



## human settlements

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

# 2014 | 2015 - Annual Performance Plan



**TABLE OF CONTENTS**

	PG
Foreword by Executing Authority	2
Official Sign off	4
Glossary	5
<b>PART A: STRATEGIC OVERVIEW</b>	
1. Updated situational analysis	8
2. Revisions to Legislation and other Mandates	11
3. Overview of the 2014/15 Budget and MTEF Estimates	13
<b>PART B: PROGRAMMES</b>	
4.1 Programme 1: Administration	18
4.2 Programme 2: Housing Needs, Research and Planning	22
4.3 Programme 3: Housing Development	26
4.4 Programme 4: Housing Assets Management, Property Management	32
<b>PART C:</b>	
Capital Investment, Maintenance and Asset Management Plan	38
Co-ordination, Co-operation and Outsourcing Plans	41
<b>PART D:</b>	
Five Year Horizon - Multi Year Housing Development Plan	44
<b>INDICATOR DEFINITIONS</b>	
ANNEXURE A- Maps reflecting the KZN Priority Intervention Areas	80

## FOREWORD



**Honourable R. Pillay, MPL**  
**Member of the Executive Council**  
**Department of Human Settlements and Public Works**

It is with pleasure that we present the 2014/15 Annual Performance Plan, incorporating the Multi Year Development Plan. In terms of the strategic planning session held in September 2013, great strides have been made towards identifying issues that contributed to this Department's achievement of its core mandate, i.e. creating sustainable settlements. Of significance during this session was aligning human settlements within the broader Medium Term Strategic Framework and within the context of the national and domestic economy. In addition, the critical contribution to the Provincial Growth and Development Plan by the Human Settlements sector in terms of the Human Capital Organizational Efficiency, was highlighted to pave the way for this Department's strategic direction for the forthcoming years.

In 2013, the department forged ahead on improved service delivery and strengthening key stakeholder relations by undertaking rural and urban human settlement dialogues. Attention was also placed on addressing critical blockages that severely impacted on service delivery such as the lack of bulk infrastructure provisions. In 2014, the department is expected to continue to pursue its core strategic priorities in support of the primary goal of the Comprehensive Plan on Human Settlements of 2004, which is to promote the achievement of a non-racial, integrated society through the development of sustainable human settlements and quality housing.

The outcomes based approach towards Sustainable Human Settlements and Improved Quality of Life as well as the Millennium Development Goals lays the foundation for this department to prioritise and ensure that its mandate is achieved. Focused attention will be placed on: the informal settlement upgrade programme, Operation SukumeSakhe, the rural housing programme, as well as the facilitation of the operationalisation of the rental housing strategic plan. As part of a capacity building initiative, the Rental Housing Strategic Management Team has been created by the Social Housing Regulatory Authority (SHRA). The implementation of Cornubia (Integrated Residential Project) as a National Priority Project, the Finance Linked Subsidy Programme, as well as the acquisition of suitable land and the effective implementation of the capacitation of accredited municipalities is expected to further contribute towards achieving sustainable human settlements (Outcome 8).

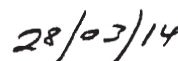
Strategic interventions to the alignment of the Provincial Growth and Development Plan ensure that this department is also committed to 2030 Vision of the Province. In addition, this department's commitment to the creation of employment is further illustrated by the target of 5,531 work opportunities being created through various housing construction programmes.

I am satisfied that the targets reflected in the APP are credible against the resources available and objective constraints faced. We will continue to pursue new and creative approaches in seeking to fulfill our mandate.



---

Mr R. R. Pillay, MPL  
MEC for Department of Public Works and Human Settlements  
KwaZulu-Natal Department of Human Settlements



---

Date

**1. 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 a strategic planning session in 2nd quarter of 2013/14. 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 outcome oriented goals and objectives which the KwaZulu-Natal Department of Human Settlements will endeavor to achieve over the period 2014/15 – 2016/17.

**Ms S. Pillay**

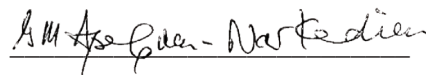
Chief Financial Officer

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

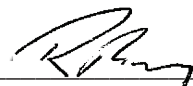

**Ms G. Apelgren-Narkedien**

Accounting Officer

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


**Approved by:****Mr R. Pillay**MEC for Department of Human Settlements and Public Works  
KwaZulu-Natal Department of Human Settlements

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



28/03/17.

## 2. GLOSSARY OF TERMS

<b>AR</b>	Annual Report
<b>APP</b>	Annual Performance Plan
<b>ASGISA</b>	Accelerated and Shared Growth Initiatives for South Africa
<b>BBBEE</b>	Broad Based Black Economic Empowerment
<b>BEE</b>	Black Economic Empowerment
<b>BNG</b>	Breaking New Ground NDOH policy on sustainable human settlements
<b>CETA</b>	Construction Education and Training Authority
<b>CG</b>	Conditional Grant
<b>CIP</b>	Comprehensive Infrastructure Plans
<b>COGTA</b>	Cooperative Governance and Traditional Affairs
<b>CoP</b>	Community of Practice
<b>CIDB</b>	Construction Industry Development Board
<b>CRU</b>	Community Residential Units
<b>DAEARD</b>	Department of Agriculture, Environmental Affairs and Rural Development
<b>DBSA</b>	Development Bank of Southern Africa
<b>DFI</b>	Development Finance Institutions
<b>DLA</b>	Department of Land Affairs
<b>DHS</b>	Department of Human Settlements
<b>DORA</b>	Division of Revenue Act
<b>EAAB</b>	Estate Agency Affairs Board
<b>EEDBS</b>	Extended Enhanced Discount Benefit Scheme
<b>EIA</b>	Environmental Impact Assessment
<b>EPRE</b>	Estimates of Provincial Revenue and Expenditure
<b>FLISP</b>	Finance Linked Individual Subsidy Programme
<b>GWEA</b>	Government Wide Enterprise Architecture
<b>HDA</b>	Housing Development Agency
<b>HDP</b>	Housing Development Plans
<b>HH</b>	Households
<b>HRMS</b>	Human Resource Management System
<b>HSDG</b>	Human Settlement Development Grant
<b>HPS</b>	Housing Sector Plans
<b>HSS</b>	Housing Subsidy System
<b>IDP</b>	Integrated Development Plans
<b>IRG</b>	Inter-governmental Relations
<b>IGRFA</b>	Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005)
<b>ISRDP</b>	Integrated Sustainable Development Plan
<b>ISUP</b>	Informal Settlement Upgrade Programme
<b>IRDPA</b>	Integrated Residential Development Programme
<b>KZNDOH</b>	KZN Department of Human Settlements
<b>KZN</b>	KwaZulu-Natal Province
<b>FET</b>	Further Education and Training institution
<b>FTE</b>	Full Time Equivalent
<b>IDP</b>	Integrated Development Plan
<b>IRDS</b>	Integrated Rural Development Strategy
<b>ITB</b>	Ingonyama Trust Board
<b>MBASA</b>	Master Builders Association of South Africa
<b>MDG</b>	Millennium Development Goals
<b>MHDP</b>	Municipal Housing Development Plans
<b>MHSP</b>	Municipal Housing Sector Plans



<b>MI</b>	Mortgage Insurance
<b>MIG</b>	Municipal Infrastructure Grant
<b>MINMEC</b>	Ministers and Members of Executive Council
<b>MOU</b>	Memorandum of Understanding
<b>MTEF</b>	Medium Term Expenditure Framework
<b>MTSF</b>	Medium Term Strategic Framework
<b>MYHDP</b>	Multi Year Housing Development Plan
<b>NDHS</b>	National Department of Human Settlements
<b>NGO</b>	Non-governmental Organization
<b>NHBRC</b>	National Homebuilders Registration Council
<b>NHFC</b>	National Housing Finance Corporation
<b>NPM</b>	New Public Management
<b>NSDA</b>	Negotiated Service Delivery Agreement
<b>NSDP</b>	National Spatial Development Plan
<b>NURCHA</b>	National Urban Reconstruction & Housing Association
<b>NUSP</b>	National Upgrading Support Programme
<b>OSS</b>	Operation Sukuma Sakhe
<b>PC</b>	Planning Commission
<b>PGDS</b>	Provincial Growth and Development Strategy
<b>PGDP</b>	Provincial Growth and Development Plan
<b>PHDP</b>	Provincial Housing Development Plan
<b>PICC</b>	Presidential Infrastructure Co-ordinating Committee
<b>PSEDS</b>	Provincial Spatial Economic Development Strategy
<b>PHP</b>	Peoples Housing Process
<b>RHLF</b>	Rural Housing Loan Fund
<b>ROD</b>	Record of Decision
<b>PSEDS</b>	Provincial Spatial Economic Development Strategy
<b>SABS</b>	South African Bureau of Standards
<b>SANDF</b>	South African National Defense Force
<b>SAPS</b>	South African Police Services
<b>SHA</b>	Social Housing Association
<b>SHF</b>	Social Housing Foundation
<b>SHI</b>	Social Housing Institution
<b>SHRA</b>	Social Housing Regulatory Authority
<b>SHSS</b>	Sustainable Human Settlement Strategy
<b>SIP</b>	Strategic Infrastructure Upgrade Programme
<b>SO</b>	Strategic Objective
<b>SOE</b>	State Owned Enterprises
<b>SLA</b>	Service Level Agreement
<b>UISP</b>	Upgrading Informal Settlements Programme
<b>USDG</b>	Urban Settlement Development Grant

# PART A: STRATEGIC OVERVIEW





## STRATEGIC OVERVIEW

### 1. UPDATED SITUATIONAL ANALYSIS

#### PERFORMANCE DELIVERY ENVIRONMENT

Census 2011 reflects that the housing backlog figures have since the 2001 Census decreased to 742,019. In this regard there has been a significant improvement in the proportions of households living in formal dwellings within the Province i.e. from 55,2 % in 1996 to 71,6% in 2011. However 65% of households living in rural areas still require housing. Housing delivery as at 31 March 2013 is 358,681<sup>1</sup>. As such the housing needs within the Province still remains a challenge.

In terms of Census 2011, StatsSA further estimates that 54% of the total Provincial population lives in rural areas and therefore places considerable pressure on the provision of social services and infrastructure. In order to address the rural housing needs of the Province, the Department continues to forge improved relations with the Ingonyama Trust Board so as to provide for the rapid functional tenure for beneficiaries of rural housing. In October 2013, the Department successfully entered into dialogues with stakeholders on rural housing and resolutions emanating thereof will culminate in the Human Settlement Summit. It is anticipated that this will ultimately strengthen stakeholder engagements and facilitate housing delivery in the province.

Furthermore, a significant proportion of the urban population is in under-developed informal settlements. This is essentially due to urbanisation, which has increased migration to the economic hubs, and in turn increased the population in informal settlements. UN Habitat reports that Africa and Asia have the fastest rates of urbanisation in the world. Based on the last decade's rate of urbanisation in Africa, it is projected that 50% of its population will be living in urban areas by 2030. Although urbanisation creates conditions for concentrated economic activity, the negative consequences include the growth of informal settlements creating further challenges for government service provision. This also increases the challenges of provision of housing and places pressure on the supply of bulk services, which in turn impacts on the delivery of housing projects. Thus urbanisation needs to be embraced and strategically addressed. In order to address some of the urban challenges experienced, this Department entered into an urban human settlement dialogue with key stakeholders on 5<sup>th</sup> and 6<sup>th</sup> of December 2013. Resolutions emanating thereof will culminate in the Human Settlement Summit.

The Provincial gender structure indicates that women live mostly in the rural areas in comparison to men who are more readily found in urban areas. This is supported by urban migration findings where men migrate to urban areas to find work leaving women headed, and even child headed households.

Focussed attention therefore needs to be placed on capacity building initiatives to skill such vulnerable groups. The aforementioned factors assist with the prioritisation of housing projects. Additionally, it is also important to mention that the Umzinyathi District has the highest ratios in terms of deprivation and female population, hence the need to put in place more effective rural strategies.

<sup>1</sup> HSS Report and 2012/13 Annual Report

Key strategies that will influence the alleviation of the housing backlog figures include amongst others, the Sustainable Human Settlement Strategy (SHSS) and the Informal Settlement Eradication Strategy. These strategies together with the Provincial Growth and Development Plan (PGDP) are anticipated address housing matters in an integrated, holistic and coordinated manner. Of significant importance to this however is the outcome based approach as adopted by government in 2010. Human Settlements mandate in terms of Outcome 8 is: "Creating sustainable human settlements and improving the quality of household life." Emphasis is currently on:

- Upgrading of Informal Settlements through a slums clearance plan
- Rental accommodation
- Gap market

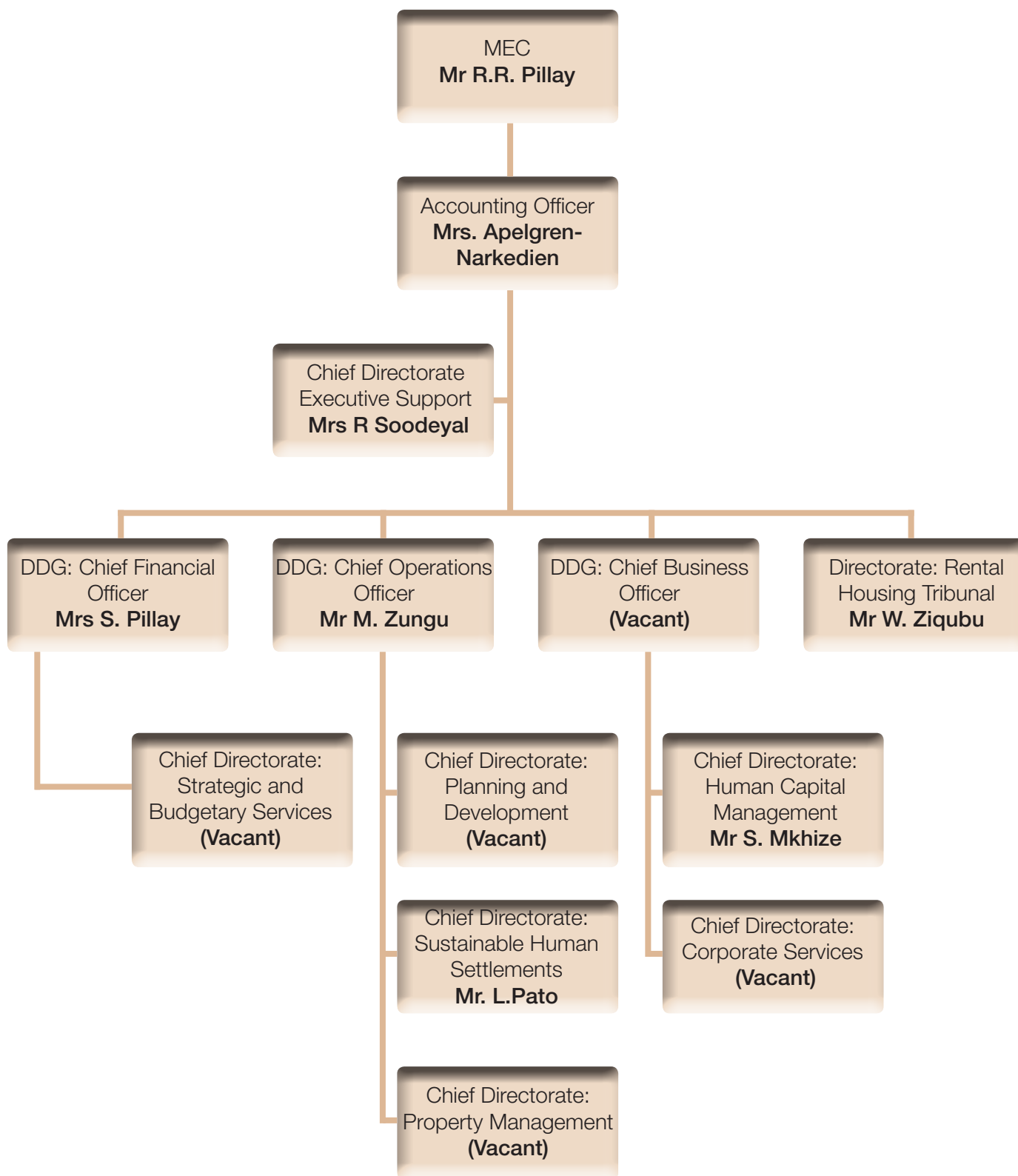
Focused attention has also been placed on the accreditation programme as envisaged in the new comprehensive plan "Breaking New Ground" for housing delivery. Accreditation seeks to achieve two fundamental objectives namely, co-ordinated development and accelerated delivery. The following municipalities on the basis of their status as "Aspiring Metros": Msunduzi, eMnambithi, Newcastle, Mhlathuze, KwaDukuza and Hibiscus Coast have received different levels of accreditation. These six municipalities were identified in terms of the Provincial Spatial Economic Development Strategy (PSEDS) as they fell within the jurisdiction of the areas identified for economic development. They were further targeted to promote social housing (rental) opportunities. The Province also considered its Informal Settlement Upgrade Strategy wherein these municipalities fell within the seventeen (17) municipalities prioritized for informal settlement upgrade interventions.

It is therefore envisaged that by capacitating and accrediting these municipalities, the full potential of creating sustainable human settlements and their contributions to eradicating the backlogs will be realized.

In addition, the Social Rental Strategy was developed in 2012 and launched in May 2013 and is anticipated to drive and guide the implementation of the Social Housing Programme, and will also provide a road map for the department in terms of delivering rental accommodation. In this regard, eleven "Leader Towns" which have the potential for economic growth were identified in the policy. The identification and prioritization of pipeline rental housing projects within these towns are expected to promote the objectives of the PDGP.

**ORGANISATIONAL ENVIRONMENT**

The approved 2008 organizational structure of the Department is currently being utilized and changes are being made where necessary to enhance service delivery.



## 2. REVISIONS TO LEGISLATION AND OTHER MANDATES

Of significant importance to this Department is the revised Provincial Growth and Development Plan (PGDP) which essentially recognises that sustainable human settlements requires more than just the provision of a house. In addition, the PGDP is intended to be an overarching provincial strategy where it is envisaged that by 2030 the Province of KwaZulu-Natal will be a prosperous province where poverty, inequality, unemployment and the current disease burden will be alleviated. It is further anticipated that the Province will have a skilled labour force, the ability to attract domestic and foreign investors, and ensure that basic services are provided to all citizens of the Province.

The PGDP is aligned to other significant mandates which include amongst others the draft 2014-2019 Medium Term Strategic Framework (MTSF) and Negotiated Service Delivery Agreements (NSDA - 14 Outcomes), the National Development Plan (NDP), the Millennium Development Goals (MDGs), Provincial Priorities, Operation Sukume Sakhe (OSS) and the Provincial Spatial Economic Development Strategy (PSEDS) and Plan. In the PSEDS hierarchies of nodes and corridors connecting these nodes have been identified as a spatial structure of the province. Based on an analysis of opportunities and needs across the province priority nodes and corridors for interventions have been identified such as the small town rehabilitation programme and the Local Economic Development initiative. Within these areas, interventions are expected to have the greatest impact in leveraging opportunities and addressing needs and in doing so achieving the objectives of reducing poverty and unemployment. As such, eThekweni has been identified as a primary node; whilst uMhlatuze, Newcastle, uMsunduzi and Hibiscus Coast are identified as secondary nodes. Whilst this Department has made great strides towards the alignment of projects with the PSEDS, the implementation of Provincial Growth and Development Plan is anticipated to create sustainable human settlements in order to achieve the Province's 2030 Vision of being an economically, sustainable and socially viable Province that is a gateway to Africa and the world.

In addition to the above, priority will be given to the August 2013/14 Cabinet Lekgotla Resolutions as reflected hereunder:

- (a) Communities living in Slums
  - (i) Slums need to be eliminated. A comprehensive plan is to be developed. The plan must include:-
    - Putting a stop to slum creation;
    - Conducting an audit on the ownership of RDP houses with a view to do away with the sale and renting out of these houses and any other form of fraud and corruption in this regard; and
    - Plan on slum-elimination to be developed in each municipality with clear timeframes while providing standardized housing with strict monitoring mechanisms.
- (b) Communities using Bucket System
  - (i) The Social Sector Cluster to provide a clear plan on eradication of the Bucket Systems
- (c) Land invasion strategy be implemented.

Additionally, the Five Priorities of government over the next five years are:

- (i) Creation of more jobs, decent work and sustainable livelihoods for inclusive growth;
- (ii) Rural development, land reform and food security;
- (iii) Education;
- (iv) Health; and
- (v) Fighting crime and corruption;

These Five Priorities are supplemented by the recognition of the need to:

- (i) Expand access to **housing and basic services**;
- (ii) Expand our democracy and build a developmental state;
- (iii) Promote social cohesion and nation building; as well as to
- (iv) Contribute to a better Africa and a just world

Further to the above, the KwaZulu-Natal Rural Development Summit was hosted by the Premier in July 2013. Issues raised at the Summit included amongst others, the impact of migratory patterns, the accelerated pace of urbanisation and transfer of critical skills, the significance of the impact of spatial planning in seeking to create an enabling environment for the rural communities as well as the role of traditional leadership in rural development and the need to strengthen and synergise relationships with governance structures for accelerated service delivery. Resolutions emanating from the Summit are therefore expected to provide effective strategic direction to facilitate the achievement of tangible outcomes relating to rural development within the Province. Of significant importance to this Department is the resolution "Improve the quality of life through promoting a plan for integrated human settlements in consultation with the relevant role-players to improve social cohesion and the livelihoods of the rural households". Strategies to address this will therefore be undertaken.

