure</i>	<i>169,223</i>	<i>124,873</i>	<i>146,236</i>	<i>106,929</i>	<i>138,369</i>	<i>286,486</i>	<i>67,210</i>	<i>98,210</i>	<i>88,210</i>
<i>Current infrastructure</i>	<i>20,839</i>	<i>28,858</i>	<i>21,426</i>	<i>21,777</i>	<i>21,777</i>	<i>25,626</i>	<i>21,880</i>	<i>22,761</i>	<i>23,900</i>

Source BAS

*The category new infrastructure assets: Capital* relates to the Social and Economic Amenities programme. The Department owns the assets constructed until hand over to the municipality. The trend from 2015/16 to 2017/18 relates to the fact that the Department terminated contracts for uMkhanyakude, Amajuba and uMgungundlovu municipalities because of poor performance and new contractors were appointed in 2017/18, as mentioned.

The amounts in the 2018/19 and 2019/20 relate to the fact that the Department is anticipating to complete all projects at the end of 2019/20.

*Infrastructure transfers: Capital* comprises transfers in respect of the CRU Programme and operational costs of the accredited municipalities. The trend from 2015/16 to 2017/18 relates to the operational costs for accredited municipalities, which is based on the actual performance by the municipality, as well as the transfer to the eThekweni Metropolitan Municipality amounting to R100 million in respect of the CRU Programme in 2015/16.

The decrease in 2016/17 relates to the allocation to the CRU Programme, which is lower than the previous year allocation, due to alignment to the agreement.

The increase from 2018/19 relates to funding allocated for the eThekweni CRU Upgrading programme, which was under-budgeted due to a budget reduction of the HSDG. The decrease in 2019/20 is due to the reduction of the allocation in respect of the eThekweni CRU Upgrading programme, as the Metropolitan Municipality has not fully utilised the funding, which was transferred in 2018/19. The allocations in 2020/21 and 2021/22 relate to the operational costs of accredited municipalities and the CRU programme.

The category Infrastructure leases relates to the operational leases for office accommodation leased by the Department. The increases in 2016/17 and 2017/18 are in respect of office accommodation leases because of the annual escalation in leasing of office building costs. The increasing trend over the 2019/20 MTEF relates to inflationary increases.

## Medium Term Revenue

Table 31: Summary of Revenue

R'000	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-term Estimates		
	2015/16 R'000	2016/17 R'000	2017/18 R'000	2018/19 R'000			2019/20 R'000	2020/21 R'000	2021/22 R'000
<b>Provincial Allocation</b>	<b>342,630</b>	<b>345,216</b>	<b>360,678</b>	<b>381,574</b>	<b>419,416</b>	<b>375,627</b>	<b>405,533</b>	<b>436,174</b>	<b>460,164</b>
<b>Conditional grants</b>	<b>3,550,432</b>	<b>3,139,896</b>	<b>3,683,192</b>	<b>3,265,663</b>	<b>3,365,663</b>	<b>3,471,908</b>	<b>3,601,109</b>	<b>3,760,846</b>	<b>3,488,674</b>
Human Settlement Dev. Grant	3,543,852	3,124,702	3,677,567	3,152,757	3,252,757	3,359,002	3,485,407	3,654,700	3,488,674
Housing Disaster Management grant	-	-	-	-	-	-	-	-	-
EPWP Incentive grant	6,580	15,194	5,625	11,484	11,484	11,484	15,090	-	-
Title Deeds Restoration grant	-	-	-	101,422	101,422	101,422	100,612	106,146	-
<b>Total Receipts</b>	<b>3,893,062</b>	<b>3,485,112</b>	<b>4,043,870</b>	<b>3,647,237</b>	<b>3,747,237</b>	<b>3,734,629</b>	<b>4,006,642</b>	<b>4,197,020</b>	<b>3,948,838</b>
<b>Total Payments</b>	<b>4,131,025</b>	<b>3,529,003</b>	<b>4,066,734</b>	<b>3,647,237</b>	<b>3,785,079</b>	<b>3,785,079</b>	<b>4,006,642</b>	<b>4,197,020</b>	<b>3,948,838</b>
Surplus/ Deficit (before financing)	(231,383)	(43,891)	(22,864)	-	(37,842)	(37,842)	-	-	-
Provincial roll-overs	-	-	1,372	-	-	50,450	-	-	-
Provincial cash resources	238,285	45,265	21,492	-	37,842	37,842	-	-	-
<b>Surplus/ Deficit (after financing)</b>	<b>322</b>	<b>1,374</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Source BAS

Provincial cash resources in 2015/16 reflect R22.436 million relating to the reallocation of unused funds received from SHRA for the Meadowlands social housing project, which was reallocated to the Department for the implementation of social housing projects under the Westgate-Grange project. The Department over-spent its 2015/16 budget by R14.735 million, mainly as a result of payments in respect of eThekweni Metropolitan Municipality arrear rates.



Provincial cash resources in 2015/16 reflect R238.285 million, of which R7.312 million relates to the above-budget 2015 wage agreement. An additional R100 million from provincial cash resources was allocated due to the Provincial Executive Council's decision to provide additional funding for housing initiatives, as well as R130.973 million from the NHFC and Ithala Development Finance Corporation Ltd., for various housing projects. The Department under-spent its 2015/16 budget by a minimal R322 000.

- R1.029 million relates to the above-budget 2016 wage adjustment which the Department could not fund from within its baseline.
- R26.015 million relates to funds returned by Khuboni Shezi Attorneys. These funds were paid into the Provincial Revenue Fund in December 2015 by Khuboni Shezi Attorneys in respect of unspent funds transferred by the Department to the attorneys for the purpose of purchasing the Four Seasons Hotel in Durban, which was however, cancelled, and the funds were paid back to the Department together with interest.
- R6.916 million from NHFC for various housing projects. The Department transferred funds to the NHFC in 2011/12 in order to assess, administer and manage social housing programmes on behalf of the Department. On completion and closeout of each project, the NHFC had to repay any unspent funds together with interest earned to the Department. As at the end of 2015/16, the NHFC had not completed projects for which funding was transferred.
- R19 000 relating to a South African Revenue Services refund received by the Department.
- R11.286 million was received from the National Department of Military Veterans in 2013/14 and 2014/15 and held in a suspense account since then. These funds were paid into the Provincial Revenue Fund and were thus allocated back to the Department for spending on the Military Veterans' Housing Project.

### Conditional Grants

Conditional grants shows a fluctuating trend from 2015/16 to 2018/19, attributed mainly to the HSDG, as the focus remains on the fast tracking of service delivery in KZN. The increase in 2017/18 is due to an additional amount of R200 million received from NDHS in terms of Section 20 of DORA.

These funds were stopped from Gauteng (R150 million), Limpopo (R150 million) and North West (R300 million) in terms of Section 19 of the DORA, 2017 and were allocated to KZN (R200 million), Eastern Cape (R100 million), Mpumalanga (R100 million), Northern Cape (R100 million) and Western Cape (R100 million). This growth was slightly offset by a reduction in the HSDG over the 2017/18 MTEF in respect of some funding being reprioritised to SHRA to promote subsidies for social housing, and some funds being reprioritised to assist the HDA in operationalising catalytic projects.

The Department was allocated funding since 2015/16 for the EPWP Integrated Grant for Provinces, with the aim of creating temporary work opportunities and transferring skills to the unemployed. The Department uses these funds for skills development programmes such as training, mentors, acquiring tools and payment of stipends. An amount of R15.090 million is allocated in 2019/20. The allocation for the EPWP Integrated Grant for Provinces is based on previous years' achievements.

