



**KWAZULU-NATAL PROVINCE**

**HUMAN SETTLEMENTS  
REPUBLIC OF SOUTH AFRICA**

# **ANNUAL PERFORMANCE PLAN**

**2025/26 - 2027/28**



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## EXECUTIVE AUTHORITY STATEMENT



THE HONOURABLE MR. S. A. DUMA, MPL,

MEMBER OF THE EXECUTIVE COUNCIL FOR

KWAZULU-NATAL DEPARTMENT OF TRANSPORT AND HUMAN SETTLEMENTS

I am pleased to present the 2025/26- 2027/28 Annual Performance Plan for the KwaZulu-Natal Department of Human Settlements which resonates with the government's overarching developmental trajectory and commits to the 2024/2029 strategic priorities as pronounced by the Government of National Unity.

The development of sustainable human settlements underpins the responsibilities and obligations of the Department in its endeavour to progressively fulfil the citizens of this Province's fundamental right to access adequate housing, to live in dignity and under habitable circumstances. It is therefore imperative that human settlements developments transform from **building houses to building for people** where human settlement designs are reflective of humanizing living conditions and find expression of the people's individual needs, for more especially, the marginalised and vulnerable groups of society. To achieve this, effective planning and transforming the Province's human settlements into habitable and vibrant environments to redress spatial inequality and injustices of the apartheid spatial patterns therefore remains a key priority area of intervention for the 2025/26 financial year.

Infrastructure development continues to be a catalyse to support the Province's macro-economic trajectory for recovery and growth. The Department will therefore also continue to invest within the priority development areas as well as plan in line with the provincial imperatives and spatial development strategic interventions.



The planning and implementation of the catalytic projects as a strategic programmatic intervention to direct investment to stimulate and leverage much higher levels of development to contribute to poverty alleviation and economic growth will also be prioritised.

Strong collaborations with key stakeholders and strengthened intergovernmental relations remain of utmost importance to advance the social and economic transformational agenda of the human settlements sector. It is only through the commitment and participation of an inclusive society that this can be realised. The Department will therefore continue to strengthen partnerships, effect better communication and work in collaboration with key stakeholders to improve its service delivery commitments.

The Department has further made great strides to promote the socio-economic upliftment and empowerment of the vulnerable groups in the construction industry through the implementation of its transformational programmes such as the Siyakha Incubation Programme and Expanded Public Works Programme. The department's commitment towards the strengthening of economic transformation of the human settlements sector is further exemplified by the provision of accredited critical built environment skills training which is being undertaken in collaboration with the National Skills Fund.

The Department further commits to the provision of housing for the vulnerable and marginalised groups through the planned programme initiatives such as the implementation of the military veterans housing programme and under the Operation Sukuma Sakhe. The Department will also continue to prioritize the implementation of programmes such as the upgrading of informal settlements and fast tracking of the title deed registrations to ensure that the right to live in dignity and under habitable circumstances is met.

Finally, I wish to express my sincere gratitude and appreciation of the Human Settlements team under the esteemed leadership of the Head of Department who is unfaltering in the endeavour to fulfil the core mandates and obligations for the most needy of this Province. I therefore have the upmost confidence that the commitments made in the 2025/26 Annual Performance Plan will be achieved.

In conclusion, I wish to reiterate the sentiments of the Honourable Premier of the Province of KwaZulu-Natal, Mr T. Ntuli, during his 2025 State of the Province Address, when he so aptly stated **“we are moving from words to action, from commitments to concrete change”**.



Mr. S. A. Duma, MPL,

Honourable Member of the Executive Council for KwaZulu-Natal Department of Transport and Human Settlements

## ACCOUNTING OFFICER STATEMENT



MR. S.M. MBILI

ACCOUNTING OFFICER

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS

The 2025/26 Annual Performance Plan aligned to the 2025/26 to 2029/30 Departmental Strategic Plan and national and provincial priorities is hereby submitted.

As the Administration ushers in an era of unity and progressive economic and social transformation through inclusive growth and job creation, reducing poverty and tackling the high cost of living as well as focussing on building a capable, ethical and developmental state, the Department also needs to transform and respond accordingly. This Plan therefore provides an opportune time for the Department to accelerate its service delivery initiatives towards meeting the country's overarching 2030 developmental goals in line with the Medium Term Development Plan's strategic priorities and is also indicative of the progressive implementation of the departmental five-year medium-term plan.

Whilst it is acknowledged that the Department has made great strides towards human settlements developments, the Department is still faced with a housing need that continues unabated. This, coupled with the effects of macro environmental factors, such as climate change, weak fiscus and high levels of social ills makes the provision of sustainable human settlements developments more challenging.

The Department has however remained undeterred and more resolute towards adequately addressing the housing needs of the poorest of the poor within this Province as demonstrated by the interventions planned for the forthcoming years. The Department continues to implement a multitude of housing programmes that is responsive to needs of the communities it serves.

This is inclusive of prioritising the housing needs for the vulnerable groups through Operation Sukuma Sakhe and Military Veterans Housing Programme, addressing the ungrading of the informal settlements through a phased approach as well as ensuring that planning initiatives support the transformational agenda of government in to address the spatial disparities of the past and promote social cohesion, integration and sustainability as well as spatial transformation To address pertinent social and economic challenges such as inequality and unemployment, focused attention will continue to be given to the provision of economic opportunities to women, youth and persons with disabilities through the implementation of transformational programmes such as the Expanded Public Works Programme and the Siyakha Incubation Programme. The provision of title deeds to uphold the ethos of restoring pride and dignity also remains a key priority intervention.

One of the core challenges facing the Department is the financial constraints currently experienced due to the country's economic climate. My team and I are however committed to ensuring that service delivery is not compromised and has therefore embarked on a process of reflection, re-strategizing, re-engineering and re-designing to **"do more for less"** and to become more responsive and adopt a proactive and agile stance. Emphasis will therefore be placed to improve organizational efficiency, governance and accountability to support sound financial management, risk management and to promote an ethical and professional culture.

I therefore wish to reaffirm that my human settlements team and I will remain uncompromising in the endeavour to fulfil the core mandates and obligations **through the creation of inclusive, resilient and sustainable human settlements through the development of transformed human settlements**. Their commitment together with the continued support and leadership of our esteemed and visionary MEC, Mr. S.A. Duma ensures that the commitments made in the 2025/26 Annual Performance Plan will be achieved.

As I commence with my tenure as the Accounting Officer, I wish to conclude with quote by the renowned author, C.S. Lewis, (**"You can't go back and change the beginning, but you can start where you are and change the ending"**).



**MR. S.M. MBILI**

**The Accounting Officer: KwaZulu-Natal Department of Human Settlements**

## 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 under the guidance of the Honourable MEC;
- 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; and
- It accurately reflects the outcomes and outputs which the KwaZulu-Natal Department of Human Settlements will endeavour to achieve over the 2025/26 – 2027/28 period.



Mr. T. Bhengu

Chief Operations Officer



Ms. S. Pillay

Chief Financial Officer



Mr. S.M. Mbili

Accounting Officer



Approved by:

Mr. S. A. Duma, MPL,

Honourable Member of the Executive Council for KwaZulu-Natal Department of Transport and Human Settlements

## ABBREVIATIONS AND ACRONYMS

AG	Auditor-General	MYHSDP	Multi-year Human Settlements Development Plan
BAS	Basic Accounting System	NDoHS	National Department of Human Settlements
BNG	Breaking New Ground	NDP	National Development Plan
COGTA	Cooperative Governance and Traditional Affairs	NGO	Non-Governmental Organization
CRU	Community Residential Unit	NHBRC	National Home Builders Registration Council
CBO	Community Based Organization	NHFC	National Housing Finance Corporation
CIDB	Construction Industry Development Board	NHNR	National Housing Needs Register
CRO	Community Resource Organisation	NPO	Non-Profit Organisation
CSD	Central Database System	NSDP	National Spatial Development Perspective
DDM	District Development Model	NSF	National Skills Fund
DMC	Disaster Management Committee	OFA	Organizational Functionality Assessment
DMP	Disaster Management Plan	OMF	Operations Management Framework
DORA	Division of Revenue Act	OPSCAP	Operational Capital
DPSA	Department of Public Service and Administration	OSS	Operation Sukuma Sakhe
EDTEA	Department of Economic Development, Tourism and Environmental Affairs	PHSHDA	Priority Human Settlements and Housing Development Area
EEDBS	Enhanced Extended Discount Benefit Scheme	PGDS	Provincial Growth and Development Strategy
EPHP	Enhanced Peoples Housing Process	PHDA	Priority Housing Development Area
EPRE	Estimates of Provincial Revenue and Expenditure	PIE	Prevention of Illegal Eviction from and Unlawful Occupation of Land Act, 1998
EPWP	Expanded Public Works Programme	POPIA	Protection of Personal Information Act
ERF	Economic Reporting Format	PPPFA	Preferential Procurement Policy Framework Act
FHF	First Home Finance	PSEDS	Provincial Spatial Economic Development Strategy
FLISP	Finance Linked Individual Subsidy Programme	PSDF	Provincial Spatial Development Framework
FTE	Full Time Equivalent	PwD	Persons with Disabilities
GCIS	Government Communication and Information System	QLFS	Quarterly Labour Force Survey
GDP	Gross Domestic Product	SCOA	Standard Chart of Accounts
GHS	General Household Survey	SDF	Spatial Development Framework
HDA	Housing Development Agency	SDG	Sustainable Development Goals
HR	Human Resources	SHI	Social Housing Institution
HSDG	Human Settlements Development Grant	SHRA	Social Housing Regulatory Authority
HSS	Housing Subsidy System	SMME	Small Medium Size Enterprise
ICT	Information and Communication Technology	SOCR	State of South African Cities Report
IDP	Integrated Development Plan	SOP	Standard Operating Procedures
IGR	Inter-governmental Relations	TDRG	Title Deeds Restoration Grant
IT	Information Technology	TEA	Transitional Emergency Accommodation
ITB	Ingonyama Trust Board	TRA	Temporary Residential Accommodation
IRDP	Integrated Residential Development Programme	TRP	Title Deeds Restoration Programme
KZN	KwaZulu-Natal	TRU	Temporary Residential Unit
KZN HSMSP	KwaZulu-Natal Human Settlements Master Spatial Plan	UISP	Upgrading of Informal Settlements Programme
MEC	Member of Executive Council	UISPG	Upgrading of Informal Settlements Partnership Grant
MTDP	Medium Term Development Plan		
MTEF	Medium Term Expenditure Framework		
MVHP	Military Veterans Housing Programme		



# PART A

## 2025/26 - 2027/28

# MANDATE

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS  
ANNUAL PERFORMANCE PLAN

## PART A: MANDATE

### 1. LEGISLATIVE AND POLICY MANDATES

#### 1.1 CONSTITUTIONAL AND LEGISLATIVE MANDATES

The Department's mandate is derived from Chapter 2, the Bill of Rights, Chapters 3 and 6 of the Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996). Section 26 in the Bill of Rights guarantees the right to have access to adequate housing. The State is mandated to take steps to achieve the progressive realization of this right. Schedule 4A makes the housing function a concurrent national and provincial legislative competence.

The Department affirms its commitment "to the full and progressive realization of the right to adequate housing" and recognizes in this context "an obligation to enable citizens to obtain quality housing and to protect and improve dwellings and neighborhoods.

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

LEGISLATION	AMENDMENT	PROVISIONS OF THE ACT
Housing Act, 1997 (Act No. 107 of 1997)	Housing Amendment Act, (Act 8 of 1994)  Housing Amendment Act, 1996 (Act 6 of 1996)  Housing Amendment Act, 1999 (Act 28 of 1999)  Housing Amendment Act, 2001 (Act 4 of 2001)  White Paper A New Housing Policy and Strategy for South Africa  No recent amendments	The Housing Act provides for the facilitation of a sustainable housing development process; for this purpose, to lay down general principles applicable to housing development in all spheres of government, to define the functions of national, provincial and local governments in respect of housing development. In short, the Act gives effect to section 26 of the Constitution by, <i>inter alia</i> , clarifying the roles of the three spheres of government in relation to realization of the right to access to adequate housing (section 26 of the Constitution).
Social Housing Act, 2008 (Act No. 16 of 2008)	No recent amendments	To establish and promote a sustainable social housing environment;  To define the functions of national, provincial and local governments in respect of social housing;  To provide for the establishment of the Social Housing Regulatory Authority (SHRA) to regulate all social housing institutions obtaining or having obtained public funds;  To allow for the undertaking of approved projects by other delivery agents with the benefit of public money; and to give statutory recognition to social housing Institutions.
Rental Housing Act, 1999 (Act No. 50 of 1999)	Rental Housing Amendment Act, 2007 (Act 43 of 2007)  Rental Housing Amendment Act No. 35 of 2014  No recent amendments	Provision for rulings by Rental Housing Tribunals; to expand the provisions pertaining to Leases; and to make further provision for the filling of vacancies in Rental Housing.
Housing Consumers Protection Act, 1998 (Act No. 95 of 1998)	Housing Consumer's Protection Measures Amendment Act, 2007          Housing Consumer Protection Act, 2024 (Act 24 of 2024) to repeal the Housing Consumer Measure Act, 1998.	To make provision for late enrolment and non-declared late enrolment; to make provision for the position of owner builders; to extend the warranty scheme to include roof leaks; to make provision for the use of money or moneys in the fund; to extend the offences created in the Act and to amend provisions pertaining to the granting of exemption by the Council and lodging of appeals with the Minister.   The Housing Consumer Protection Act 2024 aims to enhance protection for housing consumers and supports new entrants in the home building industry.

LEGISLATION	AMENDMENT	PROVISIONS OF THE ACT
Intergovernmental Relations Framework Act, (Act 13 of 2005)	No recent amendments	To establish a framework for the National Government, Provincial Governments and local government to promote and facilitate intergovernmental relations, to provide for mechanisms and procedures to facilitate the settlement of intergovernmental disputes, and to provide for matters connected therewith.
KwaZulu-Natal Housing Act, 1998	KwaZulu- Natal Housing Amendment Act, 2000 (Act 8 of 2000)  No recent amendments	Chapter 4 provides that:  The Department shall be responsible for the administration of the bank account of the Fund and manage and co-ordinate housing development in the Province. The Department shall, subject to national and provincial housing policy and after consultation with the Minister, on behalf of the Provincial Government:  a. undertake projects;  b. maintain, sell, or lease dwellings and other immovable properties;  c. notwithstanding anything to the contrary in any law and either with the prior consent of the owner or following the expropriation of such land, perform such work and undertake such projects on privately owned land as the Minister may, subject to such terms and conditions as he or she may determine, approve;  d. determine provincial policy in respect of housing development;  e. promote the adoption of provincial legislation to ensure effective housing delivery; and  f. Prepare and maintain a multi-year plan in respect of the execution in the Province of every national and provincial housing programme, which is consistent with a national and provincial housing policy.
Sectional Titles Act, 1986 (Act No. 95 of 1986)	Sectional Titles Amendment Act, 1997 (Act 44 of 1997)  Sectional Titles Amendment Act, 2003 (Act 29 of 2003)  Sectional Titles Amendment Act, 2010 (Act 11 of 2010)  Sectional Titles Amendment Act, 2013 (Act 33 of 2013)  Sectional Titles Amendment Act, 13 of 2022  No recent amendments	Amends the Sectional Titles Act, 1986, to further regulate notification of the intended establishment of schemes and the sale of units to lessees; to provide for the cancellation of registered sectional plans in a prescribed manner; to regulate the issuing of a certificate of registered section a little in respect of a fraction of an undivided share in a section; to provide for the deletion of an obsolete reference; to provide for the registration of a transfer of a part of the common property with the consent of the owners of the sections and the holders of registered real rights; to provide for the endorsing of title deeds to reflect amended participation quota schedules; to regulate the alienation of a portion of land over which a real right of extension or part thereof is registered; to provide for the consent of holders of registered real rights over exclusive use areas to the alienation of common property; to provide for the cession of a mortgage real right of extension and a mortgage real right of exclusive use area; to provide for the cancellation of part of a section pursuant to an expropriation; to further provide for the consent of bondholders with the registration of a sectional plan of extension; to provide for the issuing of more than one certificate of real right of extension and more than one certificate of real right of exclusive use area.
Prevention of Illegal Eviction and Unlawful Occupation of Land Act, 1998 (Act No. 19 of 1998)	No recent amendments	This Act provides for the prohibition of unlawful eviction; it further provides for procedures for the eviction of unlawful occupiers. This Act is very important for the Department as it constantly either institutes eviction proceedings against an unlawful occupier/ land invader(s) or the Department defends mass evictions of unlawful occupiers/ invaders.
Housing Development Agency Act, 2008 (Act No. 23 of 2008)	No recent amendments	This Act establishes the Housing Development Agency; it further provides for the Agency's functions and powers; and for matters connected therewith.
Communal Land Rights Act, 2004 (Act No. 11 of 2004)	No recent amendments	This Act provides for legal security of tenure by transferring communal land, including KwaZulu-Natal Ingonyama land, to communities, or by awarding comparable redress; to provide for the conduct of a land rights enquiry to determine the transition from old order rights to new order rights; to provide for the democratic administration of communal land by communities; to provide for Land Rights Boards; and to provide for the co-operative performance of municipal functions on communal land.

LEGISLATION	AMENDMENT	PROVISIONS OF THE ACT
Deeds Registries, 1937 (Act 47 of 1937)	Deeds Registries Amendment Act, 2013 (Act 34 of 2013)  Deeds Registries Amendment Act, 2017 (Act 8 of 2017)  No recent amendments	Amends the Deeds Registries Act, 1937, so as to provide discretion in respect of the rectification of errors in the name of a person or the description of property mentioned in deeds and other documents; to provide for the issuing of certificates of registered title taking the place of deeds that have become incomplete or unserviceable; to substitute an obsolete reference; to substitute an outdated heading; to delete reference to the repealed Agricultural Credit Act, 1966; to further, regulate the updating of deeds in respect of the change of names of companies, close corporations and the surnames of women.
State Land Disposal, 1961 (Act No. 48 of 1961)	State Land Disposal Amendment Act, 1988 (Act 19 of 1988)  No recent amendments	This Act provides for the disposal of certain State land and for matters incidental thereto, and it further prohibits the acquisition of State land by prescription.
Government Immovable Asset Management Act 19, 2007	No recent amendments	Provides for a uniform framework for the management of an immovable asset that is held or used by a national or provincial Department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a national or provincial Department; to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a national or provincial Department.
The Public Finance Management Act, 1999 (Act No. 1 of 1999)	As amended	The Public Finance and Management Act regulates the management of finances in national and provincial government. It sets out procedures for efficient and effective management of all revenue, expenditure, assets and liabilities. It establishes the duties and responsibilities of government officials in charge of finances.  The Act aims to secure transparency, accountability and sound financial management in government and public institutions.
Home Loan and Mortgage Disclosure Act, 2000 (Act No. 63 of 2000)	No recent amendments	The Act provides for the establishment of the Office of Disclosure and the monitoring of financial institutions serving the housing credit needs of communities. It requires financial institutions to disclose information and identifies discriminatory lending patterns.
Land Administrative Act, 1995 (Act No. 2 of 1995)	Land Administrative Amended Act, 1996 (Act 52 of 1996)  Land Administrative Amended Act, 2000 (Act 59 of 1996)  Amended by Rural Development and Land Reform and Land Reform General Amendment Act 4 of 2011  No recent amendments	Amends the Land Administrative Act 1995, to delete the definition of "proclaimed area" to insert a definition of "Director- General" and to insert the definition of "Minister" in the Afrikaans text; to make further provision for the section, which confers upon the President certain powers with regards to laws in the proclaimed areas.
Expropriation Act, 2024 (Act No. 13 of 2024)	Expropriation Act 63 of 1975 repealed by the Expropriation Act, 2024  Expropriation Amendment Act, 1992 (Act 45 of 1992)	Repeals the Expropriation Act, 1975. The new act grants organs of state the authority to expropriate land in the public interest, to regulate the procedure for the expropriation of property for a public purpose or in the public interest, including payment of compensation. It also identifies instances where nil compensation may be just and equitable for expropriation in the public interest.
Disestablishment of South African Trust Limited Act, 2002 (Act No. 26 of 2002)	No recent amendments	All rights and asset of the Company, including the administrative, financial and other records of the Company, vest in the National Housing Finance Corporation (as per in the Housing Act) all obligations and liabilities of the Company now vest in the Government as part of the national debt. Thus, the Government must meet these obligations and liabilities. Repeal the Africa Institute of South Africa Act, 2001.



LEGISLATION	AMENDMENT	PROVISIONS OF THE ACT
National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977)	National Building Regulations and Building Standards Amendment Act, 1995 (Act No. 49 of 1995)  No recent amendments	To provide for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities; for the prescribing of building standards; and for matters connected therewith.
Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000)	Preferential Procurement Policy Framework Regulations, 2022  The Preferential Procurement Policy Framework Amendment Bill, 2023	The Preferential Procurement Policy Framework Act (PPPFA) provides for the implementation of procurement in awarding contract, and for the protection and/or advancement of person or categories of persons disadvantaged by unfair discrimination. To give effect to section 217 (3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217(2) of the Constitution; for matters connected therewith.
Disaster Management Act, 2002 (Act No. 57 of 2002)	Disaster Management Act Amendment, Act 2015, (Act 16 of 2015)  The Disaster Management Act Regulations, 2022	The Act intends to create an integrated and coordinated disaster management policy that focuses on preventing or reducing the risk of disaster, mitigating the severity of disasters, emergency preparedness, rapid and effective response to disaster and post-disaster recovery, the establishment of national, provincial and municipal disaster management centers, disaster management volunteers and matters pertaining thereto.
Occupational Health and Safety Act, 1993 (Act No. 85 of 1993)	Amended by the Labour Relations Act 66 of 1995 and Occupational Health and Safety Act 181/1993  No recent amendments	The Act governs the health and safety for the diverse industry of South Africa. It regulates and controls health and safety measurements in all organisations, from a normal office environment to a more hazardous environment like industrial plants and construction sites. The Act needs to be complied with by all employers including the Public Service Departments.
The Alienation of Land Act, 1981 (Act No. 68 of 1981)	Alienation of Land Amendment Act, 1998 (Act no.103 of 1998)  No recent amendments	The Act is applicable to land purchase for residential purposes, and it regulates instalment sale agreements whereby property is sold against payment by the purchaser to the seller in two or more instalments over a period exceeding one year.
Protection of Personal Information Act, 2013 (Act No. 4 of 2013)	Protection of Personal Information Act Regulations, 2018 / 2021  No recent amendments	To Promote the protection of personal information by public and private bodies. To introduce certain conditions to establish minimum requirements for the processing of personal information. To provide for the establishment of an Information Regulator in terms of this Act and the Promotion of Access to Information Act, 2000. To provide for the issuing of codes of conduct, to provide for the rights of persons regarding unsolicited electronic communications and automated decision making.  To regulate the flow of personal information across the borders of the Republic, and to provide for matters connected therewith.
The Promotion of Access to Information Act, 2000 (Act No. 2 of 2000)	The Promotion of Access to Information Act Regulations 2021  No recent amendments	The Promotion of Access to Information Act 2 of 2000 is South Africa's access to information law and it enables people to gain access to information held by both public and private bodies. The new regulations set out the new application form to be completed and applicable fees for requests made.
Kwazulu-Natal Elimination and Prevention of Re-Emergence of Slums Act, 2007	Slums Amendment Act, 2021 (Act No. 6 of 2021)	To provide for the progressive elimination of slums in the Province of KwaZulu-Natal; to provide for measures for the prevention of the re-emergence of slums; to provide for the upgrading and control of existing slums; and to provide for matters connected therewith. While the amendment Act repealed section 16 of the Slums Act,2007.
The Promotion of Administrative Justice Act No. 3 of 2000	Regulations on Fair Administrative Procedures GoN R614, G. 27719 (c.i.o 27 June 2005)	To give effect to the right to administrative action that is lawful, reasonable and procedurally fair and to the right to written reasons for administrative action as contemplated in section 33 of the Constitution of the Republic of South Africa, 1996.

LEGISLATION	AMENDMENT	PROVISIONS OF THE ACT
Spatial Planning and Land Use Management Act 16 of 2013	No recent amendment	To provide a framework for spatial planning and land use management in the Republic; to specify the relationship between the spatial planning and the land use management system and other kinds of planning; to provide for the inclusive, developmental, equitable and efficient spatial planning at the different spheres of government; to provide a framework for the monitoring, coordination and review of the spatial planning and land use management system; to provide a framework for policies, principles, norms and standards for spatial development planning and land use management;
The National Environmental Management Act 107 of 1998	National Environmental Management Laws Amendment Act, 2022	To provide for co-operative, environmental governance by establishing principles for decision-making on matters affecting the environment, institutions that will promote co-operative governance and procedures for coordinating environmental functions exercised by organs of state
Advertising on Roads and Ribbon Development Act 21 of 1940	Amended by National Roads and Ribbon Development Amendment Act 22 of 1944  Amended by the Advertising on Roads and Ribbon Development Amendment Act 43 of 1985  Amended by Transnet Limited Amendment Act 52 of 1991	To regulate the display of advertisements outside certain urban areas at places visible from public roads, and the depositing of disused machinery or refuse and the erection of structures near certain public roads, and the access to certain land from such roads and to amend the National Roads Act, 1935.
National Youth Commission Act (Act No. 19 of 1996)	Repealed by National Youth Development Agency Act 54 of 2008	Reflects the commitment by Government to ensure the promotion and the protection of the rights and needs of youth. Furthermore, the National Youth Commission Policy (2000) has been developed to assist government departments to conceptualize and implement youth development programmes.
Broad Based Black Economic Empowerment Act (Act 53 of 2003)	Amended by Broad-Based Black Economic Empowerment Amendment Act 46 of 2013  No recent amendments	The Broad Based Black Economic Empowerment Act (No: 53 of 2003) aims at promoting the achievement of the constitutional right to equality and increase the effective participation of black people in the economy. Furthermore, it promotes a higher economic growth rate, increased employment and more equitable income distribution.
Promotion of Equality and Prevention of Unfair Discrimination Act (4 of 2000) as amended.	Amended by Promotion of Equality and Prevention of Unfair Discrimination Act 52 of 2002  Promotion of Equality and Prevention of Unfair Discrimination Amendment Bill 2022  Amended by Judicial Matters Amendment Act 15 of 2023	To prevent and prohibit unfair discrimination and harassment; To promote equality and eliminate unfair discrimination; and To prevent and prohibit hate speech; and to provide for matters connected therewith.
Division of Revenue Act 24 of 2024	No recent Amendment	To provide for the equitable division of revenue raised nationally among the national, provincial and local spheres of government for the 2024/25 financial year.
Government Immovable Asset Management Act 19 of 2007	No recent Amendment	To provide for a uniform framework for the management of an immovable asset that is held or used by a national or provincial department; to ensure the coordination of the use of an immovable asset with the service delivery objectives of a national or provincial department; to provide for issuing of guidelines and minimum standards in respect of immovable asset management by a national or provincial department; and to provide for matters incidental thereto.
Housing Development Schemes for Retired Persons Act 65 of 1988	Housing Development Schemes for Retired Persons Amendment Act 66 of 1991  No recent Amendment	To regulate the alienation of certain interests in housing development schemes for retired persons; and to provide for matters connected therewith.



LEGISLATION	AMENDMENT	PROVISIONS OF THE ACT
Extension of Security of Tenure Act 62 of 1997	Amended by the Rural Development and Land Reform General Amendment Act 4 of 2011	To provide for measures with State assistance to facilitate long-term security of land tenure; to regulate the conditions of residence on certain land; to regulate the conditions on and circumstances under which the right of persons to reside on land may be terminated; and to regulate the conditions and circumstances under which persons, whose right of residence has been terminated may be evicted from land; and to provide for matters connected therewith.
Communal Property Associations Act 28 of 1996	Amended by the Rural Development and Land Reform General Amendment Act 4 of 2011	To enable communities to form juristic persons, to be known as communal property associations in order to acquire, hold and manage property on a basis agreed to by members of a community in terms of a written constitution; and to provide for matters connected therewith.
Construction Industry Development Board 38 of 2000	Amended by the Prevention and Combating of Corrupt Activities Act 12 of 2004  No recent Amendment	To provide for the establishment of the Construction Industry Development Board; to implement an integrated strategy for the reconstruction, growth and development of the construction industry and to provide for matters connected therewith.
Communal Land Rights Act 11 of 2004	No recent Amendment	To provide for legal security of tenure by transferring communal land, including KwaZulu-Natal Ingonyama land, to communities, or by awarding comparable redress; to provide for the conduct of a land rights enquiry to determine the transition from old order rights to new order rights
KwaZulu-Natal Planning and Development Act 6 of 2008	No Amendment	Governs land use planning and development management

## 1.2 NATIONAL POLICY IMPERATIVES

In accordance with the Statement of Intent of the Government of National Unity (GNU), the Minimum Programme of Priorities are as follows:

- Rapid, inclusive and sustainable economic growth and job creation (infrastructure, industrialization, land reform, structural reforms, transformation, fiscal sustainability, macroeconomic management);
- Reduce poverty and tackle the high cost of living (reduce spatial inequality, enhance food security and nutrition, social safety net, basic services);
- Improve the delivery of basic services and bring stability to local government;
- Investing in people through quality education and healthcare;
- Rebuild the capability of the state and create a professional public service (metric based, restructuring State Owned Entities);
- Strengthen law enforcement agencies to address crime, corruption and Gender-based Violence and Femicide;
- Social cohesion and nation building; and
- Foreign policy based on human rights, constitutionalism, and national interest.

The 2030 National Development Plan (NDP) remains as the country's long-term plan and continues to guide the developmental goals towards 2030 and is aligned to the continental and international commitments, namely the Africa Agenda 2063 and the 2030 Sustainable Development Goals (SDG).

The Department has aligned its programmatic interventions to the priorities relating to inclusive growth and job creation, reduced poverty and tackle the high cost of living as well as to rebuild the capability of the state and create a professional public service.

## 2024-2029 Medium Term Development Plan

In order to give effect to the GNU high-level priorities, the State President in the opening of Parliament Address announced the overarching strategic priorities that are intended to serve as the detailed Medium-Term Development Plan (MTDP) for the 2024-2029 period:

- Strategic Priority 1: Inclusive growth and job creation;
- Strategic Priority 2: Reduce Poverty and tackle the high cost of living; and
- Strategic Priority 3: A capable, ethical and developmental state.

### Human settlements Sector Priorities

The human settlements sector responds to the 2024-2029 MTDP as follows:

The strategic priority relating to inclusive growth and job creation will be viewed as an Apex priority as all spheres of government, clusters and sectors are required to prioritize the relevant economic interventions in support of this priority.

Whilst all three strategic priorities are interrelated and interlinked, the social wage is deemed to be a key instrument for poverty reduction and is a safety net for the vulnerable. It further ensures that there is a skilled and healthy workforce, enabling infrastructure and basic services. The sector will therefore respond to the reduction of poverty and tackling the high cost of living through:

- The development of livable neighborhoods in both rural and urban environments and achieve spatial transformation; and
- Increased access to adequate housing through various programmes.

The strategic priority relating to a capable, ethical and developmental state will also ensure that an enabling environment is created to support the sector in its endeavor to reduce poverty and improve livelihoods through national economic reforms and regulations.

The Department is aligned to these strategic priorities in accordance with its provincial competencies through the implementation of its programme interventions which include amongst others:

- Investing within the 22 Priority Human Settlements and Housing Development Areas (PHSHDAs);
- Implementation of a comprehensive multi-year human settlements development plan to support the development of human settlements;
- Improved living conditions, through the implementation of the Upgrading of the Informal Settlements Programme (UISP);
- The implementation of human settlements programmes such as the Residential Development Programme (IRDP), Rural Housing Programme, to support the provision of increased access to adequate housing;
- The implementation of First Home Finance Programme (FHF) that offers a range of interventions to households in the affordable market;
- Increased access to title deeds for households; and
- The implementation of the service sites programme.

For the 2025/26 financial year, the planning initiatives are aligned to support the priorities of the 7<sup>th</sup> Administration and are synchronized with the key strategic interventions of the 2024-2029 MTDP.

### 1.2.1. KZN PROVINCIAL PRIORITIES

The Province's priorities are fully aligned to the three strategic priorities of the GNU through the current KZN Provincial Growth and Development Strategy, 2021 (PGDS).

The Department continues to implement the interventions of Priority 5: Spatial Integration – Human Settlements of the PGDS, 2021 to create inclusive, resilient and sustainable human settlements through the development of liveable neighbourhoods. It undertakes to do this through the planning and implementation of key interventions inclusive of the issuing of title deeds; integrated planning of human settlements, implementation of the UISP to improve living conditions, as well as the through the provision of rural housing developments and implementation of FHF Programme to households in the affordable housing market. The Department will align to the reviewed PGDS, once approved.

The Department will also continue to prioritize the implementation of measures to mitigate the effects for climate change within the human settlements sector and address the housing needs of the vulnerable groups more effectively through Province's Operation Sukuma Sakhe (OSS) Initiative and will continue to provide housing assistance to victims of gender-based violence through its emergency housing programme when required.

In order to promote inclusive economic growth and job creation, the Department's Siyakha Incubation Programme ensures the growth of emerging companies of the different categories of designated groups more particularly women, youth and people with disabilities. The programme also provides skills development, mentorship and coaching. Complementing this, is the Expanded Public Works Programme (EPWP), which addresses the creation of employment and training to designated groups.

The Youth Internship, Work Integrated Learners, Graduate and Bursary Programmes are further initiatives undertaken by the Department to support the provincial priorities of the Province in terms of job creation.

In line with the strategic priority: A capable, ethical and developmental state, the Department will for the forthcoming years review, improve and modernize its business processes through the:

- Implementation of the ICT Governance Framework in line with the Provincial Digital Transformation Strategy to streamline work processes and enhance service delivery;
- Implement measures to reduce red tape and cumbersome bureaucratic processes;
- Improve statutory approval procedures ;
- Review of human settlements processes to allow for better synergy with municipalities;
- Review/enhance the role of traditional authorities and ITB in Human Settlement Projects;
- Review the allocation of developer status to some municipalities; and
- Review of contract period to manage contractual commitments more effectively.

In addition, emphasis will be placed on the promotion of good governance, accountability and best practices within the service delivery environment. Measures to improve the audit outcome of the Department through the implementation of the approved audit improvement plan will also be undertaken. Equally important is the monitoring of the implementation of the internal audit plan to address the adequacy and effectiveness of the departmental controls, risk management and governance processes. The review and implementation of the Department's Fraud Prevention Strategy demonstrates the Department's commitment to zero tolerance of fraud, corruption, and maladministration of public funds.

### 1.2.2. STATE OF NATION ADDRESS, 2025

His Excellency, the President of the Republic of South Africa in delivering his State of the Nation Address reaffirmed the three strategic priorities as per the adopted MTDP. Of significant importance to the country was the need to create more jobs, reduce poverty and improve the lives of all through economic growth. The need for a capable, competent and professional public service was also emphasized. The need to promote spatial transformation through the development of human settlements to address inequality was also highlighted with focus being placed on the provision of housing, closer to the areas of work and business opportunities.

The provision of housing opportunities, serviced sites and title deed registrations to improve the lives and restore the dignity of qualifying beneficiaries have thus been highlighted as key service delivery interventions for the forthcoming year. The Department will therefore in line with its integrated planning initiatives and the implementation of its housing programmes continue to address the housing needs of the communities it serves in line with these pronouncements.

### 1.2.3. STATE OF THE PROVINCE ADDRESS, 2025

The Honorable Premier of the Province of KwaZulu-Natal, Mr. T. Ntuli, during his 2025 State of the Province Address reiterated the Province's commitment towards the strategic priorities of the 2024/2029 MTDP which continues to be the strategic roadmap for the country's developmental trajectory. To support this, the Premier announced the 8 provincial focus areas, namely:

- Rebuilding the Economy;
- Strengthening local government and governance;
- Sustainable development;
- Improving healthcare and education;
- Delivering better human settlements and infrastructure;
- Improving community safety;
- Mitigating climate change; and
- Building a capable, ethical, and developmental state.

The Department's commitment to the above is evident by the continued investment into its PHSHDAS's and emphasis on the continued planning and implementation of the catalytic projects as well as other human settlements developments in its endeavor to support economic recovery. This is further complemented by the implementation of key transformational programmes such as the Siyakha Incubation Programme which focusses on the empowerment of designated groups through interventions such as facilitating skills transfer and capacitation of businesses through incubation, mentorship and coaching and housing allocation quotas. The continued implementation of the EPWP also demonstrates the department's contributions towards addressing the high levels of unemployment within the Province.

Focused attention will also be made to address those displaced by the floods to be properly housed and the Department will also continue to address the housing needs of the citizens of the Province through the implementation of its housing programmes and issuing of title deeds to restore the dignity and improve the livelihoods of the most destitute.

