



Western Cape
Government
FOR YOU

Human Settlements



Department of Human Settlements

Annual Report 2021/22

Department of
Human Settlements
Western Cape

Vote 8

Annual Report

2021/22

Financial Year

Table of Contents

PART A: GENERAL INFORMATION	1
1. DEPARTMENT'S GENERAL INFORMATION	2
2. LIST OF ACRONYMS	3
3. FOREWORD BY THE PROVINCIAL MINISTER	5
4. REPORT OF THE ACCOUNTING OFFICER	7
5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT	12
6. STRATEGIC OVERVIEW	13
6.1 Vision	13
6.2 Mission	13
6.3 Values	13
7. LEGISLATIVE AND OTHER MANDATES	14
8. ORGANISATIONAL STRUCTURE AS AT 31 MARCH 2022	15
9. ENTITIES REPORTING TO THE MINISTER/MEC	15
PART B: PERFORMANCE INFORMATION	17
1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES	18
2. OVERVIEW OF DEPARTMENTAL PERFORMANCE	19
2.1 Service delivery environment	19
2.2 Organisational environment	20
2.3 Key policy developments and legislative changes	20
3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES	21
4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION	21
4.1 Programme 1: Administration	21
4.2 Programme 2: Housing Needs, Research and Planning	25
4.3 Programme 3: Housing Development	31
4.4 Programme 4: Housing and Asset Management	43
5. TRANSFER PAYMENTS	46
5.1 Transfer payments to Public Entities	46
5.2 Transfer payments to all organisations other than public entities	46
6. CONDITIONAL GRANTS	48
6.1 Conditional grants and earmarked funds paid	48
6.2 Conditional grants and earmarked funds received	48
7. DONOR FUNDS	50
7.1 Donor Funds Received	50
8. CAPITAL INVESTMENT	50
8.1 Capital investment, maintenance and asset management plan	50

PART C: GOVERNANCE	51
1. INTRODUCTION	52
2. RISK MANAGEMENT	52
3. FRAUD AND CORRUPTION	55
4. MINIMISING CONFLICT OF INTEREST	56
5. CODE OF CONDUCT	56
6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES	56
7. PORTFOLIO COMMITTEES	59
8. SCOPA RESOLUTIONS	59
9. PRIOR MODIFICATIONS TO AUDIT REPORTS	61
10. INTERNAL CONTROL UNIT	62
11. INTERNAL AUDIT AND AUDIT COMMITTEES	63
12. AUDIT COMMITTEE REPORT	65
13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION	67
PART D: PEOPLE MANAGEMENT OVERSIGHT	69
1. INTRODUCTION	70
2. STATUS OF PEOPLE MANAGEMENT AT THE DEPARTMENT	70
3. PEOPLE MANAGEMENT OVERSIGHT STATISTICS	72
PART E: FINANCIAL INFORMATION	117
Report of the Auditor-General	119
Appropriation Statement	127
Notes to the Appropriation Statement	140
Statement of Financial Performance	142
Statement of Financial Position	143
Statement of Changes in Net Assets	144
Cash Flow Statement	145
Notes to the Annual Financial Statements (including Accounting policies):	146
Part A: Accounting policies	146
Part B: Explanatory notes	153
Annexures	186
PART F: ANNEXURES	201
Annexure A - List of Contractors	202



GENERAL INFORMATION

Part A: General Information

1. DEPARTMENT'S GENERAL INFORMATION

DEPARTMENT OF HUMAN SETTLEMENTS:	Western Cape
PHYSICAL ADDRESS:	27 Wale Street Cape Town 8001
POSTAL ADDRESS:	Private Bag X9083 Cape Town 8000
TELEPHONE NUMBER:	021 483 4965
E-MAIL ADDRESS:	Emmanuela.Maclean@westerncape.gov.za
WEBSITE ADDRESS:	www.westerncape.gov.za/dept/human-settlements

2. LIST OF ACRONYMS

4IR	Fourth Industrial Revolution
AGSA	Auditor-General of South Africa
AO	Accounting Officer
APP	Annual Performance Plan
BAC	Bid Adjudication Committee
BAS	Basic Accounting System
B-BBEE	Broad-Based Black Economic Empowerment
BCP	Business Continuity Plan
BEC	Bid Evaluation Committee
BIA	Business Impact Assessment
BNG	Breaking New Ground
CDP	Career Development Plans
CGF	Corporate Governance Framework
CE-I	Centre for e-Innovation
CIDB	Constructive Industry Development Board
CoCT	City of Cape Town
CoE	Compensation of Employees
CPC	Construction Procurement Committee
CRM	Citizen Relationship Management
CSC	Corporate Service Centre
D:ERM	Directorate: Enterprise Risk Management
DCAS	Department of Cultural Affairs and Sport
DEADP	Department of Environmental Affairs and Development Planning
DHS	Department of Human Settlements
DoRA	Division of Revenue Act
DotP	Department of the Premier
DPSA	Department of Public Service and Administration
DRP	Disaster Recovery Plan
DSOP	Department Specific Operation Plans
DTPW	Department of Transport and Public Works

EDGE	Excellence in Design for Greater Efficiencies
EE	Employment Equity
EEDBS	Enhanced Extended Discount Benefit Scheme
EHW	Employee Health and Wellness
EPWP	Expanded Public Works Programme
ERM	Enterprise Risk Management
ERMCO	Enterprise Risk Management Committee
ESS	Enhanced Serviced Sites
EXCO	Executive Committee
FFSS	Future Fit Skills Strategy
FLISP	Finance Linked Individual Subsidy Programme
FTE	Full-time Equivalent
GMT	Government Motor Transport
GPSSBC	General Public Service Sector Bargaining Council
HDI	Historically Disadvantaged Individual
HoD	Head of Department
HSDG	Human Settlements Development Grant
HSS	Housing Subsidy System
IA	Internal Audit
IC	Internal Control
ICT	Information and Communication Technology
IDPs	Integrated Development Plans
IGR	Intergovernmental Relations
ILSF	Individually Linked Savings Facility
IMLC	Internal Management and Labour Committee
IRDP	Integrated Residential Development Programme
IRT	Integrated Reporting Tool
ISA	International Standards on Auditing
ISSP	Informal Settlements' Support Plan

JDMA	Joint District and Metro Approach
LRA	Labour Relations Act
MCS	Modified Cash Standard
MEC	Member of Executive Council
MINMEC	Ministers and Members of Executive Councils
MNGT	Management
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MTSF	Medium-Term Strategic Framework
NDoHS	National Department of Human Settlements
NGOs	Non-Governmental Organisations
NHBRC	National Home Builders Registration Council
NHFC	National Housing Finance Corporation
NUSP	National Upgrading Support Programme
OHS	Occupational Health and Safety
PAA	Public Audit Act
PAC	Public Accounts Committee
PAY	Premier's Advancement of Youth
PERMIS	Performance Management Information System
PERSAL	Personnel Salary System
PFMA	Public Finance Management Act
PFS	Provincial Forensic Services
PHDA	Priority Housing Development Area
PHP	People's Housing Process
PILIR	Policy on Incapacity Leave and Ill-Health Retirement
PPE	Personal Protective Equipment
PPP	Public Private Partnerships
PPPFA	Preferential Procurement Policy Framework Act
PSC	Project Steering Committee
PSCBC	Public Service Coordinating Bargaining Council
PSP	Professional Service Providers
PSP	Provincial Strategic Plan

PSRMF	Public Sector Risk Management Framework
PT	Provincial Treasury
PTI	Provincial Training Institute
RHT	Rental Housing Tribunal
RISUP	Rapid Informal Settlement Upgrading Programme
RZ	Restructuring Zone
SARS	South African Revenue Service
SAWIC	South African Women in Construction
SBTs	Sustainable Building Technologies
SCM	Supply Chain Management
SCOPA	Standing Committee on Public Accounts
SEZ	Special Economic Zone
SHERQ	Safety Health Environment Risk and Quality
SHIs	Social Housing Institutions
SITA	State Information Technology Agency
SIU	Special Investigating Unit
SMS	Senior Management Service
SMT	Systems Monitoring Tool
SOP	Standard Operating Procedure
ToR	Terms of Reference
TR	Treasury Regulations
UISP	Upgrading of Informal Settlements Programme
USDG	Urban Settlement Development Grant
VPUU	Violence Prevention through Urban Upgrade
WCG	Western Cape Government
WCHDF	Western Cape Housing Development Fund
WCSD	Western Cape Suppliers' Database

3. FOREWORD BY THE PROVINCIAL MINISTER

With the COVID-19 pandemic relatively behind us, the period under review provided an opportune time to focus on delivery so that we continue to provide dignity, well-being, safety and economic opportunities to our valued citizens.

With a mammoth task of delivering 80 000 housing opportunities over the Medium-Term Strategic Framework (MTSF) period (2019-2024), the Department made a concerted effort to provide affordable housing opportunities and upgrade informal settlements, as a contribution towards the achievement of the set target. These efforts were realised with a total delivery of **11 495** housing opportunities and the transfer of **8 164** title deeds which allowed for the security of tenure through home ownership for beneficiaries.

Our delivery highlights for the 2021/22 financial year include:

- **1 620** affordable housing opportunities (FLISP)
- **3 973** serviced sites delivered
- **4 571** fully subsidised housing opportunities (BNGs)

The 2021/22 financial year was quite intense as we added to our delivery activities with the implementation of the deferred ownership pilot project launched in Cape Agulhas Municipality. Deferred ownership, commonly known as 'rent-to-buy', is a relatively new government housing mechanism and it is the first of its kind in the country. Upon completion, this project will yield more than **106** housing opportunities. I am pleased with the accelerated trajectory of this project.

Our ambitious efforts to give expression to spatial transformation was realised with the launch of the Conradie Park mixed-use project in Pinelands. This project is a game-changer in spatial redress, transformation and increasing the number of affordable housing opportunities in the inner city. While the project has been implemented over a few years, we are finally seeing results with a yield of more than **1 236** social housing opportunities. I am excited that the first occupants of the FLISP units are a few weeks away from taking occupation.

Furthermore, for the first-time during my tenure we experienced notable traction in the 7 non-Metro Ministerial Priority Projects. To date a number of housing units were handed over to the first batch of the most deserving and vulnerable beneficiaries.

With a myriad of challenges which are including, but not limited to, the current negative economic climate, a global shortage in building and construction material, prevalence of land invasions, increased security threats on our sites and extortion incidents by the so-called construction mafia, productivity in our outreach programmes was negatively impacted upon. However, in the 2nd and 3rd term of the financial year, our determination and concerted efforts to rebuild our economy and province resulted in achieving our set targets as best we could.

Despite the challenging landscape, our achievements on all targets demonstrate the sheer commitment by the Department. By being resolute and innovative and staying true to our mission, we were able to deliver on our targets and offer good basic and socio-economic services. This is evident in our deliberate economic empowerment targeted efforts, resulting in **68.67%** of the Human Settlement Development Grant (HSDG) being spent on empowering contractors from designated groups and Small, Medium and Micro Enterprises, with **14.50%** and **6.18%** spent on contractors with women and youth representation respectively.

Unemployment is prevalent in our society, especially youth unemployment. We have a responsibility to ensure that we contribute to address unemployment and facilitate job opportunities. For the year under review, we provided skills training to **159** youth and created **881** job opportunities against a target of 800. It is through such efforts that we are able to rebuild our economy and allow more people the opportunity of accessing the housing market.

I continue to be optimistic as a result of the efforts and commitment shown by the Department in the past year. With the ever-increasing demand for better opportunities and integrated urbanisation, redefining the business of human settlements remains key. The successful launch of the Conradie Park is an exemplary example of what social integration should look like when executed properly.

It is with this view in mind that I look forward to continuing the prioritisation of our land release programme, facilitating the provision of serviced sites, providing security of tenure to all qualifying beneficiaries and increasing our efforts in the affordable housing market.

I wish to thank the entire staff complement of the Department and senior management for their efforts and commitment during the past year. I look forward to continuing the hard work and especially finding innovative collaborative solutions to building our economy and province.



Tertuis Simmers
Provincial Minister of infrastructure
Department of Human Settlements
Date: 28 September 2022

4. REPORT OF THE ACCOUNTING OFFICER

In its quest to execute the mandate as provided for in Section 26 of the Constitution the Western Cape Department of Human Settlements delivered a total of **11 495** housing opportunities in line with the MTSF 2019-2024 aspirations. The preceding was realised as a result of delivering on activities as indicated below.

Opportunity	Planned Annual Target 2021/22	Actual Achievement 2021/22
Housing units	8 272	6 191
Serviced sites	6 324	3 973
Enhanced Extended Discount Benefit Scheme (EEDBS)	450	1 331
Total number of housing opportunities	15 046	11 495

Furthermore, in its unwavering commitment towards empowering residents of the Province and ensuring that they participate in the economic mainstream, the Department spent **68.67%** of the Human Settlements Development Grant (HSDG) against its set target of 50%. Further to the empowerment of the citizenry the Department facilitated the creation of **881** job opportunities with the aim of providing poverty relief and trained **159** young people within the built environment, with the aim of improving their employability in the formal employment market, as the skills gained through these training interventions will equip the trainees to enter the job market with a formal training certificate. The preceding was achieved as a result of collaborating with various agencies.

Whilst executing its mandate, the Department was conscious to the aims of the Western Cape Government's Recovery Plan and therefore used the plan as an anchor to contribute towards the realisation of the focus areas, i.e. Jobs, Well-being and Safety. By incorporating safety elements within the housing development projects the Department ensured that sustainable jobs are created from committed expenditures within the built environment value chain.

Amongst others, the 2019-2024 MTSF priorities aspired that land procured by Government in previous terms is completely rezoned for Human Settlements. In this regard, the Department ensured that **6%**, constituting 13.7 hectares of land was rezoned for Human Settlements Development in the Saldanha Bay and Theewaterskloof Municipalities. Further to this, the Department facilitated the completion of **4** township establishment processes within identified PHDA's in the City of Cape Town (2) and Overberg District Municipalities (2). The intention of this is to restructure and revitalise towns and cities to strengthen the livelihood prospects of households involved. In an attempt to further entrench integration of communities, the Department coordinated the completion of **2** integrated implementation plans in the Breede Valley (Greater Worcester) and Saldanha Bay (Special Economic Zone (SEZ)) Municipalities and approval of **10** Human Settlements projects, thereby increasing project readiness for implementation in the pipeline.

In promoting and cementing intergovernmental relations, concerted efforts were made with municipalities to embed the Department's strategic thrust with various state organs. To this extent, the Department facilitated platforms of engagement to enable the executing authority and the management team to exchange ideas to enable a seamless delivery of service by Government. Furthermore, the Department provided municipalities with technical support to enable them to produce Integrated Development Plans (IDPs) for Human Settlements projects.

True to the belief that owning a property provides a sense of ownership and dignity, in its effort to continue promoting the security of tenure, the Department facilitated the transfers of title deeds as illustrated by the table below.

Output Indicator	Planned Annual Target 2021/22	Actual Achievement 2021/22
Title deeds registered for new (post-2014)	7 000	5 981
Title deeds registered to eradicate pre-2014 backlog	1 000	2 073
Title deeds transferred to qualifying beneficiaries of pre-1994	110	110
Total number of title deeds transferred	8 110	8 164

Noting the preceding and the fact that the Department remains committed to the key priorities of building a capable, ethical and developmental state, it is worth pointing out that project disruptions and stoppages, intimidation by construction cartels and poor delivery performance from contractors posed themselves as stumbling blocks towards the attainment of set targets.

Departmental receipts

The Department exceeded the amount targeted for collection in its revenue budget by R8.280 million.

Sale of goods and services other than capital assets includes commission on insurance and garnishee orders administered via PERSAL R71 000, sale of minor assets R1 000, sale of tender documents R19 000, administrative fees R1 000 and sales of scrap, waste and other used current goods R2 000.

Included in the amount of interest, dividends and rent on land is R77 000 in respect of Departmental debt and R2.650 million in respect of various PHP projects. The amount of R7.268 million for rent on land is in respect of occupational rent for Finance Linked Individual Subsidy Programme (FLISP) houses. (2020/21: R2.222 million). Rent on land has been restated to R8.430 million which was due to the reclassification of rental income.

The decrease in financial transactions in assets and liabilities, in comparison to the previous financial year, is mainly due to the decrease in Eskom subsidies for electrical connections as well as less returned subsidies from municipalities. Loans and advances have been restated to R1.265 million (2020-21: R7.464 million) which was due to the reclassification of rental income.

The table below provides a breakdown of the revenue collected:

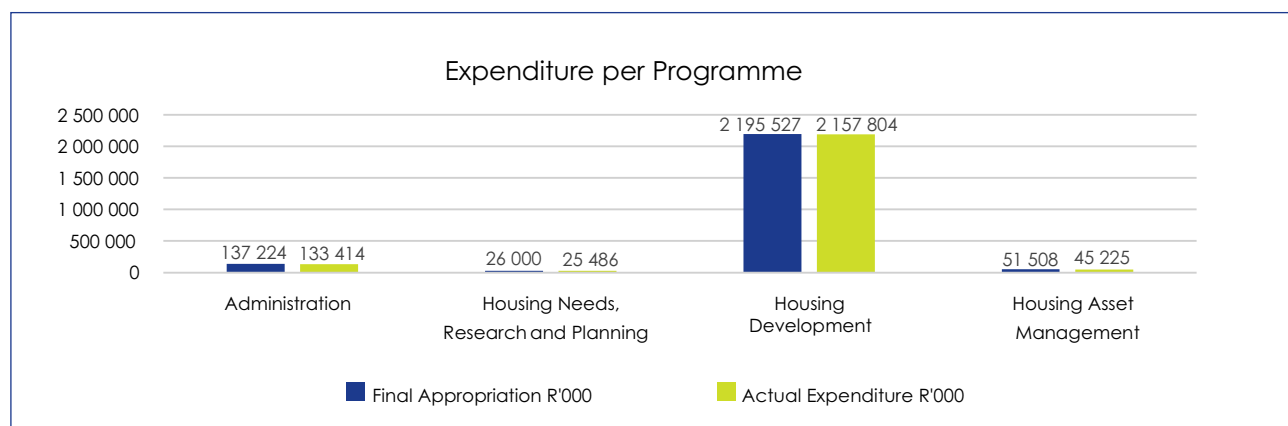
Departmental receipts	2021/2022			2020/2021		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Sale of goods and services other than capital assets	128	94	34	122	82	40
Interest, dividends and rent on land	821	9 995	(9 174)	778	9 078	(8 300)
Sale of capital assets		1	(1)	-	12	(12)
Financial transactions in assets and liabilities	69 572	68 711	861	65 945	107 261	(41 316)
Total	70 521	78 801	(8 280)	66 845	116 433	(49 588)

Programme Expenditure

The Department spent R2.362 billion or 98% of its final appropriation which translates into an underspending of R48.330 million.

The underspending predominantly relates to a receivable that was raised in respect of voted funds over-surrendered to the PRF for the 2020/21 financial year. The delay in the development of a mobile application to track and report on housing projects, as well as lesser property payments due to the transfer and the devolution of properties to beneficiaries and to local authorities, and the municipal service charges associated with these properties. A further underspending was realised due to the unavailability of the supply of computer equipment on the transversal State Information Technology Agency (SITA) contract.

The below graph depicts expenditure of the Vote per Programme:



The table below presents an overview of 2021/22 expenditure against the final appropriation per programme, inclusive of comparative information for 2020/21.

Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Programme 1: Administration	137 224	133 414	3 810	127 614	124 893	2 721
Programme 2: Housing Needs, Research and Planning	26 000	25 486	514	25 342	24 170	1 172
Programme 3: Housing Development	2 195 527	2 157 804	37 723	2 237 541	2 196 164	41 377
Programme 4: Housing Asset Management	51 508	45 225	6 283	36 290	35 380	910
Total	2 410 259	2 361 929	48 330	2 426 787	2 380 607	46 180

Virements

As illustrated below, the unspent funding on Programme 3 and 4, (Compensation of Employees), was utilised towards the over expenditure incurred on Programmes 1 and 2, (Compensation of Employees).

Approved virements were effected from savings towards overspending as follows:

Programme (From)	Amount	Programme (To)	Amount
Programme 3 (CoE)	(R1 144 000)	Programme 1 (CoE)	R1 144 000
Programme 3 (CoE)	(R1 116 000)	Programme 2 (CoE)	R1 116 000
Programme 4 (CoE)	(R274 000)	Programme 1 (CoE)	R274 000
Total Virements	(R2 534 000)		R2 534 000

Rollovers and Retention of Revenue

Application for roll-over of unspent voted funds (R9.348 million) and retention of over collected receipts (R8.279 million) from the 2021/22 financial year to the 2022/23 financial year amounting to R17.627 million has been submitted to Provincial Treasury.

Rollovers

Programme	Amount R'000	Purpose
Programme 1	760	To make provision for computer equipment on the transversal State Information Technology Agency (SITA) contract.
Programme 1	588	To make provision for the installation of the new hearing rooms for the Rental Housing Tribunal.
Programme 3	8 000	Relocation of unlawful occupants from WCG owned Driftsand Nature Reserve.
Total	9 348	

Retention of Revenue

Programme	Amount R'000	Purpose
Programme 1	8 279	To increase the number of housing opportunities delivered to the residents of the Western Cape.
Total	8 279	

Unauthorised, fruitless and wasteful expenditure

No unauthorised or fruitless and wasteful expenditure was incurred by the Department for the year under review.

Public Private Partnerships (PPP)

The Department has not entered into any PPPs during the financial year.

Discontinued key activities/activities to be discontinued

No activities are to be discontinued.

New or proposed key activities

No new or proposed activities were noted during the financial year under review.

Supply chain management

There were no unsolicited bid proposals concluded for the year under review.

Gifts and Donations

R18 000 worth of sympathy flowers, fruit baskets, toolkits and a gift card were donated to staff during the financial year under review.

Exemptions and deviations received from the National Treasury

No exemption from the PFMA or Treasury Regulations or deviation from the financial reporting requirements were applied for or received for the current and/or previous financial year.

Events after the reporting date

See note 28 of the Annual Financial Statements.

Principal-Agent Arrangement

See note 31 of the Annual Financial Statements.

Related parties

See note 25 of the Annual Financial Statements.

Other

There are no other material facts or circumstances that may affect the understanding of the financial state of affairs that is not addressed elsewhere in this report.

Acknowledgement/s or Appreciation

I would like to express my gratitude to the Provincial Minister of Human Settlements, departmental staff, staff of the Auditor-General, the Audit Committee, Provincial Parliament, Corporate Service Centre (CSC), Provincial Treasury and municipalities for assisting the Department in delivering integrated human settlements during the 2021/22 financial year.

Approval and sign off

The Annual Financial Statements set out on pages 127-199 have been approved by the Accounting Officer.



Ms Phila Mayisela
Accounting Officer
Department of Human Settlements
Date: 31 May 2022

A

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent. The annual report is complete, accurate and is free from any omissions. The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information. The Accounting Officer is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2022.

Yours faithfully



Ms Phila Mayisela
Accounting Officer
Department of Human Settlements
Date: 31 May 2022

6. STRATEGIC OVERVIEW

6.1 Vision

Residents of the Western Cape have access to liveable, accessible, safe and multi-opportunity settlements.

6.2 Mission

The mission of the Department of Human Settlements is:

- To provide settlements that offer good basic and socio-economic services;
- To offer a range of rental and ownership options that respond to the varied needs and income of households; and
- To consistently improve settlements through joint citizen and government effort supported by private sector contributions.

6.3 Values

The Department of Human Settlements' values is aligned to the Batho Pele principles, as well as those of the Western Cape Government. The Department has unpacked the values to make them more specific to the mandate of the Department:

Competence	Focused on developing staff, systems and processes that are fit-for purpose to ensure the Department functions optimally to deliver on its mandate and achieve its strategic goals and objectives.
Accountability	Being open and transparent about what we want to achieve, and about our performance against our pre-determined objectives.
Integrity	Acting honestly and in the best interests of the Department, the taxpayers and the public we serve, taking pro-active steps to improve governance and prevent and act against corruption and maladministration.
Responsiveness	Ensuring that the human settlements we promote, enables and facilitates a response to the needs of our customers, and that we treat stakeholders with respect by consulting them in good faith, keeping them informed, and responding to applications, complaints, queries and requests timeously and appropriately.
Caring	Treating people with empathy in responding to their needs, prioritising the needs of the most vulnerable in our society when we select projects to fund and ensuring that municipalities do the same with the selection of beneficiaries.
Innovation	To be open to new ideas and develop creative solutions to challenges in a resourceful way.

7. LEGISLATIVE AND OTHER MANDATES

Constitutional mandates

Chapter 2 (Bill of Rights) of The Constitution, Section 26 requires the State to:

- Take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of everyone's right of access to housing; and
- To ensure no one is evicted from their home or has their home demolished without an order of the court, after considering all the relevant circumstances.

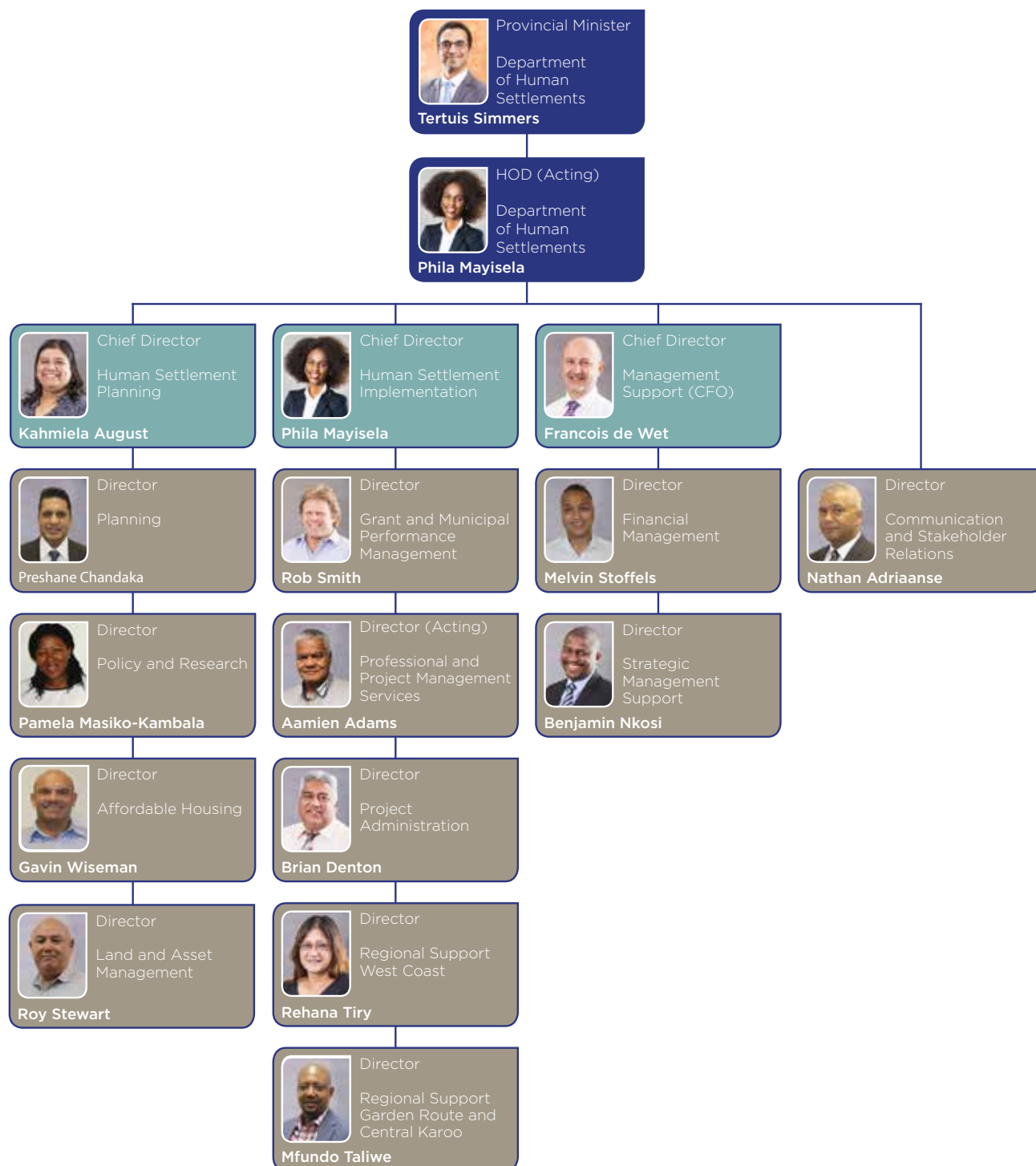
The Constitution further provides that housing is a competency that is held concurrently by national and provincial governments.

Statutory mandates

The following key pieces of legislation currently govern the housing environment:

- Housing Act (Act 107 of 1997);
- Prevention of Illegal Eviction from and Unlawful Occupation of Land Act (Act 19 of 1998);
- Housing Consumers Protection Measures Act (Act 95 of 1998);
- Rental Housing Act (Act 50 of 1999);
- Home Loan and Mortgage Disclosure Act (Act 63 of 2000);
- Housing Development Agency Act (Act 23 of 2008);
- Social Housing Act (Act 16 of 2008);
- Sectional Titles Management Act (Act 8 of 2011);
- Community Scheme Ombud Service Act (Act 9 of 2011);
- Western Cape Housing Development Act (Act 6 of 1999); and
- Western Cape Land Use Planning Act (Act 3 of 2014).

8. ORGANISATIONAL STRUCTURE AS AT 31 MARCH 2022



9. ENTITIES REPORTING TO THE PROVINCIAL MINISTER

None



B PERFORMANCE INFORMATION

Part B: Performance Information

1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with no material findings being reported under the Predetermined Objectives heading in the Auditor-General audit report.

Refer to page 119-125 of the Report of the Auditor-General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1 Service delivery environment

The 2021/22 financial year was marred by the effects of the COVID-19 pandemic, which had both positive and negative spin-offs for the Department. The following is an account of some of these factors:

2.1.1 Innovation in Information and Communication Technology (ICT)

Considering that mobile apps are one of the major elements of modern technology that are consistently changing how consumers satisfy their needs and in building on the successes of the Mobile Housing App developed in the 2020/21 financial year, the Department embarked on a journey to encourage municipalities to take full advantage of the tool available. As a result, during the year under review, a noticeable number of approximately 2 100 users utilised the app to register for the first time for a housing opportunity, verify their status, review or update their credentials. The preceding demonstrates that by going mobile the Department has positively increased the accessibility of its services to the citizens despite the prevalence of COVID-19 and the related rules and regulations thereof.

2.1.2 Western Cape Recovery Plan

In a response to the pandemic the Western Cape Government developed a Recovery Plan to address the key issues that face the province, which focuses on Jobs, Safety and Well-being.

Considering that the impact of high levels of unemployment is devastating and has the potential to result in poverty, social exclusions, inequality, crime, and social instability, the Department, in responding to the Western Cape Government Recovery Plan imperatives during the year under review, enabled the facilitation of **881** job opportunities within the built environment and further ensured that for every million rand spent within the built environment sector 3 permanent jobs are created. Additionally, the Department ensured that a significant percentage of its HSDG was utilised to empower targeted groups to be able to participate in the economic mainstream. These efforts are also aimed at ensuring that such a participation would translate into the creation of job opportunities. In this instance the Department spent **68.67%** of its HSDG on empowering all targeted groups.

Conscious to the efforts by the provincial government to ensure the safety of its citizens, the Department included safety elements through the design and construction of houses which includes streetlighting, lighting in public open spaces, courtyards and/or provision of urban environment in permeable spaces and the design construction of houses in new projects, aiming to provide safer and more cohesive communities. In contributing to achieving the well-being aspiration of the Recovery Plan and demonstrating the commitment to the upgrading of informal settlements as its strategic pillar, the Department continued to invest its energies and efforts in ensuring that communities living in informal settlements continue to live in dignity by ensuring that access to basic services is not compromised. To this extent, **56** informal settlements received access to basic services for the period under review. These efforts positively impacted on the lives of households residing in approximately 1 700 dwellings. This was made possible by leveraging on the collaborative initiatives with multiple stakeholders including the appointed NGOs and the uncompromised commitments demonstrated by the Informal Settlements Support Plan (ISSP) within the Department.

2.1.3 Socio-Economic Dynamics

The construction industry plays a vital role in South Africa's economy as a significant contributor to economic growth. However, like most sectors, the construction industry faced exceptional challenges in 2020 which carried over to the period under review. In this regard, the Department experienced a ramped-up ferocity from construction cartels which presented themselves as business forums. The catalogue of challenges experienced by the Department during the period under review negatively impacted on the Department's speed and quest to radically deliver on housing opportunities for the province's residents.

2.1.4 Reprioritisation

In pursuit of the directive issued by the National Department of Human Settlements (NDoHS) which compelled provincial departments to revise their business plan targets to prioritise the delivery of serviced sites, the Department reviewed its Beneficiary Selection Policy Framework which covers the Western Cape to explicitly address how municipalities should select households for serviced sites. Furthermore, the Framework Policy also addresses how priority households should be selected for the subsidy houses that are financed by Department. The Department also played an important role in reforming the elements of national subsidy regime aimed at the affordable housing market.

2.2 Organisational environment

During the 2021/22 financial year, the Department experienced internal changes. The Accounting Officer resigned in June 2021, and the Chief Director: Human Settlements Implementation was requested to act till the position was filled. Furthermore, the finalization of the Department's structure is still pending and efforts in this regard will be redirected towards developing the newly established Department of Infrastructure.

Partnerships and collaboration remain a crucial aspect of delivering services to the communities. In ensuring that efforts by other role players are not ignored, the Department, for the year under review, continued with its partnership efforts with the appointed NGOs to assist in the informal settlements upgrading processes thereby facilitating social mobilisation and promoting community-based planning. Further to collaborative efforts the Department partnered with the National Housing Finance Corporation (NHFC) to avail resources to supplement efforts of assisting qualifying beneficiaries for the FLISP opportunities. Holding the view that partners are crucial to the success of meeting aspirations of citizens the Department, during the year under review, piloted its envisaged planned housing delivery model with the Garden Route District Municipality. This model is aimed at strengthening the roles of municipalities, with the district municipalities being the anchor.

2.3 Key policy developments and legislative changes

Policies and procedures are an essential part of any organization. Together, policies and procedures provide a roadmap for day-to-day operations. They ensure compliance with laws and regulations, give guidance for decision-making, and streamline internal processes. In pursuit of this governance principle, the Department, during the period under review, developed the General Policy on the Management of Rental Properties owned by the Western Cape Department of Human Settlements. The policy details the procedural and management compliance framework for the letting of immovable properties belonging to the Western Cape Government in terms of the Housing Act 107 of 1997. In ensuring transparency and structure in the beneficiary selection process, the Department, during the year under review, embarked on a process to revise the Framework Policy for Beneficiary Selection. The aim in this regard is to lay out the norms and standards for beneficiary selection for human settlement projects in municipalities, in the form of rules and principles.

In demonstrating its commitment to unlocking the potential of the Affordable Housing market, the Department initiated and led discussions with its provincial and national counterparts at Ministers and Members of Executive Councils (MINMEC) engagements to propagate for the easing of processes and procedures to enable potential beneficiaries to access a housing opportunity. To this end, a policy on *"Help me Buy a Home"* has been approved by NDoHS.

In pursuit of the imperatives of the reprioritisation directives, the Department revised its Enhanced Serviced Sites (ESS) Policy Guidelines to cater for various options to allow for capturing of a different range of potential beneficiaries in all the markets.

3. ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

At the inception of the MTSF period in its Strategic Plan, the Department resolved to set improved efficiencies, livable neighbourhoods, access to adequate housing and improved security of tenure as its outcomes. To realise its impact in this regard, indicators throughout the years were designed and developed to track the progress the Department is making in this regard. For the year under review, indicators related to improved efficiencies i.e. enhancement of ICT platforms, were achieved. Targets set against indicators relating to livable neighbourhoods i.e. rezoning of land for human settlement developments, the completion of integrated implementation plans and the completion of township establishment processes were achieved.

The challenges encountered during the year under review contributed to the non-achievement of targets on sites and units, which relates to the outcome, access to adequate housing and empowerment. However, the Department overachieved on the targets as per the indicators on the empowerment aspect of this outcome. In relation to the security of tenure outcome, the Department fared differently on the various categories of the title deeds. To this end, the Department is consciously making efforts to ramp up the transfers of post-2014 title deeds by centralising the function with a view to dedicate resources for better execution and attainment of the target.

4. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

4.1 Programme 1: Administration

Purpose

The purpose of this Programme is to provide overall management in the Department in accordance with all applicable acts and policies. It consists of two Sub-Programmes, namely:

Office of the MEC: To provide for the functioning of the Office of the MEC; and

Corporate Services: To provide corporate support that is non-core for the Department.

Institutional Outcomes

- Improved efficiencies

Outcomes, outputs, output indicators, targets and actual achievements

Having committed itself to not stifle service providers in their quest to do business with government, the Department endeavours to pay its service providers timely and achieve its outcome of improved efficiencies. In this regard, the Department initiated some improvements on the certification process and persistently impressed upon line functionaries to view and treat the processing of invoices in their possession within the 30 days prescribed period as a priority. These initiatives enabled a realisation of a positive variance in which a **99%** payment rate of invoices paid within 30 days was attained against the target of 98%.