The Department was allocated funding for the first time in 2018/19 with regard to the TRP grant. These funds were previously ring-fenced within the HSDG for the eradication of backlogs in title deeds registration. This grant was created by shifting funds from the HSDG to ensure that funds allocated for this purpose are not utilised for other purposes. These funds get absorbed back into the HSDG from 2021/22. The annual target for both pre- and post-1994 title deeds transfers for 2019/20 is 39,021, with the pre-1994 housing stock being 5,500 and post-1994 housing stock being 33,521. The backlog after the 2019/20 projections will be 100,978, as mentioned.

The Department is allocated funding for the first time from 2020/21 with regard to the ISUP grant. In 2019/20, funds in respect of informal settlements upgrading are ring-fenced within the HSDG with specific conditions which include that at least 15% of the HSDG must be spent on informal settlements upgrading. This grant is created by shifting funds from the HSDG to ensure that funds allocated for this purpose cannot be utilised for other purposes. These funds will be utilised to upgrade 743 informal settlements in areas such as the eThekweni Metropolitan Municipality, Msunduzi Municipality, Ugu District, etc.

As evident from the table below, the main source of Departmental receipts is transactions in financial assets and liabilities, which comprises receipts collected from previous years' staff debtors in respect of breached bursary contracts, as well as refunds of subsidies from banks and conveyancers on close-out of projects. This category is difficult to project due to its uncertain nature, hence the fluctuating trend over the seven-year period.

**Table 32: Revenue Collection**

R'000	Audited Outcome			Main Budget	Adjusted Budget	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2018/19	2019/20	2020/21
	Tax receipts	-	-	-	-	-			
Casino taxes	-	-	-	-	-	-	-		
Horse racing taxes	-	-	-	-	-	-	-		
Liquor licenses	-	-	-	-	-	-	-		
Motor vehicle licenses	-	-	-	-	-	-	-		
Sale of goods and services other than capital asset	700	442	442	624	624	425	445	451	457
Transfers received	-	-	-	-	-	-	-		
Fines, penalties and forfeits	-	-	-	-	-	-	-		
Interest, dividends and rent on land	2,174	10	19,452	18	18	1	19	20	21
Sale of capital assets	-	539	39,200	779	779	27,668	635	670	707
Financial transaction in asset and liabilities	165,201	15,072	2,209	3,388	3,388	19,809	3,580	3,675	3,791
<b>Total</b>	<b>168,075</b>	<b>16,063</b>	<b>61,283</b>	<b>4,809</b>	<b>4,809</b>	<b>47,903</b>	<b>4,679</b>	<b>4,816</b>	<b>4,976</b>

Source BAS

## Donor funding

No donor funding expected over the 2019/20 MTEF.

## CO-ORDINATION, CO-OPERATION AND OUTSOURCING PLANS

### Institutionalization of MTSF Outcomes to Programmes

MTSF	Performance Indicator	Applicable Programme
Informal Settlements upgraded to Phase 2	Number of projects implemented	Programme 3
Housing opportunities through the People's Housing Process	Number of houses built	Programme 3
Affordable rental housing opportunities	Number of houses/units built	Programme 3
Affordable housing opportunities (utilising the Government Guarantee policy and the Finance-Linked Individual Subsidy Scheme)	Number of houses built	Programme 3
Investment in public spaces	Number of projects completed	Programme 3
Eradication of title deeds backlog	Number of transfers	Programme 3 and 4
Availability of well-located land	Number of hectares acquired	Programme 3
Use of catalytic projects to direct investments	Number of projects implemented	Programme 2
Accreditation and assignment of municipalities	Number of municipalities accredited	Programme 2
Installation of sanitation facilities for households in rural areas with high backlogs	Number of Ventilated Improved Pit (VIP)'s installed	Programme 3
Engagement with HDA and SHRA	Operationalization of Medium Term Operational Plan	Programme 2 and 3
Strengthen coordination with key Departments contributing to human settlements development especially COGTA, Water Affairs (Water Boards), Environment, Public Enterprise, Energy (Eskom); etc.	Number of governance structures established	Programme 2, 3 and 4

### Provincial Growth and Development Plan, 2019

The Department will contribute to the achievement of the 2035 Vision in the following manner:

STRATEGIC GOAL 3 HUMAN & COMMUNITY DEVELOPMENT POVERTY AND INEQUALITY IN KZN IS REDUCED	
<b>STRATEGIC OBJECTIVE: SUSTAINABLE HUMAN SETTLEMENTS (3.4)</b>	<b>STRATEGIC INTERVENTIONS</b>
	(a) Establish a joint provincial forum to address human settlements to ensure coordinated and integrated development planning and implementation
	(b) Implement polycentric nodal development aligned to Provincial Spatial Development Framework to achieve sustainable livelihoods.
	(c) Undertake a comprehensive review of the KZN Human Settlements Strategy incorporating the key focus areas of informal settlements upgrade, social housing, housing in the middle-income market and a comprehensive rural settlement policy.
	(d) Improving the number of households with registerable form of tenure
	(e) Support municipal accreditation to undertake the housing function.

No.	Primary Indicators	Baseline (2010)	Baseline (2015)	TARGETS			
				2020	2025	2030	2035
3.4.1	Percentage of households living in formal dwellings in KZN	71.3%	72.6%	73.78%	74.96%	76.14%	77.32%
	Total no. of Households	2,485,080	2,775,843	3,100,574	3,463,341	3,868,551	5,321,171
	Households in Formal Dwellings	1,771,862	2,015,262	2,288,223	2,596,120	2,945,514	4,114,329
3.4.2	Percentage housing backlog	17.9% (716,079 units)	Decrease by 7%	Decrease by 7%	Decrease by 7%	Decrease by 7%	Decrease by 7%
3.4.3	Percentage households with a registerable form of tenure	55.1%	56%	57%	58%	59%	60%
3.4.4	Percentage of Provincial Human Settlements budget spent on formal settlement development	36% (R1,049,207, 000)	37% R34,219,000	42%	45%	50%	55%
3.4.5	Percentage of Social Housing and Rental Opportunities	684 units R 219,796m	944 units R 89,750m	Increase by 10%	Increase by 15%	Increase by 20%	Increase by 20%
3.4.6	Number of municipalities accredited to undertake the housing	New	5 municipalities at level 2; 2 municipalities @ level 1	3 new additional Level 1 municipalities to be accredited	3 new additional Level 1 municipalities to be accredited	3 new additional Level 1 municipalities to be accredited	3 new additional Level 1 municipalities to be accredited
	Percentage of Operational costs funding for institutional capacity paid based on the projects expenditure / investments in the accredited municipalities	New	3.56 % R49,290 600 (Operational Cost) R,1382,846,000	4.05%	4.1%	4.2%	4.2%

The Annual Performance Plan aligned to the PGDP in the following manner:

	PGDP OBJECTIVE	STRATEGIC OBJECTIVE	SO INDICATOR	KEY PERFORMANCE INDICATOR
6.1	Strengthen Policy, Strategy Coordination and IGR	Ensure the financial viability of the Department	Approved Human Settlement Development Grant (HSDG) business plan  Approved Medium Term Expenditure Framework Database with Estimated Provincial Revenue and Expenditure Report (EPER) for Human Settlements	Fraud Prevention Plan Reviewed  Risk Management Plan reviewed
		Implement the approved Human Resource Development Plan	Approved Human Resource Development Plan reviewed annually	Human Resource Turnaround Strategy approved
		Improve Information Systems	Approved IT Strategy reviewed annually	ICT Governance Framework Reviewed
		Provide strategic leadership to achieve good governance	Approved Litigation Management Strategy reviewed annually  Approved Communication Strategy reviewed annually	Number of Litigation cases mitigated  MPAT Improvement Plan approved
3.4	Promote sustainable human settlements	Planning of integrated and sustainable human settlements in line with the KwaZulu-Natal Human Settlements Master Spatial Plan (KZN HSMSP)	Municipal Spatial Development plans aligned to the KZN HSMSP's focus areas	Number of Catalytic projects approved
				Number of Catalytic projects implemented
			Approved beneficiary capacitation strategy on home ownership reviewed annually	Number of households provided with consumer education
			Number of nationally approved catalytic projects in planning	Number of projects in planning
				Approved multi-year housing development plan reviewed
				Number of accredited municipalities provided with support
		Implement the Upgrading of Informal Settlements, Integrated Residential Developments, Enhanced Peoples Housing Process, Finance Linked Individual Programme (Middle-income Market Housing), Social/Rental Housing and Community Residential Units Programmes (Outcome 8)	Number of urban housing opportunities created in line with National Service Delivery Outcome 8, National Development Plan, the Provincial Growth and Development Strategy, Integrated Urban Development Framework, KZN HSMSP	Number of Informal Settlements Upgraded
				Number of Households benefiting from informal settlements upgrading
				Number of units completed in terms of the FLISP programme
				Number of new sites connected to basic services (provided with the following: water, sanitation, and electricity) as part the Integrated Residential Development Programme

	PGDP OBJECTIVE	STRATEGIC OBJECTIVE	SO INDICATOR	KEY PERFORMANCE INDICATOR
3.4 (cntd)	Promote sustainable human settlements (continued)	Implement the Upgrading of Informal Settlements, Integrated Residential Developments, Enhanced Peoples Housing Process, Finance Linked Individual Programme (Middle-income Market Housing), Social/Rental Housing and Community Residential Units Programmes (Outcome 8) (cntd)	Number of urban housing opportunities created in line with National Service Delivery Outcome 8, National Development Plan, the Provincial Growth and Development Strategy, Integrated Urban Development Framework, KZN HSMSP (cntd)	Number of households connected to basic services (provided with at least two of the following: water, sanitation and electricity) as part the Informal Settlement Upgrade Programme (either in-situ or relocation)
				Informal Settlements Upgrade Programme: Number of Houses completed
				Integrated Development Programme: Number of Houses completed
				Enhanced Peoples Housing Process: Number of houses completed
				Number of Social Housing Units Completed
				Number of Community Residential Units Completed
				Fast-track the implementation of the Title Deeds Restoration Programme (From 01 April 1994 to 31 March 2014)
		Number of post-1994 title deeds issued (April 1994 - March 2014)		
		Number of Pre-1994 title deeds issued		
		Fast-track the implementation of the Title Deeds Restoration Programme (prior to 01 April 1994)	Approved Implementation Plan for the Title Deeds Restoration Programme (prior to 01 April 1994) reviewed	Number of rental units sold to beneficiaries
Number of Debtors reduced per financial year				

Large-scale development projects identified as catalytic projects within the PGDP, which directly stimulate and provide for much higher levels of developments include:

- Empangeni Integrated Residential Development Programme;
- Cornubia South (Phase 1&2) Integrated Residential Development Programme;
- Amaoti Greater Informal Settlement Upgrade;
- KwaMashu Bridge City;
- eThekweni Inner City Regeneration;
- Umlazi Urban Regeneration;
- Hyde Park Integrated Residential Development Programme; and
- Johnston Blaaubosch Cavan Integrated Residential Development Programme

## The KwaZulu-Natal Human Settlements Master Spatial Plan

The KZN HSMSP has been completed through the HDA, to streamline planning processes to enable the implementation of strategic spatial interventions. The highlights of the KZN HSMSP have noted the institutional and structural deficiencies in the current form in which human settlement projects are planned and implemented in the Province. It has identified Key Focus Areas for prioritised investment based on housing needs and demands; also the population and infrastructure capacity of those areas. The plan provides for:

- Consistent interpretation and application of principles and objectives across various scales
- Consistent interpretation and application of detailed project level evaluation criteria
- Broad commitment to spatial transformation of human settlement patterns
- Long term commitment (beyond a single election cycle) to investment targeting
- Full integration and alignment with spatial planning initiatives at provincial and municipal level
- Establish the required institutional capacity for implementing human settlement spatial master plan at municipal level, including detailed spatial planning; and
- Commitment and support for land acquisition and release function of the HDA.

The KZN HSMSP further proposes a model for land identification and prioritisation. It has provided a horizon for land needs in each of the identified Focus Areas to the year 2030. It will assist the Department in guiding and spatially locating areas for focused development intervention that will contribute to sustainable human settlements. The KZN HSMSP is expected to take into consideration the impact the spatial investment will have on the lives of communities. Additionally, it is aligned to the national investment framework and provincial imperatives as articulated in the PGDP.

## Kwazulu-Natal Multi-year Housing Development Plan

In line with the MTSF, the Department has compiled the KZN Multi-year Development Plan focusing on realistic Integrated Sustainable Human Settlement Developments. This plan will assist the Department in spatially locating areas of greater need and greater economic opportunities for vulnerable and 'middle-income market' households; with an intention to build onto the socio-economic needs identified and prioritized in the Municipal Housing Sector Plans to ensure sustainable human settlements development.

The implementation of the reviewed Multi Year Housing Development Plan aligned to the Annual Performance Plan will promote the creation of an enabling environment based on a coordinated, integrated and inter-sectorial approach to support human settlement infrastructure development.

## Interdepartmental Linkages

The Department participates in provincial Cabinet Clusters, Multi-sectorial Integrated Development Plan Forums, Provincial Disaster Management Task Team as well as other related committees and structures.



## **Local Government Linkages**

The Department had embarked on the facilitation of the KwaZulu-Natal Sustainable Human Settlements Strategy to ensure that there is planning synergy amongst all Departments and municipalities. The intention is that all Departments build onto the needs identified and prioritized in the Municipal Housing Spatial Plans of municipalities to ensure that all settlements develop in a sustainable manner. For this to be achieved substantial co-ordination between spheres of government, and among provincial Departments is required. With the implementation of the KwaZulu-Natal Sustainable Human Settlements Strategy, envisaged that all settlements will offer the full range of services to its inhabitants and will be in this way sustainable.

## **Public Entities**

The Department does not have any public entities.

## **Public, private partnerships, outsourcing**

The Department has entered into a Memorandum of Understanding with the HDA for the acquisition of private land and for the release of state land.



## Annexure D

Changes to the Strategic Plan (2015–2020)



**eMapheleni Informal Settlement Upgrade Project**

## CHANGES TO THE STRATEGIC PLAN (2015-2020)

The approved 2015-2020 Strategic Plan was reviewed and amendments and additions were made to the Departmental Mission, Strategic Goals, Strategic Objective, Indicators and Targets in order to properly reflect the work of the department in response to the housing needs of the people of the KZN Province. The Strategic Goals, Objectives and Indicators for the Programmes remain unchanged with the following exceptions:

- (1) The Mission was amended to include the youth: “To deliver suitably located housing opportunities and security of tenure over the next five years through collaborative partnerships, legislative planning processes and empowerment of women and youth in construction”;
- (2) Strategic Goal for Programme 1 was changed from “Maintain effective and efficient governance of human settlement services” to “Ensure effective and efficient governance of human settlement services”; and
- (3) Programme 3: Housing Development: The Strategic Objective Indicators, namely Number of Rural opportunities created and Number of housing opportunities for military veterans are being monitored under the Programme Performance Indicators, i.e. Number of houses completed for the Rural Housing Programme and Military Veterans Programme, respectively. These indicators have thus been removed as reflected in the table hereunder.