The continued implementation of the ICT Governance Framework in line with the Provincial Digital Transformation Strategy will also be undertaken where the Cyber Security monitoring system will be implemented to address impersonation, email spoofing and phishing of the departments domain. Regular threat assessments and planning for remediation's (i.e. Computer Network Penetration Testing) will also be undertaken. The Department is also implementing the E-learning Management Platform in support of organizational efficiency.

The Department continues to implement measures to make the human settlements sector more resilient to climate change through its comprehensive Disaster Management Policy and Plan (DMP) and measures as demonstrated under the Climate Change Initiatives Section.

The Department will also continue to improve processes, systems and controls to sustain the achievement of a clean audit outcome in line with the Department's five-year strategic outcome as well to implement measures to promote a sound, ethical and professional department. Strict financial control will be implemented through the introduction of improved internal controls and strictly monitored budgets to achieve efficient, effective and economic utilization of available funding. In line with Operation Pay on Time, the Department has also implemented an electronic register to continuously manage compliance of the invoices paid to creditors within 30 days of receipt. Strengthened inter-governmental relations and active participation within the District Development Model (DDM) structures as well as the implementation of a strengthened communication strategy will also be intensified.

The Department continues to implement measures to address the previous pronouncements. Progress thereof is also reflected under item 1.2.4.

1.2.4. PROGRESS ON PRIORITIES AND PRONOUNCEMENTS

In line with the national, provincial priorities and previous pronouncements, the Department has as at the 3<sup>rd</sup> quarter of the 2024/25 financial year, ensured the provision of 5,540 housing units, inclusive of 400 housing units allocated to the vulnerable groups. A total of 1,126 title deeds have been registered and 406 sites serviced. In addition, 3,967 work opportunities have been created in terms of the EPWP. The Department appointed 36 graduate interns (25 females and 11 males), and 20 Work Integrated Learners (4 males and 16 females) were appointed to Work Integrated learning Programme.

A total of 11 bursary graduates (8 males and 3 females) were appointed on the Candidacy Development Support Programme. The Department continued with the planning of its catalytic projects during the 2024/25 financial year. The Department has also provided housing assistance under emergency circumstances through its Emergency Housing Programme including the provision of Temporary Residential Accommodation (TRA). In response to the April/May Flood Disasters, the department has also secured 11 land parcels to provide permanent housing solutions to the affected families which are at various stages of rezoning and planning. The Department has ensured that invoices are paid within 30 days of receipt. The implementation of the Provincial Digital Transformation Strategy has been monitored through the implementation of the Department’s ICT Governance Framework. The Department has also ensured that prudent financial management is undertaken through the monthly expenditure review meetings.

The implementation and monitoring of the approved internal audit plan and audit improvement supports Strategic Priority: A capable, ethical and developmental state as well as the provincial commitment of Operation Clean Audit to improve the audit outcome of the Department.

2. INSTITUTIONAL POLICIES AND STRATEGIES

POLICY MANDATE	OBJECTIVE
White Paper for Human Settlements 2024	<p>The White Paper for Human Settlements was approved by Cabinet on 4 December 2024. Despite significant progress since the 1994 White Paper, many South Africans still lack access to adequate housing. Housing and human settlements is moving beyond the previous state-centered paradigm of new housing delivery towards more of an enabling, supporting, coordinating, and regulating role in creating and sustaining viable and vibrant human settlements. The new policy aims to create integrated and sustainable human settlements, focusing on vulnerable, poor, and middle-income households.</p> <p>The 2024 White Paper proposes several policy shifts which include:</p> <ul style="list-style-type: none"><li>• Developing spatially integrated communities.</li><li>• Enhancing access to housing finance.</li><li>• Implementing innovative and responsive policies.</li><li>• Ensuring continuous improvement of housing conditions.</li></ul> <p>The document emphasizes a whole-of-society approach, involving government agencies, the private sector, civil society and academia. The White Paper 2024 seeks to reposition the function of the Department, and to ensure a comprehensive response to the need for shelter that focuses not only on the provision of housing units, but the development of settlements that are sustainable human environments, thereby contributing to improved quality of life. It seeks to ensure that the sector contributes to government’s strategic goals including the 2030 National Development Plan and alignment to international Treaties on sustainable human settlements.</p> <p>Flowing from the proposals in the White Paper 2024, human settlements policies and the Housing Code will be reviewed and re-labelled to encompass new approaches, strategies, and programmes to give effect to the delivery of integrated and sustainable human settlements.</p>



POLICY MANDATE	OBJECTIVE
New Housing Policy and Strategy for South Africa White Paper, 1994	<p>The White Paper states that the point of departure of all housing policy in South Africa is:</p> <ul style="list-style-type: none"> <li>• Sovereignty of the Constitution;</li> <li>• Housing as a basic human right;</li> <li>• The role of the State,</li> <li>• People-cantered development;</li> <li>• Freedom of choice, and</li> <li>• Non-discrimination.</li> </ul> <p>It also contains the government's overall approach to ensuring housing delivery in relation to:</p> <ul style="list-style-type: none"> <li>• Stabilizing the housing environment;</li> <li>• Supporting the housing process;</li> <li>• Mobilizing housing credit and savings;</li> <li>• Establishing the availability of subsidies;</li> <li>• Institutional arrangements;</li> <li>• Land acquisition and redistribution; and</li> <li>• Co-ordinated development.</li> </ul> <p>The fundamental principles of this White Paper are still relevant today and guide all human settlements development policies and implementation mechanisms.</p>
The Integrated Urban Development Framework, 2016	<p>The policy sets the framework for programmes to ensure that urban development is planned and implemented in a participatory, integrated and environmentally sustainable manner to improve the general quality of life of all those living in urban areas. It gave impetus to the Urban Renewal Programme in 2001, whose broad outcomes are:</p> <ul style="list-style-type: none"> <li>• Revitalization of the inner city;</li> <li>• Job creation;</li> <li>• Integrated economic development; and</li> <li>• Making the inner city safe.</li> </ul>

POLICY MANDATE	OBJECTIVE
The Comprehensive Plan for Sustainable Human Settlements, 2004	<p>The comprehensive plan for sustainable human settlements reinforces the vision of the Department of Human Settlements, to promote the achievement of a non-racial, integrated society through the development of sustainable human settlements and quality housing.</p> <p>Within this broader vision, the Department is committed to meeting the following specific objectives:</p> <ul style="list-style-type: none"> <li>• Accelerating the delivery of housing as a key strategy for poverty alleviation;</li> <li>• Utilizing provision of housing as a major job creation strategy;</li> <li>• Ensuring property can be accessed by all as an asset for wealth creation and empowerment;</li> <li>• Leveraging growth in the economy;</li> <li>• Combating crime, promoting social cohesion and improving quality of life for the poor;</li> <li>• Supporting the functioning of the entire single residential property market to reduce duality within the sector by breaking the barriers between the first economy residential property boom and the second economy slump; and</li> <li>• Utilizing housing as an instrument for the development of sustainable human settlements, in support of spatial restructuring.</li> </ul>
Social Housing Policy for South Africa, 2003	<p>The goal of this policy is to improve the rental-housing sector. It expands individual housing subsidies to include subsidizing social housing projects for people that rent accommodation and are from the low and medium-income groups.</p> <p>The fundamental principles are that social housing must:</p> <ul style="list-style-type: none"> <li>• Restructure urban inner-city by integrating housing development in existing areas;</li> <li>• Respond to local housing demand through the establishment of well-managed, quality rental housing options and quality living environments;</li> <li>• Deliver housing for income groups ranging from the working poor to emerging middle income groups;</li> <li>• Support the economic development of low and medium-income communities through the creation of sustainable and workable projects;</li> <li>• Promote safe, harmonious, and socially responsible housing and urban environments; and</li> <li>• Encourage the involvement of the private sector as much as possible.</li> </ul>

POLICY MANDATE	OBJECTIVE
The National Housing Code, 2009	<p>The National Housing Code is a comprehensive document that sets out the overall vision for housing in South Africa. The Code sets the underlying policy principles, guidelines, norms, and standards that apply to the Government's various housing assistance programmes introduced since 1994 and updated. It also identifies various housing subsidy instruments available to assist low-income households to access adequate housing. It further provides for the qualification criteria per subsidy instrument and the process that needs to be followed in order to access the specific instrument.</p> <p>The Technical and General Guidelines of the National Housing Code has with effect of 2023 made provision for the minimum capacity and capability requirements for solar power systems to households. The aim is to promote the sustainable use of renewable energy sources and enhance energy efficiency in the housing sector.</p>
National Spatial Development Perspective (NSDP), 2002	The NSDP demonstrates the high levels of deprivation that often coincide with areas of high economic growth potential. The NSDP provides a framework for the development of the national space economy.
National Development Plan (NDP) Chapter 8	<p>The NDP offers a long-term perspective for South Africa by defining a desired destination and identifying the role different sectors of society need to play in reaching that goal. As a long-term strategic plan, it serves four broad objectives:</p> <ul style="list-style-type: none"> <li>• Providing overarching goals for what the country wants to achieve by 2030;</li> <li>• Building consensus on the key obstacles to achieving these goals and what needs to be done to overcome those obstacles;</li> <li>• Providing a shared long-term strategic framework within which more detailed planning can take place in order to advance the long-term goals set out in the NDP;</li> <li>• Creating a basis for making choices about how best to use limited resources; and</li> <li>• The Plan aims to ensure that all South Africans attain a decent standard of living through the elimination of poverty and reduction of inequality.</li> </ul> <p>Chapter 8 sets out the plan for transforming human settlements, setting out five spatial principles for human settlements development: spatial justice; spatial sustainability; spatial resilience; spatial quality and spatial efficiency. The human settlements trajectory propositions that, 'by 2050 visible results from effectively coordinated spatial planning systems shall have transformed human settlements in South Africa into equitable and efficient spaces with citizens living in close proximity to work with access to social facilities and essential infrastructure'.</p>

POLICY MANDATE	OBJECTIVE
Provincial Growth and Development Strategy (PGDS), 2021	The PGDS sets the tone for all development and growth within the Province. It represents a fundamental analysis of provincial challenges in line with the National Development Plan and the formulation of a common vision, goals, and targets that all strategic partners in the development of the Province commit themselves to promote and achieve. The PGDS acknowledge the fact that the provision of housing has previously dominated the approach to human settlements in the Province and in South Africa in general. Whilst the provision of a house remains, an important part of human settlements it is now common cause that liveable human settlements require decent planning that involves designing a safe environment, infrastructure that allows and enables economic activity, delivery of services and social facilities as well as good maintenance capacity.
The Provincial Spatial Development Framework	<p>The framework provides a departure point for aligned and coordinated spatial intervention for sustained human settlements which included infrastructure delivery. Densification can be defined as increased usage of space both horizontally and vertically within existing areas/properties and new developments accompanied by an increased number of units and/or population thresholds.</p> <p>This ensures that the number of dwellings per hectare increase in a planned and sustained manner without adversely affecting the quality of life of established communities within a defined area. The anticipated urbanization of the Province will require that the Department is able to response to all income levels with the appropriate housing typology.</p> <p>This ranges from new entrants to the housing market as well as the gap housing market beneficiaries.</p> <p>Thus, stakeholders involved in land allocation, establishment of social facilities, designing human settlements must begin to think about promoting polycentric planning to achieve sustainable livelihoods and sustainable human settlements.</p>
KwaZulu-Natal Human Settlements Master Spatial Plan (KZN HSMSP)	<p>The Vision for the KZN HSMSP is:</p> <p>"By 2030 KwaZulu-Natal is recognized for its compact, connected and integrated human settlements pattern across different scales reflecting successful spatial transformation, founded on the values of sustainability, collaboration, choice, and value creation."</p> <p>The 7 objectives of the KZN HSMSP are as follows:</p> <ol style="list-style-type: none"> <li>1. Spatial transformation;</li> <li>2. Compact settlements and settlement patterns;</li> <li>3. Connected settlements and settlement patterns;</li> <li>4. Integrated settlements and settlement patterns;</li> <li>5. Functional residential property market in urban and rural areas;</li> <li>6. Consistent application of policies, principles, objectives and concepts across various scales (provincial, regional, local); and</li> <li>7. Institutional capacity for effective planning and implementation.</li> </ol>

POLICY MANDATE	OBJECTIVE
KZN Human Settlements Environmental Policy (2022)	<p>The policy seeks provide an overview of the legal framework that should be considered by all interested and affected parties as well as highlights the key environmental considerations that should be taken into account when planning, designing, constructing and handing over housing projects.</p> <p>The main purpose of the policy is to enable the Department and Municipalities to:</p> <ul style="list-style-type: none"> <li>• Measure and manage its impact on the environment in all operations and services that facilitate the delivery of public housing;</li> <li>• Encourage compliance with relevant environmental legislation and regulations; and</li> <li>• Encourage the development of environmentally sound housing to provide an improved quality of life.</li> </ul>
Affordable Housing Policy, 2022	<p>The affordable housing policy seeks to facilitate the provision of a wide choice of housing opportunities to meet the needs of the whole community in terms of tenure options and price ranges. This means providing high quality homes in mixed sustainable communities for those in need, expanding the opportunities for offering greater quality, flexibility, and choice to beneficiaries. This involves a tremendous amount of capital investment, maintenance, and operating expenditure, requiring significant budget allocation which government can only achieve with commitment from other stakeholders including the private sector.</p> <p>The policy aims to facilitate the development of well-located and affordable housing opportunities for households excluded from market-driven housing options. It provides for various delivery options which include, assisted self-build, public-private-partnerships and collaboration with large corporate employers.</p> <p>The Implementation Guidelines of 2023 defines the implementation process and further clarify the roles and responsibilities of all stakeholders.</p>

POLICY MANDATE	OBJECTIVE
Disaster Management Policy, 2023	<p>The Disaster Management Policy in line with the Disaster Management Act of 2002 and the National Disaster Management Framework was developed to provide a structured and streamlined procedure for attending to housing related disaster situations within the Province.</p> <p>The policy outlines the process to be followed to undertake Disaster Risk Assessments throughout the Province to assess communities that are most vulnerable to the impacts of disaster events and to put measures in place to mitigate the impacts of these disasters as well as prepare communities to deal with them should they occur.</p> <p>The Policy caters for the development of a Disaster Management Plan (DMP) that is to be managed by a Disaster Management Committee (DMC) established by the Department. The DMC is responsible for amongst others, the allocation and co-ordination of responsibilities of various role players, prompt disaster response and relief, disaster recovery and rehabilitation focused on risk elimination or mitigation, the procurement of essential goods and services, the establishment of strategic communication links and the dissemination of information.</p> <p>The policy is implemented through the departmental Disaster Management Plan.</p>
Policy on The Provision of Departmental Land for the Development of Student Accommodation, 2024	<p>The provision of accessible, decent, safe and academically conducive student accommodation in the province and throughout the country is of great importance to the quality of the higher education system and the success of students, especially those from a rural and poor background. The demand for student accommodation has grown over the years. Most institutions of higher learning have enrolment rates that are greater than the rate of available student accommodation. This results in students having to live in very poor conditions which has often hampered their ability to succeed.</p> <p>In an effort to support the cause, the KZN Department of Human Settlements through the Policy aims to identify suitable IRDP and catalytic projects where a portion of land can be donated to public tertiary institutions for the development of student accommodation.</p>
Special Housing Needs Policy and Implementation Guidelines	<p>The KZN Transitional Housing Policy has been superseded by the National Policy and Implementation Guidelines for Special Housing Needs. The National Policy is predominantly based on the KZN Transitional Housing Policy model which addressed special needs housing. The programme provides capital grants to registered Non-Profit Organizations (NPO's) for them to deliver housing in various forms and appropriate designs that will accommodate the range of special housing needs beneficiaries. It allows for the provision of institutionalized care and is implemented in collaboration with the Department of Social Development. The programme provides for accommodation of the following types of beneficiaries on a permanent or temporary basis:</p> <p>Orphans and vulnerable children, aged, disabled, victims of domestic abuse, terminally ill or frail persons, the homeless or destitute and other vulnerable people.</p>



In addition, the Department also takes into cognizance the undermentioned transversal policy/framework issues to support the overarching mandates of government:

POLICY MANDATE	OBJECTIVE
National Youth Service in Housing Programme Framework	The National Youth Service in Housing Programme was developed as a framework to reinstate the commitment of empowering and improving the participation of the youth in housing. The programme aims to provide the youth with hard skills training, professional development, entrepreneurial skills and opportunities in the housing sector.
National Women in Housing Programme Framework	<p>The National Women in Housing Programme is aimed at empowering and improving the participation of women in housing delivery.</p> <p>The objective of the Programme includes the following:</p> <ul style="list-style-type: none"> <li>To promote and facilitate the empowerment and participation of women in housing delivery;</li> <li>To enhance entrepreneurial development and increase the number of women firms and Small and Medium-sized Enterprises providing services and products to the housing sector; and</li> <li>To build partnerships with key stakeholders from non-government and private sector in implementing the women in housing programme.</li> </ul>
Emerging Contractor Development Framework, 2002	To support emerging contractors in the housing sector by addressing issues such as access to credit, access to markets, lack of skills and lack of supportive institutional arrangements. The Framework also aims to develop a pool of housing entrepreneurs to facilitate the delivery of housing, while operating from a solid skills base at a technical level, thus contributing to effective quality assurance and ensure the successful emergence of home builders from labour-only to fully fledged contractors. Additionally, to develop an integrated approach towards home builders' development.
Gender Responsive Planning Budget Monitoring Evaluation and Auditing Framework	<p>The key strategic objectives of the framework are:</p> <ul style="list-style-type: none"> <li>To serve as a catalyst to effect a system-wide paradigm shift towards gender mainstreaming across the state machinery;</li> <li>To ensure women's empowerment and gender equality are at the center of public policy priorities, results-based planning and budgeting and accountability;</li> <li>To ensure the allocation of adequate and equitable resources for women's empowerment and gender equality linked to broader public finance reforms;</li> <li>To enhance the country's overall levels of inclusive growth, development and the broader political and socio-economic transformation agenda; and</li> <li>To contribute to the achievement of our Constitutional vision of a non-sexist society and gender equality.</li> </ul>
National Youth Policy (2009-2014)	To assist government departments in the development and implementation of specific departmental programmes to address the needs of young women and men. It also emphasizes the importance of an integrated and holistic approach towards youth development.

POLICY MANDATE	OBJECTIVE
National Policy on Reasonable Accommodation and Assistive Devices for Employees with Disabilities in The Public Service	<p>The key strategic objectives of the policy are:</p> <ul style="list-style-type: none"> <li>To facilitate the implementation of a programme for the provision of reasonable accommodation measures which include the provision of amenities and assistive devices to employees with disabilities which will in turn enable such employees to fully participate in the activities of departments;</li> <li>To guide the acquisition and disposal of assistive devices for an employee with a disability leaving the department.</li> <li>To provide guidelines on the provision of transportation by departments to and from work for employees with disabilities who cannot otherwise utilize the current public transportation system in line with Part X of Public Service Co-ordinating Bargaining Council Resolution 3 of 1999;</li> <li>To provide guidelines on the use of Personal Assistants and Caregivers by, and for employees with disabilities, and</li> <li>To provide sign language interpretation services, where there is a need.</li> </ul>
Provincial Policy Framework on the Recruitment, Employment and Retention of Persons with Disabilities (PWD)	This policy is a strategic approach for mainstreaming disability with the KZN provincial administration in terms of recruitment, employment and persons with disabilities. In addition, it provides equal opportunities for employment and development and also ensures participation and fosters leadership opportunities for PwDs.
Interim Policy on Designated Groups	The Departmental Interim policy for Designated groups was developed in order to facilitate economic empowerment and meaningful participation of the vulnerable groups in the human settlements value chain, through implementation of programmes that prioritize and support their advancement within human settlements.
KZN Women and Youth Policy	The policy guides the Department and its stakeholders in aligning its programmes to provincial and national priorities in order to ensure that rights and privileges of women and youth are prioritized in the human settlements delivery process.
Aged and Disabled Policy	The policy provides a mechanism that promotes and ensures the empowerment and involvement of the aged and disabled persons in the housing process through full participation. It further promotes practical and suitable accommodation for the aged and disabled persons in terms of access to basic services and reasonable adaptations to their physical environment including special additions to their housing units which enable them to live independently.
KZN Provincial Human Resources Turnaround Strategy	<p>The strategy deals with the following:</p> <ul style="list-style-type: none"> <li>Sets the tone for the repositioning of Human Resources (HR) as Strategic Partner to the PGDS;</li> <li>Develops guidelines to strengthen leadership and offer quality HR services;</li> <li>Develops guidelines to improve effectiveness and efficiencies in all HR components;</li> <li>Provides a framework to unlock the potential of the Province by utilizing the available human resources in the Public Service effectively;</li> <li>Ensures that all initiatives of the Province in the form of programmes, are adequately staffed with the right number of people with the relevant requisite skills, and</li> <li>Ensures that the strategic objectives of HR are fully aligned with those of the Province.</li> </ul>

### 3. RELEVANT COURT RULINGS

None

# PART B

## 2025/26 - 2027/28

# STRATEGIC FOCUS

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS  
ANNUAL PERFORMANCE PLAN

## PART B: STRATEGIC FOCUS

Inadequate integrated and sectorial collaboration and incoherent planning have had a marginal impact in the provision of transformed human settlements leading to an increasing number of people living in inadequate housing and within dysfunctional human settlement patterns.

For the 2025/26 to 2029/30 strategic planning period, the Department has therefore committed to “**Improved quality of life through transformed human settlements**” through:

- Improved organizational efficiency to promote an agile, capable, developmental and ethical Department;
- Transformed human settlements in rural and urban environments;
- Increased access to adequate housing through various programmes; and
- Strengthened economic transformation of the human settlements sector.

It is assumed that to achieve the above, there is: adequate funding; an effective and responsive organizational structure; strengthened stakeholder/sector collaborations and improved integrated through DDM. The 2025/26 financial year is the first year of implementation of the 2025/2030 Strategic Plan to progressively realize the commitments made for the medium-term planning period. The strategies and interventions as reflected within the department’s plans as well as the outputs reflected within the Annual Performance Plan is aligned to support the progressive achievement of the intended 2030 impact of “Improved quality of life through transformed human settlements”.

### 4. VISION

Together, building homes, changing lives,

### 5. MISSION

To create inclusive, resilient and sustainable human settlements through the development of transformed human settlements

### 6. VALUES

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

- Trust
- Transparency
- Integrity
- Dignity
- Accountability

CORE VALUES / PRINCIPLES FOR THE DEPARTMENT OF HUMAN SETTLEMENTS	
Trust	We provide services impartially, fairly, equitably and without bias.
Transparency	We will be open about our day-to-day activities, how much our Department receives and how that money is spent. Annual reports, strategic plans, service commitment charters, etc. are available to the public.
Integrity	Integrity means doing the right thing at all times and in all circumstances, whether or not anyone is watching. It takes having the courage to do the right thing, no matter what the consequences will be.
Dignity	We will treat our clients with respect and dignity in the undertaking of the performing all our functions to address the housing needs.
Accountability	We will continue to be answerable for both our financial and non-financial performance. The publishing of the Annual Report will provide an accurate reflection of the functioning of the Department.



7. SITUATIONAL ANALYSIS

In terms of section 26 of the Constitution of the Republic of South Africa “Everyone has the right to have access to adequate housing” In addition, it is stated that the “state must take reasonable legislative and other measures, within available resources, to achieve the progressive realization of this right”.

“Adequate housing” is further defined as comprising key elements, namely, security of tenure, availability of services, materials, facilities and infrastructure, affordability, habitability, accessibility, location and cultural adequacy. The 2030 Vision of the NDP further reiterates that people live, and work is fundamental to sustainable livelihoods.

The human settlements sector has, over the last 30 years of democracy, progressively evolved to address the inherent legacies of the past through policy reforms, programme development and implementation, as well as through innovated and improved methods of delivery mechanisms. However, despite this, poverty and inequality levels remain high, unemployment levels continue to rise as does homelessness. In addition, peripheral developments for low-income housing have continued, there is an increasing housing backlog due to new household formation and migration pressures as well as an increase in informal settlements due to the rate of urbanization. As a sector, it has been noted that incoherent intergovernmental planning processes have resulted in fragmented plans, uncoordinated budgeting and programme implementation and poor delivery outcomes.

The lack of an integrated sectorial approach has further escalated the cost of government developments and weak spatial planning, and governance capability have also continued to make human settlements dysfunctional. Inadequate integration and sectorial collaboration and incoherent planning have therefore had a marginal impact in the provision of transformed human settlements leading to an increasing number of people living in inadequate housing and within dysfunctional human settlement patterns.

Therefore, in line with the country’s overarching developmental agenda as articulated in the NDP, it is imperative that improved access to adequate and affordable housing be undertaken to enhance the quality of life for the most needy through the promotion of sustainable human developments. Prioritizing the needs of marginalized and vulnerable groups as well as those living in informal settlements is therefore essential.

The Department will therefore continue to address spatial restructuring through focusing on human settlement developments within PSHDAS’s, prioritize on the upgrading of informal settlements, invest in human settlements infrastructure, implement programmes to address affordability challenges and improve the involvement and participation of community and key stakeholders within the human settlements sector. It is this, together, with economic empowerment and employment opportunities and facilitating an integrated and targeted area approach to sustainable human settlements, improved quality of life through transformed human settlements is anticipated to be realized.

Notwithstanding the global and provincial impediments experienced over the years inclusive of the severe economic downturn and devastating effects of climate change, the Department has continued to demonstrate is resilience towards meeting its legislative and core mandate responsibilities and duties through re-adjusting, re-affirming and re-prioritizing its social infrastructure investment programmes to minimize the negative impact of its service delivery initiatives. There will be no exception during the forthcoming years as sever fiscal constraints are anticipated to necessitate that the Department becomes more innovative and responsive to “do more with less” without compromising the service delivery mandates and constitutional responsibilities.

7.1. EXTERNAL ENVIRONMENT ANALYSIS

7.1.1. DEMOGRAPHIC CHARACTERISTICS AND POPULATION PROFILE

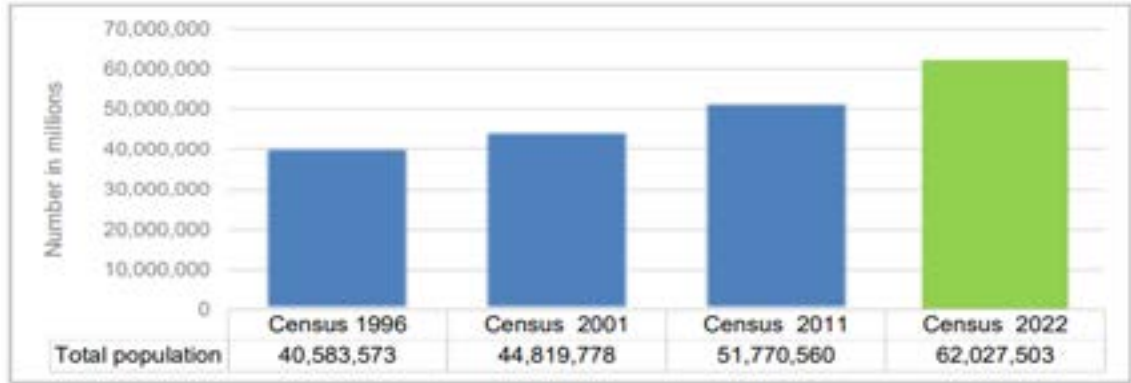
Demographic changes play a pivotal role in planning towards sustainable developments and as such the Province’s population, population size, migration trends, poverty levels, etc. serve as crucial determinants for planning and infrastructure development.

The Province’s one metropolitan municipality (eThekweni) and 10 district municipalities, which are further subdivided into 43 local municipalities remain as the key delivery agents of sustainable human settlements within the Province. In addition, the eThekweni Metropolitan Municipality which is the country’s third largest metropolitan municipality and is the economic powerhouse of the Province. In addition to this, the uMgungundlovu and King Cetshwayo districts areas are also major economic drivers within the Province. A distinct characteristic of this Province is that it is also predominately rural in nature where 35% of the land falls under the custodianship of the Ingonyama Trust Board (ITB), with 51% of the population residing in rural areas. In addition, according to the Government Communication and Information System (GCIS) official guide to South Africa 2022/23; an estimated 2.8 million hectares of land spread across the Province is held in the trust by the ITB on behalf of communities.

The development of sustainable human settlements is undertaken via the local municipalities and the provision of rural housing is one of the key programmes implemented by the Department.

In terms of the Census 2022, issued by Statistics SA, the population of South Africa increased from 51,7 million in 2011 to more than 62 million in 2022 (increased by 19,8%) with females comprising 51,5% of the total population, while males are 48,5%. Births are the main driver of population growth in South Africa.

Figure 1: Total population by census year, Census 1996–2022



Source: Census 2022, Statistics SA

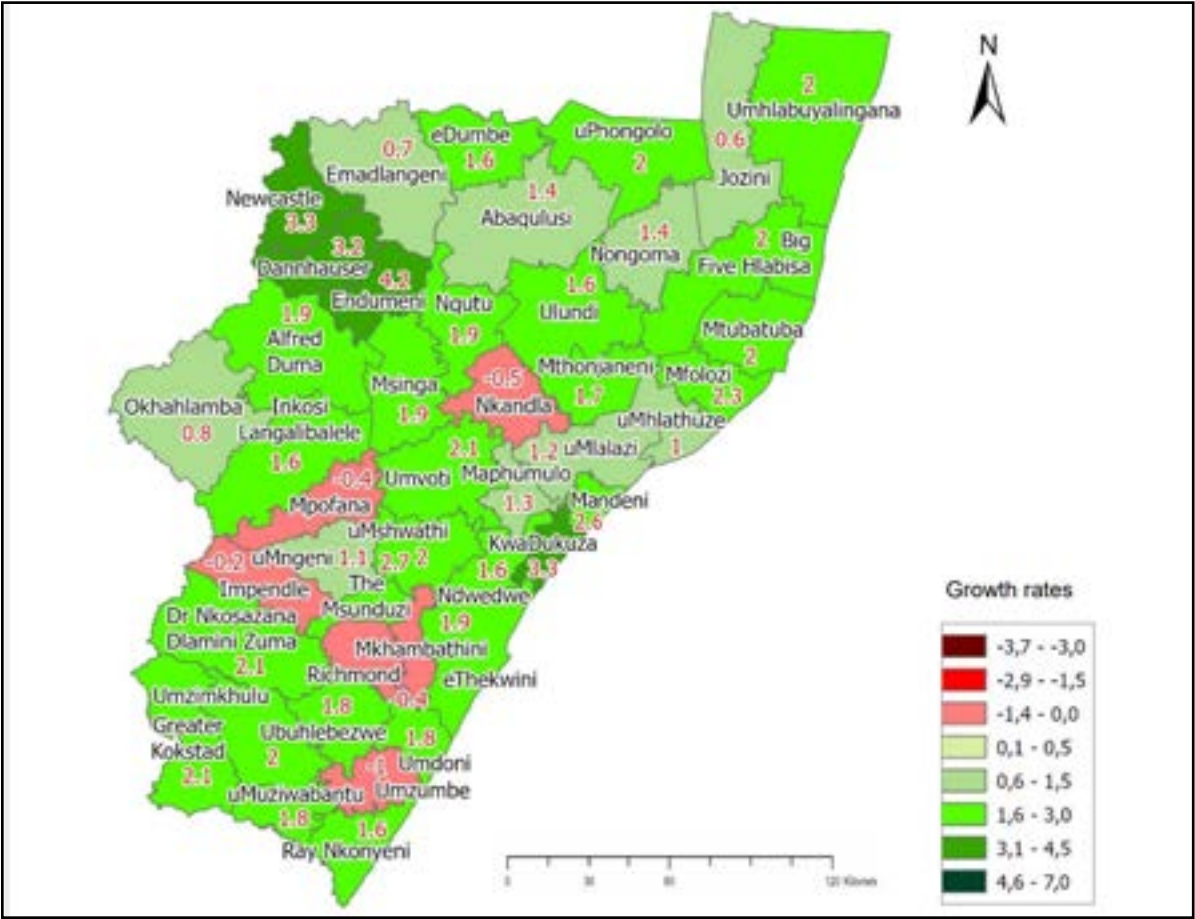
The Provinces of Gauteng and KwaZulu-Natal had the highest populations at 15 million and 12,4 million respectively.

The growth rate of the province between 2011 and 2022 was 1,9, slightly higher than the national rate of 1,8. Provincially, 52,4% of the population was female which is a slightly higher than the national percentage of 51,5%.



The population growth rates for the local municipalities are reflected hereunder:

Map 1: Population growth rates by local municipality, Census 2011-2022



Source: Census 2022, Statistics SA

Whilst the eThekweni metropolitan municipality was the largest contributor to the total population of KwaZulu-Natal in both 2011 (3,5 million) and 2022 (4,2 million), Harry Gwala (563 893) is the least populous district in 2022. The Amajuba District has the highest growth rate of 3,1 and is significantly above the provincial average of 1,9. Four of the six municipalities with negative growth rates are within the uMgungundlovu district.

The district profiles relating to the population and age is reflected hereunder that informs the planning and service delivery programmes targeted at the designated groups. Provincially, the iLembe District has the highest percentage of aged (65 years and older) while the uMkhanyakude District Municipality has the highest percentage of females as reflected hereunder:

Table 1: District profiles relating to the population and age

District Municipality	Population		Age structure		
	Male %	Female%	0-14	15-64	65+
Ugu District Municipality (DC21)	47,6	52,4	33,5	62,3	4,2
uMgungundlovu District Municipality (DC22)	47,4	52,6	28,2	66,9	4,9
uThukela District Municipality (DC23)	47,2	52,8	35,2	59,6	5,2
uMzinyathi District Municipality (DC24)	45,1	54,9	38,4	57,4	4,2
Amajuba District Municipality (DC25)	48,1	51,9	32,2	62,8	5,0
Zululand District Municipality (DC26)	46,7	53,3	38,4	55,8	5,8
uMkhanyakude District Municipality (DC27)	45,0	55,0	38,8	56,9	4,3
King Cetshwayo District Municipality (DC28)	46,6	53,4	34,7	60,1	5,2
iLembe District Municipality (DC29)	47,2	52,8	32,0	61,4	6,6
Harry Gwala District Municipality (DC43)	46,0	54,0	36,9	57,4	5,7
eThekweni Metropolitan Municipality	49,9	50,1	24,9	69,0	6,1

Source: Census 2022, Statistics SA

The national population remains relatively young and youthful, with the majority concentrated in the age groups 0–39 years. The Province also has a relatively high proportion among those in the youthful ages, i.e., 25–34 years. The youth population in the Province increased from 3,1 million in 1996 to 4,4 million in 2022, with the eThekweni metro having the highest number of youth in all years increasing from 1,1 million in 1996 to 1,5 million in 2022.

Figure 2: Distribution of youth (15-34 years old) by district, Census 1996-2022



Source: Census 2022, Statistics SA

Nationally, the prevalence of disability has however declined from 7,5% to 6,0%. Disability prevalence amongst the females is however higher than amongst the males. The elderly have seen the largest growth over the period 2002 to 2022 equating to 2,31%.

Provincially, the disability prevalence has dropped from 8,3% to 6,1% as per Census 2011 and Census 2022, respectively. Persons with disabilities were more prevalent in Harry Gwala (8%) and Ugu districts (7,9%). The lowest disability prevalence was in uMkhanyakude (4,9%). eThekweni (5,4%) and Amajuba (5,8%), have prevalence rates lower than the national prevalence of 6,1%. In addition, 85+ age group have the highest disability prevalence of 56,3% reflecting that the prevalence increased with age.

In terms of a report by Stats SA, titled: Marginalized Groups Series VI: The Social Profile of Older Persons, 2017–2021, it is also noted that more than half (60,9%) of South Africa's elderly population is female. This report further indicates that one of the most significant social changes facing the country is the increase in the proportion of older persons in the population, known as population ageing.

It is further projected that by 2050, the country's youth bulge will flatten out, with growth in adults and elderly. This thus implies that the Department needs to intensify its efforts towards ensuring that housing needs to accommodate the aged are adequately provided.

Effective forecasting and planning for sustainable human settlements is further informed by the mid-year population estimates of 2024, issued by Statistics SA which indicates that as of 2024, the population of South Africa is now estimated to be 63,02. The female population accounts for 51,0% (approximately 32,13 million) of the national population.

The Province of KwaZulu-Natal still has the second largest population, with an estimated 12,31 million people (19,5%) living within the Province. In terms of the provincial population profile:

- Children under 15 years of age is 30,2%;
- Elderly aged 60 and above is 8.5%;
- Youth aged 25–34 years is 17,2%; and
- Female population is 52%.



Poverty remains one of the key social challenges facing the Province. In this regard, of all the nine provinces in South Africa, KZN has the third highest rate of poverty in the country in 2011, i.e., 26.3% share of the poor. The underprivileged are faced with high poverty levels, poor access to basic social services, poor living conditions and limited economic opportunities. In terms of the Statistics South Africa (SA) Education Series Volume VII; Children’s education and well-being in South Africa, 2018, it is indicated that in 2015, more than half (51%) of children aged 0–17 years were money-metric poor while close to 62% were multi-dimensionally poor.