While these initiatives ensured that the Department complies to section 38(1)(f) of the Public Finance Management Act (PFMA), which requires the Accounting Officer of a Department to settle all contractual obligations and pay all money owing, including intergovernmental claims, within the prescribed or agreed period and Treasury Regulation 8.2.3 which states that, unless determined otherwise in a contract or other agreement, all payments due to creditors must be settled within 30 days from the date of receipt of an invoice. These efforts are also aimed at restoring the confidence of service providers in doing business with the Department which could lead to improved responsiveness, turnaround times and quality of service received from them.

The Department is of the view that evaluation plays a critical role in informing the design and delivery of policies and programmes which leads to better, fair and more sustainable development outcomes. This view is further strengthened by the fact that evidence from evaluations, and the critical thinking thereof can support and play a crucial role in helping decision makers to ensure that policies and programmes deliver positive and lasting results. Motivated by this view and the quest to assist management towards making informed decisions, the Department for the year under review aimed at conducting an evaluation study on the Implementation of the Informal Settlements Support Plan (ISSP) to broaden its horizon on informal settlements upgrade. The study has been successfully completed with recommendations workshopped with line functionaries. The findings and the related recommendations will help the Department to strengthen its quest and resolve in upgrading informal settlements.

Further to the determination of creating pockets of excellence, the Department through its Knowledge Management unit facilitated sessions on knowledge sharing which seeks to embed lessons learnt from the implementation of projects. The unit further developed a Stakeholder Dashboard which intends to promote the collaborations and partnership efforts.

Considering that Information Technology has rapidly changed the way people communicate, and that ICT is a vast field encompassing virtually all technologies that can receive, store or transmit information electronically, the Department for the year under review resolved to enhance two of its ICT platforms which host systems that enable the Department to continue to execute its functions with ease. In this regard the BizBrain platform - a data portal which provides a central point of access to data and evidence to inform decision making, was enhanced by upgrading the executive dashboard to include information on Planning and Stakeholder Management. Citizen Relations Management (CRM) platform - a digital platform that enables Western Cape citizens to receive online services, was enhanced by effecting some improvements on the Rental Housing Tribunal (RHT). The spin-offs of this enhancement, in particular the RHT system has proven to be of essence in that a noticeable reduction of the case backlog has been realized.

Understanding the importance of taking along and effectively collaborating with stakeholders in the quest to deliver on its mandate, the Department thought it desirable that platforms of engagement, which amongst others will help to canvass and lobby municipalities to assist in implementing the strategic imperatives. In this regard, for the year under review **20** municipal engagements were hosted against a set target of 8. The overperformance in this regard was as a result of the efforts and determination by the Department coupled with the initiatives by the Provincial Minister to engage with all municipalities in the province with a view of explaining the Department's strategic direction and the budget imperatives prioritised for the realisation of its mandate.

In ensuring that against all odds business remains on course and uninterrupted, the Department undertook to continuously review its Business Continuity Plan (BCP). In this regard, for the year under review the Departmental Business Impact Assessment (BIA) as well as the Contingency Plan were approved as part of living the ethos of the BCP. Other operational compliance issues related to the implementation of COVID-19 protocols and regulations, were also facilitated in compliance to the reviewed BCP.

Outcomes, outputs, output indicators, targets and actual achievements

Programme 1: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Improved efficiencies	Invoices paid	1.1 Percentage of invoices paid within 30 days by 31 March 2022.	New Indicator	98%	98%	99%	+1%	The encouragement to line function to view and treat the process of invoice payments within the prescribed 30 days as a priority coupled with the improvements effected on the certification processes brought some efficiencies which resulted in positive variance.	
	Evaluation studies completed	1.2 Number of evaluation studies completed by 31 March 2022.	New Indicator	0	1	1	-		
	ICT interventions implemented	1.3 Number of ICT interventions implemented by 31 March 2022.	New Indicator	6	2	2	-		
	Knowledge management projects implemented	1.4 Number of Knowledge Management projects implemented by 31 March 2022.	2	1	2	2	-		

Programme 1: Administration									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Improved efficiencies	Municipal engagements	1.5 Number of municipal engagements held by 31 March 2022.	New Indicator	6	8	20	+12	The efforts by the Department coupled with the initiatives by the provincial minister to engage with municipalities in the province with a view of explaining the Department's strategic direction resulted in more platforms of engagements being initiated.	
	Business Continuity Plan review	1.6 Review of the Departmental Business Continuity Plan by 31 March 2022.	New Indicator	9	1	1	-		

Linking performance with budgets

Sub-Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the MEC	9 479	8 387	1 092	7 351	7 351	-
Corporate Services	127 745	125 027	2 718	120 263	117 542	2 721
Total	137 224	133 414	3 810	127 614	124 893	2 721

The underspending reflected against this Programme for the year under review mainly relates to the challenges encountered in the installation of the new hearing rooms for the Rental Housing Tribunal, delay in the development of a mobile application to track and report on housing projects, as well as the delay in delivery of computer equipment due to the unavailability of supply of computer equipment on the transversal State Information Technology Agency (SITA) contract.

Strategy to overcome areas of under performance

None.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Not applicable.

Reporting on the Institutional Response to the COVID-19 Pandemic

None.

4.2 Programme 2: Housing Needs, Research and Planning

Purpose

The purpose of this Programme is to facilitate and undertake housing delivery planning. It consists of four Sub-Programmes, namely:

- Administration:** To provide administrative and/or transversal services;
- Policy:** To develop human settlements policies and policy guidelines;
- Planning:** To develop the provincial Multi-Year Housing Development Plans and project pipelines in co-operation with municipalities; and
- Research:** To conduct research on sustainable human settlements.

Institutional Outcomes

- Liveable neighbourhoods

Outcomes, outputs, output indicators, targets and actual achievements

The acceleration of Affordable Housing is a strategic imperative for the Department with a key focus being the alignment and enhancement of the primary Affordable Housing delivery instruments. This includes the Social Housing programme as a primary delivery instrument which enables the development of affordable rental opportunities, within defined 'Restructuring Zones'. The Programme has expanded to areas outside the Metro with Restructuring Zones (RZs) having been gazetted for 11 non-metro Leader Towns. Drakenstein, Stellenbosch and Mossel Bay municipalities are vigorously pursuing mechanisms for delivery of Social Housing

within their towns by learning from Social Housing Institutions (SHIs) who completed Social Housing projects within the City of Cape Town.

For the year under review, the first Social Housing project outside the City of Cape Town, namely Mountain Ridge Gardens in Drakenstein Municipality, comprising 362 units, received funding approval and entered into relevant partnership agreements in October 2021. The Social Housing programme, through SHIs, completed 3 projects, namely Conradie Park - Phase 1, Anchorage - Phase 2 and the Bothasig Gardens - Phase 3, delivering 670 new rental housing opportunities.

The Department has developed the Deferred Ownership model that is being piloted in Bredasdorp situated within the Cape Agulhas Municipality. The concept of Deferred Ownership will allow beneficiaries to rent their units for a period of 6 to 24 months, after which they have the option to purchase the unit.

Affordable home ownership provides opportunity for financial empowerment for first time homebuyers. However, growing economic constraints have placed this dream of many aspirant homeowners, outside of their reach. This is often a result of a low credit score or a challenge with regards to affordability. The Department embarked on a Housing Consumer Credit Readiness Initiative to assist consumers, who are unable to access sufficient bank finance, to improve their poor, or impaired, credit records. Although challenges were experienced with the implementation of the initiative, and the selection process of participants for the programme, the benefits and impact of such an initiative were highlighted within the Department's own Affordable Housing projects. An alternative service provider doing the sales and marketing of the Department's FLISP developments in the City of Cape Town region, instituted such a consumer rehabilitation initiative as part of their service offering for these developments. The real benefits and intent of the programme were achieved with 124 purchasers successfully completing the programme and successfully reapplied for end user finance. The percentage of eligible home buyers was substantially increased by this programme whereby potential beneficiaries were rehabilitated to then actively participate in a project. They were able to access end user finance and a FLISP subsidy and were able to purchase a house. The lessons learnt from these programmes are being included in future affordable ownership projects.

With regards to the policy and research environment, the Department during the year under review produced **2** policies, **2** policy guidelines and **2** research papers, thus meeting its delivery targets. The Department reviewed and amended the 2018 General Policy on the Management of Rental Properties owned by the Western Cape Department of Human Settlements (Rental Policy). Due to irregularities in the management and maintenance of properties, the Department introduced amendments to strengthen the housing allocation process by providing clear policy guidance and introducing new property management practices and procedures. The revised Rental Policy now reinforces the process of determining rentals, allocation criteria, filling vacant properties, the transfer of tenancy, maintenance of rental units, management of tenant debt, and provides for stakeholder education. The Rental Policy ensures that its property portfolio is effectively governed to strategically extract social and economic value for the people of the Western Cape.

The Department reviewed and amended the Framework Policy for Beneficiary Selection, approved in 2012. The Framework Policy provides norms and standards for beneficiary selection in subsidy housing projects undertaken by municipalities and the Department. The amendment brings the Department's policy in line with the 2020 Directive from the National Department, which indicates that due to fiscal constraints, standard subsidy houses are now intended for certain priority households headed by older persons, households affected by permanent disability and military veterans. The amendment to the policy also takes into account lessons learnt since 2012, incorporates several policy guidelines issued by the Department in the intervening years and addresses areas for improvement in government beneficiary selection practices. The first phase encompassed the following co-financing arrangements: personal savings and other resources; pension-backed loans; mortgages. Later phases will depend on the development of national implementation guidelines planned for 2022/23.

The Department produced policy implementation guidelines in support of the substantial revisions to the Finance Linked Individual Subsidy Programme (FLISP) by the National Department which allowed subsidy approval to be delinked from mortgage loan approval as explained above. The national policy is titled "Help

me buy a home". The policy guidelines provide business process maps for several important co-financing scenarios that are now possible, explaining and motivating key process elements. Insights developed researching the checks and balances required to address risks and embodied in the process maps informed the Department's engagement with the National Department's drafting process. The Department provided substantial comments on each version of the national policy. The policy guidelines enabled the Department to begin implementation of the Revised FLISP in a phased manner from the date of implementation of 1 April 2022, even though the policy was approved late in the financial year (mid-February 2022).

The Department revised the costs of four Enhanced Serviced Site (ESS) typologies in the Revised ESS Policy Guidelines for 2021/22. The Policy Guidelines make provision for a regular serviced site (Option A), an enhanced serviced site (Option B), an enhanced serviced site on a 40 sqm concrete foundation (Option C), and an enclosed 'starter house' on a 40 sqm frame structure with 20 sqm under the roof (Option D). Options C and D are innovations of the Department. The Policy Guidelines were adjusted to reflect the escalating cost of construction for the period 2021. These updates will guide the Department and municipalities on how to evaluate bids for building enhanced serviced sites.

The Department conducted research and produced a report on a pilot project implementing EDGE (Excellence in Design for Greater Efficiencies) in 700 Breaking New Ground (BNG) houses in Fisantekraal in Durbanville, Cape Town. These houses are a development project of the City of Cape Town and a developer, Garden Cities. EDGE is a voluntary 'green' rating certification system that rates the efficiency of buildings as resource efficient and environmentally friendly if they meet EDGE norms and standards for water use and energy efficiency which can be achieved through the application of sustainable building technologies in the construction process. The Department is currently undertaking a process to test and verify that the 700 BNG houses comply with EDGE norms and standards, thereafter compliance certificates will be handed out to each homeowner. EDGE-certified homes are more inclined to attract mortgages or loans, tend to a higher market value, and are more marketable, amongst other benefits for homeowners.

The Department produced a research paper on New Mechanisms for Increasing Densities in Social Housing Projects. The purpose of this research was to identify the key constraints and potential solutions to providing social housing in a high-rise typology, thereby increasing the number of affordable rental accommodation opportunities in well located areas, while promoting urban densification and its associated benefits. The research identified the prevailing social housing funding model at the time as the largest constraint to delivering this housing form. In response several mechanisms for addressing this were explored and unpacked. Of these, the research found that the mechanism with the highest potential for achieving a viable high-rise typology would be the implementation of municipal inclusionary housing policies and utilising in-lieu contributions as an additional capital subsidy.

With regard to its planning function, the Department continued with focused efforts to unlock targeted investment in the designated 19 Priority Housing Development Areas (PHDAs) in the Western Cape over the mid-term period (2020-25). As a result, during the 2021/22 financial year, **6%** of the land accumulated between the 2014-2019 strategic term has been rezoned for human settlement development. Further to its efforts, the Department ensured that **4** township establishment processes were completed for projects within the PHDAs. In addition, **2** integrated implementation plans for projects within the PHDAs have been completed to move to a scenario where future human settlement developments are aligned to the PHDAs and contributing towards spatial transformation for the citizens of the Western Cape.

Outcomes, outputs, output indicators, targets and actual achievements

Programme 2: Housing Needs, Research and Planning									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Liveable neighbourhoods	Policy								
	Policies approved	2.1	Number of policies approved by 31 March 2022.	New Indicator	1	2	2	-	-
	Policy implementation guidelines approved	2.2	Number of policy implementation guidelines approved by 31 March 2022.	New Indicator	1	2	2	-	-
	Planning								
	Part D of the Annual Performance Plan populated	2.3	Part D of the Annual Performance Plan populated according to the prescribed format of National Treasury by 31 March 2022.	1	1	1	1	-	-
Integrated implementation plans completed	2.4	Number of integrated implementation plans for projects within the priority housing development areas completed by 31 March 2022.	New Indicator	1	2	2	-	-	
Approved human settlement projects contained in the IDP	2.5	Number of approved human settlement projects contained in the IDP Chapter based on the objectives of Outcome 8 and representing national and provincial priorities by 31 March 2022.	10	10	10	13	+3	The Department received more project applications aligned to departmental priorities which was unforeseen.	

Programme 2: Housing Needs, Research and Planning								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Liveable neighbourhoods	Municipalities provided with technical support	Number of municipalities that the Department provides with technical support (including transfer of skills) to enable the municipality to produce development plans for human settlements projects by 31 March 2022.	25	25	25	26	+1	In addition, the Department provided support to the Garden Route District Municipality with a view of piloting the envisaged Service Delivery Model.
	Township establishment processes completed	Number of township establishment processes within the priority housing development areas completed by 31 March 2022.	New Indicator	-	4	4	-	
	Percentage of land rezoned	Percentage of acquired land during 2014-2019 , rezoned by 31 March 2022.	New Indicator	6%	6%	6%	-	
Research								
	Research reports developed	Number of research reports developed by 31 March 2022.	2	1	2	2	-	
Affordable Housing								
	People who successfully completed programme	Number of individuals who successfully completed the Consumer Rehabilitation Initiative by 31 March 2022.	New Indicator		50	0	-50	Challenges encountered with the selection process of potential beneficiaries resulted in the cancellation of the service provider.
	2.10							



Linking performance with budgets

Sub- Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	14 449	14 209	240	14 432	13 547	885
Planning	11 551	11 277	274	10 910	10 623	287
Total	26 000	25 486	514	25 342	24 170	1 172

The underspending reflected against this Programme for the year under review mainly relates to the decrease on operational expenditure associated with the COVID-19 pandemic such as travel related expenditure.

Strategy to overcome areas of under performance

- The Department is refocusing its efforts on upskilling and supporting its partners, which will result in an improved service offered to beneficiaries. The service will include a range of options under the Affordable Housing banner, which includes the Deferred Ownership, Delinking of FLISP, and the Help Me Buy A Home Programmes.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Nationally Prescribed Indicators	Reason for Omission / Amendment	Amended Indicator
Programme 2: Housing Needs, Research and Planning		
Number of pieces of provincial human settlements legislation passed (must be in line with national legislation).	The Department is not intending to pass new legislation within the 2021/22 financial year.	N/A
Number of policies and implementation guidelines approved (must be in line with national policies and guidelines).	The policies and implementation guidelines are developed in isolation, as the implementation guidelines is not necessarily for a newly developed policy.	2.1 Number of policies approved by 31 March 2022.
		2.2 Number of policy implementation guidelines approved by 31 March 2022.
Number of project proposals for research studies approved.	Project proposals are often approved during the year based on a policy/research gap identified within the Department.	N/A
Number of reports developed in terms of approved research studies and approved for publication.	The indicator has been amended to address the development of research reports.	2.9 Number of research reports developed by 31 March 2022.

Reporting on the Institutional Response to the COVID-19 Pandemic

None.

4.3 Programme 3: Housing Development

Purpose

The purpose of this Programme is to provide housing opportunities, including access to basic services, to beneficiaries in accordance with the Housing Code. It comprises of four Sub-Programmes, namely:

Administration:	To provide administration support funded from equitable share;
Financial Interventions:	To facilitate immediate access to housing goods and services creating enabling environments and providing implementation support;
Incremental Intervention:	To facilitate access to housing opportunities through a phased process; and
Social & Rental Intervention:	To facilitate access to rental housing opportunities, supporting Urban Restructuring and Integration.

Institutional Outcomes

- Access to adequate housing and empowerment opportunities for citizens in the Western Cape.

Outcomes, outputs, output indicators, targets and actual achievements

Despite the year under review having been riddled with numerous challenges which amongst others, included poor contractor performance and the lack of community cooperation resulting in community unrest and cash flow problems by contractors, the Department continued to honour its commitments by delivering **6 191** housing units against a target of 8 272. Understanding that a serviced site refers to a land that is ready to build on it and has immediate access to water, sewer and roads, the Department delivered **3 973** serviced sites against a target of 6 324. Having acknowledged the underperformance, the Department is working closely with its key stakeholders to mitigate against the challenges highlighted in its determination to forge ahead in executing its mandate.

True to its belief and commitment to deliberately economically empower all targeted groups as defined in the Preferential Procurement Policy Framework Act (PPPFA) and noting that economic empowerment is an important tool to improve livelihoods and reduce poverty, the Department targeted to consciously spend 50% of its HSDG allocation to emancipate the said groups. To this end, for the year under review, the Department spent R1 080 300 004 of R1 575 285 000, constituting **68.67%** of its HSDG allocation. In the same breath, a total of **14.50%** and **6.18%** was spent on contractors with women and youth representation, against targets of 10% and 4% respectively.

Acknowledging that skills training can help support decent work, equity and inclusive growth and be the bridge between education and the labour market, while supporting the transition from youth into adulthood, the Department continued to invest in its effort to empower young people with skills within the built environment. To this end, for the year under review **159** young people were trained against a target of 150. In the face of a long-standing unemployment crisis that increasingly threatens social and economic stability, and the need to create employment opportunities is taking a centre stage in contributing to the fight against unemployment, the Department has for the year under review enabled the creation of **881** job opportunities against a target of 800.

Whilst the Department had processes and mechanisms in place to help ramp up the delivery of post-2014 title deeds, challenges were encountered which led to the underperformance. To this end, the Department has since reconfigured its processes and strategies to centralise the function with a view of dedicating resources and energies for the better execution and attainment of the target.

Noting that Sustainable Building Technologies (SBTs) are attracting more attention lately in the construction environment, the Department continued to explore the use of SBTs and to that extent delivered **1 120** housing units which incorporated initiatives/aspects of SBTs such as construction, energy, water, and sanitation against a target of 500. The SBTs explored during the year under review included but are not limited to hebbel blocks, intastor roof and solar geysers.

Aggregate Indicators

Programme 3: Housing Development							
Output Indicator	Audited Actual Performance			Planned Annual Target	Actual Achievement	Deviation from planned target to Actual Achievement	Reasons for deviations
	2018/19	2019/20	2020/21	2021/22	2021/22	2021/22	
Total number of housing units delivered that have reached a stage of practical completion by 31 March 2022.	7 828	8 038	6 247	8 272	6 191	-2 081	Poor contractor performance, community disruptions and lack of co-operation, contractor cashflow problems, delays experienced in the procurement of contractors and work stoppages due to intimidation by construction cartels are amongst other factors which contributed to the underperformance.
Total number of serviced sites delivered by 31 March 2022.	8 872	5 842	5 204	6 324	3 973	-2 351	Poor contractor performance, delays experienced in the procurement of contractors, community disruptions and lack of co-operation which resulted in work stoppages are amongst other factors which contributed to the underperformance.
Total number of housing units and serviced sites delivered by 31 March 2022	16 700	13 880	11 451	14 596	10 164	-4 432	

The aggregate indicator on housing units is constituted by indicators 3.1, 3.2, 3.4 and 3.7.

The aggregate indicator on serviced sites is constituted by indicators 3.3 and 3.5.

NB: A serviced site refers to land that is ready to build on it and has immediate access to water, sewer and roads.

Outcomes, outputs, output indicators, targets and actual achievements

Programme 3: Housing Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Financial Intervention								
Individual Housing Subsidies (RO – R3 500 Non-Credit Linked)								
Access to adequate housing and empowerment opportunities for citizens in the Western Cape	Individual (Non-Credit Linked) subsidies disbursed	Number of beneficiaries earning between R0 – R3 500 provided with subsidies through the Individual Subsidy (Non-Credit Linked) Programme by 31 March 2022.	3.1	392	138	377	+239	The Department experienced a higher demand of subsidies than was anticipated.
	FLISP subsidies disbursed	Number of beneficiaries earning between R3 501 – R22 000 per month provided with subsidies through the Finance Linked Individual Subsidy Programme (FLISP) by 31 March 2022.	3.2	1 214	813	1 620	+617	The Department developed a targeted marketing approach to promote the Programme and further entered into an agreement with the National Housing Finance Corporation (NHFC) which strengthened efforts to achieve the target.

Outcomes, outputs, output indicators, targets and actual achievements

Programme 3: Housing Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Access to adequate housing and empowerment opportunities for citizens in the Western Cape	IRDP sites delivered	3.3	4 967	4 783	2 857	2 178	-679	Poor contractor performance, delays experienced in the procurement of contractors, community disruptions and lack of co-operation which resulted in work stoppages are amongst other factors which contributed to the underperformance.
	IRDP units delivered	3.4	4 950	4 001	6 096	3 464	-2 632	Poor contractor performance, community disruptions and lack of co-operation, contractor cashflow problems, delays experienced in the procurement of contractors and work stoppages due to intimidation by construction cartels are amongst other factors which contributed to the underperformance.

Programme 3: Housing Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Access to adequate housing and empowerment opportunities for citizens in the Western Cape	UISP sites connected	3.5 Number of sites connected to basic services as part of the Upgrading of Informal Settlements Programme (UISP) by 31 March 2022.	875	421	3 467	1 795	-1 672	Poor contractor performance, delays experienced in the procurement of contractors, community disruptions and lack of co-operation which resulted in work stoppages are amongst other factors which contributed to the underperformance.
	Informal settlements upgraded	3.6 Number of informal settlements upgraded to phase 3 by 31 March 2022.	New indicator	-	2	0	-2	Not all phases of the identified informal settlements were completed due to community disruptions and lack of co-operation which resulted in work stoppages.
	People's Housing Process (PHP)							
	PHP units delivered	3.7 Number of housing units delivered that have reached the stage of practical completion as part of the People's Housing Programme (PHP) by 31 March 2022.	1 482	1 148	1 035	730	-305	Poor contractor performance, delays experienced in the procurement of contractors, community disruptions and lack of co-operation which resulted in work stoppages are amongst other factors which contributed to the underperformance.

Programme 3: Housing Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations
Access to adequate housing and empowerment opportunities for citizens in the Western Cape	Percentage of HSDG paid to contractors in designated groups	Percentage of the Human Settlements Development Grant (HSDG) paid to contractors in designated groups in terms of the Preferential Procurement Policy Framework Act (PPPFA), within the housing sector by 31 March 2022.	66.74%	67.53%	50%	68.67%	+18.67%	Efforts to encourage contractors from all targeted groups to participate in the economic activities as propelled by the Department continued to yield positive results.
		Percentage of the amount spent on designated groups paid to contractors with women representation , within the housing sector by 31 March 2022.	14.23%	14.68%	10%	14.50%	+4.50%	Efforts to encourage contractors with women representation to participate in the economic activities as propelled by the Department continued to yield positive results.
		Percentage of the HSDG paid to contractors with women representation	3.8	3.9				

Programme 3: Housing Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Access to adequate housing and empowerment opportunities for citizens in the Western Cape	Percentage of the HSDG paid to contractors with youth representation	3.10 Percentage of the amount spent on designated groups paid to contractors with youth representation , within the housing sector by 31 March 2022.	3.10%	5.34%	4%	6.18%	+2.18%	Efforts to encourage contractors with youth representation to participate in the economic activities as propelled by the Department continued to yield positive results.	
	Job opportunities facilitated	3.11 Number of job opportunities facilitated by 31 March 2022.	1 056	937	800	881	+81	More labour-intensive activities were activated in various projects which facilitated the creation of job opportunities.	
	Young people trained	3.12 Number of young people trained by 31 March 2022.	156	56	150	159	+9	Initiatives embarked upon by the Department to entice young people to partake in construction activities resulted in more youth being enrolled for training.	

Programme 3: Housing Development									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Access to adequate housing and empowerment opportunities for citizens in the Western Cape	Transfer of Title Deeds								
	Title deeds (post - 2014) registered	3.13	Number of title deeds registered for new (post - 2014) developments by 31 March 2022.	8 491	2 642	7 000	5 981	-1 019	Efforts by the Department to ramp up transfers of post-2014 title deeds proved cumbersome hence the initiatives to centralise the function with a view to dedicate resources for better execution and attainment of the target.
	Houses built using SBT	3.14	Total number of houses built using sustainable building technologies (SBT) such as construction, energy, water and sanitation by 31 March 2022.	1 684	1 035	500	1 120	+620	As the Department continues to explore on sustainable building technologies various projects with SBT initiatives were actioned.
Sustainable Resource Use									

Delivery per housing programme

Municipality	Programme	Delivery	
		Serviced Sites	Housing Units
Cape Winelands District Municipality			
Breede Valley	Integrated Residential Development Programme (IRDP)	488	20
Drakenstein	Integrated Residential Development Programme (IRDP)	-	8
Langeberg	Integrated Residential Development Programme (IRDP)	-	60
Witzenberg	Integrated Residential Development Programme (IRDP)	144	-
Total		632	88
City of Cape Town			
City of Cape Town	Integrated Residential Development Programme (IRDP)	-	1 772
	People's Housing Programme (PHP)	-	374
	Upgrading of Informal Settlements Programme (UISP)	637	-
Total		637	2 146
Garden Route District Municipality			
Bitou	Integrated Residential Development Programme (IRDP)	207	-
George	Integrated Residential Development Programme (IRDP)	-	186
	People's Housing Programme (PHP)	-	188
Hessequa	Integrated Residential Development Programme (IRDP)	590	-
Knysna	People's Housing Programme (PHP)	-	147
	Upgrading of Informal Settlements Programme (UISP)	24	-
Mossel Bay	Integrated Residential Development Programme (IRDP)	-	614
Oudtshoorn	Integrated Residential Development Programme (IRDP)	-	60
Total		821	1 195
Overberg District Municipality			
Overstrand	Upgrading of Informal Settlements Programme (UISP)	760	-
	Integrated Residential Development Programme (IRDP)	144	150
Swellendam	Integrated Residential Development Programme (IRDP)	450	-
Theewaterskloof	People's Housing Programme (PHP)	-	21
	Upgrading of Informal Settlements Programme (UISP)	168	-
Total		1 522	171
West Coast District Municipality			
Cederberg	Integrated Residential Development Programme (IRDP)	-	174
Matzikama	Integrated Residential Development Programme (IRDP)	-	320
	Upgrading of Informal Settlements Programme (UISP)	206	-
Saldanha Bay	Integrated Residential Development Programme (IRDP)	155	-
Swartland	Integrated Residential Development Programme (IRDP)	-	100
Total		361	594

Municipality	Programme	Delivery	
		Serviced Sites	Housing Units
Other Housing Programmes			
Finance Linked Individual Subsidy Programme (FLISP)		-	1 620
Individual Subsidy (Non-Credit Linked) Programme		-	377
Total		-	1 997
Grand Total		3 973	6 191

Linking performance with budgets

Sub-Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	159 614	157 944	1 670	311 178	309 880	1 298
Financial Interventions	206 494	170 567	35 918	205 059	205 059	-
Incremental Intervention	1 829 419	1 829 284	135	1 721 304	1 681 225	40 079
Total	2 195 527	2 157 804	37 723	2 237 541	2 196 164	41 377

The underspending reflected against this Programme for the year under review mainly relates to a receivable that was raised in respect of voted funds over surrendered to PRF for the 2020/21 financial year.

Strategy to overcome areas of under performance

The Department will continue with its mitigation efforts by providing the following interventions:

- Conduct regular technical meetings with municipalities to ensure alignment of performance reporting as well as to mitigate areas of concern;
- Conduct regular meetings with communities to address any issues they may have;
- Identify projects that can be brought forward or accelerated to mitigate any in-year issues arising on projects with delivery challenges through the Business Plan process;
- Explore a hybrid delivery model which aims to provide a more agile approach to housing delivery; and
- Centralise title deeds within the Department and continue to engage municipalities to assist the process.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Nationally Prescribed Indicators	Reason for Omission/ Amendment	Amended Indicator
Programme 3: Housing Development		
Number of serviced sites delivered through a range of programmes in the housing code.	This indicator has been broken down to report on UISP and IRDP sites.	3.5 Number of sites connected to basic services as part of the Upgrading of Informal Settlements Programme (UISP) by 31 March 2022.
		3.3 Number of sites connected to basic services as part of the Integrated Residential Development Programme (IRDP) by 31 March 2022.
Number of houses (units) delivered through subsidy programme.	This indicator has been broken down to report on Non-Credit Linked, FLISP, IRDP units and PHP.	3.1 Number of beneficiaries earning between R0 – R3 500 provided with subsidies through the Individual Subsidy (Non- Credit Linked) Programme by 31 March 2022.
		3.2 Number of beneficiaries earning between R3 501 – R22 000 per month provided with subsidies through the Finance Linked Individual Subsidy Programme (FLISP) by 31 March 2022.
		3.4 Number of housing units delivered that have reached the stage of practical completion as part of the Integrated Residential Development Programme (IRDP) by 31 March 2022.
		3.7 Number of housing units delivered that have reached the stage of practical completion as part of the People's Housing Programme (PHP) by 31 March 2022.
Number of Social houses/ rental units delivered.	Social housing will no longer be managed by Departments, but by social housing institutions.	N/A
Number of Community residential units delivered.	Community residential units will no longer be managed by Departments, but by social housing institutions.	N/A
Number of households earning between R3 501 – R22 000 per annum provided with subsidies through Finance Linked Individual Subsidy Programme (FLISP).	The Department will be reporting on beneficiaries as households are ambiguous, for measurement purposes.	3.2 Number of beneficiaries earning between R3 501 – R22 000 per month provided with subsidies through the Finance Linked Individual Subsidy Programme (FLISP) by 31 March 2022.

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (Province/District/local municipality) (Where Possible)	No. of beneficiaries (Where Possible)	Disaggregation of Beneficiaries (Where Possible)	Total budget allocation per intervention (R'000)	Budget spent per intervention	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 3	Rapid Informal Settlement Upgrading Programme (RISUP)	City of Cape Town	-	-	R10 308 209	R6 779 271	Informal Settlement's Upgrade	Improved living conditions

4.4 Programme 4: Housing and Asset Management

Purpose

The purpose of this Programme is to provide for the strategic, effective and efficient management, devolution and transfer of housing assets. It comprises of four Sub-Programmes, namely:

Administration:	To provide administration support funded from equitable share;
Sale and transfer of Housing Properties:	To provide for the sale and transfer of rental stock;
Devolution of Housing Properties:	To facilitate the devolution of housing assets; and
Housing Properties Management:	To provide for the maintenance of housing properties, the transfer of ownership and to identify and secure land.

Institutional Outcomes

- Security of tenure through home ownership.

Outcomes, outputs, output indicators, targets and actual achievements

In pursuit of the ideals of the Housing Act (Act 107 of 1997) and the imperatives of Inter-governmental Relations (IGR), the Department devolved a number of properties to some municipalities in the province. To this extent, the Department had a target of 34 units to be transferred to the Breede Valley Municipality. The exercise has since been completed as the devolution agreement with the affected municipality has been signed.

Following the determination to assist deserving people to acquire state financed rental housing and existing sale debtors to settle the outstanding balance purchase of prices on properties acquired from the public sector or to settle publicly financed credit that had been used for housing purposes. The Department for the year under review facilitated a writing-off of **1 331** debts against the target of 450. This achievement was made possible by the Department's debt write-off policy which was tailor made to provide for peculiar circumstances.

True to its commitment to promote security of tenure, for the year under review, the Department facilitated the transfer of **110** Pre-1994 title deeds against a target of 110 and **2 073** Pre-2014 title deeds (i.e. title deeds registered between 1994 and 2014) against a target of 1 000. The achievement was made possible by the collaborative efforts between the Department and the state attorney to resolve that which was deemed difficult cases in relation to the Pre-1994 title deeds and mechanisms by municipalities to improve on the clearance of rates including their willingness to provide resources facilitated to an extent easy processing of title deeds transfers in relation to the Pre-2014.

Programme 4: Housing and Asset Management									
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to Actual Achievement 2021/2022	Reasons for deviations	
Security of tenure through home ownership	Rental units devolved	4.1 Number of rental units devolved to municipalities in terms of Section 15 of the Housing Act, 1997 by 31 March 2022.	New Indicator	0	34	34	-	-	
	Beneficiaries who benefitted through the EEEDBS	4.2 Number of beneficiaries who benefitted through the Enhanced Extended Discount Benefit Scheme (EEEDBS) by 31 March 2022.	2 337	1 313	450	1 331	+881	More debtors qualified for write-offs in terms of the debt write-off policy.	
	Pre-1994 Title deeds transferred	4.3 Number of title deeds transferred to qualifying beneficiaries of pre-1994 housing units by 31 March 2022.	301	112	110	110	-	-	
	Title deeds (pre-2014) registered	4.4 Number of title deeds registered to eradicate pre-2014 backlog by 31 March 2022.*	-	3 598	1 000	2 073	+1 073	Mechanisms by municipalities to improve on the clearance of rates including their willingness to provide resources facilitated to an extent easy processing of title deeds transfers.	

* Pre - 2014 meaning: Title deeds registered between 1994 and 2014.

Linking performance with budgets

Sub-Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	27 359	26 539	820	25 470	24 560	910
Housing Property Maintenance	24 149	18 686	5 463	10 820	10 820	-
Total	51 508	45 225	6 283	36 290	35 380	910

The saving reflected against this Programme for the year under review mainly relates to lesser property payments due to the transfer and the devolution of properties to beneficiaries and to local authorities, and the municipal service charges associated with these properties.

Strategy to overcome areas of under performance

None.

Performance in relation to Standardised Outputs and Output Indicators for Sectors with Concurrent Functions

Nationally Prescribed Indicators	Reason for Omission / Amendment	Amended Indicator
Programme 4: Housing and Asset Management		
Number of debtors reduced per financial year (refer to sale debtors, loan debtors and terminated rental debtors).	The indicator has been amended to include debtors of the EEDBS and the Debt Write-Off Policy.	4.1 Number of beneficiaries who benefitted through the Enhanced Extended Discount Benefit Scheme (EEDBS) by 31 March 2022.
Number of rental units sold to beneficiaries by 31 March 2022.	The Department continued to work towards the sale and transfer of properties during the 2021/22 financial year.	N/A

Reporting on the Institutional Response to the COVID-19 Pandemic

None.

5. TRANSFER PAYMENTS

5.1 Transfer payments to Public Entities

None.

5.2 Transfer payments to all organisations other than public entities

The table below reflects the transfer payments which were budgeted for in the period 1 April 2021 to 31 March 2022.

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
City of Cape Town	Municipality	Accreditation and Municipal Support Grant	Yes	7 500	6 722	Appropriated in the municipal adjustments budget
		Settlement Assistance	Yes	1 500	1 037	Appropriated in the municipal adjustments budget
		Title deed transfer assistance	Yes	12 400	-	Appropriated in the municipal adjustments budget
		Rates and Taxes	N/A	6 194	6 194	N/A
Swartland	Municipality	Accreditation and Municipal Support Grant	Yes	252	252	N/A
		Rates and Taxes	N/A	17	17	N/A
Witzenberg	Municipality	Accreditation and Municipal Support Grant	Yes	252	187	Appropriated in the municipal adjustments budget
Drakenstein	Municipality	Accreditation and Municipal Support Grant	Yes	252	163	Appropriated in the municipal adjustments budget
		Rates and Taxes	N/A	140	140	N/A
Stellenbosch	Municipality	Accreditation and Municipal Support Grant	Yes	452	-	Appropriated in the municipal adjustments budget
		Rates and Taxes	N/A	130	130	N/A
Breede Valley	Municipality	Accreditation and Municipal Support Grant	Yes	503	238	Appropriated in the municipal adjustments budget
		Rates and Taxes	N/A	92	92	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with S38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity	Reasons for the funds unspent by the entity
Cape Agulhas	Municipality	Accreditation and Municipal Support Grant	Yes	252	252	Appropriated in the municipal adjustments budget
Mosselbay	Municipality	Accreditation and Municipal Support Grant	Yes	252	252	Appropriated in the municipal adjustments budget
George	Municipality	Accreditation and Municipal Support Grant	Yes	1 103	491	Appropriated in the municipal adjustments budget
		Rates and Taxes	N/A	56	56	N/A
Beaufort West	Municipality	Accreditation and Municipal Support Grant	Yes	252	252	N/A
Garden Route	Municipality	Accreditation and Municipal Support Grant	Yes	1 801	1 801	N/A
Saldanha Bay	Municipality	Accreditation and Municipal Support Grant	Yes	800	-	Appropriated in the municipal adjustments budget
		Rates and Taxes	N/A	8	8	N/A
Matzikama	Municipality	Rates and Taxes	N/A	14	14	N/A
Swellendam	Municipality	Rates and Taxes	N/A	10	10	N/A
Hessequa	Municipality	Rates and Taxes	N/A	6	6	N/A
Kannaland	Municipality	Rates and Taxes	N/A	5	5	N/A
Cape Craft and Design Institute	Non-Profit Institution	Better living challenge	Yes	61	61	N/A
Total				34 304	18 380	

6. CONDITIONAL GRANTS

6.1 Conditional grants and earmarked funds paid

None.