### 3. OVERVIEW OF THE 2014/15 BUDGET AND MTEF ESTIMATES

Table 1: Expenditure Estimates

Programme R'000	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Expenditure Estimates		
	2010/11	2011/12	2012/13	2013/14			2014/15	2015/16	2016/17
Administration	122,408	133,940	151,366	136,453	165,093	165,093	184,669	191,798	201,966
Housing Needs, Research and Planning	10,401	11,993	13,823	32,820	14,590	14,590	17,155	18,076	19,355
Housing Development Implementation	2,647,266	2,710,996	3,027,491	3,150,218	3,241,532	3,241,532	3,213,530	3,267,816	3,434,047
Housing Property Management	309,162	185,566	185,091	231,185	170,155	170,155	184,928	178,343	252,446
<b>Sub-total</b>	<b>3,089,237</b>	<b>3,042,495</b>	<b>3,377,771</b>	<b>3,550,676</b>	<b>3,591,370</b>	<b>3,591,370</b>	<b>3,600,282</b>	<b>3,656,033</b>	<b>3,907,814</b>
Direct charges against the National Revenue Fund									
<b>Total</b>									
Unauthorised expenditure (1 <sup>st</sup> and 2 <sup>nd</sup> charge)	(9,303)	(9,303)							
<b>Change to 2011/12 budget estimate</b>	<b>3,079,934</b>	<b>3,033,192</b>	<b>3,377,771</b>	<b>3,550,676</b>	<b>3,591,370</b>	<b>3,591,370</b>	<b>3,600,282</b>	<b>3,656,033</b>	<b>3,907,814</b>



Table 2: Summary of Provincial Expenditure by Economic Classification

Economic Classification	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
<b>Current payments</b>	<b>265,272</b>	<b>288,736</b>	<b>318,562</b>	<b>368,706</b>	<b>379,726</b>	<b>383,114</b>	<b>399,805</b>	<b>436,057</b>	<b>457,316</b>
Compensation of employees	174,805	188,020	208,272	250,555	248,183	248,129	289,591	310,810	327,382
<b>Goods and services</b>	<b>90,275</b>	<b>100,716</b>	<b>110,290</b>	<b>118,151</b>	<b>131,435</b>	<b>134,873</b>	<b>110,214</b>	<b>125,247</b>	<b>129,934</b>
Communication	5,213	5,549	5,712	7,052	6,616	6,600	7,657	7,931	8,172
Computer Services	7,055	6,849	6,259	8,658	7,965	7,905	8,638	9,399	9,551
Consultants, Contractors and special services	15,139	7,066	8,279	22,483	18,296	18,133	13,251	21,608	22,641
Inventory	3,107	6,795	3,411	7,083	6,083	5,837	6,156	6,306	6,868
Operating leases	18,571	19,588	19,555	20,224	20,489	20,479	21,379	21,403	21,580
Rental and Hiring	-	-	28	100	503	503	100	100	100
Travel and subsistence	5,544	7,420	13,299	12,845	17,002	16,958	15,564	18,853	19,467
Other including Assets<5000, agency and outsourced services, training and development, property payments, operating expenditure and venues and facilities	35,646	47,449	53,747	39,706	54,481	58,458	37,469	39,647	41,555
Interest and rent on land	192	-	-	-	108	112	-	-	-
Maintenance , repair and running costs	Included under Contractors and Inventory to avoid double counting								
<b>Transfers and subsidies to</b>	<b>2,784,369</b>	<b>2,729,402</b>	<b>3,044,821</b>	<b>3,099,239</b>	<b>3,152,247</b>	<b>3,152,309</b>	<b>3,087,469</b>	<b>3,195,486</b>	<b>3,425,961</b>
Provinces and municipalities	353,589	85,678	221,451	168,376	198,044	198,051	102,335	127,347	202,995
Departmental agencies and accounts			134,477	220,408	175,447	175,447	20,000	25,000	30,000
Households	2,430,780	2,643,724	2,688,893	2,710,455	2,778,756	2,778,811	2,965,134	3,043,139	3,192,966
<b>Payments for capital assets</b>	<b>30,293</b>	<b>15,054</b>	<b>14,324</b>	<b>82,731</b>	<b>59,397</b>	<b>55,899</b>	<b>113,008</b>	<b>24,490</b>	<b>24,537</b>
Buildings and other fixed structures	27,477	11,099	2,861	75,464	49,145	45,637	105,135	20,464	20,500
Machinery and equipment	2,537	3,955	11,128	7,267	10,052	10,040	7,873	4,026	4,037
Software and other intangible assets	279	-	335		200	222	-	-	-
<b>Payment for financial assets</b>	<b>9,303</b>	<b>9,303</b>	<b>64</b>			<b>48</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total economic classification</b>	<b>3,089,237</b>	<b>3,042,495</b>	<b>3,377,771</b>	<b>3,550,676</b>	<b>3,591,370</b>	<b>3,591,370</b>	<b>3,600,282</b>	<b>3,656,033</b>	<b>3,907,814</b>
<b>Unauthorised expenditure (1<sup>st</sup> and 2<sup>nd</sup> charge) not available for spending</b>	<b>(9,303)</b>	<b>(9,303)</b>							
<b>Total</b>	<b>3,079,934</b>	<b>3,033,192</b>	<b>3 377 771</b>	<b>3,550,676</b>	<b>3,591,370</b>	<b>3,591,370</b>	<b>3,600,282</b>	<b>3,656,033</b>	<b>3,907,814</b>

Source: BAS

## RELATING EXPENDITURE TRENDS TO STRATEGIC OUTCOME ORIENTATED GOALS

The overall decrease in the vote as a whole from 2010/11 to 2011/12 was mainly attributed to the Human Settlement Development Grant (HSDG) being reduced and allocated directly to the eThekweni Metro for the Urban Settlement Development Grant (USDG). The increase from 2011/12 to 2013/14 relates to the increase in the HSDG where funds received in respect of Thubelisha Homes for the completion of Ingwavuma Ministerial projects. The allocation grows steadily in the 2014/15 MTEF, attributed mainly to the HSDG.

### Current Payments

#### Compensation of Employees

The decrease in Compensation of employees from the 2013/14 Main to the Adjusted Appropriation was as a result of delays in the filling of vacant posts, as well as the decrease in the number of excess staff who took voluntary severance package during the year. These savings were moved to various categories within the department to cater for over expenditure incurred. The increase over the 2014/15 MTEF is to cater for the filling of critical vacant posts.

#### Goods and Services

Goods and services reflects a steady increase from 2010/11 to 2012/13 due to inflationary items. The increase from the 2013/14 Main to Adjusted Appropriation was due to provision made for the appointment of specialists / professionals in various components in the department in enhancing service delivery. Further increase in 2013/14 Revised Estimates was due to the delay in transferring properties due to beneficiaries in terms of the Extended Enhanced Discount Benefit Scheme (EEDBS). Delays were experienced with the State Attorneys in transferring properties to the beneficiaries on behalf of the department. The decrease from the 2013/14 Revised Estimates to 2014/15 is due to the decrease in property payments for properties owned by the department as it is anticipated that these properties will be transferred to beneficiaries.

#### Transfers and Subsidies to: Provinces and Municipalities

The fluctuating trend against Transfers and Subsidies to: Provinces and municipalities from 2010/11 to 2012/13 relates to the Community Residential Units (CRU) programme, which experienced challenges mainly due to delays in the approval process of projects within municipalities. The high amount in 2010/11 was due to the once-off allocations transferred to the eThekweni Metro in respect of the maintenance of R293 towns and hostels.

The increase from the 2013/14 Main to Adjusted Appropriation was due to the re-classification of allocations for funds relating to the operational costs for the accredited municipalities which was allocated under Transfers and subsidies to: Households. The decrease from 2014/15 is due to the non-allocation for the CRU programme due to Ethekewini Metro utilizing funds which were previously transferred.

**Transfers and Subsidies to: Departmental agencies and accounts**

The allocation against Transfers and subsidies to: Departmental agencies and accounts in the 2012/13 relates to the transfers made to SHRA for the implementation of the social housing programme. The decrease from the 2013/14 Main Appropriation to Adjusted Appropriation is due to the delays in the implementation of social housing projects. The delays related to the fact that the department did not receive the Record of Decision (ROD) for the Environmental Impact Assessment (EIA) from the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD) for the Hampshire social project, as well as the Phoenix project which is affected by social issues. The decrease from 2014/15 onward is mainly due to the non-allocation to SHRA as a result of this entity still utilising funds which were previously transferred.

**Transfers and Subsidies to: Households**

Transfers and subsidies to: Households shows an increasing trend from 2010/11 to 2013/14, this is due to the increase in the HSDG as the bulk of the housing programmes are budgeted for within this economic classification. The full allocation of the Housing Disaster Relief grant is also catered for within this classification. The increase from the 2013/14 Main Appropriation to Adjusted appropriation was due to the acceleration of service delivery for projects related mainly to Outcome 8 targets under the Informal Settlement Upgrade instrument. The increase over 2014/15 MTEF relates mainly to the fast tracking of certain housing projects, such as Cornubia, Vulindlela as well as an increase in the HSDG.

**Buildings and other fixed structures**

Buildings and other fixed structures is mainly related to the Social and Economic Amenities programme. The decreasing trend from 2010/11 to 2012/13 is as a result of the programme being blocked as a result of a number of challenges which necessitated that investigations and forensic audits be conducted on the programme. It must however be noted that the challenges experienced on the programme have been dealt with during the 2013/14 financial year and projects have been unblocked. The decrease from 2013/14 Main appropriation to Adjusted Appropriation and Revised Estimates relates to the Shallcross rectification project which had to be put on hold as a result of a pilot project being undertaken. The budget was reduced to accommodate this pilot phase in 2013/14. The fluctuations over the MTEF relate to the rectification of pre-1994 housing stock owned by the department, which are being transferred to individuals (beneficiaries) or municipalities. The budget allocated for the 2014/15 is allocated for the finalization of projects for Social and Economic Facilities.

**Machinery and equipment**

Machinery and equipment has a steady increase from 2010/11 to 2011/12. The significant increase in 2012/13 and 2013/14 Adjusted appropriation is due to the replacement of motor vehicles, as well as purchasing of new motor vehicles for districts as the department was decentralizing its offices. The decreasing trend from 2014/15 to the last two years of the MTEF relates to the reduction in the purchasing of capital assets due to ongoing implementation of cost-cutting and the fact that 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 terms of the departmental write-off policy in 2012/13. Significant amounts in 2010/11 and 2011/12 relate to the first charge instalments against the departmental budget as a result of unauthorised expenditure incurred in previous years.

## PART B: PROGRAMMES



#### 4.1 PROGRAMME 1: ADMINISTRATION

##### PURPOSE AND STRUCTURE

The objective of the Administration Programme is to provide overall management in the Department in accordance with all applicable Acts and policies.

This Programme therefore undertakes to:

- 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,
- Administration of the Department in line with good governance practices, and
- To 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 which is to provide corporate support. Operational support in terms of financial management, transport, procurement, human resources, information systems, communication and auxiliary services is therefore undertaken by this sub-programme.

In order to reinforce and facilitate the efficient functioning of the department, in line with the effective allocation and management of the resources and in compliance with all prescripts and taking cognizance of the Cabinet Lekgotla Resolutions, as well as Outcome 12, the following key initiatives have been identified:

1. To reduce the vacancy rate;
2. To verify Persal data;
3. Ensure that the approved organizational structure, re-aligned and implemented in accordance with the new mandates;
4. To review/update the Government Wide Enterprise Architecture;
5. To finalise the amendment of the Eradication and Prevention of the Re-Emergence of Slums Act; and
6. To ensure that the Fraud Prevention Plan is implemented

## PROVINCIAL STRATEGIC OBJECTIVES AND ANNUAL TARGETS FOR ADMINISTRATION

## Strategic Goal 1: Overhaul Provincial Human Settlements

## STRATEGIC OBJECTIVES AND MTEF TARGETS

Table 3: Provincial Strategic Objectives and MTEF Targets

Strategic Objective	Audited/Actual Performance			Estimated Performance	Medium Term Target		
	2010/2011	2011/2012	2012 /13	2013/14	2014/15	2015/16	2016/17
To provide strategic leadership to the housing delivery programmes (%of houses delivered in respect of targets set annually)	-	-	97% (26,960/ 27,845)	100% (27,382)	100% (32,043)	100% (33,390)	100% (36,491)
Reconciliation between service delivery indicators and Conditional Grant (% of conditional grant spent versus allocation)	-	-	100% R2,772,232	100% R3,235,428	100% R3,273,045	100% R3,313,983	100% R3,547,298

## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS

## CUSTOMISED SECTOR PERFORMANCE INDICATORS

Table 4: Customised Sector Performance Indicators and MTEF Targets

Performance Indicators	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
	2010/11	2011/12	2012 /13	2013/14	2014/15	2015/16	2016/17
Number of Acts passed <sup>2</sup>	-	-	-	-	-	To finalise the amendment of the Eradication and Prevention of the Re-emergence of Slums Act	-

## PROVINCIAL PERFORMANCE INDICATORS

Table 5: Provincial Performance Indicators and MTEF Targets

Performance Indicators	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
	2010/11	2011/12	2012 /13	2013/14	2014/15	2015/16	2016/17
Maximum vacancy rate of 5% <sup>3</sup>	New indicator	New indicator	41% vacancy rate <sup>4</sup>	5%	2% 11/577	2% 11/577	2% 11/577
Persal data verified	New indicator	New indicator	23%	100%	100%	100%	100%
Approved organizational structure	New indicator	New indicator	Implementation of 2008 approved structure	Approved Organogram	Re-Alignment and Implementation to new Mandates	Implementation	Decentralization completed
Reviewed/ updated GWEA in Place <sup>5</sup>	New indicator	New indicator	New indicator	New indicator	GWEA reviewed and approved	GWEA reviewed and approved	GWEA reviewed and approved
Fraud Prevention Plan Implemented				1	Implementation of Fraud Prevention Plan	Fraud Prevention Plan Reviewed	

<sup>2</sup> Indicator is as per approved sector performance indicator<sup>3</sup> Vacancy rate calculated from funded vacant posts<sup>4</sup> Vacancy rate is in terms of approved organisational structure<sup>5</sup> Government Wide Enterprise Architecture: Change of terminology from Master System Plan



Table 6: Provincial Performance Indicators: Quarterly and Annual Targets

Performance Indicators	Targets 2014/15	Quarterly Targets			
		Q1	Q2	Q3	Q4
Quarterly Targets					
1. Fraud Prevention Plan Implemented	Implementation of Fraud Prevention Plan		Fraud Prevention Plan implemented		
Annual Targets					
1. Maximum vacancy rate of 5%	2% reduction				2%
2. PERSAL data verified	Verified data				100%
3. Approved Organisational Structure	Re-Alignment and Implementation to new Mandates				Re-Alignment and Implementation to new Mandates
4. Reviewed/ updated GWEA in Place	GWEA reviewed and updated and approved				Reviewed and updated and approved

**RECONCILING PERFORMANCE TARGETS WITH EXPENDITURE TRENDS AND BUDGETS – 2014/15**

Table 7: Expenditure Estimates for Administration

Sub-Programme R' thousand	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2010/11	2011/12	2012/13				2013/14		
Corporate Services	122,408	133,940	151,366	136,453	165,093	165,093	184,669	191,798	201,966
<b>Sub-Total</b>	<b>122,408</b>	<b>133,940</b>	<b>151,366</b>	<b>136,453</b>	<b>165,093</b>	<b>165,093</b>	<b>184,669</b>	<b>191,798</b>	<b>201,966</b>
<b>Unauthorised expenditure (1<sup>st</sup> and 2<sup>nd</sup> charge) not available for spending</b>	(9 303)	(9 303)							
<b>Total</b>	<b>113,105</b>	<b>124,637</b>	<b>151,366</b>	<b>136,453</b>	<b>165,093</b>	<b>165,093</b>	<b>184,669</b>	<b>191,798</b>	<b>201,966</b>

Source: BAS

Table 8: Summary of Provincial Expenditure Estimates by Economic Classification

	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	2010/11	2011/12	2012/13				2013/14		
<b>Current payments</b>	<b>109,407</b>	<b>120,448</b>	<b>138,463</b>	<b>132,790</b>	<b>156,177</b>	<b>156,129</b>	<b>178,168</b>	<b>188,376</b>	<b>198,547</b>
Compensation of employees	61,011	65,190	76,102	80,268	91,377	91,377	107,989	116,774	125,925
<b>Goods and services</b>	<b>48,396</b>	<b>55,258</b>	<b>62,361</b>	<b>52,522</b>	<b>64,800</b>	<b>64,748</b>	<b>70,179</b>	<b>71,602</b>	<b>72,622</b>
Communication	3,950	4,074	3,933	4,450	4,664	4,664	5,158	5,370	5,488
Computer Services	6,630	6,024	5,439	-	7,061	7,061	7,811	8,562	8,674
Consultants, Contractors and special services	2,340	4,440	4,753	2,520	4,182	4,130	2,976	2,936	3,073
Inventory	959	1,205	1,979	1,942	2,134	2,188	2,372	2,499	2,540
Operating leases	18,236	19,315	19,222	19,733	19,975	19,921	20,868	20,918	21,026
Rental & hiring	-	-	3	-	-	-	-	-	-
Travel and subsistence	2,011	2,669	3,633	3,300	4,312	4,312	5,066	5,329	5,481
Interest and rent on land	-	-	-	-	-	4	-	-	-
Maintenance , repair and running costs	Included under Contractors and inventory to prevent double counting								
Financial transactions in assets and liabilities									
Other including Assets<5000, training and development, property payments, operating expenditure and venues and facilities	14,270	17,531	23,399	20,577	22,472	22,472	25,928	25,988	26,340
<b>Transfers and subsidies to</b>	<b>887</b>	<b>565</b>	<b>1 654</b>	<b>785</b>	<b>919</b>	<b>919</b>	<b>265</b>	<b>280</b>	<b>295</b>
Provinces and municipalities	57	62	145	250	130	130	265	280	295
Universities and technikons									0
Non-profit institutions									0
Households	830	503	1,509	535	789	789			
<b>Payments for capital assets</b>	<b>2,811</b>	<b>3,624</b>	<b>11,231</b>	<b>2,878</b>	<b>7,997</b>	<b>7,997</b>	<b>6,236</b>	<b>3,142</b>	<b>3,124</b>
Buildings and other fixed structures									0
Machinery and equipment	2,532	3,624	10,896	2,878	7,797	7,775	6,236	3,142	3,124
Software and other intangible assets	279		335		200	222			0
<b>Payment for financial assets</b>	<b>9,303</b>	<b>9,303</b>	<b>18</b>			<b>48</b>			<b>0</b>
<b>Total economic classification</b>	<b>122,408</b>	<b>133,940</b>	<b>151,366</b>	<b>136,453</b>	<b>165,093</b>	<b>165,093</b>	<b>184,669</b>	<b>191,798</b>	<b>201,966</b>
<b>Unauthorised expenditure (1<sup>st</sup> and 2<sup>nd</sup> charge) not available for spending</b>	<b>(9 303)</b>	<b>(9 303)</b>							<b>0</b>
<b>Total</b>	<b>113,105</b>	<b>124,637</b>	<b>151,366</b>	<b>136,453</b>	<b>165,093</b>	<b>165,093</b>	<b>184,669</b>	<b>191,798</b>	<b>201,966</b>

Source: BAS

**4.2 PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING****PURPOSE AND STRUCTURE**

The main purpose of this programme is to facilitate and undertake housing delivery planning. The key activities undertaken by this Programme include:

- research and quantify the housing needs in the province with the aim of developing appropriate interventions;
- research and identify appropriate technologies in the housing delivery process;
- develop policies and guidelines to facilitate implementation of the sustainable human settlement programme;
- ensure that all stakeholders are capacitated and involved in the continuous appraisal of housing delivery, systems and their improvement;
- facilitate and integrate sustainable human settlement planning with other sectors;
- educate stakeholders in sustainable human settlement planning and implementation;
- capacitate stakeholders for housing delivery through mentorship and training; and
- Conduct feasibility studies to determine appropriateness of human settlement projects.

Of significant importance to this Programme are key strategies including but not limited to:

- The Provincial Spatial Economic Development Strategy;
- The Provincial Growth and Development Strategy;
- The Provincial Growth and Development Plan;
- The Sustainable Human Settlement Strategy (SHSS);
- The Informal Settlement Eradication Strategy and
- The Social Rental Strategy

These strategies are to address housing matters in an integrated, holistic and co-ordinated manner.

## PROVINCIAL STRATEGIC OBJECTIVES AND ANNUAL TARGETS FOR HOUSING NEEDS, RESEARCH AND PLANNING

### Strategic Goal 2 : Improve efficiency and quality of human settlements services

#### STRATEGIC OBJECTIVE AND MTEF TARGETS

Table 9: Provincial Strategic Objective and MTEF Targets

Strategic Objective	Audited/Actual Performance			Estimated Performance 2013/14	Medium Term Target		
	2010/2011	2011/2012	2012/2013		2014/15	2015/16	2016/17
Accelerate the provision of planned housing opportunities (number of units in the housing pipeline).	-	-	87,845	78,654	84,408	83,586	70,556

Notes:

1. The number of units is an estimated yield which will be verified in the Pre-Feasibility stage of each project.
2. Some projects could extend over two financial years depending when its approval was forthcoming

#### PROGRAMME PERFORMANCE INDICATORS

#### CUSTOMISED SECTOR PERFORMANCE INDICATORS

Table 10: Customised Sector Performance Indicators and MTEF Targets

Indicator	Audited/ Actual Performance			Estimated Performance 2013/14	Medium Term Targets		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
Number of policy guidelines approved <sup>6</sup>	9	6	6	6	6	6	4
A Multi-year Housing Development Plan /APP developed by October	1	1	1	1	1	1	1
Number of planned human settlement (housing) developments based on IDPs and National and Provincial Priorities approved	0	0	New Indicator	5	9	14	20
Number of Municipalities capacitated and supported with regard to human settlement (housing) development planning	New Indicator	New Indicator	New Indicator	6	8	10	15
Number of research projects approved <sup>7</sup> -	New Indicator	5	7	5	5	5	4
Number of research papers completed	8	5		5	5	5	4

<sup>6</sup> Number of Acts passed is reflected under Programme 1 - Administration

<sup>7</sup> Refers to the number of research projects noted by the MEC

Table 11: Customised Sector Performance Indicators: Annual and Quarterly Targets

Performance Indicators	Annual Targets 2014/15	Quarterly Targets			
		Q1	Q2	Q3	Q4
Quarterly Targets					
1. Number of policy guidelines approved	6	1	2	2	1
2. A Multi-year Housing Development Plan /APP developed by October	1	-	-	1	-
3. Number of planned human settlement (housing) developments based on IDP's and National and Provincial Priorities	9	2	2	2	3
4. Number of Municipalities capacitated and supported with regard to human settlement (housing) development planning	8	2	2	2	2
5. No. of projects approved (research)	5	1	1	1	2
5. Number of research papers completed	5	-	2	2	1

- The indicators will be monitored through the Provincial Quarterly Performance Report [Treasury and National Department of Human Settlements] and District Quarterly Progress Reports submitted by all components and districts to Monitoring and Evaluation.
- Additional operational indicators [process, input and output] are included in Operational Plans and will also be monitored quarterly.

## PROVINCIAL PERFORMANCE INDICATORS

Table 12: Provincial Performance Indicators and MTEF Targets

Indicator	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Confirmed project pipeline based on IDPs and/or Housing Sector Plans (HSP)	New Indicator	New Indicator	Confirmed Project Pipeline	Pipeline budget developed and cash flows assigned	Implementation	Review	-
Number of projects aligned to with Small Towns Regeneration Programme	New Indicator	New Indicator	New indicator	1	1	1	1
Number of municipalities capacitated on accreditation	New indicator	6	6	7	7	7	7

Table 13: Provincial Performance Indicators: Annual and Quarterly Targets

Performance Indicators	Annual Targets 2014/15	Quarterly Targets			
		Q1	Q2	Q3	Q4
Annual Targets					
1. Confirmed project pipeline based on IDPs and/or Housing Sector Plans (HSP)	Implemented	1	-	-	-
2. Number of projects aligned to with Small Towns Regeneration Programme	1	-	-	-	1
3. Number of municipalities capacitated on accreditation	7	-	-	-	7

## RECONCILING PERFORMANCE TARGETS WITH EXPENDITURE TRENDS - 2014/15

Table 14: Expenditure Estimates for Housing Needs, Research and Planning

Sub-Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium Term Estimates		
	R' thousands	2010/11	2011/12				2012/13	2013/14	
Administration	1,067	1,149	1,353	1,818	1,715	1,715	2,170	2,358	2,535
Policy	2,918	3,166	3,603	4,622	3,862	3,862	3,917	4,135	4,441
Planning	2,994	3,490	3,386	16,221	3,184	3,184	3,649	3,643	3,927
Research	3,422	4,188	5,481	10,159	5,829	5,829	7,419	7,940	8,452
<b>Total economic classification</b>	<b>10,401</b>	<b>11,993</b>	<b>13,823</b>	<b>32,820</b>	<b>14,590</b>	<b>14,590</b>	<b>17,155</b>	<b>18,076</b>	<b>19,355</b>

Source: BAS

Table 15: Summary of Provincial Expenditure Estimates by Economic Classification

	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimate		
	2010/11	2011/12	2012/13				2013/14		2014/15
<b>Current payments</b>	<b>10,401</b>	<b>11,993</b>	<b>13,772</b>	<b>30,210</b>	<b>14,305</b>	<b>14,295</b>	<b>17,055</b>	<b>18,026</b>	<b>19,302</b>
Compensation of employees	9,420	10,004	10,486	17,797	11,435	11,435	13,044	13,750	14,825
<b>Goods and services</b>	<b>981</b>	<b>1,989</b>	<b>3,286</b>	<b>12,413</b>	<b>2,870</b>	<b>2,860</b>	<b>4,011</b>	<b>4,276</b>	<b>4,477</b>
Communication	167	186	149	280	189	189	288	314	332
Computer Services	7	241	27	7,642					
Consultants, Contractors and special services	-	108	2	-	60	60			
Inventory	33	63	80	161	164	117	128	155	144
Operating leases	44	66	84	75	142	159	86	51	99
Travel and subsistence	595	710	2,410	1,298	1,179	1,157	2,024	2,043	2,158
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	135	615	534	2,957	1,136	1,178	1,485	1,713	1,744
<b>Transfers and subsidies to</b>			<b>45</b>	<b>-</b>					
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Non-profit institutions									
Households			45						
<b>Payments for capital assets</b>			<b>6</b>	<b>2,610</b>	<b>285</b>	<b>295</b>	<b>100</b>	<b>50</b>	<b>53</b>
Buildings and other fixed structures									
Machinery and equipment			6	2,610	285	295	100	50	53
Software and other intangible assets									
<b>Payment for financial assets</b>									
<b>Total economic classification</b>	<b>10,401</b>	<b>11,993</b>	<b>13,823</b>	<b>32,820</b>	<b>14,590</b>	<b>14,590</b>	<b>17,155</b>	<b>18,076</b>	<b>19,355</b>

Source: BAS



### 4.3 PROGRAMME 3: HOUSING DEVELOPMENT

#### PURPOSE AND STRUCTURE

The purpose of the Programme is to provide individual subsidies and housing opportunities to beneficiaries in accordance with the housing policy.