### Programme 3: Housing Development

Strategic Objective	Strategic Objective Indicator	Strategic Objective Target	Audited/Actual Performance			Estimated Performance	Medium Term Target		
			2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Implement the upgrading of informal settlements, integrated residential developments, enhanced peoples housing process, middle income market housing, social/rental housing and community residential units (Outcome 8)	Number of urban housing opportunities created in line with National Service Delivery Outcome 8, National Development Plan, the Provincial Growth and Development Strategy, Integrated Urban Development Framework, KZN HSMSP	60,180	8,293	12,021	8,491	6,814	8,941	9,325	10,773
Fast-track the implementation of the Title deeds Restoration Programme (From 01 April 1994 to 31 March 2014)	Approved implementation plan to fast track the implementation of the Title Deeds Restoration Programme (From 01 April 1994 to 31 March 2014) reviewed annually	2	New Indicator	New Indicator	New Indicator	1	1	1	1
Fast-track the issuing of title deeds (From 01 April 2014 to 31 March 2016)	Approved implementation plan to fast track the issuing of title deeds which were not issued during the “swopping” of project milestones during 01 April 2014 to 31 March 2016 reviewed annually	2	New Indicator	New Indicator	New Indicator	1	1	1	1

# Annexure E

## Technical Indicator Definitions



**KwaMashu Community Residential Units**

# TECHNICAL INDICATOR DEFINITIONS

## PROGRAMME 1

- STRATEGIC OBJECTIVE INDICATORS

Indicator title	Approved Human Settlement Development Grant (HSDG) business plan
Short definition	To implement a financial operational plan for housing development within the Province
Purpose/importance	To ensure that Departmental priorities, budgets and targets are achieved
Source/collection of data	Approved HSDG Business plan
Method of calculation	Number of business plans approved
Data limitations	Lack of input from Districts/Regions
Type of indicator	Output Indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Strategic Plan, Annual Performance Plan, MYHDP
Desired performance	100% of target achieved
Indicator responsibility	Chief Financial Officer

Indicator title	Approved Medium Term Expenditure Framework Database with the Estimated Provincial Revenue and Expenditure Report (EPRE) for Human Settlements
Short definition	To implement and manage the Medium Term Expenditure Framework in line with budget allocations
Purpose/importance	To ensure that Departmental expenditure is achieved with the allocated budget.
Source/collection of data	Approved Medium Term Expenditure Framework Database
Method of calculation	Medium Term Expenditure Framework Database approved
Data limitations	Lack of input from Responsibility Managers
Type of indicator	Output Indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Strategic Plan, Annual Performance Plan, MYHDP, HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Financial Officer

Indicator title	Approved Human Resource Plan reviewed annually
Short definition	To ensure the provision of skilled human resources within the Department.
Purpose/importance	To comprehensively address the human resource requirements of the Department in order for the Department to meet its mandates inclusive of providing sustainable human settlements and improved quality of life.
Source/collection of data	Annual reviewed Human Resource Plan
Method of calculation	Annual Review of Human Resource Plan
Data limitations	Ineffective participation from relevant stakeholders
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	To achieve the target indicated
Linkages to other plans	Skills Development Plan, EE Plan, Departmental Strategic Plan
Indicator responsibility	Director: Human Resource Management



Indicator title	Approved IT (Information Technology) Strategy reviewed annually
Short definition	To monitor that the IT Strategy is reviewed
Purpose/importance	To align the IT Strategy with the Departmental strategy
Source/collection of data	Reviewed IT Strategy
Method of calculation	IT Strategy reviewed
Data limitations	Lack of input from stakeholders
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Departmental Strategic Plan, ICT Governance Framework
Desired performance	100% of target achieved
Indicator responsibility	Director: IMST

Indicator title	Approved Litigation Management Strategy reviewed annually
Short definition	To implement measures to mitigate the litigation costs of the Department
Purpose/importance	To transform and provide for an effective and efficient management of state litigation service in the Department of Human Settlements
Source/collection of data	Approved Litigation Management Strategy
Method of calculation	Litigation Management Strategy approved
Data limitations	Lack of input from stakeholders
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Departmental Strategic Plan,
Desired performance	100% of target achieved
Indicator responsibility	Director: Legal Services

Indicator title	Approved Communication Strategy reviewed annually
Short definition	To implement a comprehensive departmental communication strategy to enhance the image of the Department.
Purpose/importance	To streamline information dissemination and activities to promote access, accuracy and transparency to towards a positive image of Department.
Source/collection of data	Approved Communication Strategy
Method of calculation	Communication Strategy approved
Data limitations	Lack of input from stakeholders
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Departmental Strategic Plan, Annual Performance Plan, Communication Policy
Desired performance	100% of target achieved
Indicator responsibility	Director: Communications



• **PROVINCIAL PERFORMANCE INDICATORS**

<b>Indicator title</b>	<b>Approved ICT Governance Framework Reviewed annually</b>
Short definition	To monitor the implementation of the ICT Governance Framework
Purpose/importance	To align the ICT Governance Plan with the Departmental strategy
Source/collection of data	Reviewed Framework
Method of calculation	Framework reviewed
Data limitations	Nil
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Departmental Strategic Plan, Business Continuity Plan
Desired performance	100% of target achieved
Indicator responsibility	Director: IMST

<b>Indicator title</b>	<b>Approved Fraud Prevention Plan Reviewed annually</b>
Short definition	A comprehensive plan to improve the environment on the fight against fraud and corruption
Purpose/importance	To ensure that the department has system and procedures in place to circumvent fraud and timeously detect fraudulent activities.
Source/collection of data	Reviewed Fraud Prevention Plan
Method of calculation	Fraud Prevention Plan Reviewed
Data limitations	The non-attendance of employees
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Departments Risk Management Plan, Policy, Provincial Anti-Corruption Strategy
Desired performance	100% of target achieved
Indicator responsibility	Director: Risk Management & Advisory Services

<b>Indicator title</b>	<b>Approved Risk Management Plan reviewed annually</b>
Short definition	A comprehensive plan to identify and mitigate risks that impact on the Department's ability to undertake its core mandates
Purpose/importance	To improve the management practices, processes and systems in order to enhance efficiency and effectiveness within the Department
Source/collection of data	Reviewed Risk Management Plan/Internal Audit Plan
Method of calculation	Risk Management Plan Reviewed
Data limitations	Insufficient consultation to holistically identify all risks
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Strategic Plan, Provincial Internal Audit Plan
Desired performance	100% of target achieved
Indicator responsibility	Director: Risk Management & Advisory Services

Indicator title	Number of litigation cases mitigated
Short definition	To reduce the amount of litigation costs borne by the Department
Purpose/importance	To transform and provide for an effective and efficient management of state litigation service
Source/collection of data	Approved Litigation Management Strategy
Method of calculation	Litigation Management Strategy approved
Data limitations	Lack of input from stakeholders, Financial restrictions, Dependence on external stakeholders and the judiciary
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Departmental Strategic Plan
Desired performance	100% of target achieved
Indicator responsibility	Director: Legal Services

Indicator title	Approved MPAT Improvement Plan approved reviewed annually
Short definition	A comprehensive plan to improve the MPAT scores relating to the assessment of management practices of the Department
Purpose/importance	To improve the management practices, processes and systems to address issues identified in the annual Management Performance Assessment Tool in order to enhance efficiency and effectiveness within the Department
Source/collection of data	Approved MPAT Plan
Method of calculation	MPAT Plan Approved
Data limitations	NIL
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Risk Policy/Register
Desired performance	Maintenance of maximum assessment score of all standards assessed within the Key Performance Areas
Indicator responsibility	Director: Monitoring and Evaluation