6.2 Conditional grants and earmarked funds received

The table/s below details the conditional grants and earmarked funds received for the period 1 April 2021 to 31 March 2022.

Conditional Grant 1: Human Settlements Development Grant (HSDG)

Department who transferred the grant	National Department of Human Settlements
Purpose of the grant	The facilitation and provision of basic infrastructure, top structures, and basic social and economic amenities that contribute to the establishment of sustainable human settlements.
Expected outputs of the grant	<ul style="list-style-type: none"> • 8 272 units • 2 857 sites
Actual outputs achieved	<ul style="list-style-type: none"> • 6 191 units • 2 178 sites
Amount per amended DORA	R1 575 285
Amount received (R'000)	R1 575 285
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R1 575 015
Reasons for the funds unspent by the entity	R135 000 overpayment to a contractor was corrected during the audit process leading to an underspending.
Reasons for deviations on performance	Construction activities were severely affected by poor contractor performance, community disruptions and lack of co-operation, contractor cashflow problems, delays with Supply Chain Management (SCM) and work stoppages due to intimidation by construction cartels.
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	The Department submits quarterly reports to the National Department of Human Settlements during the financial year to track performance. At the end of the year an evaluation report is submitted to monitor performance.

Conditional Grant 2: Informal Settlement Upgrading Programme Grant (ISUPG)

Department who transferred the grant	National Department of Human Settlements
Purpose of the grant	To facilitate a programmatic and inclusive approach to upgrading informal settlements.
Expected outputs of the grant	<ul style="list-style-type: none"> • 3 467 sites
Actual outputs achieved	<ul style="list-style-type: none"> • 1 795 sites
Amount per amended DORA	R457 429
Amount received (R'000)	R457 429
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R421 511
Reasons for the funds unspent by the entity	Certain projects had a delayed start due to slow procurement processes and an amount of R30,721 million was not spent to refund the PRF for the over expenditure of R30,721 million in 2020/21 in municipalities.
Reasons for deviations on performance	Delays were experienced with supply chain management processes on key projects identified for implementation.
Measures taken to improve performance	99% of funding spent.
Monitoring mechanism by the receiving department	Regional team of professionals monitoring projects.

Conditional Grant 3: Expanded Public Works Programme (EPWP)

Department who transferred the grant	National Department of Public Works and Infrastructure
Purpose of the grant	To incentivise provincial Departments to expand work creation efforts through the use of labour-intensive delivery methods.
Expected outputs of the grant	<ul style="list-style-type: none"> • 800 Work Opportunities • 165 Full-time Equivalents (FTE)
Actual outputs achieved	<ul style="list-style-type: none"> • 881 Work Opportunities • 321 Full-time Equivalents (FTE)
Amount per amended DORA	R2 662
Amount received (R'000)	R2 662
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	R2 662
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	More labour-intensive activities were activated in various projects which facilitated the creation of job opportunities.
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	The Department submits quarterly reports to the National Department of Public Works and Infrastructure during the financial year to track performance. An Annual Fund Evaluation report which summarises the Department's performance for the year must be submitted to the Department of Public Works and Infrastructure within 60 days of the end of the financial year.

7. DONOR FUNDS

7.1 Donor Funds Received

None.

8. CAPITAL INVESTMENT

8.1 Capital investment, maintenance and asset management plan

Infrastructure projects	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Maintenance and repairs	2 817	2 817	-	4 391	4 391	-
Total	2 817	2817	-	4 391	4 391	-



GOVERNANCE

PART C: GOVERNANCE

1. INTRODUCTION

The management team of the Department of Human Settlements is committed to maintaining the highest standards of governance, and therefore strives to conform to the governance principles highlighted in the King Code of Governance for South Africa released in 2009.

In terms of these governance principles, the following makes up the Department's governance structures:

- An Executive Committee which determines the strategy and leads the Department towards realising this strategy and its associated strategic goals;
- An Enterprise Risk Management Committee (ERMCO) (which is dealt with in more detail in paragraph 2);
- An Audit Committee providing independent oversight for governance, risk management and control processes of the Department;
- An Internal Audit function providing independent assurance to ensure that controls are in place to manage and mitigate risks, and that they are adequate and functioning effectively; and
- The Standing Committee on Public Accounts and the Standing Committee on Human Settlements assists the Accounting Officer (AO) and Executive Committee in governing the business of the Department in a fair, responsible and transparent manner.

2. RISK MANAGEMENT

The Accounting Officer (AO) of the Department takes responsibility for implementing Enterprise Risk Management (ERM) in accordance with the National Treasury Public Sector Risk Management Framework (PSRMF), and the Directorate Enterprise Risk Management (D:ERM) in the Department of the Premier (DotP) provides a centralised service to the Department. The Department established an Enterprise Risk Management Committee (ERMCO) to assist the Accounting Officer in executing her responsibilities relating to risk management.

Enterprise Risk Management Committee Responsibility

The Enterprise Risk Management Committee reports that it has complied with its responsibilities arising from Section 38 (1)(a)(i) of the Public Finance Management Act (Act number 1 of 1999), National Treasury Regulations 3.2.1 and Public Service Regulations of 2016, Chapter 2, Part 1, 2 and 3. The ERMCO also reports that it has adopted an appropriate formal Terms of Reference (ToR) (approved by the ERMCO chairperson on 17 June 2021) and regulated its affairs in compliance with this Terms of Reference and has discharged all its responsibilities as contained therein.

Enterprise Risk Management Committee Members

The ERMCO comprises of selected members of the Department's senior management team. As per its Terms of Reference, the ERMCO met four times (quarterly) during the year under review.

The table below provides information on ERMCO members:

Name	Position	Meetings Attended	Date Appointed
Ms P Mayisela (Chairperson)	Accounting Officer effective 11 June 2021	3	11/06/2021
Mr F de Wet	Chief Financial Officer (Departmental Risk Champion)	4	26/03/2018
Ms K August	Chief Director: Human Settlements Planning	4	30/03/2021
Ms P Mayisela	Chief Director: Human Settlements Implementation	1	29/03/2018
Mr B Denton	Chief Director: Human Settlements Implementation (Acting)	2	01/06/2021
Mr R Smith	Chief Director: Human Settlements Implementation (Acting)	1	01/09/2021
Mr M Stoffels	Director: Financial Management	3	04/04/2018
Mr B Nkosi	Director: Strategic Management Support	3	10/04/2018
Mr S Moolman	Deputy Director: Management Support	4	11/04/2018

The following is an indication of other officials who attended the ERMCO meetings for the year under review:

Name	Position	Meetings Attended
Ms A Haq	Director: Enterprise Risk Management (DotP)	3
Ms V Simpson-Murray	Director: Internal Audit (DotP)	4
Mr P de Villiers	Deputy Director Internal Audit (DotP)	4
Ms M Natesan	Deputy Director: Provincial Forensic Services (DotP)	4
Ms M Danker	Deputy Director: Provincial Forensic Services (DotP)	3
Mr P Pillay	Deputy Director: Provincial Forensic Services (DotP)	1
Mr R Arendse	Deputy Director: Enterprise Risk Management (DotP)	1
Mr Y Samodien	Assistant Director: Enterprise Risk Management (DotP)	4
Ms N Mabude	Assistant Director: Enterprise Risk Management (DotP)	1

Enterprise Risk Management Committee key activities

The Accounting Officer is the chairperson of the ERMCO, and the Chief Financial Officer is the Departmental risk champion. In executing its function, the ERMCO performed the following key activities during the year:

- Reviewed the Department's ERM Strategy and Implementation Plan, for recommendation by the Audit Committee and approval by the Accounting Officer.
- Assessed the effectiveness of implementation of the departmental Risk Management Policy, Strategy and Implementation Plan.
- Evaluated the effectiveness of mitigating strategies to address the material strategic, programme, ethics and economic crime risks.
- Reviewed all risks outside the approved tolerance levels for further action.
- Evaluated the extent and effectiveness of integration of risk management within the Department.
- Reviewed the Fraud and Corruption Prevention Plan and concomitant Implementation Plan and recommended the same for approval by the Accounting Officer.

- Evaluated the effectiveness of the implementation of the departmental Fraud and Corruption Prevention Plan; and
- Provided oversight on ethics risk and its management.

Key strategic risks considered and addressed during the year

The following are key strategic risks for the Department that were reviewed on a quarterly basis, including assessing the mitigations in place:

- Accelerate the provisions of basic services to informal settlements.
- Inability to deliver on the Departmental ICT Strategic and Operational Plan.
- Ineffective prioritisation of people from vulnerable groups.
- Inefficient rollout of title deed transfers.
- Inability to unlock adequate affordable housing market opportunities.

Each programme's risks are deliberated upon and debated at the quarterly ERMCO meetings. Programme managers are required to provide feedback on progress with implementation of action plans to reduce the likelihood of risks materialising and/or the impact should they materialise. Opportunities (upside risks) are also discussed. ERMCO also referred risks back that should be analysed more extensively and recommends additional mitigations or actions to manage risks.

The Social Cluster Audit Committee provided independent oversight of the Department's system of risk management. The Audit Committee was furnished with Quarterly ERM progress reports and risk registers to execute their independent oversight role.

Key emerging risks for the following financial year

The key emerging risks the Department will need to consider involve the following key developments:

- Municipal procedural delays due to coalition and multiparty municipal arrangements.
- Formation of the provincial Department of Infrastructure (Human Settlement merger with Provincial Public Works).
- Decrease in Departmental allocation under Division of Revenue Act (DORA).
- Decrease in Municipal allocation under DORA.
- Internal optimisation in line with realised process efficiencies.

Conclusion

The Department received the necessary guidance and assistance from the ERM Committee to be in line with the Audit Committee's compliance requirements on a quarterly basis. The Internal Control provides a co-ordination/secretariat role between ERM, Audit Committee and the Department.

3. FRAUD AND CORRUPTION

Fraud and corruption represent significant potential risks to the Department's assets and can negatively impact on service delivery efficiency and the Department's reputation.

The WCG adopted an Anti-Fraud and Corruption Strategy which confirms the province's zero-tolerance stance towards fraud, theft and corruption. In line with this strategy the Department is committed to zero-tolerance with regard to corrupt, fraudulent or any other criminal activities, whether internal or external, and vigorously pursues and prosecutes by all legal means available, any parties who engage in such practices or attempts to do so.

The Department has an approved Fraud and Corruption Prevention Plan and a concomitant Implementation Plan which gives effect to the Prevention Plan.

Various channels for reporting allegations of fraud, theft and corruption exist and these are described in detail in the Provincial Anti-Fraud and Corruption Strategy, the WCG Whistle-blowing Policy and the Departmental Fraud and Corruption Prevention Plan. Each allegation received by the Provincial Forensic Services (PFS) Unit is recorded in a Case Management System which is used as a management tool to report on progress made with cases relating to the Department and to generate statistics for the WCG and the Department.

Employees and workers who blow the whistle on suspicions of fraud, corruption and theft are protected if the disclosure is a protected disclosure (i.e. meets statutory requirements of the Protected Disclosures Act, No. 26 of 2000 e.g. if the disclosure was made in good faith). The WCG Whistle-blowing Policy provides guidelines to employees and workers on how to raise concerns with the appropriate line management, specific designated persons in the WCG or external institutions, where they have reasonable grounds for believing that offences or improprieties have been or are being perpetrated in the WCG. The opportunity to remain anonymous is afforded to any person who would like to report acts of fraud, theft, and corruption and, should they do so in person, their identities are kept confidential by the person to whom they are reporting. If, after investigation, fraud, theft, or corruption is confirmed, the employee who participated in such acts is subjected to a disciplinary hearing. The WCG representative initiating the disciplinary proceedings is required to recommend dismissal of the employee concerned. Where prima facie evidence of criminal conduct is detected, a criminal matter is reported to the South African Police Services.

For the year under review, PFS issued a Case Movement Certificate for the Department noting the following:

Cases	Number of cases
Open cases as at 1 April 2021	4
New cases (2021/22)	2
Closed cases (2021/22)	(4)
Open cases as at 31 March 2022	2

The following table further analyses the closed cases indicated above:

Nature and investigation outcomes of 4 cases closed
In 2 cases the investigation was concluded with no adverse findings, but recommendations were made.
In 1 case the investigation was concluded with findings of irregularities and/or non-compliance.
In 1 case the investigation was concluded with findings of non-compliance.

4. MINIMISING CONFLICT OF INTEREST

During the year under review, the Department received Persal reports on a quarterly basis, verified against the Western Cape Suppliers' Database (WCSD) aimed at identifying WCG officials who have financial interest in companies on the approved suppliers' database. If any Departmental officials have business interests with suppliers on the WCSD, the Department is obligated to investigate the matter. The Department also requires that all members of the Senior Management Services (SMS) complete a financial disclosure declaration. In this regard, the Department fully complied with all the legislative prescripts, for the 2021/22 financial year. The Department also ensured that all Supply Chain Management officials and all other officials that might have a financial interest in any business, to disclose it accordingly on an annual basis. The members of the Departmental Bid Evaluation Committee (BEC) and the Bid Adjudication Committee (BAC), as well as the Construction Procurement Committee (CPC) are required to sign a declaration of interest before each meeting to evaluate and adjudicate the bids received. Should a conflict of interest arise, those members are expected to recuse themselves in this regard.

5. CODE OF CONDUCT

The Department distributed the Explanatory Manual on the Code of Conduct for the Public Service to all employees as a basis for awareness. The manual is also dealt with and handed to all new appointees as part of the induction process. The dissemination of the Code of Conduct addresses employee behavior in the workplace and contributes to the Department's drive to maintain the highest levels of ethics, the eradication of incidents of corruption and the promotion of good governance.

It is noted that the primary purpose of the Code of Conduct is a positive one, namely, to promote exemplary conduct. Notwithstanding this, should an employee be guilty of misconduct, he or she may be subjected to disciplinary action if he or she contravenes any provision of the Code of Conduct

6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

During the year under review (2021 - 2022), the Department achieved the following:

Awareness, Induction and Training sessions

- Conducted one (1) OHS induction sessions, for interns as well as new appointees.
- Conducted various online awareness sessions with DHS staff related to COVID-19.
- 1 394 OHS brochures were distributed to DHS, Ce-I and DCAS staff during access permit verification exercises as part of awareness raising.
- Training was provided to 4 DHS staff members on the Suppression System that was installed in the Basement at 27 Wale Street Cape Town.
- Facilitated the training of 17 Floor Marshals on 11 March 2022.
- Facilitated OHS Act Training to 24 OHS representatives on 24 March 2022.
- Facilitated a waste management awareness and recycling workshop session for all cleaning staff by DEADP on 16 February 2022.
- 3 300 Condoms were replenished in all bathrooms in DHS facilities as part of awareness raising.

Committee Meetings

- Two prescribed OHS committee meetings were held.
- Held ten (10) maintenance meetings with DTPW to discuss outstanding DHS projects and complaints.
- Attended quarterly WCG Transversal OHS Technical Steering Committee meetings regarding COVID-19.

- Four provincial Employee Health and Wellness (EHW) steering committee meetings were attended.
- COVID-19 progress report and feedback provided to Internal Management and Labour Committee (IMLC) Quarterly meetings on OHS.

Evacuation Exercises

- Evacuation was not conducted at 27 Wale Street due to the upgrade of the evacuation system in 27 Wale Street that will be completed in the new financial year. 2 Evacuations were however conducted at DHS York Park Building, George during June and August 2021.
- Facilitated the service of all DHS facility fire extinguishers and fire hoses.
- Facilitated and attended 3 fire tests of the Ground Floor system following the modernisation project on 25 August 2021, 28 February 2022 and 1 March 2022.
- One OHS Full Building Audit for the Department of Human Settlements was completed and approved by the HOD on 23 November 2021.
- Facilitated the upgrade of the Fire Detection System for the Department of Human Settlements from 22 November 2021 till 18 February 2022.
- Facilitated the fumigation of 27 Wale Street, York Park Building, Alfred Street and Goodwood Office.
- Three fumigation exercises were facilitated at 27 Wale Street and Alfred Street, one fumigation exercise was facilitated at Goodwood Office and two fumigation exercises were facilitated at George Office.

Policies

- Drafted an OHS Policy for the Department that was approved by HOD on 13 May 2021.
- Drafted a DHS Integrated Waste Management Plan that was approved by the HOD on 27 August 2021.
- The Smoking Policy for the Department of Human Settlements was reviewed and approved by the HOD on 12 October 2021.
- The Employee Health and Wellness (EHW) plan approved by HOD.
- EHW policy for WCG approved and implemented in DHS.
- Face to face meeting protocol was distributed to DHS staff via HS Communications.
- Assistance provided to the Disaster Management Centre with a review of Provincial Disaster Management Framework on 09 December 2021.
- Assistance provided to the CSC with the drafting of a guidance document for WCG related to leave management during COVID-19 in August 2021.

Standard Operating Procedures

Completed SOPs for:

- Departmental First Aid Room;
- Cleaning and Tea Services;
- Shower Facility; and
- Logging of Maintenance Calls.

Business Continuity Plans (BCP)

- The Business Continuity Plan for the Department of Human Settlements was reviewed and approved by the HOD on 7 December 2021. DHS Business Impact Assessment (BIA) was completed and approved by HOD on 26 November 2021.
- A Contingency Plan for 27 Wale Street was approved by HOD on 14 July 2021, Goodwood Office, Norton Rose House and York Park Building was approved by the HOD on 13 May 2021.
- COVID-19 assessments were approved by HOD for all DHS facilities to enable return of staff.
- Facilitated the deep cleaning of 16 open plan office areas following COVID-19 positive cases.
- COVID-19 compliance officials appointed as prescribed.

- Department of Labour conducted a COVID-19 compliance audit at the DHS Goodwood office on 10 September 2021. No COVID-19 recommendations were issued. Recommendations were issued related to OHS marshals being appointed.
- Facilitated 28 COVID-19 Compliance Assessments of different Directorates at 27 Wale Street.
- Facilitated the procurement of required COVID-19 Personal Protective Equipment (PPE) (hand sanitisers and sani-wipes) for Department during the period to ensure compliance. PPE was delivered and distributed to all DHS staff and facilities:
 - o 80 x Hand sanitiser dispensers;
 - o 200 x sani-wipes buckets;
 - o 104 x 400ml hand sanitiser refill sachets;
 - o 200 x 1ltr hand sanitiser spray bottles;
 - o 150 x 100ml hand sanitiser spray bottles; and
 - o 300 x 400ml hand sanitiser refill sachets.
- Assisted with the development and launching of the Support Services Online Workbook used by the OHS and Auxiliary offices.

Reports

- Four quarterly OHS reports submitted to HOD, ERMCO and IMLC.
- Four Department of Public Service and Administration (DPSA) Employee Health and Wellness (EHW) Integrated Reporting Tool (IRT) quarterly reports (2021- 2022) were drafted and submitted to HOD for approval. Reports submitted to the Department of the Premier (DoTP) Organisational Behaviour.
- DPSA EHW IRT annual report (2020-2021) were approved by HOD on 13 May 2021.
- DPSA EHW Systems Monitoring Tool (SMT) Readiness Tool report for 2020/21 were approved by HOD on 30 June 2021.
- One DHS Safety Health Environment Risk and Quality (SHERQ) MNGT DSOP report (2022- 2023) was drafted and submitted to HOD for approval. Report submitted to DOTP Organisational Behaviour.
- Quarterly OHS reports submitted to HoD, IMLC and to ERMCO.
- Monthly water and electricity consumption statistics for Departmental buildings were provided to staff.
- 24 Reports relating to OHS complaints and incidents were drafted and submitted to management with relevant recommendations to rectify shortcomings at DHS facilities.

Tests

- DRP Continuity Tests (walk through) for HSS were completed during the reporting period.
- CRM full test (including the Rental Housing tribunal Case Management System) completed during the reporting period.
- ICT Continuity test plan for CMATS was drafted for implementation during the reporting period. Facilitated the servicing of the generator and start-up at 27 Wale Street and Goodwood office.

7. PORTFOLIO COMMITTEES

No	Standing Committee	Date
1	Standing Committee on Human Settlements	18 June 2021
2	Standing Committee on Human Settlements	18 August 2021
3	Standing Committee on Human Settlements	2 February 2022

Resolution No.	Subject	Details	Response by the department	Resolved (Yes/No)
11/4/1/2/6	Briefing by the Department of Human Settlements	<ol style="list-style-type: none"> The role that the provincial Department has played in the restitution project since its inception. What support, if any, can or does the Department offer the City of Cape Town and the national Department in their work. The partnerships, roles and responsibilities between the provincial Department and the City of Cape Town as well as the national government. The Department's response, if any, to land invasions in the area. 	All information submitted to the Committee	Yes
11/4/1/2/6	Briefing by the Department of Human Settlements	<ol style="list-style-type: none"> Briefing by the Department of Human Settlements on its Fourth Quarterly Report for the period January 2021 - March 2021. 	All information submitted to the Committee	Yes
11/4/1/2/6	Briefing by the Department of Human Settlements	<ol style="list-style-type: none"> Western Cape Asset Finance Reserve for Human Settlements. Funding Model for Integrated Residential Development Programmes (IRDP) to the municipalities. 	All information submitted to the Committee	Yes
11/4/1/2/6	Briefing by the Department of Human Settlements	<ol style="list-style-type: none"> Discussion on the Annual Reports of the Department of Human Settlements and its entity the Western Cape Rental Housing Tribunal, for the 2020/2021 financial year. 	All information submitted to the Committee	Yes

8. SCOPA RESOLUTIONS

The Committee noted the audit opinion of the Auditor-General regarding the annual financial statements of the Department for the 2020/21 financial year, having obtained an unqualified audit report with findings. The findings relate to compliance to key legislation, material misstatements in the submitted financial statements, procurement, and contract management; including deficiencies in the internal controls of the Department. This audit opinion represents a regression from the audit outcome for the 2019/20 financial year, where the Department obtained a clean outcome with no findings.

8.1 Audit opinion

The Auditor-General of South Africa raised findings with the Department on compliance to key legislation, material misstatements in the submitted financial statements, procurement and contract management, including deficiencies in the internal controls.

8.2 Financial management

For the 2020/21 financial year, the Department spent R2,380 billion of an appropriated budget of R2,426 billion, which resulted in an under-expenditure of R46,180 million (98% budget spend). Compared to the 2019/20 financial year, the Department of Human Settlements spent R2,683 billion of a budget of R2,684 billion, resulting in an under-expenditure of R349 000 (99, 9 % budget expenditure).

In addition, the total estimated Departmental receipts budget of R66,845 million was over collected by R49,588 million, which resulted in a Departmental receipt of R116,433 million.

The revenue over-collection occurred under the following line items:

- Interest, dividends and rent on land (R2,092 million);
- Sale of the Departmental capital assets (R12 000); and
- Transactions in financial assets liabilities (R47,588 million).

As disclosed in note 24 of the annual financial statements, the Department incurred irregular expenditure totaling R284,55 million.

8.3 Resolution/s

Background/ concerns	Resolutions	Action date
<p>Pages: 147-151 of the Annual Report.</p> <p>“Report of the Auditor-General: Report on the audit of the financial statements”</p> <p>The Committee notes the findings that the AGSA has highlighted in terms of its audit opinion of the Department as contained in notes 8, 26-29 and 36-38 which relates to irregular expenditure, procurement and contract management and internal controls deficiencies.</p>	<p>12.3.1 That the Department brief the Public Accounts Committee on the reasons for the audit opinion and findings of the AGSA, including how the Department will prevent a recurrence of a similar nature.</p> <p>12.3.2 That the Department brief the Committee on the irregular expenditure incurred by it, including the condonations received from Provincial Treasury and the disciplinary steps taken against the officials who were responsible for the irregular expenditure.</p>	<p>Engaged with PAC on 29 July 2022.</p>

8.4 List of Information Requested

None.

9. PRIOR MODIFICATIONS TO AUDIT REPORTS

No matters have given rise to a qualification, disclaimer, adverse opinion, and matters of non-compliance for this Department. The Department received an unqualified clean Financial Audit Report for 2013/14, 2014/15, 2015/16, 2017/18, 2018/19 and 2019/20. The Department received an unqualified with findings Financial Audit Report for 2020/21 and 2021/22.

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Payables: Classification current/non-current	2020/21	The correct distinction between current and non-current payables has been correctly interpreted and implemented by the Department in the 2021/22 audit.
SCM Subcontracting to designated groups	2020/21	The proper control mechanisms have been put in place to prevent a re-occurrence of this finding.
SCM Bidder accepted that do not meet specifications	2020/21	The proper control mechanisms have been put in place to ensure that the finding does not re-occur. Cases of non-compliance have been identified but it was however before the conclusion of the Audit. Corrective measures could only be put in place post the Audit.
SCM Red Ants contract	2020/21	Line function made aware of this non-compliance to prevent a re-occurrence. The process followed in respect of procuring and paying for services for other organs of state that resulted in irregular expenditure incurred should not be considered in respect of security contracts.
SCM Tax compliance status	2020/21	SCM consulted to ensure compliance in respect of governance before awarding and approval of any contract by the HOD. A tick box with all governance indicators was implemented and is signed off by a competent person before handed to the delegated official for signing off.

10. INTERNAL CONTROL UNIT

During the year under review, the sub directorate: Internal Control (IC) once again played a valuable role in respect of the linkage between the auditors (external and internal) and the Department during the audit processes. In respect of the external audit process for the 2021/22 financial year, the requested documentation (i.e. Requests for Information, Communication of Audit Findings, Departmental responses and related matters, etc.) were coordinated and quality assured by this unit.

Within the sub directorate: Internal Control, a panel was established headed by the Director: Financial Management, with the aim to address, review and discuss all audit related matters and risks during the audit process on a regular basis. These initiatives contributed to a smooth audit process with the aim of a positive audit outcome. However, the Department regrettably regressed in the 2020/21 and 2021/22 financial years by receiving an unqualified audit opinion with findings. The audit outcome of the prior year was sustained with material findings in compliance with the additional material findings on the annual performance report in the current financial year. The Department drafted action plans to be implemented and monitored to prevent a reoccurrence thereof.

In respect of the internal audit process for the period under review, the unit once again provided assistance with the follow up of recommendations arising from the internal audits, due to the fact that Internal Audit does not have the capacity to provide this coverage. The unit's involvement in this process is as follows:

- IC was involved from the planning stage of the audit to be familiar with the audit scope;
- IC familiarised themselves during the exit meetings with the details of the audit findings;
- IC took cognisance of line function's comments in respect of recommendations, action plans and agreed due dates; and
- IC familiarised themselves with the responsible officials/unit that will be responsible for the implementation of the agreed action plans. Senior staff of the unit also served on the Departmental Internal Audit Steering Committee that meets on a monthly basis to discuss the outcomes and progress as per the Internal Audit plan, which includes the audit outcomes in respect of finalised audits and progress made in respect of previous recommendations and action plans.

The sub directorate also played a valuable role in coordinating all the recommendations emanating from the investigations by the Provincial Forensic Services (PFS) for the period under review. All documentation that was required in respect of investigations, was timeously provided to the PFS as and when requested. The unit is responsible to ensure the implementation of all recommendations made and the follow up of all outstanding responses in respect of recommendations of finalised investigations for reporting purposes.

On the compliance side, this unit performed a 100% post checking on all payments made by the Department to avoid non-compliance in relation to applicable laws and legislation, and to ensure correctness and value for money. Internal Control also ensures that all payments are paid within the prescribed 30 days by coordinating the flow of invoices received from suppliers to the Department (different directorates) up to the processing thereof monthly. To further enhance this process, the Department developed and implemented a Standard Operating Procedure (SOP) in November 2017, which specifically addresses the adherence to turnaround times at the different directorates, to ensure that invoices are paid within the prescribed 30 days. The unit is also responsible for reporting to Provincial Treasury monthly regarding the 30 days' compliance in terms of NTR's 8.2. 3. It can be reported that the Department achieved a success rate of 98.5% for the period under review in respect of invoices paid within the prescribed 30 days.

In terms of Section 38 (1) (j) of the PFMA, which states the following:

- (1) The Accounting Officer for a Department, trading entity or constitutional institution—
- (j) before transferring any funds (other than grants in terms of the annual Division of Revenue Act or to a constitutional institution) to an entity within or outside government, must obtain a written assurance from the entity that that entity implements effective, efficient and transparent financial management and internal control systems, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.

To be compliant to Section 38 (1) (j) of the PFMA, the Internal Control unit instituted municipal inspections as a management tool to follow the Department's funds to ensure that Departmental monies are accounted for and utilised for the intended purpose. The Internal Control unit did not perform any physical inspections at municipalities during the year under review due to COVID-19 restrictions, however as an alternative management oversight tool the unit performed evaluations at its head office in compliance with Circular 2 (supplementary 1/2020) issued to municipalities. This circular requires municipalities to report on all funds transferred to municipalities. The unit obtained all relevant information from municipalities via email as well as telephonically to execute the verification process. The unit will in future engage with municipalities via virtual meetings as a manner of communication to discuss any queries and address any shortcomings when required.

The Audit Committee as part of their compliance and oversight role, introduced an internal control template whereby the Department is compelled to report the status progress of important matters on a quarterly basis. In this template the Internal Control unit must report on the following aspects:

- Implementation and adherence to laws and regulations;
- Irregular, unauthorized, fruitless and wasteful expenditure;
- Feedback on the implementation of AGSA findings;
- Follow up on forensic matters;
- Feedback on the implementation of internal audit recommendations handed over to internal control;
- Report on Loss control cases; and
- Post auditing detail report (verification).

Internal Control was also responsible for coordinating the SCOPA resolutions and presentations to SCOPA during the year under review. Reporting on all the above issues was done timeously to the different stakeholders/role players (i.e. MEC, EXCO, SCOPA, Audit Committee, PT, PSC & PFS).

11. INTERNAL AUDIT AND AUDIT COMMITTEES

Internal Audit provides management with independent, objective assurance and consulting services designed to add value and to continuously improve the operations of the Department. It should assist the Department to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of Governance, Risk Management and Control processes. The following key activities are performed in this regard:

- Assess and make appropriate recommendations for improving the governance processes in achieving the department's objectives;
- Evaluate the adequacy and effectiveness and contribute to the improvement of the risk management process;
- Assist the Accounting Officer in maintaining efficient and effective controls by evaluating those controls to determine their effectiveness and efficiency, and by developing recommendations for enhancement or improvement.

Internal Audit work completed during the year under review for the Department included three assurance engagements and one consulting engagement (including one transversal engagement) and seven follow ups. The details of these engagements are included in the Audit Committee report.

The Audit Committee is established as an oversight body, providing independent oversight over governance, risk management and control processes in the Department, which include oversight and review of the following:

- Internal Audit function;
- External Audit function (Auditor General of South Africa - AGSA);
- Departmental Accounting and reporting;
- Departmental Accounting Policies;
- AGSA management and audit report;
- Departmental In year Monitoring;

- Departmental Risk Management;
- Internal Control;
- Pre-determined objectives; and
- Ethics, Fraud and Corruption.

The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr Ameen Amod (chairperson)	MBA; CIA; CGAP; CRMA; B Com Accounting	External	N/A	01 January 2019 (2 nd term)	Contract expired 31 December 2021	6
Mr Pieter Strauss (Chairperson)	B Acc; B Compt Hons; CA (SA)	External	N/A	01 January 2022 (2 nd term)	N/A	7
Mr Ebrahim Abrahams	B Com Acc Hons	External	N/A	01 January 2022 (2 nd term)	N/A	7
Ms Annelise Cilliers	B Compt Hons; CA (SA)	External	N/A	01 January 2022 (2 nd term)	N/A	8
Ms Fayruz Mohamed	B Compt Hons; CA (SA)	External	N/A	01 January 2022 (1 st term)	N/A	2

12. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2022.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from Section 38 (1) (a) (ii) of the Public Finance Management Act and Treasury Regulation 3.1. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

The Effectiveness of Internal Control

The Department is required to develop and maintain systems of internal control that would improve the likelihood of achieving its objectives, to adapt to changes in the environment it operates in and to promote efficiency and effectiveness of operations, supports reliable reporting and compliance with laws and regulations. The WCG adopted a Combined Assurance Framework which identifies and integrates assurance providers. The first level of assurance is management assurance, requiring of line management to maintain effective internal controls and execute those procedures on a day-to-day basis by means of supervisory controls and taking remedial action where required. The second level of assurance is internal assurance provided by functions separate from direct line management, entrusted with assessing adherence to policies, procedures, norms, standards and frameworks. The third level of assurance is independent assurance providers that are guided by professional standards requiring the highest levels of independence.

A risk-based Combined Assurance Plan was developed for the Department, facilitated by Internal Audit, who is also an independent assurance provider. Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by an approved risk-based internal audit plan, Internal Audit assessing the adequacy of controls mitigating the risks and the Audit Committee monitoring implementation of corrective actions.

The following internal audit engagements were approved by the Audit Committee for the year under review:

Assurance Engagements

- Informal Settlements Support Plan;
- Affordable Housing; and
- Grant Expenditure Management.

Consulting engagement

- Corporate Governance Framework (CGF) Maturity Assessment (WCG Transversal Internal audit (IA) Plan)

The areas for improvements, as noted by internal audit during performance of their work, were agreed to by management. The Audit committee continues to monitor the current actions and previously reported actions on an on-going basis.

In-Year Monitoring Monthly/Quarterly Report

The Audit Committee is satisfied with the content of the quarterly in-year management and performance reports issued during the year under review by the Accounting Officer of the Department in terms of the National Treasury Regulations and the Division of Revenue Act.

Evaluation of Financial Statements

The Audit Committee has:

- Reviewed and discussed the Audited Annual Financial Statements to be included in the Annual Report;
- Reviewed the AGSA's Management Report and management's response thereto;

- Reviewed changes to accounting policies and practices as reported in the Annual Financial Statements; and
- Reviewed material adjustments resulting from the audit of the Department.

Compliance

The Audit Committee has reviewed the Department's processes for compliance with legal and regulatory provisions.

Performance Information

The Audit Committee has reviewed the information on predetermined objectives as reported in the Annual Report.

Report of the Auditor-General South Africa

The Audit Committee have on a quarterly basis reviewed the Department's implementation plan for audit issues raised in the prior year. We have met with the AGSA to ensure that there are no unresolved issues that emanated from the regulatory audit. Corrective actions on the detailed findings raised by the AGSA are monitored by the Audit Committee on a quarterly basis.

The Audit Committee concurs and accepts the AGSA's opinion regarding the Annual Financial Statements and proposes that these Audited Statements be accepted and read together with their report.



Mr Pieter Strauss
Department of Human Settlements
Chairperson: Social Cluster Audit Committee
Date: 14 September 2022

13. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

The following table has been completed in accordance with the compliance to the B-BBEE requirements of the B-BBEE Act of 2013 and as determined by the Department of Trade and Industry.

Has the Department/Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regards to the following:		
Criteria	Yes/No	Discussion
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law?	No	N/A
Developing and implementing a preferential procurement policy?	No	The Department of Human Settlements did not implement an independent policy in terms of the Preferential Procurement Policy Framework Act (PPPFA). The Department is aligned with the national framework.
Determining qualification criteria for the sale of state-owned enterprises?	No	N/A
Developing criteria for entering into partnerships with the private sector?	No	N/A
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad Based Black Economic Empowerment?	No	N/A



HUMAN RESOURCE MANAGEMENT

PART D: HUMAN RESOURCE MANAGEMENT

1. INTRODUCTION

Our contribution to the work of the Western Cape Government is as a result of the persistent, and often selfless, efforts of the people within the Department of Human Settlements.

To consistently deliver improved services to the citizens of the Western Cape Province is not without its own challenges. The modern people management landscape has shifted significantly in recent years and requires complex navigation between a range of competing variables.

Apart from the fact that these variables are inter-dependent and inter-related, they are also governed by stringent rules and regulations, which prove difficult when retention and attraction initiatives are explored.

These include balancing service delivery imperatives, the attraction and retention of critical and scarce skills, workforce empowerment, career management, succession planning, employment equity and creating an enabling environment where employees are able to thrive. Further to this, the Department is required to function within an austere environment, which demands that managers consider the impact of “doing more with less”.

Despite the changing patterns and demands impacting on the modern workplace, the consistent hard work of our people, has resulted in remarkable achievements and service delivery improvement during the year under review.