The bulk of the programme funding is allocated from the HSDG which comprises financial, incremental, social and rental as well as rural interventions. The housing programmes as classified for housing delivery are as follows: Individual, Project linked, Institutional, Consolidation, Rural, Rectification, Emergency Housing, Integrated Residential Development Programme (IRDP), and Informal Settlements Upgrade Programme (ISUP).

In consolidating the Business Plan for 2014/15 and MTEF delivery targets the guiding principles include:

- the achievement of Outcome 8 targets;
- National Priority Projects such as the Cornubia Integrated Residential Development Project in Ethekwini;
- Strategic Infrastructure Programme (SIP) which is a National Programme;
- Integration of Operation Sukuma Sakhe into the normal departmental budgeting process which promotes an integrated approach to human settlements delivery thereby demonstrating the creation of sustainable human settlements in the province,
- Implementation of the National Development Plan (NDP) and KZN Provincial Growth and Development Plan,
- Responding to emergencies resulting from the disasters that are being experienced in the province and
- Rectification of projects where assessments have been undertaken by NHBRC.

The department will continue with the implementation of the Cornubia Integrated Residential Project as the National Priority Project in the 2014/15 financial year which is expected to contribute towards achieving Outcome 8 targets and ensuring sustainable human settlements.

In line with the Department's strategic objectives as well as the government's Outcome Based Approach to service delivery, the Programme aims to ensure that the strategic outputs and measures of Outcome 8, i.e. Sustainable Human Settlements and Improved Quality of Household Life, are addressed by targeting its Informal Settlements Upgrade subsidy programme towards the eradication of slums.

This will make significant progress towards contributing to the achievement of the Informal Settlement Upgrading national targets. Other key focus areas for the achievement of Outcome 8 targets are the acquisition of suitable well located land for human settlements, creation of affordable rental stock and making provision for the gap market.

A conservative target of 1000 beneficiary approvals have however been made for the Individual subsidy Instrument and are predominately for individuals in the income category (R0-R3500 pm) who do not qualify for credit at all, and who are not bound by the Credit Act. Therefore, properties in former townships are now trading effectively within the low income Individual Subsidy quantum.

In the area of FLISP, the policy has been revised with the most significant revision being the inclusion of individuals earning up to R15 000 per month and the National Housing Finance Corporation (NHFC) being appointed the driver of pilot projects in all provinces.

In support of national agreement priorities as per Cabinet Lekgotla resolutions, as well as the departmental strategic objective of accelerating rural development, the programme will continue to effect strategies to promote more effective and sustainable rural development by projecting more housing units over the medium term period towards rural development.

The implementation of the Provincial Cabinet Lekgotla Resolutions which includes eradication of transit camps within Ethekewini, upgrading of Madiba Bottlebrush and Kennedy Road informal settlements, upgrading of Jika Joe informal settlement in Msunduzi Municipality and the provision of service sites will continue during 2014/15 financial year.

The Enhanced People's Housing Process which provides for community/beneficiary involvement in the construction of their houses will result in additional houses being constructed over the medium-term period. As part of a National initiative, the Enhanced People's Housing Process methodology is being piloted within the Province; in partnership with the Habitat for Humanity in the eThekewini area, in order to ascertain the Programme's effectiveness and improvement measures so that this programme can be rolled out for implementation nationally.

The Emergency Housing Programme seeks to address the needs of households who for reasons beyond their control, find themselves in an emergency housing situation such as the fact that their existing shelter has been destroyed or damaged, or that their prevailing situation poses an immediate threat to their life, health and safety. Due to the Province being continuously prone to natural disasters/adverse weather conditions that destroy and/or damage houses, rendering households homeless and destitute, provision has been made on a progress basis to ensure access to housing assistance under these emergency circumstances.

The other priority programme related to emergency housing assistance includes the provision of urgent housing interventions under Operation Sukuma Sakhe. This will ensure that the Department is able to deliver on its mandate as well as implement measures that promote sustainable human settlements and contribute towards the war on poverty campaign by government. One of the focus areas on Operation Sukuma Sakhe will be to ensure that the most destitute families are prioritized for housing assistance and the war rooms are instrumental in this regard.

Currently there is insufficient Social Housing Institutions (SHI's) to deliver Social Housing in KZN, however through the Rental Housing Strategic Management Team (Booster Team) which was created by the Social Housing Regulatory Authority (SHRA), it is intended that additional SHI's to fast track delivery of rental stock. The appointment of the Booster Team will assist municipalities in terms of:

- Understanding and implementation of rental housing in its different formats
- Establishment of governance and operational structures
- Provisional of rental stock
- Maintenance and overall real estate management
- Supply/ demand analysis
- Policy application and policy gap analysis.
- Monitoring and evaluating (accountability through report writing)

The department wishes to consider the use of alternative construction technologies in some pilot rental housing projects in order to promote saving on both capital and running costs as well as saving on erection time, whilst still promoting intensive practice and job creation as well as a more environment – friendly development.

## PROVINCIAL STRATEGIC OBJECTIVES AND ANNUAL TARGETS FOR HOUSING DEVELOPMENT

### Strategic Goal 3: Paradigm shift subsuming integrated development, intersectoral approaches and well-coordinated project management

Table 16: Provincial Strategic Objectives and MTEF Targets

Strategic Objective	Audited/Actual Performance			Estimated Performance 2013/14	Medium Term Target		
	2010/2011	2011/2012	2012/2013		2014/15	2015/16	2016/17
To reduce the provincial Housing Backlog (census 2011 figure [742,019] less houses built)	-	-	714,174	686,792	654,749	621,359	584,868

## PROVINCIAL PROGRAMME PERFORMANCE INDICATORS

## CUSTOMISED SECTOR PERFORMANCE INDICATORS: EQUITABLE SHARE

Table 17: Customised sector Performance Indicators: MTEF Targets

Performance Indicators	Audited/ Actual Performance			Estimated Performance 2013/14	Medium Term Targets		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
Number of new housing units completed in the Province across all housing programmes being utilized by the province	21,189	22,112	25,940	27,382	32,043	33,390	36,491
Number of new sites connected to basic water and sanitation services as part the Integrated Residential Development Programme	4,028	5,426	6,063	10,038	2,570	3,455	1,830
Number of Finance -Linked Subsidy subsidies approved and disbursed	0	0	24	800	300	350	400
Number of households connected to basic services as part the Informal Settlement Upgrade Programme <sup>9</sup> (Incl PLS)	Included in the above	3,835	3,476	8,043	5,741	8,563	7,539
Number of Hectares of well-located land acquired and/or released for residential development	1,472	5,782	1,173	1,850 hectares	3,469 hectares	3,475 hectares	3,709 hectares
Number of work opportunities created through related programmes					5,531	9,358	11,993
Integrated Residential Development Programme Number of Units	Included under PLS	1,063	1,006	875	2,055	2,210	3,706

Table 18: Customised sector Performance Indicators: Annual and Quarterly Targets

Performance Indicators	Annual Targets 2014/15	Quarterly Targets			
		Q1	Q2	Q3	Q4
Quarterly Targets					
Number of new housing units completed in the Province across all housing programmes being utilized by the province	32,043	7,895	8,674	8,127	7,347
Number of new sites connected to basic services as part the Integrated Residential Development Programme (excluding informal settlements)	2,570	680	710	600	580
Number of Finance -Linked Subsidy subsidies approved and disbursed	300	75	75	75	75
Number of new sites connected to basic services as part the Informal Settlement Upgrade Programme (Incl PLS)	5,741	1,209	1,707	1,365	1,460
Number of Hectares of well-located land acquired and/or released for residential development	3,469	533	1,201	1,017	718
Number of work opportunities created through related programmes	5,531	1,041	1,500	2,050	940
Integrated Residential Development Programme:					
Number Units	2,055	395	610	540	510

<sup>9</sup> Number of new sites connected to basic water and sanitation services as part the Informal Settlement Upgrade Programme

## PROVINCIAL PERFORMANCE INDICATORS

Table 19: Provincial Performance Indicators and MTEF Targets

Performance Indicators	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Individual Non Credit Linked Subsidies Number of houses completed	893	1,530	1,347	1,000	1,020	1,150	1,270
Number of targeted persons days of work	-	-	-	-	923, 016	2,680,512	4,555,380
Number of target FTEs (Full Time Equivalent)	-	-	-	-	5, 399	5,358	8,712
Disaster Management Rehabilitation (inclusive of Sukuma Sakhe) Number of houses completed	2,215	2,052	2,174	1,221	1,744	727	467
Rectification(1994-2002 stock) Number of Units rectified	0	188	1,296	1,662	1,270	1,717	1,246
Rural Housing ( Inclusive of Farm Worker Programme): Number of houses completed	13,106	11,921	14,969	12,000	14,076	14,905	14,530
All subsidy instruments: Number of properties transferred	2,634	5,251	2,196	13,158	2,212	4,978	8,328
Number of beneficiaries approved	21,447	38,556	57,188	39,663	13,546	9,300	7,680
Number of serviced sites delivered per human settlements (housing) programme	4,028	5,426	6,063	10,038	8,311	12,018	9,369
Number of houses completed (Excluding Rectification)	21,189	22,112	25,940	27,382	32,043	33,390	36,491

Table: 20: Provincial Performance Indicators: Annual and Quarterly Targets

Performance Indicators	Annual Targets 2014/15	Quarterly Targets			
		Q1	Q2	Q3	Q4
Quarterly Targets					
Individual Non Credit Linked Subsidies Number of houses completed	1,020	255	255	255	255
Number of targeted persons days of work	923, 016	71,829	175,329	316,779	359,079
Number of target FTEs (Full Time Equivalent)	5,399	312	1,074	2,451	1,562
Disaster Management ( inclusive of Sukuma Sakhe) No. of houses completed	1,744	384	486	462	412
Rectification: Number of units rectified (1994-2002 stock)	1,270	310	285	335	340
Rural Housing Number of houses completed	14,076	3,616	3,750	3,443	3,267
All subsidy Instruments Number of properties transferred	2,212	440	550	610	612
Number of beneficiaries approved	13,546	3,170	3,420	3,671	3,285
Number of serviced sites delivered per human settlements (housing) programme	8,311	1,889	2,417	1,965	2,040
Number of houses completed (Excluding Rectification)	32,043	7,895	8,674	8,127	7,347

## OUTCOME 8 PERFORMANCE INDICATORS

Table 21: Outcome 8 Performance Indicators and MTEF Targets

Strategic Objective	Performance Indicator	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
		2010/11	2011/12	2012 /13	2013/14	2014/15	2015/16	2016/17
Eradication of Informal Settlements – Outcome 8 Objectives	<b>Project Linked Programme:</b> Number of Houses completed	Included under ISU Programme	1,954	1,698	2,365	-	-	-
	<b>Informal Settlements Upgrade:</b> Number of Houses completed	6,765	3,666	1,531	6,655	9,788	12,880	13,230
	<b>Integrated Development Programme:</b> Number of Houses completed	New Indicator	294	262	882	2,055	2,210	3,706
	<b>Peoples Housing Process:</b> Number of houses completed	0	225	2,227	1,665	2,800	550	1,000
	<b>Institutional Subsidy Programme (Utilizing the institutional subsidy instrument)<sup>9</sup>:</b> Number of Houses Completed	0		104	315	-	-	-
	<b>Social Housing Programme (Utilizing the institutional subsidy instrument)<sup>10</sup>:</b> Number of Units completed	180	0	1,604	-	260	510	480
	<b>Implementation of FLISP:</b> Number subsidies approved and disbursed	0	0	24	800	300	350	400
	<b>Community Residential Units</b> Number of Units completed	82	0	170	779	-	108	108
	<b>Community Residential Units:</b> Number of units upgraded	-	-	-	-	247	-	-
	<b>Access to land and densification:</b> Number of Hectares of well-located land acquired and/or released for residential development	1,472	5,782	1,173	1,850 hectares	3,469 hectares	3,475 hectares	3,709 hectares

Table 22: Outcome 8 Performance Indicators: Annual and Quarterly Targets

Performance Indicators	Annual Targets 2014/15	Quarterly Targets			
		Q1	Q2	Q3	Q4
Quarterly Targets					
<b>Project Linked Programme:</b> Number of Houses completed	-	-	-	-	-
<b>Informal Settlements Upgrade:</b> Number of Houses completed	9,788	2,370	2,723	2,587	2,108
<b>Integrated Development Programme:</b> Number of Houses completed	2,055	395	610	540	510
<b>Peoples Housing Process:</b> Number of Houses Completed	2,800	705	725	700	670
<b>Institutional Subsidies:</b> Number of houses completed	-	-	-	-	-
<b>Affordable Social Housing:</b> Number of Units completed	260	95	50	65	50
<b>Implementation of FLISP:</b> Number of subsidies approved and disbursed	-	-	-	-	-
	300	75	75	75	75
<b>Community Residential Units</b> Number of Units completed	-	-	-	-	-
<b>Community Residential Units:</b> Number of units upgraded	247	-	-	64	183
<b>Access to land and densification:</b> Number of Hectares of well-located land acquired and/or released for residential development	3,469	533	1,201	1,017	718

<sup>9</sup> Refers to the Institutional Subsidy funding mechanism utilized for housing projects for vulnerable groups.

<sup>10</sup> Refers to the Institutional Subsidy funding mechanism utilized for housing projects the Social Housing Programme only.

## RECONCILING PERFORMANCE TARGETS WITH EXPENDITURE TRENDS AND BUDGETS – 2014/15

Table 23: Expenditure Estimates for Housing Development

Sub-Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
	R' thousands	2010/11	2011/12				2012/13	2013/14	
Administration	55,091	56,041	86,914	72,785	70,953	70,953	77,871	81,678	85,987
Financial Interventions	491,660	648,339	535,382	551,893	714,537	714,537	733,751	614,753	746,655
Incremental Interventions	993,336	961,162	864,574	1,038,096	1,224,337	915,031	1,278,232	1,382,258	1,433,028
Social and Rental Interventions	189,992	142,563	348,699	375,030	273,689	273,689	33,186	54,822	51,640
Rural Interventions	917,187	902,891	1,191,922	1,112,414	958,016	1,267,322	1,090,490	1,134,305	1,116,737
<b>Total</b>	<b>2,647,266</b>	<b>2,710,996</b>	<b>3,027,491</b>	<b>3,150,218</b>	<b>3,241,532</b>	<b>3,241,532</b>	<b>3,213,530</b>	<b>3,267,816</b>	<b>3,434,047</b>

Source: BAS

Table 24: Summary of provincial Expenditure estimates by Economic Classification

	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
	2010/11	2011/12	2012/13				2013/14		
<b>Current payments</b>	<b>62,548</b>	<b>68,247</b>	<b>92,728</b>	<b>115,039</b>	<b>136,948</b>	<b>136,941</b>	<b>146,768</b>	<b>168,226</b>	<b>172,522</b>
Compensation of employees	50,127	60,206	78,881	91,232	99,659	99,659	123,375	131,607	135,453
<b>Goods and services</b>	<b>12,229</b>	<b>8,041</b>	<b>13,847</b>	<b>23,807</b>	<b>37,181</b>	<b>37,174</b>	<b>23,393</b>	<b>36,619</b>	<b>37,069</b>
Communication	846	1,011	1,339	1,828	1,543	1,543	1,901	1,918	2,006
Computer Services	341	498	656	777	668	668	752	757	797
Consultants, Contractors and special services	4,399	747	420	8,858	9,655	9,655	7,695	16,253	16,253
Inventory	98	160	243	580	1,225	1,222	507	517	531
Operating leases	266	164	208	333	303	306	351	355	374
Rental & hiring			25	100	500	500	100	100	100
Travel and subsistence	2,585	3,688	6,731	7,150	9,452	9,452	7,909	10,790	11,017
Interest and rent on land	192			-	108	108			
Maintenance , repair and running costs									
Other including Assets<5000, training and development, property payments, operating expenditure and venues and facilities	3,694	1,773	4,225	4,181	13,835	13,828	4,178	5,929	5,991
<b>Transfers and subsidies to</b>	<b>2,557,241</b>	<b>2,631,424</b>	<b>2,933,528</b>	<b>3,018,954</b>	<b>3,087,916</b>	<b>3,087,923</b>	<b>3,000,827</b>	<b>3,098,848</b>	<b>3,260,770</b>
Provinces and municipalities	128,007	-	115,000	100,000	152,437	152,444	366,689	40,209	37,804
Departmental agencies and accounts			134,477	220,408	175,447	175,447	20,000	25,000	30,000
Universities and Technikons									
Non-profit institutions									
Households	2,429,234	2,631,424	2,684,051	2,698,546	2,760,032	2,760,032	2,944,138	3,033,639	3,192,966
<b>Payments for capital assets</b>	<b>27,477</b>	<b>11,325</b>	<b>1,235</b>	<b>16,225</b>	<b>16,668</b>	<b>16,668</b>	<b>65,935</b>	<b>742</b>	<b>755</b>
Buildings and other fixed structures	27,477	11,022	1,009	15,000	14,892	14,892	64,670	-	-
Machinery and equipment	-	303	226	1,225	1,776	1,776	1,265	742	755
Software and other intangible assets									
<b>Payment for financial assets</b>				-	-	-			
<b>Total economic classification</b>	<b>2,647,266</b>	<b>2,710,996</b>	<b>3,027,491</b>	<b>3,150,218</b>	<b>3,241,532</b>	<b>3,241,532</b>	<b>3,213,530</b>	<b>3,267,816</b>	<b>3,434,047</b>

Source: BAS



#### 4.4 PROGRAMME 4: HOUSING ASSETS MANAGEMENT, PROPERTY MANAGEMENT

##### PURPOSE AND STRUCTURE

This programme co-ordinates the maintenance of the departmental rental housing stock, the refurbishment of the old hostels and the conversion thereof to community residential units, the rectification of units built prior to 1994 and the transfer of rental housing stock to qualifying beneficiaries in terms of the extended enhanced discount benefit scheme (EEDBS). Further details regarding these programmes are reflected hereunder:

##### MAINTENANCE

The maintenance of the rental housing stock and the vacant land of the department is one of the key focus areas of Property Management. Whilst the rental stock is being suitably maintained, it is the intention to deplete the rental stock by implementing the rectification programme and intensifying the transfers of properties to qualifying beneficiaries in terms of the EEDBS. The rectification programme consisting of pilot projects has already commenced in the areas of Shallcross and Austerville flats, and the full programme for these areas is anticipated to be rolled out in 2014. Maintenance repairs of units in these areas and other areas that are to be rectified will be restricted to emergency and urgent works so as not to duplicate costs. In the long term, it is the intention of the department to only hold a key portfolio of properties, thereby reducing the rates, services charges and cost of maintenance.

##### ENHANCED EXTENDED DISCOUNT BENEFIT SCHEME

The Department has in its ownership residential properties (houses and flats) that were erected prior to 1994. The introduction of the EEDBS was intended to transfer these properties to qualifying beneficiaries.

However, much of the ex-Own Affairs housing stock that is still held by the Department together with all the other old housing stock that is held by various municipalities (including ex-R293 stock) do not comply with current building regulations. It is the intention to rectify and refurbish this stock before they are transferred to beneficiaries in terms of the EEDBS.

In going forward and to overcome other logistical challenges expeditiously, the Department is giving consideration to entering into a Protocol Agreement with the Estate Agency Affairs Board of South Africa (EAAB). The EAAB is a Public Entity functioning under the auspices of the national Minister of Human Settlements and is strategically placed between government and the private sector. In furthering its mandate and relevance to the work of the Department, the EAAB has identified as key, the aspect of ownership and titling as a means of not only accelerating integrated human settlements, but more specifically, stimulating the secondary housing market and its engagement to assist with the conclusion of the balance of transfers of the residential units to beneficiaries and the devolution of residential sites to the respective Municipalities for housing development purposes. The brief of the EAAB will include inter-alia the determination of selling prices and formation of the Body Corporates in terms of the Sectional Title Act. The focus will be on the following properties:

- 1738 Department of Human Settlement owned properties
- 249 Msunduzi owned properties
- 1520 eThekweni owned properties



With the exception of Msunduzi and eThekweni Municipalities, the Department is also in the process of engaging private conveyancers to expedite transfer of ownership to beneficiaries in the other Municipal areas.

**RECTIFICATION OF RESIDENTIAL UNITS ERECTED PRE-1994**

This programme is aimed at rectifying the housing stock constructed pre-1994. The Department has approved project funding in the sum of R3, 5 billion for the rectification of 42,797 units within the Province. The roll-out has commenced and is expected to be over a period of five to eight years. In addition, projects for an estimate 2,562 units are either in the planning stage or awaiting approval of funding and are projected for the latter part of 2014/2015 and beyond.