The higher rates of poverty were found among children living in rural areas (88,4%), followed by those living in non-metropolitan areas (73,7%), while a relatively lower percentage (39,6%) of children residing in metro areas were found to be multi-dimensionally poor.

The Province is also one of the top three provinces with highest rates of youth multidimensional poverty, with an intensity rate of 50,2% (as per Statistics SA, Youth in South Africa Report).

According to the National Poverty Lines (2023), issued by Statistics, SA, the inflation-adjusted national poverty lines for 2023 (per person per month in rands) is as follows:

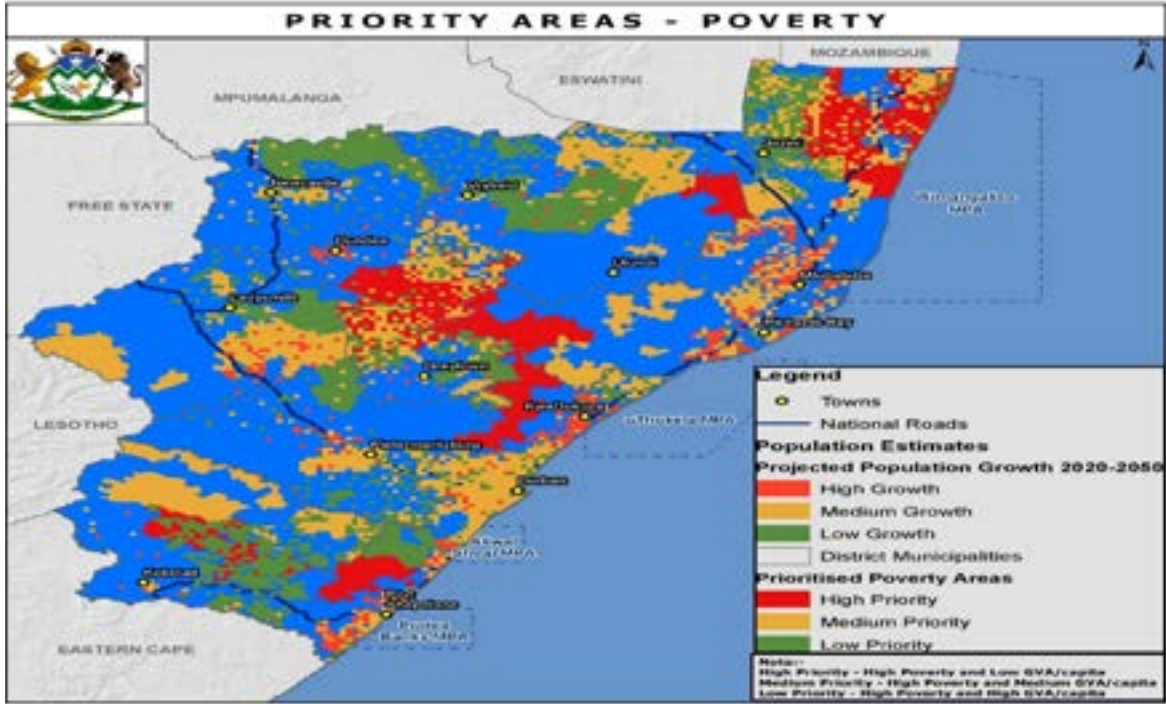
Food poverty line (FPL)	R760
Lower-bound poverty line (LBPL)	R1,058
Upper-bound poverty line (UBPL)	R1,558

The above implies that a person living with less than R1,058 per month is considered poor. In addition, a person having R760 a month available for food is living below the poverty line. The country’s poverty levels are linked to extreme income inequality and a key solution to compacting this is to accelerate employment opportunities.

In terms of Census, 2022, the Province has the 3<sup>rd</sup> largest share of the homeless persons, i.e., 13,9% equating to 7,768. Furthermore, homelessness is more prevalent in metropolitan areas with eThekweni, having a proportion of 10.1% homeless persons. One of the main factors attributed to homelessness is job losses/ no income.

Reflected hereunder is the spatial representation of the provincial poverty priority areas as identified in the KZN Provincial Spatial Development Framework that the Department is further guided by in its planning initiatives.

Map 2: Provincial Poverty Priority Areas



Source: KZN Provincial Spatial Development Framework

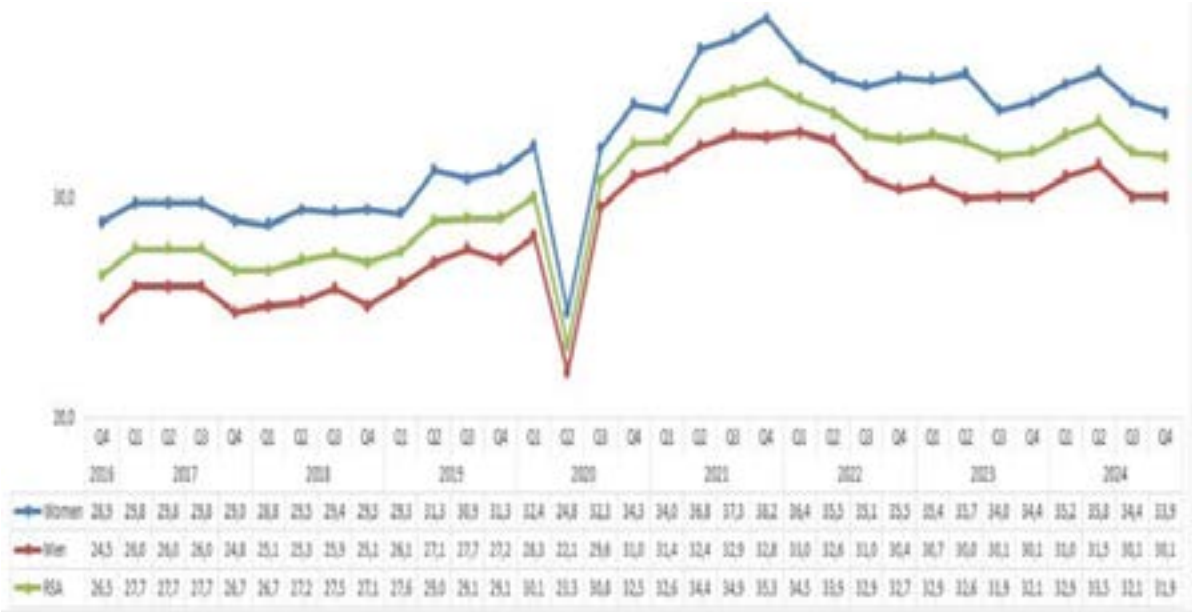
7.1.2. UNEMPLOYMENT

In terms of the results of the Quarterly Labour Force Survey for the fourth quarter of 2024 issued by Statistics SA, the national official unemployment rate as of December 2024 is 31,9% while the expanded unemployment rate is 41,9%.

Provincially, the unemployment and expanded unemployment rate is 28,6 % and 44,7% respectively. KwaZulu-Natal experienced a quarterly increase of 1,8 percentage points.

In terms of the trend analysis by Statistics SA for the period June 2016 to June 2024, nationally, the female population continues to have the higher percentage of unemployment in comparison to males as reflected hereunder:

Graph 1: Unemployment rate by sex: Q4 2016 to Q4 2024



Source: Quarterly Labour Force Survey for the fourth quarter of 2024, Statistics SA

Unemployment continues to be one of the country’s greatest challenges and the Department will continue to intensify its job creation, such as the EPWP need to be intensified to create of work.

Targeted employment for women and youth will also be prioritized to improve employment opportunities for young females who have more difficulties in finding decent jobs in the labour market due to amongst other social, educational and personal complexities. Females are generally characterized by high levels of unemployment, low levels of absorption and low levels of labour force participation.

As reflected hereunder, the absorption rate of young men is 31,9% in comparison to 24,2% for females.

Figure 3: Labour market rates for youth males, 2004 and 2024

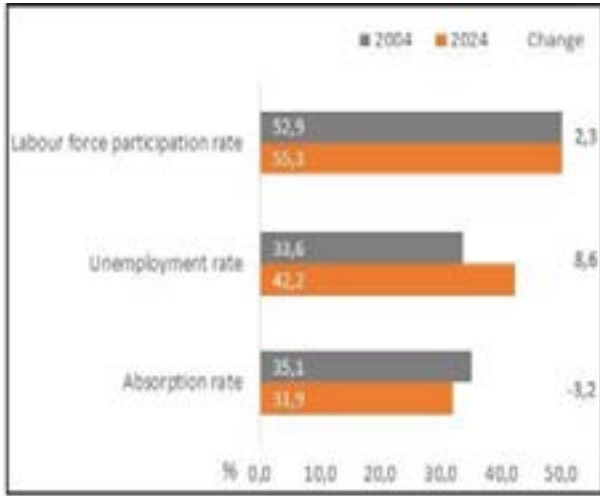
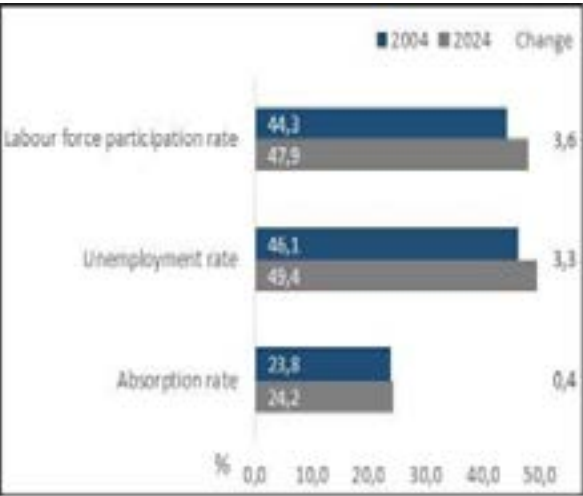


Figure 4: Labour market rates for youth females, 2004 and 2024



Source: Statistics South Africa, Youth in South Africa



7.1.3. HOUSING NEEDS

As per Census 2022, there are a total of 17,828,778 households nationally, with the provinces of Gauteng (5,3 million) and KwaZulu-Natal (2,9 million) accounting for just below half of all households in the country. The Province of KwaZulu-Natal also indicates a progressive upward trend in the number of households over the period 1996–2022, with the highest number of households (over 1,1 million) is within the eThekweni metropolitan municipality.

Table 2: Distribution of households by Province, Census 1996–2022

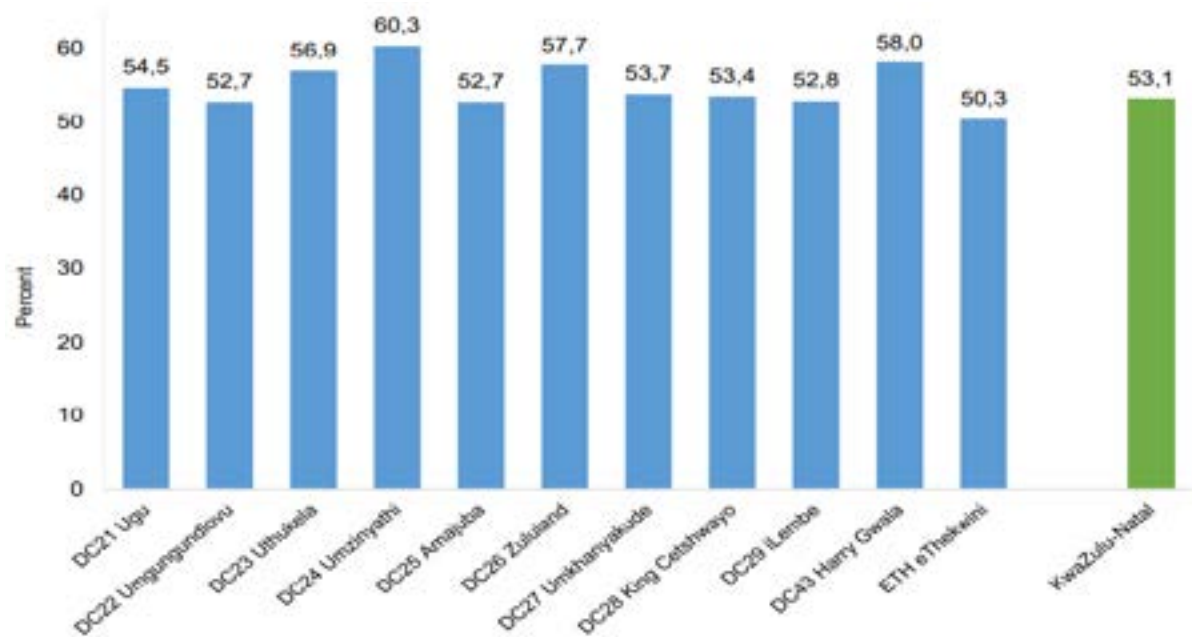
Province	Census year							
	1996		2001		2011		2022	
	Number	%	Number	%	Number	%	Number	%
Western Cape	983 015	10,9	1 173 304	10,5	1 633 925	11,3	2 264 032	12,7
Eastern Cape	1 303 287	14,4	1 481 640	13,2	1 687 343	11,7	1 838 960	10,3
Northern Cape	218 339	2,4	245 066	2,2	301 400	2,1	333 553	1,9
Free State	625 011	6,9	733 302	6,5	823 285	5,6	845 250	4,7
KwaZulu-Natal	1 689 995	18,7	2 117 274	18,9	2 539 337	17,5	2 853 741	16,0
North West	591 145	6,5	759 997	6,8	1 061 998	7,3	1 141 291	6,4
Gauteng	2 069 629	22,8	2 791 835	24,9	3 908 826	27,6	5 318 665	29,8
Mpumalanga	669 844	7,4	785 470	7,0	1 075 466	7,3	1 421 721	8,0
Limpopo	909 306	10,0	1 117 818	10,0	1 418 085	9,6	1 811 565	10,2
South Africa	9 059 571	100,0	11 205 705	100,0	14 449 664	100,0	17 828 778	100,0

Source: Census 2022, Statistics SA

In contrast, there has however been a downward trend in household size over the period 1996–2022. The national average household size decreased from 4,5 in 1996 to 3,5 in 2022. The provincial comparisons reflect that the most populous province, i.e., Gauteng highest household size is 2,8 whilst KwaZulu-Natal, the second most populous province, highest household size is 4,4. Between 2011 and 2022, the household size in eThekweni increased from 3,6 to 3,8. The Nongoma local municipality had the highest increase in household size from 5,7 in 2011 to 7,0 in 2022.

Provincially, female headed households account for 53,1% in comparison to male headed households of 46,9%. The uMzinyathi local municipality has the highest percentage of female-headed households, i.e. 60,3%, whilst the eThekweni metropolitan has the lowest percentage of 50,3% of female headed households, which is lower than the provincial proportion of 53,1%.

Figure 5: Percentage of female-headed households by district, Census 2022



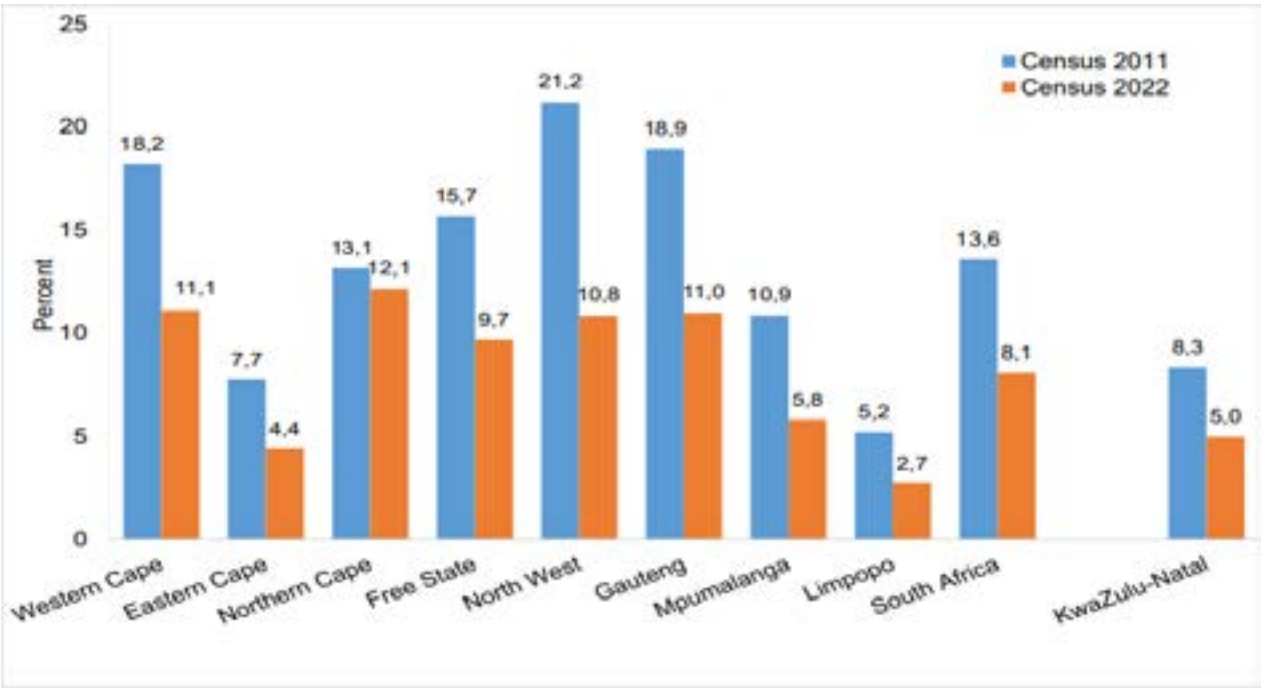
Source: Census 2022, Statistics SA

In terms of General Household Survey (GHS), 2023, it is now estimated that female-headed households (14,4%) are receiving a higher percentage of government housing subsidy than male-headed households, i.e. 14,4% and 10,1% respectively, supporting governmental policies and programmes to address the needs of the vulnerable groups.

In terms of the provincial household distribution by main type of dwelling, the majority of households reside in formal dwellings, i.e. 86,8%, whilst 8% and 5% of households reside in traditional and informal dwellings respectively. The Harry Gwala and uMzinyathi districts have the highest proportion of households residing in traditional dwellings, i.e. 30,4% and 26,4% respectively, whilst the eThekweni metropolitan municipality, Amajuba, uMgungundlovu, uMkhanyakude, and iLembe Districts have the lowest proportion of households residing in traditional dwellings.

Most households within the uMhlathuze (97%) and Newcastle local municipalities (96%) are formal, whilst the eThekweni metropolitan municipality has the highest proportion of informal dwellings (8,9%).

Figure 6: Percentage of households residing in an informal dwelling by Province, Census 2011- 2022



Source: Census 2022, Statistics SA

Nationally, the Province is one of the three provinces with the lowest proportion of informal dwellings. In addition, in 2011 and 2022, the proportion of informal dwellings in the province was below the national proportion of 13,6% in 2011 and 8,1% in 2022. However, in terms of GHS, 2023 the proportion of households living in informal dwellings is projected to be 5,4%.

Provincially, 26,7% of households resided in RDP/ government-subsidized dwellings in 2022. King Cetshwayo (17,8%), Zululand (18,9%) and uMzinyathi (19,5%) districts recorded the lowest district proportions, whilst the Emadlangeni (6,9%) and uMzimkhulu (9,9%) local municipalities recorded the lowest proportion of households residing in RDP housing. In comparison, the iLembe (34,1%) and Umgungundlovu (30,8%) districts as well as the eThekweni metropolitan municipality (30,3%) recorded the highest proportions of households residing in RDP/government subsidized- dwellings. In addition, 55% of the households in the Greater Kokstad local municipality resided in RDP/government dwellings in 2022.

With regard to the tenure status of households, it must be noted that provincially, 45,3% of households either owned their dwellings and that they were fully paid off. In addition, 26% occupied their dwellings rent free. These households were predominately from the uPhongolo local municipality with 62% of its households reporting ownership and Nkandla local municipality with 23,1% household ownership.



Rental was more predominate within the eThekwini metropolitan municipality with 24,9% households as well as the Amajuba district with 20% of households. In addition, the Greater Kokstad and Endumeni local municipalities had almost one-third of the households in their municipalities renting, i.e. 32,6% and 31,4% respectively.

In terms of tenure status, Census 2022 depicts that 26.6 % of the households occupied their dwellings rent free, whilst 18,9% lived in rented dwellings. 45,3% lived in dwellings that were owned and fully paid off. 26,7% of households are further residing in government-subsidized dwelling or Reconstruction and Development Programme which is slightly below the below the national average of 29,9% and the 3<sup>rd</sup> lowest nationally. In terms of the General Household Survey, Selected Development Indicators, 2023, it is now estimated that 21.7% of households live in an RDP or state-subsidized house, 7,7% households are receiving a housing subsidy from the state, that 9,1% of households pay rent for a state provided/RDP house and that 70,9% of households fully own their dwellings.

7.1.4. HUMAN SETTLEMENTS INADEQUATE HOUSING

District Municipality	2011 Census Housing Backlog	2022 Census Housing Backlog
Amajuba	15 285	9 796
eThekwini	206 911	121 390
Harry Gwala	67 281	38 940
iLembe	56 339	23 301
uGu	64 753	25 701
uMgungundlovu	81 191	35 139
uMkhanyakude	36 647	11 987
uMzinyathi	52 532	35 133
uThukela	53 417	27 312
King Cetshwayo	62 345	25 829
Zululand	45 318	22 059
TOTAL	742 019	376 587

Taking cognizance of the above Census data, the provincial household in inadequate housing is 376 587, comprising 61% traditional and 39% informal dwellings.

7.1.5. URBANIZATION

In line with international trends, the country has experienced rapid urbanization. In terms of the 2021 State of South African Cities Report (SoCR), in 2020, over two-thirds (67%) of the population were living in urban areas and by 2050, South Africa’s population is projected to grow by an additional 19–24 million people, most of whom will be living in cities and towns. The country’s urbanization is further characterized by “an urbanization of poverty”.

Within the Province, it appears that growth is occurring in the eastern and Western portions of the Province. A predominantly peri-urban concentration of settlement is located around Pietermaritzburg, Durban, and to some extent KwaDukuza. The settlement characteristics of the Province, show a strong tendency towards peri-urban sprawl with a number of people migrating out of rural poverty to areas closer to economic opportunity and social facilities. High pressure for access to affordable land has further resulted in the growing number of informal settlements and an increase in the housing backlog.

Provincial Migratory Flows 2021-2026 from Statistics SA indicates that the largest number of people moving out from the Province is to Gauteng, whilst highest number of people moving to the Province is from the Eastern Cape Province.

The rapid rate of urbanization has also placed an additional burden on access to basic services, effective and integrated planning, infrastructure development by municipalities, as well as increase in informal settlements. The eThekwini metropolitan municipality has experienced the most significant increase in the demand for housing and is due to rapid migration of poor/indigent families to the city centres, thus increasing the number of informal settlements and informal dwellings.

In terms of the PGDS, 2021, the eThekwini metropolitan municipality shows the largest proportional increase in population from 2,75 million in 1996, to 3,09 million in 2001, to 3,44 million in 2011 to 3,66 million in 2016 and now 3,98 million in 2019<sup>1</sup>).

The anticipated acceleration of the population growth in eThekwini together with the estimated 75% households currently living in squalid conditions/informal structures imply that the provision of urban infrastructure, including more affordable housing, urban planning and governance on informal settlements should be intensified in order to accommodate the influx.

7.1.6. PROVINCIAL FISCAL CONSTRAINTS

The long-term decline in the country’s Gross Domestic Product (GDP) growth rate as a result of structural weaknesses in the economy, compounded by the rapid increase in public debt has placed a significant burden on the Province’s fiscal viability. The majority of the Province’s spending remains focused on the social wage, primarily for healthcare, education, and social protection. Debt service costs further have an adverse impact on spending on basic services and other policy priorities. The Province has experienced substantial budget cuts attributed to the correlation to population numbers from the 2013/14 Medium Term Expenditure Framework (MTEF). The increase in the extent of damages from disasters due to change in climate has further impacted on an already strained fiscus.

The impact on fiscal consolidation has resulted in reduced budget allocations to adequately resource and support the core programmes of the Department. In addition, a downward trend in projected outputs due to financial constraints is also being noted. The central fiscal objectives of the MTEF is however to stabilize the growth of debt as a share of GDP. The focus is thus on stabilization, recovery and reconstruction efforts in the short term while managing longer term risks. As part of the Provincial Turnaround Strategy, Departments are required to enhance revenue, reduce expenditure inefficiencies through an enhanced business optimization approach (enhance systems and controls, operational efficiencies and reduce wastage and corruption and capacitated people), to enhance controls, re-prioritization, greater emphasis on providing accurate projections, improving integration at planning and implementation level and through the alignment of planning cycles to ensure alignment and realistic resource allocation.

The planning initiatives for the 2025/26 MTEF supports this through employment opportunities, infrastructure development, investments within priority development areas, planning and implementing catalytic projects that are economic drivers as well as implementing measures to support a capable state to deliver through ongoing support to municipalities as well as addressing institutional capabilities. Due diligence to cost containment measures are also given.

7.1.7. PERFORMANCE DELIVERY ENVIRONMENT

The demand for sustainable human settlements remains a formidable and progressive target despite the progress made towards addressing the housing needs of the Province. The Department has remained resilient despite the unforeseen circumstances experienced within the external environment that have severely hampered its service delivery initiatives. Weak structural growth, compounded by socio-economic challenges which are further exacerbated by effects of rising costs, high unemployment rates and joblessness has invariably placed the burden on accelerating the delivery of human settlements developments within the Province. Fiscal constraints have further resulted in the Department having to re-prioritize its programme interventions to maximize service delivery initiatives.

The implementation of the enhanced norms and standards for human settlements developments which is also responsive to climate change implies that the increase in the costing of a housing product, results in less housing opportunities being made available. This thus implies that the Department needs to find more innovative means of capitalizing its scarce financial resources to fulfil its constitutional mandate of the progressive realization to afford qualifying individuals with access to adequate housing.

1 Provincial Growth and Development Strategy, 2021

The lack of sufficient bulk infrastructure for basic services remains a major challenge affecting provision of housing opportunities. The Province does provide financial support in the provision of the infrastructure; however, this requires municipalities to be implementation ready and maintain such services. The capacity of municipalities to fulfil their legislated roles in the human settlements' delivery cycle in terms of planning for settlements and support initiatives through the provision of the necessary basic infrastructure, therefore forms a crucial function to the entire human settlement delivery value chain. The spatial profile/topology of the Province continues to be a challenge as the scattered/dispersed settlements make rural projects unviable due to higher development costs. In some instances, road inaccessibility to development sites have impacted on the pace of delivery.

Challenges associated with the construction business forums also continue to affect service delivery within the sector. Furthermore, urbanization has resulted in increased land invasions and in unordered development and increased the number of informal settlements making it difficult to manage informal settlements upgrades within the Province. The cities seem to have no plan to curb land invasion which inevitable become filled with informal settlements, these settlements are either created under dangerous conditions such as flood lines, riverbanks, road reserve, under high voltage powerline, or even on top of hazardous underground gas/fuel pipes. The cities are not implementing bylaws to curb the increase of these settlements. Most of these settlements are characterized by a shortage of proper basic infrastructure such as clean water and proper sanitation. Consequently, the dwellers eventually burden the formal suburbs or townships as they connect illegally to water and electricity infrastructure.

The vandalism of bulk infrastructure; impact of illegal land occupations as well as beneficiary administration constraints have also impacted on the service delivery initiatives.

During this MTEF period, more focused attention will therefore be given to achieving efficient delivery with limited financial resources through integrating the Multi-year Human Settlements Development Plan (MYHSDP) and Municipal Integrated Development Plans (IDPs). Other interventions to improve service delivery include:

- A re-prioritization of the implementation of new projects;
- Increased economic opportunities within the HS value chain;
- Social facilitation and human settlements consumer education;
- Service Sites Programme;
- Investment in PHSHDAS's; and
- Procurement process timeline review is being implemented.

The alignment of planned catalytic projects and informal settlements will also facilitate improved service delivery. In addition, integrated developments to support sustainability in line with the gazetted PHSHDAS's and the KZN HSMSP-priority housing development areas (PHDAs) will also be undertaken. Additional interventions to fast-track title deeds is reflected under the Security of Tenure Section on this document. Through its Service Sites Disposal Programme, the Department will also upscale the provision of serviced sites to beneficiaries. In addition, better project planning and management for ongoing projects and strengthened relations with all key stakeholders are some of the improved strategies being implemented.

Additionally, the unblocking of stalled projects; eradication of unsafe mud houses; and removal of asbestos remain a priority for the MTEF period.

In addition, effective contract management and better synergy between integrated planning and project implementation to ensure a seamless human settlement delivery implementation cycle will be undertaken. To circumvent some of the challenges experienced with human settlements service delivery inclusive of municipal compliance to supply chain management legislation, the Department, where applicable, assumes the role of a Developer for the implementation of human settlements projects from local municipalities. Strengthened partnerships between the two spheres of government is however essential as the development of sustainable human settlements within the Province is dependent on municipal planning functions and infrastructure grant allocations.

The Department will therefore continue to capacitate municipalities to undertake their own mandate in terms of spatial planning and built environment infrastructure. It will also work closely with Cooperative Governance and Traditional Affairs (COGTA ) on the DDM which will further enhance and fast track human settlement projects.

## MANAGEMENT OF INFORMAL SETTLEMENTS

In line with the New Urban Agenda, SDG's as well as national and provincial priorities, the Department seeks to facilitate urban development with the provision of integrated and sustainable human settlements development to marginalized communities to achieve equity and prosperity. The Departmental programmes supporting the management of informal settlements are therefore intended to progressively ensure access to social and economic services, social integration, economic growth, and development as well as address spatial disparities.

The Department is currently working towards the upgrading of its informal settlements aligned to the identification and verification exercise undertaken through the National Upgrading Support Programme where the total number of informal settlements within the Province is 937. The data from Census 2022, together with the review of the Informal Settlements Upgrading Strategy is anticipated to provide more updated status of the informal dwellings within the Province to better inform the Department's planning and interventions to effectively address the informal settlements.

An increase in informal settlements in major cities and towns within the Province is therefore a direct result of rapid urbanization for economic opportunities and improved livelihoods. eThekweni metropolitan municipality is one of the major growth poles in terms of employment opportunities in the Province and thus attract migrants who cannot afford expensive town dwellings but prefer being in informal dwellings.

In terms of the SDG Country Report, 2023, no progress has been made towards the percentage of urban population living in informal dwellings. In this regard it was noted that between 2015 to 2022 the percentage of the urban population living in informal dwellings remained relatively stable, i.e. 12,7 to 12,3 respectively. There was thus a need to ensure increased access to adequate housing and an increased upgrading of informal dwellings in order to meet the commitments of the SDGs.

Notwithstanding the service delivery initiatives that have been undertaken to address informal settlements within the Province, the management of informal settlements still remains a formidable task.

Contributory factors to this include amongst others: insufficient bulk infrastructure (water/sanitation/electricity) funding; socio/political issues; dense informal settlements that require relocation and people are reluctant to move to other areas. In addition, the shortage of suitable land; invasion/illegal occupation of land in undevelopable areas; and 'Shack-lordism' continue to be deterrents of the effective management of informal settlements.

The Department, through the UISP, aims to formalize settlements characterized by squalor, poverty and unregularized settlement patterns. The Upgrading of Informal Settlements Partnership Grant (UISPG) is utilized to amongst others to unblock bulk funding challenges to some of the informal settlements as well as purchasing land from the private sector. The 2025/26 UISP Business Plan will see a total of 19 bulk projects to be implemented among the various districts. the grant has further enabled the department to clearly define its pipeline of projects to support and improve the living conditions within informal settlements.

The Annual Performance Plan for 2025/26 will see a total of 5 projects completing Phase 1 of the UISP (Prefeasibility), a total of 86 projects at Phase 2 UISP (Planning) and a total of 5 planned projects completed for upgrading to Phase 3 of the UISP across 9 (nine) districts. The above targets clearly indicate that the Department is currently implementing a growing number of UISP projects within the province, with the highest number located within eThekweni Metropolitan area. A total of 103 informal settlements upgrading plans have been completed across the Province. The process to finalize the plans provided for the promotion of participatory planning for the development of settlement layout plans based primarily on a negotiated process with the community.



This process also provides for infrastructure/technical assessments to ascertain the current capacity as well as future demands of a particular settlement. These plans are intended to assist the Department in ascertaining cost estimates for infrastructure provisions that are pivotal in the upgrading of informal settlements as well as ensuring that the poorest of the poor do not have to live in precarious environments. These plans therefore serve as a roadmap for the upgrading of informal settlements within the Province. The Department will be appointing service providers to undertake detailed planning and detailed designs to install interim/basic as well as permanent services in various informal settlements within the Province.

In line with the NDP, the Department has previously adopted an Informal Settlement Eradication Strategy which was aimed at providing a more rapid, equitable and broad-based response to the challenge of informal settlements within the Province. Growing urbanization, migration and the prevalence of disruptive weather systems has, however, impacted greatly on space and there was therefore a need to review and develop an Informal Settlements Upgrading Strategy and Management Plan that is more responsive to the housing needs of informal settlements. The strategy is intended to provide a range of practical tools and guidelines that will assist both the Department and Municipalities in responding to informal settlements and restoring the dignity of people who dwell in informal settlement.

Programmes that complement the incremental formalization of informal settlements include amongst others: the provision of well-located rental accommodation and mobilization of well-located public land for low income and affordable housing. The planning and implementation of catalytic projects also plays an integral role in addressing informal settlements within the Province.

The continuation and fast tracking of all contractually committed projects within these Programmes as well as increasing the provision of serviced sites to accommodate more families due to budget constraints will be undertaken. In this regard, the availability of land for self-build projects has been identified as a key intervention to assist those who can afford to build their own homes. Various land parcels have been identified for servicing and once completed, sites will be allocated to qualifying beneficiaries to allow them to build their own homes.

In order to also mitigate against land invasions which further exacerbate the emergence of new informal settlements, the Department has developed Anti-Land and Building Invasion Implementation Guidelines and Standard Operating Procedures (SOP) to ensure a seamless implementation of the Anti-land Invasion Strategy. The implementation guidelines are intended to ensure a coordinated approach between all role players by providing details of the implementation process. It also defines the roles and responsibilities of stakeholders involved. The guidelines will also facilitate uniformity in terms of how the Department manages issues of land invasions and ensures compliance with legislation and applicable laws.

It sets a tone for cooperative governance amongst all three spheres of government and other interested parties involved in the management of land invasions in the Province. The focus is more on prevention rather than purely dealing with the challenge of already invaded land.

## SECURITY OF TENURE

Housing is not deemed to be adequate if its occupants do not have a degree of tenure security that guarantees legal protection against forced evictions, harassment, and other threats. The Department therefore fulfils its constitutional mandate with the provision of security of tenure in the form of home ownership on its subsidy programmes. The Department will continue to prioritize on the eradication of the title deeds backlogs on government subsidized housing and to promote security of tenure and comfort in accordance with the Freedom Charter. The backlogs have been attributed to amongst others; systematic failures relating to key project milestones which have hampered title deed administration.

It must be noted that the title deeds backlog is affected predominately by incomplete township establishment processes. The Department has thus undertaken to identify project milestone bottlenecks and has adopted a phased approach to address and unlock the identified issues of township establishment, beneficiary administration and conveyancing that have impacted on the issuing of title deeds.

## THE FIRST HOME FINANCE (FINANCE LINKED INDIVIDUAL SUBSIDY) PROGRAMME

FHF is available to qualifying beneficiaries who intend to purchase a house or are in the process of purchasing a house for the first time. The applicant may acquire a home loan from a recognized financial institution to purchase property. FHF is also extended to non-mortgage housing finance facilities and may include Pension/Provident funded housing loan, Co-operative/Community based saving schemes backed housing loan (stockvels etc.), Instalment Sale Agreements/Rent to own or Government Employees Housing Scheme (GEHS).

The applicant's total household income must be between R3 501 and R22 000pm. The Government will give a once-off subsidy, which is a non-refundable amount, to those who qualify on a sliding scale ranging from R38 911.40 if total household income is R22 000pm to R169 264.60 if total household income is R3 501pm. An applicant can also apply for FHF if he/she has a vacant serviced stand with title deed already in their name, provided they acquire a building loan to construct the top-structure.

It has been evident nationally, across the provinces, as well as with the National Housing Finance Corporation (NHFC) that there has been a decrease in the number of applications for the FHF programme due to constant interest rate hikes affecting the affordable market entry level buyers, both in terms of qualifying for finance and also in deterring would-be buyers. It is anticipated, however, that during the course of the 2025/26 financial year, there will be improvement following economic stability with favorable interest rates.

The main objective of the programme is to:

- Stimulate transactions in the affordable housing market and expand the affordable housing market;
- Promote vibrancy, progression and upward mobility with regards to both the primary and secondary housing markets; and
- Broaden the options for accessing home ownership.