2. STATUS OF PEOPLE MANAGEMENT AT THE DEPARTMENT

2.1 Departmental Workforce Planning Priorities

- The role of Workforce Planning is important to ensure that the Department has the required number of people with the requisite skills, knowledge and attitudes to perform the work. Through this process the Department annually assesses its workforce profile against current and future organisational needs.
- The aim of this assessment is to identify to what extent the current workforce profile addresses the key people management outcomes that would guarantee service continuity and value.
- The Workforce Plan 2021 - 2026 is aligned to the vision and mission of the Department and will assist in meeting its strategic objectives.
- The assumptions on which this Workforce Plan was developed are still valid and strategies chosen to achieve the outcomes are appropriate.
- The Workforce Plan is drafted in line with the departmental Strategic Plan and Workforce Planning priorities and strategies are identified to ensure that the Department will meet its strategic mandate with its people who deliver service with excellence. The Workforce Planning prioritised strategic interventions are as follows:
 - Identifying and developing the required organisational capability;
 - Values and Competency based recruitment practices (which includes the possibility of an online Application and Screening system to enhance the recruitment practices and attract the right candidates that are future and culture-fit);
 - Diversify the talent pool;
 - Talent and skills development for employees on new emerging skills (e.g., Fourth Industrial Revolution (4IR)), Meta competencies/functional and technical skills as well as behavioural skills that are critically needed to support the future-fit organisation;

- Prioritise training interventions to address Departmental Critical Competencies and CDP requirements;
- Development and implementation of the Future Fit Skills Strategy (FFSS);
- Youth development programmes for assisting with creating talent pipelines (internships);
- Reconfiguration of Provincial Training Institute (PTI) into a provincial learning and innovation centre;
- EE priorities as indicated in the departmental EE Plan to guide the Recruitment and Selection decisions of the Department;
- Provide Health and Wellness interventions / services in support of employee wellbeing;
- Develop and implement the transition to a New Way of Work/WCG citizen-centric culture project

2.2 Employee Performance Management

The purpose of Performance Management is to increase performance by encouraging individual commitment, accountability and motivation.

All employees are required to complete a performance agreement before 31 May each year. The agreement is in essence a contract between the employer and the employee containing the projects, programmes, activities, expectations and standards for the required delivery. In order to facilitate a standardised administration process, the Western Cape Government has devised an electronic system, namely PERMIS (Performance Management Information System), that allows for the entire performance management process to be captured, monitored and managed.

The performance management process requires that a mid-year review and an annual assessment is conducted, but that the operational targets and achievements linked to the performance agreement be monitored and communicated on an ongoing basis. In instances where targets or performance expectations are not met, the gaps are addressed through the management of poor performance. In this context, a performance consulting unit has been established within the Department of the Premier (Chief Directorate: People Management Practices) to assist line managers (people managers) in dealing with poor performance. The process is developmental, however, in instances where individuals have been identified as poor performers in terms of the legislative framework, they are required to subject themselves to a developmental plan or alternatively to disciplinary action.

2.3 Employee Wellness

The WCG's transversal Employee Health and Wellness Programme (EHW) follows a holistic approach to employee well-being and is largely preventative in nature, offering both primary and secondary services.

The EHW Programme is monitored in the Department through monthly utilisation reports for primary services (24/7/365 telephonic counselling service, online e-Care service and reporting) and secondary services (face-to-face counselling, trauma and critical incidents, training and targeted intervention, executive coaching, advocacy).

A quarterly report is prepared by the Directorate: Organisational Behaviour within the Department of the Premier that provides a trend analysis of utilisation, risk identification and its impact on productivity. Furthermore, on-going reporting to the Department of Public Service and Administration (DPSA) is a requirement and such reporting focuses on four areas namely, HIV/ AIDS, Health and Productivity, Wellness Management and SHERQ (Safety Health Environment Risk and Quality).

2.4 People Management Monitoring

The Department, in collaboration with the Department of the Premier monitors the implementation of a range of people management compliance indicators. The monthly Barometer Fact File, that is developed by the Chief-Directorate: People Management Practices within the Department of the Premier, provides the Department with regular updates on the workforce profile and other relevant people management data to enable decision-making. The indicators include, inter alia, staff establishment information, headcount, people expenditure projections, sick leave patterns, the monetary value of annual leave credits, discipline cases, vacancy rates, staff movement, employment equity etcetera.

3. PEOPLE MANAGEMENT OVERSIGHT STATISTICS

3.1 Personnel related expenditure

The following tables summarise final audited expenditure by programme (Table 3.1.1) and by salary bands (Table 3.1.2).

The figures in Table 3.1.1 are drawn from the Basic Accounting System (BAS) and the figures in Table 3.1.2 are drawn from the PERSAL [Personnel Salary] system. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the total expenditure reflected on these systems.

The key in the table below is a description of the Programmes within the Department. Programmes will be referred to by their number from this point forward.

Programme	Programme Designation
Programme 1	Administration
Programme 2	Housing Needs, Research and Planning
Programme 3	Housing Development
Programme 4	Housing and Asset Management

Table 3.1.1: Personnel expenditure by programme, 2021/22

Programme	Total Expenditure (R'000)	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Goods & Services (R'000)	Personnel expenditure as a % of total expenditure	Average personnel expenditure per employee (R'000)	Number of Employees remunerated
Programme 1	133 414	96 936	618	25 949	72.7	459	211
Programme 2	25 486	24 582	41	713	96.5	572	43
Programme 3	2 188 660	98 411	232	42 741	4.5	544	181
Programme 4	45 225	24 695	36	13 858	54.6	475	52
Total	2 392 785	244 624	927	83 261	10.2	502	487

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (i.e. graduate and student), but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.

Table 3.1.2: Personnel expenditure by salary band, 2021/22

Salary bands	Personnel Expenditure (R'000)	% of total personnel expenditure	Average personnel expenditure per employee (R'000)	Number of Employees
Interns	309	0.1	22	14
Lower skilled (Levels 1-2)	1 997	0.9	182	11
Skilled (Levels 3-5)	25 372	10.9	256	99
Highly skilled production (Levels 6-8)	85 430	36.8	436	196
Highly skilled supervision (Levels 9-12)	100 893	43.4	673	150
Senior management (Levels 13-16)	18 427	7.9	1 084	17
Total	232 427	100	477	487

Note: The number of employees refers to all individuals remunerated during the reporting period, including interns (i.e. Premier's Advancement of Youth [PAY], matric, graduate and student), but excluding the Provincial Minister. The number of employees is cumulative and not a snapshot as at a specific date.

The following tables provide a summary per programme (Table 3.1.3) and salary bands (Table 3.1.4), of expenditure incurred as a result of salaries, overtime, housing allowance and medical assistance. These tables do not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. In each case, the table provides an indication of the percentage of the personnel expenditure that was used for these items.

Table 3.1.3: Salaries, Overtime, Housing Allowance and Medical Assistance by programme, 2021/22

Programme	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Programme 1	61 805	26.6	1 911	0.8	2 459	1.1	4 978	2.1
Programme 2	17 263	7.4	-	-	410	0.2	698	0.3
Programme 3	62 391	26.8	722	0.3	2 060	0.9	4 251	1.8
Programme 4	16 517	7.1	1 014	0.4	822	0.4	1 329	0.6
Total	157 976	68	3 647	1.6	5 751	2.5	11 256	4.8

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL [Personnel Salary] system and not the BAS. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. Further to this, the table above does not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

Table 3.1.4: Salaries, Overtime, Housing Allowance and Medical Assistance by salary band, 2021/22

Salary Bands	Salaries		Overtime		Housing allowance		Medical assistance	
	Amount (R'000)	Salaries as a % of personnel expenditure	Amount (R'000)	Overtime as a % of personnel expenditure	Amount (R'000)	Housing allowance as a % of personnel expenditure	Amount (R'000)	Medical assistance as a % of personnel expenditure
Interns	295	0.1	-	-	-	-	-	-
Lower skilled (Levels 1-2)	1 194	0.5	-	-	159	0.1	229	0.1
Skilled (Levels 3-5)	16 446	7.1	384	0.2	1 174	0.5	2 106	0.9
Highly skilled production (Levels 6-8)	57 856	24.9	2 333	1.0	2 760	1.2	5 660	2.4
Highly skilled supervision (Levels 9-12)	69 994	30.1	930	0.4	1 657	0.7	3 197	1.4
Senior management (Levels 13-16)	12 191	5.2	-	-	-	-	65	0
Total	157 976	68	3 647	1.6	5 751	2.5	11 256	4.8

Note: The figures in Table 3.1.3 and 3.1.4 are drawn from the PERSAL [Personnel Salary] system and not the BAS. The two systems are not synchronised for salary refunds in respect of staff appointments and resignations and/or transfers to and from other departments. This means there may be a difference in the expenditure reflected on these systems, e.g. Salaries, Overtime, Housing and Medical Assistance. Further to this, the table above does not make provision for other expenditure such as Pensions, Performance Bonus and other allowances, which make up the total personnel expenditure. The above expenditure reflects for all individuals remunerated during the reporting period, including interns (PAY, matric, graduate and student), but excluding the Provincial Minister.

3.2 EMPLOYMENT AND VACANCIES

The following tables summarise the number of active posts on the establishment, the number of employees (excluding interns and the Provincial Minister), and the percentage of active vacant posts as at the end of the financial year. This information is presented in terms of three key variables, namely: Programme (Table 3.2.1), Salary Band (Table 3.2.2) and Critical Occupations (Table 3.2.3). All information in this section is provided as a snapshot as at the end of the financial year under review.

Table 3.2.1: Employment and vacancies by programme, as at 31 March 2022

Programme	Number of active posts	Number of posts filled	Vacancy rate %
Programme 1	191	187	2.1
Programme 2	38	38	-
Programme 3	168	166	1.2
Programme 4	50	50	-
Total	447	441	1.3

Table 3.2.2: Employment and vacancies by salary band, as at 31 March 2022

Salary Band	Number of active posts	Number of posts filled	Vacancy rate %
Lower skilled (Levels 1-2)	13	13	-
Skilled (Levels 3-5)	98	97	1
Highly skilled production (Levels 6-8)	197	196	0.5
Highly skilled supervision (Levels 9-12)	123	120	2.4
Senior management (Levels 13-16)	16	15	6.3
Total	447	441	1.3

Table 3.2.3: Employment and vacancies by critical occupation, as at 31 March 2022

Critical Occupations	Number of active posts	Number of posts filled	Vacancy rate %
Architect	5	5	-
Engineer	8	8	-
Research and Statistical Analyst	4	4	-
Urban Designer/Town and Regional Planner	10	10	-
Construction Project Manager	12	12	-
Total	39	39	-

Note: Critical occupations - refer to occupations that are critical for service delivery. If these occupations are not present in the department, the function/services will collapse.

3.3 JOB EVALUATION

Job evaluation was introduced as a way of ensuring that work of equal value is remunerated equally. Within a nationally determined framework, executing authorities are required to evaluate each new post in his or her organisation or re-evaluate any post where the post mandate or content has significantly changed. This job evaluation process determines the grading and salary level of a post. It should be understood that Job Evaluation and Staff Performance Management differ in the sense that Job Evaluation refers to the value/weighting of the activities that are associated with the post and Staff Performance Management refers to the review of an individual's performance.

Table 3.3.1 summarises the number of posts that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.3.1: Job evaluation, 1 April 2021 to 31 March 2022

Salary Bands	Number of active posts as at 31 March 2022	Number of posts evaluated	% of posts evaluated	Posts Upgraded		Posts Downgraded	
				Number	Posts upgraded as a % of total posts	Number	Posts downgraded as a % of total posts
Lower skilled (Levels 1-2)	13	-	-	-	-	-	-
Skilled (Levels 3-5)	98	3	0.7	3	0.7	-	-
Highly skilled production (Levels 6-8)	197	1	0.2	-	-	-	-
Highly skilled supervision (Levels 9-12)	123	3	0.7	-	-	-	-
Senior Management Service Band A (Level 13)	12	-	-	-	-	-	-
Senior Management Service Band B (Level 14)	3	-	-	-	-	-	-
Senior Management Service Band C (Level 15)	1	-	-	-	-	-	-
Total	447	7	1.6	3	0.7	-	-

Note: The "Number of posts evaluated" per Salary Band reflects the Final Approved Post Level after Job Evaluation.

Posts have been upgraded or downgraded in this financial year as a result of national benchmarking / job evaluation processes which have been implemented during the period under review.

Table 3.3.2: Profile of employees whose salary positions were upgraded due to their posts being upgraded, 1 April 2021 to 31 March 2022

Beneficiaries	African	Coloured	Indian	White	Total
None					

Table 3.3.3 summarises the number of cases where salary levels exceeded the grade determined by job evaluation or where higher notches awarded to employees within a particular salary level. Each salary level consists of 12 notches. Reasons for the deviation are provided in each case.

Table 3.3.3: Employees who have been granted higher salaries than those determined by job evaluation per major occupation, 1 April 2021 to 31 March 2022

Major Occupation	Number of employees	Job evaluation level	Remuneration on a higher salary level	Remuneration on a higher notch of the same salary level	Reason for deviation
None					

Table 3.3.4: Profile of employees who have been granted higher salaries than those determined by job evaluation, 1 April 2021 to 31 March 2022

Beneficiaries	African	Coloured	Indian	White	Total
None					

3.4 EMPLOYMENT CHANGES

Turnover rates provide an indication of trends in the employment profile of the Department during the year under review. The following tables provide a summary of turnover rates by salary band (Table 3.4.1) and by critical occupation (Table 3.4.2). This section does not include information related to interns.

Table 3.4.1: Annual turnover rates by salary band, 1 April 2021 to 31 March 2022

Salary Bands	Number of employees as at 31 March 2021	Turnover rate % 2020/21	Appoint-ments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2021/22
Lower skilled (Levels 1-2)	13	-	-	-	-	-	-
Skilled (Levels 3-5)	103	7.2	10	1	9	1	9.7
Highly skilled production (Levels 6-8)	190	9.1	8	2	9	-	4.7
Highly skilled supervision (Levels 9-12)	124	13.2	11	1	18	1	15.3
Senior Management Service Band A (Level 13)	12	15.4	1	-	1	-	8.3
Senior Management Service Band B (Level 14)	3	-	-	-	-	-	-
Senior Management Service Band C (Level 15)	1	-	-	-	1	-	100
Total	446	9.7	30	4	38	2	9
			34		40		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially & Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2021).

Table 3.4.2: Annual turnover rates by critical occupation, 1 April 2021 to 31 March 2022

Critical Occupation	Number of employees as at 31 March 2021	Turnover rate % 2020/21	Appointments into the Department	Transfers into the Department	Terminations out of the Department	Transfers out of the Department	Turnover rate % 2021/22
Architect	6	-	-	-	-	-	-
Engineer	9	-	-	1	1	-	11.1
Research and Statistical Analyst	6	-	3	-	5	-	83.3
Urban Designer/ Town and Regional Planner	10	22.2	-	-	-	-	-
Construction Project Manager	11	11.1	-	-	1	-	9.1
Total	42	7.7	3	1	7	-	16.7
			4		7		

Note: "Transfers" refer to the lateral movement of employees from one Public Service Department to another (Both Provincially & Nationally). The turnover rate is determined by calculating the total exits as a percentage of the baseline (Number of employees as at 31 March 2021).

Table 3.4.3: Staff leaving the employ of the Department, 1 April 2021 to 31 March 2022

Exit Category	Number	% of total exits	Number of exits as a % of total number of employees as at 31 March 2021
Death	-	-	-
Resignation *	20	50	4.5
Expiry of contract	13	32.5	2.9
Dismissal - operational changes	-	-	-
Dismissal - misconduct	-	-	-
Dismissal - inefficiency	-	-	-
Discharged due to ill-health	1	2.5	0.2
Retirement	4	10	0.9
Employee initiated severance package	-	-	-
Transfers to Statutory Body	-	-	-
Transfers to other Public Service departments	1	2.5	0.2
Promotion to another WCG Department	1	2.5	0.2
Total	40	100	9

Note: Table 3.4.3 identifies the various exit categories for those staff members who have left the employ of the Department.

* Resignations are further discussed in tables 3.4.4 and 3.4.5.

Table 3.4.4: Reasons why staff resigned, 1 April 2021 to 31 March 2022

Resignation Reasons	Number	% of total resignations
Current Remuneration	2	10
Lack of promotional opportunities	2	10
Need for a career change	1	5
No reason provided	15	75
Total	20	100

Table 3.4.5: Different age groups of staff who resigned, 1 April 2021 to 31 March 2022

Age group	Number	% of total resignations
Ages <19	-	-
Ages 20 to 24	2	10
Ages 25 to 29	6	30
Ages 30 to 34	3	15
Ages 35 to 39	3	15
Ages 40 to 44	2	10
Ages 45 to 49	3	15
Ages 50 to 54	1	5
Ages 55 to 59	-	-
Ages 60 to 64	-	-
Ages 65 >	-	-
Total	20	100

Table 3.4.6 Employee initiated severance packages.

Total number of employee-initiated severance packages offered in 2021/22	None
--	------

Table 3.4.7: Promotions by salary band, 1 April 2021 to 31 March 2022

Salary Bands	Number of Employees as at 31 March 2021	Promotions to another salary level	Promotions as a % of total employees	Progressions to another notch within a salary level	Notch progressions as a % of total employees
Lower skilled (Levels 1-2)	13	-	-	-	-
Skilled (Levels 3-5)	103	-	-	-	-
Highly skilled production (Levels 6-8)	190	7	3.7	-	-
Highly skilled supervision (Levels 9-12)	124	2	1.6	-	-
Senior management (Levels 13-16)	16	-	-	-	-
Total	446	9	2	-	-

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department by applying and being successful for an advertised post through the recruitment and selection process. The information reflects the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions are not included.

Table 3.4.8: Promotions by critical occupation, 1 April 2021 to 31 March 2022

Critical Occupation	Number of Employees as at 31 March 2021	Promotions to another salary level	Promotions as a % of total employees in critical occupations	Progressions to another notch within a critical occupation	Notch progressions as a % of total employees in critical occupations
Architect	6	-	-	-	-
Engineer	9	-	-	-	-
Research and Statistical Analyst	6	-	-	-	-
Urban Designer/Town and Regional Planner	10	-	-	-	-
Construction Project Manager	11	-	-	-	-
Total	42	-	-	-	-

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department by applying and being successful for an advertised post through the recruitment and selection process. The information reflects the salary level of an employee after he/she was promoted. Employees who do not qualify for notch progressions are not included.

3.5 EMPLOYMENT EQUITY

Table 3.5.1: Total number of employees (including employees with disabilities) in each of the following occupational levels, as at 31 March 2022

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	2	4	1	3	3	1	1	-	-	-	15
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	23	47	1	19	12	28	2	4	-	1	137
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	22	39	1	6	42	64	3	10	-	-	187
Semi-skilled and discretionary decision making (Levels 3-5)	10	20	-	1	26	29	-	5	-	-	91
Unskilled and defined decision making (Levels 1-2)	3	4	-	-	1	3	-	-	-	-	11
Total	60	114	3	29	84	125	6	19	-	1	441
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	60	114	3	29	84	125	6	19	-	1	441

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational levels include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level.

For the number of employees with disabilities, refer to Table 3.5.2.

Table 3.5.2: Total number of employees (with disabilities only) in each of the following occupational levels, as at 31 March 2022

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	-	2	-	1	1	1	1	-	-	-	6
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	2	-	1	1	-	1	3	-	-	10
Semi-skilled and discretionary decision making (Levels 3-5)	-	-	-	-	-	-	-	2	-	-	2
Unskilled and defined decision making (Levels 1-2)	-	1	-	-	-	-	-	-	-	-	1
Total	2	5	-	2	2	1	2	5	-	-	19
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	2	5	-	2	2	1	2	5	-	-	19

A = African; C = Coloured; I = Indian; W = White.

Note: The figures reflected per occupational level include all permanent, part-time and contract employees, but exclude interns. Furthermore, the information is presented by salary level and not post level.

Table 3.5.3: Recruitment, 1 April 2021 to 31 March 2022

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	-	-	1	-	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	1	5	-	1	2	3	-	-	-	-	12
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	3	-	1	2	2	-	1	-	-	10
Semi-skilled and discretionary decision making (Levels 3-5)	3	1	-	-	5	2	-	-	-	-	11
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	5	9	-	3	9	7	-	1	-	-	34
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	5	9	-	3	9	7	-	1	-	-	34

A = African; C = Coloured; I = Indian; W = White.

Note: Recruitment refers to the appointment of new employees to the staff establishment of the Department but exclude interns. The totals include transfers from other government departments and / or institutions, as per Table 3.4.1.

Table 3.5.4: Promotions, 1 April 2021 to 31 March 2022

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	-	1	-	-	-	1	-	-	-	-	2
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	1	-	-	-	3	2	1	-	-	-	7
Semi-skilled and discretionary decision making (Levels 3-5)	-	-	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	1	1	-	-	3	3	1	-	-	-	9
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	1	1	-	-	3	3	1	-	-	-	9

A = African; C = Coloured; I = Indian; W = White.

Note: Promotions refer to the total number of employees who have advanced to a higher post level within the Department, by applying and being successful for an advertised post, through the recruitment and selection process as per Table 3.4.7.

Table 3.5.5: Terminations, 1 April 2021 to 31 March 2022

Occupational Levels	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management (Levels 15-16)	-	-	-	-	-	1	-	-	-	-	1
Senior management (Levels 13-14)	-	-	-	-	1	-	-	-	-	-	1
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	3	9	-	2	-	4	-	1	-	-	19
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	2	1	-	-	-	5	-	1	-	-	9
Semi-skilled and discretionary decision making (Levels 3-5)	2	3	-	1	2	2	-	-	-	-	10
Unskilled and defined decision making (Levels 1-2)	-	-	-	-	-	-	-	-	-	-	-
Total	7	13	-	3	3	12	-	2	-	-	40
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	7	13	-	3	3	12	-	2	-	-	40

A = African; C = Coloured; I = Indian; W = White.

Note: Terminations refer to those employees (excluding interns) who have left the employ of the Department, including transfers to other departments, as per Table 3.4.1.

Table 3.5.6: Disciplinary actions, 1 April 2021 to 31 March 2022

Disciplinary Actions	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Suspension without pay coupled with a Final Written Warning coupled with a 2-month rehabilitation programme	1	-	-	-	-	-	-	-	-	-	1
Total	1	-	-	-	-	-	-	-	-	-	1
Temporary employees	-	-	-	-	-	-	-	-	-	-	-
Grand total	1	-	-	-	-	-	-	-	-	-	1

A = African; C = Coloured; I = Indian; W = White.

Note: The disciplinary actions total refers to formal outcomes only and not headcount. For further information on the outcomes of the disciplinary hearings and the types of misconduct addressed at disciplinary hearings, refer to Tables 3.12.2 and Table 3.12.3.

Table 3.5.7: Skills development, 1 April 2021 to 31 March 2022

Occupational Levels	Male				Female				Total
	A	C	I	W	A	C	I	W	
Top management (Levels 15-16)	-	-	-	-	-	-	-	-	-
Senior management (Levels 13-14)	2	4	1	3	2	1	1	-	14
Professionally qualified and experienced specialists and mid-management (Levels 9-12)	17	18	1	14	6	18	1	4	79
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents (Levels 6-8)	6	17	1	3	16	25	1	2	71
Semi-skilled and discretionary decision making (Levels 3-5)	5	4	-	-	14	9	-	-	32
Unskilled and defined decision making (Levels 1-2)	3	1	-	-	-	-	-	-	4
Total	33	44	3	20	38	53	3	6	200
Temporary employees	-	-	-	-	-	-	-	-	-
Grand total	33	44	3	20	38	53	3	6	200

A = African; C = Coloured; I = Indian; W = White.

Note: The above table refers to the total number of employees who have received training during the period under review, and not the number of training interventions attended by individuals. For further information on the actual training provided, refer to Table 3.13.2.

3.6 SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 3.6.1: Signing of Performance Agreements by SMS Members, as at 31 May 2021

SMS Post Level	Number of active SMS posts per level	Number of SMS members per level	Number of signed Performance Agreements per level	Signed Performance Agreements as % of SMS members per level
Head of Department	1	1	1	100
Salary Level 14	3	3	3	100
Salary Level 13	12	12	11	91.7
Total	16	16	15	93.8

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded. Furthermore, the table reflects post salary details and not the individual salary level of employees. The allocation of performance-related rewards (cash bonus) for SMS members is dealt with later in the report. Refer to Table 3.8.5 in this regard.

Table 3.6.2: Reasons for not having concluded Performance Agreements with all SMS Members on 31 May 2021

Reasons for not concluding Performance Agreements with all SMS
The SMS member who did not complete a Performance Agreement resigned with effect 31 May 2021

Table 3.6.3: Disciplinary steps taken against SMS Members for not having concluded Performance Agreements on 31 May 2021

Disciplinary steps taken against SMS Members for not having concluded Performance Agreements
None required

3.7 FILLING OF SMS POSTS

The tables in this section provide information on employment and vacancies as it relates to members of the SMS by salary level. It also provides information of advertising and the filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken in cases of non-compliance.

Table 3.7.1: SMS posts information, as at 30 September 2021

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	-	-	1	100
Salary Level 14	3	3	100	-	-
Salary Level 13	11	11	100	-	-
Total	15	14	93.3	1	6.7

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

Table 3.7.2: SMS posts information, as at 31 March 2022

SMS Level	Number of active SMS posts per level	Number of SMS posts filled per level	% of SMS posts filled per level	Number of SMS posts vacant per level	% of SMS posts vacant per level
Head of Department	1	-	-	1	100
Salary Level 14	3	3	100	-	-
Salary Level 13	12	12	100	-	-
Total	16	15	93.8	1	6.3

Note: This table refers to employees who are appointed as Senior Management Service (SMS) members only. Employees who are remunerated higher than a SL12, but who are not SMS members have been excluded.

Table 3.7.3: Advertising and Filling of SMS posts, as at 31 March 2022

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant	Number of vacancies per level filled in 6 months after becoming vacant	Number of vacancies per level not filled in 6 months but filled in 12 months
Head of Department	1	-	-
Salary Level 14	-	-	-
Salary Level 13	1	1	-
Total	2	1	-

Table 3.7.4: Reasons for not having complied with the filling of active vacant SMS posts – Advertised within 6 months and filled within 12 months after becoming vacant

SMS Level	Reasons for non-compliance
Head of Department	N/A
Salary Level 14	N/A
Salary Level 13	N/A

Table 3.7.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months

Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts
None

3.8 EMPLOYEE PERFORMANCE

The following tables note the number of staff by salary band (table 3.8.1) and staff within critical occupations (3.8.2) who received a notch progression as a result of performance management. (i.e. qualifying employees who scored between 3 – 4 in their performance ratings).

Table 3.8.1: Notch progressions by salary band, 1 April 2021 to 31 March 2022

Salary Band	Employees as at 31 March 2021	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Lower skilled (Levels 1-2)	13	-	-
Skilled (Levels 3-5)	103	-	-
Highly skilled production (Levels 6-8)	190	-	-
Highly skilled supervision (Levels 9-12)	124	-	-
Senior management (Levels 13-16)	16	-	-
Total	446	-	-

Table 3.8.2: Notch progressions by critical occupation, 1 April 2021 to 31 March 2022

Critical Occupations	Employees as at 31 March 2021	Progressions to another notch within a salary level	Notch progressions as a % of employees by salary band
Architect	6	-	-
Engineer	9	-	-
Research and Statistical Analyst	6	-	-
Urban Designer/Town and Regional Planner	10	-	-
Construction Project Manager	11	-	-
Total	42	-	-

Table 3.8.3: Performance rewards by race, gender, and disability, 1 April 2021 to 31 March 2022

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Total number of employees in group as at 31 March 2021	% of total within group	Cost (R'000)	Average cost per beneficiary (R)
African	-	135	-	-	-
Male	-	59	-	-	-
Female	-	76	-	-	-
Coloured	-	243	-	-	-
Male	-	115	-	-	-
Female	-	128	-	-	-
Indian	-	8	-	-	-
Male	-	3	-	-	-
Female	-	5	-	-	-
White	-	43	-	-	-
Male	-	27	-	-	-
Female	-	16	-	-	-
Employees with a disability	-	17	-	-	-
Total	-	446	-	-	-

Table 3.8.4: Performance rewards (cash bonus), by salary bands for personnel below Senior Management Service level, 1 April 2021 to 31 March 2022

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2021	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Lower skilled (Levels 1-2)	-	13	-	-	-	-
Skilled (Levels 3-5)	-	103	-	-	-	-
Highly skilled production (Levels 6-8)	-	190	-	-	-	-
Highly skilled supervision (Levels 9-12)	-	124	-	-	-	-
Total	-	430	-	-	-	-

Table 3.8.5: Performance rewards (cash bonus), by salary band, for Senior Management Service level, 1 April 2021 to 31 March 2022

Salary Bands	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2021	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Senior Management Service Band A (Level 13)	-	12	-	-	-	-
Senior Management Service Band B (Level 14)	-	3	-	-	-	-
Senior Management Service Band C (Level 15)	-	1	-	-	-	-
Total	-	16	-	-	-	-

Table 3.8.6: Performance rewards (cash bonus) by critical occupation, 1 April 2021 to 31 March 2022

Critical Occupation	Beneficiary Profile			Cost		
	Number of beneficiaries	Total number of employees in group as at 31 March 2021	% of total within salary bands	Cost (R'000)	Average cost per beneficiary (R)	Cost as a % of the total personnel expenditure
Architect	-	6	-	-	-	-
Engineer	-	9	-	-	-	-
Research and Statistical Analyst	-	6	-	-	-	-
Urban Designer/ Town and Regional Planner	-	10	-	-	-	-
Construction Project Manager	-	11	-	-	-	-
Total	-	42	-	-	-	-

3.9 FOREIGN WORKERS

The tables below summarise the employment of foreign nationals in the Department in terms of salary bands (Table 3.9.1) and major occupation (Table 3.9.2). The tables also summarise changes in the total number of foreign workers in each salary band and by each major occupation.

Table 3.9.1: Foreign Workers by salary band, 1 April 2021 to 31 March 2022

Salary Band	1 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% change
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-	-	-
Highly skilled supervision (Levels 9-12)	1	100	1	100	-	-
Senior management (Levels 13-16)	-	-	-	-	-	-
Total	1	100	1	100	-	-

Note: The table above includes non-citizens with permanent residence in the Republic of South Africa.

Table 3.9.2: Foreign Workers by major occupation, 1 April 2021 to 31 March 2022

Major Occupation	1 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% change
Assistant Director	1	100	1	100	-	-
Total	1	100	1	100	-	-

Note: The table above includes non-citizens with permanent residence in the Republic of South Africa.

3.10 LEAVE UTILISATION FOR THE PERIOD 1 JANUARY 2021 TO 31 DECEMBER 2021

The following tables provide an indication of the use of sick leave (Table 3.10.1) and incapacity leave (Table 3.10.2). In both instances, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave, 1 January 2021 to 31 December 2021

Salary Band	Total days	% days with medical certification	Number of Employees using sick leave	Total number of employees	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Interns	24	75	5	11	45.5	5	7
Lower skilled (Levels 1-2)	113	77	11	11	100	10	47
Skilled (Levels 3-5)	701	80.7	77	98	78.6	9	493
Highly skilled production (Levels 6-8)	1 570	80.4	157	199	78.9	10	1 891
Highly skilled supervision (Levels 9-12)	770	85.8	94	148	63.5	8	1 470
Senior management (Levels 13-16)	159	98.7	8	17	47.1	20	524
Total	3 337	82.4	352	484	72.7	9	4 432

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. The three-year sick leave cycle started in January 2019 and ends in December 2021. The information in each case reflects the totals excluding incapacity leave taken by employees. For an indication of incapacity leave taken, refer to Table 3.10.2.

Table 3.10.2: Incapacity leave, 1 January 2021 to 31 December 2021

Salary Band	Total days	% days with medical certification	Number of Employees using incapacity leave	Total number of employees	% of total employees using incapacity leave	Average days per employee	Estimated Cost (R'000)
Interns	-	-	-	11	-	-	-
Lower skilled (Levels 1-2)	-	-	-	11	-	-	-
Skilled (Levels 3-5)	45	100	3	98	3.1	15	35
Highly skilled production (Levels 6-8)	545	100	12	199	6.0	45	652
Highly skilled supervision (Levels 9-12)	34	100	3	148	2.0	11	66
Senior management (Levels 13-16)	104	100	1	17	5.9	104	349
Total	728	100	19	484	3.9	38	1 102

Note: The leave dispensation as determined in the "Leave Determination", read with the applicable collective agreements, provides for normal sick leave of 36 working days in a sick leave cycle of three years. If an employee has exhausted his or her normal sick leave, the employer must conduct an investigation into the nature and extent of the employee's incapacity. Such investigations must be carried out in accordance with item 10(1) of Schedule 8 of the Labour Relations Act (LRA).

Incapacity leave is not an unlimited amount of additional sick leave days at an employee's disposal. Incapacity leave is additional sick leave granted conditionally at the employer's discretion, as provided for in the Leave Determination and Policy on Incapacity Leave and Ill-Health Retirement (PILIR).

Table 3.10.3 summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the Public Service Coordinating Bargaining Council (PSCBC) in 2000 requires management of annual leave to prevent high levels of accrued leave having to be paid at the time of termination of service.

Table 3.10.3: Annual Leave, 1 January 2021 to 31 December 2021

Salary Band	Total days taken	Total number employees using annual leave	Average number of days taken per employee
Interns	136	10	14
Lower skilled (Levels 1-2)	301	11	27
Skilled (Levels 3-5)	2 254	94	24
Highly skilled production (Levels 6-8)	5 119	193	27
Highly skilled supervision (Levels 9-12)	4 012	147	27
Senior management (Levels 13-16)	369	17	22
Total	12 191	472	26

Table 3.10.4: Capped leave, 1 January 2021 to 31 December 2021

Salary Band	Total capped leave available as at 31 Dec 2020	Total days of capped leave taken	Number of employees using capped leave	Average number of days taken per employee	Number of employees with capped leave as at 31 Dec 2021	Total capped leave available as at 31 Dec 2021
Lower skilled (Levels 1-2)	-	-	-	-	-	-
Skilled (Levels 3-5)	11	4	1	4	3	7
Highly skilled production (Levels 6-8)	1 258	115	4	29	29	1 143
Highly skilled supervision (Levels 9-12)	916	35	5	7	26	881
Senior management (Levels 13-16)	259	-	-	-	4	259
Total	2 444	154	10	15	62	2 290

Note: It is possible for the total number of capped leave days to increase as employees who were promoted or transferred into the Department, retain their capped leave credits, which form part of that specific salary band and ultimately the departmental total.

Table 3.10.5: Leave pay-outs, 1 April 2021 to 31 March 2022

Reason	Total Amount (R'000)	Number of Employees	Average payment per employee
Leave pay-outs during 2021/22 due to non-utilisation of leave for the previous cycle	-	-	-
Capped leave pay-outs on termination of service	89	2	44 659
Current leave pay-outs on termination of service	911	41	22 225

3.11 HEALTH PROMOTION PROGRAMMES, INCLUDING HIV AND AIDS



Table 3.11.1: Steps taken to reduce the risk of occupational exposure, 1 April 2021 to 31 March 2022

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
The nature of the Department's work does not expose employees to increased risk of contracting HIV & AIDS. Despite the very low occupational risk, all employees have been targeted at all levels within the Department.	<p>Due to the COVID-19 pandemic and lockdown conditions the HCT and wellness services were suspended.</p> <p>Employee Health and Wellness Services are rendered to all employees in need and include the following:</p> <ul style="list-style-type: none"> • 24/7/365 Telephone counselling; • Face to face counselling (4 session model); • Trauma and critical incident counselling; • Advocacy on HIV&AIDS awareness, including online services; and • Training, coaching and targeted Interventions as required.

Table 3.11.2: Details of Health Promotion including HIV & AIDS Programmes, 1 April 2021 to 31 March 2022

Question	Yes	No	Details, if yes
1. Has the Department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2016? If so, provide her/his name and position.	✓		Ms Letitia Isaacs, Director (acting): Organisational Behaviour (Department of the Premier).
2. Does the Department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	✓		<p>The Department of the Premier provides a transversal service to eleven (11) provincial departments, including the Department of Human Settlements.</p> <p>A designated Employee Health and Wellness unit within the Directorate Organisational Behaviour and the Chief Directorate Organisation Development serves to promote the health and well-being of employees in the eleven (11) client departments.</p> <p>The unit consists of a Deputy Director, three (3) Assistant Directors, and two (2) EHW Practitioners.</p> <p>Budget: R3.5 m</p>
3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.	✓		The Department of the Premier has entered into a service level agreement with Metropolitan Health (external service provider) to render an Employee Health and Wellness Service to eleven (11) provincial departments.