**PROVINCIAL STRATEGIC OBJECTIVES, INDICATORS AND TARGETS FOR HOUSING ASSET MANAGEMENT AND PROPERTY MANAGEMENT**
**Strategic Goal 3: Paradigm Shift Subsuming Integrated Development, Inter-sectoral Approaches**
**STRATEGIC OBJECTIVE ANNUAL TARGETS**

Table 25: Provincial Strategic Objectives and MTEF Targets

Strategic Objective	Audited/Actual Performance			Estimated Performance 2013/14	Medium Term Target		
	2010/2011	2011/2012	2012/2013		2014/15	2015/16	2016/17
Promote security of tenure (number of EEBDS houses remaining to be transferred)	-	-	10,304 <sup>11</sup>	996	1,135	1,380	2,559

**PROVINCIAL PROGRAMME PERFORMANCE INDICATORS**
**CUSTOMISED SECTOR PERFORMANCE INDICATORS**

Table 26: Customised Sector Performance Indicators: MTEF Targets

Performance Indicator	Audited/ Actual Performance			Estimated Performance 2013/14	Medium Term Targets		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
Number of rental units sold to beneficiaries <sup>12</sup>	1,857	2,500	764	996	-	-	-
Number of rental units transferred			764	996	1,565	1,380	2,559
Number of rental units devolved to Municipalities in terms of Section 15 of the Housing Act, 1997				62	-	562	1,162
Number of Debtors reduced per financial year <sup>13</sup>				1,605	-	-	-

Table 27: Customised sector Performance Indicators: Annual and Quarterly Targets

Performance Indicators	Annual Targets 2014/15	Quarterly Targets			
		Q1	Q2	Q3	Q4
Quarterly Targets					
Number of rental units sold to beneficiaries	-	-	-	-	-
Number of rental units transferred	1,565	413	398	384	370
Number of rental units devolved to municipalities in terms of section 15 of the Housing Act, 1997	-	-	-	-	-
Number of debtors reduced per financial year	-	-	-	-	-

<sup>11</sup> Departmental Properties based on Asset Register<sup>12</sup> No targets set as sales agreements were concluded an estimated 15 years ago<sup>13</sup> Indicator is measured under Number of rental Units Transferred

**PROVINCIAL PERFORMANCE INDICATORS**

Table 28: Provincial Performance Indicators and MTEF Targets

Performance Indicator	Audited/ Actual Performance			Estimated Performance	Medium Term Targets		
	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Number of units maintained	5,249	4,246	4,966	3,000	3,000	3,000	2,000
Number of units Rectified and or Upgraded for Pre-1994	1,361	0	579	884	2,000	1,560	2,610

Table 29: Provincial Performance Indicators: Annual and Quarterly Targets

Performance Indicators	Annual Targets 2014/15	Quarterly Targets			
		Q1	Q2	Q3	Q4
Number of units maintained	3,000	750	750	750	750
No. of Units Rectified and or upgraded for Pre-1944	2,000	501	501	501	497

**RECONCILING PERFORMANCE TARGETS WITH EXPENDITURE TRENDS AND BUDGETS – 2014/15**

Table 30: Expenditure Estimates for Housing Assets Management, Property Management

Sub-Programme	Audited Outcomes			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-Term Estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
R' thousands									
Administration	56,304	67,667	48,257	70,190	62,150	62,150	47,542	50,498	53,208
Sale and Transfer of Housing Properties	97,563	1,105	5,085	8,331	1,489	1,489	989	863	1,738
Housing Properties Maintenance	155,295	116,794	131,749	152,664	106,516	106,516	136,397	126,982	197,500
<b>Total</b>	<b>309,162</b>	<b>185,566</b>	<b>185,091</b>	<b>231,185</b>	<b>170,155</b>	<b>170,155</b>	<b>184,928</b>	<b>178,343</b>	<b>252,446</b>

Source: BAS

Table 31: Summary of provincial Expenditure estimates by Economic Classification

	Audited Outcomes			Main	Adjusted	Revised	Medium-Term Estimates		
	2010/11	2011/12	2012/13	Appropriation	Appropriation	Estimate	2014/15	2015/16	2016/17
<b>Current payments</b>	<b>82,916</b>	<b>88,048</b>	<b>73,599</b>	<b>90,667</b>	<b>72,296</b>	<b>75,749</b>	<b>57,814</b>	<b>61,429</b>	<b>66,945</b>
Compensation of employees	54,247	52,620	42,803	61,258	45,712	45,658	45,183	48,679	51,179
<b>Goods and services</b>	<b>28,669</b>	<b>35,428</b>	<b>30,796</b>	<b>29,409</b>	<b>26,584</b>	<b>30,091</b>	<b>12,631</b>	<b>12,750</b>	<b>15,766</b>
Communication	250	278	291	494	220	204	310	329	346
Computer Services	77	86	137	239	236	176	75	80	80
Consultants, Contractors and special services	8,400	1,771	3,104	11,105	4,399	4,288	2,580	2,419	3,315
Inventory	2,017	5,367	1,109	4,400	2,560	2,310	3,149	3,135	3,653
Operating leases	25	43	41	83	69	93	74	79	81
Rental and hiring					3	3			
Travel and subsistence	353	353	525	1,097	2,059	2,037	565	691	811
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	17,547	27,530	25,589	11,991	17,038	20,980	5,878	6,017	7,480
<b>Transfers and subsidies to</b>	<b>226,241</b>	<b>97,413</b>	<b>109,594</b>	<b>79,500</b>	<b>63,412</b>	<b>63,467</b>	<b>86,377</b>	<b>96,358</b>	<b>164,896</b>
Provinces and municipalities	225,525	85,616	106,306	68,126	45,477	45,477	65,381	86,858	164,896
Departmental agencies and accounts									
Universities and Technikons									
Non-profit institutions									
Households	716	11,797	3,288	11,374	17,935	17,990	20,996	9,500	-
<b>Payments for capital assets</b>	<b>5</b>	<b>105</b>	<b>1,852</b>	<b>61,018</b>	<b>34,447</b>	<b>30,939</b>	<b>40,737</b>	<b>20,556</b>	<b>20,605</b>
Buildings and other fixed structures		77	1,852	60,464	34,253	30,745	40,465	20,464	20,500
Machinery and equipment	5	28		554	194	194	272	92	105
Software and other intangible assets									
<b>Payment for financial assets</b>			<b>46</b>						
<b>Total economic classification</b>	<b>309,162</b>	<b>185,566</b>	<b>185,091</b>	<b>231,185</b>	<b>170,155</b>	<b>170,155</b>	<b>184,928</b>	<b>178,343</b>	<b>252,446</b>

Source: BAS

# PART C

## LINKS TO OTHER PLANS



## CAPITAL INVESTMENT, MAINTENANCE AND ASSET MANAGEMENT PLAN

## New projects, upgrades and rehabilitation

Table: 32: Summary of infrastructure payments and estimates

R'000	Audited Outcome			Main	Adjusted	Revised Estimate	Medium-term Estimates		
	2010/11	2011/12	2012/13	Appropriation			2014/15	2015/16	2016/17
				2013/14					
<b>New and replacement assets</b>	27,477	11,099	1,009	15,000	14,892	14,892	64,670	-	-
<b>Existing infrastructure assets</b>	34,000	48,816	30,214	77,864	55,865	55,865	50,516	30,624	32,604
Maintenance and repair	34,000	48,816	28,362	17,400	21,612	25,120	10,051	10,160	12,104
Upgrading and additions									
Rehabilitation, renovations and refurbishment			1,852	60,464	34,253	30,745	40,465	20,464	20,500
<b>Infrastructure transfer</b>	<b>180,000</b>	<b>60,000</b>	<b>155,000</b>	<b>152,000</b>	<b>114,500</b>	<b>114,500</b>	<b>50,881</b>	<b>66,962</b>	<b>145,000</b>
Current	60,000	60,000	60,000	52,000	14,500	14,500	50,881	66,962	145,000
Capital	120,000	0	95,000	100,000	100,000	100,000	-	-	-
<i>Capital infrastructure</i>	<i>147,477</i>	<i>11,099</i>	<i>97,861</i>	<i>175,464</i>	<i>149,145</i>	<i>145,637</i>	<i>105,135</i>	<i>20,464</i>	<i>20,500</i>
<i>Current infrastructure</i>	<i>94,000</i>	<i>108,816</i>	<i>88,362</i>	<i>69,400</i>	<i>36,112</i>	<i>39,620</i>	<i>60,932</i>	<i>77,122</i>	<i>157,104</i>
<b>Total</b>	<b>241,477</b>	<b>119,915</b>	<b>186,223</b>	<b>244,864</b>	<b>185,257</b>	<b>185,257</b>	<b>166,067</b>	<b>97,586</b>	<b>177,604</b>

The category **New infrastructure** assets relates to the Social and Economic Amenities programme. The assets constructed are owned by the department until handed over to the municipality. The allocation in 2014/15 is for the finalisation of these projects such as Stepmore, Maguswana, etc.

**Rehabilitation, renovations and refurbishments** relates to the renovations of housing properties owned by the department. The decrease from the 2013/14 Main Appropriation to Adjusted Appropriation and Revised Estimate is attributed to the decrease in the amount allocated for the Shallcross rectification project as a result of a pilot project being undertaken. The fluctuating trend over the 2014/15 MTEF relates to the renovations of housing properties, which are done in phases.

**Maintenance and repairs** relates to the maintenance of housing properties owned by the department and the EEDBS programme. The fluctuating trend from 2010/11 to 2012/13 is due to high expenditure incurred in 2011/12 in relating to the EEDBS programme. The contract of the service provider implementing the programme was terminated as the department was implementing the programme directly with the municipalities resulting in a decrease in the allocation for 2012/13. The increase from the 2013/14 Main to Adjusted Appropriation and Revised Estimates was due to the increase in the maintenance of properties due to the delay in transferring properties due beneficiaries in terms of the EEBDS. Delays were experienced with the State Attorneys in transferring properties to the beneficiaries on behalf of the department.

**Infrastructure transfers: Current:** This budget relates to transfers to the eThekweni Metro for maintenance to pre-1994 housing stock, e.g. Lamontville. These funds are transferred in terms of the agreement signed by the department and the eThekweni Metro for the rectification of these properties. The decrease from the 2013/14 Main to Adjusted Appropriation was due to the rectification of Ex-own affairs and R293 towns which was delayed due to the delays in the SCM processes in the eThekweni Metro, which resulted in the delay in the appointment of a service provider.

**Infrastructure transfers:** Capital comprises the transfers in respect of the CRU programme. During 2011/12, no transfers were made due to delays in the approval process of projects within municipalities. The department signed a three years agreement with the eThekweni Metro, which come to an end in 2014/15 hence no allocation in the two outer years.

## Medium term revenue

Table 33: Summary of revenue

R'000	Audited Outcome			Main	Adjusted	Revised Estimates	Medium-term Estimates		
	Audited	Audited	2012/13	Appropriation			2014/15	2015/16	2016/17
	2010/11	2011/12		2013/14					
<b>Provincial Allocation</b>	<b>267,030</b>	<b>283,444</b>	<b>300,409</b>	<b>312,248</b>	<b>311,786</b>	<b>311,786</b>	<b>327,237</b>	<b>342,050</b>	<b>360,516</b>
<b>Conditional grants</b>	<b>2,768,502</b>	<b>2,801,547</b>	<b>2,915,297</b>	<b>3,238,428</b>	<b>3,278,584</b>	<b>3,278,584</b>	<b>3,273,045</b>	<b>3,313,983</b>	<b>3,547,298</b>
<i>Integrated Housing &amp; Human Settlement Dev. Grant</i>	2,634,109	2,769,871	2,915,297	3,235,428	3,275,584	3,275,584	3,273,045	3,313,983	3,547,298
<i>Housing Disaster Management grant</i>	133,800	31,140							
<i>EPWP Incentive grant</i>	593	536		3 000	3000	3000			
<b>Total Receipts</b>	<b>3,035,532</b>	<b>3,084,991</b>	<b>3,215,706</b>	<b>3,550,676</b>	<b>3,590,370</b>	<b>3,590,370</b>	<b>3,600,282</b>	<b>3,656,033</b>	<b>3,907,814</b>
<i>Surplus/ Deficit (before financing)</i>	(53,705)	42,496	(162,065)		(1000)	(1000)			
Provincial roll-overs	77,024		27,637						
Provincial cash resources			134,477		1,000	1,000			
<i>Surplus/ Deficit (after financing)</i>	23,319	42,496	49						
<b>Total Payments</b>	<b>3,089,237</b>	<b>3,042,495</b>	<b>3,377,771</b>	<b>3,550,676</b>	<b>3,591,370</b>	<b>3,591,370</b>	<b>3,600,282</b>	<b>3,656,033</b>	<b>3,907,814</b>

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: 34: Revenue Collection

R'000	Audited Outcome			Main Budget	Adjusted Budget	Revised Estimate	Medium-term Estimates		
	Audited 2010/11	Audited 2011/12	2012/13				2013/14		
Tax receipts	-	-					-	-	
Casino taxes									
Horse racing taxes									
Liquor licenses									
Motor vehicle licenses									
Sale of goods and services other than capital asset	387	474	469	434	434	434	477	534	562
Transfers received									
Fines, penalties and forfeits									
Interest, dividends and rent on land	46	-20	16	30	30	30	20	18	16
Sale of capital assets	302	160	530	300	300	300	480	560	590
Financial transaction in asset and liabilities	7,382	268,554	14,081	775	775	6,694	853	938	988
<b>Total</b>	<b>8,117</b>	<b>269,168</b>	<b>15,096</b>	<b>1,539</b>	<b>1,539</b>	<b>7,413</b>	<b>1,830</b>	<b>2,050</b>	<b>2,156</b>

### Conditional Grants

The main funding for the department relates to the HSDG, which aims to promote the provision of low income housing using different programmes such as project linked subsidies, people's houses programmes, Integrated Residential Development programmes, rural housing subsidies, Informal Settlement Upgrade, social housing, etc.

From 2010/11 to the 2012/13, the department received the Housing Disaster Relief grant, to rehabilitate communities affected by storm damage. The grant has not been provided for in the 2013/14 as the additional allocation formed part of the HSDG in 2013/14. The increase from 2013/14 Main appropriation to the Adjusted Appropriation, was as a result of the department receiving the additional allocation in respect of housing stock damaged by floods in 2011/12.

The department received an allocation of R3 million in 2013/14 in respect of the EPWP Integrated Grant for Provinces which aims to create temporary work opportunities and a transfer of skills to the unemployed. There is no allocation against the EPWP Integrated Grant for Provinces in 2014/15 and 2015/16. The department received allocations for this grant in 2010/11 and 2011/12, but no expenditure was incurred.

## Donor funding

Reflected hereunder is the donor funds spent by the department over the period 2010/11 to 2016/17

Table 35: Details of payments and estimates of donor funding and agency receipts

R thousand	Audited outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term estimates		
	2010/11	2011/12	2012/13				2013/14	2014/15	2015/16
Donor funding	618	-	-	-	-	-	-	-	-
Phase II Roll-out Project	618	-	-	-	-	-	-	-	-
<b>Total</b>	<b>618</b>	-	-	-	-	-	-	-	-

The department spent R618 000 on Phase II Roll-out Project (also part of the Flanders funding) in 2010/11. The department was advised by the Flemish government that the donor funding contract, which expired on 30 November 2010, would not be extended, and no roll-over of funds would be granted. No donor funding is expected over the 2014/15 MTEF.

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

### Links to the Provincial Growth and Development Plan

The Department will contribute to the achievement of the 2030 Vision in the following manner:

STRATEGIC GOAL 3 – Human & Community Development Poverty and inequality in KZN is reduced	
STRATEGIC OBJECTIVE: SUSTAINABLE HUMAN SETTLEMENTS (3.4)	STRATEGIC INTERVENTIONS
	a. Establishment of a joint provincial forum addressing integrated development
	b. Densification of Human Settlements
	c. Transformation of informal settlements
	d. Develop provincial strategy and plan to address housing Gap Market
	e. Expand the Social Housing Implementation

Strategic Objective No.	Indicator	2015 Target
SO 3.4.1	Percentage housing backlog	Decrease by 7%
SO 3.4.2	Percentage households with a registrable form of tenure.	56%
SO 3.4.3	Percentage of Provincial Human Settlements budget spent on formal settlement development	37% of the budget

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

- The Cornubia Housing Project
- The Vulindlela Housing Project

### **Interdepartmental Linkages**

The Department participates in provincial Cabinet Clusters, Multi-sectoral IDP Forums, Provincial Disaster Management Task Team as well as the 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 prioritised in MHSPs of municipalities to ensure that all settlements are developed 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, it is 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**

#### **MOU with Banking Association of SA**

The National Minister of Human Settlements has entered into a MoU with the Banking Association of SA and the 4 major Banks within the context of the Financial Sector Charter; where the financial institutions have committed R42 billion to home loan finance in medium income sector. The Province has since entered into MOU agreements with ABSA, Standard Bank and FNB.

# **PART D**

## **FIVE YEAR HORIZON - MULTI YEAR HOUSING DEVELOPMENT PLAN 2014/15 TO 2018/19**



## Introduction

The KwaZulu-Natal Human Settlements' mission is to create an enabling environment based on a coordinated, integrated and inter-sectoral approach to support human settlement infrastructure development and in doing so will ensure that the Province's citizens live in sustainable and efficient human settlements that have been established in line with principles of basic needs and human rights. Citizens are able to engage constructively with government and other service providers to access the full range of services and benefits.

The department's vision reflects the two main objectives of the Habitat Declaration on Sustainable Human Settlements, namely the right to basic shelter as a human right and the need of settlements to be socially, environmentally and economically sustainable. The vision emphasizes the policy objective of the Comprehensive Plan on Human Settlements of 2004 that delivery should be more demand-driven and that housing and other instruments should respond to the needs of people in their specific situations.

In order to achieve the above vision, this Province is committed to the provision of integrated and sustainable human settlements through the provision of comprehensive housing opportunities in alignment to the National Outcomes based approach towards Sustainable Human Settlements and Improved Quality of Life as well as the Millennium Development Goals with specific reference to Goal Number 7, i.e. Ensure Environmental Sustainability (Eradication of Slums). Of critical relevance to this is the implementation of the Upgrading of Informal Settlements, increasing the provision of well-located rental accommodation, mobilisation of well-located public land for low income and affordable housing, as well as the provision of the Finance Linked individual subsidy scheme to address affordability challenges in the GAP market.

The Provincial Growth & Development Strategy (PGDS) and its subsequent Plan (PGDP) spatially references the priority intervention areas where there is a high need for services across a broad developmental spectrum but importantly, also has a high potential to achieve sustainability. The Department, in its effort to operationalise the PGDP has begun to align its human settlement projects to these priority intervention areas.

The introduction, this financial year, of enhanced Norms and Standards for the construction of freestanding dwellings and engineering services will align the house design to the 2011 National Building Regulations pertaining to "Energy Usage in Buildings". Coupled to the new house design parameters, additional gross floor area of 45 square metres will be the minimum standard for disabled persons who are wheelchair bound and 50 square metres with a high level of finishing's, for military veterans.

The strategic thrust of this Department is therefore to ensure that the targets as reflected hereunder in the Negotiated Service Delivery are achieved.

Deliverable	National Target	National Target for Province
Informal Settlement Upgrade	400, 000	76,200
Affordable Rental	80,000	15,240
Supply of affordable Housing finance	600,000	114,300
Access to state land	6250ha, at 60 units/ha	1220ha, 60 units/ha

In addition, the Department is also guided by other strategic policies and plans inclusive of the National Development Plan and the Provincial Growth and Development Plan as previously mentioned.

Whilst the Department has undertaken to ensure that there is a strategic alignment of its core deliverables to the outcome based methodology of improving service delivery, key challenges faced by the Department that impact on its performances are inclusive but not limited to the following:

- Urbanisation: has been one of the most significant demographic and settlement trends over the past few decades. According to the Provincial Spatial Economic Development Strategy, KZN had approximately 10.5 million citizens, (50% of which is urban) and this is expected to increase to 11.0 million by 2018 with the proportions changing significantly, in that there will be 8 million urban citizens and 3 million rural citizens. The provision of settlements to accommodate this is therefore essential.
- Many of the urban low income housing projects developed during the past 20 years have been poorly located at the peripheries of towns.
- The densities in many rural areas have become problematic. There is now a significant incidence of rural settlements with increased densities (of about half that of the densities of urban areas). The densities of these settlements are too high to make small scale farming viable, and they are too low for efficient public transport, infrastructure and service delivery.
- Availability of land is problematic more especially as the sustainability of settlements depends strongly on their location and accessibility. Well-located land is generally expensive and is subject to competition for other use. Land invasion is well orchestrated especially when projects are at the planning stage.
- Informal settlements in urban areas are probably the largest challenge. The province has a target to eradicate slums in KZN by 2014. This will require a range of short- and long-term responses, including interim relief, incremental upgrades, planning and management of informal settlements, greenfields, and sustained, long-term upgrading programs.
- Development of services and social facilities is often not aligned to housing projects. This results in projects being delayed or citizens of new settlements not having access to services and amenities.

- Infrastructure services: There is a lack of co-ordination for the provision of engineering services has often delayed the implementation of subsidised housing projects.
- Formal property markets are not working sufficiently for the low income, affordable and gap housing income groups. One reason is that formal transfer processes are expensive and time consuming. Poor households often rely on the informal property market. Hence, the Department of Human Settlements has initiated a Conveyancing Panel of conveyancers solely from Pietermaritzburg to effect all Departmental transfers i.e. for Projects; Individuals and Property Management, at a flat rate of R1000.00 per transfer. This was finalized in October. Interactions and partnerships with the real estate, financial, and private sector markets is crucial to Human Settlement developments in the low, affordable and gap income groups.
- There is insufficient coordination within government for the effective implementation of strategies related to human settlement improvements. The insufficiency seems to lie not in policy and strategy, but in the coordination of activities that ought to follow after strategy has been formulated.
- Capacity issues both internal and external

Notwithstanding the above, the Department is committed to ensuring that it addresses the basic needs of the deprived individuals of this Province in order to improve their quality of life.

As part of its a multi-year strategy, the Province has adopted a multi-sectorial approach, in its recognition that in order to meet the objectives as set out in the Comprehensive Plan for the Development of Sustainable Human Settlements and Outcome 8 objectives for the Province, a more integrated and co-ordinated approach from all relevant stakeholders is needed. Provincial strategies such as the Premier's Flagship Programme, the Provincial Spatial Economic Development Strategy, The Provincial Growth and Development Plan and the Integrated Rural Development Strategy also play a pivotal role to this Department's service delivery initiatives.

Critical strategies that are of significance importance during the forthcoming years are the Sustainable Human Settlement Strategy (SHSS) and the Informal Settlement Eradication Strategy and the KwaZulu-Natal Rental Housing Strategic Plan and the Integrated Rural Development Strategy. The review of the Sustainable Human Settlement Strategy will ensure that there is a proper alignment of all other vital strategies that impact on housing delivery and will ultimately ensure that housing matters are addressed in an integrated, holistic and co-ordinated manner.

- The core objectives of SHSS include:
- Strong spatial planning
- Well located land for human settlements
- Adequate shelter
- Efficient Property Market
- Supporting rural development



Attention will be given to rural development which will be closely aligned to the nodes and corridors of the Provincial Spatial Economic Development Strategy (PSEDS) as well as the priority intervention areas of the Provincial Growth and Development Plan. It is proposed that the current unsustainable sparse settlement pattern be transformed to areas of densification where a host of community facilities can be provided on an incremental basis. Of course, this transformation will be targeted at those areas where there already exists some form of clustering of settlements. Through this process, municipalities would be in a position to better plan and execute the provision of infrastructure and services to these rural communities. Economic development is seen as a corner stone of this programme whereby a meaningful and lasting upliftment of communities can be achieved.

The roll out and operationalization of the Informal Settlement Upgrade Strategy (ISU), whilst necessitating a mind-set change insofar that currently the thinking is that the only solution is to build RDP houses, will go a long way to ensure stability as a confirmation of existence in such informal settlements can be the first step in the upgrading process. The roll out of basic services is also seen as part of the first step towards a final solution.