Strategies to ensure wider access to the subsidy include:

- Liaising with private sector developers with "spade ready developments" to ensure they are aware of FHF/FLISP for their potential buyers, thereby bringing in FHF/FLISP yields not currently in target/pipeline; and
- Furthermore, greater emphasis will be given to IRDP projects, which will make available serviced sites for the "gap income" market housing.

These strategies were proposed to radically improve FHF/FLISP delivery and have been included in the new FHF/FLISP Policy being implemented. This, together with an intensified communication strategy, is therefore anticipated to improve delivery during the 2025/26 financial year, with the anticipated stability in the economic and employment climate. The promotion of the urban development agenda therefore remains a primary area of intervention for the Department and FHF/FLISP.

## SPECIAL HOUSING NEEDS PROGRAMME

The National Special Housing Needs programme provides capital grants to approved NPO's for them to deliver housing in various forms and appropriate designs that will accommodate the range of special housing needs beneficiaries which include orphans, the aged, victims of domestic abuse and other vulnerable groups. The programme is to be piloted within the Province in collaboration with NDoHS and the Department of Social Development.



STRENGTHENED ECONOMIC TRANSFORMATION WITHIN HUMAN SETTLEMENTS

The construction industry in South Africa is one of the biggest role players when it comes to its contribution in the GDP of the country. In 2023, the South African construction sector contributed with an added value of approximately 109.5 billion rand (2%) to the country’s gross domestic product (GDP)<sup>2</sup>. The industry is also an important employer of labour in South Africa. The construction industry is reported to account for approximately 8% of total formal employment and around 17% of total informal employment. The majority of labour employed in the construction industry is semi-skilled and unskilled<sup>3</sup>.

As much as the construction industry contributes significantly in terms of employment opportunities in South Africa, majority of beneficiaries are men, women are still represented in small numbers.

The South African construction industry has been described as the most untransformed sector, since the industry is still dominated by white management. The industry is extremely male dominated, and it is viewed as a highly gendered activity, it is hard for women to survive in the industry exhibiting the commonly associated female qualities with females. Prejudiced attitudes and gendered stereotypes towards women include the belief that women do not make good leaders since the model of a successful engineer is based on masculine traits.

Furthermore, as a result of South Africa’s cultural diversity, some gender types are socialized to believe that they do not belong to non-traditional careers such as construction and are advised to rather follow ‘soft skills’ careers outside of the industry.

It is therefore important that gender representation and mainstreaming is mainstreamed within human settlements for purposes of addressing persisting gendered inequalities. Beyond mainstreaming of gender is the need to open-up business opportunities for emerging business entities owned by designated groups including youth, women and people with disabilities.

Various reports have indicated that the small and medium sized enterprises (SMMEs) play a mammoth role in contributing to economic growth of developing countries. In these countries, small, emerging businesses play a vital role in creating jobs, spurring innovations, and creating new products, and thus contributed to economic vitality and growth.

The same can be said of the value of SMMEs in developed countries. These continue to contribute immensely towards economic growth, job creation, social stability, economic welfare and the improvement in the quality of people’s life.

Following the introduction of democratic government, emerging businesses have been identified by the government as a priority in job creation in order to solve the protracted unemployment condition facing more than 34 percent of the current 60 million South Africans<sup>4</sup>. Since small emerging businesses constitute over 80 percent of all formalized businesses in South Africa, they are a vital tool in the creation of sustainable jobs when they survive the teething years of business dynamics<sup>5</sup>.

Challenges facing Small Emerging Businesses

Emerging businesses in South Africa operate in a very challenging environment for emerging businesses that at most lack requisite business skills, do not comply with regulatory bodies and have insufficient financial resources to perform at their optimal level. Beyond these and within the construction sector in particular, emerging businesses face challenges such as volatility of the construction sector, sub-contracting arrangements, inadequate skilled personnel, as well as a lack of innovation to maximize on opportunities within the sector. These challenges are discussed further in the section below.

Compliance with Statutory Business Requirements

Construction industry, particularly the human settlements sector is one of the highly regulated sectors of the economy in South Africa. A number of statutory compliance requirements exist within the sector for purposes of ensuring that work done by businesses comply with national building norms, standards and regulations. One of the statutory requirements, which the majority of companies fail to comply with, is the registration with the National Home Builders Registration Council (NHBRC). NHRBC plays a crucial role as a quality assurer for all project and home enrolments. Within the public sector housing, no project and homes are constructed without being inspected and certified by the NHRBC. As a result, this then suggests that all businesses that plan to participate in the human settlements sector must be registered with the NHBRC.

The other compliance matter which often leads to failure of emerging business, is taxation. As a result of the majority of emerging businesses not having had access to meaningful work opportunities, they therefore do not have sound experience of handling their tax-related matters. In turn, what has been a commonplace view is that these businesses often do not survive longer as they spend and/or invest their financial resources prior to ensuring that they cater for tax matters. It is perhaps for this reason that the government has developed systems such as the Central Database System (CSD) for purposes of ensuring that businesses are compliant at all times. It is, however, important to note that compliance remains one of the critical matters for the survival and sustainability of emerging businesses and thus need to be prioritized.

Lack of management skills and business capabilities

Within the construction industry, and human settlements sector in particular, the owners or managers of business entities often lack management skills needed in terms of daily operations. It is recommended that managers and owners of these businesses attend training to enhance their managerial capabilities. This lack of management skills is usually further exacerbated by a lack of cash flow management, inadequate human resources, poor planning and risk management tools, and poor project management systems. In order for emerging businesses to play a meaningful role in the economy, they also need to have qualified project managers with enormous experience in the construction sector in general and the human settlements sector in particular.

Technological capabilities

The majority of emerging businesses tend not to invest in training, resulting in a lack of technical personnel such as technicians and project managers, as well as skilled artisans. The World Bank has indicated that small emerging businesses that have less than 50 personnel have fewer human resource constraints than medium-sized firms. This has been attributed to simpler business processes that small businesses use when identifying unskilled and skilled workers. Small businesses that use their interpersonal networking skills will remain up to date regarding industry information and stay informed about their competitors.

These businesses are mostly disadvantaged in terms of collecting technological information due to financial constraints. Other scholars have indicated that tacit knowledge is imperative in innovation, making networking the main channel for the growth of the business entity.

Within the construction sector, the majority of emerging contractors generally rely on manual paper-based data, intuition, and experience that is not technology-aligned, leading to a lack of innovation in their business. Information technology provides an opportunity for improvement for all businesses; however, emerging businesses often struggle to adopt technology due to financial constraints. Lack of innovation within emerging businesses is that most project managers working in these companies prefer to use Microsoft Excel for recording and processing different types of data, in place of specialized computer packages for managing construction projects.

Lack of Access to Funding

One of the widely reported challenges facing emerging business is the issue of access to funding which affects mostly the performance of companies. This phenomenon is aggravated by the fact that South African banks tend to be risk averse and demand high levels of security and guarantees for business funding. The acknowledgement that small emerging businesses are responsible for high levels of employment, innovation, and productivity is crucial for government and financial institutions to understand and support through the provision of funding to the emerging business sector.

2 Bekker, G., 2024. The Construction Industry in South Africa - Caution and Optimism. University of Pretoria. Accessed <>  
3 Construction Industry Development Board (CIDB), 2022. Labour & Work Conditions in the South African Construction Industry – Status and Recommendations  
4 Statistics South Africa, 2024. Quarterly Labour Force Survey (QLFS) Q1. Accessed  
5 Small Enterprise Development Agency (SEDA), 2016. The Small, Medium and Micro Enterprise Sector of South Africa. Accessed

The lack of venture capital funds leads to the majority of small businesses is dependent on bank loans, overdrafts and suppliers credit for early-stage financing. Despite the dependence of SMEs on debt finance, ironically access to debt finance is very limited for emerging businesses, especially in developing countries. Commercial banks hesitate to lend to new emerging businesses.

Reports by various institutions such as FinMark Trust indicates that approximately 2 percent of emerging businesses in South Africa are able to access bank loans<sup>6</sup>. Equally, over 75 percent of applications for bank credit by emerging businesses in South Africa are rejected<sup>7</sup>. This phenomenon is often referred to as capital rationing.

### Barriers to Entry by Emerging Businesses

While the construction sector is one of the sectors contributing largely to business and work opportunities, these are not accessed by large majority of society. In terms of business opportunities in particular, these are not easily accessible to emerging businesses between Construction Industry Development Board (CIDB) level 1 – 5<sup>8</sup>. Companies within these CIDB levels often lack requisite experience and compliance with various statutory industry standards which must be adhered to for businesses operating within the construction sector in general and the human settlements sector in particular. As a result, emerging businesses are unable to comply with the set procurement requirements which are set for all companies which intend to undertake provision of goods and services with the state. These procurement and compliance requirements therefore act as barriers to entry for the majority of emerging businesses. To address these, it is critical that the government establishes incubation, coaching and mentorship programmes aimed at ensuring that small businesses are skilled and trained on soft and practical skills for specific periods of time.

### Exponential Increase in Local Business Forums

The promulgation of Preferential Procurement Policy Regulations of 2017 brought with it adverse implications particularly for the construction sector. The enforcement of 30 percent for all work with contract value equaling or over R30 million has been used by some quarters of society to extort, and in some instances commit criminal acts which has had detrimental effect of construction industry. Opportunities that would ordinarily be prioritized through the PPPFA Regulations were demanded by the so-called business forums which in some instances were very violent. Ironically, as a result of these not having experience and interest in performing work, they would demand payment of 30 percent of contracts without having done any work. In instances where this was denied, they would then resort to preventing any work happening on sites. Evidence of this is common in the Province of KwaZulu Natal where a number of construction projects were stalled as a result of disagreements between the appointed implementing agents and business forums. The stalled projects have not only resulted in stalled economic growth in the Province but have also led to serious lack of service delivery to communities.

In efforts to contribute towards the strengthening of transformation of human settlements sector, the Department is focusing on critical areas such capacity development of both individuals and emerging companies through provision of accredited skills training as well as opening up planning, construction and maintenance business opportunities for emerging businesses. To this end, the Department plans to capacitate a total of 2000 learners on community house building, construction health and safety, construction contracting and supervision of construction processes. This programme is being implemented for a period of two (2) years in collaboration with the National Skills Fund (NSF).

Beyond this, the Department will continue with incubation of emerging business through provision of business opportunities.

The Department needs to improve work already done through the Siyakha Incubation Programme to capacitate the skills training and allocation of work for business improvement in line with the CIDB grading.

## INTEGRATED PLANNING

In line with the GNU's Strategic Priority: Reduce poverty and tackle the high cost of living, the Department needs to ensure that human settlements are transformed to improve the quality of household life through spatial targeting and equity, economic competitiveness, and environmental sustainability.

In addition, in line with the New Urban Agenda and SDGs, particularly SDG 11, the Department is implementing catalytic projects across the Province to accelerate change in deconstructing apartheid spatial planning legacy that still exists. Investment in catalytic projects further contributes to poverty alleviation and economic growth stimulation. The catalytic projects are expected to contribute to the principles of the PGDS by providing housing opportunities to qualifying beneficiaries. For example, the Cornubia Integrated Residential Development Project, which is also a Presidential Priority Project and is a Strategic Infrastructure Project as it is linked to the Durban/Gauteng Transport Corridor is such a project. The development is one of the largest sustainable integrated human settlements initiatives by the Department and the eThekweni Municipality.

The project is innovative in that it combines residential, retail and industrial facilities in a walkable environment on well-located land, close to the economic hubs of Umhlanga Town Centre, King Shaka Airport and the Dube Trade Port. It is the largest mixed-use development, where the private and public sector have jointly undertaken, and is a model partnership between the public and private sectors.

Other programmes that support the spatial transformative and integration agenda of the Department include the IRDP, which facilitates the development of integrated human settlements in well-located areas that provide access to urban amenities, including places of employment. The Programme aims at creating social cohesion, redressing the legacy of apartheid spatial planning, provides for the acquisition of land, servicing of stands for a variety of land uses including commercial, recreational, schools and clinics, as well as residential stands for low to middle- and high-income groups.

In addition, the UISP, FLISP, CRU's and Social Housing Programmes further contribute to the process of unlocking opportunities in human settlements to redress colonial and apartheid spatial segregation by providing access to tenure of housing, economic and social opportunities.

There needs to be a shift in the manner in which the provision of sustainable human settlements is addressed, taking into cognizance the provision of diverse housing typologies within varied densities but primarily across varied income groups. The Department has thus also embarked on a process of releasing serviced sites to qualifying beneficiaries. The objective of the serviced sites programme is to make available, through relevant processes, appropriately sized, and well located residential serviced sites, to satisfy the housing need predominantly in the gap market and affordable housing niche.

There is a growing demand for housing and government prioritization and spending has been focused primarily on low-income housing.

Various sites have been identified across the Province that will be disposed of in terms of the Serviced Sites Programme. Consideration is also being given to the possibility of disposing of a fully packaged development inclusive of serviced site, approved building plan and subsequently a fully constructed top structure, subject to the beneficiary's income level and affordability.

Further to the above the Department has increased the qualifying criteria for the serviced sites programme to R40 000, this will allow for further integration within housing projects thus meeting the need for human settlements provision to a wider income bracket.

The Departmental will continue to provide planning assistance to under-capacitated municipalities to ensure that adequate planning for human settlement development has been done. This basket of technical and professional human settlement planning services has encouraged municipalities to prepare and review the housing sector plans and to ensure that development is aligned to their Spatial Development Frameworks.

In addition, the Department is implementing the Accreditation Programme, a National initiative that seeks to strengthen the institutional capacity of municipalities to perform the housing delegated functions, without compromising delivery capacity in the short term. Provincially there are seven (7) municipalities that are accredited. In this regard, five are at Level 2, namely eThekweni, uMhlathuze, KwaDukuza, Alfred Duma

<sup>6</sup> FinMark Trust, 2016. Financial access and SME size in South Africa. Accessed  
<sup>7</sup> International Finance Corporation (IFC), 2018. The unseen sector: A report on the SMME opportunity in South Africa. Accessed  
<sup>8</sup> Construction Industry Development Board (CIDB), 2022. Labour & Work Conditions in the South African Construction Industry – Status and Recommendations



and Newcastle and a further two are at Level 1 municipalities, i.e., Msunduzi and Ray Nkonyeni. As part of the implementation Protocols entered into, operational funding is being provided to these municipalities to address capacity constraints. Support is also provided to capacitate the municipal officials in the areas of planning and implementation of projects.

The National Department of Human Settlements has also reviewed the Accreditation Framework to allow municipalities to progressively build implementation capacity to support the long-term objective of creating a fully enabling environment to be self-sufficient within the human settlements-built environment to support the sector imperatives. The Department will therefore review and align the revised framework for the 2025/26 financial year as the existing implementation protocols will be valid until March 2026.

Municipalities in collaboration with the Department develop and annually review their Municipal Housing Sector Plans in line with the IDPs. These housing sector plans are instrumental in the identification of land as well as prioritization for the development of sustainable human settlements within provincial priority areas which have a high potential for growth and sustainability. These plans further serve as pivotal instruments to reflect critical issues affecting housing delivery within the Municipalities and outline the planning and delivery of sustainable human settlements.

The Department has aligned its project planning and implementation to the Provincial Spatial Economic Development Strategy (PSEDS) by ensuring that human settlements developments are undertaken within the identified priority intervention areas.

The Department is further aligned to the PGDS, 2021 and responds to the following outcomes:

- Spatial transformation through multi-programme integration in priority development areas;
- Adequate housing and improved quality living environment; and
- Eradicate backlog and issuing of title deeds.

The Department is also leading and convening Action Work Group J, which deals with matters of provincial spatial equity and human settlements and comprises municipalities, Non-Governmental Organizations (NGO), State-owned Enterprises and government departments which convenes on a quarterly basis to track performance of the implementation of the current PGDS targets.

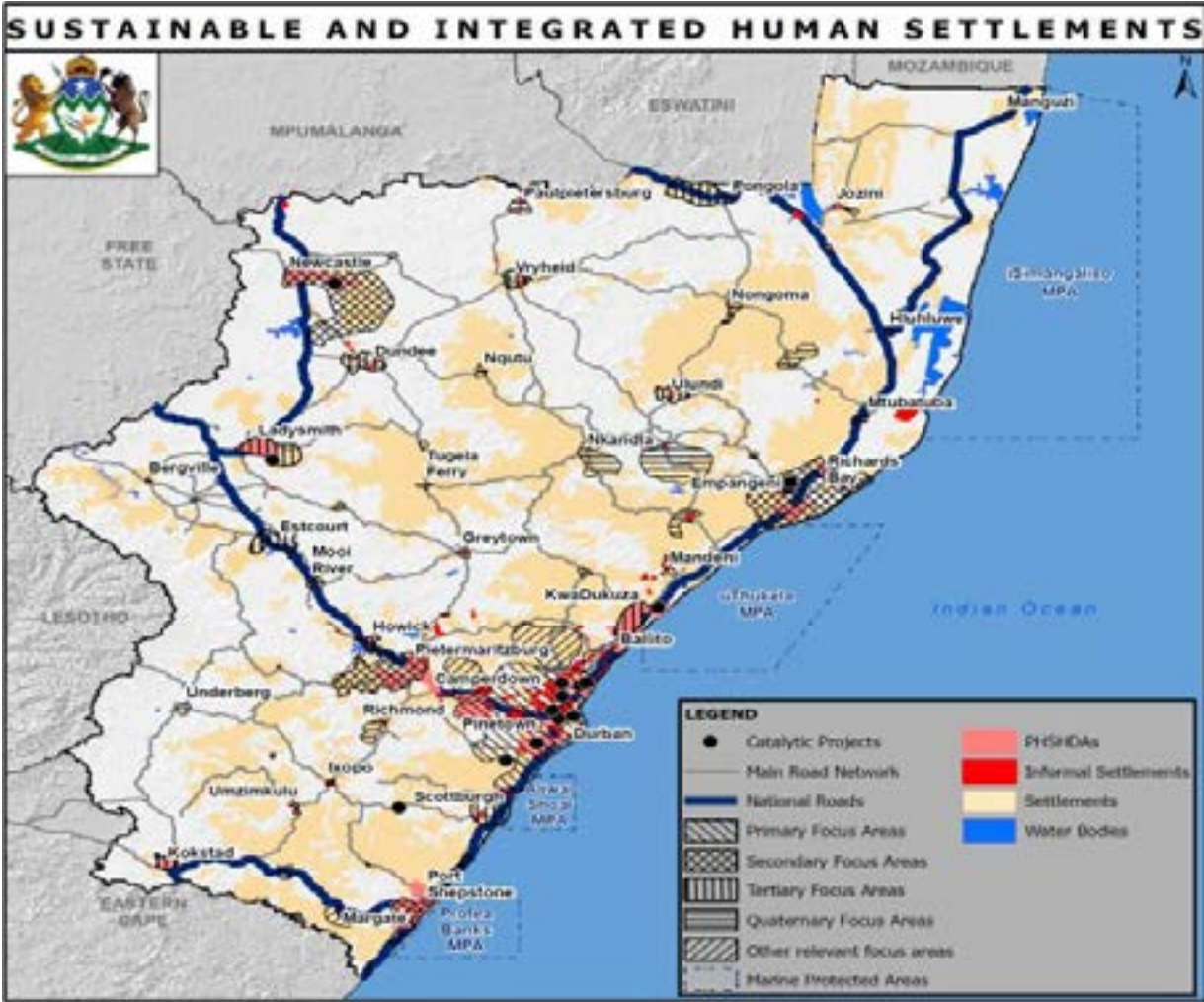
Annexure E provides a synopsis of the department’s linkage of outcomes and interventions to the current PGDS.

The Department will further align to the approved reviewed PDGS once adopted.

The Department will also for the 2025/26 MTEF continue to ensure that its provincial sectoral plans and strategies as well as programmes contribute to and are aligned with the Kwazulu-Natal Provincial Spatial Development Framework (PSDF).

Depicted hereunder is the spatial representation of the key areas to create sustainable and integrated human settlements that relate to the advancement of spatial transformation and consolidation of human settlements.

Map 3: Spatial representation for integrated sustainable human settlement development



Source: KZN Provincial Spatial Development Framework

Human Settlements developments are further guided through the implementation of the KZN MSMS. The KZN HSMSP is aimed at streamlining the planning processes to enable the implementation of strategic spatial interventions that will contribute to sustainable human settlements. The plan has identified key focus areas for prioritized investment based on housing needs and demands as well as the population and infrastructure capacity of those focus areas.

A key instrument of the KZN HSMSP is the creation of the PHDAs. PHDAs are intended to advance human settlements spatial transformation and consolidation by ensuring that the delivery of housing is used to restructure and revitalize towns and cities, strengthen the livelihood prospects of households and overcome apartheid spatial patterns by fostering integrated urban forms. The PHDAs are underpinned by the principles of the National Development Plan and allied objectives of the National Spatial Development Framework and the Integrated Urban Development Framework, namely spatial justice, spatial efficiency and access to connectivity.

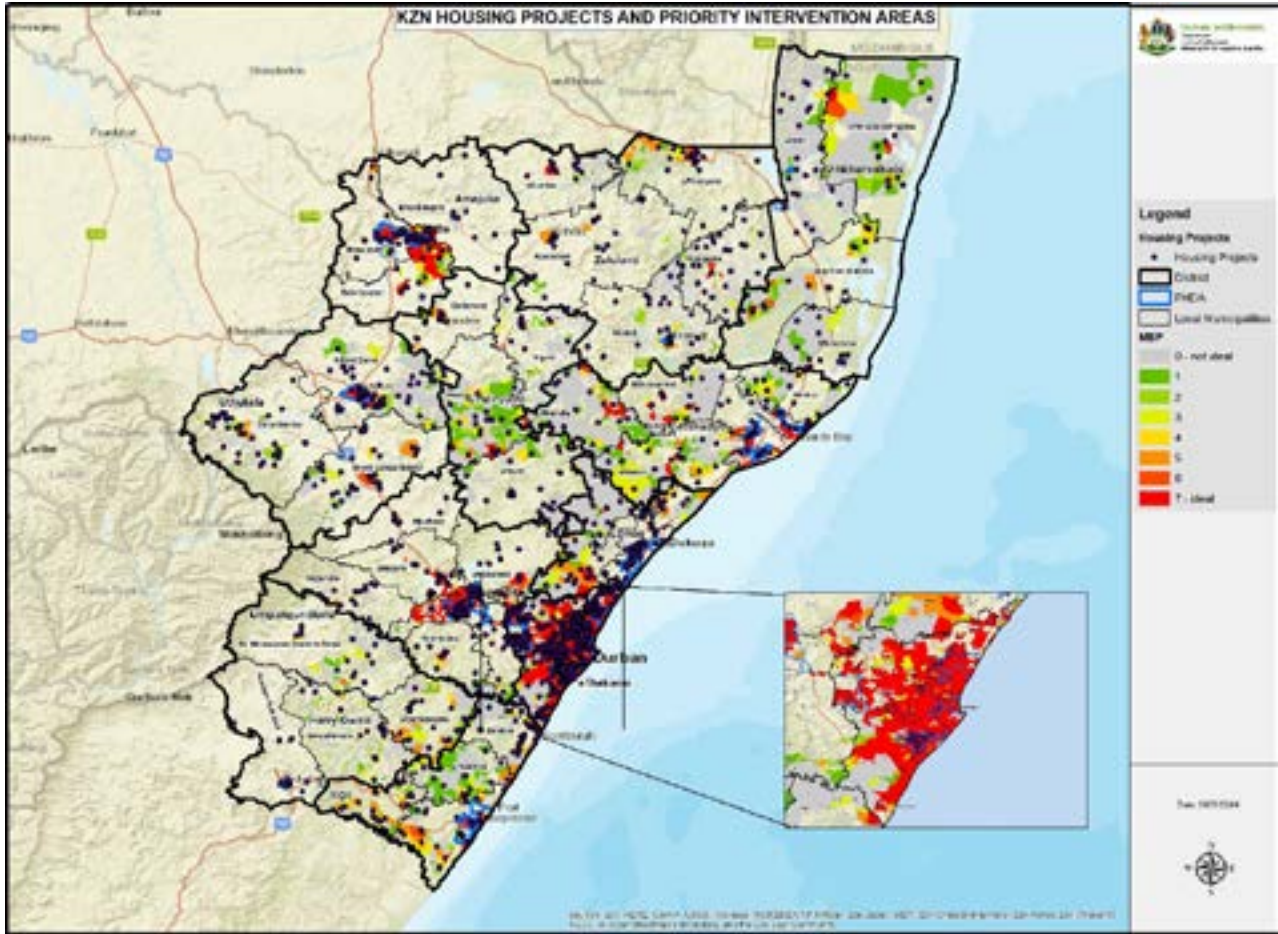
In support of the KZN HSMSP, the Department has developed a Multi-year Human Settlements Development Plan (MYHSDP) which is a 5-year strategic plan (reviewed annually) with a strong focus on addressing the key challenges identified towards the provision of sustainable development and is also directly aligned with the vision of the National Development Plan (2030). The MYHSDP is guided by the KZN HSMSP on how investment will be directed in focus areas such as urban (including peripheral areas), rural and discretionary areas. It further serves a road map to the provincial long-term vision and planning of key developmental needs relating to the delivery of suitably located housing opportunities and security of tenure over the five-year period through collaborative partnership, legislative planning processes and empowerment of women and youth in construction. provision of adequate well-located land as well as bulk infrastructure that will support such developments. During the 2025/26 financial year, the Department will develop a MYHSDP that will be aligned to the national focus areas of the 2024-2029 MTD.



The Department is also in the process of undertaking development plans for the 22 declared and gazetted PSHSDAs in the current MTEF period. To date a total of 12 Development Plans have been completed and endorsed by their respective local municipalities. The remaining 10 developments will be completed within the 2025/26 financial year. The Department will continue to prioritize investment with the PSHSDAs, noting that 86 projects have been budgeted for the current MTEF period.

The human settlements developments in relation to the PSHSDAs and KZN HSMSP are reflected hereunder:

Map 4: KZN Human settlements developments in relation to the PSHSDAs and KZN HSMSP



Source: KZN Department of Human Settlements GIS Unit

**KZN Human Settlements Developments geospatial alignment**

Geospatial information serves as a critical component of the national infrastructure and knowledge economy; a blueprint of what happens where, and the means to inform development plans and to monitor their implementation. A guideline has therefore been developed by the DPME to assist state organs in georeferencing of the infrastructure projects. As such, it is now a mandatory requirement by NDoHS that each project utilizing conditional grant funding reflects the GPS Coordinates for funding approval. This enables the Department to locate its investment in relation to spatial objectives and alignment purposes. Map 4 therefore also depicts the human settlements development projects in relation to the KZN HSMSP as well as in relation to PSHSDAs.

The Department also promotes synergy of integrated collaborative planning and implementation through the delivery of the human settlements’ interventions through the DDM.

The vision for the model is to have the District/Metro spaces that offer the appropriate scale and arena for enhanced intergovernmental planning coordination and well-coordinated service delivery.

Annexure A of the document reflects the catalytic projects currently implemented through the DDM.

**CLIMATE CHANGE INITIATIVES**

The Department is committed to addressing pressing challenges, particularly focusing on disaster risk management, environmental sustainability, and adaptation to climate change. A holistic approach is being implemented to ensure that research, policy development and operational frameworks as well as collaboration with key stakeholders are responsive to the unique needs of the Province. This has enabled the Department to gain a foundational understanding of climate change, to identify the impact climate change has on human settlements and to collaborate to achieve the following objectives:

- Build capacity of municipalities by sharing knowledge, resources and tools required to implement climate change projects;
- Creating awareness and empowering communities through climate change awareness material and Human Settlements’ Consumer Education workshops;
- Promoting the implementation of innovative climate change solutions in human settlements through research and enforcing environmental regulations through policy development;
- Accessing funding opportunities to implement climate change projects; and
- Developing plans/designs for climate smart and greening of human settlements.

For the 2025/26 financial year, the Department will prioritize engaging stakeholders through workshops, awareness campaigns, and information sessions to promote the implementation of key policies and guidelines approved in 2024/25. The initiatives as reflected hereunder aim to foster collaboration, enhance understanding, and support the adoption of innovative strategies for environmental sustainability, disaster resilience, and climate adaptation:

- **Departmental Environmental Policy and Environmental Implementation Plan**  
Updated to align with national and provincial environmental frameworks, this policy underscores the Department’s commitment to responsible environmental stewardship and sustainable development. The plan provides a guide to implement initiatives outlined in the policy.
- **Disaster Management Policy**  
Strengthened to incorporate proactive disaster response and recovery measures, this policy aligns with the National Emergency Housing Guideline and seeks to enhance community preparedness and resilience in the face of disasters.
- **Heat Adaptation Guidelines for Human Settlements**  
Developed in response to rising temperatures and frequent heatwaves, these guidelines provide strategies for urban greening, the use of heat-resistant construction materials, and community awareness programmes on heat-related health risks.
- **Sustainability Code User Manual**  
A comprehensive guide for implementing agents and contractors, this manual outline environmental compliance requirements, best practices, and strategies to minimize negative environmental impacts during construction and development activities.

The Department will also maintain its active membership in the **Provincial Climate Change Technical Committee** hosted by the Department of Economic Development, Tourism and Environmental Affairs. Key contributions will include:

- Sharing Departmental insights and feedback on the implementation of tasks as per the Climate Change Implementation Plan;

- Participating in workshops and technical sessions to discuss emerging climate challenges;
- Aligning Departmental strategies with evolving provincial climate action priorities; and
- Regularly communicating Departmental initiatives on climate change adaptation and mitigation to relevant stakeholders to foster collaboration and knowledge exchange.

Further to the above, the implementation of the enhanced norms and standards for human settlements developments includes the installation of solar systems as an alternative energy source. This is responsive to climate change and implies the increase in the costing of a housing product, resulting in less housing opportunities being made available.

## **NATIONAL HOUSING NEEDS REGISTER**

The National Housing Needs Register (NHNR) is a web-based system intended to have an overall list of all potential housing beneficiaries in every area. Once fully adopted by municipalities the NHNR will be the only official database from which potential beneficiaries will be selected. The pilot implementation is currently underway in 8 municipalities through 2 service providers that have been appointed by the Province. The pilot implementation is being undertaken in Newcastle, Ray Nkonyeni, Alfred Duma, KwaDukuza, uMhlathuze, uMngeni, eDumbe & Msunduzi local municipalities.

Challenges experienced with the implementation process resulted in the project being hindered. These include, among others, the high turnover of field workers which was resolved by recruiting larger numbers of field workers as well as social challenges.

The establishment of the NHNR in the 8 municipalities is anticipated to be completed in the 2025/26 financial year. In addition, other municipalities who have the required internal capacity have also embarked on the implementation process. In total, 12 municipalities in the Province have commenced the process of registering households on the NHNR.

## **SELF-BUILD HOUSING**

One of the government's strategic focus areas is the promotion of self-build housing programmes with the aim of reaching out to those who would rather build for themselves with minimal assistance from government. Research on the subject was conducted and subsequently resulted in the development of an Affordable Housing Policy within which self-build housing is an option. The approval of Implementation guidelines in 2023/24 defines the implementation process and further clarify roles and responsibilities of all stakeholders.

The Department will make plots of land available to qualifying beneficiaries through the IRDP. The self-build programme will require an appointment of a Community Resource Organization (CRO) to act as an intermediary between the department and the self-builders.

The CRO will also capacitate beneficiaries with technical, financial and/or necessary administration expertise to get all the components of the construction in order. The self-build option within the guidelines is to be implemented through the IRDP and FLISP and later expanded to other feasible housing programmes.

### **7.1.8. DISASTER RISK REDUCTION MANAGEMENT**

The Province is also continuously prone to natural disasters/adverse weather conditions that destroy and/or damage houses, rendering households homeless and destitute. Due to the predominant rural nature of the Province, the majority of people migrate to urban areas for employment to better their lives. Migration to urban areas creates a demand for shelter near places of work, which thus creates an accelerated growth of informal settlements in predominately disaster-prone areas. In addition, rural communities are also mostly affected due to mud structures. The incident rate of natural disasters/adverse weather conditions has consistently increased over the years.

The Department facilitates access to housing assistance under emergency circumstances through request to National Department of Human- Settlements to assist Emergency Housing Programme where disaster has occurred. Relief packages include the provision of temporary residential units (TRU's); building material supply

as well as a more permanent solution of constructing a housing unit through the housing subsidy scheme. The Department has since introduced two new measures, namely Transitional Emergency Accommodation (TEA) as well as the Rental Assistance Scheme.

11 TEAs were established in October 2022 to house the flood victims while the process of planning and installation of infrastructure on the identified land parcels is being undertaken. In response to the April/May Flood Disaster over four hundred families were left homeless and required interventions related to relocations hence the Department secured 11 land parcels through the assistance of national and provincial departments including municipalities. The land parcels are mainly targeted to assist the TEA occupants with provision of permanent housing solutions before the expiry of lease agreements.

The land parcels are currently at detailed planning with the necessary statutory approvals anticipated for completion. Seven (7) out of the ten (11) land parcels have obtained Environmental Authorizations and Town Planning Approvals. The appointment of contractors for 2 land parcels has been finalized and servicing has commenced. Detailed engineering designs for the remaining 5 land parcels are underway and should be finalized within the current financial year. Detailed planning activities are underway for the remaining three (3) land parcels that have not obtained the necessary approvals.

Climate change has been cited as an attribute to the recent natural disasters experienced by the Province. Whilst the Department undertakes to respond to the effects of this through the provision of emergency housing, the climate change initiatives as previously mentioned also serve as an indication of this Department's responsiveness to mitigate against the devastating effects of it.

A comprehensive Disaster Management Policy and Plan (DMP) has also been developed to mitigate the effects of disasters within the Province as well as to streamline the standard operating procedures to be followed in disaster situations. The DMP outlines the department's specific action plan and available resources to respond to disasters. The successful implementation of this plan requires the commitment, collaboration, and collective effort of all stakeholders more particular NDoHS as the disaster response was centralized at National level. This plan will be regularly reviewed and updated to ensure its relevance, effectiveness, and alignment with emerging challenges.

The section on Climate Change provides further disaster risk reduction management initiatives that are being undertaken by the Department.

## **7.2 INTERNAL ENVIRONMENT ANALYSIS**

A key challenge facing the Department is to improve good governance and organizational efficiency to support a capable human settlements sector with reduced resources. The fiscal strain resulting in budget cuts coupled with a highly legislated environment that hinders the flexibility to change systems, policies and processes as well as an ever-changing risk environment implies that the Department needs to implement innovative measures to support and enhance service delivery initiatives. In this regard, strengthening inter-governmental relations (IGR) to enhance synergies and support DDM, service delivery innovation/improvement measures in line with the Operations Management Framework (OMF), sound financial management and improved planning and interdependencies with internal stakeholders are essential.

The Department will be realigning the organizational structure to the strategy of the Department provincial and national priorities as well as the generic functional structures. This will also support the new job evaluation and grading system, namely Compensate-Evaluate. It is intended to improve service delivery by grouping homogenous functions to eliminate duplication of functions. This will further ensure a clear delineation of roles and responsibilities and re-engineering business processes to improve the efficiency of the Department.

The implementation of the approved Human Resource Plan ensures that the staffing needs are addressed and through the implementation of the annual Workplace Skills Plan and Human Resource Development Plan ensures training and development needs of employees are met.

Digital transformation and innovation are deemed to be a key enabler to improve efficiency and effectiveness. As such, effective monitoring and evaluating improvement measures as well as the use of technology to improve efficiencies is therefore vital. Business ownership and benefit management of Information Technology (IT) solutions have therefore been identified as areas in business processes that can be supported by IT solutions to minimize operational inefficiencies.



The promotion of a paperless-based environment has also enabled the Department to work on a hybrid model(on-the-go) system in support of business continuity is a clear demonstration of the benefits of an effective IT solution.

During the 2024/25 financial year a review of the IT strategy was undertaken to align with the core business strategies. Emanating from this review process, the IT plan will be drafted to implement IT solutions during the 2025/26 financial year to support core business. The limitation on availability of budget does however impact on the roll out and implementation of the IT Strategy's prioritized projects. As such, the Department has focused predominately on in-house initiatives. This is inclusive of the eRecruitment dashboard and deviation register which will be implemented in support of the MTDP intervention relating to the digital transformation and innovation to improve efficiency and effectiveness.

Information technology plays a fundamental role to support and enable the Department to continue to deliver services with flexible and readily available IT as well as to accelerate the digital transformation of department processes to improve efficiency. Improved intergovernmental relations and client focus are also critical success factors to the effective implementation of the IT strategy and focused attention towards strengthening this will also be undertaken.

The Department continues to support the Kwazulu-Natal Provincial Digital Transformation Strategy's six priorities, namely:

- Connectivity;
- Digital Skilling;
- Information and Knowledge Management and Information Security;
- Process Automation;
- Systems Integration; and
- Government's Digitization

The following initiatives are being implemented in support of the above priorities:

- Subject to budget availability, the continued roll out of the upgrading of the remaining district offices data lines in line with the gazetted National Broadband Policy Targets;
- The annual review to update the business continuity planning and disaster recovery procedures to ensure optimal functioning in case of a disaster;
- Subject to availability of funds, the replacement of obsolete infrastructure;
- The review IT Governance Framework and policies;
- Microsoft Collaboration Tools; Tools such as Skype for business will be replaced with Teams VOIP to support organization efficiency through improved departmental communications and real time collaboration;
- Continued enhancement of the implementation of the Security Awareness Tool and Moodle for digital training; and
- Process Automation to improve red tape reduction and organization efficiency (i.e., leave system, invoice tracking, legislation & litigation register, etc.).