Question	Yes	No	Details, if yes
<p>3. Has the Department introduced an Employee Assistance or Health Promotion Programme for employees? If so, indicate the key elements/services of this Programme.</p>	✓		<p>The following interventions were conducted: Mindfulness, Financial Management, GBV for SMS, Big change talking menopause, GBV for employees, Conflict into Synergy, LGBTIQA, Stress, Self-care & Resilience, COVID-19: Health issues & Healing Process, Parenting During Time of Crisis, Managing Conflict and Toxic Relationship, Developing and Managing my Own Personal Brand, Emotional Fitness, Flourishing Teams in the Workplace and Social Media and your Wellbeing, *Services rendered: Emotional impact Assessment.</p> <p>Awareness Sessions conducted: Employee Information sessions and Gender based violence. These interventions are based on trends reflected in the quarterly reports and implemented to address employee or departmental needs.</p> <p>The targeted interventions for both employees and managers were aimed at personal development; promotion of healthy lifestyles; and improving coping skills. This involved presentations, workshops, group discussions to create awareness and encourage employees to have a pro-active approach to limit the impact of these problems in the workplace. Targeted Interventions were also implemented to equip managers with tools to engage employees in the workplace.</p> <p>Information sessions were also provided to inform employees of the EHW service and how to access the Employee Health and Wellness (EHW) Programme during the time of Lockdown and interventions that are tailor made to suit the period of Covid 19 and Lockdown. Information on how to access the Employee Health and Wellness (EHW) Programme was distributed online. Promotional material such as posters, fridge magnets and wallet cards including prize winning water bottles were distributed to the employees.</p>
<p>4. Has the Department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2016? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.</p>	✓		<p>The Provincial Employee Health and Wellness Steering Committee has been established with members nominated by each department.</p> <p>The Department of Human Settlements is represented by Mr Robbie Roberts and Mr Francois Du Plessis.</p>

Question	Yes	No	Details, if yes
<p>5. Has the Department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.</p>			<p>The Transversal Management Framework for Employee Health and Wellness Programmes in the Western Cape Government is in effect and was adopted by the Co-ordinating Chamber of the PSCBC for the Western Cape Province in December 2016.</p> <p>In this regard, all employment policies make provision for fair practices, regardless of the HIV status of staff or applicants. Workplace practices are constantly monitored to ensure policy compliance and fairness.</p> <p>Under the EHW banner, four EHW Policies were approved which includes HIV & AIDS and TB Management that responds to the prevention of discrimination against employees affected and infected by HIV & AIDS and TB in the workplace.</p> <p>Further to this, the Department of Health, that is the lead department for HIV & AIDS, has approved the Transversal HIV and AIDS/STI Workplace Policy and Programme that is applicable to all departments of the Western Cape Government. The document is in line with the four pillars of the National EHW Strategic Framework 2018 as amended.</p> <p>During the reporting period, the transversal EHW policies including the HIV, AIDS and TB Management Policy have been reviewed against the DPSA policies as well as the National Strategic Plan for HIV, TB and STIs (2017-2022) which ensures inclusivity and elimination of discrimination and stigma against employees with HIV.</p>
<p>6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.</p>			<p>The Provincial Strategic Plan on HIV & AIDS, STIs and TB 2017-2022 has been implemented to mainstream HIV and TB and its gender and rights-based dimensions into the core mandates to reduce HIV-related stigma.</p> <p>The aim is to:</p> <ul style="list-style-type: none"> • Reduce HIV and TB discrimination in the workplace. This included campaigns against unfair discrimination and empowerment of employees. • Reduce unfair discrimination in access to services. This included ensuring that the Directorate Employee Relations addresses complaints or grievances relating to unfair discrimination and provides training to employees. <p>Due to the COVID-19 pandemic, the Department could not implement the planned measures to address the stigma and discrimination against those infected or perceived to be infective with HIV, which are the following:</p>

Question	Yes	No	Details, if yes
6. Has the Department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	✓		<ul style="list-style-type: none"> Wellness Screenings (Blood pressure, Glucose, Cholesterol, TB, BMI); HCT Screenings; TB Talks and Screenings; Distributing posters and pamphlets; Condom distribution and spot talks; and Commemoration of World AIDS Day and Wellness events.
7. Does the Department encourage its employees to undergo HIV counselling and testing (HCT)? If so, list the results that you have you achieved.	✓		<p>HCT SESSIONS</p> <p>There was one Wellness and HCT screening session held in commemoration of World AIDS Days in this reporting period, due to COVID-19 restrictions. There were no attendees.</p>
8. Has the Department developed measures/ indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	✓		<p>The EHW Programme is monitored through Quarterly and Annual reporting and trend analysis can be derived through comparison of departmental utilisation and demographics i.e. age, gender, problem profiling, employee vs. manager utilisation, number of cases. Themes and trends also provide a picture of the risks and impact the EHW issues have on individual and the workplace.</p>

3.12 LABOUR RELATIONS

The following provincial collective agreements were entered into with trade unions for the period under review.

Table 3.12.1: Collective agreements, 1 April 2021 to 31 March 2022

Total collective agreements	None
------------------------------------	------

Table 3.12.2 summarises the outcome of disciplinary hearings conducted within the Department for the period.

Table 3.12.2 Misconduct and disciplinary hearings finalised 1 April 2021 to 31 March 2022

Outcomes of disciplinary hearings	Number of cases finalised	% of total
Suspension without pay coupled with a Final Written Warning coupled with a 2-month rehabilitation programme	1	100
Total	1	100
Percentage of total employment		0.2

Note: Outcomes of disciplinary hearings refer to formal cases only.

Table 3.12.3: Types of misconduct addressed at disciplinary hearings, 1 April 2021 to 31 March 2022

Type of misconduct	Number	% of total
Under Influence of Habit-Forming/Stupefying Drug	1	100
Total	1	100

Table 3.12.4: Grievances lodged, 1 April 2021 to 31 March 2022

Grievances lodged	Number	% of total
Number of grievances resolved	9	45
Number of grievances not resolved	11	55
Total number of grievances lodged	20	100

Note: Grievances lodged refers to cases that were finalised within the reporting period. Grievances not resolved refers to cases where the outcome was not in favour of the aggrieved. All cases resolved and not resolved have been finalised.

Table 3.12.5: Disputes lodged with Councils, 1 April 2021 to 31 March 2022

Disputes lodged with Councils	Number	% of total
Number of disputes upheld	0	0
Number of disputes dismissed	1	100
Total number of disputes lodged	1	100

Note: Councils refer to the Public Service Co-ordinating Bargaining Council (PSCBC) and General Public Service Sector Bargaining Council (GPSSBC). When a dispute is “upheld”, it means that the Council endorses the appeal as legitimate and credible in favour of the aggrieved. When a dispute is “dismissed”, it means that the Council is not ruling in favour of the aggrieved.

Table 3.12.6: Strike actions, 1 April 2021 to 31 March 2022

Strike actions	Number
Total number of person working days lost	-
Total cost (R'000) of working days lost	-
Amount (R'000) recovered as a result of no work no pay	-

Table 3.12.7: Precautionary suspensions, 1 April 2021 to 31 March 2022

Precautionary suspensions	Number
Number of people suspended	-
Number of people whose suspension exceeded 30 days	-
Average number of days suspended	-
Cost (R'000) of suspensions	-

Note: Precautionary suspensions refer to staff who were suspended with full pay, whilst the case was being investigated.

3.13 SKILLS DEVELOPMENT

This section highlights the efforts of the Department with regard to skills development. Table 3.13.1 reflect the training needs as at the beginning of the period under review, and Table 3.13.2 the actual training provided.

Table 3.13.1: Training needs identified, 1 April 2021 to 31 March 2022

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training needs identified at start of reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 - 16)	Female	7	-	5	-	5
	Male	9	-	9	-	9
Professionals (Salary Band 9 - 12)	Female	46	-	49	-	49
	Male	95	-	134	-	134
Technicians and associate professionals (Salary Band 6 - 8)	Female	114	-	105	-	105
	Male	66	-	112	-	112
Clerks (Salary Band 3 - 5)	Female	63	-	50	-	50
	Male	33	-	19	-	19
Elementary occupations (Salary Band 1 - 2)	Female	4	-	-	-	-
	Male	7	-	-	-	-
Sub Total	Female	234	-	209	-	209
	Male	210	-	274	-	274
Total		444	-	483	-	483
Employees with disabilities	Female	10	-	4	-	4
	Male	7	-	2	-	2

Note: The above table identifies the training needs at the start of the reporting period as per the Department's Workplace Skills Plan.

Table 3.13.2: Training provided, 1 April 2021 to 31 March 2022

Occupational Categories	Gender	Number of employees as at 31 March 2022	Training provided during the reporting period			
			Learner-ships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers (Salary Band 13 - 16)	Female	5	-	9	-	9
	Male	10	-	19	-	19
Professionals (Salary Band 9 - 12)	Female	47	-	66	-	66
	Male	90	-	81	-	81
Technicians and associate professionals (Salary Band 6 - 8)	Female	119	-	82	-	82
	Male	68	-	50	-	50
Clerks (Salary Band 3 - 5)	Female	60	-	44	-	44
	Male	31	-	15	-	15
Elementary occupations (Salary Band 1 - 2)	Female	4	-	-	-	-
	Male	7	-	4	-	4
Sub Total	Female	235	-	201	-	201
	Male	206	-	169	-	169
Total		441	-	370	-	370
Employees with disabilities	Female	10	-	5	-	5
	Male	9	-	4	-	4

Note: The above table identifies the number of training courses attended by individuals during the period under review.

3.14 INJURY ON DUTY

This section provides basic information on injuries sustained whilst being on official duty.

Table 3.14.1: Injury on duty, 1 April 2021 to 31 March 2022

Nature of injury on duty	Number	% of total
Required basic medical attention only	1	50
Temporary disablement	1	50
Permanent disablement	-	-
Fatal	-	-
Total	2	100
Percentage of total employment		0.4

3.15. UTILISATION OF CONSULTANTS

Table 3.15.1: Consultant appointments using appropriated funds

No	Entity name	Project title	Nature of work	Number of consultants	Duration of contract: work days	Contract amount	BBBEE level	Total amount paid in the 2021/22 financial year
1	Amps Registered Quantity Surveyors				5 years 8 months	R 1 081 200.00	Level 1	R 624 393.00
2	BSP Consulting Engineers				2 years 6 months	R 1 575 000.00	Level 2	R 403 750.00
3	GNEC				5 years 8 months	R 1 289 227.00	Level 4	R 63 240.00
4	Jubelle Projects				2 years 6 months	R 17 655 981.39	Level 3	R 2 788 387.78
5	MPAMOT Africa	Transhex Housing Project	Professional Fees	10	6 years	R 11 010 056.79	Level 1	R 2 218 003.04
6	Neil Lyners And Associates (RF)				6 years	R 15 857 958.00	Level 1	R 3 455 571.40
7	Ole Bogeng and Associates				5 years 8 months	R 1 621 800.00	Level 1	R 465 624.60
8	POSH Ideas				5 years 8 months	R 3 108 080.42	Level 1	R 2 003 580.51
9	SVA International				5 years 8 months	R 4 326 452.65	Level 1	R 1 067 500.69
10	J & B Surveys				5 years 8 months	R 1 095 000.00	Level 4	R 300 000.00
11	Bergstan South Africa Consulting	Airport Precinct	Professional Fees	12	60 months	R 27 542 769.81	Level 1	R 2 530 982.54
12	ELITE Consulting Holdings				60 months	R 2 139 485.36	Level 1	R 917 554.39
13	Frontline Health Safety & Enviro				60 months	R 626 086.96	Level 1	R 53 250.00
14	GJA Electrical Consulting Engineers				60 months	R 5 829 415.30	Level 1	R 106 036.11
15	IX Engineers Pty Ltd				60 months	R 3 468 228.97	Level 1	R 2 272 539.59

No	Entity name	Project title	Nature of work	Number of consultants	Duration of contract: work days	Contract amount	BBBEE level	Total amount paid in the 2021/22 financial year
16	JG Afrika Pty Ltd				60 months	R 671 382.60	Level 1	R 126 030.90
17	Mackenzie Hoy Consulting Acoustics				N/A	R 28 760.00	Level 4	R 28 760.00
18	Nako Iliso Consulting	Airport Precinct	Professional Fees	12	60 months	R 7 432 432.36	Level 1	R 371 821.19
19	Red Landscape Architects				60 months	R 2 639 972.17	Level 4	R 2 048 233.48
20	UDWC				N/A	R 780 974.56	N/A	R 390 487.29
21	Zutari (Pty) Ltd (Aurecon SA)				60 months	R 32 859 897.88	Level 1	R 3 971 612.86
22	I Murison Incorporated				60 months	R 1 160 556.72	Level 1	R 22 751.80
23	Atvantage Quantity Surveyors				60 months	R 519 000.00	Level 5	R 44 000.00
24	Frontline Health Safety & Enviro				60 months	R 339 411.75	Level 1	R 175 300.00
24	Lakhanya Quantity Surveyors CC				60 months	R 30 400.00	Level 2	R 30 400.00
25	GIBB (Pty) Ltd				60 months	R 10 459 967.30	Level 1	R 2 544 837.30
26	MPAMOT Africa				60 months	R 492 639.00	Level 1	R 492 639.00
27	Malani Padayachee & Associated Pty Ltd	Kosovo	Professional Fees	9	60 months	R 14 724 304.07	Level 1	R 738 958.51
28	MA & ML Projects				N/A	R 231 500.00	N/A	R 231 500.00
29	Miradi Group				60 months	R 268 873.42	Level 1	R 82 073.62
30	UMTHA Consultancy				60 months	R 1 243 500.00	Level 1	R 240 075.00
31	WSP Group Africa (Pty) Ltd				60 months	R 18 294 579.00	Level 1	R 2 985 646.53
32	Delta Built Environment Consultants				24 months	R 3 374 818.65	Level 1	R 413 561.52
33	Ebesa Architects	Greater Retreat IRDP	Professional Fees	4	24 months	R 6 000 000.00	Level 1	R 3 381.60
34	JG Afrika Pty Ltd				24 months	R 2 609 000.00	Level 1	R 34 902.66
35	Greystone Trading 1143 T/A Mzi Developments Services				36 months	R 1 427 973.75	Level 1	R 48 823.50

No	Entity name	Project title	Nature of work	Number of consultants	Duration of contract: work days	Contract amount	BBBEE level	Total amount paid in the 2021/22 financial year
36	AQS Consultants				25 months	R 1 036 547.27	Level 1	R 206 950.00
37	GNEC				21 months	R 886 908.58	Level 4	R 87 866.00
38	Jubelie Projects				28 months	R 5 323 680.37	Level 3	R 2 072 495.01
39	Lakhanya Quantity Surveyors Cc	Vlakkeland Housing Project	Professional Fees	7	25 months	R 691 031.51	Level 2	R 137 966.67
40	Neil Lyners And Associates (RF)				21 months	R 4 331 324.70	Level 1	R 1 942 913.88
41	Van Zyl & Associates				21 months	R 278 625.00	Level 1	R 278 625.00
42	BSP Consulting Engineers				21 months	R 299 495.09	Level 2	R 11 495.09
43	Bisiwe Van Niekerk Inc				60 months	R 866 117.00	Level 2	R 329 949.20
44	CNDV Africa				36 months	R 3 303 006.00	Level 4	R 1 170 213.90
45	Human Settlements Holistic Services (HSHS)				60 months	R 6 371 634.40	Level 1	R 554 234.50
46	JZE Architects (Pty) Ltd	Taiwan & Yb Informal Settlement Upgrade			36 months	R 2 285 000.00	Level 1	R 564 174.80
47	Nadeson Consulting Services (Pty) Ltd		Professional Fees	9	60 months	R 3 654 750.00	Level 1	R 522 629.32
48	Red Landscape Architects				24 months	R 736 562.09	Level 4	R 44 193.73
49	Thabile Engineering				60 months	R 5 535 750.00	Level 2	R 715 336.45
50	WSP Group Africa (Pty) Ltd				36 months	R 6 911 797.20	Level 1	R 1 505 488.21
51	Community Organisation Resource Centre (CORC)				8 months	R 2 281 020.00	Level 4	R 1 469 675.10
52	Bosch Projects (Pty) Ltd	Malibu Conifers	Professional Fees	1	61 months	R 7 471 764.58	Level 2	R 1 360 047.04
53	Jubelie Projects	Walk Ins	Professional Fees	1	12 months	R 178 857.00	Level 3	R 178 857.00
54	People's Environmental Planning (PEP)	(PEP) Community Survey & Enumeration	Professional Fees	1	12 months	R 2 100 000.00	Level 1	R 2 100 000.00

No	Entity name	Project title	Nature of work	Number of consultants	Duration of contract: work days	Contract amount	BBBEE level	Total amount paid in the 2021/22 financial year
55	People's Environmental Planning (PEP)	Sibanye: Bossiesgif Golveini & Pinet	Professional Fees	1	48 months	R 3 156 288.18	Level 1	R 267 150.00
56	People's Environmental Planning (PEP)	Sibanye: Napier	Professional Fees	1	48 months	R 662 786.81	Level 1	R 38 442.42
57	People's Environmental Planning (PEP)	Sibanye: OU Kamp	Professional Fees	1	48 months	R 552 828.47	Level 1	R 74 468.67
58	People's Environmental Planning (PEP)	Sibanye: Zawa Zawa	Professional Fees	1	48 months	R 831 252.31	Level 1	R 43 162.50
59	People's Environmental Planning (PEP)	Sibanye: Zwelitsha	Professional Fees	1	48 months	R 1 060 525.30	LEVEL 1	R 14 667.89
60	Greystone Trading 1143 T/A Mzi Developments Services	Khaye: Kuyasa: Retrofit	Professional Fees	1	12 months	R 348,965.96	Level 1	R 348 965.96
61	African Ideas	Change Navigation Specialist	Professional Fees	1	36 months	R 3 808 800.00	Level 1	R 758 784.40
62	Bergstan South Africa Consulting				36 months	R 22 362 351.69	Level 1	R 477 190.01
63	IX Engineers Pty Ltd				36 months	R 513 664.65	Level 1	R 513 664.65
64	JG Afrika Pty Ltd				36 months	R 2 045 654.10	Level 1	R 36 050.00
65	Kantey & Templar	Ithemba	Professional Fees	7	N/A	R 405 121.53	Level 1	R 405 121.53
66	Nako Iliso Consulting				36 months	R 14 908 236.66	Level 1	R 536 358.08
67	UDS Africa				36 months	R 159 525.45	N/A	R 135 048.00
68	Zutari (Pty) Ltd (Aurecon SA)				36 months	R 23 237 556.40	Level 1	R 1 751 021.22

No	Entity name	Project title	Nature of work	Number of consultants	Duration of contract: work days	Contract amount	BBBEE level	Total amount paid in the 2021/22 financial year
69	Bigen Africa Services Pty Ltd				Until work is completed	R 9 493 343.20	Level 1	R 599 387.25
70	Planning Partners				60 months	R 3 435 553.00	Level 3	R 55 000.00
71	Greystone Trading 1143 T/A Mzi Developments Services	Penhill	Professional Fees	4	60 months	R 1 050 600.00	Level 1	R 85 960.00
72	BSP Consulting Engineers				Until work is completed	R 11 919 366.00	Level 2	R 276 864.14
73	AFSA		Arbitration Proceedings		N/A	R 172 500.08	N/A	R 172 500.08
74	C2C Consulting Engineers	Our Pride	Professional Fees	2	56 months	R 7 437 328.44	Level 1	R 2 178 048.88
75	Bigen Africa Services Pty Ltd				Until work is completed	R 9 493 343.20	Level 1	R 2 571 489.90
76	BSP Consulting Engineers				Until work is completed	R 11 919 366.00	Level 2	R 1 313 432.96
77	Greystone Trading 1143				60 months	R 1 050 600.00	Level 1	R 67 120.00
78	WSP Group Africa (Pty) Ltd				60 months	R 25 000.00	Level 1	R 25 000.00
79	I Murison Incorporated				60 months	R 3 650 140.00	Level 1	R 9 612.00
80	IX Engineers Pty Ltd	Penhill Welmoed	Professional Fees	10	60 months	R 56 307 420.96	Level 1	R 5 699 686.97
81	Greystone Trading 1143 T/A Mzi Developments Services				60 months	R 1 050 600.00	Level 1	R 18 840.00
82	Zutari (Pty) Ltd (Aurecon Sa)				60 months	R 4 926 353.00	Level 1	R 610 515.00
83	Planning Partners				60 months	R 3 435 553.00	Level 3	R 55 000.00
84	SMEC South Africa				Until work is completed	R 17 879 049.00	Level 1	R 2 083 884.13
85	C2C Consulting Engineers	Highbury Military Vets	Professional Fees	1	72 months	R 5 960 128.15	Level 1	R 69 970.00

No	Entity name	Project title	Nature of work	Number of consultants	Duration of contract: work days	Contract amount	BBBEE level	Total amount paid in the 2021/22 financial year
86	BTKM				24 months	R 370 020.00	Level 2	R 58 220.00
87	Kantey & Temppler				24 months	R 1 900 500.00	Level 1	R 1 357 597.07
88	Motla Consulting	Gatesville Flats	Professional Fees	6	24 months	R 752 336.35	Level 2	R 154 582.90
89	Planning Partners				24 months	R 577 500.00	Level 3	R 93 082.00
90	Vanacore				24 months	R 220 794.00	Level 1	R 42 056.00
91	Zutari (Pty) Ltd (Aurecon Sa)				24 months	R 217 371.00	Level 1	R 170 430.00
92	JG Afrika Pty Ltd				36 months	R 783 776.29	Level 1	R 16 000.00
92	Planning Partners				36 months	R 3 435 553.00	Level 3	R 40 000.00
93	Mpamot Africa	USDG	Professional Fees	4	Until work is completed	R 13 507 504.07	Level 1	R 1 566 414.42
94	Motla Consulting Engineers				Until work is completed	R 6 679 378.00	Level 2	R 164 210.72
95	C2C Consulting Engineers	Blue Downs Veterans	Professional Fees	2	12 months	R 835 600.00	Level 1	R 462 795.00
96	Greystone Trading 1143 T/A Mzi Developments Services						Level 1	R 27 575.36
97	Housing Development Agency (HDA)	Housing Dev Agency	Housing Development Agency Fees	1	N/A	R 36 464 058.70	N/A	R 36 464 058.70
98	Habitat For Humanity South Africa	Langeberg ISSP Mandela Square	Professional Fees	1	48 Months	R 996 050.00	Level 1	R 977 700.00
99	Element Consulting Engineers	Blue Downs: Nuwe Begin	Professional Fees	3	24 months	R 362 597.00	Level 2	R 93 424.86
100	Glad Africa Project Managers				24 months	R 144 400.00	Level 1	R 28 880.01
101	IX Engineers Pty Ltd				48 months	R 2 175 932.65	Level 1	R 463 369.09

No	Entity name	Project title	Nature of work	Number of consultants	Duration of contract: work days	Contract amount	BBBEE level	Total amount paid in the 2021/22 financial year
102	Enigma Built Environment	Syferfontein	Professional Fees	4	18 months	R 44 852 081.35	Level 1	R 14 974 925.23
103	Nandi Bulabula Inc				N/A	R 836 734.04	Level 1	R 836 734.04
104	Royal HaskoningDHV				66 months	R 48 562 976.34	Level 2	R 3 660 743.06
105	Van Zyl & Associates				N/A	R 223 374.88	Level 1	R 223 374.88
106	Glomix House Brokers CC	Valhalla Park	Professional Fees	1	44 weeks	R 5 757 302.81	Level 1	R 4 183 034.00
107	HRB Consulting	Southern Corridor Farm 694 Housing Project	Professional Fees	2	12 months	R 181 500.00	Level 4	R 181 500.00
108	Van Zyl & Associates					R 50 925.00	Level 1	R 50 925.00
109	Human Settlements Holistic Services (HSHS)	Silvertown Emergency	Professional Fees	4	36 months	R 2 190 888.00	Level 1	R 2 174 119.70
110	Nadeson Consulting Services (Pty) Ltd					R 3 403 000.00	Level 1	R 413 025.00
111	Thabile Engineering					R 1 839 843.00	Level 2	R 28 500.00
112	WSP Group Africa (Pty) Ltd					R 5 597 980.00	Level 1	R 1 597 765.21
113	Ibabatana	Du Noon	Professional Fees	3	24 months	R 978 925.00	Level 1	R 429 150.00
114	JG Afrika Pty Ltd					R 377 611.88	Level 1	R 22 741.50
115	Planning Partners					R 1 607 171.21	Level 3	R 159 183.50
116	Jubelie Projects	De Novo Housing Project	Professional Fees	1	13 months	R 3 326 303.00	Level 3	R 159 084.10
117	IX Engineers Pty Ltd	Welmoed Estate Housing Project	Professional Fees	2	60 months	R 56 307 420.96	Level 1	R 588 964.23
118	SMEC South Africa					R 27 971 984.48	Level 1	R 229 740.62
119	Kwa-Lukhozi	Blue Downs: Forest Village	Professional Services	3	108 months		N/A	R 3 236 895.23
120	Lawula Projects						Level 1	R 12 766 498.10
121	Lukhozi Consulting Engineers (Pty/Ltd)						Level 1	R 9 857 836.24

No	Entity name	Project title	Nature of work	Number of consultants	Duration of contract: work days	Contract amount	BBBEE level	Total amount paid in the 2021/22 financial year
122	Lukhozi Consulting Engineers (Pty/Ltd)	Thembelihle Domestic Workers Housing Project	Professional Fees	1	53 months	R 3 264 817.74	Level 1	R 650 500.87
123	Development Action Group (DAG)	(DAG) Community - Based Planning Enumeration and Professional Services	Professional Fees	1	48 months	R 6 503 313.14	Level 1	R 2 833 754.22
124	Community Organisation Resource Centre (CORC)	SDI Alliance/Corc.	Professional Fees	1	48 months	R 1 530 100.00	Level 4	R 1 530 100.00
125	Lukhozi Consulting Engineers (Pty/Ltd)	Delft Symphony: PRE 3 & 5	Professional Fees	1	108 months	R 24 294 068.39	Level 1	R 2 869 164.88
126	MPAMOT Africa		Civil		60 months	R 14 724 304.07	Level 1	R 1 472 276.90
127	GIBB (Pty) Ltd	Kosovo Farm 694	Engineering Internal Services	3	60 months	R 7 231 514.53	Level 1	R 1 183 092.90
128	Frontline Health Safety & Enviro				Project is complete	R 67 500.00	Level 1	R 13 500.00
129	Royal HaskoningDHV	Metro Grounds:671	Professional Fees	1	66 months	R 4 810 816.04	Level 2	R 2 809 620.74
130	Royal HaskoningDHV	Louis Fourie Corridor	Professional Fees	1	35 months	R 22 871 873.72	Level 2	R 6 924 754.42
131	Royal HaskoningDHV	George	Professional Fees	1	66 months	R 2 181 936.00	Level 2	R 92 469.78
132	Vanacore				36 months	R 1 709 000.00	Level 1	R 241 584.00
133	Delta Built Environment Consultants	Schulphoek Dev Project	Professional Fees	3	36 months	R 76 304.90	Level 1	R 76 304.90
134	Van Zyl & Associates				36 months	R 4 191 497.97	Level 1	R 432 265.35
TOTAL						R 977 339 805.84		R 189 926 252.68

Table 3.15.2: Consultant appointments using Donor funds

No	Entity name	Project title	Nature of work	Number of consultants	Duration of contract: work days	Contract amount	BBBEE level	Total amount paid in the 2021/22 financial year
None								



FINANCIAL INFORMATION

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Contents

Report of the Auditor-General	119
Appropriation Statement	127
Notes to the Appropriation Statement	140
Statement of Financial Performance	142
Statement of Financial Position	143
Statement of Changes in Net Assets	144
Cash Flow Statement	145
Notes to the Annual Financial Statements (including Accounting policies):	146
Part A: Accounting policies	146
Part B: Explanatory notes	153
Annexures	186



Report of the Auditor-General to Western Cape Provincial Parliament on vote no. 8: Western Cape Department of Human Settlements

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Western Cape Department of Human Settlements set out on pages 127 to 185, which comprise the appropriation statement, statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Western Cape Department of Human Settlements as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the requirements of the Division of Revenue Act 9 of 2021 (DoRA).

Basis for the opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

Restatement of corresponding figures

7. As disclosed in note 32 to the financial statements, the corresponding figures for 31 March 2021 were restated as a result of an error in the financial statements of the department at, and for the year ended, 31 March 2022.

Uncertainty relating to future outcomes of claims against the department

8. With reference to note 18 to the financial statements, the department is the defendant in various ongoing litigation and claims. The ultimate outcome of these cases cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

REPORT OF THE AUDITOR-GENERAL

Non-adjusting events after the reporting date

9. As disclosed in note 28 to the financial statements, the Department of Human Settlements will merge with the infrastructure components of the Department of Transport and Public Works to form a new Department of Infrastructure.

Other matter

10. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

11. The supplementary information set out on pages 186 to 200 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

Responsibilities of the accounting officer for the financial statements

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and DoRA, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
13. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the Department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

14. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.
17. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in

REPORT OF THE AUDITOR-GENERAL

the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

18. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programmes presented in the department's annual performance report for the year ended 31 March 2022:

Programmes	Pages in the annual performance report
Programme 3 - housing development	32 - 38
Programme 4 - housing and asset management	44

19. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
20. The material findings on the usefulness and reliability of the performance information of the selected programmes are as follows:

Programme 3 - Housing Development

Indicator 3.13: Number of title deeds registered for new (post - 2014) development by 31 March 2022

21. The achievement of 5 981 title deeds registered was reported against the planned target of 7 000 title deeds registered in the annual performance report. However, the supporting evidence provided materially differed from the reported achievement.

Programme 4 - Housing and Asset management

Indicator 4.3: Number of title deeds transferred to qualifying beneficiaries of pre-1994 housing units by 31 March 2022

22. The planned indicator was not specific in clearly identifying the nature and required level of performance.

Other matters

23. I draw attention to the matters below.

Achievement of planned targets

24. Refer to the annual performance report on pages 32 to 38 and 44 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information in paragraphs 21 and 22 of this report.

Adjustment of material misstatements

25. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information of Programme 3: Housing Development. As management subsequently corrected only some of the misstatements, I raised material findings on the reliability of the reported performance information. Those that were not corrected are reported above.

REPORT OF THE AUDITOR-GENERAL

Report on compliance with legislation

26. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
27. I performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA audit methodology. This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
28. I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and adequately available to report in an understandable manner. The selection is done through an established AGSA process. The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999 (PFMA)	Sections 38(1)(a)(iv); 38(1)(b); 38(1)(c)(i)-(ii); Sections 38(1)(d); 38(1)(h)(iii); 39(1)(a); 39(2)(a); Sections 40(1)(a) and (b); 40(1)(c)(i); Sections 43(4); 44; 45(b); 51(1)(a)(iv); 57(b)
Treasury regulations	TR 4.1.1; 4.1.3; 5.2.1; 5.2.3(d); TR 8.1.1; 8.2.1; 8.2.2; 8.2.3; 8.4.1; 9.1.1; 9.1.4; TR 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; 11.5.1; TR 12.5.1; 15.10.1.2(c); TR 16A3.2 (fairness); 16A3.2(a); 16A6.1; TR 16A6.2(a) and (b); 16A6.3(a) - (c); 16A6.3(e); TR 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A.7.3; TR 16A7.6; 16A.7.7; 16A8.3; 16A8.4; TR 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2(a)(ii); TR 17.1.1; 18.2; 19.8.4 TR 5.3.1; 6.3.1(a) - (d); 6.4.1(b); 7.2.1;
Annual Division of Revenue Act (DoRA)	Sections 11(6)(a); 12(5); 16(1) Sections 16(3) / 16(3)(a)(i) / 16(3)(a)(ii)(bb)
Construction Industry Development Board Act 38 of 2000 (CIDB)	Section 18(1)
CIDB regulations	Regulations 17; 25(7A)
Preferential Procurement Policy Framework Act 5 of 2000 (PPPFA)	Sections 1(i); 2.1(a),(b) and (f)
Preferential Procurement regulations (PPR), 2011	Regulations 4.1; 4.3; 5.1; 5.5; 6.1; 6.5; 7.1; Regulations 9.1; 9.5; 11.2; 11.5
Preferential Procurement regulations (PPR), 2017	Regulations 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; Regulations 6.1; 6.2; 6.3; 6.5; 6.6; 6.8; Regulations 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulations 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)

REPORT OF THE AUDITOR-GENERAL

Legislation	Sections or regulations
Public Service regulations (PSR), 2016	Regulations 18(1); 18(2); 25(1)(e)(i) and (iii)
State Information Technology Agency Act 88 of 1998 (SITA)	Section 7(3)
NT SCM Instruction Note 05 of 2009/10	Par 3.3
NT SCM Instruction Note 04 of 2015/16	Par 3.4
NT SCM Instruction Note 03 of 2016/17	Par 8.1; 8.2; 8.3; 8.5
NT SCM Instruction Note 4A of 2016/17	Par 6
NT SCM Instruction Note 07 of 2017/18	Par 4.3
NT SCM Instruction note 03 of 2019/20 [Annexure A - FIPDM]	Par 5.5.1(vi); 5.5.1(x)
NT SCM Instruction Note 02 of 2021/22	Par 3.2.1; 3.2.4(a); 3.3.1; 4.1
SCM Practice Note 8 of 2007/08	Par 3.3.1; 3.3.3; 3.4.1; 3.5
SCM Practice Note 7 of 2009/10	Par 4.1.2

29. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

Utilisation of conditional grants

30. A portion of the funds received from the Informal Settlements Upgrading Partnership Grant (ISUPG) were transferred to Bitou Municipality, based on an agreed payment schedule without notification of and approval of the transfer, by National Treasury, as required by section 16(3) and 16(3)(a)(ii)(bb) of the Dora.

Expenditure management

31. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R718 897, as disclosed in note 24 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation(TR) 9.1.1. The irregular expenditure was caused due to the supplier not being tax compliant on the date of award.

Other information

32. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported in this auditor's report.
33. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
34. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

REPORT OF THE AUDITOR-GENERAL

35. The other information I obtained prior to the date of this auditor's report are the performance information. The remaining information, which includes, foreword by the provincial minister of the department, report of the accounting officer the statement of responsibility and confirmation of the accuracy of the annual report, strategic review, legislative and other mandates, organisational structure and governance and entities reporting to the provincial minister are expected to be made available to us after 31 August 2022.
36. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.
37. When I do receive and read the information, which includes foreword by the provincial minister of the department, report of the accounting officer the statement of responsibility and confirmation of the accuracy of the annual report, strategic review, legislative and other mandates, organisational structure and governance and entities reporting to the provincial minister if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

38. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on Programme 3: Housing Development and Programme 4: Housing and Asset Management and the findings on compliance with legislation included in this report.
39. Leadership did not ensure that documented standard operating procedures are in place for performance information, which resulted in the collation and collections of supporting information not being carried out consistently in line with the relevant technical indicator descriptions. Regular management reviews of performance information together with its supporting information was also not performed.
40. Leadership did not inform national treasury of an increased prepayment to another organ of state as required by section 16(3) of DoRA, due to an incorrect interpretation, which resulted in material non-compliance.
41. Leadership implemented an action plan to address prior year's audit findings and this plan did not assist to remediate some areas of compliance, which included the tax non-compliance status of suppliers.

Material irregularities

42. In accordance with the PAA and the Material Irregularity Regulations, I have a responsibility to report on material irregularities identified during the audit.
43. The material irregularity identified is as follows:

Finance linked individual subsidies paid incorrectly

44. Finance Linked Individual Subsidies (FLISP), which are funded by the Human Settlements Development Grant (HSDG), were incorrectly calculated and paid to beneficiaries in terms of the National Housing Code of 2009.
45. Established internal controls were not carried out in contravention of section 45(a) of the PFMA resulting in the department making payments to subsidised beneficiaries who were not earning within the required

REPORT OF THE AUDITOR-GENERAL

range, as officials of the department did not consider all the income of applicants before approving their applications for FLISP subsidies. The incorrect payments occurred from the implementation date of FLISP (2012).

46. The non-compliance resulted in a material financial loss, amounting to R22 million.
47. The accounting officer was notified of the material irregularity on 24 November 2021 and were invited to make a written submission on the actions already taken and that will be taken to address the matter.
48. The following actions have been taken to resolve the material irregularity:
 - An independent assessment was performed by the internal control unit, into incorrect payments being made. The relevant assessment was concluded on 22 April 2022 and it found amongst other things that:
 - o When approvals for subsidies were assessed by the department, the housing code was not adhered to in its entirety. Certain requirements of the housing code was not appropriately applied by officials.
 - o There was non-compliance with section 45(a) of the PFMA.
 - The accounting officer designed and implemented a control, from 16 November 2021, in the form of the performance of an additional review by the internal control function of the department before approval of subsidies.
 - The accounting officer further concluded that:
 - o The financial loss will not be recovered because to recover each subsidy, incorrectly paid to financial institutions, would not be viable for the department.
 - o No official can be held responsible as the officials followed a practice that dates back to 2012 and the decision to not include any allowances and commission as part of a subsidy applicant's income was taken in consultation with the National Department of Human settlements. In addition, there was instability in leadership at the Western Cape Department of Human Settlements from 2012 till current, therefore no official could be held accountable for the financial loss incurred.
 - We have concluded that all relevant appropriate actions have been taken to resolve the material irregularity.

Other reports

49. The Provincial Forensic Services were investigating two (2) cases, one relating to possible fraud and the other on various allegations (alleged corruption/conflict of interest/fraud). The investigation relating to possible fraud was finalised and reported on to the accounting officer on 29 August 2022. The other investigation on various allegations was still in progress at the date of this report.