## Alignment to the Mandate

### Provincial alignment to National objectives

Table 36: Provincial alignment to National objectives

Objectives	Methods Employed by the Province to Achieve Objectives
<p>i) Transparent, accountable and equitable administration that upholds the practice of Good Governance.</p>	<ul style="list-style-type: none"> <li>- The Department will continue to actively participate in the Provincial IDP processes as hosted by COGTA in order to ensure that housing sector issues are fully integrated with all other development processes. Assistance is provided to municipalities with the development and review of housing chapters of IDPs. In order to enhance service delivery, the Department has also re-engineered its processes to ensure that its Integrated Planning Sub-programme will be identifying all pipeline projects and managing the project planning processes. In this regard, it is anticipated that the principles of the National Development Plan, the Provincial Growth and Development Plan and the Provincial Spatial Economic Development Strategy will be undertaken in a more structured and integrated manner.</li> <li>- The engagements with relevant stakeholders such as the National Home Builders Registration Council, service providers, implementing agents etc. will be strengthened in order to ensure that quality houses are produced. In addition, this Department will continue to build partnerships and foster closer working relationships with the Ingonyama Trust Board with regard to integrated and sustainable rural development. Continued engagements with COGTA will also be undertaken in order to address the provision of bulk services which is a key challenge facing the Department.</li> <li>- Policy Information Sessions and alternative technology promotion sessions are conducted quarterly. These sessions are used to share information on existing and newly developed policies and research findings; whilst also providing a forum to obtain inputs into policy development, evaluation and research initiatives.</li> <li>- Official policy communiqué is also distributed at least one per quarter to update stakeholders on Provincial and National policies. These, together with detailed reports and submissions are placed on the Department's website.</li> <li>- The implementation of the approved monitoring and evaluation system to provide for quality and timeous reports on housing delivery on a monthly and quarterly basis is expected to address some of the significant challenges currently faced by the Department with regard to quality and meaningful information.</li> <li>- The Department has established decentralised offices within districts to ensure that an effective and efficient service is rendered at district level. It is anticipated that the re-engineering of the internal structures in so far as taking the services closer to the communities, will ensure that service delivery is expedited. The Department will continue to strive to enhance and support the district level structures so as to improve service delivery. In addition, performance based monitoring is to be undertaken at a district level so as to ensure that there is improved accountability.</li> </ul>

<p>ii) Coordination between sector departments and spheres of Government.</p>	<ul style="list-style-type: none"> <li>- The IGR component of the Department manages the inter-governmental relations between the department of Human Settlements, department of Environmental affairs, COGTA and implementing agents in supporting municipalities in their planning functions. Engagements with key stakeholder departments such as Agriculture and Environmental Affairs, Rural Development and Land Reform, COGTA, Water Affairs and the KZN Planning Commission will be strengthened to unblock EIA applications, bulks services provision, etc. in order facilitate the development of sustainable human settlements.</li> <li>- Resolutions emanating from the Human Settlement Summit will also play a pivot role in the forthcoming years</li> <li>- The establishment of District Fora will also continue to play a fundamental role in ensuring that human settlement issues are deliberated upon and resolutions taken in order to resolve challenges experienced with both existing and planned projects and to better align the roll out of bulk infrastructure to human settlement development.</li> <li>- The Provincial Rural Development Summit has acknowledged the vital role to be played by the Traditional Leaders and hence ongoing consultation with the Ingonyama Development Board will ensure that land related issues pertaining to the acceleration of rural housing especially the densification of such areas where appropriate are achieved and this Department will continue to forge relations thereof.</li> </ul>
<p>iii) Achieving a convergence of government mandates across sectors.</p>	<ul style="list-style-type: none"> <li>- Participation of the department in all the OSS management structures at all levels will continue in order to ensure that the plight of the most vulnerable are addressed efficiently and that the co-ordination with various sector Departments are enhanced.</li> <li>- In order to address the social housing targets, the Department in addition to strengthening its current relationship with The National Housing Finance Cooperation, will also via its Memorandum of Agreement with the Social Housing Regulatory Authority promote the development of social housing in the Province.</li> <li>- The Department will continue to monitor and provide support to its newly accredited municipalities that are intended to ultimately improve housing delivery within the Province.</li> <li>- FLISP – The Minister of Human Settlements acting through MINMEC has approved a number of recommendations as part of a Revised Implementation Strategy for the improved administration and implementation of FLISP, including a recommendation for NHFC to administer FLISP pilot projects in each province;</li> <li>- The KZN Provincial Department of Human Settlements and NHFC have thus entered into an Implementation Protocol Agreement in order for NHFC to administer and implement a minimum of 4 FLISP pilot projects in the Province in line with the recommendations as approved by MINMEC.</li> <li>- The KZN Provincial Department of Human Settlements and the Housing Development Agency (HDA) have entered into an Implementation Protocol whereby they will assist both the department and municipalities to acquire, hold and dispose of land for human settlement development.</li> </ul>

## Legislation and Policy Mandates

Table 37: Legislation and Policy Mandates

Legislation/Policy	Implications of legislation
The Constitution of the Republic of South Africa (Act No. 108 of 1996)	<p><b>Section 26:</b> guarantees the right to have access to housing on a progressive basis and for the State to take all reasonable steps within available resources to achieve this right.</p> <p><b>Schedule 4:</b> Identifies housing delivery as a concurrent competence of the provincial and national spheres of government</p> <p><b>Section 195:</b> Public administration must be governed by the democratic values and principles enshrined in the Constitution</p> <p><b>Section 195 (1b):</b> Efficient, economic and effective use of resources must be promoted</p> <p><b>Section 195 (1d):</b> Services must be provided impartially, fairly, equitably and without bias</p> <p><b>Section 195 (1h):</b> Good human resource management and career development practices, to maximise human potential must be cultivated</p>
National Housing Act (No. 107 of 1997)	<p>The mandate of the National Department of Human Settlements (NDoHS) is set out in the Housing Act. Section 2 compels all three spheres of government to give priority to the needs of the poor in respect of housing development.</p> <p>In addition, all three spheres must ensure that housing development:</p> <ul style="list-style-type: none"> <li>• Provides as wide a choice of housing and tenure options as is reasonable possible;</li> <li>• Is economically, fiscally, socially and financially affordable and sustainable;</li> <li>• Is based on integrated development planning; and</li> <li>• Is administered in a transparent, accountable and equitable manner and upholds the practice of good governance.</li> </ul> <p>The NDoHS formulated the Housing Amendment Act which provides the legislative mandate for the assignment of certain functions to municipalities provided they meet certain criteria as well as to build the capacity of municipalities in order to facilitate assignment.</p>
Intergovernmental Relation Framework Act (No. 13 of 2005)	Establishes a framework for National, Provincial and Local Government to promote and facilitate intergovernmental relations and to provide a mechanism and procedure to facilitate the settlement of intergovernmental disputes.
Prevention of Illegal Eviction and Unlawful Occupation of Land Act (No 19, 1998, Amended)	To provide for the prohibition of unlawful eviction; to provide for procedures for the eviction of unlawful occupiers.
National Spatial Development Perspective	<p>The NSDP deals with the reconfiguration of the apartheid spatial relations and implements spatial priorities and provides a framework for the development of national space economy. The four principles of the NSDP are as follows:-</p> <ul style="list-style-type: none"> <li>• Rapid economic growth that is sustained and inclusive in order to achieve poverty alleviation;</li> <li>• Fixed investment should be focused in localities of economic growth or economic potential;</li> <li>• Programmes and projects to address poverty and provision of basic services in areas where low economic potential exists;</li> <li>• Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link with main centres.</li> </ul>

Legislation/Policy	Implications of legislation
Public Finance Management Act (No. 01 of 1999, amended)	Provides for the effective and efficient administration of State funds Promotes transparency and efficiency.
Comprehensive Plan for the Creation of sustainable Human Settlements (Breaking New Ground -(BNG)	The objectives for sustainable human settlements and quality housing conditions include: <ul style="list-style-type: none"> <li>• Accelerating the delivery of housing as a key strategy for 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</li> <li>• Combating crime, promoting social cohesion and improving quality of life for the poor,</li> <li>• Utilising housing as an instrument for restructuring the spatial legacy of apartheid.</li> </ul> A fundamental principle of the Comprehensive Plan is a shift from a supply-driven approach to a demand-driven one.
Millennium Development Goals	Sets out the targets for the eradication of informal settlements.
Housing Development Agency Act (No. 23 of 2008)	Facilitates the fast tracking of land acquisition and housing development services for the purpose of creating sustainable human settlements and to ensure a centrally coordinated planning and budgeting of infrastructure required for housing development.
Provincial Spatial Economic Development Strategy and Provincial Growth & Development Plan	Indicates the desired development patterns for the province to contribute towards redressing past spatial imbalances in development. Espouses a polycentric model anchored by nodes and corridors of different sizes together with priority intervention areas that have high basic needs but importantly, high economic development potential.
KwaZulu-Natal Housing Act, 1998 (Act No. 12 of 1998 as amended)	The Act enables the promotion, facilitation and financing of housing facilities in the Province of KwaZulu-Natal.
Social Housing Act, 2008, Act 16 of 2008	The Act provides for the establishment and promotion of a sustainable social housing environment; defines the functions of national, provincial and local governments in respect of social housing; and establishes the Social Housing Regulatory Authority in order to regulate all social housing institutions obtaining or having obtained public funds;
Rental Housing Act, 1999 (Act. No 50 of 1999)	This Act defines the responsibility of government in respect of rental housing property to: <ul style="list-style-type: none"> <li>• create mechanisms to promote the provision of rental housing property;</li> <li>• promote access to adequate housing through creating mechanisms to ensure the proper functioning of the rental housing market;</li> <li>• make provision for the establishment of Rental Housing Tribunals;</li> <li>• define the functions, powers and duties of such Tribunals;</li> <li>• lay down general principles governing conflict resolution in the rental housing sector;</li> <li>• provide for the facilitation of sound relations between tenants and landlords and for this purpose to lay down general requirements relating to leases;</li> <li>• repeal the Rent Control Act, 1976.</li> </ul> The Act establishes the Rental Tribunal to regulate and promote sound relations between landlords and tenants. More importantly the Act seeks to define the government's responsibilities with regard to rental housing. There is clear requirement to stimulate the rental housing market.
Housing Consumers Protection Measures Act, 1998 (Act. No. 95 of 1998) as amended by Act No. 27 of 1999; Act 95 of 1998	The Act makes provision for the protection of housing consumers, and to provide for the establishment and functions of the National Home Builders Registration Council.
Housing Development Schemes for Retired Persons Act, 1988 (Act No. 65 of 1988) as amended by Act No. 20 of 1998 , Act No. 65 of 1988 :	The Act regulates the alienation of certain interests in housing development schemes for retired persons.

Legislation/Policy	Implications of legislation
Act No. 20 of 1998	The Act amends the Housing Development Schemes for Retired Persons Act, 1988, so as to amend the definition of "housing development scheme", to provide that land subject to a housing interest may be occupied only by a retired person or the spouse of a retired person, and to repeal section 10 of the Act.
National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977)	The Act provides for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities, and for the prescribing of building standards.
Construction Industry Development Board Act, 2000 (Act No. 38 of 2000) :	The Act provides for the establishment of the Construction Industry Development Board (CIDB) to implement an integrated strategy for the reconstruction, growth and development of the construction industry. The CIDB Act mandates the Board to establish and maintain a National Register of Contractors and a National Register of Projects. The KwaZulu-Natal Department of Housing will be required to appoint CIDB Registered contractors on all their housing delivery projects, except where the contractors in particular are registered with the NHBRC. All projects above R200 000 (R0.2 million) will also have to be registered with the CIDB. The implementation of the CIDB Register of Contractors and the Register of Projects is the 30 <sup>th</sup> August 2005.
Housing Development Agency Act (Act No. 23 of 2008)	Provides for the acquisition, holding and disposal of land for human settlement development through a co-operative arrangement with the respective provincial departments.

## Funding Model and Options

The 2011 Census data has shown significant shifts in the need for housing toward larger urban areas, and as such the allocation formula was reviewed and funds allocated appropriately.

The Department's internal financial allocation formula was approved in 2009 in order to ensure that there was a more structured approach towards the development of sustainable housing and human settlements. The objective of this formula was to provide the municipalities and provincial department with a tool to assist towards planning for medium to long term based on an informed basis and focusing on outer years.

The Province has since reviewed this allocation formula and it is intended that a revised methodology be adopted where:

both National and Provincial Departments would agree on a basic methodology, prioritising broad Outcome 8 targets at a provincial level, thus enabling flexibility in respect of allocation between subsidy instruments categorised within the deliverables and allocation per districts,  
the allocation will be finalised at a central Provincial level to ensure strategic targets can be met, in accordance with Government priorities, informed by actual needs,  
the allocations will be informed by the PGDS, Provincial Priorities including poorest 9 wards, and Sukuma Sakhe.

In doing so, it is anticipated that the allocation formula will ensure that there is more effective alignment with National Human Settlement Priorities; will allow for Provincial priorities within the National focus areas, including the Provincial Growth and Development Strategy (PGDS) and Plan, Integrated Rural Development Framework and Sukuma Sakhe initiatives and ensure that a flexible approach guided by needs and state of readiness of projects, rather than confinement to Regional Boundaries and backlog figures is achieved.



**Gearing the development of affordable rental housing to scale**

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of rental units built	260	510	480	632	280

Challenges	Mitigation measures
Lack of human capacity.	The new organogram will take into consideration the establishment of a directorate that will fully focus and roll out rental housing
Limited restructuring zones	6 municipalities have been accredited and restructuring zones have been identified. The rental strategy has been finalised also to steer delivery.
Few housing institutions capable to manage and deliver social housing.	The department is in the process of negotiating with housing institutions in other provinces that are interested in expanding their business in KZN

**Community Residential Units programme**

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of community residential units upgraded	247	-	-	-	-
Number of community residential units completed	-	108	108	-	-

Challenges	Mitigation measures
Lack of human capacity	The new organogram will address this issue
Limited understanding of the programme by municipalities	Series of workshop have been initiated especially for the aspiring municipalities to be accredited.
More rental stock is required in rural for professionals but they are above the income band	The department is in the process of developing a policy that will enable those who are above the accepted income band to benefit from rental housing

**State asset maintenance**

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of hostels maintained	3,000	3,000	2,000	2,000	2,000

Challenges	Mitigation measures
Huge deficits in rental payments arising from adverse socio-economic conditions versus the high cost of maintenance services and rates paid by the DOHS	Rightsizing of tenants to other housing initiatives that are affordable.
Culture of non-payment and lack of responsibility from tenants regarding the upkeep of buildings and structures and the responsible use of water and electricity services.	Road shows and education programmes for tenants on responsible housekeeping and obligations of tenant/landlord
Social problems such as sale of drug dealing, prostitution and crime	Interaction with COGTA and other Departments such as SAPS, Social Welfare and Health, SANDF, NGO's and the business sector.

Objectives	Methods Employed by the Province to Achieve Objectives
3.2 Facilitating the Supply of Affordable Housing Finance	

**Housing Finance linked individual subsidies (R3,501 - R15,000)**

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of houses built	300	350	400	450	500

Challenges	Mitigation measures
<p>NDoHS approved FLISP in October 2005 to avail FLISP to Qualifying Beneficiaries who wished to obtain mortgage finance from a Lender to acquire ownership of existing improved residential property or to obtain vacant serviced residential stands which are linked to house building contracts with homebuilders registered with NHBRC.</p> <p>Since 2005 the implementation, administration and up-take of FLISP has been hindered by a number of operational and institutional impediments which prompted a reconsideration of the administration of FLISP in an effort to improve its implementation.</p>	<p>Hence, the MINMEC resolutions of the revised implementation strategy with NHFC, effective 1 April 2012. As mentioned previously, the KZN Provincial Department of Human Settlements and NHFC have thus entered into an Implementation Protocol Agreement in order for NHFC to administer and implement a minimum of 4 FLISP pilot projects in the Province in line with the recommendations as approved by MINMEC. The current identified pilot projects are Gaza Strip at Ilembe District will provide for 60 infill units. At Nyoni, 300 units are planned for FLISP; Rocky Park, an Integrated Residential Development project in Ilembe with approximately 350 FLISP subsidies, Cascades Homes, a gap housing project with 90 FLISP subsidies, the "Individual FLISP pilot project" for all individual applications from all areas in KZN, as a result of the aggressive promotions and community awareness campaigns by the Department, not forming part of the above-named FLISP pilot projects.</p> <p>KZN has also developed and the MEC has approved a Non FLISP Policy for persons earning R 3 500 – R 15 000, with the same policy prescripts as the FLISP excepting that the financial institutions are not involved – rather people access their savings, or the house is procured with the subsidy only.</p>

### Individual housing subsidy (R0 - R3,500) non-credit linked

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of houses built	1,020	1,150	2,570	1,600	1,750

Challenges	Mitigation measures
All operational challenges to date with back-logs and lack of internal capacity for inspections have been alleviated. However, an ongoing challenge is that of the risk element of fraud in applications. In addition, the individual subsidy is open to abuse where families are gaining more than one subsidy per household, for the same house. An added challenge is that of conveyancing and transfer fees being excessive when considering the low income households, but is allowable in terms of tariff.	Applications are scrutinised and any irregular applications are forwarded immediately to Internal Controls and / or SIU. When effecting procedural checks, personnel ensure that surnames and domicilliums are different and so too, the property being purchased. If necessary, additional information is requested of the applicant. Policy has approved this methodology of controls. In addition, the Department of Human Settlements has initiated a Conveyancing Panel of conveyancers solely from Pietermaritzburg to effect all Departmental transfers ie for Projects; Individuals and Property Management, at a flat rate of R1000.00 per transfer. This was finalized in October 2013.

### Enhanced Extended Discount Benefit Scheme

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of residential properties transferred to beneficiaries through the EEDBS	1,135	1,380	2,559	2,951	3,231

Challenges	Mitigation measures
Rates clearance certificates can only be obtained provided that beneficiaries are up to date with accounts held with the municipality in respect of service charges (electricity, water, rates).	Municipalities to review bylaws and perhaps issue rates clearance certificates subject to beneficiaries entering into acknowledgement of debt.
There are in certain instances where beneficiaries are still required to pay outstanding settlement figures after application of EEDBS. The new credit regulation by the commercial banks makes it difficult for beneficiaries to qualify for bonds.	Policy to be reviewed to consider write-offs in such instances.
A major portion of the old housing stock is in a poor and inhabitable condition and requires to be rehabilitated in terms of the provisions of the policy on Rectification of residential properties erected pre-1994, before EEDBS can be implemented	Urgent roll-out of the rectification programme in all affected areas.
Some Municipalities lack internal capacity to manage transfers in terms of the EEDBS	To fund the municipalities to outsource the implementation of the EEDBS process

## Land, Urbanization and Spatial Management

Province should demonstrate a spatial form which facilitates a compact urban form, facilitation of higher densities, mixed land use development and integrating land use environments with access to places of opportunity.

Table 38: Land, Urbanisation and Spatial Management

Objectives	Methods Employed by the Province to Achieve Objectives
Acquiring hectares of well-located State land	
i) Land Audit	The department has developed a register of land vested in the Provincial Government in terms of General Power of Attorney 540/1997. The department has engaged with the National Department of Public Works to reconcile the asset register of the provincial state land. Through its GIS unit, the department is in the process of spatially referencing all such properties.
ii) Land	The department provides a budget to fund the acquisition of land for human settlements. An implementation protocol has been signed with the Housing Development Agency (the HDA). The HDA will provide the required capacity to identify, evaluate, undertake feasibility of the land for development, and the acquisition of the land.
iii) Land parcels procured (other funding)	The department has an Implementation Protocol with the Department of Rural Development and Land Reform (RD&LR), which provides for some funding from RD&LR for private land acquisition for human settlements.
iv) Land parcels devolved to municipalities	The department has targeted the devolution of 1220 hectares of state land to municipalities. The devolution/disposal will be by deed of transfer or Land Availability Agreement to Municipalities to undertake human settlement development.
v) Private partner initiatives	N/A

## Land parcels procured (HSDG)

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of land parcels acquired for human settlement development	3,692.53 ha	3,270.00 ha	3,793.00 ha	3,669.00 ha	3,852.00 ha
Municipality					
Hibiscus Coast	113.53ha	52ha	56ha	58ha	61ha
Umsunduzi	119ha	123ha	131ha	138ha	146ha
Umtshezi	160ha	160ha	178ha	187ha	196ha
Umvoti	320ha	320ha	355ha	373ha	392ha
Newcastle	400ha	400ha	444ha	467ha	490ha
Abaqulusi	800ha	850ha	890ha	934ha	980ha
Umhlabuyalingana	533ha	564ha	593ha	623ha	654ha
Ladysmith	342ha	359ha	377ha	396ha	416ha
Kwadukuza	51ha	54ha	57ha	60ha	63ha
Ingwe	210ha	223ha	234ha	246ha	258ha
Ethekwini	644ha	165ha	178ha	187ha	196ha

Challenges	Mitigation measures
Land invasions resulting in delays in implementation of projects	When new projects are mooted, security of land through physical presence must be put in place especially for informal settlement or slums upgrading. Provincial policy on land invasions has been developed.
Land owners demand high purchase price for well located.	Independent land valuations done to assess true value and the HDA is now assisting with negotiations with land owners.
Lack of municipal resources to identify and determine suitability of land for development.	The department is in the process of assisting municipalities to review their housing sector plans and to ensure that it contains a land strategy. HDA is also assisting with evaluation of land to determine suitability thereof for development.

**Urbanisation and spatial management**

<p>i) Efficient response to rapid urbanization</p>	<p>Through the development of identified rural nodes through the provision of a host of community facilities and economic opportunities, it is expected that the need or desire to migrate towards urban areas will slow down. The ISU programme will also go a long way to formalize these areas into vibrant and productive areas that can become extensions to suburbs rather than aberrations.</p>
<p>ii) Integration: Spatial, social and economic integration initiatives to address previous social exclusion, by promoting a mix of race and classes through social cohesion.</p>	<p>The development of all areas will give serious consideration to the greater variety of shelter choice. The notion that only RDP type houses can be delivered will be changed especially in areas where the pressure on land availability is greatest. The move to higher densities, where appropriate, will be implemented through a process where we build communities rather than houses. Well located land will greatly assist in breaking down the “apartheid” style of planning that, unfortunately, has continued even to today.</p>
<p>iii) Access: Providing access to economic opportunities and job creation.</p>	<p>Economic development and job creation cannot be seen as part time employment and skills transfer during the course of the construction process. A lot more has to be done and through the roll out of LED projects aligned to the opportunities that exist within respective communities, long lasting empowerment can be achieved. It therefore becomes imperative that human settlement projects cannot be viewed in isolation and must involve other role players to provide a total package.</p>
<p>iv) Safety: Initiatives towards safe and healthy living conditions, in settlements.</p>	<p>The provision of basic services and consideration for human safety is factored in, in the planning process, especially at community engagement level. Recycling type projects can assist in this regard together with massive educational programmes. Local municipalities have a huge role to play in ensuring health living environments.</p>
<p>v) Choice: Mixed Housing development through promoting processes such as densification and urban renewal.</p>	<p>A greater emphasis is being placed upon the ability of an individual to exercise his or her choice in terms of adequate shelter. The stereo typing of row upon row of the exact same product will give way to a combination of housing typologies from single unit to multi-storey rental. The IRDP programme will cater for this.</p>
<p>vi) Choice: Provision of variety of tenure options and housing typologies</p>	<p>Social housing with rental or rent-to-buy schemes will be developed together with other forms of urban living.</p>
<p>vii) Balance: Balance between places where we live-work-play through provision of community and recreational facilities.</p>	<p>The new image or vision is to build communities and no longer just houses. This means that a lot more role player service delivery agents are needed to commit their respective budgets to deserving projects. At the end of the, these communities need to become self-contained with a range of facilities and opportunities being available within the immediate vicinity thereby reducing travel time to and from employment opportunities.</p>
<p>viii) Emergency housing: Meeting of special housing needs.</p>	<p>- This Province is notably prone to natural disasters and the Department has therefore put in mechanisms to rapidly response to individuals in distress. Housing provisions by way of either voucher for repairs, or formal structures is provided to the unfortunate.</p> <p>- The Department participates in the Provincial Disaster Management Forum in order to ensure that emergency needs are effectively co-ordinated and addressed.</p> <p>- The Provincial Operation Sukuma Sakhe is also aimed at meeting the housing needs of destitute expeditiously as well as this Province’s endeavor to fight poverty in a sustainable manner.</p>
<p>ix) Diversity: Celebration of cultural identity and diversity.</p>	<p>Greater emphasis needs to be given to community identity and such inhabitant’s ability to influence design and shape of development.</p>

<p>x) Sustainability: Sustainable resource use in a manner that generates positive private investment response from public investments using an incremental approach.</p>	<p>The greatest aspect to attract investment to any area is stability. Stability only comes through the local community having a meaningful stake in their future. Through Economic Development analysis of opportunities must be concluded to begin to awaken potential and opportunities. There exists enough good will from business and industry to want to get involved and to assist.</p>
---	---

## Skills and Capacity

The Department is still faced with major technical and capacity constraints. It has adopted a twofold approach, whereby it is addressing the matter by embarking on the filling of critical technical and support posts by utilizing Operational Capacity funds to support this endeavor.