Indicator title	All payments due to creditors to be settled within 30 days of receipt of an invoice (unless determined otherwise in a contract or agreement)
Short definition	This is in compliance with Treasury Regulations 8.2.3 which spells out that invoices received by the department for services or for goods rendered must be paid within 30 days of receipt of an invoice
Purpose/importance	To improve the management practices, processes and systems to address issues identified in the annual Management Performance Assessment Tool in order to enhance efficiency and effectiveness within the Department
Source/collection of data	Payment Register
Method of calculation	From date of receipt of invoice to disbursement of payment date.
Data limitations	None
Type of indicator	Output indicator
Calculation type	Non- Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	Operational plan, HSDG Business Plan
Desired performance	All invoices received by the department to be paid within 30 days of receipt.
Indicator responsibility	Director: Financial Management

## PROGRAMME 2

### • STRATEGIC OBJECTIVE INDICATORS

Indicator title	Municipal Spatial Development plans aligned to the KwaZulu-Natal Department of Human Settlements Master Spatial Plan's focus areas
Short definition	To streamline and align the municipal planning processes to promote the development of human settlements within strategic spatial areas as prioritized within the KZN HSMSP
Purpose/importance	To ensure that the KZN HSMSP is implemented at a municipal level
Source/collection of data	Municipal Spatial Development plans
Method of calculation	Number of Municipal Spatial Development plans aligned to the KZN HSMSP
Data limitations	The lack of credible Municipal Spatial Development plans
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Annual
New indicator	No
Desired performance	100% achievement of target
Linkages to other plans	PGDP/KZN HSMPS/IDP/HSDG Business Plan
Indicator responsibility	Director: Integrated Planning

Indicator title	Approved beneficiary capacitation strategy on home ownership reviewed annually
Short definition	To provide a comprehensive strategy to educate the human settlement beneficiaries and communities on home ownership
Purpose/importance	To ensure that a comprehensive strategy is developed to holistically address capacitation of human settlement beneficiaries and communities to promote home ownership
Source/collection of data	Approved beneficiary capacitation strategy on home ownership
Method of calculation	Beneficiary capacitation strategy on home ownership approved
Data limitations	Nil
Type of indicator	Output indicator

Indicator title	Approved beneficiary capacitation strategy on home ownership reviewed annually
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	100%
Linkages to other plans	Departmental Strategic Plan, HSDG Business Plan
Indicator responsibility	Director: Municipal Support and Consumer Education

Indicator title	Number of nationally approved catalytic projects in planning
Short definition	To undertake the planning activities of approved large scale housing development projects, which directly stimulate and leverage much higher levels of development and initiation of further housing projects.
Purpose/importance	To finalize the planning milestones for projects that supports the goals of the Provincial Growth and Development Plan
Source/collection of data	Project Approvals for planning
Method of calculation	Number of approved projects that are implementing the planning milestones
Data limitations	The lack of credible municipal Human Settlement Sector Plans
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	100% achievement of target
Linkages to other plans	PGDP/MPS/IDP/HSDG Business Plan
Indicator responsibility	Director: Integrated Planning

- CUSTOMIZED PERFORMANCE INDICATORS**

Indicator title	Number of Catalytic projects approved
Short definition	To obtain approval for large scale housing development projects, which directly stimulate and leverage much higher levels of development and provide for the initiation of further housing projects
Purpose/importance	To identify and approve projects to deliver spatially targeted, high-impact interventions in order to restructure settlement patterns as well as to directly stimulate and leverage much higher levels of development and initiation of further housing projects
Source/collection of data	Project Approvals
Method of calculation	Number of projects identified and approved for planning and implementation
Data limitations	The lack of credible municipal Human Settlement Sector Plans
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% achievement of target
Linkages to other plans	PGDP/MPS/IDP/HSDG Business Plan/ NDoHS indicator
Indicator responsibility	Director: Integrated Planning

Indicator title	Number of Catalytic projects implemented
Short definition	To undertake planning and implementation of large scale housing development projects, which directly stimulate and leverage much higher levels of development and address spatial, social and economic integration. Includes catalytic projects within the entire project planning and implementation cycle.
Purpose/importance	To deliver spatially targeted, high-impact interventions in order to restructure settlement patterns as well as to directly stimulate and leverage much higher levels of development
Source/collection of data	Project approvals (for planning and construction)
Method of calculation	Number of approved projects undertaking the planning and implementation milestones
Data limitations	The lack of credible municipal Human Settlement Sector Plans
Type of indicator	Output
Calculation type	Non accumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% achievement of target
Linkages to other plans	PGDP/MPS/IDP/HSDG Business Plan/ NDoHS indicator
Indicator responsibility	Director: Integrated Planning

Indicator title	Number of households provided with consumer education
Short definition	To educate the beneficiaries and the communities at large on their rights and obligations in relation to human settlement programmes and processes.
Purpose/importance	To ensure that the beneficiaries and the communities are informed of their rights and obligations in relation to human settlement programmes and processes in order to create sustainable human settlements
Source/collection of data	Attendance registers
Method of calculation	Number of attendees at the housing consumer workshops conducted
Data limitations	Non-attendance of targeted beneficiaries and community members
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% attendance rate
Linkages to other plans	HSDG Business Plan
Indicator responsibility	Director: Municipal Support and Consumer Education

Indicator title	Number of land parcels assessed for suitability for human settlements development
Short definition	To assess suitable land for housing development in terms of the key risk factors
Purpose/importance	To ensure that the identified land is viable for human settlements development
Source/collection of data	Completed assessments
Method of calculation	Number of land parcels assessed
Data limitations	Physical and legal constraints on land such as environmental /topography limits development potential Multiple absent land ownership resulting in delays in negotiations, land owners demanding high purchase prices for well-located land
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly

Indicator title	Number of land parcels assessed for suitability for human settlements development
New indicator	Yes
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Planning and Development

Indicator title	Number of hectares of land procured/proclaimed
Short definition	To facilitate the development of integrated human settlements
Purpose/importance	Identification of suitable, well located and fiscally sustainable land for human settlements development purposes
Source/collection of data	Land Funding Agreement & Invoice
Method of calculation	Total number of hectares of land procured
Data limitations	None
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Planning and Development

## • PROVINCIAL PERFORMANCE INDICATORS

Indicator title	Number of projects in planning
Short definition	To undertake and complete the planning activities/ milestones of approved human settlement projects in line with planning prescripts.
Purpose/importance	To finalize the planning milestones for projects to promote the development of sustainable human settlements.
Source/collection of data	Project Approvals
Method of calculation	Number of projects undertaking the planning milestones
Data limitations	The lack of credible municipal Human Settlement Sector Plans
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	100% achievement of target
Linkages to other plans	PGDP/KZN HSMPS/IDP/HSDG Business Plan
Indicator responsibility	Director: Integrated Planning

Indicator title	Number of policies approved
Short definition	To develop policies in line with legislative and policy mandates to enable effective implementation of housing policy frameworks
Purpose/importance	To enhance housing delivery in line with the national and provincial strategic priorities.
Source/collection of data	Approved policy
Method of calculation	Number of polices approved
Data limitations	Ineffective//Lack of participation of relevant stakeholders
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	Formulation of the Departmental housing policy/ policy guidelines envisaged to enable effective implementation of housing policy and the relevant legislative frameworks
Linkages to other plans	HSDG Business plan
Indicator responsibility	Director: Product Development

Indicator title	Approved multi-year housing development plan reviewed annually
Short definition	Inter-action with regional and managers and municipalities on planned Human Settlement Projects and their spatial alignment to ensure integration and sustainability covering the activities of the Province
Purpose/importance	To deliver integrated sustainable human settlements based on sound planning which will enable predictability on future human settlement developments and assist to measure non-financial targets
Source/collection of data	Reviewed multi-year housing development plan
Method of calculation	Annually
Data limitations	All Spatial Development and Human Settlement plans not yet credible
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Reliable and sound data on financial targets
Linkages to other plans	PGDP/MPS/IDP/HSDG Business Plan
Indicator responsibility	Director: Integrated Planning