In addition, the following IT improvement measures that have been implemented to support the Digital Transformation Strategy's six priorities include amongst others:

- Document Management System;
- Microsoft Collaboration Tools such as MS Teams, Business One Drive and SharePoint;
- Digital signatures;
- Email Archiving Solutions; and
- Intrusion Detection and Prevention System.

Further to the above, with the increased dependence on the internet and computer systems, there is a corresponding increased exposure to security threats. These threats, if not controlled and mitigated, may result in the loss of information assets, exposure of private information and consequential litigation and possible financial and reputational loss.

To take the necessary precautions to protect its information assets, the Department has therefore implemented a departmental Cybersecurity Framework to provide guidelines for such protection in conjunction with the utilization of other controls, e.g. Information Security Policy and ICT Governance Framework. Effective cybersecurity reduces the risk of cyber-attacks and provides protection from the unauthorized exploitation of systems, networks and technologies.

Improving IT Security therefore remains as a high priority programme for the 2025/26 financial year. In this regard, the Cyber Security monitoring system will be implemented to address impersonation, email spoofing and phishing of the departments domain. Regular threat assessments and planning for remediation's (i.e. Computer Network Penetration Testing) will also be undertaken.

The Department is also implementing the E-learning Management Platform in support of organizational efficiency. The atomization of E-learning creates opportunities of continuous digital skilling of officials, improves efficiency due to reduced travel and accommodation costs, provides for training consistency and standardization as well as addresses the issue of limited availability of trainers.

In addition, systems to comply with the Protection of Personal Information Act (POPIA) will be implemented as the Department is the custodian of personal information of staff, service providers, beneficiaries and other stakeholders. Although the Department has no dedicated compliance component, a POPIA working committee has been set up and a compliance expert procured to assist in rolling out POPIA compliance processes and procedures. E-learning will also be considered as a mechanism to create awareness and continuous training platform.

Knowledge management has become increasingly important in terms of organizational efficiency and effectiveness. The effective delivery of sustainable human settlements is based on intellectual capital, technological innovation, scientific discoveries and applied research.

To fully optimize the sector knowledge management, it is important that the Department retain that knowledge for future use, which promotes a learning organization by consistently informing policy changes, and preservation of institutional memory. The Department currently utilizes SharePoint and IntraNet as a data repository to generate, store and share knowledge across the Department in its endeavor to enhance the delivery of services.

During the forthcoming year attention will also be placed on improving the compliance monitoring of legislation as well as to current policies and practices against the legislative environment and keep updated with changes in the legislative environment.

Strengthening stakeholder relations has been identified as a critical enabler to service delivery and as such the Department will for the forthcoming year implement the newly approved comprehensive IGR strategy.

The Department will continue to promote an organizational culture that is gender sensitive and responsive through capacitating staff on gender mainstreaming. Focused attention will also be placed on the importance of incorporating gender perspective in all planning, implementation, monitoring and evaluation processes of the department. The Department has conducted a comprehensive evidence-based diagnostic gender audit to ascertain the extent to which the Department is gender responsive, highlighting enablers and inhibitors. This audit also facilitated the development of a draft framework for gender mainstreaming within the departmental operations to accelerate gender transformation to achieve equality between women and men as enshrined in South Africa's Constitution. The strategy will further provide for the development of a Gender Mainstreaming Policy as a guideline for enforcement of gendered programmatic interventions throughout the departmental value chain.



### 7.2.1. HUMAN CAPITAL MANAGEMENT

The Department has amended the Service Delivery Model in line with the new strategy of the department, which is linked with the DDM, where the core functions of the Department have been extended to all districts. The increase in service delivery points has reduced the unnecessary travelling time which is now being spent on enhancing the quality of human settlements. In addition, this will also assist with unlocking the economic potential of each district to allow for greater co-ordination, integration, and alignment.

#### Organizational Efficiency

In line with the implementation of the OMF, SOPs and Business Process Maps are being developed to remove bottlenecks and streamline processes within the department. The Department completed the Productivity Assessment during the 2019/20 financial year which will be reviewed during the 2025/26 financial year.

In addition, the Organizational Functionality Self -Assessment has been finalized during the 2023/24 financial year and action plans have been implemented during the 2024/25 financial year in line with the outcomes of this self-assessment. This will continue over the 2025/26 MTEF period.

The Organizational Functionality Assessment (OFA) is intended to address historical organizational development related challenges, examine the total service delivery system of the organization, assess organizational functionality or service delivery readiness of the department, identify the good systemic practices and challenges as well as assess and diagnose whether all the necessary service delivery enablers are in place. In addition, it is intended to support delivery processes in an optimum and accountable manner and correct organizational focus on real challenges.

To support this DPSA directive, the Department has established five OFA work streams, namely:

- Workstream 1: Departmental Overview;
- Workstream 2: Planning, Governance and Oversight;
- Workstream 3: Human Resource Management;
- Workstream 4: Operations Management; and
- Workstream 5: Organizational Performance.

The OFA will therefore provide detailed information on functionality or dysfunctionality of the Department, assist in addressing issues that inhibit achieving results and support departmental planning, through prioritization and programme management by adoption of structured implementation plan. In addition, it supports budget process by identifying projects with financial implications, and focusses on the functionality of systems, processes and procedures and not mere compliance of policies. It further enhances functionality in support of the improvement of performance and provides valuable institutional, program, or policy insights and knowledge.

#### Skills Development

All training conducted is needs directed and is in line with the competency requirement per occupation. The eLearning training courses are being undertaken in partnership with the Office of the Premier and the National School of Government. For the forthcoming year, continued training and development programmes to meet specific needs inclusive of coaching/mentoring and developing leadership skills will be focused on in line with the approved departmental policies.

The Department also awards bursaries in line with the department's priority skills which is construction project management. For the 2024/25 financial year, 3 new awards have been made to females to support the empowerment of the designed groups.

The Candidacy Development Support Programme is an internship linked to Structural Professional development that is required for professional registration with Professional Bodies or Councils. The aim of the Programme is to build a pool of skilled professionals in the built environment fields. To date, a total of 11 bursary graduates are participating in the Candidacy Development Support Programme, comprising 8 males and 3 females are appointed to the Candidacy Development support programme for a period of 48 months.

To promote youth development, the Department is implementing the Graduate Internship Programme, Work Integrated Learning Programme and the Candidacy Development Support Programme for the bursary graduates as previously mentioned.

The Graduate Internship Programme equips unemployed graduates with necessary skills, knowledge, values and work experience in order to improve their chances of employment within and outside the public service whilst the Work Integrated Learning Programme is a work experience programme for students studying at Universities of Technology and Technical Vocational Educational Training Colleges.

#### Human Resource Management

The implementation of a Human Resource Plan and the Service Delivery Improvement Plan will support the core functions of the Department in the achievement of the department's mandate. For the 2025/26 financial year, the development of the new Human Resource Plan for the period 2025- 2030 in alignment with the 2025/30 Strategic Plan and realignment of the approved organization structure will be undertaken.

In addition, the Department is currently implementing the KZN Provincial Human Resource Turnaround Strategy and Implementation Plan which is intended to unlock the human capital of the Province.

The Strategy seeks to address the inadequacies in the human resource environment that are vital to ensure that the services rendered to the citizens of this Province are provided in an efficient, effective and responsive manner. It further aims to ensure that the Province capitalizes in the best possible way the use of its resources to attain Provincial strategic goals and objectives as set out in the PGDS.

The provincial cost containment measures for the recruitment processes have, however, impacted negatively on the timeous provision of adequate human resources. Whilst the Department has undertaken an exercise to reprioritize the filling of vacant critical posts, the fiscal constraints have further had a negative impact on the funding of the critical posts as well as skills development within the department.

As of January 2025, the total number of posts filled is 645. The departmental vacancy rate is 0%.

In terms of the transformational profile of the department:

- Females at senior management level are at 45 %.
- Employees with disabilities are at 2.23%; and
- Black employees at Senior Management level are at 74%.
- Employment of Youth are at 30%.

The above is also indicative of the Department's endeavor to address the mainstreaming of vulnerable groups within its internal environment and has successfully ensured that the national minimum targets set for both women and people with disabilities are met.

The Department further re-affirms its commitment to achieving the employment equity objectives and targets, in particular for achieving race, gender and disability balance employment opportunities through the implementation of an Employment Equity Plan. This ensures that the Department complies with the requirements of the Employment Equity Act, 1998 in that "reasonable accommodation" is made within the working environment for the designated groups. The Department will further need to provide the necessary "tools of trade" to PwDs as and when required in line with the DPSA Directive on Assistive Devices for PwDs.

In addition, the Department will continue to drive the implementation of the strategic pillars of Employee Health and Wellness namely: HIV/AIDS, Tuberculosis and STIs Management; Health and Productivity Management; Safety Health Environment Risk and Quality and Wellness Management (inclusive of the management of employees infected/affected by social ills such as gender- based-violence) to improve productivity, motivation, and morale.

Promotion of sound employer-employee relations to ensure labour peace in the working environment will also be undertaken. In this regard workshops/ training to all occupational categories within the Department will be undertaken on all the facets of labour relations inclusive of the handling of discipline, sexual harassment and handling of grievances and disputes as well as the code of conduct in the public service. The principles of consequence management will also be applied to enforce and ensure accountability.

### **National Framework towards the Professionalization of the Public Sector**

The National Framework towards the Professionalization of the Public Sector which came into effect in October 2022 seeks to ensure that only qualified and competent individuals are appointed into positions of authority in pursuit of a transformed, professional, ethical capable and developmental orientated public administration. The framework aims to achieve the following:

- The tightening of the pre-entry requirements as well effective recruitment and selection processes that inform meritocratic appointments at middle and senior management levels;
- Undertaking workplace orientation and induction programmes that promote a healthy organizational culture;
- Effective planning, performance management and appraisal systems, including performance standards and assessment instruments for different categories of employees;
- Performance management can also be aligned with professional body or association registration;
- Public servants undertaking continuous learning and professional development, including the professionalization of certain categories of occupations in the public sector;
- Managing the career progression and career incidents of public servants and Heads of Department; and
- Conditions of appointment of Director-General and Heads of Department.

In support of the Framework, the Department undertakes the workplace orientation and induction programmes that promote a healthy organization culture. Participation in the induction and onboarding programme (compulsory induction programme and the departmental induction programme) is done within 90 days of appointment. A further pillar within the Framework pertains to the implementation of continuous learning and professional development which is subject to the availability of funds.

The Department continues to adhere to the Public Service Regulations and the Public Service Act in terms of the recruitment and selection requirements that inform meritocratic appointments at middle and senior management levels.

## **7.2.2. GOVERNANCE ISSUES**

### **RISK ASSESSMENT AND MITIGATING STRATEGY**

In line with the Strategic Priority relating to a capable, ethical, and developmental state, the department will continue to place emphasis on the promotion of good governance, accountability, and best practices within its environment. Of critical importance to this are risk management functions which are inclusively enshrined towards ensuring Good Governance in all facets within the service delivery model. In attaining these areas of good governance, a greater demand is placed on the development of a fair and transparent process of managing inherent impediments to achieving success in this changing environment.

The development of a risk model to meet these demands is illustrated in the Department's Risk Management Framework, as aligned with the Provincial Risk Management Framework that is supported by the following regularity prescripts, namely:

- Risk Management Strategy;
- Risk Management Policy;
- Risk Implementation Plan; and
- Risk Appetite Statement with a set tolerance levels for different categories of risks ranging from zero tolerance to low tolerance thresholds.

The introduction of a budget to all risk mitigation strategies has been introduced to measure the financial burden attached to the achievement of goals and objectives as a form of evaluation on costs to improved governance.

### **Key Areas of Focus:**

#### **1. Departmental Strategic Risk Registers**

The Departmental risk registers remain a living document and are monitored daily on changed circumstances, with reporting done on a monthly basis to the relevant bodies. The comprehensive risk register places critical follow-through on life and limb, through the Occupational Health and Safety Act and Business Continuity Strategy, managed by the Departmental Crisis Committee.

#### **2. Ethics, Fraud, and Corruption Management**

Emphasis on managing risks related to ethics, fraud and corruption, inclusive of fraud risks, has become a fundamental driver of service delivery to attain and promote professional ethos.

Annual risk workshops are held to assess and introduce new risks into the Departmental Risk Register, whilst quarterly reporting on achievement of mitigation strategies is reported to the Cluster Audit and Risk Committee.

#### **3. Fraud Prevention Strategy/Plan**

The department has an approved Fraud Prevention Strategy/Plan, including various appendices such as a fraud policy and response plan, conflict of interest policy, code of conduct, whistle blower policy, etc. The fraud prevention Strategy/Plan remains aligned to the National Anti-Corruption Strategy. The Department also has an approved Ethics Management Strategy, regulating Integrity Management in the Department. These approved documents are published on the Departmental Website and further emphasized via structured workshops to all officials. Emphasis is placed on issues of responsibility, accountability, and integrity.

#### **4. Compliance with Public Service Regulations**

The Department has also given attention to not only comply with Chapter Two (2) of the Public Service Regulations, 2016, i.e., Conduct Ethics and Anti-corruption but has conducted investigations of alleged or suspected non-compliance with regulations relating to requirements to conduct Other Remunerative Work whilst in the Public Service, business entities owned/directed by officials doing business with the state, and the integrity of annually submitted financial disclosures by officials.

#### **Electronic Platform for Remunerative Work and Gifts**

The initiatives related to other remunerative work, including recording of gifts, are being phased into an electronic platform via the Department of Public Service and Administration. Policy shifts are being amended to the prescripts governing good governance in the Public Service.

- **Conflict of Interest Policy**

The departmental policy on Conflict of Interest has regulated all aspects of conflict of interest within the workplace. A review of the said policy in line with the Public Service Regulations, 2016 has been completed, and the department continues to ensure its enforcement.

The department further strives towards 100% compliance of financial disclosures for all designated employees on the e-disclosure system and manual forms for all other staff in the Department until full automation for levels 8 and below by DPSA. The Recruitment Policy also includes conflict-of-interest provisions, whereby the selection panels and the prospective employees are required to disclose conflicts of interest.

- **Central Suppliers Database**

The Ethics officer conducts periodically reviews on the CSD of National Treasury to identify employees of the Department government that are registered on this system as potential employees that may be conducting business with the State. On an annual basis investigates and reports on cases referred by the Provincial Treasury as per a report via CSD on government employees registered on CSD.

- **Lifestyle Audits**

The Department is steadfast in managing the recent directive by DPSA, which has commissioned that all Departments commence with Lifestyle Audits on a risk-based approach on all SMS and other designated officials for completion and reporting by the Accounting Officer. This entails the following arising from this Directive: "Fraud and corruption in the Public Service will always be problematic, counter-productive, and devastating, especially in young democracies and developing countries. Although the government introduced and continues to add various forms of controls, the persistence of criminals continuously challenges these controls for self-enrichment".

The burden of responsibilities has grown exponentially for the department in meeting the requirements of the lifestyle reviews, lifestyle investigations, and lifestyle audits.

To prevent and detect fraud and corruption in the Public Service, there are three formal activities in Lifestyle Audits, namely, lifestyle reviews, lifestyle investigations, and lifestyle audits (Quantification and Evaluation) which are critical and legitimate management tools and form part of a department's system of risk management.

The Department is moving into an electronic system of regulating and controlling applications for Other Remunerative Work and the receipt of Gifts, Donations, and Sponsorships via DPSA. This improved system will enhance record-keeping and ease of validation of financial disclosures as applicants request approval. The design of the system is now regulated to a financial year, as all applications for Other Remunerative Work will cease at year-end, and renewed applications will be required 60 days prior to the expiration of the previous application.

These measures enhance the control environment of risk mitigations to prevent non-compliance with laws, regulations, and prescripts.

## **AUDIT OUTCOME: 2023/24 FINANCIAL YEAR**

During the 2023/24 financial year the Department achieved an unqualified audit opinion due to the on-going efforts made by all officials in respect of:

- maintaining and emphasizing good governance;
- implementation of an effective and efficient control environment;
- implementation of organization practices, policies and procedures; and
- Strengthening of departmental systems and internal controls.

The Department continues to host quarterly Audit Strategy Meetings to strategize on further controls, measures and systems to be implemented to mitigate the risks of recurring audit findings. Heightened efforts to achieve zero material misstatements in financial information is continuously communicated with officials.

Ongoing efforts to improve the current areas of focus include amongst others, human resource management, movable asset management and asset register accuracy, enhance controls over procurement management to mitigate the risk of irregular, fruitless and wasteful expenditure and project information management.

Furthermore, whilst the Department is in the process of sustaining a controlled environment to support and maintain a clean administration, further improvement in addressing all weaknesses remains a priority. The focused approach to all levels of assurance has led the Department in producing credible and reliable financial reporting and compliance with key legislation and prescripts.

### **7.2.3. SERVICE DELIVERY IMPROVEMENT**

The Department will ensure that the Service Delivery Improvement Plan is aligned to the 2025/30 Strategic Plan. This improvement plan intends to address critical priority programmes. This together with the implementation of a Complaints and Compliments Management Policy and register will ensure that essential services that are responsive to the needs of the citizens of the Province are undertaken with efficiency and speed.

### **7.2.4. SUPPLY CHAIN MANAGEMENT**

In line with the promulgated Preferential Procurement Regulations, 2022, Treasury Regulations, Instruction Notes and other applicable Supply Chain prescripts, the Department has ensured that its Supply Chain Management policy is in line with Section 217 of the Constitution of the Republic of South Africa, 1996 as amended, which requires procurement processes that are fair, equitable, transparent, competitive and cost effective.

This policy also provides for a framework for the Department to achieve its economic transformation objectives, in line with the PPPFA as well as to facilitate the achievement of the Department's overall strategic outcomes in an effective and efficient manner while addressing past imbalances by consideration of previously disenfranchised individuals and groups by contracting with persons, or categories of persons, historically disadvantaged by unfair discrimination on the basis of race, gender and disability including the implementation of programmes of the Reconstruction and Development.

The Department will, however, review its Supply Chain Management policy to align with the newly approved Public Procurement Act, 2024 once the new Preferential Procurement Regulations are promulgated as this would guide departments towards the effective implementation of the targeted preference procurement directive. In doing so, the department will be able to aptly advance the empowerment of designed groups through set asides in procurement initiatives.



7.2.5. STRENGTHENED COMMUNICATION SERVICES

Intensified communication is deemed to be essential for building better trust with the communities and stakeholders as well as to enhance the image of the Department. Effective communication is an integral part of management culture that further contributes to the Department’s success through informed stakeholders. During this MTDP period, the Department has therefore undertaken to intensify and improve its communication plan to:

- Promote and facilitate effective communication between the Department and the people of KwaZulu-Natal;
- Facilitate an informed and empowered public and a responsive Department;
- Ensure that staff are well informed to preserve the accuracy of messaging;
- Showcase the Department’s delivery achievements and flagship programmes;
- Showcase the positive impact of a collective and concerted effort to improve the lives of people, especially the most vulnerable; and
- Demonstrate the impact on job creation and transformation of the economy through the Department’s programmes and projects.

Notwithstanding the financial constraints faced, the Department will collaborate and enhance its communication interventions in partnership with human settlements sector stakeholders such as the Housing Development Agency (HDA) and companies as part of their social responsibility programmes. The utilization of existing communications platforms and tools such as media advisories, social and digital media, websites and internal mechanisms will also be utilized to intensify and maximize media presence and extend the mileage of the coverage of the Department’s programmes and services.

The communication plan adopted for the forthcoming years is therefore anticipated to enhance the department’s image and facilitate improved service delivery through a well informed and empowered citizenry.

7.2.6. SWOT AND PESTEL ANALYSIS



Source: Adapted from the Annual Strategic Planning Session, 2024

Political	<ul style="list-style-type: none"><li>•Demographic Dividend</li><li>•Indigent Families</li><li>•WHHs</li></ul>
Economic	<ul style="list-style-type: none"><li>•Low GDP and Growth</li><li>•Increasing Unemployment</li></ul>
Social	<ul style="list-style-type: none"><li>•Fragmentation</li><li>•Indifference towards integrated planning</li></ul>
Technological	<ul style="list-style-type: none"><li>• Expensive</li><li>• Efficient and Reliable ABT</li><li>• NHNR</li><li>• D'Moss</li></ul>
Environmental	<ul style="list-style-type: none"><li>• Nema Provisions</li></ul>
Legal	<ul style="list-style-type: none"><li>•Rigid Statutory Environment</li><li>•PIE Act</li><li>•Circular Migration</li></ul>

Source: Adapted from the Annual Strategic Planning Session, 2024

7.2.7. STAKEHOLDER ANALYSIS

To meet its legislative and policy mandates the Department continuously focuses on fostering and strengthening relations with key stakeholders within the construction environment. These include amongst others, the ITB, municipalities, other government departments and organs of state, Community Based Organizations (CBO) and financial institutions.

The updated stakeholder management analysis is reflected hereunder:

Stakeholder	Role	Level of Impact (H, M, L)	Level of nfluence (H, M, L)
National, Provincial and Local Government	Promote sustainable human settlement developments and Programmes	H	H
Provincial Treasury	To ensure equitable resource allocations for the Department, analyze and monitor revenue and expenditure, and instill prudent financial management and good governance.	H	H
AGSA	Audit role on compliance with Legislation	H	H
Human Settlements Entities	Provide support in promoting sustainable human settlement developments and Programmes	H	H
Citizens and Media	Service Delivery needs and to influence public perception	H	H
Private Sector Organizations and Businesses (incl. NGO's)	Promote sustainable human settlement developments and Programmes through partnerships and investment	H	H
NSF	Funding	H	H
Disability Organizations	Mainstreaming of vulnerable groups	H	H
Traditional Leadership	Managing rural land on behalf of the people	H	H
Water Services Authority	Provision of water services	H	H
Implementing Agents and contractors	Project implementation	H	H
Portfolio committees, Compliance, Audit and Risk Committee, and Standing Committee on Public Accounts	Oversight	H	H
Labour	Promote sound labour relations and employee representatives	H	H
Academia	Ensures that all public servants participate and complete education, training and development initiatives, as per relevant legislation and Cabinet directives.	H	H
Research Institutes	Provide the latest information via advanced technology to inform decision making processes.	H	H

In line with the PGDS, 2021 the Department has established a fully functional Action Work Group to address strategic interventions relating to integrated housing delivery within the Province. The Work Group ensures that there is an alignment of plans by various stakeholders thus ensuring that the objectives of PDGS,2021 interventions are met, that resources are shared, bottlenecks in the implementation of projects are eliminated thus fast-tracking delivery and meeting the intended targets.

7.3 OUTLOOK FOR THE 2025/26 FINANCIAL YEAR

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

- Monitor the implementation of the Audit Improvement Plan;
- Improve the organisational functionality of the Department;
- Implement Operation Pay on Time, to continuously manage compliance of the invoices paid to creditors within 30 days of receipt;
- Continued implementation of the CRU programme;
- Accelerate delivery of priority programmes inclusive of:

- The upgrading of the informal settlements;
- First Home Finance;
- Title deeds registrations;
- Investment in PSHDAs
- Serviced sites;
- Provision of housing units through the housing programmes such as the MVHP;
- Intensify job creation initiatives;
- Focus on research initiatives;
- Eradication of asbestos roofing through the pre-1994 Rectification Programme;
- Implementing the rural housing programme (inclusive of addressing structures that are in non-compliance with the norms and standards such as mud houses); and
- Increased economic opportunities within the HS value chain.

7.4 OVERVIEW OF THE 2024/25 BUDGET AND MEDIUM-TERM EXPENDITURE FRAMEWORK (MTEF) ESTIMATES

7.4.1. EXPENDITURE ESTIMATES

Table 3: Expenditure Estimates per Programme

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2021/22	2022/23	2023/24	2024/25	2024/25	2024/25	2025/26	2026/27	2027/28
1. Administration	271,188	279,448	271,281	254,879	291,114	291,114	283,916	296,398	308,736
2. Housing Needs, Research and Planning	17,638	20,118	21,009	19,379	19,379	19,379	21,183	22,800	23,826
3. Housing Development	3,257,679	3,580,364	3,650,721	3,068,581	3,358,175	3,358,175	3,054,408	2,792,215	2,938,239
4. Housing Asset Management	166,701	182,698	160,211	156,837	150,723	150,723	190,370	148,674	134,610
Total	3,713,205	4,062,628	4,103,222	3,529,676	3,819,391	3,819,391	3,549,877	3,268,087	3,487,411

Source: Estimates of Provincial Revenue and Expenditure (EPRE)

7.4.2. SUMMARY OF PROVINCIAL EXPENDITURE BY ECONOMIC CLASSIFICATION

Table 4: Summary of Provincial Expenditure by Economic Classification

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2021/22	2022/23	2023/24	2024/25	2024/25	2024/25	2025/26	2026/27	2027/28
Current payments	589,546	594,284	588,856	548,216	608,926	608,798	557,658	554,917	574,814
Compensation of employees	351,414	351,831	360,003	354,959	363,791	363,661	368,132	381,289	398,854
Goods and services	158,132	204,453	228,853	185,257	245,137	245,137	189,518	173,628	175,960
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	3,179,929	3,487,175	3,581,586	2,874,483	3,196,351	3,196,481	2,977,848	2,894,279	2,824,648
Provinces and municipalities	70,636	137,006	134,992	39,661	49,661	49,661	68,741	86,023	86,030
Departmental agencies and accounts	166,701	182,698	160,211	156,837	150,723	150,723	190,370	148,674	134,610
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2,942,592	3,177,573	3,206,353	2,777,985	3,065,967	3,066,087	2,718,726	2,459,582	2,604,028
Payments for capital assets	21,288	9,153	13,818	14,977	14,152	14,152	14,387	18,891	8,729
Buildings and other fixed structures	8,655	1,258	1,587	8,000	8,000	8,000	6,100	2,500	-
Machinery and equipment	15,045	7,895	12,023	6,977	6,112	6,112	8,287	8,391	8,729
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	38	16	-	-	-	-	-	-	-
Total	3,713,205	4,062,628	4,103,222	3,529,676	3,819,391	3,819,391	3,549,877	3,268,087	3,487,411

Source: EPRE



## Expenditure Trends

The Department received a disaster allocation of R397.705 million in 2022/23 and R474.974 million in 2023/24 in respect of the HSDG, hence the reduction in 2024/25. The department requested a roll-over of R263.741 million being the unspent but committed funds in relation to the funding of R474.974 million that was ring-fenced within the HSDG to address the October 2019 to January 2022 flood disasters. These funds relate to disasters that occurred during 2019 and 2020 where there were floods and storms, which resulted in damage to houses.

The allocation for the EPWP Integrated Grant for Provinces is based on the previous year's achievements and is not allocated beyond 2025/26, at this stage.

## Current Payments

### Compensation of Employees

The Department has not provided for any pay increases over the MTEF but has provided for medical and housing allowances and annual pay progression. The department has placed an internal moratorium on filling posts due to the 2024/25 MTEF fiscal consolidation budget cuts against Provincial Equitable Share of R15.738 million in 2024, R15.551 million in 2025/26 and R16.645 million in 2026/27. The department is not planning on filling any posts over the MTEF, and posts that become vacant in-year will be assessed for criticality and affordability.

### Goods and Services

The allocation over the 2021/22 MTEF relates to the implementation of the anti-land invasion strategy which has necessitated the safeguarding of departmental owned properties against illegal occupation, operating leases, professional fees and all other operational costs of the department. The Department allocates 1% of the HSDG to HDA for the management of catalytic projects and the reduction in the HSDG resulted in a reduction of this allocation to HDA. The steady increase from 2022/23 and the MTEF period is due to the reclassification of housing-related expenditure by National Treasury to align it with the Economic Reporting Format (ERF) and Standard Chart of Accounts (SCOA). According to ERF, the immediate use of funds should be applied when classifying transactions, to identify "what is being bought". The Department is responsible for construction of houses through the contractors, to be distributed to the beneficiaries. The Department is procuring goods and services to fulfil its responsibilities. Therefore, the Department is being classified as a developer. The 2023/25 MTEF provides for operational costs of the Department, implementation of the anti-land invasion strategy and the one per cent allocation of the HSDG for the management of catalytic projects by HDA. The decreasing trend over the 2025/26 MTEF is mainly due to fiscal consolidation budget cuts in respect of the HSDG.

### Interest and rent on land

Interest relates to the write-off of staff debts in 2021/22 and 2022/23.

### Transfers and Subsidies to: Provinces and Municipalities

The steady increase from 2022/23 and the MTEF period is due to the reclassification of housing-related expenditure by National Treasury to align it with ERF and SCOA. According to ERF, the immediate use of funds should be applied when classifying transactions, to identify "what is being bought". The Department is responsible for construction of houses through the contractors, to be distributed to the beneficiaries. The Department is procuring goods and services to fulfil its responsibilities. Therefore, the Department is being classified as a developer. The three-year agreement with the Metro expires at the end of 2023/24, hence the significant decrease in 2024/25. The amounts allocated over the 2025/26 MTEF cater mainly for the operational costs for accredited municipalities.

## Transfers and Subsidies to: Departmental agencies and accounts

The allocation against Transfers and Subsidies to: Departmental agencies and accounts mainly relates to transfers to the KwaZulu-Natal (KZN) Housing Fund. Funding in respect of the KZN Housing Fund has been moved to this category in line with an Auditor -General (AG) finding relating to the KZN Housing Fund in the 2013/14 audit. In line with this AG finding, this category reflects the entire budget of Programme 4. The decreasing trend over the 2024/25 MTEF is due to budget cuts which was effected against this category. The allocations over the 2025/26 MTEF will be reviewed as progress is made on these programmes, as well as on the target to dis-establish the KZN Housing Fund. For the previous 4 years, the KZN Housing Fund received an unqualified audit opinion.

### Transfers and Subsidies to: Households

Transfers and subsidies to: Households shows an increase in 2022/23 was mainly due to the allocation received following the April 2022 flood disaster to cater for the provision of 4 983 TRUs. This category bears the brunt of the 2024/25 MTEF budget cuts which is effected against both the HSDG and the ISUPG. Included in the MTEF allocations for this category is additional funding of R1.076 million in 2025/26, R1.137 million in 2026/27 and

R1.191 million in 2027/28 allocated by National Treasury to conditional grants that have a personnel element towards funding the gap of the 2025 wage agreement. These funds could not be allocated to Compensation of employees due to the limitation of 5 per cent allowed for OPSCAP in terms of DORA. This will be reviewed in-year.

### Buildings and other fixed structures

These funds are in respect of the scope of the programme which was extended in-year to complete the remaining work within various districts, including eThekweni metropolitan municipality, Cornubia Social Amenity, Sonkombo Social Amenity, etc. The allocation in 2021/22 is for finalization of work which was affected by the performance & contractual challenges related to the Social and Economic Amenities programme. The spending in 2021/22 and 2022/23 was in respect of the Emfihlweni and Sonkombo community hall projects. The decrease from the 2023/24 was due to the in-year budget cuts implemented by National Treasury against the HSDG. The 2025/26 MTEF allocations also cater for the Townview community hall project which will be resumed in 2025/26 and is anticipated to be completed in 2026/27. There is no allocation in the outer year of the MTEF as both these projects are anticipated to be completed by 2026/27.

### Machinery and Equipment

The increase in 2021/22 was due to the purchase of computer equipment ordered in 2020/21 but delivered and paid for in 2021/22, as explained. Furthermore, this increase was linked to the purchase of vehicles to be used for community outreach programmes, as mentioned. The decrease in 2022/23 was due to the non-purchase of tools of trade because of internal delays in filling vacant posts. The increase from the 2023/24 is to cater for budget pressures relating to the purchase of two main servers for the Pietermaritzburg and Durban offices and 60 desktops which were under-provided for. The decrease in 2024/25 was due to the implementation of cost-cutting measures in an effort to curb the budget pressures experienced by the department. The significant increase in 2025/26 is due to the low base in 2024/25, as well as the reprioritisation undertaken to this category to cater for the purchase of vehicles, office equipment and furniture over the MTEF. The increase over the two outer years of the MTEF is largely inflationary.

### Payments for financial assets

The amount under Payments for financial assets relates to the write-off of staff debts in 2021/22 and 2022/23.

# PART C

2025/26 - 2027/28

## MEASURING PERFORMANCE

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS  
ANNUAL PERFORMANCE PLAN

### 8. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

#### 8.1 PROGRAMME 1: ADMINISTRATION

##### 8.1.1. PURPOSE

The purpose of the Administration Programme is to identify and eliminate bottlenecks, as well as continuously improve the flow of financial, administrative and management information.

This Programme also:

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

The Sub-Programmes within this Programme is the Office of the MEC and Corporate Services that comprises the following strategic support services:

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

This Programme plays a vital function to ensure that the administrative support functions to support core delivery programmes are effectively provided.



8.1.2. OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

Table 5: Provincial Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	MTEF Targets			
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
Improved Organizational efficiency to promote an agile, capable and ethical and developmental department	Sub-Programme: Corporate Services									
	Approved Human Resource plan	1.1	Number of Human Resource Plans approved	New indicator	New Indicator	New Indicator	New Indicator	1	- <sup>9</sup>	-
	Information and Communication Technology (ICT) Governance Framework performance reports submitted	1.2	Number of ICT Governance Framework performance reports submitted	4	4	4	4	4	4	4
	Internal audit plan implemented	1.3	% implementation of the approved internal audit plan	100%	100%	100%	100%	100%	100%	100%
	Invoices paid timeously	1.4	% of invoices paid within 30 days of receipt	98%	99,6%	100%	100%	100%	100%	100%
	Audit improvement plan implemented	1.5	% implementation of the approved audit improvement plan	50%	100%	-	100%	100%	100%	100%
	Annual Performance Information management report	1.6	Number of Annual Performance Information managements reports submitted	1	1	1	1	1	1	1
	Procurement Plan implemented	1.7	% of awards of the approved Procurement Plan	New indicator	New indicator	66%	100%	80%	90%	100%
	Organizational Functionality Assessment improvements implemented	1.8	% of the Organizational Functionality Assessment Improvement Plan implemented	New indicator	New indicator	New	25%	25%	50%	75%
	Financial Disclosures submitted	1.9	% of Financial Disclosures submitted by Senior Management Services by the 30 <sup>th</sup> of April of each year	New indicator	New indicator	New indicator	New indicator	100%	100%	100%

8.1.3. OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

Table 6: Output Indicators: Quarterly and Annual Targets

No.	Output Indicators	Annual Targets	Quarterly Targets			
		2025/26	Q1	Q2	Q3	Q4
Sub-Programme: Corporate Services						
1.1	Number of Human Resource Plans approved	1	0	0	1	0
1.2	Number of ICT Governance Framework performance reports submitted	4	1	1	1	1
1.3	% implementation of the approved internal audit plan	100%	100%	0	0	0
1.4	% of invoices paid within 30 days of receipt	100%	100%	100%	100%	100%
1.5	% implementation of the approved audit improvement plan	100%	0	0	0	100%
1.6	Number of Performance Information managements report submitted	1	1	0	0	0
1.7	% of awards of the approved Procurement Plan	80%	0	40%	30%	10%
1.8	% of the Organizational Functionality Assessment Improvement Plan implemented	25%	0	0	0	25%
1.9	% of Financial Disclosures submitted by Senior Management Services by the 30 <sup>th</sup> of April of each year	100%	100%	0	0	0

8.2 EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

Programme 1 supports the MTDP Strategic Priority, namely: A capable, ethical and developmental state. The outputs reflected under Table 5 further supports the Departmental outcome: Improved Organizational efficiency to promote an agile, capable and ethical and developmental department. In this regard, the provision of skilled human resources is monitored through the implementation of the approved Human Resource Plan, which comprehensively addresses the human resource requirements of the Department to meet its mandates. The implementation of this Plan therefore ensures that all human capital management strategies as contained in the Human Resource Plan are implemented as per DPSA directives. It further contributes to the constant availability of human capital by eliminating hours lost due to staff shortages, ill health, industrial action, ill-discipline, low staff morale etc., by re-enforcing the following human resource roles: -

1. Recruitment processes with sound turnaround times;
2. Strategic employee health and wellness interventions that will improve organizational wellness;
3. Conducive employee relations with substantive labour relations measures that entail the implementation of the consequence management interventions;
4. Employment equity by implementing the affirmative action measures that will improve the demographic profile of the Department to be a true reflection of the population of the Province;
5. Human resource policies, strict compliance with the employment prescripts thereby ensuring that the Department has substantive human resource policies thereby improving organizational behaviour,
6. HR Information Systems, which entail accurate data for the purpose of allowing substantive analysis/ diagnosis.