Capacity Building Programmes for the recent Accreditation Programme of the eThekweni Metro and six (6) municipalities are also anticipated to improve skills and resource capacity over the forthcoming years and it is intended that these municipalities will ultimately be capacitated to provide housing functions in their respective areas thereby improving service delivery.

The National Accreditation Programme in terms of outputs of Outcome Eight (8) Programme also targets the Assignment of the housing function to identified Metros. eThekweni Metro which has already acquired certification for Levels I and II, is amongst the metros identified nationally, for full Assignment of the housing function. Through Assignment, a metro gains full powers to execute human settlements interventions; including those related to i) subsidy budget planning and allocation, ii) programme and administration, and iii) financial administration. An assigned Metro will receive the Human Settlements Development Grant (HSDG) directly from the National Department of Human Settlements with limited role for the Provincial Department. Assignment is based on the principle of funds/resources follow the function, meaning that preparations for Assignment shall include the transfer of staff and assets (movable and immovable), where applicable. The Department has established an Assignment Task Team to deal with the preparations required. The dates that have been nationally declared are March 2014 for signing of the Executive Assignment Agreement by the MEC for Human Settlements and Mayor of eThekweni, and April 2014 for a Proclamation to be made by the Premier of KwaZulu-Natal, in this regard.

The department will continue to focus on conducting capacity building workshops with relevant stakeholders such as the municipalities and other relevant community structures such as Amakhosi, Izinduna, Ward committees and CBO's. Housing Consumer Education programmes will also be undertaken to ensure that beneficiaries are capacitated on how to maintain and improve on houses through structural improvement and social improvement.

Training programmes to skilled the most vulnerable groups such as the youth and women in order to make them employable in housing projects as well as implement a programme for the emerging contractors is also intended to ensure that the skills shortages experienced in the housing sector is addressed.

## Infrastructure Development and Accelerate Upgrading of Informal Settlements

Table 39: Infrastructure Development and Upgrading of informal Settlements

ICT infrastructure: Mapping Infrastructure		
i)	Geographic Information Systems (GIS)	All known informal settlements are being spatially referenced and mapped. The ISU strategy is currently being implemented where by a rapid upfront analysis of each and every informal settlement will be undertaken to determine its category for upgrading
Rural Development		
ii)	Alternative sanitation	Currently, VIP's are being rolled out as the sanitation solution of choice. Where environmental concerns negate this, other systems will be implemented. Community acceptance of any alternative form of sanitation can be a debilitating factor and therefore information sessions are important.
iii)	Projects/ settlements provided with sustainable water and sewer solutions	As an initial intervention, emergency services will be provided and dependent on the categorisation of each informal settlement, other options will be considered.
iv)	Rural housing: communal land rights	Engagement is occurring with ITB on an on-going basis to consider the option of longer leases that would make it easier to obtain bond finance.
v)	Houses built with sustainable building technology	1% of the grant allocation is to be set aside for the provision of show houses.
vi)	Rectification of RDP stock	Details reflected below.
vii)	Rectification of other housing stock	Details reflected below
Accelerate the Upgrading of Informal Settlements (400,000 HH) and Formalisation		
viii)	Informal Settlement Upgrading and formalisation	Refer to Human Settlement Development Grant for the 2014/15 financial year
ix)	Integrated Residential Development phase 1 and 2	Refer to Human Settlement Development Grant for the 2014/15 financial year
x)	Integrated residential development programme phase 4: top structure construction	Refer to Human Settlement Development Grant for the 2014/15 financial year
xi)	Enhanced Peoples Housing process	Refer to Human Settlement Development Grant for the 2014/15 financial year
xii)	Social Housing Capital Grants for rental Housing	Refer to Human Settlement Development Grant for the 2014/15 financial year
xiii)	Project linked subsidies	Refer to Human Settlement Development Grant for the 2014/15 financial year



### Rural housing: communal land rights

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of housing units completed for rural housing	14,076	14,905	14,530	16,712	16,070

Challenges	Mitigation measures
<p>Rural densification, no clear policy and guidelines, reluctance of people and Traditional Authority to relocate from site.</p> <p>One house per Umuzi policy, which restricts the provision of a subsidy to one house per homestead and therefore limits the no of subsidies and provides for social challenges</p> <p>Inaccessibility, difficult terrain delays construction.</p> <p>Challenges with allocation, houses are not always allocated to the most needy, vulnerable and aged.</p>	<p>Province has developed a densification model and will roll-out Rural densification through Pilot projects. Rural densification may not be strictly applicable to all Rural projects but will be applicable on a project by project basis.</p> <p>Provincial Policy has been refined. Constitution provides for housing on a progressive basis, thus the needs of the most needy will be prioritised.</p> <p>Also need for workshops / facilitation with community IA's need to identify sites that cannot be accessed prior to signing up of beneficiaries, so not to create expectations.</p>

### Rectification

#### Rectification of RDP Stock (1994-2002)

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of RDP houses rectified	1,270	1,717	1,246	1,100	300

Challenges	Mitigation measures
NHBR assessment process can be long and time -consuming.	Reduced Time frames to be effected with NHBR.
Additional costs in terms of relocation, demolition Transit camps, etc	Additional monies are approved

#### Rectification of other housing stock (pre-1994)

Performance Measure	Five-year Target				
	2014/15	2015/16	2016/17	2017/18	2018/19
Number of other housing stock rectified	2,000	1,560	2,610	3,210	6,213

Challenges	Mitigation measures
The current subsidy quantum is insufficient to cover the cost to demolish and rebuild like for like	A review of the subsidy quantum in line with market prices is necessary
The policy is not in line with the policy relating to the removal and disposal of asbestos roofs and more than 80% of affected units have asbestos roofs. The subsidy quantum is insufficient to cover the costs associated with the removal and disposal of asbestos roofs.	A review of the subsidy quantum in line with policy on removal and disposable of asbestos roofs is necessary
The policy does not unpack the subsidy quantum in terms of costs in relation to milestones when implementing rectification projects	

**CONCLUSION**

## Risk Management Plan

Priorities	Challenges/Risks	Mitigation measures
Improve the quality of housing delivery, including systems, procedures and the products.	Infrastructure	The department has enhanced its IGR capability to engage effectively with the other spheres of government, especially the municipalities whose function is the delivery of infrastructure to areas where the human settlements are developed.
	Environment Impact Assessment	The department has improved the relationship with the different stakeholder to ensure effective resolutions of the environmental impact issues that may retard the implementation progress. A SLA with the Department of Environment Affairs has been developed to deal with the standards of performance to the extent that this process is fast tracked.
	Accreditation and capacitation of municipalities	The department will capacitate the accredited municipalities in order to promote effective integration and coordination between the district families of municipalities to improve planning and service delivery. The capacitation of accredited municipalities will see the opportunity of regionalization and promotion of strategic district focus where resources are pooled together to achieve the economies of scope and scale to promote the development of communities in a much more structured and efficient manner that we are currently experiencing. The Department will see this strategy dovetailing closely with the work currently being done by the planning commission through the Provincial Spatial Economic Development Strategy as well as the Provincial Growth and Development Strategy.
	Sub Standard Houses	Un-scheduled site visits will also be undertaken by the Risk Management Unit. Project and home enrolments with NHBRC also be undertaken Inspections by departmental inspectors and NHBRC inspectors to ensure that quality houses are produced
	Rapid Changes in the Environment	The department will engage on a programme to fast track delivery by opting to deliver of foundations during the non-perennial seasons. We will engage stakeholder to consider extending working hours during seasonal weather pattern to enhance delivery.
	Delays in the Finance Linked Individual Subsidy Programme.	The Department has placed advertisements in the local newspapers calling on all interested developers to submit proposals for pilot projects in the gap market. The Department will work with the National Housing Finance Corporation (NHFC), approved developers as well as our respective bank partners namely Ithala, ABSA, FNB and Standard Bank to assess if any or all of the proposals can be used as pilots and cash flow them accordingly.

# ANNUAL PERFORMANCE PLAN 2014/ 2015

## MULTI-YEAR HOUSING DEVELOPMENT PLAN

Priorities	Challenges/Risks	Mitigation measures
Eradication of slums in KwaZulu-Natal by 2014	KZN Slums Act not aligned with the Constitution	Amendment to the section that is conflict with the Constitution is to be finalized.
	Socio-political impact on beneficiary allocation / identification	List of potential beneficiaries to be adopted by municipality's council i.e. Council resolution. Finalise housing needs database.
	Informal Settlements Upgrade	The key deliverables on this output will be the identification of well-located affordable land for the implementation of the informal settlements upgrade. The key focus area will be the reduction of the informal settlements in the 22 municipalities mainly located in the eThekweni Metro and the six accredited municipalities. Department and Housing Development Agency to develop a strategy on more effective land utilization
	Disaster Management	The department will focus its efforts on the eradication of the housing disaster rehabilitation programme. This is impacted upon by the funding that comes after adjustment from national Treasury and in most cases it is not adequate to cover the total cost of the disaster. In this regard the department will do an audit of the outstanding disaster rehabilitation and develop an action plan to address the backlog and to allocate funding in the MTEF for the eradication of the backlogs.
	Land Mobilization	To achieve the Informal Settlements Upgrade the department will prioritize the mobilization of well-located and appropriate land for human settlements in areas that a located closer to services and economic activities. We also need to prioritize the redress of the Apartheid settlements, which put communities in the periphery of the urban areas. This will also require the negotiation of the rural resettlement patterns to ensure that people are located in rural areas who cannot access services because the settlement patterns. Department and Housing Development Agency to develop a strategy on more effective land utilization
Accelerate housing delivery in rural areas	Rural Housing Development	The department being located in a largely rural province is focusing on the rural areas as part of the informal settlements upgrade mainly due to the type of dwelling that are found in the rural areas, giving rise to the disaster challenges especially during the storms and rainy seasons. By virtue of being built houses using poor materials rural household are in the same predicament that the people living in the informal settlements find themselves.
Accelerate hostels redevelopment and Community Residential Units (CRU) programme	Hostel Upgrade and Community Residential Units	The department will prioritize the development of the strategy for hostel upgrade and the establishment of the CRU units to enhance the access to proper low cost rental housing in a sustainable manner to ensure long term viability.
	Review and management of housing Assets	The department will prioritize the process of cleaning up the housing asset register and provide certainty and clarity to the state liability as far as the assets and the value are fully accounted for and fully documented.
Create rental and social housing opportunities	Developing new restructuring zones to promote social housing	The department has developed the Kwazulu-Natal Rental Housing Strategy Plan that will unlock the development of the new social housing initiatives in the municipalities where they were not accredited with that function. This Strategy will now be move into the implementation phase.
	Enhancement of the CRU programme	The department will intensify its CRU Programme in partnership with SHRA who have identified 'ready to go CRU projects' which are located in Newcastle, eThekweni and KwaDukuza

**Programme/Project Planning and Implementation**

Kindly consult the Business Plan submitted by the Department together with the comprehensive Project List.

**Maps reflecting the KZN Priority Intervention Areas are attached as Annexure A**

# ANNUAL PERFORMANCE PLAN 2014/ 2015

## MULTI-YEAR HOUSING DEVELOPMENT PLAN

Table 40: Summary of Multi-Year Housing Development Plan (MYHDP) 2014-2019

Intervention	Budget 2014/15 R'000	Budget 2015/16 R'000	Budget 2016/17 R'000	Budget 2017/18 R'000	Budget 2018/19 R'000
<b>1. Financial Intervention</b>	R871,137	R742,598	R945,893	R823,984	R1 037,523
1.7 Social & Economic Facilities	R64,670				
1.10 Operational Capital Budget	R153,591	R113,591	R86,591	R86,591	R153,591
1.12 NHBRC enrolment (related to grant)	R33,983	R40,253	R41,599	R1,599	R3,233
1.13a land parcels procured	R260,461	R169,420	R177,892	R186,786	R196,123
1.1b Individual Housing Subsidies (R0 - R3 500) Non-credit linked	R90,000	R115,000	R293,039	R162,000	R175,000
1.2a Housing Finance Linked Individual Subsidies (R3 501 - R15 000)	R20,000	R25,000	R30,000	R45,000	R50,000
1.4 Enhanced Extended Discount Benefit Scheme	R989	R863	R1,738	R2,016	R2,146
1.5 State Asset Maintenance Programme	R24,551	R30,056	R25,000	R25,000	R25,000
1.6a Rectification of RDP Stock 1994-2002	R74,358	R111,280	R79,730	R74,630	R19,740
1.6b Rectification of housing stock (pre 1994)	R111,845	R96,926	R172,500	R220,500	R400,000
1.8 Accreditation of Municipalities Capacity Bld Support	R36,689	R40,209	R37,804	R19,862	R12,690
<b>2. Incremental Intervention</b>	R1,157,402	R1,273,558	R1,304,328	R1,270,049	R807,791
2.2a Integrated Residential Development Programme: Phase 1 Planning and Services ( Excluding Informal Settlements)	R6,584	R44,412	R48,919	R80,003	R22,633
2.2a Integrated Residential Development Programme: Phase 1 Planning and Services ( Informal Settlements)	R72,448	R96,017	R80,824	R61,853	R91,137
2.2a Integrated Residential Development Programme: Phase 2 Top Structure Construction (Informal Settlements)	R19,896	R32,556	R67,603	R110,404	R103,879
2.4a People's Housing process (excluding Informal Settlement Upgrading)	R11,300	R13,000	R6,000		
2.4a People's Housing process (Informal Settlement Upgrading)	R161,079	R20,861	R69,621	R150,000	
2.5a ISU: Phase 1 to 2 - Planning & Services - Informal Settlements	R220,223	R425,701	R459,028	R474,668	R344,473
2.5b ISU: Phase 3 - Top Structure Construction - Informal Settlements	R472,473	R528,840	R467,932	R291,970	R144,518
2.7a Emergency Housing Assistance (current commitments)	R193,399	R112,171	R104,401	R101,151	R101,151
<b>3. Social and Rental Intervention</b>	R33,186	R54,822	R51,640	R8,400	R33,781
3.1 Institutional Subsidies	R27,686	R30,243	R27,061	R4,200	R27,061
3.2b Social Housing:Capital Grants for rental housing (Funded by NDoH)	R -				R4,200
3.4 Community residential units (CRU)	R5,500	R24,579	R24,579	R4,200	R2,520
<b>4. Rural Intervention</b>	R1,090,490	R1,134,305	R1,116,737	R1,215,929	R1,156,102
4.2 Rural Housing: Communal Land Rights	R1,090,490	R1,134,305	R1,116,737	R1,215,929	R1,156,102
<b>5. Priority Projects</b>	R120,830	R108,700	R128,700	R126,500	R126,500
2.2a Integrated Residential Development Programme: Phase 1 Planning and Services ( Informal Settlements)	R45,180	R108,700	R28,700	R126,500	R126,500
2.2a Integrated Residential Development Programme: Phase 2 Top Structure Construction (Informal Settlements)	R75,650				
<b>Grand Total</b>	<b>R3,273,045</b>	<b>R3,313,983</b>	<b>R3,547,298</b>	<b>R3,444,862</b>	<b>R3,161,696</b>

# INDICATOR DEFINITIONS



## INDICATOR DEFINITIONS

## Programme 1: Administration

Indicator title	Maximum vacancy rate of 5%
Short definition	To monitor the vacancy rate of the Department
Purpose/importance	To ensure that the all components are fully capacitated.
Source/collection of data	PERSAL Report
Method of calculation	Total number of vacancies in relation to number of funded posts on the establishment
Data limitations	Delays with the finalization of the exits
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	Yes
Linkages to other plans	Departmental Human Resource Plan and Employment Equity Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Human Capital Management

Indicator title	Persal data verified
Short definition	To monitor the accuracy of the employee records
Purpose/importance	To ensure that factual and accurate employee records are maintained
Source/collection of data	Persal Clean-up form/Persal Report
Method of calculation	Data verified according to no. of appointments and exists
Data limitations	Non-submission of evidence documentation/Persal clean up form
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	Yes
Linkages to other plans	Departmental Human Resource Plan and Employment Equity Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Human Capital Management

Indicator title	Approved organizational structure
Short definition	To monitor the finalization of the departmental organization structure
Purpose/importance	To ensure that the staff requirements are met in order for the Department to efficiency undertake its core responsibilities
Source/collection of data	Approved organizational structure
Method of calculation	
Data limitations	Obtaining the MEC approval
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	Yes
Linkages to other plans	Departmental Human Resource Plan and Employment Equity Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manger: Human Capital Management

Indicator title	Fraud Prevention Plan Implemented
Short definition	A comprehensive plan to improve the environment on fight fraud and corruption
Purpose/importance	A plan to serve as a deterrent against fraud in order to ensure that the department is committed to zero tolerance of fraud, corruption and maladministration of public funds
Source/collection of data	Operational plan/Register of attendance
Method of calculation	Total no. of employees trained/educated on the plan
Data limitations	The non-attendance of employees
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	Risk Policy , Provincial Anti-Corruption Strategy
Desired performance	100% of target achieved
Indicator responsibility	Senior Manager: Risk Management & Advisory Services

Indicator title	Reviewed/ updated GWEA in Place
Short definition	To monitor that the GWEA is reviewed and updated
Purpose/importance	To align the IT Strategy with the departmental strategy
Source/collection of data	Approved GWEA
Method of calculation	
Data limitations	
Type of indicator	Output indicator
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	Yes
Linkages to other plans	Departmental Strategic Plan, ICT Governance Framework,
Desired performance	100% of target achieved
Indicator responsibility	Senior Manager: IMST



## INDICATOR DEFINITIONS

## Programme 2: Housing Needs, Research and Planning

Indicator title	Number of acts passed / or policy guidelines approved
Short definition	To amend the Housing Development Act of 1999 to be in accordance with the legislative framework developed by the National Department of Human Settlements/To develop policy guidelines in line with legislative and policy mandates to enhance/facilitate housing delivery
Purpose/importance	To enhance the housing delivery instrument in line with the national and provincial strategic priorities
Source/collection of data	Consultation with relevant stakeholders
Method of calculation	Number of Bills finalised
Data limitations	Ineffective participation from relevant stakeholders
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To provide guidance regarding compliance with the implementation of housing strategic programmes and projects
Linkages to other plans	NDoHS
Indicator responsibility	Senior Manager: Product Development

Indicator title	A Multi Year Housing Development Plan /Annual Performance Plan
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	Consultation with internal stakeholders
Method of calculation	Annually
Data limitations	All Spatial Development and Human Settlement plans not yet credible
Type of indicator	Process indicator
Calculation type	Non-accumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Reliable and sound data on financial targets
Linkages to other plans	NDoHS
Indicator responsibility	Senior Manager: Integrated Planning

Indicator title	No. of planned human settlement (housing) developments based on IDPs and National and Provincial priorities approved
Short definition	To ensure that all viable project applications received are approved timeously and conforms to Nationally / Provincially approved housing programmes
Purpose/importance	Contributes to the delivery of human settlements and ultimately expenditure of DORA allocations
Source/collection of data	Minutes of Human Settlements Evaluation and Approval Committee
Method of calculation	Departmental Business Plan / Municipal Human Settlement Plans
Data limitations	The lack of credible Human Settlement Plans
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Human Settlement Development and budget expenditure
Linkages to other plans	NDoHS indicator, Departmental Business Plan
Indicator responsibility	Senior Manager: Integrated Planning

Indicator title	Number of municipalities capacitated and supported with regard to human settlement (housing) development planning
Short definition	Tailor made training programmes based on specific needs at municipal level to strengthen human settlement planning abilities
Purpose/importance	To deliver integrated sustainable human settlements based on sound planning which will enable predictability on future housing developments
Source/collection of data	Operational plan
Method of calculation	Attendance register of training courses
Data limitations	None
Type of indicator	Process indicator
Calculation type	Non -accumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	Capacitated municipalities in terms of HSPs, SDFs and IDPs
Linkages to other plans	NDoHS
Indicator responsibility	Senior Manager: Integrated Planning

Indicator title	Number of research papers completed
Short definition	To provide information on international best practices in the housing sector in a manner that will impact intensively in the attainment of strategic priorities
Purpose/importance	To assist the Department to ensure the realization of developing integrated and sustainable human settlements in the housing delivery chain
Source/collection of data	Copy of completed research paper
Method of calculation	Cumulative
Data limitations	Lack of participation of relevant stakeholders
Type of indicator	Output indicator
Calculation type	Cumulative
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	NDoHS
Indicator responsibility	Senior Manager: Product Development

Indicator title	Confirmed project pipeline based on IDPs and/or Housing Sector Plans (HSP)
Short definition	To identify and assess all viable housing projects to promote integration and sustainability
Purpose/importance	To deliver integrated sustainable human settlements based on sound planning and community facilitation
Source/collection of data	Project pipeline list
Method of calculation	Departmental Business Plan
Data limitations	Credibility of IDPs and/or Housing Sector Plans s
Type of indicator	Process
Calculation type	Non-Cumulative
Reporting cycle	Annual
New indicator	Yes
Linkages to other plans	Departmental Business Plan/IDP'S and Housing Sector plans
Desired performance	100% of target achieved
Indicator responsibility	Senior Manager: Integrated Planning

## INDICATOR DEFINITIONS

Indicator title	Number of projects aligned to Small Towns Regeneration Programme
Short definition	In compliance with the PGDP, the Small Towns Regeneration Programme seeks to provide for competitiveness to attract investment and retain current investors. The KZN Human Settlements seeks to support the programme by ensuring a good quality of life in settlements in which communities reside, as they seek to reside closer to job opportunities.
Purpose/importance	To promote sustainable development of small towns that have experienced an economic decline
Source/collection of data	HEAC approval of projects
Method of calculation	Departmental Business Plan
Data limitations	
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	PGDP/IDP
Desired performance	100% of target achieved
Indicator responsibility	Senior Manager: Integrated Planning

**Programme 3: Housing Development**

Indicator title	Number of new housing units completed in the province across all housing programmes being utilized by the Province
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	Form 4 signed
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
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	NDoHS indicator, Departmental Business Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

Indicator title	Total no. of households connected to basic services as part of the Informal Settlements Upgrading Programme
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	Form 4 signed
Method of calculation	Percentage of progress on civil works converted to a number
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	NDoHS indicator
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

Indicator title	Number of new sites connected to basic water and sanitation services as part of the Integrated Residential Development Programme
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	Form 4 signed
Method of calculation	Percentage of progress on civil works converted to a number
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	NDoHS indicator
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

## INDICATOR DEFINITIONS

Indicator title	Total no. of emergency housing and other housing opportunities provided
Short definition	Total number of households assisted in term of EHP, CRU upgrades and rectification of stock
Purpose/importance	Provision of housing opportunities in terms of the programmes mentioned above
Source/collection of data	Form 4 signed
Method of calculation	Total of all EHP, CRU upgrades and rectification projects
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	Departmental Business Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