Indicator title	Number of accredited municipalities provided with institutional support
Short definition	To provide institutional support to accredited municipalities on human settlement functions in order for them to administer national and provincial human settlements programmes
Purpose/importance	To support and capacitate accredited municipalities in order for human settlement delivery to be fast tracked.
Source/collection of data	Payment disbursement of operational funding to the accredited municipalities
Method of calculation	Number of accredited municipalities provided with institutional support
Data limitations	Budget constraints/ Non-attendance of attendees at capacitation workshops
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Fully capacitated municipalities and improved housing delivery within accredited municipal areas
Linkages to other plans	PSEDS, HSDG Business Plan,
Indicator responsibility	Director: Municipal Support and Consumer Education



Indicator title	Number of emerging contractors provided with construction management training
Short definition	To facilitate skills development in construction management through training of the Emerging Contractors in order to ensure that they have access to sustainable economic opportunities
Purpose/importance	To increase the capacity of the housing delivery by increasing the number of housing delivery agents to undertake housing delivery in the Province.
Source/collection of data	Attendance registers
Method of calculation	Number of emerging contractors trained
Data limitations	Non-attendance and competency assessment of Emerging Contractors in the Training Programme
Type of indicator	Output Indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Emerging Contractors skilled to be economically empowered through improved access to employment opportunities in the construction industry.
Linkages to other plans	HSDG Business Plan
Indicator responsibility	Director : Municipal Support and Consumer Education

Indicator title	Number of municipalities with established NHNR system
Short definition	The establishment of a single integrated web based database of potential human settlement beneficiaries within municipalities so as to provide the municipalities with a better understanding of the housing demand and backlogs in their respective areas.
Purpose/importance	The system will enable provinces and municipalities to plan and budget better as well as deliver housing opportunities based on actual demands. It also intended to provide for the allocation of housing opportunities in a fair, equitable, transparent and auditable manner.
Source/collection of data	System generated NHNR reports
Method of calculation	Number of municipalities with established and NHNR system
Data limitations	Dependent on Council (municipality) adopting the implementation of the NHNR, reluctance of households to participate.
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	Yes
Desired performance	Fully functional NHNR systems to provide an effective planning and budgeting tool for housing needs within the Province
Linkages to other plans	IDP's, Municipal Sector Plans, KZN HSMSP
Indicator responsibility	Director: Product Development

Indicator title	Number of Farm Dwelling projects in planning
Short definition	As per the housing code, this instrument is to ensure that farm workers are bestowed the dignity they deserve through the provision of adequate housing. This is to ensure that farm dwellers also enjoy security of tenure close to and within proximity to their place of work. This will be undertaken within the ambit of sustainable development ensuring that the necessary social facilities are provided to achieve an integrated and sustainable settlement.
Purpose/importance	To ensure that housing opportunities are provided to the farm dwellers.
Source/collection of data	MEC approval
Method of calculation	The number of Farm dweller projects approved by the MEC for reservation of subsidies, Stage 1, Stage 2 and Stage 3.
Data limitations	Nil
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Annual
New indicator	Yes
Desired performance	100% of target achieved
Linkages to other plans	Multi-year Housing Plan
Indicator responsibility	Director: Integrated Planning

## PROGRAMME 3

### • STRATEGIC OBJECTIVE INDICATORS

<b>Indicator title</b>	<b>Number of urban housing opportunities created in line with National Service Delivery Outcome 8, National Development Plan, the Provincial Growth and Development Strategy, Integrated Urban Development Framework, KwaZulu-Natal Human Settlements Master Spatial Plan (KZN HSMSP)</b>
Short definition	To provide for housing opportunities (number of housing units completed ) within the urban sector through the following instruments: Integrated Residential Development Programme, Informal Settlements Upgrading, Enhanced Peoples Housing Programme and FLISP, Social Housing, CRU's and Emergency Housing
Purpose/importance	To measure the impact of the provision of new housing within the urban sector
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Total houses delivered on all Outcome 8 projects the Province
Data limitations	Dependent on accurate reporting by the Project Management Unit (PMU)
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Annual
New indicator	No
Linkages to other plans	Departmental HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

<b>Indicator title</b>	<b>Approved implementation plan to fast track the implementation of the Title Deeds Restoration Programme (From 01 April 1994 to 31 March 2014) reviewed annually</b>
Short definition	To implement a plan to expedite the issuing of title to qualifying subsidy beneficiaries for human settlement Programmes implemented from April 1994-March 2014.
Purpose/importance	To fast track the issuing of title deeds to beneficiaries for houses completed during 01 April 2014 to 31 March 2016
Source/collection of data	Approved implementation plan
Method of calculation	Implementation plan approved
Data limitations	Lack of input from PMU
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Acting Chief Director: Title Restoration Programme

<b>Indicator title</b>	<b>Approved implementation plan to fast track the issuing of title deeds which were not issued during the "swopping" of project milestones during 01 April 2014 to 31 March 2016 reviewed annually</b>
Short definition	To implement a plan to expedite the issuing of title deeds for human settlement housing projects where although house construction was finalized, town planning and survey activities were incomplete and hence title deed transfer could not be undertaken.
Purpose/importance	To fast track the issuing of title deeds to beneficiaries for houses completed during 01 April 2014 to 31 March 2016
Source/collection of data	Approved implementation plan
Method of calculation	Implementation plan approved

Indicator title	Approved implementation plan to fast track the issuing of title deeds which were not issued during the “swopping” of project milestones during 01 April 2014 to 31 March 2016 reviewed annually
Data limitations	Lack of input from PMU
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

- **CUSTOMIZED PERFORMANCE INDICATORS**

Indicator title	Number of Informal Settlements Upgraded
Short definition	Informal settlements upgraded in terms of the Informal Settlement Upgrade Programme with improved access to basic services and security of tenure.
Purpose/importance	To ensure that beneficiaries have access to basic services
Source/collection of data	Close Out Report
Method of calculation	Number of informal settlements upgraded
Data limitations	Dependent on accurate reporting by PMU
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of target achieved
Linkages to other plans	HSDG Business Plan/ NDoHS indicator
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Number of households benefiting from informal settlements upgrading
Short definition	Households are upgraded with improved access to basic services and security of tenure in terms of the various Housing Programmes that contribute to the upgrading of informal settlements inclusive of IRDP and EPHP.
Purpose/importance	To ensure that households have access to basic services
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Number of houses built
Data limitations	Dependent on accurate reporting by PMU
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	Departmental HSDG Business Plan /NDoHS indicator
Linkages to other plans	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Number of housing units for subsidy sub-market provided (All housing programmes excluding Rectification and middle-income market)
Short definition	Number of new housing units completed in the Province across all housing programmes (Excluding Rectification and the middle-income market).
Purpose/importance	To measure the impact of the provision of new housing against the housing demand
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Total houses delivered on all projects the Province
Data limitations	Dependent on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	Departmental HSDG Business Plan/ NDoHS indicator
Linkages to other plans	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Number of Social Housing Units Completed
Short definition	To provide for rental housing opportunities within designated restructuring zones as well as to facilitate the provision of secure, stable rental tenure for lower income persons/households, in accordance with the Social Housing Programme
Purpose/importance	To measure impact of the provision of rental stock
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6
Method of calculation	Total number of houses delivered for projects approved under the Social Housing Programme
Data limitations	Dependent on accurate reporting by PMU
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of target achieved
Linkages to other plans	Departmental HSDG Business Plan/ NDoHS indicator/Social Housing Plan
Indicator responsibility	Chief Director: Housing Assets Management, Property Management