For the 2025/26 financial year, the departmental Human Resource Plan for the period 2025- 2030 will be developed in alignment with the 2025/30 departmental Strategic Plan to support the department's endeavour to improved quality of life through liveable neighbourhoods. The Plan will also be aligned with the approved organisation structure to respond to the provision of human resources to support of the medium-term service delivery initiatives of the Department.

The indicator relating to the ICT Governance Framework performance reports measures the progress of the implementation of the ICT Governance Framework and is aligned to the MTDP outcome of rebuilding the capability of the state and create a professional public service. This indicator supports the intervention to digital transformation of public services as well as to improve efficiency and productivity of the public sector by mainstreaming red tape reduction. This framework serves as a basis for the alignment between the IT functions and deliverables with the Department’s strategic plan. During this financial year, the continued roll out of the upgrading of the remaining district offices data lines in line with the gazetted national broadband policy targets will be undertaken. In addition, the implementation of Teams VOIP to support organisation efficiency through improved departmental communications and real time collaboration will be undertaken. The continued enhancement of the implementation of the Security Awareness Tool and Moodle for digital training as well as the process automation inclusive of leave system, invoice tracking, legislation & litigation register will be undertaken to improve red tape reduction and organization efficiency. Improving IT Security also remains as a key priority and the Cyber Security monitoring system will be implemented to address impersonation, email spoofing and phishing of the departments domain. Regular threat assessments and planning for remediation’s (i.e. Computer Network Penetration Testing) will also be undertaken.

The Department will continue to improve processes, systems and controls to sustain the achievement of a clean audit outcome in line with the department’s five-year strategic outcome. In line with Operation Clean Audit, the Department will continue to strive to achieve a clean audit outcome through the implementation of its audit improvement plan. Measures on further controls, measures and systems will be implemented to mitigate the risks of recurring audit findings. Further improvement in addressing all weaknesses is a key priority for 2025/25 financial year. Strict financial control will be implemented through the introduction of improved internal controls and strictly monitored budgets to achieve efficient, effective and economical utilization of available funding.

In line with Operation Pay on Time, the Department has also implemented an electronic register to continuously manage compliance of the invoices paid to creditors within 30 days of receipt.

The improvement plan of the Organisational Functionality Self-Assessment will also be undertaken during 2025/26 financial year to improve the organisational functionality of the Department. This also support the outcome indicator relating to the implementation of the Operations Management Framework.

Improved monitoring and reporting to ensure that credible performance information is provided will also be implemented.

The indicator related to Financial Disclosures are aligned to Integrity Management as a fundamental driver in support of Ethics Management in the Department. Associated with the indicator are factors related to Other Remunerative Work, prevention of conducting business with the State and the recording and approval of Gift, Donations and Sponsorships.

Deliverables within this Programme are therefore also intended to improve governance and efficiency of the Department to achieve the intended impact of the Department.

8.2.1. PROGRAMME RESOURCE CONSIDERATIONS

Table 7: Expenditure Estimates for Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Corporate Services	271,188	279,448	271,281	264,879	291,114	291,114	283,916	296,398	309,736
Total payments and estimates	271,188	279,448	271,281	264,879	291,114	291,114	283,916	296,398	309,736

Source: EPRE

The Corporate Services sub-programme caters for services such as providing strategic leadership, co-ordination and management of strategies as well as the administration of the department. The increase over the MTEF is to cater for wage agreements and inflationary adjustments on items such as leasing of office accommodation, property payments, etc.



Table 8: Summary of Provincial Expenditure Estimates by Economic Classification

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	254,638	269,518	258,282	258,705	284,172	284,172	276,134	288,296	301,261
Compensation of employees	152,674	149,206	148,755	142,253	148,603	148,603	151,147	158,236	165,386
Salaries and wages	129,365	127,121	128,322	121,802	126,862	126,862	129,527	135,223	141,036
Social contributions	23,309	22,085	20,433	20,451	21,741	21,741	21,620	23,013	24,350
Goods and services	101,964	120,312	109,527	116,452	135,569	135,569	124,987	130,060	135,875
Administrative fees	390	405	721	220	220	220	249	262	274
Advertising	1,971	1,966	2,491	1,528	1,113	1,113	2,026	2,108	2,271
Minor assets	2,103	637	235	262	262	262	159	171	179
Audit costs: External	5,868	8,592	7,339	7,033	8,833	8,833	8,866	9,232	9,657
Bursaries: Employees	287	393	125	160	160	160	176	185	194
Catering: Departmental activities	2,893	4,689	1,359	60	60	60	60	64	67
Communication (G&S)	1,987	1,934	2,078	2,148	2,148	2,148	2,000	2,112	2,208
Computer services	21,860	27,675	20,213	27,796	36,866	36,866	30,776	32,220	34,161
Consultants: Business and advisory services	141	74	75	75	75	75	13	17	17
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services (G&S)	682	1,464	4,088	2,447	1,982	1,982	2,545	2,672	2,795
Science and technological services	-	-	-	-	-	-	-	-	-
Contractors	1,469	2,279	1,474	194	307	307	308	318	333
Agency and support/outourced services	-	71	811	-	788	788	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	5,523	7,671	9,234	8,921	8,921	8,921	9,545	10,009	10,469
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	192	424	141	204	204	204	99	110	114
Consumables: Stationery, printing and office supplies	863	1,231	1,274	1,489	1,454	1,454	1,154	1,231	1,350
Operating leases	29,146	28,738	27,518	36,101	45,211	45,211	39,004	40,097	41,445
Rental and hiring	3,613	4,324	1,057	-	-	-	-	-	-
Property payments	17,763	21,011	21,139	22,500	21,566	21,566	20,629	21,793	22,545
Transport provided: Departmental activity	386	907	371	-	-	-	-	-	-
Travel and subsistence	3,707	4,174	6,551	3,287	3,287	3,287	4,972	5,134	5,366
Training and development	603	726	492	1,375	1,460	1,460	1,579	1,651	1,730
Operating payments	517	947	761	652	652	652	827	674	700
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	2,600	3,337	2,596	715	1,983	1,983	727	763	798
Provinces and municipalities	131	159	114	190	190	190	150	159	166
Provinces	131	159	114	190	190	190	150	159	166
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	131	159	114	190	190	190	150	159	166
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2,469	3,178	2,482	525	1,793	1,793	577	604	632
Social benefits	1,400	2,551	1,660	-	1,268	1,268	-	-	-
Other transfers to households	1,069	627	822	525	525	525	577	604	632
Payments for capital assets	13,950	6,585	10,403	5,459	4,959	4,959	7,055	7,339	7,677
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	13,950	6,585	10,403	5,459	4,959	4,959	7,055	7,339	7,677
Transport equipment	3,976	769	430	747	747	761	1,500	1,533	1,604
Other machinery and equipment	9,974	5,816	9,973	4,712	4,212	4,198	5,555	5,806	6,073
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	8	-	-	-	-	-	-	-
Total economic classification	271,188	279,448	271,281	264,879	291,114	291,114	283,916	296,398	309,736

Source: EPRE

*Compensation of employees*’ has not provided for any pay increases over the MTEF but has provided for medical and housing allowances. The decrease in 2023/24 is mainly attributable to budget pressures caused by the impact of the 2021/22 MTEF budget cuts which were higher in 2023/24. The decrease from the 2023/24 Revised Estimate to 2024/25 is due to the 2024/25 MTEF fiscal consolidation budget cuts. The impact of these budget cuts will be the non-filling of vacant posts. The slight increase over the 2025/26 MTEF has provided for medical and housing allowances and annual pay progression.

*Goods and Services* over the 2021/22 to 2022/23 allocations cater for inflationary adjustments. The increase in the 2022/23 allocation was due to the exchange rate fluctuations in Microsoft office licenses and payments made to perform activities in the Community Outreach Programmes. The increasing trend over the 2025/26 MTEF is inflationary and provides for the management of office accommodation, training and development, IT related functions, etc. for the entire department.

With regard to *Transfers and subsidies*:

- Provinces and municipalities* relate to motor vehicle licenses for the department’s entire fleet; and
- The fluctuating trend against *Households* over the seven years relates to staff exit costs. The allocations over the 2021/22 relate to bursaries issued by the Department to 16 external candidates in qualifications such as Civil Engineering, Construction Management, Town and Regional Planning, Geographic and Environmental Studies, etc.

*Machinery and equipment* relate to the replacement of motor vehicle as well as the purchase of new motor vehicles for districts, as the Department has decentralized its offices. The increase in 2023/24 was to cater for the purchase of two main servers for the Pietermaritzburg and Durban offices and 60 desktops. The significant decrease in 2024/25 is due to the high base. The 2024/25 allocations provide for the purchase of departmental motor vehicles, IT equipment, etc.

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

8.3 PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

8.3.1. PURPOSE

The purpose of this programme is to develop tools to guide the department's investment decisions and to provide policy and support to the housing delivery process.

In addition, the programme provides for the facilitation and integration of housing sector planning, education and institutional capacity development of stakeholders in housing sector planning, alignment of the housing budget with the current and future housing needs, and the capacitation of housing stakeholders for housing delivery through mentorship and training.

Programme 2 consists of four sub-programmes, in line with the uniform budget and programme structure:

- Administration
- Policy
- Planning
- Research

The strategic goal of Programme 2 is to create sustainable and integrated human settlements that enable an improved quality of household life. There is a need to transform the functioning of human settlements and the workings of the space economy to observe meaningful progress in creating functionally integrated, balanced and vibrant urban settlements by 2030. This requires an institutional capability for effective coordination and spatial investment to effect spatial transformation across all geographic scales supported by policies, plans and instruments to reduce travel distances and costs, especially for poor households.

The Programme achieves the previously mentioned through the implementation of sound planning principles and policies that support and facilitate housing delivery. The advancement of human settlements spatial transformation and consolidation to achieve spatial justice, spatial efficiency, access to connectivity and adequate accommodation and a synchronization of housing typologies and instruments form the core functions of Programme 2. Strategic mandates such as the NDP, Integrated Urban Development Framework and National Spatial Development Framework provide a guide to achieve spatial transformation and consolidation of human settlements. The PSEDS, PGDP, the BNG comprehensive plan provide a strategic framework to promote investment and for the provision of sustainable and integrated human settlements as well as promote tenure security, health and safety and partnerships in the development of human settlements.

The capacitation of key human settlements stakeholders is crucial for the provision of an enabling environment for the achievement of the Department's impact and vision. This is achieved through the department's Human Settlements' Consumer Education Programme. The Human Settlements' Consumer Education Programmes:

- Seeks to educate both consumers and communities at large on the Human; Settlements' Programmes, Prescripts and Processes;
- Outlines the rights and obligations in relation to Human Settlements' Programmes; and
- Manages the expectations of individuals wishing to enter the property market.

Over the past few years, climate change has impacted human settlements negatively within the Province, resulting in disasters. It is therefore imperative that the Human Settlements' Consumer Education Programmes continues to intensify awareness on climate change and disaster management issues.

By collaborating with municipalities in the planning of existing towns and cities and revitalized spaces, Programme 2 creates habitable and vibrant environments to redress spatial inequality and injustices of the apartheid spatial patterns. This Programme seeks ultimately to create a balance between spatial equity, economic viability and environmental sustainability in the creation of human settlements. The Programme further strives towards the establishment of viable, socially and economically integrated communities that are situated in areas that allow for convenient access to economic opportunities as well as supporting social, healthcare and educational amenities.

8.3.2. OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

STANDARDIZED SECTOR OUTPUTS, OUTPUT INDICATORS AND TARGETS <sup>10</sup>

Table 9: Outcomes, Standardized Sector Outputs, Output Indicators and Targets

Outcome	Outputs		Output Indicators	Audited/Actual Performance			Estimated Performance	MTEF Targets		
				2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Increased access to adequate housing through various programmes	Sub-Programme:2.3 Planning									
	Informal Settlements completed in Phase 1	2.1	Number of Informal Settlements completed in Phase 1 <sup>11</sup>	32	69	17	15	5	3	2
	Informal Settlements completed in Phase 2	2.2	Number of Informal Settlements completed in Phase 2	New Indicator	New Indicator	New Indicator	New Indicator	5	4	4

<sup>10</sup> Where applicable, 2024/25 standardised sectors indicators are reflected under Provincial Indicators.  
<sup>11</sup> Previously measured as a provincial indicator: Number of UISP projects in Phase 1 (Pre-feasibility)



PROVINCIAL OUTPUTS, OUTPUT INDICATORS AND TARGETS

Table 10: Outcomes, Provincial Outputs, Outputs Indicators and Targets

Outcome	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	MTEF Targets			
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
Transformed Human settlements in rural and urban environments	Sub-Programme:2.3 Planning									
	Multi-Year Human Settlements Development Plan	2.3	Number of Multi-Year Human Settlements Development Plans approved	1	1	1	1	1	- <sup>12</sup>	-
	Technical support provided to municipalities	2.4	Number of municipalities provided with technical support	50	58	43	43	43	43	43
	Human settlements development projects approved for planning	2.5	Number of human settlements development projects approved for planning (Stage 1)	42	34	30	20	5	4	4
	Catalytic Projects in planning phase	2.6	Number of catalytic projects in planning phase	7	5	5	3	3	3	3
	Hectares of land procured/ proclaimed	2.7	Number of hectares of land procured/ proclaimed	160	417	884	150	50	50	50
	UISP projects in Phase 2 (Planning)	2.8	Number of UISP projects in Phase 2 (Planning)	74	56	78	83	86	75	69
	Investment of the total Human Settlements in PSHDAs	2.9	Percentage of investment of the total Human Settlements allocation in PSHDAs	New Indicator	21%	13%	10%	10%	2%	2%
	PHSHDA development plans	2.10	Number of PHSHDA development plans developed	New indicator	9	1	6	2	3	2
	Sub-Programme: 2.1 Administration									
	Human settlements consumer education provided	2.11	Number of individuals provided with human settlements consumer education	11,926	13,678	10,209	5,000	5,000	6,000	6,000
	Sub-Programme: 2.4 Research									
	Research reports developed	2.12	Number of reports developed in terms of approved research studies	1	2	2	2	2	2	2

8.3.3. OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

Table 11: Output Indicators: Annual and Quarterly Targets

No.	Output Indicators	Annual Targets	Annual Targets			
		2025/26	Q1	Q2	Q3	Q4
Sub-Programme:2.3 Planning						
2.1	Number of Informal Settlements completed in Phase 1	5	0	2	2	1
2.2	Number of Informal Settlements completed in Phase 2	5	0	0	0	5
2.3	Number of Multi-Year Human Settlements Development Plans approved	1	0	0	0	1
2.4	Number of municipalities provided with technical support	43	0	0	0	43
2.5	Number of human settlements development projects approved for planning (Stage 1)	5	0	2	2	1
2.6	Number of catalytic projects in planning phase	3	0	0	0	3
2.7	Number of hectares of land procured/proclaimed	50	0	0	0	50
2.8	Number of UISP projects in Phase 2 (Planning)	86	0	0	0	86
2.9	Percentage of investment of the total Human Settlements allocation in PSHDAs	10%	0	0	0	10%
2.10	Number of PHSHDA development plans developed	2	0	0	0	2
Sub-Programme: 2.1 Administration						
2.11	Number of individuals provided with human settlements consumer education	5,000	1,500	1,500	1,000	1,000
Sub-Programme: 2.4 Research						
2.12	Number of reports developed in terms of approved research studies	2	0	0	0	2

<sup>12</sup> Approved Multi-Year Housing Development plan will be reviewed annually

#### 8.3.4. EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

This Programme plays a fundamental role towards the achievement of the MTDP Strategic Priority: Reduce poverty and tackle the high cost of living as well as with the PGDS, 2021 relating to human settlements and sustainable livelihood and the Premier's key focus area: Delivering Better Human Settlements and Infrastructure. Outputs under table 10 also contribute to the departmental outcome: Transformed Human settlements in rural and urban environments.

The Department will continue to undertake its human settlements education initiatives more especially with issues relating to climate change and disaster management issues which has over the past years had a significant impact on the built environment.

Policy development and research initiatives is a key enabler to sustainable human settlements. During the 2025/26 financial year, the Department will undertake research into Housing Financing Models. The aim is to consider innovative financing models and partnerships that can make housing more affordable for low and middle-income families by exploring public-private partnerships, community land trusts, and micro-financing options. In addition, investigate financing models that support sustainable housing initiatives. A second research exercise will be conducted whereby a Comparative Analysis of Subsidized Housing Programmes will be undertaken. This analysis will look into the differences in implementation and outcomes between various subsidized housing programmes such as the FLISP/ FHF and the low income BNG units, etc. in different municipalities of KwaZulu-Natal. This aims to reveal the achievements and shortcomings of the various housing programmes.

The Department had previously developed a five-year MYHSDP that was renewed annually to support the achievement of the objectives of the KZN HSMSP and NDP (2030). The MYHSDP serves a road map to the provincial long-term vision and planning of key developmental needs relating to amongst others the development and investment within key priority areas in order to deliver integrated and sustainable human settlements particularly through the upgrading of informal settlements to significantly improve the quality of life of the households. As such, during the 2025/26 financial year, the Department will develop a MYHSDP that will be aligned to the national strategic priorities of the 2024-2029 MTDP and support the outcomes of the 2025/2030 Strategic Plan.

The Department will continue to accelerate the development of UISP and IRDP projects. The Department has prioritized development of high-density housing typologies in order to realize higher project yields and quicken the tempo in terms of human settlement provision. This approach will fast-track key spatial transformation in the development of projects within the Province while minimizing urban sprawl thus promoting in situ upgrading and the maximum utilization of land which continues to be a scarce resource.

The Department is currently implementing a growing number of UISP Projects provincially, with the highest number located within the eThekweni metropolitan municipality. This can be attributed to the growing in-migration/urbanization trends that exist within the Metropolitan as well as secondary cities.

A focused approach within hot spots and /or areas which require urgent attention is essential, for sustainable human settlement provision, hence the Department has adopted a precinct planning approach within the eThekweni metropolitan municipality (Umlazi, Cato Manor, Kwamashu and Shallcross) to address key human settlement challenges that prevail within the identified metropolitan hot spots.

During the 2025/26 financial year the gazetted PHSHDAs will continue to inform the key focus areas for efficient development. The PHDA's seek to achieve spatial transformation and consolidation given the high urbanization and urban challenges such as high population growth and the influx of informal settlements in urban areas, lack of optimal and developable land, lengthy and expensive land acquisition processes and lack of funding for bulk services. Prioritizing areas inclusive of informal settlements therefore seeks to bring about spatial justice, spatial efficiency, access to connectivity, economic and social infrastructure whilst also providing adequate accommodation and a mix in different housing typologies. Continued investment in catalytic projects and PHSHDA will therefore positively contribute to achieve sustainable livelihoods.

The Department, through the UISP aims to formalize settlements characterized by squalor, poverty and unregularized settlement patterns. The UISP Business plan for 2025/26 will see a total of 5 projects in Phase 1 (Prefeasibility), a total of 86 projects at Phase 2 (Planning) and a total of 5 planned projects to be completed for upgrading to Phase 3 of the UISP across 9 (nine) districts.

The above targets clearly indicate that the Department is currently implementing a growing number of UISP Projects within the Province, with the highest number located within eThekweni Metropolitan area. This can be attributed to the growing in-migration/urbanization trends that exist within the Metropolitan as well as secondary cities.

Over the MTEF the Department has assisted municipalities in the provision of bulk infrastructure to unlock blocked projects through the HSDG and ISUPG. This intervention has been instrumental to fast-track human settlement provision particularly for the marginalized.

Outputs to this Programme support the principles of holistic human settlements development planning to integrate communities and promote spatial transformation and sustainable livelihoods.



8.3.5. PROGRAMME RESOURCE CONSIDERATIONS

Table 12: Expenditure Estimates for Housing Needs, Research and Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Administration	527	489	548	548	548	548	566	595	625
2. Policy	3,444	3,730	4,073	4,051	4,164	4,164	4,331	4,553	4,770
3. Planning	4,103	4,785	5,183	5,079	5,079	5,079	6,763	7,392	7,710
4. Research	9,564	11,114	11,205	9,701	9,588	9,588	9,523	10,260	10,721
Total payments and estimates	17,638	20,118	21,009	19,379	19,379	19,379	21,183	22,800	23,826

Source: EPRE

The budget for the sub-programme: Administration over the 2024/25 MTEF provides for administration of services, managing personnel, financial administration and the co-ordination and monitoring of housing needs, research and planning and shows a fluctuating trend.

The sub-programme: Policy provides for creating platforms for various stakeholders for discussing, debating, drafting and informing human settlements policies, programmes, innovation and technology, and mainly consists of compensation of employees and operational costs of the staff within the component.

The sub-programme: Planning provides for the facilitation and integration of housing sector planning in all sectors such as local and district municipalities, as well as other stakeholder departments to align the department’s budget with current and future housing needs.

The sub-programme further provides technical and professional support to municipalities in the review of their housing sector plans, integrated development plans (IDPs) and spatial development plans, to ensure alignment to the NDP and PGDS. Furthermore, the sub-programme is responsible for maintaining a project pipeline of potential projects identified through an engagement process with municipalities, and for conducting feasibility studies to determine suitability. At project level, the sub-programme identifies and manages the planning activities and studies of all human settlements projects such as environmental, geotechnical, bulk infrastructure, social aspects, land legal and town planning.

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

The budget grows steadily over the 2024/25 to cater for the implementation of capacity building programmes such as the training of traditional leaders and housing consumers, as well as beneficiary training for communities (i.e., training communities on their rights in housing, such as what type of housing they qualify for).

Table 13: Summary of Provincial Expenditure Estimates by Economic Classification

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	16,888	19,988	20,809	19,379	19,280	19,280	21,183	22,800	23,826
Compensation of employees	15,312	17,877	18,216	16,512	16,771	16,771	17,846	18,611	19,493
Salaries and wages	13,089	14,567	15,361	14,238	14,497	14,497	15,322	15,939	16,665
Social contributions	2,223	3,310	2,855	2,274	2,274	2,274	2,524	2,672	2,828
Goods and services	1,576	2,111	2,593	2,867	2,509	2,509	3,337	4,189	4,333
Administrative fees	94	59	126	133	130	130	66	83	87
Advertising	21	8	-	-	-	-	-	-	-
Minor assets	39	5	16	5	-	-	45	56	58
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	331	982	912	872	872	102	103	133
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	279	350	363
Consultants: Business and advisory services	249	398	152	-	-	-	-	-	-
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services (G&S)	-	-	-	-	-	-	-	-	-
Science and technological services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support/outsource services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	89	23	2	-	-	-	-	-	-
Consumables: Stationery, printing and office supplies	2	63	27	51	43	43	34	45	46
Operating leases	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	1,082	1,218	1,281	1,270	976	976	1,970	2,496	2,554
Training and development	-	-	-	481	481	481	833	1,046	1,082
Operating payments	-	6	7	15	7	7	8	10	10
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (Incl. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	678	130	182	-	99	99	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	678	130	182	-	99	99	-	-	-
Social benefits	678	130	182	-	99	99	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	45	-	18	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	45	-	18	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	45	-	18	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	27	-	-	-	-	-	-	-	-
Total economic classification	17,638	20,118	21,009	19,379	19,379	19,379	21,183	22,800	23,826

Source: EPRE

With regard to *Compensation of employees*, shows a minor increase from 2021/22 to 2022/23 in respect of the annual pay progression. The decrease from the 2023/24 Revised Estimate to 2024/25 is due to the 2024/25 MTEF fiscal consolidation budget cuts. The impact of these budget cuts will be the non-filling of vacant posts. The slight increase over the 2025/26 MTEF has provided for medical and housing allowances and annual pay progression.

With regard to *Goods and services*, shows an increasing trend over the 2024/25 MTEF to cater for inflationary adjustments. The category continues to make provision for capacity building programmes relating to housing consumer and Councillor training over the 2025/26 MTEF.

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

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

**8.4 PROGRAMME 3: HOUSING DEVELOPMENT**

**8.4.1. PURPOSE**

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

Programme 3 is the core function of the Department and serves to promote effective and efficient human settlements delivery through various housing subsidy instruments. Its focus is to achieve targets, which contribute to the national priority targets. This Programme also plays a fundamental role towards the realization of the department’s mission and vision.

The housing programmes implemented by this Programme include: amongst others FHF (FLISP), EPHP, UISP, IRDP, Emergency Housing and OSS, as well as Social/Rental Housing, CRU’s, Rectification/Rehabilitation (Post-1994), Military Veterans Housing Programme, social and economic amenities, Consolidation and Rural Housing Programmes. Programme 3 carries the core functions of the Department hence it utilizes the bulk of the HSDG in achieving the set targets.

Programme 3 consists of five sub-programmes, in line with the uniform budget and programme structure as reflected hereunder:

- Administration;
- Financial Interventions;
- Incremental Interventions;
- Social and Rental Interventions; and
- Rural Interventions

**Informal Settlements Upgrade Programme**

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

**First Home Finance (Finance Linked Individual Subsidy) Programme**

FLISP is also a key focus area for the achievement of urban development. To increase the supply of middle-income market housing to meet the high demand, the Department will be engaging with private sector developers and other stakeholders inclusive of financial institutions and large employers.

Furthermore, greater emphasis will be given to IRDP projects, which will make available serviced sites for gap market housing. The promotion of the urban development agenda therefore remains a primary area of intervention for the department.

**Social Housing Programme**

Social housing is a rental housing programme for households earning between R1,850 to R22,000 per month adopted as a spatial and economic transformation tool to achieve provincial and national priorities.

Social Housing Regulatory Authority (SHRA) which is an entity of the National Department of Human Settlements is nationally appointed to administer the disbursement of all funds relating to the Social Housing Programme. Whilst the Department monitors the implementation of the Programme, reporting of performance will be undertaken by SHRA at a national level.

In terms of the Social Housing Act, the Department has the responsibility to create an enabling environment and to promote the implementation of the social housing programme within the Province. This therefore necessitates the Department to undertake initiatives to provide access to adequate and affordable rental housing opportunities through the social housing programme. Accelerating the delivery of this Programme is anticipated to curb the urban sprawl resulting from the increasing demand for adequate and affordable rental housing opportunities in close proximity to economic and transport nodes.

Social Housing projects are being planned across five municipalities that have gazetted restructuring zones, namely eThekweni Metropolitan, Msunduzi, KwaDukuza, uMhlathuze and Newcastle. To date 3 projects have been approved for implementation by SHRA, namely; Hospital Street, Bridge City Towers and Aquadene Projects.

### **Community Residential Units Programme**

This programme aims to create a sustainable, affordable and secure rental housing option for households earning between R800 and R3,500 per month. Projects are both developed and managed on provincial or municipal owned land parcels to curb the costs associated with the construction of CRUs. The implementation of projects is guided by the Provincial CRU Norms and Standards to ensure that the Department develops viable and sustainable projects within reasonable costs.

The Department acknowledges the challenge of poor maintenance and dilapidated buildings and therefore intends to improve the quality of life, human dignity and harmony of the people living in these hostels through rehabilitating and refurbishing the existing structures as funding and other resources become available. This will also include the construction of new CRU units to address overcrowding.

In addition, during the 2025/26 financial year, the Department will continue to undertake technical assessments on old hostels to identify, quantify and cost the replacement of asbestos roofing and emergency maintenance work. As part of the hostel maintenance programme, 2 projects are currently being implemented to address asbestos roofing removal. A further 2 projects are anticipated to be addressed during the 2025/26 MTEF period.

### **Security of Tenure**

The reduction of the title deeds backlog remains a key priority programme for the Department. In addressing the title deeds backlog, built environment service providers including social facilitators, conveyancers, and land surveyors are appointed to attend to the opening of township registers, pegging of sites, beneficiary administration and conveyancing matters. The continued implementation of strategies to reduce the title deeds backlog will therefore be prioritised over the MTEF.

### **Emergency Housing Programme**

The Emergency housing programme is one of the instruments which the Department is coordinating the intervention responding to emergency situations through National Department of Human Settlements such as:

- Declared and non-declared disaster incidents;
- Interventions emanating from destitute families who are identified through OSS interventions; and
- Victims of gender-based violence in desperate need of shelter as identified by the Department of Social Development.

To optimize options for immediate solutions and considering the changes implemented by National, the Department is responsible for co-ordination of responses working with COGTA Provincial Disaster Management Centres and municipalities in assisting families affected by the disasters throughout the Province; and packaging of applications thereof for the disaster interventions to National. The Department will further strengthen awareness on disaster management through its housing consumer education initiatives.

The Department has commenced with the process of providing permanent housing interventions to all families that were provided with temporary units since 2017. Some families are included within existing housing projects being implemented in their areas and this will be incorporated within the planning process of the Department in each financial year.

Further to the above, the Department will also utilize all local structures including traditional leadership, war rooms, project steering committees, ward committees, church leaders and youth structures to address OSS interventions in partnership with other stakeholders.

### **Rural Housing Programme**

The Province is predominately rural hence it can be categorized as a Province with a large rural number of rural settlements. In general, only eThekweni Metro and Msunduzi along with a few of the larger towns make up urban areas and as such provision is made for housing assistance in terms of the Rural Housing Programme.

In addition to the provision of 6,209 housing units that has been targeted for the 2025/26 financial year, the Department undertakes to prioritise structures that are not compliant to the norms and standards inclusive of mud houses under the OSS intervention. The rural spaces face much poverty that has led to many vulnerable groups inhabiting unsafe mud structures. The Department is therefore focusing on ensuring that those who live in these structures are provided with decent shelter as they are likely to suffer more in the event of heavy rains and floods.

### **Military Veterans Housing Programme**

The MVHP is one of the national priorities aimed at providing housing assistance to the military veterans from various formations in the country. Since the implementation of the Programme in 2015, a very limited number of beneficiaries were provided with housing assistance. Currently the backlog under this programme is in excess of 500 military veterans requiring housing assistance.

A total of 403 beneficiaries have been approved for the provision of a housing unit under this Programme. Of the approved beneficiaries, 74% reside within the eThekweni area. During 2025/26 financial year, a total of 50 housing units are projected to be delivered within various districts of the Province.

The Department has revived the programme by increasing the number of service providers appointed to implement the programme. These service providers have appointed on the basis of geographic location of military veterans and consideration of using the service providers with existing project nearer the military veterans was also made.

Consideration has been made to fast-track implementation of the programme within the Msunduzi municipality and eThekweni Metropolitan area as the bulk of the veterans reside within these Municipalities. The Department will also build on rural homesteads for beneficiaries that have rural site under traditional authorities which will assist to reduce the demand on urban areas.

The Department of Military Veterans has verified a further 235 military veterans that would require housing assistance subject to the departmental approval processes. However, there still remains a challenge of suitable land unavailability.

### **Consolidation Subsidy Programme**

The main objective of the Programme is to create an equitable housing dispensation for beneficiaries of government financed housing assistance programmes. This programme provides access to government's housing subsidy programme for the building of top structures on serviced stands, transferred to beneficiaries in ownership.

The Department's intent is to assist all the beneficiaries of the programme in the most efficient way and through an accelerated process. Projects implemented within this programme are under uMgungundlovu District and it must be noted that there is minimal that is currently being done within this programme.



The Expanded Public Works Programme (EPWP)

The EPWP is a government strategic intervention programme aimed at alleviating poverty, reducing unemployment, and providing livelihood for the most disadvantage society. The programme implementation focuses on the **unemployed, under-skilled and under-qualified persons** and aims to address unemployment and increase economic growth, to improve skills levels through education and training to improve the environment for industry to flourish.

The EPWP is in its fifth (5th) phase of implementation and aims to improve EPWP awareness, implementation, performance and understanding by all relevant Public Bodies, State Owned Entities (SOEs) and civil society, improve effective implementation and reporting by public bodies and to expand on approaches for job creation and alignment to EPWP demographics. Youth unemployment is a major national challenge that requires urgent and coordinated responses to address it.

In terms of the Youth Employment Accord, the EPWP as well as the Community Works Programme are targeted as government employment programmes which should aim to absorb significant numbers of new woman entrants into projects. Towards this end, the EPWP amended targeted percentage representation for women has increased to 60%.

In the quest to effect social and economic transformation and address the pressing conditions of the large sector of the South African population the Rural Development Programme identifies young men and women as the country’s most important resource that need to be equipped and developed to play a meaningful role in the reconstruction and development of the country. This has led to the Department to adopt the National Youth Service concept that is transformative in nature and is broadly defined as the “involvement of young people in activities which provide benefits to the community whilst developing the abilities of young people through service and learning”.

The Department currently has the following programmes under the EPWP banner throughout the Province:

EPWP Intervention	Programme Description
Employment Creation	The Department ensures that all departmental programmes that have an element of creating work opportunities are reported on the EPWP reporting system.
EPWP Skills Development	<div>The programme targets unemployed youth who then receive accredited training on various housing trades such as bricklaying, plastering, carpentry and roofing for a period of 6 months.</div> <div>The Department is focussing on the following qualifications:</div> <div><div>- National Certificate in Building and Civil Construction (NQF Level 3)</div><div>- National Certificate in Community House Building (NQF Level 2)</div></div>

The intended impact of this Programmes is that beneficiaries acquire work-based skills and workplace experience to enhance their employability, earn an increased income and improve their household security that they benefit from improved service delivery and infrastructure within in their communities.

The departmental EPWP strategy ensures a coherent and integrated approach towards the implementation of the Programmes to maximise its impact on job creation initiatives.

8.4.2. OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

STANDARDIZED SECTOR OUTPUTS, OUTPUT INDICATORS AND TARGETS

Table 14: Outcomes, Standardized Sector Outputs, Output Indicators and Targets

Outcome	Outputs		Output Indicators	Audited/Actual Performance			Estimated Performance	Medium Term Target		
				2021/22	2022/23	2023/24		2024/25	2025/26	2026/27
Increased access to adequate housing through various programmes	Sub-Programme:3.2 Financial Interventions									
	Subsidies disbursed	3.1	Number of subsidies disbursed through FHF	502	487	319	400	300	350	350
	Sub-Programme:3.3 Incremental Interventions									
	Housing units	3.2	Number of housing units completed <sup>13</sup>	11,257	9,265	9,363	6,946	8,506	7,402	7,402
	Serviced Sites	3.3	Number of serviced sites completed	5,748	0	2,863	1,405	2,142	1,314	1,333
	Informal Settlements upgraded in Phase 3	3.4	Number of Informal Settlements upgraded in Phase 3 <sup>14</sup>	New Indicator	New Indicator	New Indicator	New Indicator	15	15	15
	Title deeds registered	3.5	Number of title deeds registered <sup>15</sup>	4,017	2,402	1,724	2,885	2,481	1,369	3,920

13 Previously referred to as Number of Breaking New Ground (BNG) houses delivered.  
14 This target set for this indicator is recurring over the MTEF period as is it is undertaken over a multi- year period  
15 The previous categorisation of the title deeds indicators have now been consolidated under one indicator

PROVINCIAL OUTPUTS, OUTPUT INDICATORS AND TARGETS

Table 15: Outcomes, Provincial Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Audited/Actual Performance			Estimated Performance	Medium Term Target			
			2021/22	2022/23	2023/24		2024/25	2025/26	2026/27	2027/28
Increased access to adequate housing through various programmes	Sub-Programme:3.2 Financial Interventions									
	Post 1994 houses rectified	3.6	Number of post 1994 houses rectified	New indicator	New indicator	New indicator	New Indicator	411	445	445
	Sub-Programme:3.3 Incremental Interventions									
	MVHP houses completed	3.7	Number of MVHP houses completed	4	16	19	100	50 <sup>16</sup>	100	100
	Informal Settlements upgraded to phase 3	3.8	Number of informal settlements upgraded to phase 3	2	0	-	2	0	2	2
	Sub-Programme:3.4 Social and Rental Interventions									
	Community Residential Units constructed	3.9	Number of Community Residential Units (CRU) constructed	274	438	-	270	303	320	310
	Social housing projects endorsed	3.10	Number of social housing projects endorsed for SHRA approval	New indicator	New indicator	New indicator	New indicator	2	2	2
Strengthened economic transformation of the human settlements sector <sup>17</sup>	Sub-Programme: 3.2 Financial Interventions									
	Companies of designated groups trained	3.11	Number of designated group companies trained	50	120	144	170	120	100	90
	Designated group individuals trained	3.12	Number of designated group individuals trained	New Indicator	New Indicator	New Indicator	New Indicator	1,000	-	-
	Work opportunities created	3.13	Number of work opportunities created through EPWP aligned projects	5,869	5,952	8,243	5,900	4,200	4,400	4,600
	Full Time Equivalents achieved	3.14	Number of Full Time Equivalent (FTE's) achieved through EPWP aligned projects	1,778	1,540	2,252	1,700	900	1,000	1,100
	Person days of work created	3.15	Number of person's days of work created through EPWP aligned projects	408,932	354,092	517,940	391,000	207,000	230,000	253,000
	Accredited training provided to EPWP beneficiaries	3.16	Number of EPWP beneficiaries provided with accredited training	250	255	288	260	120	140	160

<sup>16</sup> Units are to be constructed with the R100 million already transferred to Ithala Development Financial Corporation Limited as the Accounts Administrator for disbursement to the military veteran's Implementing Agent. For the 2025/26 financial year, 50 units will be constructed by the military veteran's Implementing Agent

<sup>17</sup> Disaggregation to designated groups where applicable are reflected in the respective TID's under Part D

8.4.3. OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

Table 16: Output Indicators: Quarterly and Annual Targets

No.	Output Indicators	Annual Targets	Quarterly Targets			
		2025/26	Q1	Q2	Q3	Q4
Sub-Programme: 3.2 Financial Interventions						
3.1	Number of subsidies disbursed through FHF	300	75	75	75	75
Sub-Programme 3.3 Incremental Interventions						
3.2	Number of housing units completed	8,506	2,704	2,534	1,968	1,300
3.3	Number of serviced sites completed	2,142	611	541	351	639
3.4	Number of Informal Settlements upgraded in Phase 3	15	0	0	0	15
3.5	Number of title deeds registered	2,481	473	769	561	678
Sub-Programme: 3.2 Financial Interventions						
3.6	Number of post 1994 houses rectified	411	215	135	34	27
Sub-Programme 3.3 Incremental Interventions						
3.7	Number of MVHP houses completed	50	10	10	10	20
Sub-Programme:3.4 Social and Rental Interventions						
3.9	Number of Community Residential Units (CRU) constructed	303	0	0	0	303
3.10	Number of social housing projects endorsed for SHRA approval	2	0	0	0	2
Sub-Programme:3.5 Rural Interventions						
Sub-Programme:3.2 Financial Interventions						
3.11	Number of designated group companies trained	120	0	0	50	70
3.12	Number of designated group individuals trained	1,000	0	0	500	500
3.13	Number of work opportunities created through EPWP aligned projects	4,200	1,770	1,050	810	570
3.14	Number of Full Time Equivalent (FTE's) achieved through EPWP aligned projects	900	375	235	175	115
3.15	Number of person's days of work created through EPWP aligned projects	207,000	86,250	54,050	40,250	26,450
3.16	Number of EPWP beneficiaries provided with accredited training	120	40	60	20	0

8.4.4. EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

The core function of this Programme is to promote the achievement of the MTDP Strategic Priority: Reduce poverty and tackle the high cost of living as well as with the PGDS, 2021 relating to human settlements and sustainable livelihood and the Premier’s key focus area: Delivering Better Human Settlements and Infrastructure. It is also linked to the MTDP Strategic Priority relating to inclusive growth and job creation. Effective implementation of the programme directly contributes to the achievement of the Department’s desired impact of improved quality of life through transformed human settlements. The outputs as reflected under Table 15 are also linked to the departmental outcome: Increased access to adequate housing through various programmes and Strengthened economic transformation of the human settlements sector.