Auditor-General
Cape Town
08 September 2022



AUDITOR - GENERAL
SOUTH AFRICA

Auditing to build public confidence

REPORT OF THE AUDITOR-GENERAL

Annexure – Auditor-General’s responsibility for the audit

1. As part of an audit in accordance with the ISA, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected programmes and on the department’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department’s internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Western Cape Department of Human Settlements to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a department to cease operating as a going concern.
 - evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Appropriation per programme									
Programme	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	135 806	-	1 418	137 224	133 414	3 810	97.2	127 614	124 893
2. Housing Needs, Research and Planning	24 884	-	1 116	26 000	25 486	514	98.0	25 342	24 170
3. Housing Development	2 197 787	-	(2 260)	2 195 527	2 157 804	37 723	98.3	2 237 541	2 196 164
4. Housing Asset Management	51 782	-	(274)	51 508	45 225	6 283	87.8	36 290	35 380
Total	2 410 259	-	-	2 410 259	2 361 929	48 330	98.0	2 426 787	2 380 607
Reconciliation with Statement of Financial Performance									
Add:									
Departmental receipts				8 280				49 588	
Aid assistance				-				-	
Actual amounts per Statement of Financial Performance (Total Revenue)				2 418 539				2 476 375	
Add: Aid assistance					309				-
Actual amounts per Statement of Financial Performance Expenditure					2 362 238				2 380 607

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Appropriation per economic classification									
Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	355 584	(17 939)	-	337 645	327 885	9 760	97.1	322 722	316 621
Compensation of employees	244 733	(21)	-	244 712	244 624	88	100.0	237 431	231 515
Salaries and wages	213 660	529	(25)	214 164	214 164	-	100.0	206 041	201 982
Social contributions	31 073	(550)	25	30 548	30 460	88	99.7	31 390	29 533
Goods and services	110 851	(17 918)	-	92 933	83 261	9 672	89.6	85 291	85 106
Administrative fees	352	(243)	-	109	109	-	100.0	12	12
Advertising	1 633	(1 247)	-	386	386	-	100.0	1 329	1 329
Minor assets	498	455	-	953	953	-	100.0	460	460
Audit costs: External	9 006	2 035	-	11 041	11 041	-	100.0	7 298	7 298
Bursaries: Employees	700	(255)	-	445	445	-	100.0	696	696
Catering: Departmental activities	425	(266)	-	159	136	23	85.5	30	30
Communication (G&S)	1 657	1 732	-	3 389	3 329	60	98.2	1 551	1 551
Computer services	3 672	70	-	3 742	2 166	1 576	57.9	2 741	2 741
Consultants: Business and advisory services	8 002	(22)	-	7 980	5 591	2 389	70.1	2 554	2 554
Infrastructure and planning services	24 700	(7 766)	-	16 934	16 934	-	100.0	14 107	14 107
Legal services	3 704	2 379	-	6 083	6 083	-	100.0	5 468	5 283
Contractors	400	(192)	-	208	208	-	100.0	54	54
Agency and support / outsourced services	-	2 705	-	2 705	2 705	-	100.0	55	55
Entertainment	41	(18)	-	23	23	-	100.0	13	13
Fleet services (including government motor transport)	3 344	(519)	-	2 825	2 581	244	91.4	1 786	1 786

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Appropriation per economic classification									
Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consumable supplies	446	114	-	560	560	-	100.0	305	305
Consumable: Stationery, printing and office supplies	1 221	(443)	-	778	778	-	100.0	510	510
Operating leases	2 042	(379)	-	1 663	1 391	272	83.6	1 331	1 331
Property payments	40 300	(13 081)	-	27 219	22 904	4 315	84.1	41 290	41 290
Travel and subsistence	5 850	(1 652)	-	4 198	3 435	763	81.8	2,694	2,694
Training and development	870	(358)	-	512	482	30	94.1	435	435
Operating payments	1 596	(688)	-	908	908	-	100.0	530	530
Venues and facilities	342	(229)	-	113	113	-	100.0	30	30
Rental and hiring	50	(50)	-	-	-	-	-	12	12
Transfers and subsidies	2 046 220	16 865	-	2 063 085	2 025 822	37 263	98.2	2 096 985	2 056 906
Provinces and municipalities	47 284	(11 893)	-	35 391	34 243	1 148	96.8	53 903	53 903
Municipalities	47 284	(11 893)	-	35 391	34 243	1 148	96.8	53 903	53 903
Municipal bank accounts	47 284	(11 893)	-	35 391	34 243	1 148	96.8	53 903	53 903
Departmental agencies and accounts	12	-	-	12	12	-	100.0	18	18
Departmental agencies	12	-	-	12	12	-	100.0	18	18
Higher education institutions	-	-	-	-	-	-	-	400	400
Non-profit institutions	61	-	-	61	61	-	100.0	-	-
Households	1 998 863	28 758	-	2 027 621	1 991 506	36 115	98.2	2 042 664	2 002 585
Social benefits	2 599	152	-	2 751	2 702	49	98.2	3 850	3 850
Other transfers to households	1 996 264	28 606	-	2 024 870	1 988 804	36 066	98.2	2 038 814	1 998 735

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Appropriation per economic classification									
Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Payments for capital assets	8 155	33	-	8 188	6 881	1 307	84.0	6 908	6 908
Machinery and equipment	8 123	-	-	8 123	6 816	1 307	83.9	6 908	6 908
Transport equipment	4 796	184	-	4 980	4 766	214	95.7	4 421	4 421
Other machinery and equipment	3 327	(184)	-	3 143	2 050	1 093	65.2	2 487	2 487
Software and other intangible assets	32	33	-	65	65	-	100.0	-	-
Payment for financial assets	300	1 041	-	1 341	1 341	-	100.0	172	172
Total	2 410 259	-	-	2 410 259	2 361 929	48 330	98.0	2 426 787	2 380 607



APPROPRIATION STATEMENT
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Programme 1: ADMINISTRATION									
Sub-programme	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Office of the MEC	8 735	-	744	9 479	8 387	1 092	88.5	7 351	7 351
2. Corporate Services	127 071	-	674	127 745	125 027	2 718	97.9	120 263	117 542
Total	135 806	-	1 418	137 224	133 414	3 810	97.2	127 614	124 893

Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	124 996	(1 075)	1 418	125 339	122 885	2 454	98.0	117 216	114 495
Compensation of employees	95 518	-	1 418	96 936	96 936	-	100.0	97 673	94 952
Salaries and wages	83 983	(169)	744	84 558	84 558	-	100.0	85 653	82 846
Social contributions	11 535	169	674	12 378	12 378	-	100.0	12 020	12 106
Goods and services	29 478	(1 075)	-	28 403	25 949	2 454	91.4	19 543	19 543
Administrative fees	224	(118)	-	106	106	-	100.0	11	11
Advertising	1 058	(950)	-	108	108	-	100.0	1 084	1 084
Minor assets	498	455	-	953	953	-	100.0	460	460
Audit costs: External	9 006	2 035	-	11 041	11 041	-	100.0	7 298	7 298
Bursaries: Employees	700	(255)	-	445	445	-	100.0	696	696
Catering: Departmental activities	150	(30)	-	120	120	-	100.0	29	29
Communication (G&S)	1 100	1 657	-	2 757	2 697	60	97.8	1 029	1 029
Computer services	3 572	(49)	-	3 523	1 947	1 576	55.3	2 535	2 535

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Consultants: Business and advisory services	3 000	(1 668)	-	1 332	1 332	-	100.0	1 165	1 165
Legal services	-	132	-	132	132	-	100.0	-	-
Contractors	350	(213)	-	137	137	-	100.0	38	38
Entertainment	25	(4)	-	21	21	-	100.0	11	11
Fleet services (including government motor transport)	3 344	(519)	-	2 825	2 581	244	91.4	1 786	1 786
Consumable supplies	314	195	-	509	509	-	100.0	273	273
Consumable: Stationery, printing and office supplies	1 200	(444)	-	756	756	-	100.0	510	510
Operating leases	1 388	(62)	-	1 326	1 110	216	83.7	1 079	1 079
Property payments	-	80	-	80	80	-	100.0	13	13
Travel and subsistence	1 800	(514)	-	1 286	928	358	72.2	899	899
Training and development	318	(145)	-	173	173	-	100.0	173	173
Operating payments	1 181	(521)	-	660	660	-	100.0	435	435
Venues and facilities	200	(87)	-	113	113	-	100.0	7	7
Rental and hiring	50	(50)	-	-	-	-	-	12	12
Transfers and subsidies	2 355	1	-	2 356	2 307	49	97.9	3 318	3 318
Provinces and municipalities	-	1	-	1	1	-	100.0	-	-
Municipalities	-	1	-	1	1	-	100.0	-	-
Municipal bank accounts	-	1	-	1	1	-	100.0	-	-
Departmental agencies and accounts	12	-	-	12	12	-	100.0	18	18
Departmental agencies	12	-	-	12	12	-	100.0	18	18

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Households	2 343	-	-	2 343	2 294	49	97.9	3 300	3 300
Social benefits	2 343	-	-	2 343	2 294	49	97.9	3 300	3 300
Payments for capital assets	8 155	33	-	8 188	6 881	1 307	84.0	6 908	6 908
Machinery and equipment	8 123	-	-	8 123	6 816	1 307	83.9	6 908	6 908
Transport equipment	4 796	184	-	4 980	4 766	214	95.7	4 421	4 421
Other machinery and equipment	3 327	(184)	-	3 143	2 050	1 093	65.2	2 487	2 487
Software and other intangible assets	32	33	-	65	65	-	100.0	-	-
Payment for financial assets	300	1 041	-	1 341	1 341	-	100.0	172	172
Total	135 806	-	1 418	137 224	133 414	3 810	97.2	127 614	124 893



APPROPRIATION STATEMENT

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Programme 2: HOUSING NEEDS, RESEARCH AND PLANNING									
Sub-programme	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	14 583	(134)	-	14 449	14 209	240	98.3	14 432	13 547
2. Planning	10 301	134	1 116	11 551	11 277	274	97.6	10 910	10 623
Total	24 884	-	1 116	26 000	25 486	514	98.0	25 342	24 170

Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	24 713	(20)	1 116	25 809	25 295	514	98.0	25 301	24 129
Compensation of employees	23 486	(20)	1 116	24 582	24 582	-	100.0	24 572	23 400
Salaries and wages	20 017	699	1 116	21 832	21 832	-	100.0	21 222	20 700
Social contributions	3 469	(719)	-	2 750	2 750	-	100.0	3 350	2 700
Goods and services	1 227	-	-	1 227	713	514	58.1	729	729
Administrative fees	40	(38)	-	2	2	-	100.0	-	-
Catering: Departmental activities	23	4	-	27	4	23	14.8	-	-
Communication (G&S)	100	20	-	120	120	-	100.0	97	97
Consultants: Business and advisory services	-	9	-	9	9	-	100.0	432	432
Infrastructure and planning services	-	278	-	278	278	-	100.0	-	-
Contractors	-	38	-	38	38	-	100.0	-	-
Entertainment	2	(2)	-	-	-	-	-	-	-
Consumable supplies	10	(2)	-	8	8	-	100.0	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating leases	156	(89)	-	67	11	56	16.4	56	56
Travel and subsistence	800	(242)	-	558	153	405	27.4	103	103
Training and development	52	19	-	71	41	30	57.7	22	22
Operating payments	44	5	-	49	49	-	100.0	19	19
Transfers and subsidies	171	20	-	191	191	-	100.0	41	41
Non-profit institutions	61	-	-	61	61	-	100.0	-	-
Households	110	20	-	130	130	-	100.0	41	41
Social benefits	110	20	-	130	130	-	100.0	41	41
Total	24 884	-	1 116	26 000	25 486	514	98.0	25 342	24 170

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Programme 3: HOUSING DEVELOPMENT									
Sub-programme	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	165 073	(3 199)	(2 260)	159 614	157 944	1 670	99.0	311 178	309 880
2. Financial Interventions	235 774	(29 280)	-	206 494	170 576	35 918	82.6	205 059	205 059
3. Incremental Intervention	1 796 940	32 479	-	1 829 419	1 829 284	135	100.0	1 721 304	1 681 225
Total	2 197 787	-	(2 260)	2 195 527	2 157 804	37 723	98.3	2 237 541	2 196 164

Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	161 912	(16 843)	(2 260)	142 809	141 152	1 657	98.8	145 853	144 555
Compensation of employees	100 759	-	(2 260)	98 499	98 411	88	99.9	90 886	89 588
Salaries and wages	87 947	-	(1 358)	86 589	86 589	-	100.0	78 435	78 215
Social contributions	12 812	-	(902)	11 910	11 822	88	99.3	12 451	11 373
Goods and services	61 153	(16 843)	-	44 310	42 741	1 569	96.5	54 967	54 967
Administrative fees	88	(87)	-	1	1	-	100.0	1	1
Advertising	311	(311)	-	-	-	-	-	-	-
Catering: Departmental activities	240	(229)	-	11	11	-	100.0	1	1
Communication (G&S)	415	58	-	473	473	-	100.0	401	401
Computer services	100	119	-	219	219	-	100.0	206	206
Consultants: Business and advisory services	4 002	1 817	-	5 819	4 250	1 569	73.0	942	942
Infrastructure and planning services	24 700	(8 044)	-	16 656	16 656	-	100.0	14 107	14 107
Legal services	2 904	1 874	-	4 778	4 778	-	100.0	5 055	5 055

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Contractors	-	33	-	33	33	-	100.0	2	2
Agency and support / outsourced services	-	2 705	-	2 705	2 705	-	100.0	55	55
Entertainment	12	(10)	-	2	2	-	100.0	2	2
Consumable supplies	81	(67)	-	14	14	-	100.0	13	13
Operating leases	410	(156)	-	254	254	-	100.0	196	196
Property payments	23 970	(13 162)	-	10 808	10 808	-	100.0	32 090	32 090
Travel and subsistence	3 000	(789)	-	2 211	2 211	-	100.0	1 561	1 561
Training and development	500	(268)	-	232	232	-	100.0	238	238
Operating payments	300	(206)	-	94	94	-	100.0	74	74
Venues and facilities	120	(120)	-	-	-	-	-	23	23
Transfers and subsidies	2 035 875	16 843	-	2 052 718	2 016 652	36 066	98.2	2 091 688	2 051 609
Provinces and municipalities	39 465	(11 894)	-	27 571	27 571	-	100.0	52 270	52 270
Municipalities	39 465	(11 894)	-	27 571	27 571	-	100.0	52 270	52 270
Municipal bank accounts	39 465	(11 894)	-	27 571	27 571	-	100.0	52 270	52 270
Higher education institutions	-	-	-	-	-	-	-	400	400
Households	1 996 410	28 737	-	2 025 147	1 989 081	36 066	98.2	2 039 018	1 998 939
Social benefits	146	131	-	277	277	-	100.0	204	204
Other transfers to households	1 996 264	28 606	-	2 024 870	1 988 084	36 066	98.2	2 038 814	1 998 735
Total	2 197 787	-	(2 260)	2 195 527	2 157 804	37 723	98.3	2 237 541	2 196 164

APPROPRIATION STATEMENT

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Programme 4: HOUSING ASSET MANAGEMENT									
Sub-programme	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration	27 633	-	(274)	27 359	26 539	820	97.0	25 470	24 560
2. Housing Properties Maintenance	24 149	-	-	24 149	18 686	5 463	77.4	10 820	10 820
Total	51 782	-	(274)	51 508	45 225	6 283	87.8	36 290	35 380

Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	43 963	(1)	(274)	43 688	38 553	5 135	88.2	34 352	33 442
Compensation of employees	24 970	(1)	(274)	24 695	24 695	-	100.0	24 300	23 575
Salaries and wages	21 713	(1)	(527)	21 185	21 185	-	100.0	20 731	20 221
Social contributions	3 257	-	253	3 510	3 510	-	100.0	3 569	3 354
Goods and services	18 993	-	-	18 993	13 858	5 135	73.0	10 052	9 867
Advertising	264	14	-	278	278	-	100.0	245	245
Catering: Departmental activities	12	(11)	-	1	1	-	100.0	-	-
Communication (G&S)	42	(3)	-	39	39	-	100.0	24	24
Consultants: Business and advisory services	1 000	(180)	-	820	-	820	-	15	15
Legal services	800	373	-	1 173	1 173	-	100.0	413	228
Contractors	50	(50)	-	-	-	-	-	14	14
Entertainment	2	(2)	-	-	-	-	-	-	-
Consumable supplies	41	(12)	-	29	29	-	100.0	19	19
Consumable: Stationery, printing and office supplies	21	1	-	22	22	-	100.0	-	-

APPROPRIATION STATEMENT
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

Economic classification	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Operating leases	88	(72)	-	16	16	-	100.0	-	-
Property payments	16 330	1	-	16 331	12 016	4 315	73.6	9 187	9 187
Travel and subsistence	250	(107)	-	143	143	-	100.0	131	131
Training and development	-	36	-	36	36	-	100.0	2	2
Operating payments	71	34	-	105	105	-	100.0	2	2
Venues and facilities	22	(22)	-	-	-	-	-	-	-
Transfers and subsidies	7 819	1	-	7 820	6 672	1 148	85.3	1 938	1 938
Provinces and municipalities	7 819	-	-	7 819	6 671	1 148	85.3	1 633	1 633
Municipalities	7 819	-	-	7 819	6 671	1 148	85.3	1 633	1 633
Municipal bank accounts	7 819	-	-	7 819	6 671	1 148	85.3	1 633	1 633
Households	-	1	-	1	1	-	100.0	305	305
Social benefits	-	1	-	1	1	-	100.0	305	305
Other transfers to households	-	-	-	-	-	-	-	-	-
Total	51 782	-	(274)	51 508	45 225	6 283	87.8	36 290	35 380

NOTES TO THE APPROPRIATION STATEMENT for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

1. **Detail of transfers and subsidies as per Appropriation Act (after Virement):**
Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-E) to the Annual Financial Statements.
2. **Detail of specifically and exclusively appropriated amounts voted (after Virement):**
Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.
3. **Detail on payments for financial assets**
Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.
4. **Explanations of material variances from amounts voted (after virement):**
 - 4.1 **Per programme**

Per programme:	Final Appropriation	Actual Expenditure	Variance	"Variance as a % of Final Appropriation"
	R'000	R'000	R'000	%
Programme 1: Administration	137 224	133 414	3 810	2.8

The Department regards a variance of 2 per cent and more per main division as material. The underspending reflected against this Programme mainly relates to the challenges encountered in the installation of the new hearing rooms for the Rental Housing Tribunal, delay in the development of a mobile application to track and report on housing projects, as well as the delay in delivery of computer equipment due to the unavailability of supply of computer equipment on the transversal State Information Technology Agency (SITA) contract.

Per programme:	Final Appropriation	Actual Expenditure	Variance	"Variance as a % of Final Appropriation"
	R'000	R'000	R'000	%
Programme 2: Housing Needs, Research and Planning	26 000	25 486	514	2.0

The underspending reflected against this Programme mainly relates to the decrease on operational expenditure associated with the COVID-19 pandemic such as travel related expenditure.

Per programme:	Final Appropriation	Actual Expenditure	Variance	"Variance as a % of Final Appropriation"
	R'000	R'000	R'000	%
Programme 4: Housing Asset Management	51 508	45 225	6 283	12.2

The saving reflected against this Programme mainly relates to lesser property payments due to the transfer and the devolution of properties to beneficiaries and to local authorities, and the municipal service charges associated with these properties.

4.2 Per economic classification

Per economic classification:	Final Appropriation	Actual Expenditure	Variance	"Variance as a % of Final Appropriation"
	R'000	R'000	R'000	%
Current expenditure				
Goods and services	92 933	83 261	9 672	10.4
Transfers and subsidies				
Provinces and municipalities	35 391	34 243	1 148	3.2
Households	2 027 621	1 991 506	36 115	1.8
Payments for capital assets				
Machinery and equipment	8 123	6 816	1 307	16.1

Underspending on Goods and Services is due to the delay in the development of a mobile application to track and report on housing projects, as well as lesser property payments due to the transfer and the devolution of properties to beneficiaries and to local authorities, and the municipal service charges associated with these properties. An amount of R30.721 million included under Households has been raised as a receivable in respect of voted funds over surrendered to the Provincial Revenue Fund for 2020/2021. A further underspending was realised due to the unavailability of the supply of computer equipment on the transversal State Information Technology Agency (SITA) contract.

4.3 Per programme

Per programme:	Final Appropriation	Actual Expenditure	Variance	"Variance as a % of Final Appropriation"
	R'000	R'000	R'000	%
Informal Settlement Upgrading Partnership Grant	457 429	421 511	35 918	7.9

The underspending of R35.918 million includes an amount of R30.721 million raised as a receivable in respect of voted funds over surrendered to the Provincial Revenue Fund for 2020/2021 and R5.197 million which was due to the delay in the appointment of a contractor on the National Upgrading Support Programme (NUSP) project in Mosselbay.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	Note	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	1	2 410 259	2 426 787
Departmental revenue	2	8 280	49 588
TOTAL REVENUE		2 418 539	2 476 375
EXPENDITURE			
Current expenditure			
Compensation of employees	4	244 624	231 515
Goods and services	5	83 261	85 106
Total current expenditure		327 885	316 621
Transfers and subsidies			
Transfers and subsidies	7	2 025 822	2 056 906
Aid assistance	3	309	-
Total transfers and subsidies		2 026 131	2 056 906
Expenditure for capital assets			
Tangible assets	8	6 816	6 908
Intangible assets	8	65	-
Total expenditure for capital assets		6 881	6 908
Payments for financial assets	6	1 341	172
TOTAL EXPENDITURE		2 362 238	2 380 607
SURPLUS FOR THE YEAR		56 301	95 768
Reconciliation of Net Surplus for the year			
Voted Funds		48 330	46 180
Annual appropriation		12 277	6 101
Conditional grants		36 053	40 079
Departmental revenue and PRF Receipts	13	8 280	49 588
Aid assistance	3	(309)	-
SURPLUS FOR THE YEAR		56 301	95 768

STATEMENT OF FINANCIAL POSITION
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current Assets			
		286 831	256 702
Cash and cash equivalents	9	207 439	127 759
Prepayments and advances	10	32	8
Receivables	11	79 360	128 935
Non-Current Assets			
Receivables	11	2 444	2 379
TOTAL ASSETS		289 275	259 081
LIABILITIES			
Current Liabilities			
		247 425	188 793
Voted funds to be surrendered to the Revenue Fund	12	48 330	46 180
Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund	13	5 389	2 811
Payables	14	193 706	139 493
Aid assistance unutilised	3	-	309
Non-Current Liabilities			
Payables	15	6 494	35 515
TOTAL LIABILITIES		253 919	224 308
NET ASSETS		35 356	34 773
Represented by:			
Recoverable revenue		35 356	34 773
TOTAL		35 356	34 773

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	2021/22 R'000	2020/21 R'000
NET ASSETS		
Recoverable revenue		
Opening balance	34 773	34 747
Transfers	583	26
Debts revised	(14)	-
Debts recovered (included in departmental receipts)	(78)	(84)
Debts raised	675	110
Closing balance	35 356	34 773

CASH FLOW STATEMENT

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
		2 489 059	2 543 208
Annual appropriated funds received	1.1	2 410 259	2 426 787
Departmental revenue received	2	76 073	115 773
Interest received	2.2	2 727	648
Net decrease in working capital		103 764	129 793
Surrendered to Revenue Fund		(122 403)	(115 167)
Current payments		(327 885)	(316 621)
Payments for financial assets		(1 341)	(172)
Transfers and subsidies paid		(2 026 131)	(2 056 906)
Net cash flow available from operating activities	16	115 063	184 135
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	8	(6 881)	(6 908)
Proceeds from sale of capital assets	2.3	1	12
Increase in non-current receivables		(65)	(80)
Net cash flows from investing activities		(6 945)	(6 976)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in net assets		583	26
Decrease in non-current payables		(29 021)	(53 165)
Net cash flows from financing activities		(28 438)	(53 139)
Net decrease in cash and cash equivalents		79 680	124 020
Cash and cash equivalents at beginning of period		127 759	3 739
Cash and cash equivalents at end of period	17	207 439	127 759

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation. Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

2. Going concern

The financial statements have been prepared on a going concern basis.

3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

5. Foreign currency translation

Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.

6. Comparative information

6.1 Prior period comparative information

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

6.2 Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

7. Revenue

7.1 Appropriated funds

Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective.

Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

7.2 Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

7.3 Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy.

8. Expenditure

8.1 Compensation of employees

8.1.1 Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

8.1.2 Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

8.2 Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

8.3 Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.

8.4 Leases

8.4.1 Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.

The operating lease commitments are recorded in the notes to the financial statements.

Operating lease payments received are recognised as departmental revenue.

8.4.2 Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

Finance lease payments received are recognised as departmental revenue.

9. Aid Assistance

9.1 Aid assistance received

Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.

Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.

9.2 Aid assistance paid

Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.

10. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

11. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

12. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

13. Investments

Investments are recognised in the statement of financial position at cost.

14. Financial assets

14.1 Financial assets (not covered elsewhere)

A financial asset is recognised initially at its cost-plus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.

14.2 Impairment of financial assets

Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.

15. Payables

Payables recognised in the statement of financial position are recognised at cost.

16. Capital Assets

16.1 Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

16.2 Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

16.3 Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

16.4 Project Costs: Work-in-progress

Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.

Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.

Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.

17. Provisions and Contingents

17.1 Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

17.2 Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

17.3 Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

17.4 Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

18. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

19. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

20. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.

Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

21. Changes in accounting estimates and errors

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities, and net assets for the earliest period for which retrospective restatement is practicable.

22. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

23. Principal-Agent arrangements

The department is party to a principal-agent arrangement with the SA Post Office for the collection of housing debt from beneficiaries. In terms of the arrangement the department is the principal and is responsible for reimbursing the SA Post Office for collecting such revenue on behalf of the Department. All related revenues, expenditures, assets, and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.

There is also a principle-agent arrangement between the Department and municipalities whereby the municipalities act as agent for the Department in the development of human settlements. No fees are payable to the municipalities in this regard.

The Department is acting as agent for the City of Cape Town for the construction of bulk infrastructure funded from the Urban Settlement Development Grant (USDG) and Informal Settlement Upgrading Partnership Grant for provinces (ISUPG).

The Department is also acting as agent for Mosselbay Municipality for the electrification of housing units funded by National Department of Mineral Resources and Energy.

24. Departures from the MCS requirements

Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard.

25. Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period, but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed, and the related funds are received.

26. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

27. Related party transactions

Related party transactions within the Provincial Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.

28. Inventories (Effective from date determined in a Treasury Instruction)

The current inventory reflected at annexure 5 is valued at municipal value. The policy below relates to departmental projects classified as inventory that are yet to be disclosed; when National Treasury has determined the implementation date.

At the date of acquisition, inventories are recognised at cost in the statement of financial performance.

Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.

Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

The cost of inventories is assigned by using the weighted average cost basis.

29. Public-Private Partnerships

Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.

A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.

30. Employee benefits

The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.

31. Transfers of functions

Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

32. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

PART B: EXPLANATORY NOTES

1. Appropriation

1.1 Annual Appropriation

Programmes	2021/22			2020/21		
	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Final Appropriation R'000	Appropriation Received R'000	Funds not requested/ not received R'000
Administration	135 806	135 806	-	127 437	127 437	-
Housing Needs, Research and Planning	24 884	24 884	-	26 599	26 599	-
Housing Development	2 197 787	2 197 787	-	2 236 718	2 236 718	-
Housing Asset Management	51 782	51 782	-	36 033	36 033	-
Total	2 410 259	2 410 259	-	2 426 787	2 426 787	-

All appropriated funds were requested and received.

1.2 Conditional grants

	Note	2021/22 R'000	2020/21 R'000
Total grants received	33	2 035 376	1 928 894

The Conditional Grants received consist of the Human Settlement Development Grant R1.575 285 billion; the Expanded Public Works Programme Integrated Grant for Provinces R2.662 million as well as the Informal Settlements Upgrading Partnership Grant for Provinces R457.429 million.

2. Departmental Revenue

Sales of goods and services other than capital assets	2.1	94	82
Interest, dividends and rent on land	2.2	9 995	9 078
Sales of capital assets	2.3	1	12
Transactions in financial assets and liabilities	2.4	68 711	107 261
Total revenue collected		78 801	116 433
Less: Own revenue included in appropriation	13	70 521	66 845
Departmental revenue collected		8 280	49 588

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	Note	2021/22 R'000	2020/21 R'000
2.1 Sales of goods and services other than capital assets			
Sales of goods and services produced by the department	2	92	80
Administrative fees		1	-
Other sales		91	80
Sales of scrap, waste and other used current goods		2	2
Total		94	82

Other sales include Commission on insurance and garnishee orders administered via PERSAL (R68 000); Sale of minor assets (R1 000) and Sale of tender documents (R19 000).

2.2 Interest, dividends and rent on land	2		
Interest		2 727	648
Rent on land		7 268	8 430
Total		9 995	9 078

Included in the amount of Interest is R77 000 in respect of Departmental debt and R2.650 million in respect of various PHP projects. The amount of R7.268 million for Rent on land is in respect of occupational rent for Finance Linked Individual Subsidy Program (FLISP) houses R1.062 million and rental income received from debtors R6.206 million. Rent on land has been restated to R8.430 million (2020/21: R2.222 million) this was due to the reclassification of rental income.

2.3 Sales of capital assets	2		
Tangible assets			
Machinery and equipment		1	12
Total		1	12
2.4 Transactions in financial assets and liabilities	2		
Loans and advances		2 047	1 256
Other Receipts including Recoverable Revenue		66 664	106 005
Total		68 711	107 261

Decrease in other receipts including recoverable revenue is due to the decrease in Eskom subsidies for electrical connections as well as less returned subsidies from municipalities. Loans and advances has been restated to R1.256 million (2020/21: R7.464 million) this was due to the reclassification of rental income.

	Note	2021/22 R'000	2020/21 R'000
3. Aid Assistance			
Opening Balance		309	309
Transferred from statement of financial performance		(309)	-
Closing Balance		-	309
3.1 Analysis of balance by source	3		
Aid assistance from other sources (DPSA)		-	309
Closing Balance		-	309
3.2 Analysis of balance	3		
Aid assistance unutilised		-	309
Closing Balance		-	309
3.3 Aid assistance expenditure per economic classification	3		
Transfers and subsidies		309	-
Total aid assistance expenditure		309	-
4. Compensation of employees			
4.1 Salaries and wages	4		
Basic salary		164 019	164 995
Service Based		312	296
Compensative/circumstantial		7 324	2 815
Periodic payments		3 774	2 450
Other non-pensionable allowances		38 735	31 426
Total		214 164	201 982

Compensation/circumstantial payments is in respect of remunerated acting allowances and role play allowances. The increase in Periodic payments is mainly due to capacitation and creation of opportunities for Western Cape youth and women in the building environment (artisan training). The increase in Other non-pensionable allowances is mainly due to the implementation of non-pensionable cash allowances as part of the Cost of Living adjustments for the 2021/22 financial year. The comparative figures in respect of Other non-pensionable allowances has been restated to R31.426 million (2020/21: R20.831 million), Service based has been restated to R296 000 (R10.895 million) as well as Compensative/circumstantial has been restated to R2.815 million (R2.831 million). This was due to the misclassification of the expenditure items service bonus and leave discounting.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	Note	2021/22 R'000	2020/21 R'000
4.2 Social contributions			
Employer contributions	4		
Pension		19 076	19 062
Medical		11 251	10 321
Bargaining council		48	47
Insurance		85	103
Total		30 460	29 533
Total compensation of employees		244 624	231 515
Average number of employees		446	466

Insurance payments is in respect of subsidised vehicles.

	Note	2021/22 R'000	2020/21 R'000
5. Goods and services			
Administrative fees		109	12
Advertising		386	1 329
Minor assets	5.1	953	460
Bursaries (employees)		445	696
Catering		136	30
Communication		3 329	1 551
Computer services	5.2	2 166	2 741
Consultants: Business and advisory services		5 591	2 554
Infrastructure and planning services		16 934	14 107
Legal services		6 083	5 283
Contractors		208	54
Agency and support / outsourced services		2 705	55
Entertainment		23	13
Audit cost - external	5.3	11 041	7 298
Fleet services		2 581	1 786
Consumables	5.4	1 338	815
Operating leases		1 391	1 331
Property payments	5.5	22 904	41 290
Rental and hiring		-	12
Travel and subsistence	5.6	3 435	2 694
Venues and facilities		113	30
Training and development		482	435
Other operating expenditure	5.7	908	530
Total		83 261	85 106

Increase in Administration fees is mainly due to once-off inter-departmental claims paid in respect of systems access and information fees. Decrease in Advertising is mainly in respect of fewer tenders published. Decrease in Bursaries due to fewer officials participating in the 2021/22 financial year. Increase in Catering is due to face-to-face departmental strategic planning session instead of virtual sessions. The increase in Communication is mainly in respect of local radio engagements to reach out to communities. Decrease in Computer services is due to the delay in the development of a mobile application to track and report on housing projects. The increase in Consultancy fees is due to the evaluation conducted in respect of the Informal Settlement Support Programme. Increase in Contractors is mainly due to security services, maintenance & repair to other machinery and equipment, transport, and relocation services. Agency and support increase is mainly in respect of arbitration services rendered by adjudicators for various housing projects. Increase in Fleet services is due to an increase in the number of site visits after the hard lockdown of COVID-19.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	Note	2021/22 R'000	2020/21 R'000
5.1 Minor assets			
Tangible assets	5		
Machinery and equipment		953	460
Total		953	460

The increase is mainly due to the refurbishment/modernisation of the ground floor.

5.2 Computer services	5		
SITA computer services		1 769	1 676
External computer service providers		397	1 065
Total		2 166	2 741

Decrease is due to the delay in the development of a mobile application to track and report on housing projects.

5.3 Audit cost - external	5		
Regularity audits		11 041	7 298
Total		11 041	7 298

The audit findings which contributed mainly to increased cost were various material non-compliances identified with laws and regulations which were reported in the audit report, material misstatements in the financial statements corrected and findings on predetermined objectives reported in the 2020/21 annual report. This, together with audit findings including transversal audit finding in respect of local content and classification of it by Auditor General of South Africa (AGSA), Provincial Treasury (PT) and National Treasury (NT) led to a substantial increase on audit hours utilised.

5.4 Consumables	5		
Consumable supplies		560	305
Uniform and clothing		3	1
Household supplies		145	85
IT consumables		263	42
Other consumables		149	177
Stationery, printing and office supplies		778	510
Total		1 338	815

The increase in IT consumables and stationary is due to officials returned to office from working remotely. Other consumables include medical supplies R18 000, materials and supplies R74 000, bags and accessories R15 000, fuel supplies R9 000, gifts and awards R18 000, security access consumables R15 000. Included in Other consumables is COVID-19 related expenditure amounting to R92 000 (2020/21: R148 000).

	Note	2021/22 R'000	2020/21 R'000
5.5 Property payments	5		
Municipal services		9 228	16 896
Property management fees		5 694	300
Property maintenance and repairs		2 817	4 391
Other		5 165	19 703
Total		22 904	41 290

The decrease in the municipal services is due to the reconciliation of outstanding accounts in respect of properties in the Metro that were paid in the previous financial year. Included in Property management fees is an amount paid to the Housing Development Agency (R5.547 million) for holding costs in respect of land acquired during 2016/17 and 2020/21 financial year on behalf of the Department. Included in Other are deeds searches R2.582 million (2020/21: R1.502 million) as well as safeguard and security R2.583 million (2020/21: R18.201 million), which decreased significantly after the relaxation of the COVID-19 pandemic regulations in comparison to the previous financial year whereby a greater need for security services were required.

5.6 Travel and subsistence	5		
Local		3 435	2 631
Foreign		-	63
Total		3 435	2 694

The increase is due to increased local travel and accommodation following the phased easing of the lockdown alert levels.

5.7 Other operating expenditure	5		
Resettlement costs		74	-
Other		834	530
Total		908	530

Included in Other are printing and publication services R804 000, professional bodies, members & subscription fees R27 000 and courier & delivery services R3 000. Increase in other is mainly due to printing and publication services spending.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	Note	2021/22 R'000	2020/21 R'000
6. Payments for financial assets			
Other material losses written off	6.1	1 324	160
Debts written off	6.2	17	12
Total		1 341	172

6.1 Other material losses written off	6		
Nature of losses			
Loss of office equipment		207	152
Government vehicle and vehicle accessories damage		14	8
Private enterprise		976	-
Bitou Municipality		127	-
Total		1 324	160

Losses of machinery and equipment mainly consists of computer equipment written off. Debts written off in respect of Private enterprises were expenditure incurred to complete housing units in various Peoples Housing Process (PHP) projects implemented by support organisations prior to 2015.

6.2 Debts written off	6		
Nature of debts written off			
Salary related		17	12
Total		17	12

7. Transfers and Subsidies			
Provinces and municipalities	34	34 243	53 903
Departmental agencies and accounts	Annex 1B	12	18
Higher education institutions	Annex 1C	-	400
Non-profit institutions	Annex 1D	61	-
Households	Annex 1E	1 991 506	2 002 585
Total		2 025 822	2 056 906

Included in the amount of R34.243 million transferred to Provinces and municipalities is R13.671 million in respect of Municipal Accreditation and Capacity Building Grant (2020/21: R10.116 million), Settlement assistance grant R1.500 million (2020/21:R0), Human Settlement Development Grant for title deed transfer assistance R12.400 million (2020/21:R0), as well as R6.672 million for Rates and taxes (2020/21: R14.787 million). Accumulatively, of all transfers and subsidies, R210.205 million was unspent at municipalities as at 31 March 2022 (2020/21: R217.118 million).

	Note	2021/22 R'000	2020/21 R'000
8. Expenditure for capital assets			
Tangible assets			
Machinery and equipment	29	6 816	6 908
Intangible assets			
Software	30	65	-
Total		6 881	6 908

8.1 Analysis of funds utilised to acquire capital assets- 2021/22

	Note	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible assets	8			
Machinery and equipment		6 816	-	6 816
Intangible assets				
Software		65	-	65
Total		6 881	-	6 881

8.2 Analysis of funds utilised to acquire capital assets- 2020/21

	Note	Voted Funds R'000	Aid assistance R'000	Total R'000
Tangible assets	8			
Machinery and equipment		6 908	-	6 908
Total		6 908	-	6 908

8.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2021/22 R'000	2020/21 R'000
Tangible assets			
Machinery and equipment		4 809	4 491
Total		4 809	4 491

The finance lease expenditure consists of daily tariffs paid in respect of GG-vehicles allocated to the Department by Government Motor Transport (GMT) R4.766 million and finance leases for other machinery and equipment; cellular phones R43 000. Daily tariffs are payable on a monthly bases, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement. The implicit Interest is based on Provincial Treasury's approved tariffs for GMT. The department uses the vehicles for most of its useful life. The agreement does not provide for contingent lease payments, and at the end of the useful life as determined by the lessor, the vehicles are returned where it is sold on auction for the benefit of the lessor.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	Note	2021/22 R'000	2020/21 R'000
9. Cash and cash equivalents	17		
Consolidated Paymaster General Account		207 439	127 759
Total		207 439	127 759

The increase is due to money received from City of Cape Town (CoCT) in respect of Urban Settlement Development Grant (USDG) and Informal Settlement Upgrading Partnership Grant (ISUPG) for bulk infrastructure constructed on their behalf.