Indicator title	Number of Community Residential Units Completed
Short definition	To provide for rental housing opportunities within designated restructuring zones as well as to facilitate the provision of secure, stable rental tenure for lower income persons/households, in accordance with the Social Housing and Community Residential Unit Programmes.
Purpose/importance	To measure impact of the provision of rental stock
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Total number of houses delivered for projects approved under the Social Housing and Community Residential Unit Programmes
Data limitations	Dependent on accurate reporting by PMU
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of target achieved
Linkages to other plans	NDoHS indicator, Departmental HSDG Business Plan/Social Housing Plan
Indicator responsibility	Chief Director: Housing Assets Management, Property Management

Indicator title	Number of new title deeds issued for the subsidy market (from April 2014)
Short definition	Provision of security of tenure to qualifying beneficiaries for human settlement Programmes implemented from April 2014
Purpose/importance	To provide security of tenure
Source/collection of data	Deeds Search printout/ conveyancers certificate
Method of calculation	Total number of new title deeds issued for the subsidy market (from April 2014)
Data limitations	Delayed updating of records by the Deeds Office
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of target achieved
Linkages to other plans	NDoHS indicator, Departmental HSDG Business Plan
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Number of post-1994 title deeds issued ( April 1994-March 2014)
Short definition	Provision of security of tenure to qualifying subsidy beneficiaries for human settlement Programmes implemented from April 1994-March 2014
Purpose/importance	To provide security of tenure
Source/collection of data	Deeds Search printout/ conveyancers certificate
Method of calculation	Number of post-1994 title deeds issued from April 1994-March 2014
Data limitations	Delayed updating of records by the Deeds Office
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of target achieved
Linkages to other plans	NDoHS indicator, TRP Grant Framework
Indicator responsibility	Director: Title Restoration Programme

Indicator title	Number of units completed in terms of the FLISP programme
Short definition	The FLISP Programme is available to qualifying beneficiaries purchasing a house for the first time. The applicant must acquire a mortgage bond or home loan financing from a recognized financial institution/bank. The Government will give a once-off subsidy, which is a non-refundable amount, to those who qualify, on a sliding scale ranging from R 27 960.00 to R 121 626.00, dependent on income.
Purpose/importance	To provide a non-refundable once-off subsidy on an approved mortgage bond or home loan to 1 <sup>st</sup> time home buyers who earn a gross household income of between R 3 501 and R 22 000.00 pm
Source/collection of data	Form 4 & HSS Detailed expenditure Report
Method of calculation	Number of Finance Linked Individual Subsidy units completed
Data limitations	Nil
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of target achieved
Linkages to other plans	NDoHS indicator, Departmental HSDG Business Plan
Indicator responsibility	Director: Subsidy Administration and FLISPn

Indicator title	Number of households provided with adequate sanitation services
Short definition	To provide households with adequate sanitation services including VIP's with the rural areas
Purpose/importance	To improve access to basic services and to improve the living conditions of beneficiaries
Source/collection of data	Tranche/Bulk Payment: Form 4 & Interim Payment Certificate or D6 Progress Payment: Form 4, HSS Claim Report & Interim Payment Certificate or D6
Method of calculation	Number of households provided with adequate sanitation services for urban housing and VIP's (funded by the Department) for rural housing
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of target achieved
Linkages to other plans	NDoHS indicator, Departmental HSDG Business Plan
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Percentage of HSDG construction budget allocated to designated groups
Short definition	Provision is made for a 30% allocation of the HSDG budget to designated groups (women, youth, people with disabilities and military veterans)
Purpose/importance	For empowerment of companies owned by designated groups in the housing sector
Source/collection of data	Expenditure Report
Method of calculation	% of HSDG grant expenditure on designated groups
Data limitations	Nil
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Empowered of designated groups (women, youth, people with disabilities and military veterans)
Linkages to other plans	NDoHS indicator, Departmental HSDG Business Plan
Indicator responsibility	Acting Chief Director: Special Projects

## • PROVINCIAL PERFORMANCE INDICATORS

Indicator title	Integrated Residential Development Programme - Number of new sites connected to basic services
Short definition	Provision of access to basic services for the development of integrated human settlements in well-located areas that provide convenient access to urban amenities, including places of employment.
Purpose/importance	Increased access to basic services
Source/collection of data	Tranche/Bulk Payment: Form 4 & Interim Payment Certificate Progress Payment: Form 4 & Interim Payment Certificate & HSS Claim Report
Method of calculation	Value of civil work completed converted to the number of service sites
Data limitations	Dependent on accurate reporting by PMU
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	Departmental HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements



Indicator title	Integrated Residential Development Programme - Number of houses completed
Short definition	To facilitate the development of integrated human settlements in well-located areas that provide convenient access to urban amenities, including places of employment. The Programme also aims at creating social cohesion.
Purpose/importance	To measure the impact of the provision of new housing against the housing demand
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Total houses delivered on all projects the Province
Data limitations	Dependent on accurate reporting by PMU
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Informal Settlements Upgrade Programme -Number of new sites connected to basic services
Short definition	Provision of access to basic services through a phased approach to development within informal conditions
Purpose/importance	Increased access to basic services
Source/collection of data	Tranche/Bulk Payment: Form 4 & Interim Payment Certificate Progress Payment: Form 4 & Interim Payment Certificate & HSS Claim Report
Method of calculation	Value of civil work completed converted to the number of service sites
Data limitations	Dependent on accurate reporting by PMU
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Informal Settlements Upgrade Programme - Number of houses completed
Short definition	To facilitate the development of integrated human settlements to address slums and informal housing within the Province.
Purpose/importance	To measure the impact of the provision of new housing against the housing demand
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Total houses delivered on all projects the Province
Data limitations	Dependent on accurate reporting by PMU
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Enhanced Peoples Housing Process – Number of houses completed
Short definition	Provision of housing delivery utilizing the Enhanced Peoples Housing Process mechanism
Purpose/importance	To ensure that the housing needs of qualifying beneficiaries are progressively met utilizing the enhanced Peoples Housing Process mechanism whereby beneficiaries are capacitated to build their own houses
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Total houses delivered in the Province utilizing the Peoples Housing Process mechanism
Data limitations	Dependent on accurate reporting by PMU
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Emergency Housing Programme - Number of houses completed
Short definition	To provide housing opportunities to people affected by natural disasters as well as the most destitute people as identified for housing assistance
Purpose/importance	To measure housing opportunities provided in terms of the above programmes
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Total houses delivered under the Emergency Housing Programme
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Military Veterans Housing Programme - Number of Houses completed
Short definition	To provide housing units to extra-parliamentary war veterans who have trained and engaged in an instrument of war, aimed at destructive activities against the former apartheid regime.
Purpose/importance	To expedite delivery to the needy ex-liberation movement members through the Military Veterans Housing Programme.
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Number of houses built
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Acting Chief Director: Special Projects

Indicator title	Rural Housing (Inclusive of Farm Worker Programme) - Number of houses completed
Short definition	To provide for housing units within the rural areas
Purpose/importance	To promote housing development in rural areas
Source/collection of data	Tranche/Bulk Payments: Form 4 & D6 Progress Payments: Form 4, D6 & HSS Claim Report
Method of calculation	Number of houses built
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Consolidation Housing Programme - Number of houses completed
Short definition	To facilitate the provision of houses to the beneficiaries as per the consolidation policy
Purpose/importance	To promote the provision of houses to the beneficiaries as per the consolidation policy
Source/collection of data	Tranche/Bulk Payments: Form 4 & D6 Progress Payments: Form 4, D6 & HSS Claim Report
Method of calculation	Number of houses built
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Rectification/Rehabilitation (1994-2002 stock) Programme - Number of Units rectified
Short definition	To rectify houses deemed to be unsafe and inhabitable that were built during the period 1994-2002 in line with policy prescripts
Purpose/importance	To track the number of houses rectified under this Programme
Source/collection of data	Tranche/Bulk Payments: Form 4 & D6 Progress Payments: Form 4, D6 & HSS Claim Report
Method of calculation	Number of houses built
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	Number of work opportunities created through related programmes
Short definition	Work opportunities created
Purpose/importance	To monitor the number of work opportunities created
Source/collection of data	EPWP Annexures
Method of calculation	Paid work created for an individual on an EPWP project
Data limitations	Non-submission of reports
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Director: EPWP