Indicator title	Disaster Management Rehabilitation (inclusive of Sukuma Sakhe) 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 in terms of the Provincial Operational Sukuma Sakhe Programme
Purpose/importance	To measure housing opportunities provided in terms of the above programmes
Source/collection of data	Form 4 and D6
Method of calculation	Total of all Disaster Management Rehabilitation and Operation Sukuma Sakhe projects
Data limitations	Depends on accurate reporting on PMU database
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	
Linkages to other plans	Departmental Business Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

Indicator title	Rectification(1994-2002 stock) 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	Form 4 and D6
Method of calculation	Number of houses built
Data limitations	Dependent on accurate reporting on PMU unit
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	Departmental Business Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

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	Form 4 and D6
Method of calculation	Number of houses built
Data limitations	Dependent on accurate reporting on PMU unit
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	Departmental Business Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

Indicator title	Number of targeted persons days of work
Short definition	Total no. of days worked by beneficiaries
Purpose/importance	To establish the duration of employment
Source/collection of data	MIS forms
Method of calculation	No of days the beneficiaries have worked divide by 230 (365 days – public holidays and week-ends)
Data limitations	Non-submission of MIS Forms
Type of indicator	Input
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	100%
Linkages to other plans	Departmental Business Plan
Indicator responsibility	Senior Manager: 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	MIS form
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
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	100%
Linkages to other plans	Departmental Business Plan
Indicator responsibility	Senior Manager: EPWP

Indicator title	Number of targeted FTE's (Full time Equivalent)
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	MIS form
Method of calculation	Person days of work divided by 230
Data limitations	Non-submission of MIS Forms
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	100%
Linkages to other plans	Departmental Business Plan
Indicator responsibility	Senior Manager: EPWP

## INDICATOR DEFINITIONS

Indicator title	Number of Finance-Linked Subsidy subsidies approved and disbursed
Short definition	Financial assistance to beneficiaries whose income is between R3,501 -R15,000 to own a house which is not more than R300, 000.
Purpose/importance	To target beneficiaries who may be prejudiced by financial institution in obtaining 100% loans.
Source/collection of data	Finance -linked Subsidy application forms
Method of calculation	Number of Finance-Linked Subsidy subsidies approved
Data limitations	
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	NDoHS indicator
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

Indicator title	Number of Hectares of well-located land/or released of residential development
Short definition	Provision of suitable land for housing delivery
Purpose/importance	To facilitate and expedite housing delivery
Source/collection of data	Deed of sale
Method of calculation	No of hectares of land paid for
Data limitations	
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	NDoHS indicator
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

Indicator title	Integrated Residential Development Programme – No. of units
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	Form 4 signed
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
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	NDoHS indicator, Departmental Business Plan
Desired performance	100% of target achieved
Indicator responsibility	General Manager: Sustainable Human Settlements

**Programme 4: Housing Asset Management and Property Management**

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	Deed of sale on file
Method of calculation	Cumulative
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	100% of target achieved
Linkage to other plans	NDoHS indicator
Indicator responsibility	Director: Property Management

Indicator title	Number of Departmental rental units
Short definition	Number of Departmental rental units transferred to qualifying tenants
Purpose/importance	To promote home ownership
Source/collection of data	Copies of deeds search reports listing details of the owner, size of property, date of purchase, date of transfer
Method of calculation	Cumulative
Data limitations	Dependent on data received timeously to process transfers
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	NDoHS indicator
Desired performance	100% of target
Indicator responsibility	Director: Property Management

Indicator title	Number of debtors reduced per financial year
Short definition	Reduction of the number of debtors in the department's book through EEDBS
Purpose/importance	To promote home ownership
Source/collection of data	National Debtor System
Method of calculation	Cumulative
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Linkages to other plans	NDoHS indicator
Desired performance	100% of target
Indicator responsibility	Director: Property Management



## INDICATOR DEFINITIONS

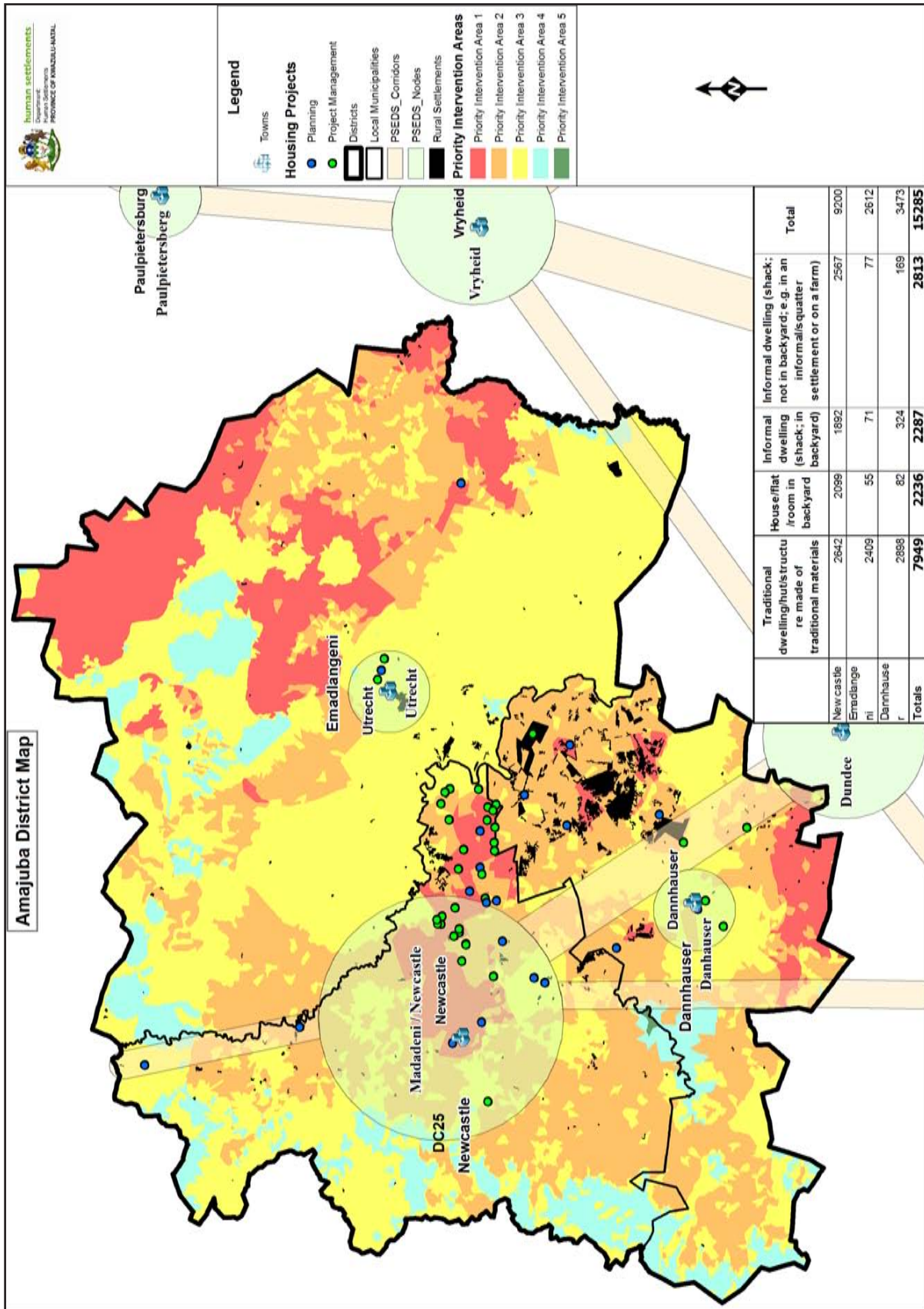
Indicator title	Number of units maintained
Short definition	To undertake day to day maintenance repairs of and provide for security and cleaning of state financed residential properties
Purpose/importance	To ensure that state financed residential properties retain value
Source/collection of data	Job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

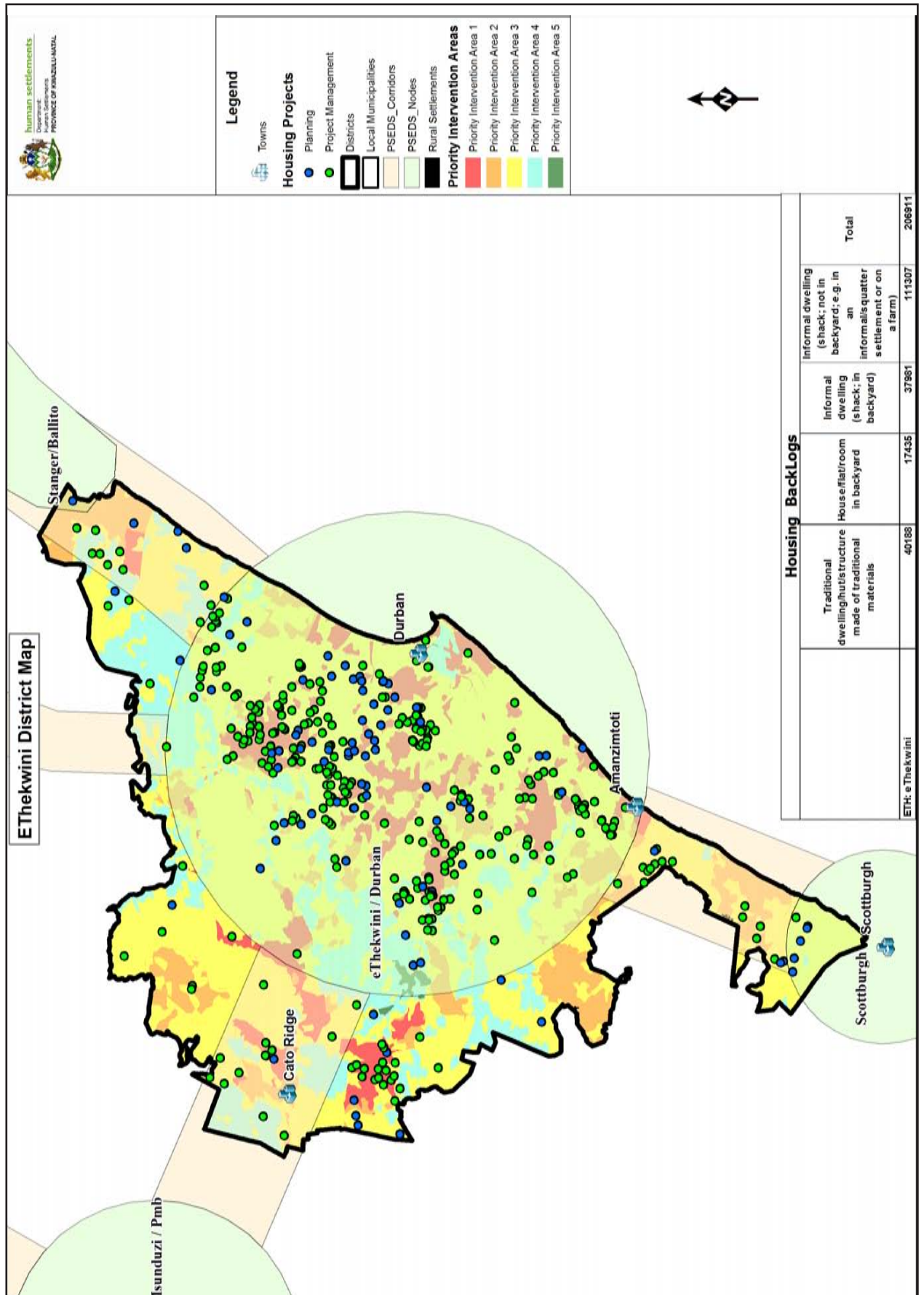
Indicator title	No. of Units Rectified and or upgraded for Pre-1994
Short definition	To facilitate the improvement of state financed residential properties created through State housing programme interventions during the pre-1994 housing dispensation
Purpose/importance	To improve the municipal engineering services and 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
Method of calculation	
Data limitations	Non-timely submission of completion certificates by the municipalities
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Linkages to other plans	Departmental Business Plan
Desired performance	100% of target achieved
Indicator responsibility	Senior Manager: Property Management