10. Prepayments and advances

Travel and subsistence	32	8
Total	32	8

11. Receivables

	Note	2021/22			2020/21		
		Current R'000	Non-current R'000	Total R'000	Current R'000	Non-current R'000	Total R'000
Claims recoverable	11.1	45 634	2 414	48 048	88 403	2 357	90 760
Recoverable expenditure	11.2	326	-	326	36 487	-	36 487
Staff debt	11.3	86	30	116	11	22	33
Other receivables	11.4	33 314	-	33 314	4 034	-	4 034
Total		79 360	2 444	81 804	128 935	2 379	131 314

11. Claims recoverable

	Note	2021/22 R'000	2020/21 R'000
National departments		1 637	4 910
Provincial departments		4 486	-
Public entities		24 353	23 903
Private enterprises		2 594	3 502
Households and non-profit institutions		111	115
Local governments		14 867	58 330
Total		48 048	90 760

Included in claims recoverable (National departments) is R1.637 million owed by the Department of Military Veterans in respect of houses built for Military Veterans. Public entities are in respect of R24.344 million owed by Thubelisha Homes. The amount for Private enterprises mainly relates to fraudulent use of PHP subsidies which were held in trust by Account Administrators. The amount for Households and non-profit institutions relates to out of service staff debt. Included in Local governments are CoCT R12.952 million and Beaufort West Municipality R1.915 million. Decrease in claims recoverable was due to funds received from CoCT in respect of projects implemented on their behalf.

	Note	2021/22 R'000	2020/21 R'000
11.2 Recoverable expenditure (disallowance accounts)	11		
Disallowance damages and losses		191	36 486
Disallowance Miscellaneous		135	1
Total		326	36 487

The disallowance damages and losses include R7 000 in respect of GG-vehicle damages, losses of computer and other equipment totaling R167 000, which are under investigation to determine responsibility as well as R17 000 for overpayment to CoCT. Decrease in recoverable expenditure was due to money received from CoCT in respect of security services (R35.935 million). The disallowance miscellaneous is in respect of an overpayment made to a contractor in 2021/22. The Department is in the process of recovering the money from the contractor.

11.3 Staff debt

Study bursaries and Salary related debt	116	33
Total	116	33

The above-mentioned debts are in-service staff debt as recognised in the staff debt account.

11.4 Other receivables

	Note	2021/22	2020/21
City of Cape Town	11	2 593	4 034
Provincial Treasury		30 721	
Total		33 314	4 034

The amount of R2.593 million relates to an amount paid to City of Cape Town (CoCT) during COVID-19 lockdown towards outstanding municipal debt to ensure positive cashflow while disputed accounts are being investigated. The agreement between the Department and CoCT was to reconcile the amount paid with outstanding debt and credits to be refunded to the Department. The amount of R30.721 million still to be paid by Provincial Treasury in respect of voted funds over surrendered relating to the 2020/21.

11.5 Impairment of receivables

	Note	2021/22	2020/21
Estimate of impairment of receivables	11	27 312	28 066
Total		27 312	28 066

The impairment of receivables was assessed at balance sheet date. The test for impairment was done per individual debtor, as well as different classes of debtors. Further consideration was given to all outstanding accounts on which there were little or no movement for more than 1 year. Debtors who have never paid have also been provided for. Included in the impairment figure is public entities R 24.353 million, Private enterprises which relates to housing projects R 2.594 million, recoverable expenditure R 191 000 and out of service staff debt R 174 000.

	Note	2021/22 R'000	2020/21 R'000
12. Voted Funds to be surrendered to the Revenue Fund			
Opening balance		46 180	349
Transfer from statement of financial performance		48 330	46 180
Paid during the year		(46 180)	(349)
Closing balance		48 330	46 180

Underspending of the Department is mainly due to projects such as Driftsands (R8.000 million for security services), that did not materialise as well as an underspending on the ISUPG R35.918 million (R5.197 million due to a delay in the appointment of a contractor on the National Upgrading Support Programme (NUSP) project in Mosselbay and R30.721 million raised as a receivable in respect of voted funds over surrendered to the Provincial Revenue Fund for 2020/2021). Further underspending was realized due to lesser property payments due to the transfer and the devolution of properties to beneficiaries and local authorities, the municipal services associated with these properties, and the unavailability of the supply of computer equipment on the transversal State Information Technology Agency (SITA) contract. Roll-over requests have been submitted to Provincial Treasury amounting to R9.348 million (R1.348 million in respect of capital commitments (Machinery and Equipment) and R8.000 million for security services, Driftsands).

13. Departmental revenue and PRF Receipts to be surrendered to the Revenue Fund			
Opening balance		2 811	1 196
Transfer from statement of financial performance		8 280	49 588
Own revenue included in appropriation		70 521	66 845
Paid during the year		(76 223)	(114 818)
Closing balance		5 389	2 811

14. Payables - current

Advances received	14.1	190 806	139 430
Clearing accounts	14.2	2 249	63
Other payables	14.3	651	-
Total		193 706	139 493

14.1 Advances received

Local Government: CoCT	14 Annex 6	190 806	139 430
Total		190 806	139 430

Advances received are in respect of Urban Settlement Development Grant (USDG) and Informal Settlement Upgrading Grant (ISUPG) funds received from the CoCT for the provision of bulk infrastructure by the Department.

	Note	2021/22 R'000	2020/21 R'000
14.2 Clearing accounts	14		
Salary clearing accounts		56	63
Provincial Treasury (Exchequer grant account)		2 193	-
Total		2 249	63

The amount of R2.193 million was in respect of an overpayment made by Provincial Treasury to the Department of Human Settlements.

14.3 Other payables	14		
Local government: Swartland Municipality		651	-
Total		651	-

The funds were paid over to the Department by the Municipality of Swartland in respect of the Moorreesburg Sibanye project for COVID-19 related expenditure still to be incurred.

15. Payables - non-current

	Note	One to two years R'000	Two to three years R'000	More than three years R'000	2021/22 Total R'000	2020/21 Total R'000
Advances received	15.1	6 494	-	-	6 494	35 515
Total		6 494	-	-	6 494	35 515

Advances received are in respect of Urban Settlement Development Grant (USDG) funds received from the CoCT for the provision of bulk infrastructure by the Department.

15.1 Advances received	15		
Local Government: CoCT	Annex 6	6 494	35 515
Total		6 494	35 515

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

	Note	2021/22 R'000	2020/21 R'000
16. Net cash flow available from operating activities			
Net surplus as per Statement of Financial Performance		56 301	95 768
Add back non cash/cash movements not deemed operating activities		58 762	88 367
Decrease in receivables	11	49 575	62 717
(Increase)/decrease in prepayments and advances	10	(24)	121
Decrease in payables - current	14	54 213	66 955
Proceeds from sale of capital assets	2	(1)	(12)
Expenditure on capital assets	8	6 881	6 908
Surrenders to Revenue Fund	12 & 13	(122 403)	(115 167)
Own revenue included in appropriation	2	70 521	66 845
Net cash flow generated by operating activities		115 063	184 135

17. Reconciliation of cash and cash equivalents for cash flow purposes

Consolidated Paymaster General account	9	207 439	185 994
Total		207 439	185 994

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

Liable to

Claims against the department	Annex 2	42 125	22 000
Total		42 125	22 000

LT/158/2021-22 (R22 million): The claim against the department is in respect of Sobambisana Community Developments (PTY) LTD (SCD) claim for damages which relates to breach of Memorandum of Agreement (MoA). SCD claim was submitted against DHS during 2018/19, the matter has been dealt with in the high court and have not yet been settled as at year end.

LT/351/2020-21 (R125 000): Service provider's invoices are being disputed by the department.

LT/202/2021-22 (R20 million): Damages claim against the department. Plaintiff's son crushed to death by a half-built wall. Matter is defended. The timing depends on when the cases will be completed and court order issued. The matter has been dealt with in the high court and was not yet settled as at year end.

Note	2021/22 R'000	2020/21 R'000
18.2 Contingent assets		
Nature of contingent asset		
PILIR cases	25	33
FIU investigation: Recovery of money paid to Trafalgar high school	120	120
Erf 6225, Delft - G&S Yon	47	47
Alleged irregularities by estate agent & conveyancer iro. Housing Subsidy Programme	93	93
Total	285	293

The amount of R25 000 for PILIR cases is in respect of 1 case pending and 4 cases declined as at 31 March 2022. The Province is currently investigating several PILIR cases and therefore the Department is unable to reliably measure the value of the PILIR cases. The Department can also not reliably measure the contingent asset of the Government Employees Housing Scheme of the Individually Linked Savings Facility (ILSF), resulting from resignations and termination of service. As such, it is not disclosed. The Department is assessing the possibility to recover the above in consultation with Legal Services, Department of the Premier (DOTP).

19. Capital commitments

Machinery and equipment	1 031	441
Total	1 031	441

The delay in delivery of computer equipment is due to the unavailability of supply of computer equipment on the transversal State Information Technology Agency (SITA) contract.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

2021/22	2020/21
R'000	R'000

20. Accruals and payables not recognised

20.1 Accruals

Listed by economic classification

	30 days	30 + days	Total	Total
Goods and services	3 786	434	4 220	4 930
Transfers and subsidies	33 931	4 278	38 209	134 114
Other	412	-	412	414
Total	38 129	4 712	42 841	139 458

Listed by programme level

Programme 1: Administration	1 831	1 404
Programme 2: Housing Needs, Research and Planning	29	73
Programme 3: Housing Development	39 546	135 987
Programme 4: Housing Asset Management	1 435	1 994
Total	42 841	139 458

Other mainly consists of remuneration in respect of Rental Housing Tribunal members. The decrease in accruals is due to efficiency measures put in place to ensure that claims are received and paid timeously.

20.2 Payables not recognised

	30 days	30 + days	2019/20 R'000	2018/19 R'000
Listed by economic classification	Total	Total	Total	Total
Goods and services	1 371	22	1 393	1 523
Transfers and subsidies	66 426	1 606	68 032	56 766
Total	67 797	1 628	69 425	58 289

Listed by programme level

Programme 1: Administration	90	367
Programme 2: Housing Needs, Research and Planning	3	3
Programme 3: Housing Development	69 114	57 876
Programme 4: Housing Asset Management	218	43
Total	69 425	58 289

The increase is due to the claims with significant amounts received at the end of March 2022 that had to be certified as per standard operating procedure. These claims were processed in April 2022.

21. Employee benefits

	2021/22 R'000	2020/21 R'000
Leave entitlement	7 410	10 254
Service bonus	5 380	5 354
Capped leave	4 078	4 113
Other	1 305	2 171
Total	18 173	21 892

Capped leave is in respect of accrued annual leave credits prior to 1 July 2002. The monetary value are only paid out to employees in the event of death, retirement or medical boarding. Other includes accrued compensation of employees R471 000 and provision of R207 000 for long service cash awards due in 2022/23 as well as provision for employer liability in respect of early retirement R627 000 due in 2022/23. At this stage the department is unable to reliably measure the long-term portion of the long service awards. Decrease in Leave entitlement is due to officials not going on leave because of travel restrictions during the state of disaster (COVID-19 pandemic).

22. Lease commitments

22.1 Operating leases

	2021/22		2020/21	
	Machinery and equipment R'000	Total R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	1 430	1 430	1 141	1 141
Later than 1 year and not later than 5 years	1 254	1 254	1 390	1 390
Total lease commitments	2 684	2 684	2 531	2 531

The operating leases relate to photocopy machines. A normal lease agreement period entered by the Department is 36 months. Thereafter the lease agreement is renewed or terminated. The repairs and maintenance are included in the lease agreement. Enhancements are not allowed up until renewal of lease agreement and there is no sub-leasing or disposal. The Department does not have an option to purchase the leased asset at the expiry of the lease period.

22.2 Finance leases

	2021/22		2020/21	
	Machinery and equipment	Total	Machinery and equipment	Total
Not later than 1 year	4 776	4 776	4 759	4 759
Later than 1 year and not later than 5 years	4 462	4 462	6 420	6 420
Total lease commitments	9 238	9 238	11 179	11 179

Included in the 2021/22 figures are finance lease commitments for GG vehicles amounting to R9.176 million. The Department of Human Settlements leased 61 vehicles from GMT as at 31 March 2022 (62: March 2021). Daily tariffs are payable on a monthly bases, covering the operational costs, capital costs of replacement of vehicles, and the implicit finance costs in this type of arrangement. No assets are sub-leased.

The implicit Interest is based on Provincial Treasury's approved tariffs for GMT. The Department uses the vehicle for most its useful life. The agreement does not provide for contingent lease payments, and at the end of the useful life as determined by the lessor, the vehicles are returned where it is sold on auction for the benefit of the lessor.

23. Accrued departmental revenue

	2021/22 R'000	2020/21 R'000
Transactions in financial assets and liabilities	25 385	22 173
Total	25 385	22 173

23.1 Analysis of accrued departmental revenue

Opening balance	22 173	22 787
Less: Amounts received	(3 352)	4 032
Add: Amounts recognised	6 564	3 450
Less: Amounts written-off/reversed as irrecoverable	-	32
Closing balance	25 385	22 173

Included in the total amount of R25.385 million for accrued departmental revenue are fraudulent subsidies previously allocated to non-qualifying beneficiaries which are being recovered by the Special Investigating Unit (SIU). To date a total amount of R13.930 million was claimed by the SIU, of which R7.964 million was received by the Department. Also included in the amount of R25.385 million is accrued departmental revenue of R19.420 million in respect of rental debtors.

23.2 Accrued department revenue written off

Nature of losses

Irrecoverable rental income written off	-	32
Total	-	32

	2021/22 R'000	2020/21 R'000
23.3 Impairment of accrued departmental revenue		
Estimate of impairment of accrued departmental revenue	17 888	15 582
Total	17 888	15 582

The test for impairment was done per individual debtor, as well as per the different classes of debtors. Further consideration was given to all outstanding accounts on which there was little or no movement for more than 120 days. Debtors that have never paid have also been provided for. The impairment figure includes the impairment of the rental debtors R11.843 million and the impairment of the SIU debtors R6.045 million.

24. Irregular expenditure

24.1 Reconciliation of irregular expenditure

Opening balance	464 675	268 434
Add: Irregular expenditure - relating to prior year	22 172	8 411
Add: Irregular expenditure - relating to current year	199 468	276 141
Less: Prior year amounts condoned	(354 242)	(5 505)
Less: Current year amounts condoned	(49 622)	-
Less: Prior year amounts not condoned and removed	(74 498)	-
Less: Amounts recoverable (current and prior year)	(40 734)	(82 806)
Closing balance	167 219	464 675
Analysis of closing balance		
Prior years	145 047	196 241
	22 172	268 434
Total	167 219	464 675

The Department is in the process to investigate all Finance Linked Individual Subsidies (FLISP) payments to quantify the expenditure incurred dating back from 2016/2017, 2017/2018 and 2018/2019 to determine the full extent of the Irregular expenditure incurred.

		2021/22 R'000
24.2	Details of current and prior year irregular expenditure - added current year (under determination and investigation)	
	Incident	Disciplinary steps taken/ criminal proceedings
	Prior year irregular expenditure	
	Non-compliance relates to prior years and only confirmed as irregular in the current year. Payments to the 2 suppliers were irregular because the suppliers commenced work without a valid contract with the Department.	None 9 193
	Non-compliance to the National Housing Code in respect of the Finance Linked Individual Subsidies (FLISP) where the monthly household income of applicants were incorrectly calculated and paid.	None 12 979
	Current year irregular expenditure	
	Non-compliance identified in prior year(s) where contract is still active in the current financial year resulting in irregular expenditure in the current year. Non-compliance to Treasury Regulations (TR) 16A.3.2 (a). Specifications in its nature restricted other potential suppliers to respond to the tender invitation as the specifications stated that bidders that do not have an office in the Western Cape will not be considered for tender. The specifications were drafted in a biased manner as it did not allow all potential suppliers to offer their services.	None 40 429
	Non-compliance to the National Housing Code in respect of the Finance Linked Individual Subsidies (FLISP) where the monthly household income of applicants were incorrectly calculated and paid.	None 9 000
	Non-compliance identified in prior year where contracts are active in the current financial year. The non-compliances related to: Tender requirements for the contract above R30 million did not include a condition for mandatory subcontracting to advance designated groups, as required by the 2017 preferential procurement regulation 9(1). The contracts were awarded to 2 bidders based on: - functionality criteria that were not stipulated in the original invitation for bidding, as required by the 2017 preferential procurement regulation 5(1) and (3). - evaluation/adjudication criteria that were not stipulated or differed from those stipulated in the original invitation for bidding, as required by treasury regulation 16A6.3(a) and (b).	None 139 433
	Awards made to suppliers whose tax matters have not been declared to be in order by SARS (identified in 2020/21).	None 466
	Fencing contractor not registered Constructive Industry Development Board (CIDB).	None 4 382
	Procuring beyond the scope of the contract.	None 4 799
	Award made to a supplier whose tax matters have not been declared to be in order by SARS.	None 719
	Total payments made under the contract up to date exceed the original contract value.	None 135
	Quotations not approved by delegated officials.	None 105
	Total	221 640

		2021/22 R'000
24.3 Details of irregular expenditure condoned		
Incident	Condoned by (relevant authority)	
Relating to prior years: Non-compliance to Treasury Regulations (TR) 16A.3.2 (a). Specifications in its nature restricted other potential suppliers to respond to the tender invitation as the specifications stated that bidders that do not have an office in the Western Cape will not be considered for tender. The specifications were drafted in a biased manner as it did not allow all potential suppliers to offer their services.	Provincial Treasury	392 046
Awards made to suppliers whose tax matters have not been declared to be in order by SARS.	Provincial Treasury	1 036
Due to the limited bid to appoint the subcontractor to replace the main contractor did not include the minimum Construction Industry Development Board (CIDB) grading required to qualify for the tender. It was however a requirement for the original tender.	Provincial Treasury	1 589
Payments to the supplier were irregular because the supplier commenced work without a valid contract with the Department.	Provincial Treasury	9 193
Total		403 864



NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

		2021/22 R'000
24.4	Details of irregular expenditure removed - (not condoned)	
	Incident	
		Not condoned by (relevant authority)
	Payments to Security Company were irregular because security services were not for the departments properties. Services falls outside the scope of the contract entered between the department and Security Company.	Accounting officer 70 721
	Due to the limited bid to appoint the subcontractor to replace the main contractor did not include the minimum Construction Industry Development Board (CIDB) grading required to qualify for the tender. It was however a requirement for the original tender.	Accounting officer 3 777
	Total	74 498

In terms of the Irregular Framework paragraph 57-59 the Accounting Officer is allowed to remove the irregular expenditure incurred.

24.5	Details of irregular expenditure under assessment (not included in the main note)	
	Incident	
	Non-compliance with DoRA 16(3). Payment to Bitou Municipality exceeded the amount gazetted.	3 900
	The Department did not provide an approved motivation which was to be signed by the Accounting Officer detailing the reasons for the Extension and Expansion in terms of E10 of the Supply Chain Management Delegations.	13 699
	Total	17 599

25. Related party transactions

The Department occupies a building free of charge managed by the Department of Transport and Public Works. Parking space is also provided to government officials at an approved fee that is not market related.

The Department received corporate services from the Corporate Services Centre of the Department of the Premier in the Western Cape Province with effect from 1 November 2010 in respect of the following service areas:

- Information and Communication Technology
- Organisation Development
- Provincial Training (transversal)
- Human Resource Management
- Enterprise Risk Management
- Internal Audit
- Provincial Forensic investigations
- Legal Services
- Corporate Communication

The Department has one unlisted public entity under its control, i.e. Western Cape Housing Development Fund. There were no transactions between the Department and the Western Cape Housing Development Fund as all transactions relating to the Western Cape Housing Development Fund are accounted for in the books of the Department.

The Department makes use of government motor vehicles managed by Government Motor Transport (GMT) based on tariffs approved by the Department of Provincial Treasury. The Department received Security Advisory Services and Security Operations, as well as access control data from the Department of Community Safety in the Western Cape.

26. Key management personnel

	No. of Individuals	2021/22 R'000	2020/21 R'000
Political office bearers	1	1 978	1 978
Management	4	4 917	5 693
Total		6 895	7 671

Key management personnel are officials who have authority and responsibility for planning, directing and controlling the activities of the department. Management includes all officials on salary level 14 and above. The amount for political office bearers is for the MEC of the Department.

27. Provisions

Retention retained: Housing projects	71 711	69 877
Hawston Sea Farms	1 670	1 670
Raubex Infra (PTY) LTD	144	-
Total	73 525	71 547

27.1 Reconciliation of movement in provisions

	2021/22			2020/21			
	- Total R'000	Hawston Sea Farms R'000	Raubex Infra (PTY) LTD R'000	TOTAL R'000	- Total R'000	Hawston Sea Farms R'000	2020/21 TOTAL R'000
Opening balance	69 877	1 670	-	71 547	60 920	1 670	62 590
Increase in provision	18 102	-	144	18 246	25 988	-	25 988
Settlement of provision	(16 268)	-	-	(16 268)	(17 031)	-	(17 031)
Total	71 711	1 670	144	73 525	69 877	1 670	71 547

Retention fees are calculated by using the actual retention amount withheld, in terms of Departmental Housing Projects built, from the contractors as per the progress payment certificates paid to contractors on the milestones achieved. The retention amount is further limited to the contract value as stated in the retention clause. The retention fees are paid out to contractors at the completion of a contract. The uncertainty arises due to the timing of when the amount will be paid over to the contractors. The timing depends on when the project will be satisfactorily completed and signed off as such. Due to outside circumstances, it cannot always be reliably determined when these amounts will be paid out.

The amount of R1.670 million is in respect of the matter Hawston Sea Farms Foundation v. the Premier and MEC of the Department. Hawston Sea Farms Foundation submitted a claim against DHS during 2006/2007 which relates to breach of contract. The matter has been dealt with in the high court and a settlement agreement was reached. The matter will be finalised when the land is transferred to the claimants.

The amount of R144 000 is in respect of Raubex remittal application to cover losses for the period that contract was delayed by the department. The claim was submitted against DHS during 2020/21. The matter has been dealt with in the court and a settlement agreement was reached but not yet settled as at year end. The settlement amount should still be taxed by the court and will be paid by the department in line with the court's order which is anticipated to be finalised within the 2022/23 financial year.

28. Non-adjusting events after reporting date

The Department of Human Settlements will merge with the infrastructure components of the Department of Transport and Public Works to form a new Department of Infrastructure. This was announced by the Premier in his State of the Province Address in February 2022. The impact of this announcement is not yet quantified.

29. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT				
Transport assets	31	-	-	31
Computer equipment	13 330	1 083	(667)	13 746
Furniture and office equipment	2 521	69	-	2 590
Other machinery and equipment	3 181	854	(178)	3 857
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	19 063	2 006	(845)	20 224

There are 1 358 movable tangible capital assets on the Department's asset register. Information on GG Vehicle Finance lease assets for the current and comparative years are disclosed in annexure 7.

Movable Tangible Capital Assets under investigation

Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:

Machinery and equipment

	Number	Value R'000
	125	1 341

These assets mainly consist of computer equipment that could not be verified due to it being stolen or lost. The cases are being investigated to determine responsibility and enhancement of control measures. The book value of assets under investigation is nil.

29.1 Movement for 2020/21

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT					
Transport assets	31	-	-	-	31
Computer equipment	12 047	-	2 131	(848)	13 330
Furniture and office equipment	2 519	-	55	(53)	2,521
Other machinery and equipment	2 950	-	231	-	3 181
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	17 547	-	2 417	(901)	19 063

29.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	4	7 744	7 748
Additions	-	961	961
Disposals	-	(23)	(23)
TOTAL MINOR ASSETS	4	8 682	8 686

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Number of minor assets at cost	-	4 646	4 646
TOTAL NUMBER OF MINOR ASSETS	-	4 646	4 646

Minor Capital Assets under investigation

Included in the above total of the minor capital assets per the asset register are assets that are under investigation:

	Number	Value R'000
Machinery and equipment	11	29

These assets mainly consist of computer equipment that could not be verified due to it being stolen or lost. The cases are being investigated to determine responsibility and enhancement of control measures. The book value of assets under investigation is nil.

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Opening balance	4	7 405	7 409
Additions	-	468	468
Disposals	-	(129)	(129)
TOTAL MINOR ASSETS	4	7 744	7 748

	Intangible assets R'000	Machinery and equipment R'000	Total R'000
Number of minor assets at cost	-	4 285	4 285
TOTAL NUMBER OF MINOR ASSETS	-	4 285	4 285

29.3 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2022

	Machinery and equipment R'000	Total R'000
Assets written off	868	868
TOTAL MOVABLE ASSETS WRITTEN OFF	868	868

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED 31 MARCH 2021

	Machinery and equipment R'000	Total R'000
Assets written off	1 030	1 030
TOTAL MOVABLE ASSETS WRITTEN OFF	1 030	1 030

The amount written off is for redundant machinery and equipment amounting to R845 000 and redundant minor assets amounting to R23 000.

30. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	1 134	-	65	-	1 199
TOTAL INTANGIBLE CAPITAL ASSETS	1 134	-	65	-	1 199

30.1 Movement for 2020/21

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	1 134	-	-	-	1 134
TOTAL INTANGIBLE CAPITAL ASSETS	1 134	-	-	-	1 134

2021/22	2020/21
R'000	R'000

31. Principal-agent arrangements

31.1 Department acting as the principal

SA Post Office (Commission paid to SA Post Office for collecting housing debt on behalf of the Department)

Total

17	24
17	24

Although there is a principal/agent relationship between the Department and the Municipalities, no agency fees are paid to municipalities. There are no cost implications should the principal-agent arrangements be terminated and no resources are under the custodianship of the agents. The agents make use of their own resources.

31.2 Department acting as the agent

Reconciliation of funds and disbursements – 2021/22

Category of revenue/expenditure per arrangement

City of Cape Town (bulk infrastructure)

Mosselbay Municipality (electrification)

Total

Total funds received R'000	Expenditure incurred against funds R'000
346 934	149 635
6 135	6 135
353 069	155 770

Reconciliation of funds and disbursements – 2020/21

Category of revenue/expenditure per arrangement

City of Cape Town (bulk infrastructure)

Total

Total funds received R'000	Expenditure incurred against funds R'000
416 911	241 967
416 911	241 967

The above amounts represent funds received from the CoCT (principal) and Mosselbay Municipality (principal), and expenses incurred on their behalf for the construction of bulk infrastructure as well as for electrification of housing units respectively. The infrastructure will be handed over to the CoCT on satisfactory completion thereof. There is no risk associated with these relationships. There were no changes that occurred during the reporting period in respect of the terms and conditions of the arrangement. The accumulative balance of funds received from the CoCT as of 31 March 2022 is R197.300 million (2020/21: restated R174.944 million). Funds in respect of department acting as the agent has been restated to R174.944 million (2020/21: R143.38 million). This was due to the reconciliation of all funds received against expenditure incurred on behalf of principal.

31.3 Reconciliation of funds and disbursements – 2021/22

	Opening balance R'000	Funds received R'000	Cash paid on behalf of principal R'000	Closing balance R'000
Payables				
Name of entity				
City of Cape Town (bulk infrastructure)	174 944	171 990	149 635	197 299
Mosselbay Municipality (electrification)	-	6 135	6 135	-
Total	174 944	178 125	155 770	197 299

Reconciliation of carrying amount of receivables and payables – 2020/21

	Opening balance R'000	Funds received R'000	Cash paid on behalf of principal R'000	Closing balance R'000
Payables				
Name of entity				
City of Cape Town (bulk infrastructure)	161 130	255 781	241 967	174 944
Total	161 130	255 781	241 967	174 944

32. Prior period errors

32.1 Correction of prior period errors

	Note	2020/21		
		Amount before error correction R'000	Prior period error R'000	Restated amount R'000
Revenue				
Departmental revenue				
Rent on land	2.2	2 222	6 208	8 430
Loans and advances	2.4	7 464	(6 208)	1 256
Net effect		9 686	-	9 686

Rent on land has been restated. This was due to the reclassification of rental income.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

		2020/21		
	Note	Amount before error correction R'000	Prior period error R'000	Restated amount R'000
Expenditure				
Compensation of employees				
Service based	4	10 875	(10 579)	296
Compansative/circumstantial		2 831	(16)	2 815
Other non-pensionable allowances		20 831	10 595	31 426
Net effect		34 537	-	34 537

The prior period errors was due to the misclassification of the expenditure items, service bonus and leave discounting.

		2020/21		
	Note	Amount before error correction R'000	Prior period error R'000	Restated amount R'000
Liabilities				
Payables				
Department acting as the agent				
Total funds received	31.2	420 768	(3 857)	416 911
Expenditure incurred against funds		(276 930)	34 963	(241 967)
Net effect		143 838	31 106	174 944

Funds received and expenditure incurred in respect of agency services were restated. This was due to the reconciliation of all funds received and expenditure incurred.

33. Statement of Conditional Grants received

NAME OF GRANT	GRANT ALLOCATION					SPENT				2020/21	
	Division of Revenue Act/Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (over-spending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Human Settlement Development Grant	1 575 285	-	-	-	1 575 285	1 575 285	1 575 150	135	100.0	1 855 286	1 886 007
Expanded Public Works Programme Integrated Grant for Provinces	2 662	-	-	-	2 662	2 662	2 662	-	100.0	2 531	2 531
Title Deeds Restoration Grant	-	-	-	-	-	-	-	-	0.0	200	200
Provincial Emergency Housing Grant	-	-	-	-	-	-	-	-	0.0	70 877	77
Informal Settlements Upgrading Partnership Grant for Provinces	457 429	-	-	-	457 429	457 429	421 511	35 918	92.1	-	-
Total	2 035 376	-	-	-	2 035 376	2 035 376	1 999 323	36 053		1 928 894	1 888 815

It is confirmed that, in terms of DORA, that all transfers in terms of the Act were deposited into the primary bank account of the Western Cape Government.

34. Statement of Conditional Grants and other transfers to municipalities

NAME OF MUNICIPALITY	2021/22							2020/21	
	GRANT ALLOCATION				TRANSFER			Division of Revenue Act and Other transfers	Actual Transfer
	Division of Revenue Act and Other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental transfers to municipalities:									
Municipal Accreditation and Capacity Building Grant									
Municipality: City of Cape Town	7 500	-	-	7 500	7 500	-	-	7 500	7 500
Municipality: Swartland	252	-	-	252	252	-	-	238	238
Municipality: Witzenberg	252	-	-	252	252	-	-	238	238
Municipality: Drakenstein	252	-	-	252	252	-	-	238	238
Municipality: Stellenbosch	252	-	200	452	452	-	-	238	238
Municipality: Breede Valley	503	-	-	503	503	-	-	475	475
Municipality: Cape Agulhas	252	-	-	252	252	-	-	238	238
Municipality: Mosselbay	252	-	-	252	252	-	-	238	238
Municipality: George	503	-	600	1 103	1 103	-	-	475	475
Municipality: Beaufort West	252	-	-	252	252	-	-	238	238
Municipality: Garden Route	5 000	-	-	5 000	1 801	-	-	-	-
Municipality: Saldanha Bay	-	-	800	800	800	-	-	-	-
Settlement assistance grant									
Municipality: City of Cape Town	-	-	1 500	1 500	1 500	-	-	-	-
Human settlement development grant: title deed transfer assistance									
Municipality: City of Cape Town	-	-	12 400	12 400	12 400	-	-	-	-
Provincial contribution towards the acceleration of housing delivery									
Municipality: Saldanha Bay	-	-	-	-	-	-	-	10 000	-
Municipality: Cape Agulhas	-	-	-	-	-	-	-	10 000	-
Municipality: Hessequa	-	-	-	-	-	-	-	9 000	-
Other transfers to municipalities									
Municipal rates and taxes									
Municipality: City of Cape Town	16 514	-	(478)	16 036	6 194	-	-	14 198	14 198
Municipality: Matzikama	-	-	14	14	14	-	-	9	9
Municipality: Saldanha Bay	-	-	8	8	8	-	-	94	94
Municipality: Swartland	-	-	17	17	17	-	-	3	3
Municipality: Drakenstein	-	-	140	140	140	-	-	103	103
Municipality: Stellenbosch	-	-	130	130	130	-	-	156	156
Municipality: Breede Valley	-	-	92	92	92	-	-	128	128

NAME OF MUNICIPALITY	2021/22							2020/21	
	GRANT ALLOCATION				TRANSFER				
	Division of Revenue Act and Other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act and Other transfers	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Municipality: Swellendam	-	-	10	10	10	-	-	7	7
Municipality: Hessequa	-	-	6	6	6	-	-	5	5
Municipality: George	-	-	56	56	56	-	-	71	71
Municipality: Mosselbay	-	-	-	-	-	-	-	13	13
Municipality: Kannaland	-	-	5	5	5	-	-	-	-
Total	31 784	-	15 500	47 284	34 243	-	-	53 903	53 903

The adjustments in respect of municipal Rates and taxes were due to the final shifts and virements as per the Appropriation Statements. It is confirmed that transfers were deposited into the primary bank accounts of municipalities. An amount of R3.199 million was allocated against Compensation of Employees to fund additional human resources to drive the Human Settlement Accreditation process within the Garden Route District Municipality. This is in line with the Memorandum of Understanding (MoU) between the Department of Human Settlements and the Garden Route District Municipality for the implementation of the Joint District and Metro Approach (JDMA).

35. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

Notes	2021/22 R'000	2020/21 R'000
-------	------------------	------------------

36. COVID 19 RESPONSE EXPENDITURE

Goods and services	Annex 9	92	148
Total		92	148

Good and Services consists of Consumables Supplies: Manual Sanitizer dispensers R18 000 as well as sanitiser R 74 000.

ANNEXURES TO THE
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

ANNEXURE 1A
STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT			2020/21	
	DORA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual Transfer
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Departmental transfers to municipalities													
Municipal Accreditation and Capacity Building Grant													
Municipality: City of Cape Town	7 500	-	-	7 500	7 500	-	-	7 500	6 722	778	89.6	7 500	7 500
Municipality: Swartland	252	-	-	252	252	-	-	252	252	-	100.0	238	238
Municipality: Witzenberg	252	-	-	252	252	-	-	252	187	65	74.2	238	238
Municipality: Drakenstein	252	-	-	252	252	-	-	252	163	89	64.7	238	238
Municipality: Stellenbosch	252	-	200	452	452	-	-	452	-	452	0.0	238	238
Municipality: Breede Valley	503	-	-	503	503	-	-	503	238	265	47.3	475	475
Municipality: Cape Agulhas	252	-	-	252	252	-	-	252	252	-	100.0	238	238
Municipality: Mosselbay	252	-	-	252	252	-	-	252	252	-	100.0	238	238
Municipality: George	503	-	600	1 103	1 103	-	-	1 103	491	612	44.5	475	475
Municipality: Beaufort West	252	-	-	252	252	-	-	252	252	-	100.0	238	238
Municipality: Garden Route	5 000	-	-	5 000	1 801	-	-	1 801	1 801	-	100.0	-	-
Municipality: Saldanha Bay	-	-	800	800	800	-	-	800	-	800	0.0	-	-
Settlement assistance grant													
Municipality: City of Cape Town	-	-	1 500	1 500	1 500	-	-	1 500	1 037	463	69.1	-	-
Human settlement development grant: title deed transfer assistance													
Municipality: City of Cape Town	-	-	12 400	12 400	12 400	-	-	12 400	-	12 400	0.0	-	-

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				SPENT			2020/21	
	DORA and other transfers R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Funds Withheld R'000	Re-allocations by National Treasury or National Department R'000	Amount received by municipality R'000	Amount spent by municipality R'000	Unspent funds R'000	% of available funds spent by municipality	Division of Revenue Act R'000	Actual Transfer R'000
Provincial contribution towards the acceleration of housing delivery grant													
Municipality: Saldanha Bay	-	-	-	-	-	-	-	-	-	-	-	10 000	10 000
Municipality: Cape Agulhas	-	-	-	-	-	-	-	-	-	-	-	10 000	10 000
Municipality: Hessequa	-	-	-	-	-	-	-	-	-	-	-	9 000	9 000
Other transfers to municipalities													
Municipal rates and taxes													
Municipality: City of Cape Town	16 514	-	(478)	16 036	6 194	-	-	6 194	6 194	-	100.0	14 198	14 198
Municipality: Matzikama	-	-	14	14	14	-	-	14	14	-	100.0	9	9
Municipality: Saldanha Bay	-	-	8	8	8	-	-	8	8	-	100.0	94	94
Municipality: Swartland	-	-	17	17	17	-	-	17	17	-	100.0	3	3
Municipality: Drakenstein	-	-	140	140	140	-	-	140	140	-	100.0	103	103
Municipality: Stellenbosch	-	-	130	130	130	-	-	130	130	-	100.0	156	156
Municipality: Breede Valley	-	-	92	92	92	-	-	92	92	-	100.0	128	128
Municipality: Swellendam	-	-	10	10	10	-	-	10	10	-	100.0	7	7
Municipality: Hessequa	-	-	6	6	6	-	-	6	6	-	100.0	5	5
Municipality: George	-	-	56	56	56	-	-	56	56	-	100.0	71	71
Municipality: Mosselbay	-	-	-	-	-	-	-	-	-	-	-	13	13
Municipality: Kannaland	-	-	5	5	5	-	-	5	5	-	100.0	-	-
Total	31 784	-	15 500	47 284	34 243	-	-	34 243	18 319	15 924	-	53 903	53 903

The adjustments in respect of municipal Rates and taxes were due to the final shifts and virements as per the Appropriation Statements. It is confirmed that transfers were deposited into the primary bank accounts of municipalities. An amount of R3.199 million was allocated against Compensation of Employees to fund additional human resources to drive the Human Settlement Accreditation process within the Garden Route District Municipality. This is in line with the Memorandum of Understanding (MoU) between the Department of Human Settlements and the Garden Route District Municipality for the implementation of the Joint District and Metro Approach (JDMA).