During the 2025/26 MTEF period, the Department is planning to complete a total of 933 new CRU units within the Newcastle, uMvoti, Greater Kokstad, uBuhlebezwe Municipalities and the eThekweni metropolitan municipality. In addition, 2 projects are projected for endorsement for SHRA approval.

The Department will during the 2025/26 financial year continue with implement human settlements projects that contribute to increased access to adequate housing through various programmes. This is inclusive of implementing projects to support urban human settlements programmes such as the UISP, IRDP, CRU as well as FLISP/FHF.

The standardised sector indicator: Number of housing units completed comprises the following housing programmes that will be implemented during the MTEF period:

Programme	Medium Term Target		
	2025/26	2026/27	2028/29
IRDP( excluding OSS)	1,715	1,464	1,464
Rural (excluding OSS)	6,209	4,415	4,415
Consolidation	114	140	140
MVHP	50	100	100
OSS – For vulnerable groups	1,418		
<b>Total</b>	<b>8,506</b>	<b>7,402</b>	<b>7,402</b>

The 2024/25 housing units delivered indicators for IRDP, rural and consolidation have therefore been consolidated for measuring performance under this indicator. The Department will however continue to report on the housing units for the MVHP as a separate provincial indicator as this is a provincial priority area of intervention.

Likewise, the standardised sector indicator: Number of serviced sites completed comprises the completion of serviced sites under the IRDP and UISP as reflected hereunder:

Programme	Medium Term Target		
	2025/26	2026/27	2028/29
IRDP	416	442	442
ISUP	1,726	872	891
<b>Total</b>	<b>2,142</b>	<b>1,314</b>	<b>1,333</b>

The 2024/25 individual indicators for serviced sites delivered per housing programme have therefore been consolidated under this standardised sector indicator.

The Department will continue to monitor the indicators per programme within the Departmental Operational Plan.

Security of tenure remains a key priority programme for the Department. The categorisation of the title deeds indicators for 2024/25 financial year have also been consolidated under the standardised sector indicator: Number of title deeds registered. The Department will continue to monitor the categorisation of the title deeds within the Departmental Operational Plan.

In support of the Outcome: Strengthened economic transformation of the human settlements sector, the Department is focusing on critical areas such capacity development of both individuals and emerging companies through provision of accredited skills training as well as opening of planning, construction and maintenance business opportunities for emerging businesses. For the 2025/26 financial year, 1,000 learners, in collaboration with the NSF will be trained on community house building, construction health and safety, construction contracting and supervision of construction processes. The continuation with the implementation of the Siyakha Incubation Programme to ensure the growth of emerging companies of the different categories of designated groups through the provision of business training and allocation of work/business opportunities will also be undertaken.

The implementation the fifth (5<sup>th</sup>) phase of EPWP will also be undertaken. In addition to the creation of work opportunities, the programme targets unemployed youth who to receive accredited training on various housing trades such as bricklaying, plastering, carpentry and roofing for a period of 6 months. The Department is currently focussing on the following qualifications:

- National Certificate in Building and Civil Construction (NQF Level 3)
- National Certificate in Community House Building (NQF Level 2)

It is intended that beneficiaries of this Programme acquire work-based skills and workplace experience to enhance their employability, earn an increased income and improve their household security that they benefit from improved service delivery and infrastructure within in their communities. The programme will ultimately offer the youth an opportunity to contribute to the economic development of the Province. This Programme is further intended to ensure that the training will reduce the shortage of the scarce skill in the construction industry, as the trainees will contribute to the pool of the skilled labour. In addition, the Department will be incorporating additional skills training such as new venture creation which will assist youth to become self-sustainable in the construction industry.



8.4.5. PROGRAMME RESOURCE CONSIDERATIONS

Table 17: Expenditure Estimates for Housing Development

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Administration	95,572	93,380	101,347	102,556	99,756	99,756	101,473	104,879	109,599
2. Financial Interventions	427,063	620,891	370,781	461,694	453,596	464,453	445,546	418,130	416,056
3. Incremental Interventions	1,291,624	1,399,663	1,665,716	1,020,393	1,283,769	1,272,912	978,664	776,789	810,320
4. Social and Rental Interventions	198,170	236,482	211,497	187,042	156,527	156,527	186,979	228,700	262,279
5. Rural Intervention	1,245,249	1,229,948	1,301,380	1,316,896	1,364,527	1,364,527	1,341,746	1,263,717	1,340,985
Total payments and estimates	3,257,678	3,580,364	3,650,721	3,088,581	3,358,175	3,358,175	3,054,408	2,792,215	2,939,239

Source: EPRE

The sub-programme: Administration provides for administration of human settlement development projects, managing of personnel and financial administration. The sub-programme reflects a steady increase over the 2021/22, due to inflationary increases. The outer years show an increase due to the fact that savings identified against Programme 4 in 2023/24 from vacant funded posts which will no longer be filled, are allocated to this programme following a decision to fill the critical posts of Construction Project Managers on a permanent basis, as most of these posts are filled on contract utilising the OPSCAP allocation.

The Financial Interventions sub-programme provides for financial support to procure services relating to housing delivery. The subsidy instruments implemented include among others, procurement of land for housing development, the operational costs for accredited municipalities, NHBRC enrolment fees, operational capital budget, implementation of the anti-land invasion strategy, etc.

The Incremental Interventions sub-programme contributes towards achievement of Outcome 8 targets and ensuring sustainable human settlements. The programmes implemented include USP, IRDP, emergency housing assistance, etc.

The decrease from Main to Adjusted Appropriation and Revised Estimates is mainly due some projects experiencing challenges with installation of bulk water supply, experiencing delays since the application for the environmental impact assessment was submitted late as a result of the nationwide lockdown, etc. The increase from the 2021/22 relates to the Informal Settlement Upgrade Partnership Grant which has been introduced in this financial year. In 2022/23 and 2023/24 funds were allocated for disaster relief interventions in response to floods that occurred in 2019.

The sub-programme: Social and Rental Interventions provides for the CRU programme, which aims to create a sustainable, affordable and secure rental housing option for households. The decrease from Adjusted Appropriation to Revised Estimate is mainly from Ubuhlebezwe CRU and Kokstad CRU. Delays were experienced during the casting of concrete due to non-approval of the project home enrolment by NHBRC.

Most of requisite information required to meet compliance with NHBRC were submitted to NHBRC before the nationwide lockdown and all outstanding information requested by NHBRC were submitted in July 2020. N11 CRU was affected by the nationwide lockdown, as the contractor had to re-establish the site aligning to COVID-19 pandemic regulations and resume work in mid-July.

The contractor had to re-excavate and clean up all trenches before proceeding and this has created further delays in the project timelines. Over the 2021/22, the programme provides for projects such as hostel upgrades, including Kokstad CRU, Rocky Park hostel upgrades in iLembe, Jika Joe in Msunduzi, Newcastle N11 in Amajuba, eThekwini hostels, etc.

The sub-programme: Rural Intervention provides for housing needs that are implemented utilising the rural housing subsidy. The increase from 2020/21 to the 2021/22 is due to the department aiming at finalising some of the rural projects such as KwaXolo, KwaJobe, Oshabeni, etc. which are currently on the ground to focus mainly on the Outcome 8 targets under the other programmes. The reduction from 2023/24 to 2024/25 is due to the focus of the Department being on eradicating informal settlements and implementing urban projects.

Table 18: Summary of provincial Expenditure estimates by Economic Classification Economic Classification

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
Current payments	238 020	266 778	308 965	262 132	262 132	261 673	258 514	248 704	253 659
Compensation of employees	183 428	184 748	193 032	196 194	196 194	195 735	199 165	199 079	204 083
Salaries and wages	166 831	171 019	178 189	179 554	179 554	179 095	178 525	179 627	183 709
Social contributions	16 597	13 729	14 843	16 640	16 640	16 640	20 640	19 452	20 374
Goods and services	54 592	82 030	115 933	65 938	65 938	65 938	59 349	49 625	49 576
Administrative fees	525	767	2 282	843	843	843	733	766	757
Advertising	1 105	1 889	9 275	1 293	1 293	1 297	1 263	277	277
Minor assets	785	151	481	372	372	368	368	304	255
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	213	339	7 059	2 641	2 641	2 641	2 108	1 109	1 109
Communication (G&S)	-	7	-	11	11	11	6	7	7
Computer services	-	-	543	-	-	-	-	-	-
Consultants and professional services: Business and advisory services	2 025	7 662	22 721	8 704	8 704	8 704	8 704	3 704	3 704
Infrastructure and planning	30 673	28 525	12 318	31 188	31 188	31 188	30 488	30 488	30 488
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services	1 695	35	266	244	244	244	244	244	244
Scientific and technological services	-	-	-	-	-	-	-	-	-
Contractors	1 496	2 345	7 128	2 893	2 893	2 893	1 500	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	380	535	721	502	502	502	502	502	502
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Chemicals, fuel, oil, gas, wood and coal	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medcas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	4 702	1 338	2 100	1 227	1 227	1 227	438	441	442
Consumable: Stationery, printing and office supplies	48	40	33	58	58	58	32	35	37
Operating leases	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	6 164	1 626	1 626	1 626	1 626	626	626
Property payments	3 398	17 805	18 318	3 509	3 509	3 509	3 509	3 509	3 509
Transport provided: Departmental activity	-	-	1 958	500	500	500	500	-	-
Travel and subsistence	6 553	8 295	9 866	7 156	7 156	7 156	7 009	7 294	7 300
Training and development	994	12 182	14 615	3 062	3 062	3 062	210	210	210
Operating payments	-	115	85	109	109	109	109	109	109
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	3 009 950	3 311 112	3 338 567	2 816 931	2 816 931	2 817 390	2 824 063	2 538 882	2 538 882
Provinces and municipalities	70 505	136 847	134 878	39 471	39 471	39 471	78 821	76 861	76 861
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	70 505	136 847	134 878	39 471	39 471	39 471	78 821	76 861	76 861
Municipalities	70 505	136 847	134 878	39 471	39 471	39 471	78 821	76 861	76 861
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-
Provide list of entities receiving transfers	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	2 939 445	3 174 265	3 203 689	2 777 460	2 777 460	2 777 919	2 745 242	2 462 021	2 462 021
Social benefits	2 227	833	2 054	154	154	613	154	154	154
Other transfers to households	2 937 218	3 173 432	3 201 635	2 777 306	2 777 306	2 777 306	2 745 088	2 461 867	2 461 867
Payments for capital assets	9 705	2 466	3 189	9 518	9 518	9 518	11 258	11 258	11 252
Buildings and other fixed structures	8 655	1 298	1 587	8 000	8 000	8 000	10 000	10 000	10 000
Buildings	8 655	1 298	1 587	8 000	8 000	8 000	10 000	10 000	10 000
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 050	1 168	1 602	1 518	1 518	1 518	1 258	1 258	1 252
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	1 050	1 168	1 602	1 518	1 518	1 518	1 258	1 258	1 252
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	3	8	-	-	-	-	-	-	-
Total economic classification	3 257 678	3 580 364	3 650 721	3 088 581	3 088 581	3 088 581	3 093 835	2 798 844	2 803 793

Source: EPRE

The strong growth against *Compensation of employees* can mainly be attributed to posts funded by the HSDG, in line with DORA, which allows for a portion (up to 5 per cent) of the conditional grant funding to be used for administrative purposes to enhance service delivery. The allocation over the 2021/22 relates to contract posts such as Professional Construction Project Manager, Community Development Practitioner, etc. which are funded through HSDG and TDRG. The Department has not provided for any salary increases over the MTEF.

This is not sufficient to cater for the 1.5 per cent pay progression, 4 per cent and 4.45 per cent cost of living adjustment in 2024/25 and 2025/26. The increased allocation over the 2025/26 MTEF has provided for medical and housing allowances and annual pay progression. The department is not planning on filling any posts over the MTEF, and posts that become vacant in-year will be assessed for criticality and affordability.

*Goods and services* provide for operational costs of officials, implementation of the anti-land invasion strategy, as well as portion of the EPWP Integrated Grant for Provinces allocation. . The EPWP Integrated Grant for Provinces is not allocated beyond 2025/26, at this stage. The department allocates 1 per cent of the HSDG for the management of catalytic projects by HDA. The 2024/25 MTEF also provides for the management of catalytic projects, the anti-land invasion strategy, etc.

With regard to *Transfers and subsidies*:

*Provinces and municipalities*, the decrease in 2021/22 related to under-spending in respect of the CRU programme due to delays in signing the bilateral agreement in respect of the Donnelly CRU between the department and the eThekweni Metro. Further contributing to the decrease were the municipal rates and taxes as a result of delays in the receipt of invoices from the uMhlathuze Municipality. These invoices were settled in 2022/23, which partly explains the increase in 2022/23. The increase in 2022/23 is also due to the high payments made to accredited municipalities in respect of the operational costs. The increase from the 2023/24 was due to a virement undertaken from Households in respect of the Jika Joe CRU project in the Msunduzi Municipality, as explained. These savings were moved to Provinces and municipalities to cater for hostel redevelopment in the eThekweni Metro. The three-year agreement with the Metro expires at the end of the 2023/24, hence the significant decrease since there are no transfers planned for 2024/25 in respect of the eThekweni Metro. The amounts allocated over the 2025/26 MTEF cater mainly for the operational costs of accredited municipalities.

*Households* shows a fluctuating trend from 2021/22 to 2022/23, largely in respect of the HSDG, as the bulk of the housing programmes are budgeted for within this category. The low spending in 2020/21 was a result of the budget cuts implemented against the HSDG, as mentioned. The 2021/22 allocated for disaster funding following Tropical Cyclone Eloise in February 2021. The increase in 2022/23 was mainly due to the allocation of following the April 2022 flood disaster. This category is significantly affected by the 2024/25 MTEF budget cuts. Included in the MTEF allocations for this category is additional funding of R1.076 million in 2025/26, R1.137 million in 2026/27 and R1.191 million in 2027/28 allocated by National Treasury to conditional grants that have a personnel element towards funding the gap of the 2025 wage agreement. These funds could not be allocated to Compensation of employees due to the limitation of 5 per cent allowed for OPSCAP in terms of DORA. This will be reviewed in-year.

*Buildings and other fixed structures* are mainly related to the Social and Economic Amenities Programme. The allocation in 2021/22 is for finalization of work which was affected by the poor performance of the implementing agent. The allocations over the 2024/25 MTEF was not affected by the fiscal consolidation budget cuts and caters for the completion of these projects. The 2025/26 MTEF allocations also cater for the Townview community hall project which will be resumed in 2025/26 and is anticipated to be completed in 2026/27. There is no allocation in the outer year of the MTEF as both these projects are anticipated to be completed by 2026/27.

*Machinery and equipment* include purchasing of office furniture and equipment as well as vehicles. The decrease in 2024/25 was due to the implementation of cost-cutting measures in an effort to curb the budget pressures experienced by the department. The significant increase in 2025/26 is due to the low base in 2024/25, as well as the reprioritisation undertaken to this category to cater for the purchase of vehicles, office equipment and furniture over the MTEF. The increase over the two outer years of the MTEF is largely inflationary.

## 8.5 PROGRAMME 4: HOUSING ASSETS MANAGEMENT

### 8.5.1. PURPOSE

Programme 4 consists of three sub-programmes, largely in line with the sector budget and programme structure:

- Administration
- Sale and transfer of Housing Properties
- Devolution of Housing Properties
- Housing Properties Maintenance

This Programme is responsible for the management and effective disposal of Pre-1994 Housing Fund properties to qualifying beneficiaries in terms of the Enhanced Extended Discount Benefit Scheme (EEDBS) as well as the devolution of vacant land to Municipalities in terms of Section 15 of the Housing Act 107 of 1997.

The National Minister of Human Settlements has however issued a proclamation of the completion date for the Housing Fund's pre-1994 stock, i.e. 31 March 2025 by which all pre 1994 stock properties must be transferred to rightful beneficiaries and where applicable the devolution of vacant land to municipalities. The Enhanced Extended Discount Benefit Scheme as well as the Programme for the devolution of properties will be phased out.

The Department will however continue with the following Programmes:

### PRE-1994 RECTIFICATION

The policy intent for the Rectification of pre-1994 residential properties is to facilitate the improvement of state properties with specific focus on:

- The improvement of municipal engineering services where inappropriate levels of service were delivered; and
- The renovations and or upgrading or the complete reconstruction of dwellings that are severely structurally compromised, and that are regarded as inappropriate for transfer into ownership of the beneficiary or unfit for human habitation, thus posing a threat to the health and safety of the inhabitants.

In addition, the removal of asbestos is strictly regulated by the Asbestos Abatement Regulations, 2020 and in accordance with the Occupational Health and Safety Act (Act 85 of 1993). The pre-1994 Rectification programme therefore also includes the removal of asbestos and the rehabilitation of the housing units to National Building norms and standards in the current projects.

### MAINTENANCE PROGRAMME

Whilst this Programme is also being phased out in light of the ministerial proclamation, the Department will for the 2025/26 continue to prioritise to resolve the outstanding maintenance issues.

8.5.2. OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

PROVINCIAL OUTPUTS, OUTPUT INDICATORS AND TARGETS

Table 19: Outcomes, Provincial Outputs, Output Indicators and Targets

Outcome	Outputs	Output Indicators	Audited/ Actual Performance			Estimated Performance	Medium Term Targets			
			2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
Increased access to adequate housing through various programmes	Sub-Programme: 4.3 Housing Properties Maintenance									
	Rental units maintained for habitable dwelling	4.1	Number of rental units maintained	685	732	360	200	100	75	75
	Pre-1994 units rectified	4.2	Number of units rectified for pre-1994 stock	318	330	305	200	150	150	150

8.5.3. OUTPUT INDICATORS: ANNUAL AND QUARTERLY TARGETS

Table 20: Output Indicators: Annual and Quarterly Targets

No.	Output Indicators	Annual Targets		Quarterly Targets			
		2025/26	Q1	Q2	Q3	Q4	
Sub-Programme: 4.3 Housing Properties Maintenance							
4.1	Number of rental units maintained	100	25	25	25	25	
4.2	Number of units rectified for pre-1994 stock	150	30	30	40	50	

8.5.4. EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM TERM

The core function of this Programme is to promote the achievement of the MTDP Strategic Priority: Reduce poverty and tackle the high cost of living.

In light of the proclamation of the completion date for the Housing Fund’s pre-1994 stock, i.e. 31 March 2025, the Department will no longer be planning and reporting on the following output indicators:

- Number of rental units sold to beneficiaries;
- Number of debtors reduced; and
- Number of Land Parcels devolved to Municipalities for human settlements development.

In addition, the 2024/25 standardised sector indicator: Number of pre-1994 title deeds registered has been consolidated under the standardised sector indicator: Number of title deeds registered as reflected under Programme 3.

During the 2025/26 financial year, emphasis will be placed with ensuring that the emergency maintenance issues are effectively resolved whilst the rectification process is being completed.

The implementation of the rectification of pre-1994 residential properties will also be continued. Prioritisation is being given to the backlog of the R293 housing properties.

8.5.5. PROGRAMME RESOURCE CONSIDERATIONS

Table 21: Expenditure Estimates for Housing Assets Management

R. Thousands R	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
1. Administration	40,883	38,734	40,880	31,040	34,042	34,042	29,734	31,820	33,888
2. Sale and Transfer of Housing Properties	97,509	97,349	98,949	97,112	46,198	46,198	27,000	—	—
3. Housing Properties Maintenance	66,609	76,812	90,779	68,181	70,688	70,688	120,836	116,794	101,284
Total payments and estimates	166,791	162,498	160,211	196,827	150,728	150,728	166,370	148,614	134,610

Source: EPRE

The sub-programme: Administration provides for the management of Ex-Natal Provincial Administration and Own Affairs stock. The decreasing trend is affected by the 2024/25 MTEF budget cuts and this will be reviewed in-year.

The sub-programme: Sale and Transfer of Housing Properties provides for the transfer of rental housing stock to qualifying beneficiaries in terms of the EEDBS. The increase over the 2021/22 is as a result of provision made to fast-track the transfer of properties through the EEDBS programme. The decreasing trend is affected by the 2024/25 MTEF budget cuts and this will be reviewed in-year.

The sub-programme: Housing Properties Maintenance provides for the co-ordination of the maintenance of departmental rental housing stock and rectification of units built prior to 1994. The constant trend over the 2021/22 relates to the rectification of pre-1994 housing stock which will be implemented in phases due to financial constraints. The decreasing trend is affected by the 2024/25 MTEF budget cuts and this will be reviewed in-year.



Table 22: Summary of provincial Expenditure estimates by Economic Classification

R thousand	Outcome			Main appropriation	Adjusted appropriation 2024/25	Revised estimate	Medium-term estimates		
	2021/22	2022/23	2023/24				2025/26	2026/27	2027/28
<b>Current payments</b>	-	-	-	-	-	-	-	-	-
Compensation of employees	-	-	-	-	-	-	-	-	-
Salaries and wages	-	-	-	-	-	-	-	-	-
Social contributions	-	-	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	-	-	-	-	-	-
Minor assets	-	-	-	-	-	-	-	-	-
Audit costs: External	-	-	-	-	-	-	-	-	-
Bursaries: Employees	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication (G&S)	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	-	-
Infrastructure and planning services	-	-	-	-	-	-	-	-	-
Laboratory services	-	-	-	-	-	-	-	-	-
Legal services (G&S)	-	-	-	-	-	-	-	-	-
Science and technological services	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency and support/outourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	-	-	-	-	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	-	-	-
Housing	-	-	-	-	-	-	-	-	-
Inventory: Clothing material and accessories	-	-	-	-	-	-	-	-	-
Inventory: Farming supplies	-	-	-	-	-	-	-	-	-
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory: Learner and teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medias inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Other supplies	-	-	-	-	-	-	-	-	-
Consumable supplies	-	-	-	-	-	-	-	-	-
Consumables: Stationery, printing and office supplies	-	-	-	-	-	-	-	-	-
Operating leases	-	-	-	-	-	-	-	-	-
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	-	-	-	-	-	-	-	-	-
Transport provided: Departmental activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	-	-	-	-	-	-	-	-
Training and development	-	-	-	-	-	-	-	-	-
Operating payments	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest (Ind. interest on unitary payments (PPP))	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies</b>	166,701	182,596	160,211	156,837	150,723	150,723	190,370	148,674	134,610
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal bank accounts	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	166,701	182,596	160,211	156,837	150,723	150,723	190,370	148,674	134,610
Social security funds	-	-	-	-	-	-	-	-	-
Departmental agencies (non-business entities)	166,701	182,596	160,211	156,837	150,723	150,723	190,370	148,674	134,610
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-
Other transfers to public corporations	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-
Other transfers to private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
<b>Payments for capital assets</b>	-	102	-	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	102	-	-	-	-	-	-	-
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	-	102	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	-	-	-	-	-	-	-	-	-
<b>Total economic classification</b>	166,701	182,698	160,211	156,837	150,723	150,723	190,370	148,674	134,610

Source: EPRE

9. KEY RISKS

Outcome	Key Risk	Risk Mitigation
Improved Organisational Efficiency to promote an agile, capable, developmental and ethical department	Unstable allocation of budgets is hindering the Department in meeting its objectives	Monitor and implement stringent cost cutting measures on equitable share.
		Identify advanced funding unspent on projects for re-calling from Municipalities
		Monitoring and implementation of approved business plans
	Lack of appropriate information technology systems to assist the department meeting its business objective.	Periodically review and update the ICT Governance Framework and IT Strategy to ensure alignment with Departmental Strategy
	Inadequate provisions for Business Continuity Management	Update the business continuity plan to include responses to all type of disasters
	Organizational Structure not aligned to the service delivery model	Re-engineer organizational structure and align to district delivery model
	Non-compliance with Supply Chain Management prescripts in the procurement of goods and services.	Effective implementation of Supply Chain Management prescripts in the procurement of goods and services.
Transformed Human settlements in rural and urban environments		Monitor and investigate all unauthorized and irregular expenditure recorded in Irregular Expenditure Register in applying consequence management.
	Lack of an IGR Framework - Foster link between sector department and municipalities	Implementation of the intergovernmental Strategy
	Effects of global warming and climate change on the human settlement patterns	Develop user manual on sustainable code
		Develop guideline on Heat Adaptation
	Intimidation by business forums into implementation of projects	Develop and formalize regulations for implementation of projects
		Improved policing and intelligence services
	Lack of alignment of inter-sectorial plans across spheres of government	Ensure co-operative governance and the co- ordination of the department's projects with other government spheres
	Project Management Land Invasion	Fast track the disposal of state land.
	Lack of Housing Needs Register database at Municipalities	Develop a Housing Needs Database at all Municipalities in the Province.
	Rapid uncontrolled increase in Informal Settlements	Adequate access to land to provide housing opportunities to address informal settlements.
		Focus on development of priority human settlement areas (PHD) to stimulate economic development and opportunities to curb effects of urbanization
	Insufficient bulk infrastructure funding	Engagements with Local Government to advocate increase of funding
		Explore opportunities through Public Private Partnerships (PPP) to fund and develop infrastructure projects
		Explore national and provincial grants or funding programmes which may be available for infrastructure development.
		Review current projects and reallocate resources where necessary.

Increased access to adequate housing through various programmes	Inadequate operationalization of the Disaster Management Strategy/Plan	Effective implementation of the Disaster Management strategy /plan
	Increased growth in the Housing demands against the decreasing Budget allocations	Re-prioritize projects in terms of contractual commitments and spatial imperatives.
		Re-prioritize funding allocated to meet financial obligations
		Conduct review on all existing Policies
	Land invasion on land parcels in departmental property register	Fast track projects on vacant land
Strengthened economic transformation of the human settlements sector	Increase in Subsidy Quantum hindering financial and non-financial delivery performance	Fast track the devolution of properties to Municipalities.
		Revise the development program on Projects in the Business Plan.
	Lack of compliant companies owned by designated groups particularly people with disabilities and military veterans	Creation of additional incubation programmes, promote the economic empowerment of designated groups
	Non-existence of regulations on set-asides for designated groups.	Continuous engagements with Provincial Treasury regarding promulgation of regulations
	Lack of prioritization of projects and budgets for economic empowerment.	Implementation of prescripts of Public Procurement Act on set-asides
	Shortage tailored finding for skills training and development programmes	Leveraging funding from external funding institutions within the skills development sector.

## 10. PUBLIC ENTITIES

Name of Public Entity	Mandate	Key Outputs	Outputs	Current annual budget (R thousands)
N/A				

The KZN Housing Fund is an unlisted public entity that is reflected under Programme 4.

## 11. INFRASTRUCTURE PROJECTS

No.	Project name	Programme	Project description	Outputs	Project start date	Project completion date	Total Estimated cost (R)	Current year Expenditure
1.	Housing Development Projects	Housing Development	Infrastructure transfers - Capital	Infrastructure transfers - Capital	01/04/2025	31/03/2028	8,258,349	2,615,060
2.	Accreditation of Municipalities: Newcastle	Housing Development	Infrastructure transfers - Current	Operational budget provided	01/04/2025	31/03/2028	26 454	7 615
3.	Accreditation of Municipalities: eThekweni	Housing Development	Infrastructure transfers - Current	Operational budget provided	01/04/2025	31/03/2028	47 516	6 677
4.	Accreditation of Municipalities: KwaDukuza	Housing Development	Infrastructure transfers - Current	Operational budget provided	01/04/2025	31/03/2028	23 317	1 679
5.	Accreditation of Municipalities: Ray Nkonyeni	Housing Development	Infrastructure transfers - Current	Operational budget provided	01/04/2025	31/03/2028	6 642	3 160
6.	Accreditation of Municipalities: Msunduzi	Housing Development	Infrastructure transfers - Current	Operational budget provided	01/04/2025	31/03/2028	13 287	7 718
7.	Accreditation of Municipalities: Alfred Duma	Housing Development	Infrastructure transfers - Current	Operational budget provided	01/04/2025	31/03/2028	9 816	2 891
8.	Accreditation of Municipalities: uMhlathuze	Housing Development	Infrastructure transfers - Current	Operational budget provided	01/04/2025	31/03/2028	13 287	2 423
9.	Rental Housing Tribunal	Administration	Infrastructure: Leases	Office accommodation leased	01/04/2025	31/03/2028	3,368	1 403
10.	Ugu District Office	Administration	Infrastructure: Leases	Office accommodation leased	01/04/2025	31/03/2028	2,263	911
11.	Amajuba District Office	Administration	Infrastructure: Leases	Office accommodation leased	01/04/2025	31/03/2028	2,902	1 209
12.	Uthukela District Office	Administration	Infrastructure: Leases	Office accommodation leased	01/04/2025	31/03/2028	1,413	589
13.	ilembe District Office	Administration	Infrastructure: Leases	Office accommodation leased	01/04/2025	31/03/2028	1,343	845
14.	Inland Regional Office	Administration	Infrastructure: Leases	Office accommodation leased	01/04/2025	31/03/2028	21,204	7,483
15.	Head Office: PMB	Administration	Infrastructure: Leases	Office accommodation leased	01/04/2025	31/03/2028	19,764	7,302
16.	Head Office: PMB-Parking	Administration	Infrastructure: Leases	Parking	01/04/2025	31/03/2028	222	739
17.	Head Office: DBN Eagle Building	Administration	Infrastructure: Leases	Office accommodation leased	01/04/2025	31/03/2028	59,971	25,101
18.	Housing Development Projects	Housing Development	Non-Infrastructure	Non-Infrastructure	Various	Various	436,044	131,725
19.	Housing Development Projects	Housing Development	New Infrastructure assets: Capital	New Infrastructure assets: Capital	01/04/2025	31/03/2028	8,600	2,314

The projects reflected above refer the internal office accommodation. In terms of service delivery human settlements developments, the geospatial reference is reflected under Map 4.