# ANNEXURE A: KZN PRIORITY INTERVENTION AREAS

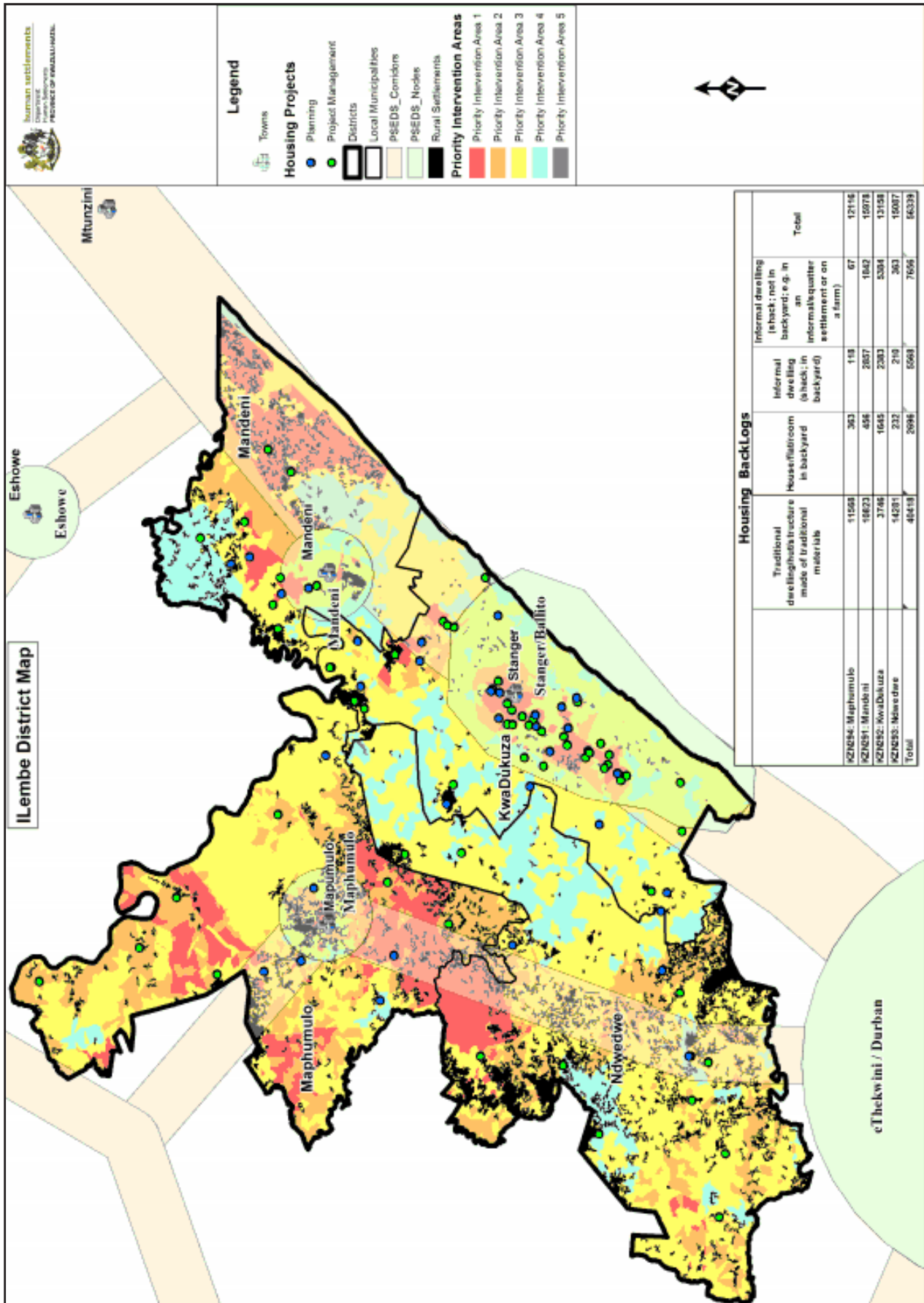


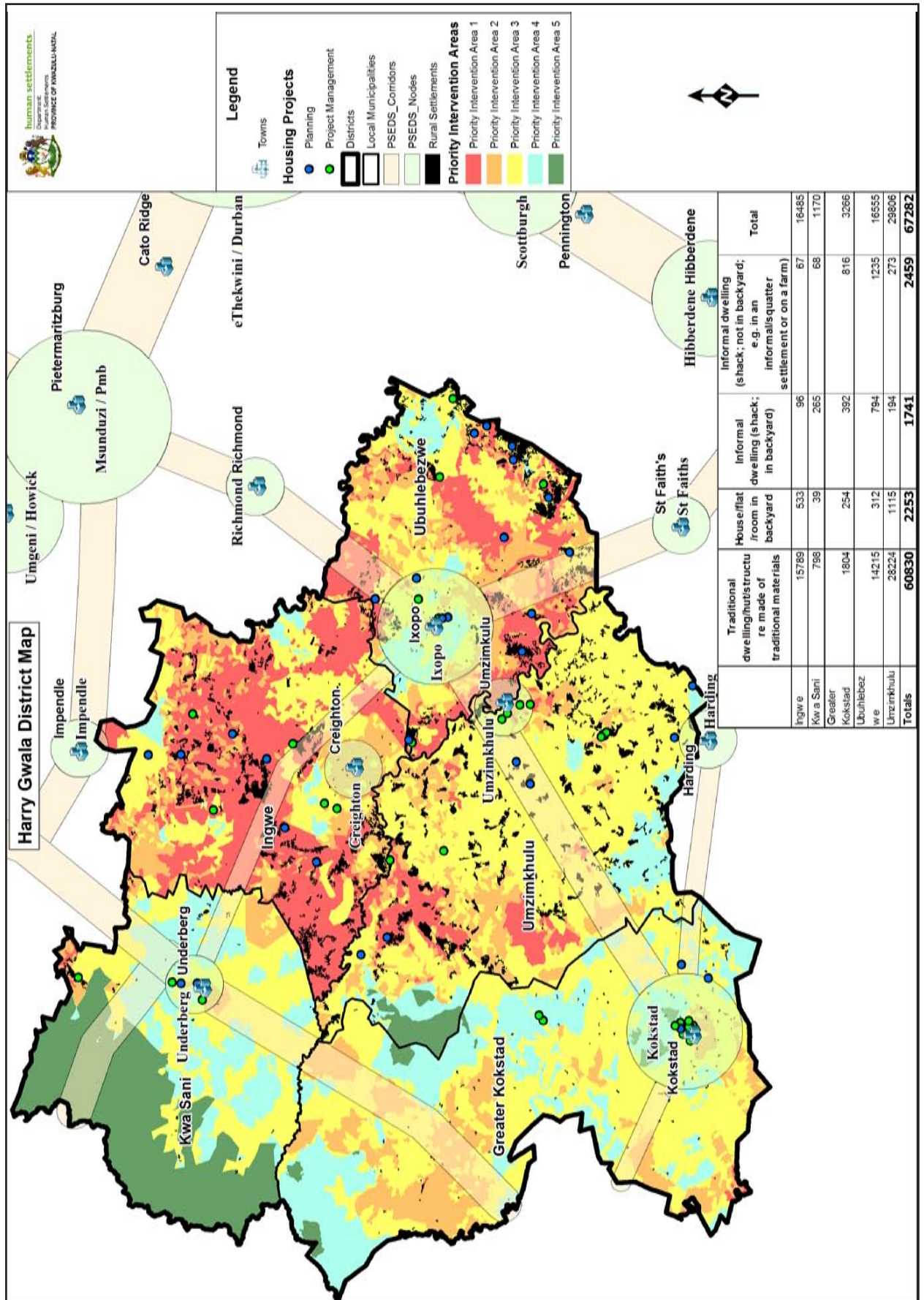
KZN PRIORITY INTERVENTION AREAS



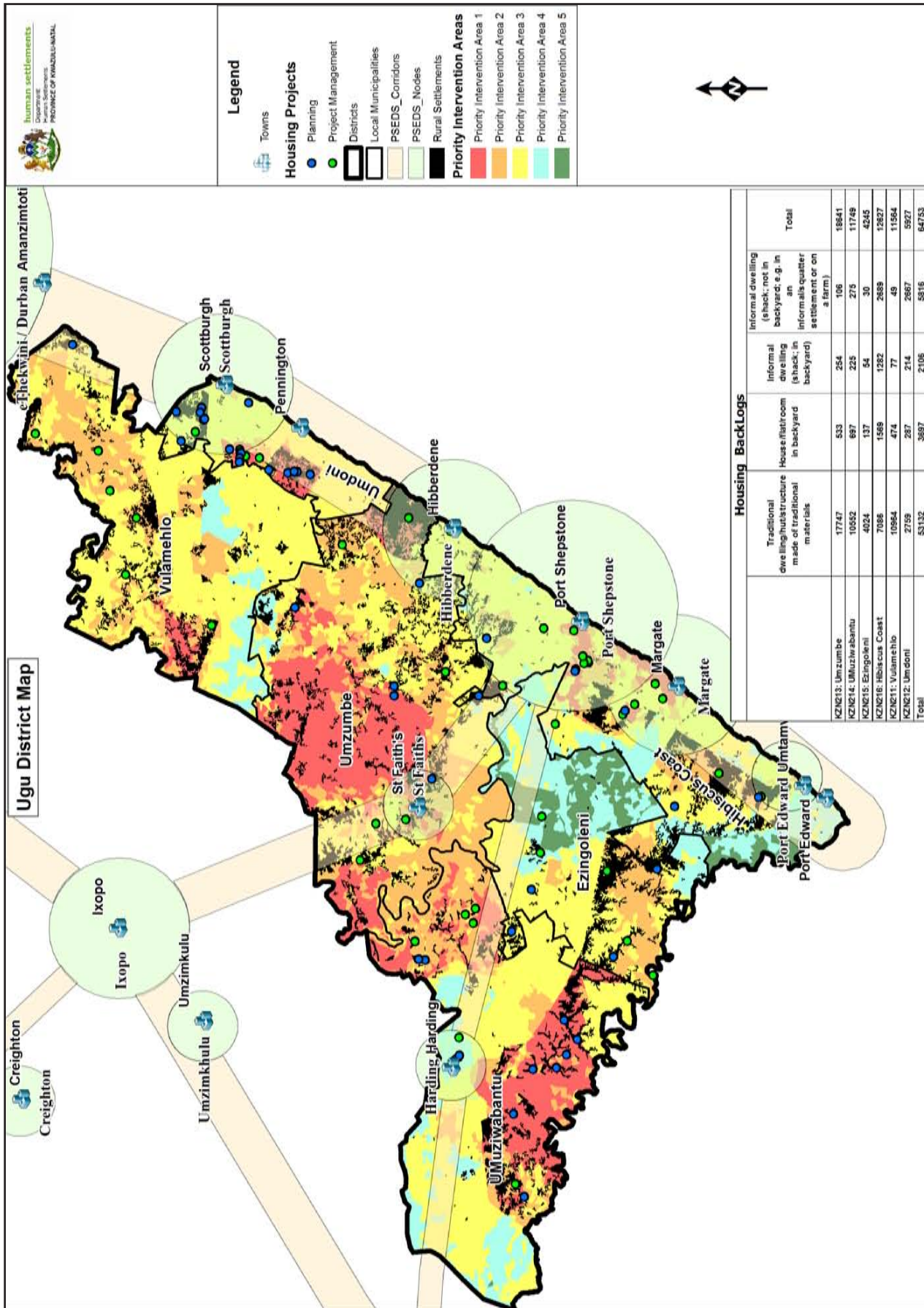


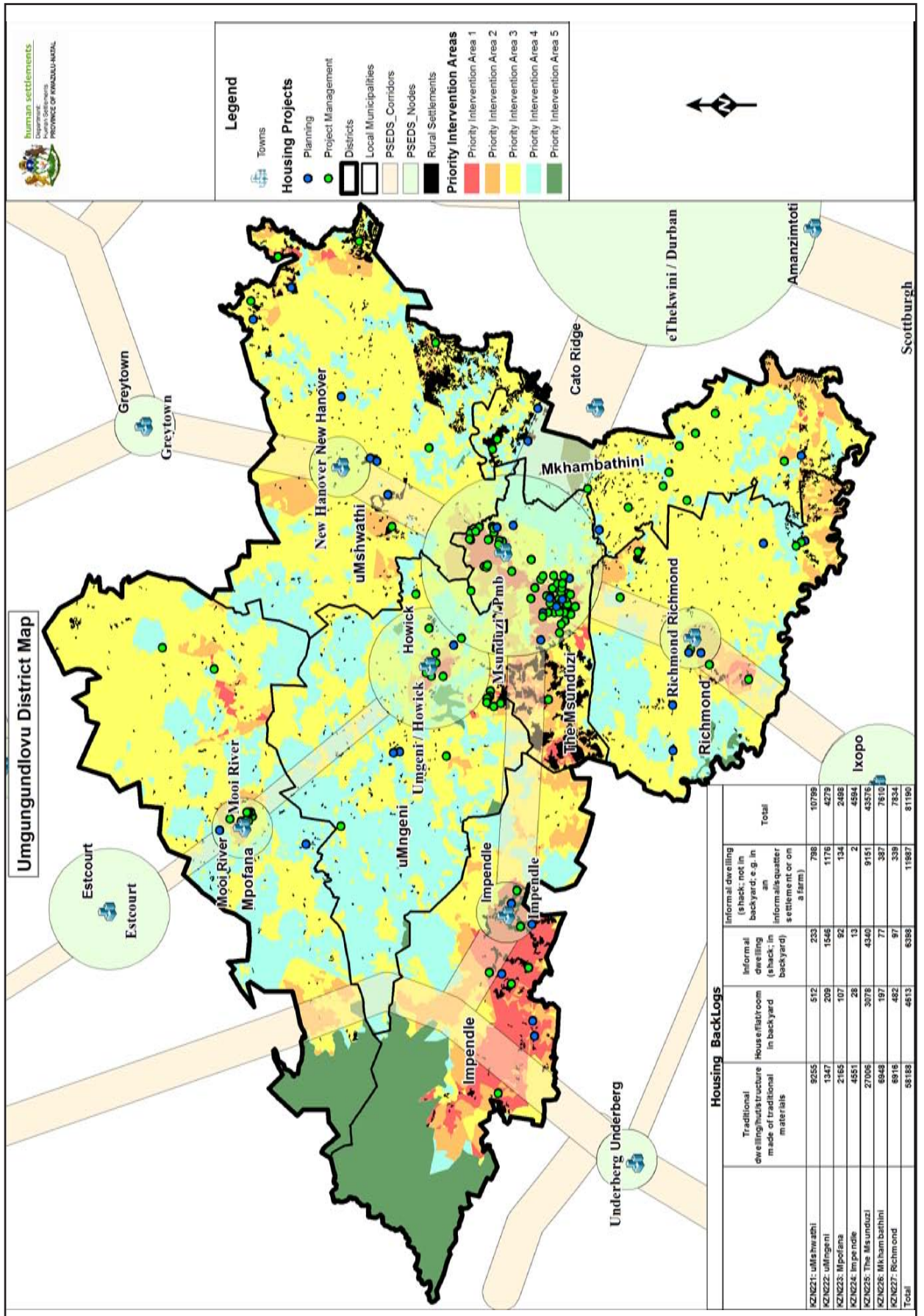




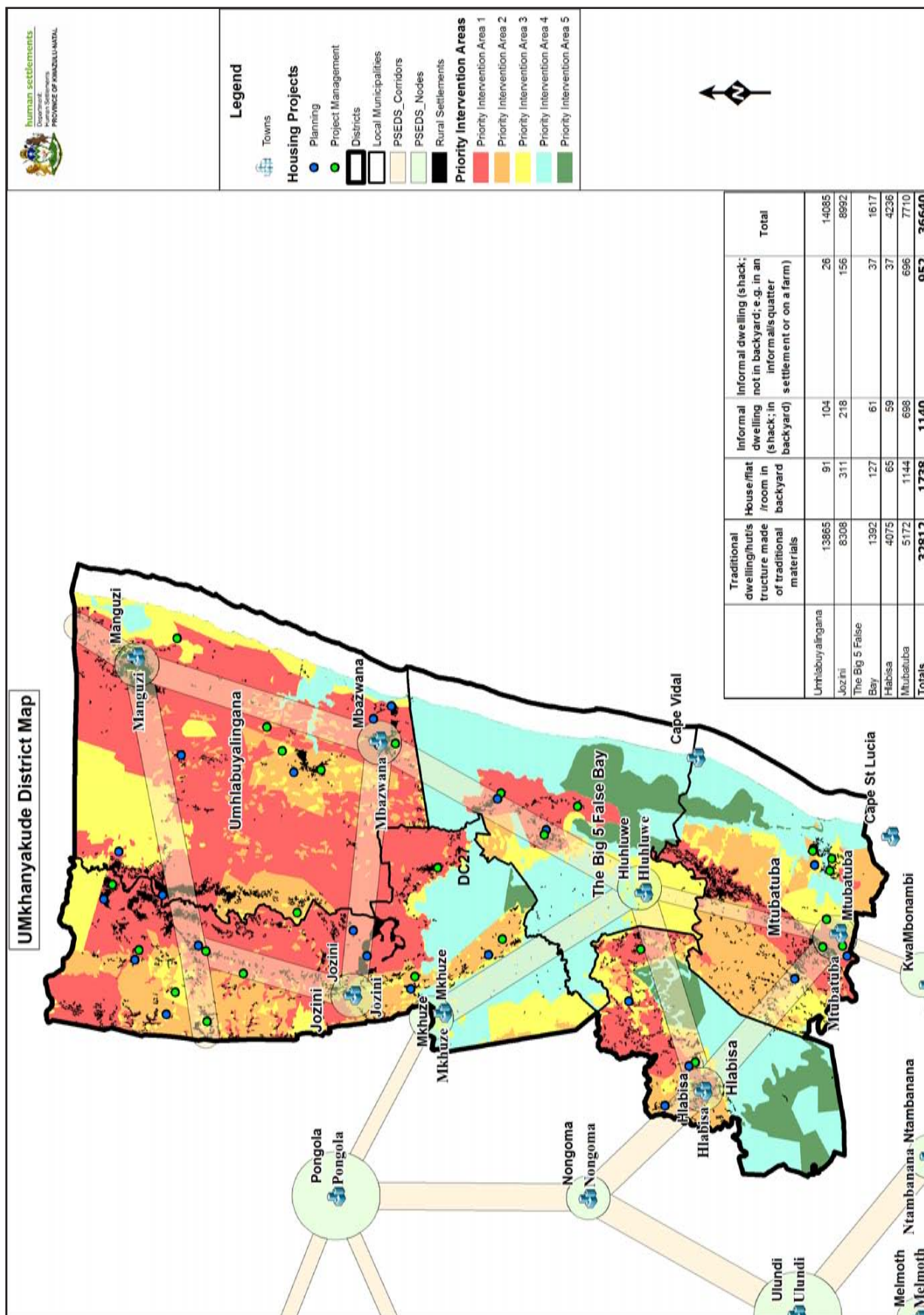


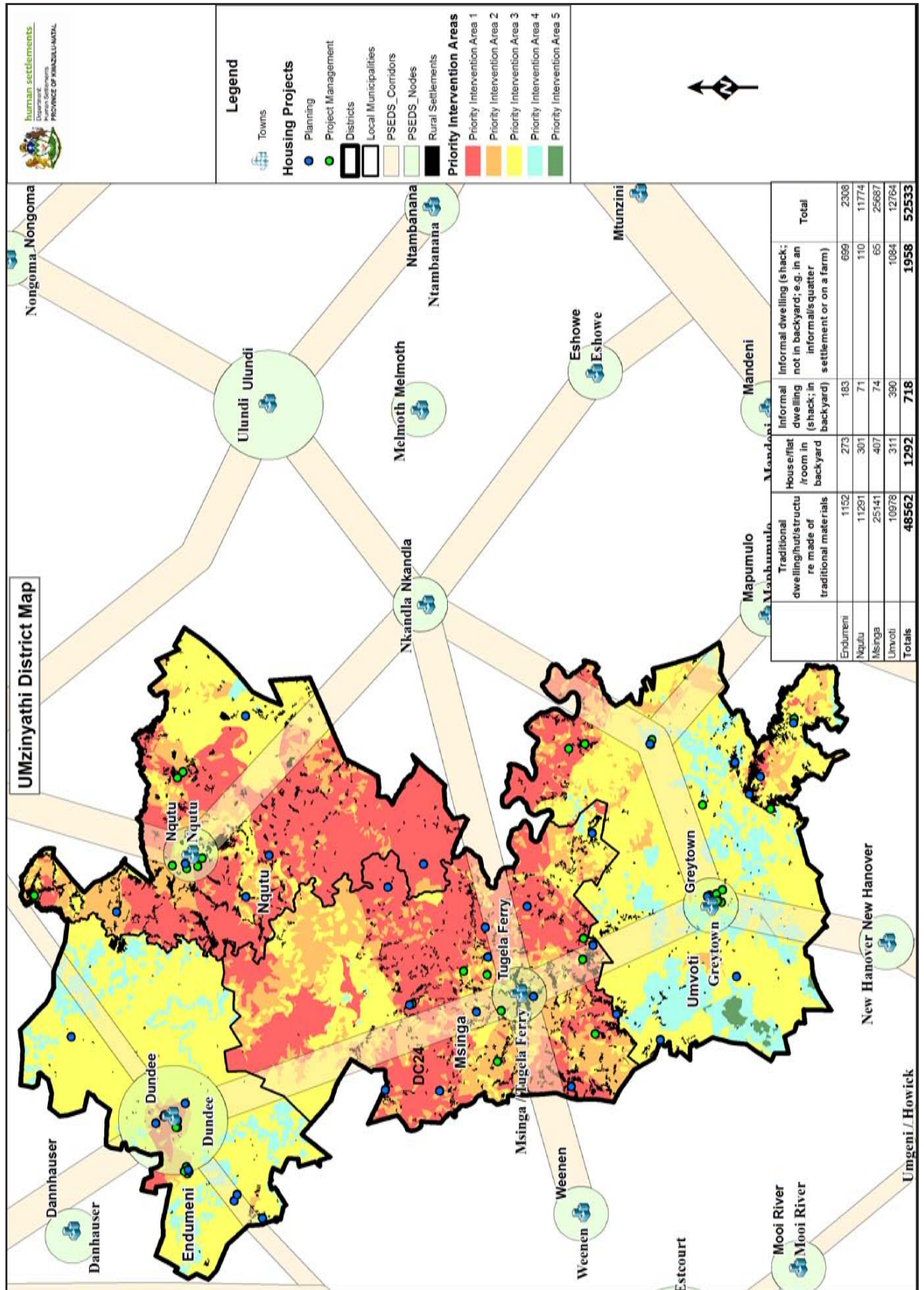




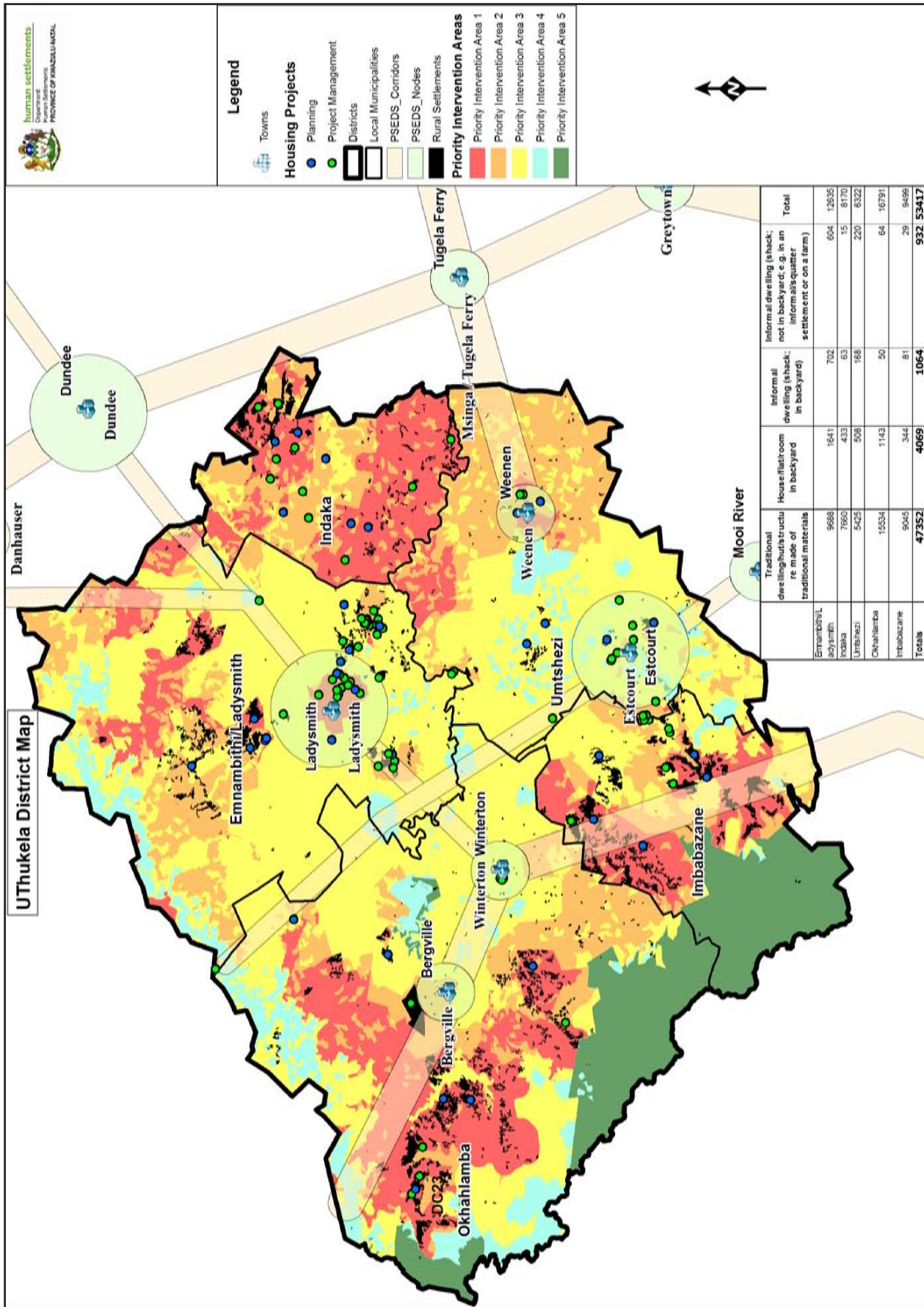


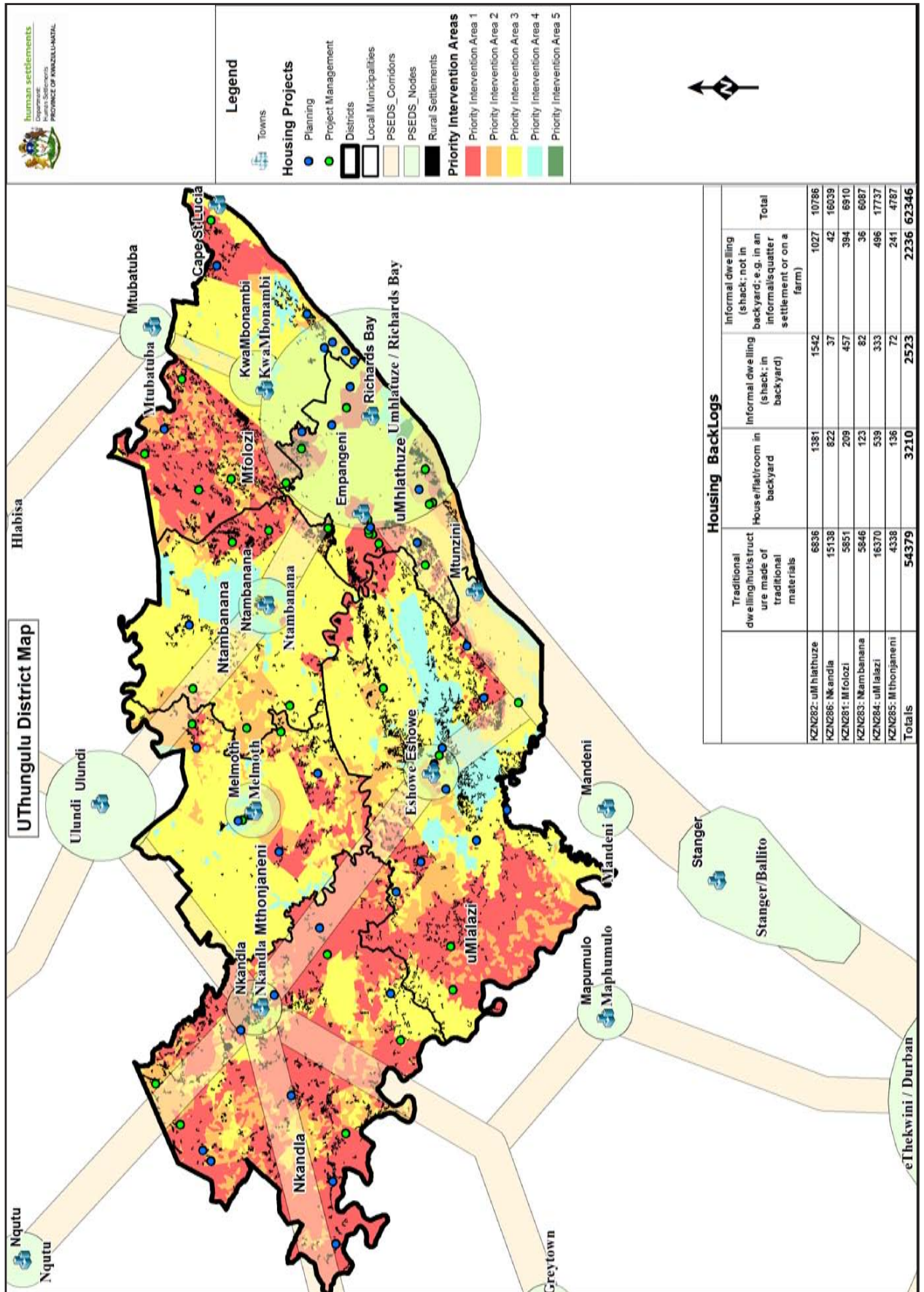






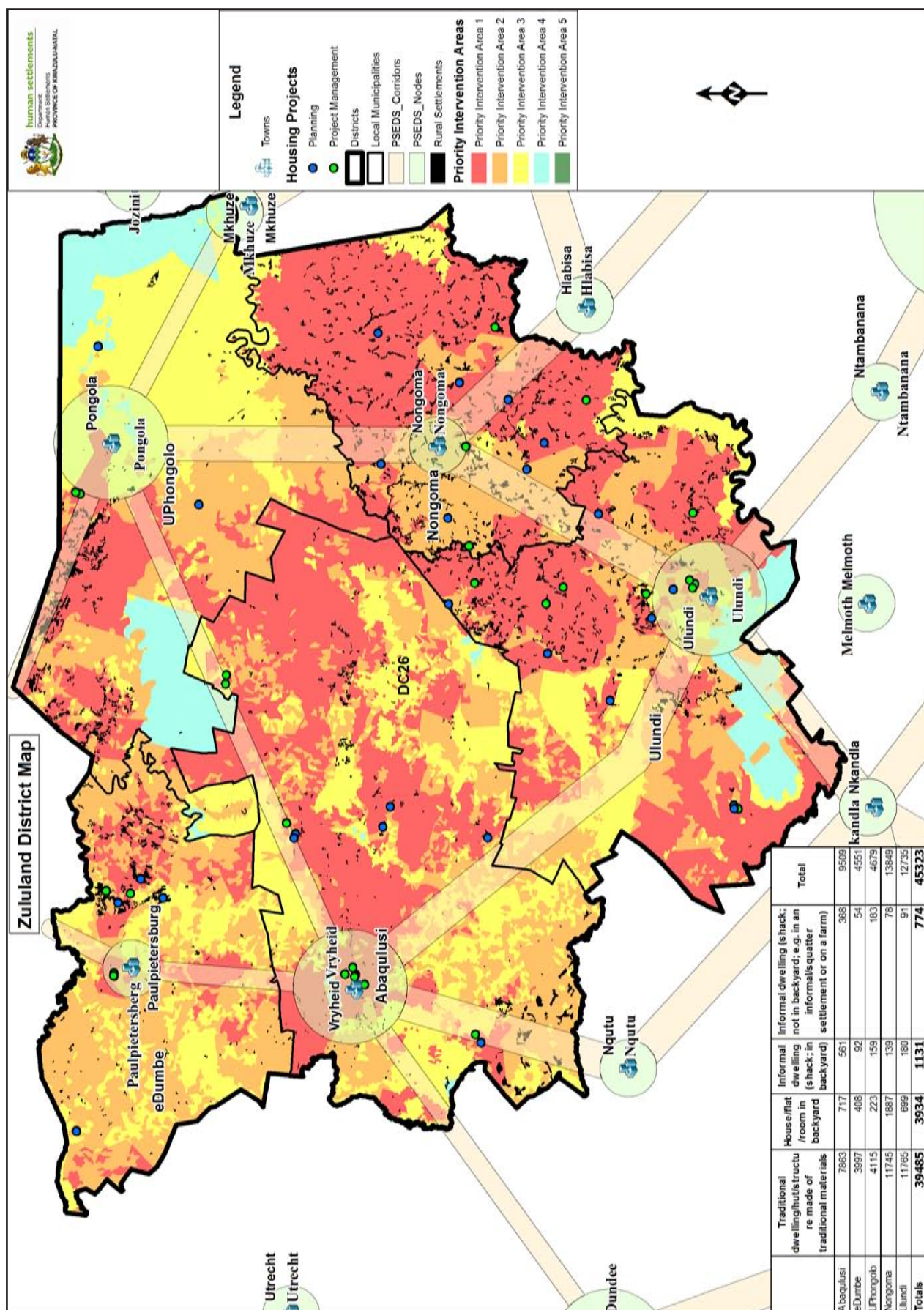








KZN PRIORITY INTERVENTION AREAS

















## Contact details

### Head Office:

203 Church Street  
Old Mutual Building  
Pietermaritzburg  
3201  
033 – 392 6400 (Tel)  
033 – 392 6454 (Fax)

### Samora House:

2 Samora Machel Street  
Durban  
4001  
031 – 336 5300 (Tel)  
031 – 336 5114 (Fax)

### Inland Region:

199 Pietermaritz Street  
Pietermaritzburg  
3201  
033 – 845 2000 (Tel)  
033 – 845 2028 (Fax)

### Coastal Region:

Redefine Towers  
320 Dr Pixley Ka Seme Street  
Durban  
4001  
031 – 319 3600 (Tel)  
031 – 319 3640 (Fax)

### Northern Region:

King Dinuzulu Highway  
Admin Building  
Department of Human Settlements  
Ground Floor Zone 2  
Ulundi  
3838  
035 – 874 2697 (Tel)  
035 – 874 2681 (Fax)

### Website:

[www.kzndhs.gov.za](http://www.kzndhs.gov.za)



human settlements

Department:  
Human Settlements  
PROVINCE OF KWAZULU-NATAL