Indicator title	Number of targeted work opportunities
Short definition	Work opportunities created
Purpose/importance	To monitor the number of work opportunities created
Source/collection of data	EPWP Annexures
Method of calculation	Paid work created for an individual on an EPWP project
Data limitations	Non-submission of reports
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100%
Linkages to other plans	Departmental Business Plan
Indicator responsibility	Director: EPWP

Indicator title	Number of Full time Equivalent (FTE's) created
Short definition	Work opportunities in equivalence to full time employment
Purpose/importance	To establish the duration of employment if the beneficiaries were to work on full time basis
Source/collection of data	EPWP Annexures
Method of calculation	Person days of work divided by 230
Data limitations	Non-submission of MIS Forms
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100%
Linkages to other plans	Departmental Business Plan
Indicator responsibility	Director: EPWP

Indicator title	Number of targeted person's days of work
Short definition	Number of days the beneficiaries worked.
Purpose/importance	To monitor the number of days worked.
Source/collection of data	EPWP Annexures
Method of calculation	Paid work created for an individual on an EPWP project
Data limitations	Non-submission of reports
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100%
Linkages to other plans	Departmental Business Plan
Indicator responsibility	Director: EPWP

Indicator title	All Subsidy Instruments: Number of properties transferred (From April 1994)
Short definition	Provision of security of tenure to qualifying beneficiaries for housing programmes implemented by Programme 3: Sustainable Development
Purpose/importance	To promote home ownership
Source/collection of data	Title Deed Search Printout /Conveyances Certificates, FLISP- HSS Detailed Expenditure Report
Method of calculation	Cumulative year end
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	NDoHS indicator, Departmental HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements and Director: Title Restoration Programme

Indicator title	Number of serviced sites delivered in all housing programmes being utilized by the Province
Short definition	Provision of minimum level of services in terms of the National Norms and standards
Purpose/importance	Increased access to basic services
Source/collection of data	Tranche/Bulk Payment: Form 4 & Interim Payment Certificate Progress Payment: Form 4 & Interim Payment Certificate & HSS Claim Report
Method of calculation	Value of civil work completed converted to the number of service sites
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	All Subsidy Instruments: Number of new housing units completed in the Province across all housing programmes (Excluding Rectification)
Short definition	To track the provision of new permanent houses provided per programme per municipality
Purpose/importance	To measure the impact of the provision of new housing against the housing demand
Source/collection of data	Tranche/Bulk Payment: Form 4 & D6 Progress Payment: Form 4 & D6 & HSS Claim Report
Method of calculation	Total houses delivered on all projects the Province
Data limitations	Dependent on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	NDoHS indicator, Departmental HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

## PROGRAMME 4

### • STRATEGIC OBJECTIVE INDICATORS

Indicator title	Approved Implementation Plan for the Title Deeds Restoration Programme (prior to 01 April 1994) reviewed annually
Short definition	Implement a comprehensive plan to fast track the transfer of rental units to qualifying tenants through the EEDBS
Purpose/importance	To promote home ownership to qualifying tenants through the EEDBS
Source/collection of data	Approved Implementation Plan for the Title Deeds Restoration Programme (prior to 01 April 1994)
Method of calculation	Approved Implementation Plan for the Title Deeds Restoration Programme (prior to 01 April 1994) reviewed
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	100% of target achieved
Linkage to other plans	HSDG Business Plan
Indicator responsibility	Chief Director: Housing Assets Management, Property Management

Indicator title	Approved Implementation Plan for the devolution of the KwaZulu-Natal Housing Fund properties to the municipalities in terms of section 15 of the Housing Act, 1997 reviewed annually
Short definition	To fast track the transfer of vacant properties to municipalities that are deemed not suitable for human settlement developments
Purpose/importance	To implement the MINMEC resolution in order to transfer vacant properties to dis-establish the KwaZulu-Natal Housing Fund
Source/collection of data	Approved Implementation Plan for the devolution of the KwaZulu-Natal Housing Fund properties
Method of calculation	Approved Implementation Plan for the devolution of the KwaZulu-Natal Housing Fund properties to the municipalities in terms of section 15 of the Housing Act, 1997 reviewed
Data limitations	None
Type of indicator	Output
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	100% of target achieved
Linkage to other plans	EEDBS Programme
Indicator responsibility	Chief Director: Housing Assets Management, Property Management

- **CUSTOMIZED PERFORMANCE INDICATORS**

Indicator title	Number of pre-1994 title deeds issued
Short definition	Number of departmental and municipal units transferred to qualifying tenants through the EEDBS
Purpose/importance	To promote home ownership
Source/collection of data	Deeds search printout/ Conveyancers Certificate
Method of calculation	Number of pre-1994 title deeds issued
Data limitations	Delayed updating of records by the Deeds Office
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of target achieved
Linkages to other plans	NDoHS indicator, Departmental HSDG Business Plan
Indicator responsibility	Chief Director: Housing Assets Management, Property Management

- **PROVINCIAL PERFORMANCE INDICATORS**

Indicator title	Number of rental units sold to beneficiaries
Short definition	Number of Departmental rental units sold to qualifying tenants through the EEDBS
Purpose/importance	To promote home ownership
Source/collection of data	Sale Agreement
Method of calculation	Number of rental units sold to beneficiaries
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Desired performance	100% of target achieved
Linkage to other plans	HSDG Business Plan
Indicator responsibility	Chief Director: Housing Assets Management, Property Management

Indicator title	Number of debtors reduced per financial year
Short definition	Reduction of the number of debtors on the Debtors system through EEDBS
Purpose/importance	To promote home ownership
Source/collection of data	Debtors system printout



Indicator title	Number of debtors reduced per financial year
Method of calculation	Number of debtors reduced
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Housing Assets Management, Property Management

Indicator title	Number of units maintained
Short definition	To undertake day to day maintenance repairs of and provide for security and cleaning of state financed residential properties
Purpose/importance	To ensure that state financed residential properties retain value
Source/collection of data	Job Cards/Invoices
Method of calculation	Number of units maintained
Data limitations	The non-timely submission of the job cards by the Agencies
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Housing Assets Management, Property Management

Indicator title	Number of Units Rectified for Pre-1994 stock
Short definition	To facilitate the improvement of state financed residential properties created through State housing programme interventions during the pre-1994 housing dispensation.
Purpose/importance	To ensure that the affected residential properties comply with current building regulations and meet the minimum requirements for human occupation to facilitate transfer into ownership of the beneficiary
Source/collection of data	Completion Certificates/D3 Form
Method of calculation	Number of Pre-1994 stock Units Rectified
Data limitations	Non-timely submission of completion certificates by the municipalities
Type of indicator	Output indicator
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Housing Assets Management, Property Management

<b>Indicator title</b>	<b>Number of Land Parcels devolved to Municipalities in terms of Section 15 of the Housing Act, 1997</b>
Short definition	Transfer of Departmental vacant land to municipalities
Purpose/importance	To devolve the land parcels not viable for housing development
Source/collection of data	Deeds office printout/ Conveyancers certificate
Method of calculation	Cumulative
Data limitations	Delayed updating of records by the Deeds Office
Type of indicator	Output
Calculation type	Cumulative year end
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	HSDG Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Housing Assets Management, Property Management



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## human settlements

Department:  
Human Settlements  
**PROVINCE OF KWAZULU-NATAL**



# 2019/20

ANNUAL PERFORMANCE PLAN