## 12. PUBLIC PRIVATE PARTNERSHIPS

None

# PART D

## 2025/26 - 2027/28

# TECHNICAL INDICATOR DESCRIPTIONS (TID)

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS  
ANNUAL PERFORMANCE PLAN



TECHNICAL INDICATOR DEFINITIONS

PROGRAMME 1: ADMINISTRATION

Indicator title	1.1 Number of Human Resource Plans approved
Definition	The indicator measures the development and executive authority approval of the human resource plan applicable for the period 2025-2030 to ensure that the Human resource needs of the department are met.
Source of data	Strategic Plan, HR Information Systems, Internal and External analysis (PESTEL), national and provincial priorities
Method of calculation/ Assessment	Simple count
Means of verification	Approved HR Plan
Assumptions	Availability of human resources, adequate financial resources, line functionaries support
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation where applicable)	n/a
Calculation type	Non-Cumulative
Reporting cycle	Annual
Desired performance	To achieve the target indicated
Indicator responsibility	Director: Human Resource Management

Indicator title	1.2 Number of ICT Governance Framework performance reports submitted
Definition	The indicator measures the performance of the implementation of the ICT Governance Framework ensure that the Department has adequate IT resources and complies with the policy framework DPSA Public Service Corporate Governance of Information and Communication Technology Policy Framework. This is underpinned by principles as per:
Source of data	- King IV Code of Governance for South Africa (2016); - International Standards Organization's ISO/IEC 38500 of 2015; and - Control Objectives for Information and Related Technology (COBIT5).
Method of calculation/ Assessment	Simple count of the number of ICT Governance quarterly performance reports submitted
Means of verification	ICT Governance quarterly performance report
Assumptions	Institutional Support Provided Adequate Resources
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation	n/a
Calculation type	Cumulative year-end
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Director: Information Management Systems and Technology

Indicator title	1.3 % implementation of the approved internal audit plan
Definition	The indicator measures the implementation of the internal audit plan reflecting the audits to be conducted for the financial year in order to improve the audit outcome of the Department
Source of data	Approved Enterprise Risk Management Strategy/Internal Audit Plan, Audit Reports
Method of calculation/ Assessment	Total number of the total audits completed/ total number of planned audits expressed as a percentage
Means of verification	Status/Audit Reports
Assumptions	Availability of skilled human resources, adequate financial resources,
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation	n/a
Calculation type	Non-cumulative
Reporting cycle	Annual
Desired performance	100% of target achieved
Indicator responsibility	Director: Risk Management & Advisory Services

Indicator title	1.4 % of invoices paid within 30 days of receipt
Definition	This is in compliance with Treasury Regulations 8.2.3 which spells out that invoices received by the Department for services or for goods rendered must be paid within 30 days of receipt of an invoice (unless determined otherwise in a contract or agreement)
Source of data	Invoice
Method of calculation/ Assessment	Total number of invoices paid (numerator) within 30 days of receipt of certified invoice, divided by total number of invoices paid (denominator) multiplied by 100.
Means of verification	Payment Register
Assumptions	All supporting documents provided to process invoices, functional BAS and HSS system. Suppliers will submit invoices with correct details to facilitate timeous payment, suppliers to be registered on Central Supplier Database
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation	n/a
Calculation type	Non-cumulative
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Director: Financial Administration and Accounting Services

Indicator title	1.5 % implementation of the approved audit improvement plan
Definition	The indicator measures the implementation of measures, processes, systems and controls by the department to maintain a clean audit outcome
Source of data	AG findings, Internal audit finding, Legislation, policies, and procedures
Method of calculation/ Assessment	Total number of mitigated measures implemented/ total number of improvement measures expressed as a percentage
Means of verification	Approved progress reports
Assumptions	The department will obtain audit findings
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation	n/a
Calculation type	Non-cumulative
Reporting cycle	Annual
Desired performance	100% of target achieved
Indicator responsibility	Chief Financial Officer

Indicator title	1.6 Number of Performance Information managements report submitted
Definition	This indicator measures the submission of credible and timely performance information (based on the pre-determined targets) to DPME
Source of data	Quarterly performance report
Method of calculation/ Assessment	Submission of the annual performance information management report
Means of verification	Annual performance information management report
Assumptions	Timeous submission of performance information by line functionaries with relevant supporting documents
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation	n/a
Calculation type	Non-Cumulative
Reporting cycle	Annual
Desired performance	100% of target achieved
Indicator responsibility	Director: Monitoring and Evaluation

<b>Indicator title</b>	<b>1.7 % of awards of the approved Procurement Plan</b>
<b>Definition</b>	The indicator measures the progress of awards implemented in terms of the Approved Procurement Plan to ensure that resources required by the Department are sourced timeously in order for the Department achieve its mandate.
<b>Source of data</b>	Approved Procurement Plan
<b>Method of calculation/ Assessment</b>	Total number of awards (numerator) divided by total number of items of the approved procurement plan (denominator) multiplied by 100.
<b>Means of verification</b>	Quarterly Provincial Treasury Procurement Plan Implementation Reports
<b>Assumptions</b>	Participation of end user departments, functionality of supplier database, staff resources
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	n/a
<b>Calculation type</b>	Cumulative (Year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	100% of target achieved
<b>Indicator responsibility</b>	Director: Supply Chain Management

<b>Indicator title</b>	<b>1.8 % of the Organizational Functionality Assessment Improvement Plan implemented</b>
<b>Definition</b>	The indicator measures the implementation of interventions of the Organizational Functionality Assessment Improvement Plan in order to improve organization efficiency of the Department
<b>Source of data</b>	Approved Organizational Functionality Assessment Improvement Plan
<b>Method of calculation/ Assessment</b>	Number of improvement measures/interventions implemented (numerator) divided by total number of improvement measures/interventions (denominator) of the Approved Organizational Functionality Assessment Improvement Plan multiplied by 100.
<b>Means of verification</b>	Organizational Functionality Assessment Progress Report
<b>Assumptions</b>	Staff resources, participation of line functionaries
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	n/a
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	100% of target achieved
<b>Indicator responsibility</b>	Director: Organizational Development

<b>Indicator title</b>	<b>1.9 % of Financial Disclosures submitted by Senior Management Services by the 30<sup>th</sup> of April of each year</b>
<b>Definition</b>	The indicator measures the timeous submission of financial disclosures by Senior Management Services to strengthen departmental oversight of ethics and integrity management in order to promote improved good governance
<b>Source of data</b>	DPSA Electronic Financial Disclosure System, PERSAL Reports
<b>Method of calculation/ Assessment</b>	Number of financial disclosures submitted by SMS (numerator) divided by total number of filled SMS posts (denominator) multiplied by 100
<b>Means of verification</b>	DPSA's Electronic Financial Disclosure System Report
<b>Assumptions</b>	Staff resources, participation of SMS, DPSA's functional Electronic Financial Disclosure System
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	n/a
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	100% of target achieved
<b>Indicator responsibility</b>	Director: Risk Management and Advisory Services

## PROGRAMME 2: HOUSING NEEDS, RESEARCH AND PLANNING

<b>Indicator title</b>	<b>2.1 Number of Informal Settlements completed in Phase 1</b>
<b>Definition</b>	The indicator measures the Informal Settlements completed in Phase 1 as per the National Housing Code.  Phase 1 includes pre-feasibility studies, upgrading plans, and community social compacts. The milestones entail the following: <ul style="list-style-type: none"> <li>Pre-feasibility studies – initial evaluation study</li> <li>Upgrading plans – upgrading plans developed.</li> <li>Community social compacts – formal agreement or understanding between various stakeholders within the community, government, and residents.</li> </ul> Completed refers to the approval of the above milestones.
<b>Source of data</b>	IDP/UISP Business Plan/Multi-Year housing development plan
<b>Method of calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	Project Approvals (Phase 2)
<b>Assumptions</b>	timeous finalization of milestones
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	n/a
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Informal Settlements completed in Phase 1
<b>Indicator responsibility</b>	Director: Integrated Planning

<b>Indicator title</b>	<b>2.2 Number of Informal Settlements completed in Phase 2</b>
<b>Definition</b>	The indicator measures the Informal Settlements completed in Phase 2 as per the National Housing Code.  Phase 2 includes feasibility studies, detailed land development planning, and detailed engineering infrastructure designs.  The key milestones include the following: <ul style="list-style-type: none"> <li>Feasibility studies – an assessment conducted to evaluate a proposed project's practicality and potential success.</li> <li>Detailed land development planning – the comprehensive process of designing land for a specific use, for human settlements.</li> <li>Detailed engineering infrastructure designs – technical plans and specification for the construction and implementation of infrastructure projects</li> </ul> Completed refers to the approval of the above milestones.
<b>Source of data</b>	IDP/UISP Business Plan/Multi-Year housing development plan
<b>Method of calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	Close Out reports for Phase 2
<b>Assumptions</b>	timeous finalization of milestones
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	n/a
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Informal Settlements completed in Phase 2
<b>Indicator responsibility</b>	Director: Integrated Planning

<b>Indicator title</b>	<b>2.3 Number of Multi-Year Human Settlements Development Plans approved</b>
<b>Definition</b>	This indicator measures the development of a 5-year plan (reviewed annually) aligned to the national and provincial focus areas to ensure that the human settlements developments projects are spatial aligned to promote integration and sustainability. It further serves a road map to the provincial long-term vision and planning of key human settlements developmental requirements.
<b>Source of data</b>	PGDP/KZN HSMSP/Conditional grant Business Plans
<b>Method of calculation/Assessment</b>	Simple count
<b>Means of verification</b>	Approved Multi-Year Human Settlements Development Plan
<b>Assumptions</b>	That the approved Business Plan will be concurred with by NDoHS
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	Human Settlements Projects are planned and implemented to facilitate spatial transformation
<b>Calculation type</b>	Non- Cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	Reliable and sound data on financial targets
<b>Indicator responsibility</b>	Director: Integrated Planning

<b>Indicator title</b>	<b>2.4 Number of municipalities provided with technical support</b>
<b>Definition</b>	The indicator measures the technical support provided to the local municipalities towards the development of sustainable human settlement projects and/or related sector plans.
<b>Source of data</b>	Assessment reports of capacity
<b>Method of calculation/Assessment</b>	Simple count of the number of municipalities capacitated through specific training programmes and meetings
<b>Means of verification</b>	Attendance registers
<b>Assumptions</b>	That municipalities require relevant and technical skills in implementing human settlements development
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	n/a
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Capacitated municipalities in terms of human settlement planning
<b>Indicator responsibility</b>	Director: Integrated Planning

<b>Indicator title</b>	<b>2.5 Number of human settlements development projects approved for planning (Stage 1)</b>
<b>Definition</b>	The indicator measures the number of new planning projects approved to undertake detailed planning activities (Stage 1) for HSDG Projects. Detailed planning entails the conducting of township establishment processes which are required for obtaining the necessary land use rights.
<b>Source of data</b>	IDP's, Conditional grant business plans
<b>Method of calculation/Assessment</b>	Simple count of the number of new HSDG projects approved
<b>Means of verification</b>	HSDG Project Approvals for Stage 1
<b>Assumptions</b>	Timeous pre-feasibility completed
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	Projects are planned in accordance with IDP's
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	100% achievement of target
<b>Indicator responsibility</b>	Director: Integrated Planning

<b>Indicator title</b>	<b>2.6 Number of catalytic projects in planning phase</b>
<b>Definition</b>	The indicator measures the number of catalytic projects that are undertaking the planning activities. Catalytic projects are approved large-scale housing development projects, which directly stimulate and leverage much higher levels of development.
<b>Source of data</b>	IDP's, Approved Project Approvals for Stage 1
<b>Method of calculation/Assessment</b>	Simple count of number of approved catalytic projects in the planning phase
<b>Means of verification</b>	Status Quo Reports
<b>Assumptions</b>	Timeous project approvals
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	The planning of the projects is within the Priority Housing Development Areas and aligned to the KZN HSMSP which promotes spatial transformation
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	100% achievement of target
<b>Indicator responsibility</b>	Director: Integrated Planning

<b>Indicator title</b>	<b>2.7 Number of hectares of land procured/proclaimed</b>
<b>Definition</b>	To facilitate the development of integrated human settlements through the provision of suitable land for development
<b>Source of data</b>	Land valuation Reports and feasibility reports
<b>Method of calculation/Assessment</b>	Total number of hectares of land procured
<b>Means of verification</b>	Land Funding Agreement & Invoice
<b>Assumptions</b>	Availability of funds
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	Land will be procured to facilitate spatial transformation.
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	100% of target achieved
<b>Indicator responsibility</b>	Director: Integrated Planning

<b>Indicator title</b>	<b>2.8 Number of UISP projects in Phase 2 (Planning)</b>
<b>Definition</b>	The indicator measures the number of Informal Settlement Upgrading projects undertaking detailed planning activities in line with planning prescripts towards the incremental upgrading of informal settlements. Detailed planning entails the conducting of township establishment processes which are required for obtaining the necessary land use rights.
<b>Source of data</b>	IDP's, Conditional grant business plans
<b>Method of calculation/Assessment</b>	Simple count of the number of projects approved for planning activities
<b>Means of verification</b>	Status Quo Reports
<b>Assumptions</b>	Timeous project approvals
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	Projects are planned in accordance with IDP's
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	100% achievement of target
<b>Indicator responsibility</b>	Director: Integrated Planning



<b>Indicator title</b>	<b>2.9 Percentage of investment of the total Human Settlements allocation in PSHDAs</b>
<b>Definition</b>	The indicator measures the percentage of the total human settlements development allocations that are directed to PSHDAs by Provinces and Metros as submitted in the approved delivery business plans for the Human Settlements Development Grant, Urban Settlements Development Grant and the Informal Settlements Upgrading Partnership Grant (Provincial and Municipal) (Province specific grants)
	Investment in this case means the flow of housing allocations progressively over time to a declared PSHDAs with the intention of attracting investment in the future.
<b>Source of data</b>	Business Plans/ HSS expenditure reports
<b>Method of calculation/ Assessment</b>	Total expenditure in PSHDAs / Total human settlements allocation (Grants) x 100
<b>Means of verification</b>	BAS reports/ Expenditure Reports for the PSHDAs
<b>Assumptions</b>	Timeous pre-feasibility completed
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	The planning of the projects is within the Priority Housing Development Areas and aligned to the KZN HSMSP
<b>Calculation type</b>	Cumulative (year to date)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Increased investment of the total human settlements allocation in PSHDAs
<b>Indicator responsibility</b>	Director: Integrated Planning

<b>Indicator title</b>	<b>2.10 Number of PSHDA development plans developed</b>
<b>Definition</b>	The indicator measures the number of development plans developed for PSHDAs as per Gazette 43316 for targeted KZN municipalities for purposes of establishing and maintaining sustainable human settlements. These areas include new neighborhoods, inner-city precincts, informal settlements and peri-urban areas.
	The development plans includes a range of activities sequenced over a period of time which indicates funding sources as well as roles and responsibilities to achieve human settlements delivery within the PSHDAs.
<b>Source of data</b>	Multi Year Housing Development Plan/ Human Settlement Grant Business Plan/ Provincial SDFs, Municipal SDFs/ Municipal IDPs
<b>Method of calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	Completed development plan
<b>Assumptions</b>	Cooperation from stakeholder departments
<b>Disaggregation of beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation</b>	The development plans are within the Priority Housing Development Areas and aligned to the KZN HSMSP
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	All PSHDAs have developments plans in place
<b>Indicator responsibility</b>	Director: Integrated Planning

<b>Indicator title</b>	<b>2.11 Number of individuals provided with human settlements consumer education</b>
<b>Definition</b>	To educate the beneficiaries and the communities at large on their rights and obligations in relation to human settlements programmes and processes.
<b>Source of data</b>	Attendance Registers
<b>Method of calculation/ Assessment</b>	Number of attendees at the housing consumer workshops conducted
<b>Means of verification</b>	Attendance registers
<b>Assumptions</b>	Availability of funds Attendance of training session
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	n/a
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	100% attendance rate
<b>Indicator responsibility</b>	Director: Municipal Support and Consumer Education

<b>Indicator title</b>	<b>2.12 Number of reports developed in terms of approved research studies</b>
<b>Definition</b>	The indicator measures the systematic desktop and field - work undertaken to attain new knowledge to keep abreast of developments and best practice regarding the development of sustainable human settlements and to inform policymaking
<b>Source of data</b>	Research findings, Housing Code, legislation, approved national and provincial policies, Stats SA Data, Policies and research from sector departments and other provincial departments as well as surveys undertaken.
<b>Method of calculation/ Assessment</b>	Simple count of the number of research reports developed
<b>Means of verification</b>	Copies of the research reports approved
<b>Assumptions</b>	It is assumed that there are pertinent and complex matters that are relevant to the sector to be investigated and explored that will contribute to the development of sustainable human settlements
<b>Disaggregation of beneficiaries (where applicable)</b>	Not applicable
<b>Spatial Transformation</b>	Not Applicable
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	100% achievement of target
<b>Indicator responsibility</b>	Director: Policy and Research

## PROGRAMME 3: HOUSING DEVELOPMENT

Indicator title	3.1 Number of subsidies disbursed through FHF
<b>Definition</b>	The indicator measures the number of subsidies disbursed through First Home Finance/ Finance Linked Individual Subsidy Programme
	The subsidy is available to qualifying beneficiaries in affordable housing market to beneficiaries owning home for the first time. Government will provide a once-off subsidy contribution, which is a non-refundable amount and depending on gross household income earning between R3 501 – R22 000 gross income per month.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>HSS (Human Settlements system); or</li> <li>List of applications forms of potential beneficiaries; or</li> <li>BAS report on applications received and paid</li> </ul>
<b>Method of calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	HSS Beneficiary Report & HSS Detailed expenditure Report/ Form 4
<b>Assumptions</b>	Approval by Financial Institution
	Registration and Transfers by Bond and transferring Attorneys
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation</b>	This Programme is available in urban developments to also promote the principles of spatial transformation
<b>Calculation type</b>	Cumulative (Year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Planned subsidies disbursed
<b>Indicator responsibility</b>	Director: Subsidy Administration

Indicator title	3.2 Number of housing units completed
<b>Short definition</b>	The purpose of the indicator is to measure progress achieved in the completion of full subsidy housing units by the Provincial Departments of Human Settlements.
	A Housing Unit is a permanent residential structure to be provided by means of the housing subsidy at a minimum of 40 square meters of gross floor area. Each house, as a minimum, must be designed in line with the minimum requirements as per the Housing Code.
<b>Source of data</b>	HSS/DORA Reports/Business Plans/Project Contracts
<b>Method of calculation/ Assessment</b>	Simply count
<b>Means of verification</b>	Tranche/Bulk Payments: Form 4 & D6/ happy letter
	Progress Payments: Form 4, D6 & HSS Claim Report/happy letter
<b>Assumptions</b>	Performance of contractors/ capacity of built environment
<b>Disaggregation of beneficiaries (where applicable)</b>	Beneficiary applications are in line with the human settlements qualifying criteria caters for the indigent and includes the prioritisation for vulnerable groups such as the elderly and persons with disabilities. A disability allowance is also provided to persons with disabilities in order to address their specific needs.
<b>Spatial Transformation</b>	Where applicable, housing programmes are implemented to promote urban development and seeks to align to the KZN HSM where possible to promote spatial transformation.
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	All targeted housing units completed
<b>Indicator responsibility</b>	Chief Director: Sustainable Human Settlements

Indicator title	3.3 Number of serviced sites completed
<b>Short definition</b>	The purpose of the indicator is to measure progress achieved in the delivery of serviced sites by the Provincial Departments of Human Settlements and Municipalities.
	A serviced site refers to a stand/ Erf/ plot with access to water, sanitation, stormwater, and road.
	Service site is considered completed when all the above elements are achieved.
<b>Source of data</b>	HSS/DORA Reports/Business Plans/ Engineering Certificate
<b>Method of calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	Tranche/Bulk Payments: Form 4, and Partial Completion Certificate
	Progress Payments: Form 4, HSS Claim Report, and Partial Completion Certificate and invoice
<b>Assumptions</b>	Availability of bulk services and funding/ Performance of contractors/ capacity of built environment
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	Programme promotes and integrated urban development and seeks to align to the KZN HSM where possible to promote spatial transformation.
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	All targeted serviced sites completed
<b>Indicator responsibility</b>	Chief Director: Sustainable Human Settlements

Indicator title	3.4 Number of Informal Settlements upgraded in Phase 3
<b>Definition</b>	This indicator measures the number of informal settlements upgraded in phase 3 of UISP.
	Upgrading in phase 3 refers to the installation of permanent municipal engineering infrastructure.
<b>Source of data</b>	Informal Settlement Upgrading Strategy/
	Business Plan/
	Resolution Register of projects approved/
	National Housing Code/
	ISSP
<b>Method of calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	Project Approvals/Contracts/Status quo reports/progress reports
<b>Assumptions</b>	Capacity of built environment/ Availability of bulk services
<b>Disaggregation of beneficiaries (where applicable)</b>	n/a
<b>Spatial Transformation</b>	n/a
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	Informal settlements upgraded to phase 3
<b>Indicator responsibility</b>	Chief Director: Sustainable Human Settlements

Indicator title	3.5 Number of title deeds registered
<b>Definition</b>	The indicator measures the transfer of ownership of an erf from government entities to beneficiaries/ occupant or deceased estate of erven provided through a state-subsidized mechanism.
	Registration refers to the legal process that prescribes the transfer of ownership in terms of the Deeds Registries Act 47 of 1937.
<b>Source of data</b>	Windeed or Deeds web (deeds office system)
<b>Method of calculation/ Assessment</b>	Simple count
<b>Means of verification</b>	List of beneficiaries and Deeds Search printout; or
	List of beneficiaries and conveyancing certificate
<b>Assumptions</b>	Beneficiary approvals finalized. Planning milestones achieved. The target will be achieved if all relevant stakeholders perform as expected and the NDHS provides the required support that will yield the provincial output items, as per the business plans
<b>Disaggregation of beneficiaries (where applicable)</b>	Disaggregation undertaken under the indicator relating to housing units completed to prevent duplication
<b>Spatial Transformation</b>	n/a
<b>Calculation type</b>	Cumulative (Year-end)
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Planned state-provided properties are transferred to the rightful beneficiaries.
<b>Indicator responsibility</b>	Chief Director: Sustainable Human Settlements

Indicator title	3.6 Number of post 1994 houses rectified
Definition	The indicator measures the demolishing and rebuilding of post 1994 housing units that are deemed to be unsafe and inhabitable.
Source of data	Provincial Business Plans/ HSS expenditure reports/ Project approvals and contracts
Method of calculation/ Assessment	Simply count
Means of verification	Tranche/Bulk Payments: Form 4 & D6; or Progress Payments: Form 4, D6 & HSS Claim Report
Assumptions	Timeous completion of milestones by service provider
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation	n/a
Calculation type	Cumulative (Year-end)
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	3.7 Number of MVHP houses completed
Short definition	The indicator measures the progress achieved in the completion of housing units to extra-parliamentary war veterans who have trained and engaged in liberation military activities against the former apartheid regime.
Source of data	HSS, Department of Military Veterans Database
Method of calculation/ Assessment	Total houses delivered for all housing instruments implemented within the Province
Means of verification	Tranche/Bulk Payments: Form 4 & D6/Happy letter Progress Payments: Form 4, D6 & HSS Claim Report/Happy letter
Assumptions	Performance of contractors/ capacity of built environment
Disaggregation of beneficiaries (where applicable)	100% of extra-parliamentary war veterans
Spatial Transformation	Where applicable, housing programmes are implemented to promote urban development and seeks to align to the KZN HSM where possible to promote spatial transformation.
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	3.8 Number of informal settlements upgraded to Phase 3
Definition	The indicator measures the number of informal settlements upgraded to phase 3 of UISP. Phase 3 is formalization and provision of permanent services.
Source of data	Informal Settlement Upgrading Strategy/  Business Plan/  Resolution Register of projects approved/  National Housing Code/  ISSP
Method of calculation/ Assessment	Simple count of informal settlements upgraded to phase 3
Means of verification	Project Close out reports/Municipal Engineering Service Certificate
Assumptions	Capacity of built environment/ Availability of bulk services
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation	n/a
Calculation type	Non-Cumulative
Reporting cycle	Annual
Desired performance	Informal settlements upgraded to phase 3
Indicator responsibility	Chief Director: Sustainable Human Settlements

Indicator title	3.9 Number of Community Residential Units (CRU) constructed
Definition	The indicator measures the number of Community Residential Units that have been constructed through the Community Residential Unit (CRU) Programme to provide rental housing options to targeted low-income individuals and households, who are unable to enter the formal private rental and social housing market.
Source of data	Community Residential Unit is deemed as constructed once the unit has plastered walls, external doors and windows, first fix electrical, water and sewer services.
Method of calculation/ Assessment	Business Plans/Project Contracts
Means of verification	Simple Count
Assumptions	Progress Payment: Form 4 and D6 or Tranche/Bulk Payment: Form 4 and D6
Disaggregation of beneficiaries (where applicable)	Adequate skills in built environment and municipal capacity
Spatial Transformation	n/a
Calculation type	Projects are undertaken within Municipal owned land parcels to promote spatial, social and economic restructuring as well as to transform existing Hostels into family units
Reporting cycle	Cumulative (Year-end)
Desired performance	Quarterly
Indicator responsibility	All targeted CRU delivered Director: Social Housing and CRU

Indicator title	3.10 Number of social housing projects endorsed for SHRA approval
Short definition	The indicator measures the number of new social housing projects that meets the SHRA requirements for approval
Source of data	Project Pipeline
Method of calculation/ Assessment	Simple count
Means of verification	PSC project endorsement
Assumptions	Availability of funding
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation	Projects are approved within the approved restructuring zones to promote spatial, social and economic restructuring.
Calculation type	Cumulative (Year-end)
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Director: Social and Rental Housing

Indicator title	3.11 Number of designated group companies trained
Definition	The indicator measures the empowerment of companies of designed groups through the provision of training and skills development on business administration and management.
Source of data	Panel of companies for designated groups
Method of calculation/ Assessment	Simple count
Means of verification	Attendance registers/ Certificates
Assumptions	Availability of funds for capacity building
Disaggregation of beneficiaries (where applicable)	Panel of companies for designated groups comprises adequate representation of targeted groups 40% women 30% youth 2% People with disabilities
Spatial Transformation	n/a
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	Empowered of designated groups (women, youth, people with disabilities and military veterans)
Indicator responsibility	Director: Transformation Programmes



Indicator title	3.12 Number of designated group individuals trained
Definition	The indicator measures the provision of accredited training and capacity development of individuals of designed groups in line with the NSF Skills training programme.
Source of data	Applications
Method of calculation/ Assessment	Simple count
Means of verification	Attendance registers/ Certificates
Assumptions	Full attendance and course completion
	No social unrest
Disaggregation of beneficiaries (where applicable)	40% women 30% youth 2% People with disabilities
Spatial Transformation	n/a
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	Empowered of designated groups (women, youth, people with disabilities and military veterans)
Indicator responsibility	Director: Transformation Programmes

Indicator title	3.13 Number of work opportunities created through EPWP aligned projects
Definition	Measures the work opportunities created for an individual on an EPWP project for any period of time. The same person can be employed on a different project and each period of employment will be counted as a work opportunity.
Source of data	Department of Public Works EPWP reporting system
Method of calculation/ Assessment	Paid work created for an individual on an EPWP project for any period of time
Means of verification	EPWP Reporting System Annexures
Assumptions	Project Availability, Community and Municipal Participation Functional EPWP Reporting System
Disaggregation of beneficiaries (where applicable)	Estimated Target: 60% women 55% Youth 2% People with disabilities
Spatial Transformation	n/a
Calculation type	Cumulative year-end
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Director Priority Programmes

Indicator title	3.14 Number of Full time Equivalent (FTE's) achieved through EPWP aligned projects
Definition	A full-time equivalent job (FTE) refers to one person-year of employment. One person-year is equivalent to 230-person days of work (excluding holidays, weekends and sick leave). Person-years of employment=total number of person days of employment created for targeted labour during the year divided by 230.
Source of data	Department of Public Works EPWP reporting system
Method of calculation/ Assessment	Total person days of work divided by 230
Means of verification	EPWP reporting system Annexures
Assumptions	Project Availability, Community and Municipal Participation Functional EPWP Reporting System
Disaggregation of beneficiaries (where applicable)	Estimated Target: 60% women 55% Youth 2% People with disabilities
Spatial Transformation	n/a
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Director Priority Programmes

Indicator title	3.15 Number of person's days of work created through EPWP aligned projects
Definition	The indicator measures the days that participants have worked on a project in line with the EPWP
Source of data	Department of Public Works EPWP reporting system
Method of calculation/ Assessment	Paid work created for an individual on an EPWP project for any period of time
Means of verification	EPWP reporting system Annexures
Assumptions	Project Availability, Community and Municipal Participation Functional EPWP Reporting System
Disaggregation of beneficiaries (where applicable)	Estimated Target: 60% women 55% Youth 2% People with disabilities
Spatial Transformation	n/a
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Director Priority Programmes

Indicator title	3.16 Number of EPWP beneficiaries provided with accredited training
Definition	The indicator measures the provision of accredited training to EPWP beneficiaries to enhance their skills and employment opportunities
Source of data	Department of Public Works EPWP reporting system
Method of calculation/ Assessment	Simple count of number of beneficiaries provided with accredited training
Means of verification	EPWP reporting system Annexures
Assumptions	Project Availability, Availability of human resources, Community and Municipal Participation, Beneficiaries meet the skills development minimum requirements Functional EPWP Reporting System
Disaggregation of beneficiaries (where applicable)	Estimated Target: 60% women 55% Youth 2% People with Disabilities
Spatial Transformation	n/a
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Director Priority Programmes

PROGRAMME 4: HOUSING ASSETS MANAGEMENT

Indicator title	4.1      Number of rental units maintained
Definition	The indicator measures the day to day maintenance and repairs undertaken to state-owned properties, which if left unattended, poses an immediate health, safety or security risk.
Source/collection of data	Maintenance requests
Method of calculation/ Assessment	Simple count of the number of units maintained
Means of verification	Job Cards/Invoices
Assumptions	Timely submission of the job card/invoices by the Agencies/service providers
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation (where applicable)	n/a
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Director: Property Management and Disposals

Indicator title	4.2      Number of units rectified for pre-1994 stock
Definition	The indicator measures the improvement of state financed residential properties created through State housing programme interventions during the pre-1994 housing dispensation.
Source of data	Approved projects
Method of calculation/ Assessment	Simple count
Means of Verification	Completion Certificates
Assumptions	Timely submission of completion certificates by the municipalities
Disaggregation of beneficiaries (where applicable)	n/a
Spatial Transformation (where applicable)	n/a
Calculation type	Cumulative (year-end)
Reporting cycle	Quarterly
Desired performance	100% of target achieved
Indicator responsibility	Director: Property Management and Disposals

AMENDMENTS TO THE STRATEGIC PLAN:

ANNEXURE A

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS  
ANNUAL PERFORMANCE PLAN

2025/26 - 2027/28

No amendments have been made to the Strategic Plan.

# CONDITIONAL GRANTS

## ANNEXURE B

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS  
ANNUAL PERFORMANCE PLAN

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ANNEXURE B: CONDITIONAL GRANTS

Name of Grant	Purpose	Outputs	Current Annual Budget (thousand)	Period of Grant
Human Settlements Development Grant (HSDG)	To provide funding for the progressive realization of access to adequate housing through the creation of sustainable and integrated human settlements	<ul style="list-style-type: none"><li>Number of residential units delivered in relevant housing programmes</li><li>Number of serviced sites delivered in relevant housing programmes</li><li>Number of informal settlements upgraded in situ and/or relocated</li><li>Number of title deeds registered to beneficiaries</li><li>Hectares of well-located land acquired and rezoned for development of housing opportunities</li><li>Number of socio-economic amenities delivered in human settlements</li><li>Number of integrated residential development projects registered on housing subsidy system, planned and approved, funded and implemented</li><li>Number of township registers opened in respect of pre and post 1994 Title Deeds Backlog</li><li>Number of beneficiaries confirmed as legitimate in registered townships in respect of pre and post 1994 Title</li><li>Deeds Backlog</li><li>Number of township establishments registered and declared</li><li>Number of ownership disputes logged and resolved in respect of pre and post 1994 Title Deeds Backlog</li><li>Number of implementation programmes for priority housing development areas</li></ul>	R2,599,445	2025/26
Upgrading of Informal Settlements Partnership Grant	To provide funding to facilitate a programmatic and inclusive approach to upgrading informal settlements	<ul style="list-style-type: none"><li>The grant shall fund the outputs defined in phases 1 – 3 of the Upgrading of Informal Settlements Programme (UISP) in the National Housing Code of 2009 (National Housing Code):</li></ul> <p>Social Facilitation:</p> <ul style="list-style-type: none"><li>Number of informal settlements where community compacts were conducted (from project initiation to implementation)</li></ul> <p>Phase 1</p> <ul style="list-style-type: none"><li>Number of prefeasibility studies conducted</li><li>Number of informal settlements re-blocked</li></ul> <p>Phase 2</p> <ul style="list-style-type: none"><li>Hectares of land acquired</li><li>Number of informal settlements benefitting from rudimentary services/interim municipal engineering services and/or any alternative technology</li><li>Number of engineering designs: water, sewer, roads and storm water drainage concluded</li><li>Number of layout plans approved</li></ul> <p>Phase 3</p> <ul style="list-style-type: none"><li>Number of settlements provided with permanent municipal engineering services and/or any other alternative engineering services</li><li>Number of informal settlements supplied with bulk infrastructure projects</li><li>Number of serviced sites developed</li><li>Number of social and economic amenities. The specific types of amenities must only be provided in</li><li>collaboration with the municipality and the community</li><li>Number of title deeds registered</li><li>Number of township establishments registered</li></ul>	R508,883	2025/26

Name of Grant	Purpose	Outputs	Current Annual Budget (thousand)	Period of Grant
EPWP Integrated Grant for Provinces	<p>To incentivize provincial departments to expand work creation efforts through the use of labour intensive</p> <ul style="list-style-type: none"><li>delivery methods in the following identified focus areas, in compliance with the EPWP guidelines:</li><li>road maintenance including but not limited to block paving and pothole patching</li><li>maintenance of buildings</li><li>low traffic volume roads and rural roads</li><li>other economic and social infrastructure</li><li>tourism and cultural industries</li><li>sustainable land based livelihoods</li><li>waste management and cleaning services</li><li>social services programmes</li><li>energy including but not limited to retro-fitting, solar</li></ul>	<ul style="list-style-type: none"><li>Number of people employed, trained and receiving income through the EPWP</li><li>Number of days worked per work opportunity created</li><li>Number of Full-Time Equivalents (FTEs) to be created through the grant</li><li>Number of beneficiaries provided with social services</li></ul>	R5,243	2025/26

# CONSOLIDATED INDICATORS

The Department does not have any consolidated indicators.

## ANNEXURE C

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS  
ANNUAL PERFORMANCE PLAN

2025/26 - 2027/28

# DISTRICT DEVELOPMENT MODEL

## ANNEXURE D

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS  
ANNUAL PERFORMANCE PLAN

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### ANNEXURE D: DISTRICT DEVELOPMENT MODEL

Annual Commitments									
Area of Intervention	Project Name	Project Description	Budget Allocation	District Municipality	Specific Location	Project Leader	Social Partners	Longitude (East/West/+X)	Latitude (North/South/-Y)
Infrastructure & Top structure Construction	Cornubia	IRDP (Implemented in phases)	R16 015 000	eThekwini	As per GPS Coordinates	Director: Project Management	Tongaat Hulett eThekwini metropolitan municipality	31,058130	-29,693396
Infrastructure	Umlazi	IRDP (Implemented in phases)	R500 000	eThekwini	As per GPS Coordinates	Director: Project Management	eThekwini metropolitan municipality, Housing Development Agency (HDA)	30,916336	-29,967135
Infrastructure & Top structure Construction	Empangeni	IRDP (Implemented in phases)	R79 012 326	King Cetshwayo	As per GPS Coordinates	Director: Project Management	-	31,886669	-28,715127
Planning	Greater Amaoti	UISP	R1 000 000	eThekwini	As per GPS Coordinates	Director: Integrated Planning	eThekwini metropolitan municipality	30,98488	-29,679114
Planning	Cornubia Phase 2 (18/19) - Phase 1	IRDP (Implemented in phases)	R500 000	eThekwini	As per GPS Coordinates	Director: Integrated Planning	Tongaat Hulett	31,058130	-29,693396
Planning	Umlazi	UISP (Implemented in phases)	R2 460 000	eThekwini	As per GPS Coordinates	Director: Integrated Planning	-	30,860314	-29,972089
Pre-feasibility stage	Hyde Park	IRDP	R500 000	iLembe	As per GPS Coordinates	Director: Integrated Planning	-	31.360300	-29.326900
Infrastructure & Top structure Construction	Bridge City	Social Housing Project	Funded through SHRA	eThekwini	As per GPS Coordinates	Director Social Housing and CRU	eThekwini Municipality, SHRA, Financial Institutions, ODA	30,989185	-29,725761
Bulks Installation	Johnstown, Blaauboschslaagte and Cavan (JBC)	UISP (Implemented in Phase 2 and Phase 3)	R2 000 000	Amajuba	As per GPS Coordinates	Director: Integrated Planning	-	30.088120	-27.780448
Bulks Installation	Empangeni	IRDP (Implemented in phases)	R66 000 000	King Cetshwayo	As per GPS Coordinates	Director: Integrated Planning	-	31,886669	-28,715127
Top structure Construction	Johnstown, Blaauboschslaagte and Cavan (Phase 1)	IRDP Phase 1	R14 100 000	Amajuba	As per GPS Coordinates	Director: Project Management	-	30.088120	-27.780448
Infrastructure	Johnstown, Blaauboschslaagte and Cavan (JBC)	UISP (Implemented in Phase 2 and Phase 3)	R18 320 001	Amajuba	As per GPS Coordinates	Director: Project Management	-	30.088120	-27.780448

The Department has reflected its key catalytic human settlements projects which directly contributes to the 2024/29 MTDP Strategic Priorities: Inclusive growth and job creation; and Reduce Poverty and tackle the high cost of living. These projects also contribute to the Departmental outcomes: Transformed human settlements in rural and urban environments; Increased access to adequate housing through various programmes; and Strengthened economic transformation of the human settlements sector. These projects are being implemented to accelerate change in deconstructing apartheid spatial planning legacy that still exists. Investment in catalytic projects further contributes to poverty alleviation and economic growth stimulation. The catalytic projects are expected to contribute to the principles of the PGDS by providing housing opportunities to qualifying beneficiaries. For example, the Cornubia Integrated Residential Development Project, which is also a Presidential Priority Project and is a Strategic Infrastructure Project as it is linked to the Durban/ Gauteng Transport Corridor is such a project. The development is one of the largest sustainable integrated human settlements initiatives by the Department and the eThekwini Municipality.



# PGDS ALIGNMENT

## ANNEXURE E

KWAZULU-NATAL DEPARTMENT OF HUMAN SETTLEMENTS  
ANNUAL PERFORMANCE PLAN

2025/26 - 2027/28

### ALIGNMENT TO PGDS, 2021, 2024/29 MTD P AND 2025/30 STRATEGIC PLAN

MTDP STRATEGIC PRIORITY	MTDP OUTCOME	PGDS, 2021 OUTCOME	DEPARTMENT IMPACT STATEMENT	DEPARTMENT OUTCOME STATEMENT	OUTCOME INDICATOR	OUTPUT INDICATOR	PROGRAMME
Reduce Poverty and tackle the high cost of living	Increased access to adequate housing through various programmes	Spatial Integration, Human Settlements and Local Government	Improved Quality Of Life Through transformed human settlements	Transformed Human settlements in rural and urban environments	Number of projects catalytic projects implemented	Number of Catalytic projects in planning	2
					Number of projects implemented within the gazetted PSHDAs	Percentage of investment of the total Human Settlements allocation in PSHDAs	2
				Increased access to adequate housing through various programmes	Number of UISP projects completed for Phases 1, 2 and 3	Number of Informal Settlements completed in Phase 1	2
						Number of Informal Settlements completed in Phase 2	3
						Number of Informal Settlements upgraded in Phase 3	3
						Number of UISP projects in Phase 2 (Planning)	2
						Number of informal settlements upgraded to phase 3	3
					Number of housing units delivered through various programmes	Number of housing units completed	3
						Number of MVHP houses completed	3
					Number of sites serviced through various programmes of the housing code	Number of serviced sites completed	3
					Number of title deeds registered	Number of title deeds registered	3
					Number of affordable housing opportunities created	Number of subsidies disbursed through FHF	3
						Number of Community Residential Units (CRU) constructed	3
				Strengthened economic transformation within human settlements	Number of economically empowered companies of designed groups	Number of designated group companies trained	3
						Number of designated group individuals trained	3
						Number of work opportunities created through EPWP aligned projects	3
						Number of Full Time Equivalent (FTE's) achieved through EPWP aligned projects	3
						Number of person's days of work created through EPWP aligned projects	3
Build a capable, ethical and developmental state	A capable and professional public service	A Capable, Ethical and Developmental State	Improved Organizational efficiency to promote an agile, capable and ethical and developmental department		A clean audit outcome	% implementation of the audit improvement plan	1
						Annual Performance Information management report submitted	1
						% implementation of the approved internal audit plan	1
					% Implementation of the Operations Management Framework (OMF)	% of the Organizational Functionality Assessment Improvement plan implemented	1
						Number of ICT Governance Framework performance reports submitted	1

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