ANNEXURES TO THE
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

ANNEXURE 1B
STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENT/AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2020/21 Final Appropriation R'000
	Adjusted appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %	
		12	-	-	12	12	
Total	12	-	-	12	12		18

ANNEXURE 1C
STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

INSTITUTION NAME	TRANSFER ALLOCATION				TRANSFER		2020/21 Final Appropriation R'000
	Adjusted appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	Amount not transferred R'000	
		-	-	-	-	-	
Total	-	-	-	-	-	-	400

for the year ended 31 March 2022

ANNEXURE 1D
STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS

NON-PROFIT INSTITUTIONS	TRANSFER ALLOCATION			TRANSFER		2020/21 Final Appropriation R'000
	Adjusted appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	
Transfers						
Cape Craft and Design Institute	61			61	61	100.0
Total	61	-	-	61	61	-

ANNEXURES TO THE
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

ANNEXURE 1E
STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION					EXPENDITURE		2020/21 Final Appropriation R'000
	Adjusted appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds transferred %		
							R'000	
Transfers								
Employee social benefits - leave gratuity	267	-	734	1 001	1 001	100.0	593	
Post retirement benefits	2 332	-	(2 140)	192	143	74.5	147	
Injury on duty	-	-	-	-	-	-	77	
Early Retirement Pension Penalty	-	-	1 558	1 558	1 558	100.0	3 033	
Subtotal	2 599	-	152	2 751	2 702		3 850	
Subsidies								
Human Settlement Development Grant	1 486 585	-	28 737	1 515 322	1 515 186	100.0	1 809 420	
Expanded Public Works Programme Integrated Grant for Provinces	2 662	-	(131)	2 531	2 280	90.1	2 350	
Informal Settlements Upgrading Partnership Grant for Provinces	457 429	-	-	457 429	421 511	92.1		
Provincial contribution towards the acceleration of housing delivery grant	49 588	-	-	49 588	49 827	100.5	156 042	
Title Deeds Restoration Grant	-	-	-	-	-	-	125	
Provincial Emergency Housing Grant	-	-	-	-	-	-	70 877	
Subtotal	1 996 264	-	28 606	2 024 870	1 988 804		2 038 814	
Total	1 998 863	-	28 758	2 027 621	1 991 506		2 042 664	

The underspending on the Informal Settlements Upgrading Partnership Grant for Provinces is due to the delay in the appointment of a contractor on the National Upgrading Support Programme (NUSP) project in Mosselbay. An amount of R30.721 million is included in respect of voted funds over surrendered to the Provincial Revenue Fund for 2020/21, as well as an underspending amounting to R5.197 million which was due to the delay in the appointment of a contractor on the National Upgrading Support Programme (NUSP) project in Mosselbay. Roll-over of funds will be requested from Provincial Treasury.

ANNEXURE 1F
STATEMENT OF AID ASSISTANCE RECEIVED

NAME OF DONOR	Purpose	Opening Balance	Revenue	Expenditure	Paid Back On/By 31 March 2022	Closing Balance
		R'000	R'000	R'000	R'000	R'000
Received in cash						
The Department of Public Service and Administration (DPSA)	Global positioning system (GPS)	309		309		-
Total		309		309		-

ANNEXURE 1G
STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS MADE

NATURE OF GIFT, DONATION OR SPONSORSHIP	2021/22	2020/21
	R'000	R'000
Made in kind		
Sympathy flowers and fruit baskets	4	3
Donation for youth programme (Toolboxes for artisan trainees)	14	-
Total	18	3

ANNEXURES TO THE
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

ANNEXURE 2
STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2022

NATURE OF LIABILITY	Opening balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance
	R'000	R'000	R'000	R'000	R'000
Claims against the Department					
1. LT/158/2021-22: Sobambisana Community Development (PTY) Ltd (SCD)	22 000	-	-	-	22 000
2. LT/351/2020-21: Vlakkeland Project Architectural Services	-	125	-	-	125
3. LT/202/2021-22: Plaintiff's son crushed to death by a half-built wall	-	20 000	-	-	20 000
Total	22 000	20 125	-	-	42 125

LT/158/2021-22 (R22 million): The claim against the department is in respect of Sobambisana Community Developments (PTY) LTD (SCD) claim for damages which relates to breach of Memorandum of Agreement (MoA). SCD claim was submitted against DHS during 2018/19, the matter has been dealt with in the high court and have not yet been settled as at year end. LT/351/2020-21 (R125 000): Service provider's invoices are being disputed by the department. LT/202/2021-22 (R20 million): Damages claim against the department. Plaintiff's son crushed to death by a half-built wall. Matter is defended.

ANNEXURE 3
CLAIMS RECOVERABLE

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	Receipt date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
CLAIMS RECOVERABLE								
DEPARTMENTS								
Department of Military Veterans	-	-	1 637	4 910	1 637	4 910	-	-
WCG: Department of Transport and Public Works	-	-	4 485	-	4 485	-	-	-
Subtotal	-	-	6 122	4 910	6 122	4 910		-
OTHER GOVERNMENT ENTITIES								
City of Cape Town	-	-	12 952	120 761	12 952	120 761	-	-
Beaufort West Municipality	-	-	1 915	1 915	1,915	1 915	-	-
Thubelisha Homes	-	-	-	23 903	-	23 903	-	-
Bitou Municipality	-	-	-	127	-	127	-	-
Subtotal	-	-	14 867	146 706	14 867	146 706		-
Total	-	-	20 989	151 616	20 989	151 616		-

ANNEXURES TO THE
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

ANNEXURE 4
INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22	
	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000	Payment date up to six (6) working days before year end	Amount R'000
DEPARTMENTS								
Current								
WCG: Department of the Premier				41	-	41	-	-
Subtotal	-	-	-	41	-	41		-
Non-current								
Municipality: City of Cape Town			79	8	79	8	-	-
Municipality: Drakenstein			12	3	12	3	-	-
Municipality: Langeberg			-	84	-	84	-	-
Municipality: Mossel Bay			-	2	-	2	-	-
SITA			-	104	-	104	-	-
Municipality: Cederberg			8 986	-	8 986	-	-	-
Municipality: Overstrand			280	-			-	-
Municipality: Saldanha Bay			104	-			-	-
Municipality: Stellenbosch			7 973	-	7 973	-	-	-
Subtotal	-	-	17 434	201	17 050	201		-
Total	-	-	17 434	242	17 050	242		-

ANNEXURE 5
INVENTORIES

INVENTORIES FOR THE YEAR ENDED 31 MARCH 2022	2021/22		2020/21	
	31/03/2022	Total	31/03/2022	Total
	R'000	R'000	R'000	R'000
INVENTORIES				
Opening balance	1 650 115	1 650 115	1 766 791	1 766 791
(Less): Disposals	(142 901)	(142 901)	(79 929)	(79 929)
Add/(Less): Adjustments	6 015	6 015	(36 747)	(36 747)
Closing balance	1 513 230	1 513 230	1 650 115	1 650 115

The inventory disclosed above is the immovable assets that was part of the Western Cape Housing Development Fund (WCHDF). These properties represent pre-1994 properties that are destined for transfer to beneficiaries and municipalities in terms of the Housing Act 107. This balance excludes the Department's inventory for infrastructure/housing projects financed from the Human Settlement Development Grant. Currently there are no legislative requirements to disclose the Inventory from Departmental development projects.

ANNEXURES TO THE
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

ANNEXURE 6
INTER-ENTITY ADVANCES RECEIVED (Note 14 and 15)

	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000	31/03/2022 R'000	31/03/2021 R'000
GOVERNMENT ENTITY						
OTHER INSTITUTIONS						
Current						
City of Cape Town (USDG funds for bulk services)	190 806	-	-	139 430	190 806	139 430
Subtotal	190 806	-	-	139 430	190 806	139 430
Non-Current						
City of Cape Town (USDG funds for bulk services)	6 494	-	-	35 515	6 494	35 515
Subtotal	6 494	-	-	35 515	6 494	35 515
TOTAL	197 300	-	-	174 945	197 300	174 945
Current	190 806	-	-	139 430	190 806	139 430
Non-current	6 494	-	-	35 515	6 494	35 515

ANNEXURE 7
TRANSPORT ASSETS AS PER FINANCE LEASE REGISTER

MOVABLE TANGIBLE ASSETSCAPITAL	2021/22	2020/21
	R'000	R'000
Opening balance	13 601	12 202
Additions	241	2 234
Disposals	(262)	(835)
Closing Balance	13 580	13 601

ANNEXURE 8
DEPARTMENT OF HUMAN SETTLEMENTS HOUSING RELATED EXPENDITURE CLASSIFICATION

INVENTORIES	2021/22
	R'000
Assets for distribution	1 472 774
Subtotal	1 472 774
Transfers and subsidies	
Municipal Bank Accounts	410 682
H/H:Oth/T:Nat Housing Prog Hshlds	113 205
Subtotal	523 887
Total	1 996 661



ANNEXURES TO THE
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province

ANNEXURE 9
COVID 19 RESPONSE EXPENDITURE

EXPENDITURE PER ECONOMIC CLASSIFICATION	2021/22				2020/21
	Q1 R'000	Q2 R'000	Q3 R'000	Q4 R'000	Total R'000
Goods and Services					
Consumable supplies	-	83	-	9	148
Total Covid 19 Response Expenditure	-	83	-	9	148

Good and Services consists of Consumables Supplies: Manual Sanitizer dispensers R18 000 as well as sanitiser R 74 000.

ANNEXURE 10

IRREGULAR EXPENDITURE ANNEXURE TO THE AFS AS AT 31 MARCH 2022

	Stage of completion	No. of cases	R'000
Alleged irregular expenditure		2	
Current year occurrences		3	199 468
Prior year occurrences			22 172
Total Alleged irregular expenditure			167 219
Total confirmed irregular expenditure	Stage 2	3	167 219
IE - no losses incurred	Stage 3		-
IE - resulted in losses	Stage 3		-
IE - determination in-progress	Stage 3		-
IE - recovered	Stage 5		(40 734)
IE - irrecoverable and written-off	Stage 5		-
IE - referred to PFS for further investigation	Stage 4		-
IE - referred to HRF for disciplinary process	Stage 6		-
IE - not condoned and removed by AO	Stage 7		(74 498)
IE - Condoned	Stage 7		(403 864)

Relating to prior years: Non-compliance to Treasury Regulations (TR) 16A.3.2 (a). Specifications in its nature restricted other potential suppliers to respond to the tender invitation as the specifications stated that bidders that do not have an office in the Western Cape will not be considered for tender. The specifications were drafted in a biased manner as it did not allow all potential suppliers to offer their services. Further investigation was conducted by the Department and established that there were more payments in respect of Professional Service Providers (PSP) contracts that were still valid that did not comply with TR 16A.3.2 (a) which lead to additional irregular expenditure to the amount of R40.429 million for the 2021/22 financial year. Although the framework agreements have lapsed, the Department is still liable to pay the PSP's' already appointed for work being done in respect of the previous PSP framework. It is anticipated that these contracts will come to an end in the 2023/24 financial year as the appointments are in respect of multi-year projects.

Notes

Irregular expenditure" means expenditure, other than unauthorised expenditure, incurred in contravention of or that that is not in accordance with a requirement of any applicable legislation, including-

(a) this Act; or

(b) the State Tender Board Act, 1968 (Act No. 86 of 1968), or any regulations made in terms of that Act;

or

Stage 1 - Discovery

Stage 2 - Assessment

Stage 3 - Determination

Stage 4 - Investigation

Stage 5 - Recovery of Losses

Stage 6 - Disciplinary

Stage 7 - Condonement/ Removal

ANNEXURES TO THE
ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

Annual Report for 2021/22 Financial Year
Vote 8 Department of Human Settlements
Western Cape Province





F ANNEXURES

PART F: ANNEXURES

Annexure A - List of Contractors

City of Cape Town

HSS No	City of Cape Town	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W19020007	City of Cape Town Payment Tranche	-	N/A	N/A	49 941 098.94	-	-	-
W20080003/1	IRDP:PH2: Khaye: Harare Infill	-	N/A	N/A	24 453 765.16	-	-	-
W20080004/1	IRDP:PH2: Khaye: Harare Infill	-	N/A	N/A	24 442 947.90	-	-	-
W15090008/2	IRDP:PH2: The Hague & Eindhoven	-	N/A	N/A	25 299 427.00	-	-	-
W19010014/2	IRDP:PH2: Garden Cities 562 units	Garden Cities	N/A	N/A	26 530 074.00	-	-	-
W16060009/2	PHP: Bardale Silakhe	Vondo Holdings	Level 1	100.00%	4 275 240.00	4 275 240.00	-	-
W18050002/1	PHP: Khaye: Sikhululekile	Eriska 19 Construction	Level 1	100.00%	122 753.00	122 753.00	-	-
W18040022/1	PHP: Khaye: Senzeni	Xesibe Construction	Level 1	100.00%	2 385 659.00	2 385 659.00	-	-
W14020003/1	PHP: Khaye: Mzomhle	Abaphantsi Construction	Level 1	100.00%	30 400.00	30 400.00	-	-
W18060007/1	PHP: Khaye: United Comm	Lawula Construction	Level 1	100.00%	859 271.00	859 271.00	-	-
W17120005/1	PHP: Khaye: Zakhele	Eriska 19 Construction	Level 1	100.00%	880 614.00	880 614.00	-	-
W16060003/4	PHP: Manenberg: The Downs	Mellon Housing	Level 2	95.00%	1 498 750.00	1 423 812.50	-	-
Sub-Total Expenditure					160 720 000.00	-	-	-

HSS No	City of Cape Town	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W15020002	IRDP:PH2: CoCT: Power: Delft the Hague	Power Construction	Level 1	100.00%	34 702 227.09	34 702 227.09	4 223 261.04	-
W15050002	IRDP:PH2: CoCT: Belhar Pentech	Calgro M3	Level 1	100.00%	9 431 609.64	9 431 609.64	1 146 883.73	-
W20110002/1	IRDP: PH2: CoCT: African Compass: Delft Eindhoven	African Compass	Level 1	100.00%	119 842.50	119 842.50	61 119.68	-
W16080001	IRDP:PH2: CoCT: SIQU: Gugulethu: MauMau	Siq Group	Level 2	95.00%	5 466 115.20	5 192 809.44	-	-
W16080001	IRDP:PH2: CoCT: Simply Do: Gugulethu: MauMau	Simply Do	Level 3	90.00%	4 514 452.26	4 063 007.03	-	2 072 133.59
W16080001	IRDP:PH2: CoCT: Masikhule Projects: Gugulethu: MauMau	Masikhule Projects	Level 1	100.00%	6 884 130.00	6 884 130.00	5 507 304.00	2 753 652.00
W16080001	IRDP:PH2: CoCT: Gugulethu: MauMau: Red Ants	Red Ants	Level 2	95.00%	1 204 570.89	1 144 342.35	114 434.23	-
-	IRDP:PH2: CoCT: Red Ants: Witsand Atlantis	Red Ants	Level 2	95.00%	15 504 300.04	14 729 085.04	1 472 908.50	-
-	IRDP:PH2: CoCT: Delft Monitoring: Red Ants	Red Ants	Level 2	95.00%	2 725 592.83	2 589 313.19	258 931.32	-
-	IRDP:PH2: CoCT: Khayelitsha Monitoring: Red Ants	Red Ants	Level 2	95.00%	1 817 060.56	1 726 207.53	172 620.75	-
-	IRDP:PH2: CoCT: Red Ants: Various areas	Red Ants	Level 2	95.00%	812 572.71	771 944.07	77 194.41	-
-	IRDP:PH2: CoCT: Red Ants: Houtbay	Red Ants	Level 2	95.00%	6 230 700.10	5 919 165.10	591 916.51	-
-	IRDP:PH2: CoCT: Red Ants: Mfuleni	Red Ants	Level 2	95.00%	6 230 700.10	5 919 165.10	591 916.51	-
-	IRDP:PH2: CoCT: Red Ants: Wolwerivier	Red Ants	Level 2	95.00%	6 230 700.10	5 919 165.10	591 916.51	-

HSS No	City of Cape Town	Contractor	B-BBEE Level	HDi%	Project Expenditure 2021/22	HDi	Women	Youth
-	IRDP:PH2: CoCT: Red Ants: Lotus River	Red Ants	Level 2	95.00%	1 647 682.05	1 565 297.95	156 529.79	-
-	IRDP:PH2: CoCT: Red Ants: Masiphumelele	Red Ants	Level 2	95.00%	8 500 799.66	8 075 759.68	807 575.97	-
-	IRDP:PH2: CoCT: Red Ants: Lavender Hill	Red Ants	Level 2	95.00%	14 924 699.76	14 178 464.77	1 417 846.48	-
-	PHP: Utshani: Varous Projects	Utyani Holdings	N/A	N/A	111 287.00	-	-	-
W13060005	IRDP: PH2: CoCT: Jr Sekwele: Valhalla Park	African Compass	Level 1	100.00%	1 650 482.43	1 650 482.43	841 746.04	-
W13060005	IRDP: PH2: CoCT: Glomix: Valhalla Park	Eyamabamba Construction	Level 1	100.00%	5 892 624.14	5 892 624.14	5 303 361.73	589 262.41
W12030015	IRDP: PH2: CoCT: New Epoch: Kanonkop	Tyte Security Services	Level 1	100.00%	4 014 429.21	4 014 429.21	324 761.64	-
W18040027	PHP: Imfuneko: Masizakhe	Imfuneko Projects	N/A	N/A	7 344.00	-	-	-
W13010002	PHP: African Compass: Vrygrond Sophumelele	African Compass	Level 1	100.00%	352 391.50	352 391.50	179 719.67	-
W07120006/5	PHP: Vukani Browns Farm African Compass	African Compass	Level 1	100.00%	10 902.04	110 902.04	56 560.04	-
W20110002	PHP: Vukani Monwood Delft African Compass	African Compass	Level 1	100.00%	18 922.50	18 922.50	9 650.48	-
W02110002	PHP: Eyababamba: Mandela Park	Eyamabamba Construction	Level 1	100.00%	62 945.25	62 945.25	56 650.73	6 294.53
W03080002	PHP: Greystone: Khaye: Kuyasa	Greystone T/A Mzi Devepments	Level 1	100.00%	348 965.96	348 965.96	-	-
W03080002	PHP: Makhare: Khaye: Kuyasa	Makhare Holdings	N/A	N/A	573 070.51	-	-	-

HSS No	City of Cape Town	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W13090011	PHP: FFC: Khaye: Mfelandawonye	FFC Trading	Level 1	100.00%	81 496.10	81 496.10	-	-
W16080004/2-	PHP: CoCT: Chiware: Bardale 1		N/A	N/A	47 175.60	-	-	-
W04050002	PHP: COCT: FJD Builders: Phillippi: Nompumelele	FJD Builders	N/A	N/A	787 932.00	-	-	-
-	PHP: Nrdhoek: Masiphumelele		N/A	N/A	-131 988.00	-	-	-
-	AIVIA - ISSP Implementation	AIVIA PTY (Ltd)	Level 2	95.00%	575 117.87	546 361.98	278 644.61	
Sub-Total Expenditure					141 450 853.60			
Total Expenditure					302 170 853.60	145 988 806.17	25 243 454.35	5 421 342.53

Departmental Projects

Human Settlements Development Grant

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W17050001	Airport Informal Sett - HSDG Implementation - PSP	Bergstan	Level 1	100.00%	72 293.84	72 293.84	3 802.66	-
W18010001	Belhar: Military Veterans 102 Units	Calgro M3	Level 1	100.00%	273 618.51	273 618.51	33 272.01	-
W15030005	Blue Downs: Military Veterans 259 units	Simply Do Construction	Level 3	90.00%	3 432 016.30	3 088 814.67	-	1 575 295.48
W15030004	Blue Downs: Military Veterans 259 units Proftees	C2c Consulting Engineers	Level 1	100.00%	462 795.00	462 795.00	-	-
W15030004	Blue Downs: Military Veterans 259 units Ben Admin	Greystone T/A Mzi Developments	Level 1	100.00%	27 575.36	27 575.36	-	-
W10070005	Boystown: Triangle 1524 Services & 1390 T/S	Vula Joint Venture	Level 2	95.00%	17 564 090.33	16 685 885.81	1 478 369.48	100 115.31
W16090001	Delft Symphony Pre 7 518 sites Proftees	Lukhozi	Level 1	100.00%	22 020.01	22 020.01	698.03	-
W12110012	Delft Symphony Pr3&5 Prof Fees	Lukhozi	Level 1	100.00%	857 916.87	857 916.87	27 195.96	-
-	Delft 3&5 And 7 Soft&Hard Landscape USDG	Absolute Infrastructure	Level 2	95.00%	422 680.47	401 546.45	204 788.69	-
W15110010	Forest Village: Blue Downs: 4820 Sites & 3197 T/S	Asla Construction	Level 1	100.00%	63 468 154.58	63 468 154.58	5 236 122.75	7 724 074.41
W15110010	Forest Village: Blue Downs: 4820 Sites & 3197 T/S	Blizzard Trading	Level 1	100.00%	377 021.05	377 021.05	-	-
W15110010	Forest Village: Blue Downs: 4820 Sites & 3197 T/S	WK Construction	Level 4	85.00%	1 676 103.53	1 424 688.00	316 280.74	316 280.74
W15110010	Forest Village: Blue Downs: 4820 Sites & 3197 T/S	Power Construction	Level 1	100.00%	40 012 736.47	40 012 736.47	4 869 550.03	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W15110010	Forest Village: Blue Downs: 4820 Sites & 3197 T/S	Lawula Projects	Level 1	100.00%	11 052 017.95	11 052 017.95	-	-
W15110010	Forest Village: Blue Downs: 4820 Sites & 3197 T/S	CSD Developments	Level 1	100.00%	150 232.17	150 232.17	-	-
W15110010	Forest Village: Blue Downs: Prof Fees	Lukhozi	Level 1	100.00%	11 892 790.64	11 892 790.64	377 001.46	-
W15110010	Forest Village: Blue Downs: Prof Fees	NHBRC	N/A	N/A	1 036 283.18	-	-	-
W15110010	Forest Village: Blue Downs:	Red Ants	Level 2	95.00%	6 931 237.60	6 584 675.72	658 467.57	-
-	Gatesville: Kantej & Templer	Kantej & Templer	Level 1	100.00%	812 000.00	812 000.00	60 250.40	41 899.20
-	Gatesville: BTKM	BTKM	Level 2	95.00%	219 760.00	208 772.00	10 438.60	-
-	Gatesville: Planning Partners	Planning Partners (Verification Letter)	Level 3	85.00%	93 082.00	79 119.70	17 366.77	-
-	Gatesville: Motla Consulting	Motla Consulting	Level 2	95.00%	154 582.90	146 853.76	-	-
W18040020	Greater Retreat Development Prof Fees	Delta Built Environment	Level 1	100.00%	378 314.02	378 314.02	-	-
W18040020	Greater Retreat Development Prof Fees	Greystone T/A Mzi Developments	Level 1	100.00%	48 823.50	48 823.50	-	-
W18040020	Greater Retreat Development Prof Fees	Ebesa Architects	Level 1	100.00%	3 381.60	3 381.60	503.52	-
W18040020	Greater Retreat Development Prof Fees	MIH Architects	Level 3	85.00%	17 500.00	14 875.00	1 822.19	3 644.38
W18040020	Greater Retreat Development Prof Fees	JG Afrika	Level 1	100.00%	34 902.66	34 902.66	5 877.61	1 284.42
W08050003	Gugulethu: New Rest Security	Red Ants	Level 2	95.00%	418 537.41	397 610.54	39 761.05	-
W17020001	Highbury: 266 Sites & Units	Power Construction	Level 1	100.00%	11 722 542.05	11 722 542.05	1 426 633.37	-
-	Highbury: 266 Sites & Units rates	Municipality	N/A	N/A	55 448.83	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W17020003	Highbury Ph 3: KRiver: Military Veterans: 200 T/S	Valostar 159	Level 1	100.00%	152 125.48	152 125.48	-	-
W17020003	Highbury Ph 3: KRiver: Military Veterans: 200 T/S	C2C Consulting Engineers	Level 1	100.00%	69 970.00	69 970.00	-	-
W10050005	Housing Development Agency	HDA	N/A	N/A	10 883 680.93	-	-	-
W16040004	Ithemba Proftees PSP	Aurecon T/A Zutari	Level 1	100.00%	132 156.73	132 156.73	6 211.37	1 414.08
W16040004	Ithemba Civil, Structural, Geo-Tech and Fire & Wet serv	Bergstan	Level 1	100.00%	280 335.17	280 335.17	14 745.63	-
W16040004	Ithemba - Proftees PSP	JG Afrika	Level 1	100.00%	23 550.00	23 550.00	3 965.82	866.64
W16040004	Ithemba	Uds Landscape Architect	N/A	N/A	135 048.00	-	-	-
W16040004	Ithemba	IX Engineers	Level 1	100.00%	513 664.65	513 664.65	190 518.22	3 698.39
W16040004	Ithemba	Nako Iliso Consulting	Level 1	100.00%	-	-	-	-
W16040004	Ithemba: Bulk Services	Aurecon T/A Zutari	Level 1	100.00%	1 245 189.01	1 245 189.01	58 523.88	13 323.52
W08080001	Joe Slovo: 2886 units	Sobambisana	Level 1	100.00%	154 940.87	154 940.87	15 958.91	12 193.85
W18040006	Khayelitsha: Erf 26943: 214 Serv & 25 T/S	HSHS	N/A	N/A	1 428 125.00	-	-	-
-	Khayelitsha: Silvertown TRA - Civil Engineering Services	Smart Civils	Level 1	100.00%	70 109.10	70 109.10	5 153.02	-
-	Khayelitsha: Silvertown Tra - Civil&Structural Eng Serv	Nadeson Consulting	Level 1	100.00%	151 312.50	151 312.50	-	-
-	Khayelitsha: Silvertown Tra - Electrical Engineering Serv	Thabile Engineering	Level 2	95.00%	31 200.00	29 640.00	29 640.00	-
-	Khayelitsha: Silvertown Tra - Project Manager Services	WSP Group	Level 1	100.00%	-240 621.60	(240 621.60)	(122 885.45)	(21 222.83)
W17030025	Kosovo Farm 694 Civil,Electrical Int Serv & 440 Units	PowerSmart	Level 1	100.00%	44 187 945.43	44 187 945.43	4 325 999.86	786 545.43

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W17030025	Kosovo Farm 694- Civil,Geo&Structural Services	WSP Group	Level 1	100.00%	935 031.38	935 031.38	477 520.53	82 469.77
W17030025	Kosovo Farm 694 - Internal Services - PSP	GIBB	Level 1	100.00%	2 008 237.74	2 008 237.74	305 653.78	596 446.61
W17030025	Kosovo Farm 694 - Eco Services PSP	GIBB	Level 1	100.00%	23 968.84	23 968.84	3 648.06	7 118.75
W17030025	Kosovo Farm 694 - USDG - Proffees PSP	GIBB	Level 1	100.00%	506 638.52	506 638.52	77 110.38	150 471.64
W17030025	Kosovo Farm 694: Eco Services PSP	Frontline Safety	Level 1	100.00%	45 000.00	45 000.00	33 750.00	33 750.00
W17030025	Kosovo Farm 694 - Bulk & Link Services - PSP	Mpamot Africa	Level 1	100.00%	1 231 597.51	1 231 597.51	1 231 597.51	-
W17030025	Kosovo Farm 694 Proffees PSP	Miradi Architects	Level 1	100.00%	47 086.46	47 086.46	-	-
W17030025	Kosovo Farm 694 Proffees PSP	Umtha Consultancy	Level 1	100.00%	240 075.00	240 075.00	240 075.00	-
W17030025	Kosovo Farm 694 Proffees PSP	Atvantage QS	Level 5	80.00%	44 000.00	35 200.00	-	-
W17030025	Kosovo Farm 694 Proffees PSP	Lakhanya QS	Level 2	95.00%	30 400.00	28 880.00	8 664.00	-
W17030025	Kosovo Farm 694	NHBRC	N/A	N/A	68 385.06	-	-	-
W16110006	Malibu Village: The Conifers Infill: 297 Serv & T/S	Nozoml T/A JPB Construction	Level 1	100.00%	90 868.37	90 868.37	-	-
W16110006	Malibu Village: The Conifers Infill: 297 Serv & T/S	Gauflora/Tefla	Level 1	100.00%	6 352 661.20	6 352 661.20	635 266.12	635 266.12
W16110006	Malibu Village: The Conifers Infill: Prof Fees	Bosch	Level 2	95.00%	1 360 047.04	1 292 044.69	75 067.80	-
W16110006	Malibu Village: The Conifers Infill: Security	Tyte Security Services	Level 1	100.00%	16 154 357.57	16 154 357.57	5 330 938.00	-
W16110006	Malibu Village: The Conifers Infill: Security	Eskom/CoCT/ NHBRC	N/A	N/A	13 333.46	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W16110006	Malibu Village: The Conifers Infill: Rates	Municipality	N/A	N/A	15 394.76	-	-	-
W95050002	NHBRC Journal	NHBRC	N/A	N/A	2 954.91	-	-	-
W09060001	Nuwe Begin	IX Engineers	Level 1	100.00%	297 650.39	297 650.39	110 398.53	2 143.08
W09060001	Nuwe Begin	Element Consulting	Level 2	95.00%	141 620.75	134 539.71	15 445.16	10 332.65
W09060001	Nuwe Begin	GladAfrica Project Managers	Level 1	100.00%	28 880.01	28 880.01	-	-
W09060001	Nuwe Begin: Eskom	Eskom	N/A	N/A	389 510.10	-	-	-
W16030007	Our Pride: Eerste River - 211 Services & T/S FLISP	Marnol	Level 1	100.00%	9 724 252.19	9 724 252.19	112 801.33	-
W16030007	Our Pride: Eerste River - 211 Services & T/S FLISP	Eskom/CoCT/ NHBRC	N/A	N/A	2 252 085.36	-	-	-
W16030007	Our Pride: Eerste River - 211 Services & T/S FLISP PSP	C2C Consulting Engineers	Level 1	100.00%	2 178 048.88	2 178 048.88	-	-
W16030007	Our Pride 211 Sites & FLISP Security	Red Ants	Level 2	95.00%	908 530.34	863 103.82	86 310.38	-
W13060011	Pelican Park	CoCT	N/A	N/A	115 907.05	-	-	-
W16040003	Penhill/Welmoed - Bulk Electrical Services	Adenco	Level 1	100.00%	-1 069 511.95	(1 069 511.95)	(163 635.33)	-
W14070006	Thembelihle Domestic Workers Prof Fees	Lukhozi	Level 1	100.00%	782 816.96	782 816.96	24 815.30	-
-	Security: Various areas	Red Ants	Level 2	95.00%	6 774 940.96	6 436 193.91	643 619.39	-
No on HSS	Security Dept: Vacant land and rental properties PM-032369	Tyte Security Services	Level 1	100.00%	65 538 937.40	65 538 937.40	21 627 849.34	-
-	Security Dept: Vacant land and rental properties PM-032369	SS Solutions	Level 4	85.00%	59 741 469.75	50 780 249.29	-	-
-	ISSP Implementation - Aivia	Aivia Pty (Ltd)	Level 2	95.00%	143 779.47	136 590.50	69 661.15	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
GJ15920	Welmoed		N/A	N/A	1 069 511.95	-	-	-
DT16198	Damaged Units		N/A	N/A	-30 916.00	-	-	-
Sub-Total Expenditure						382 295 693.65	50 242 590.58	12 077 411.63

Informal Settlement Upgrading Partnership Grant

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W17050001	Airport Informal Sett Precinct Proffees PSP	Vharanani	Level 1	100.00%	15 493 145.88	15 493 145.88	-	-
W17050001	Airport Informal Sett Precinct Proffees PSP	JG Afrika	Level 1	100.00%	236 343.46	236 343.46	39 800.24	8 697.44
W17050001	Airport Informal Sett Precinct Proffees PSP	Bergstan	Level 1	100.00%	1 401 354.40	1 401 354.40	73 711.24	-
W17050001	Airport Informal Sett Precinct Proffees PSP	Aurecon T/A Zutari	Level 1	100.00%	2 573 706.11	2 573 706.11	120 964.19	27 538.66
W17050001	Airport Informal Sett Precinct Proffees PSP	Elite Consulting Engineers	Level 1	100.00%	609 607.95	609 607.95	365 764.77	243 843.18
W17050001	Airport Informal Sett Precinct Proffees PSP	Red Landscape	Level 4	85.00%	445 792.60	378 923.71	-	-
W17050001	Airport Informal Sett Precinct Proffees PSP	IX Engineers	Level 1	100.00%	552 210.68	552 210.68	204 814.94	3 975.92
W17050001	Airport Informal Sett Precinct Proffees PSP	GJA Electrical	Level 1	100.00%	113 259.53	113 259.53	-	-
W17050001	Airport Informal Sett Precinct Proffees PSP	I Murison Incorporated	Level 1	100.00%	22 751.80	22 751.80	-	-
W17050001	Airport Informal Settlement- PSP	Jono Trust	Level 1	100.00%	120 688.33	120 688.33	30 172.08	-
W17050001	Airport Informal Sett Precinct Proffees PSP	Nako Iliso Consulting	Level 1	100.00%	95 409.04	95 409.04	11 029.29	-
W17050001	Airport Informal Sett Precinct Proffees PSP	Frontline Safety	Level 1	100.00%	23 100.00	23 100.00	17 325.00	17 325.00
W10070005	Boystown: Triangle 1524 Services & 1390 T/S	Vula Joint Venture	Level 2	95.00%	32 458 805.62	30 835 865.34	2 732 057.67	185 015.19
W1006003/1	Delft Tra 5 & 5.1	Sobambisana	Level 1	100.00%	2 269 864.28	2 269 864.28	233 796.02	178 638.32
W13090014	CoCT: Delft TRA 6	Sobambisana	Level 1	100.00%	1 861 344.67	1 861 344.67	191 718.50	146 487.83

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
-	Driftsands	VPUU	Level 4	85.00%	2 725 702.45	2 316 847.08	-	-
W16040004	Ithemba	Nako Iliso Consulting	Level 1	100.00%	536 358.08	536 358.08	62 002.99	-
W16040004	Ithemba	Aurecon T/A Zutari	Level 1	100.00%	368 389.21	368 389.21	17 314.29	3 941.76
W16040004	Ithemba	Bergstan	Level 1	100.00%	196 854.84	196 854.84	10 354.56	-
W16040004	Ithemba	JG Afrika	Level 1	100.00%	12 500.00	12 500.00	2 105.00	460.00
W08080001	Joe Slovo: 2886 units	Sobambisana	Level 1	100.00%	935 670.60	935 670.60	96 374.07	73 637.28
-	Khayelitsha: Silvertown TRA - Civil Engineering Services	Smart Civils	Level 1	100.00%	11 840 611.35	11 840 611.35	870 284.93	-
-	Khayelitsha: Silvertown TRA	Nadeson Consulting	Level 1	100.00%	261 712.50	261 712.50	-	-
-	Khayelitsha: Silvertown TRA	WSP Group	Level 1	100.00%	742 790.21	742 790.21	379 342.96	65 514.10
-	Khayelitsha: Silvertown TRA	HSHS	N/A	N/A	203 876.03	-	-	-
-	Khayelitsha: Silvertown TRA	Eskom	N/A	N/A	29 960.00	-	-	-
-	Khayelitsha: Silvertown TRA - Civil Engineering Services	Thabile Engineering	Level 2	95.00%	40 500.00	38 475.00	38 475.00	-
W17030025	Kosovo Farm 694 Prof fees PSP	Miradi Arch	Level 1	100.00%	34 987.16	34 987.16	-	-
W17030025	Kosovo Farm 694 Civil, Electrical Int Serv & 440 Units	Powersmart	Level 1	100.00%	6 955 095.31	6 955 095.31	680 903.83	123 800.70
W17030025	Kosovo Farm 694: Eco Services PSP	Frontline	Level 1	100.00%	13 500.00	13 500.00	10 125.00	10 125.00
W17030025	Kosovo Farm 694 - Internal Services - PSP	GIBB	Level 1	100.00%	5 992.21	5 992.21	912.01	1 779.69
W17030025	Kosovo Farm 694 - Bulk & Link Services - PSP	MPA Civil	Level 1	100.00%	1 143,412.00	1 143 412.00	1 143 412.00	-
W16040003	Penhill/Welmoed - Bulk Electrical Services	ADENCO	Level 1	100.00%	51 721 787.55	51 721 787.55	7 913 433.50	-
W16040003	Penhill/Welmoed	Eskom	N/A	N/A	-5 800 000.00	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W16040003	Penhill/Welmoed Greenfields Development	Asla	Level 1	100.00%	106 319 833.71	106 319 833.71	8 771 386.28	12 939 123.76
W16040003	Penhill/Welmoed Greenfields Development	Bigen Africa	Level 1	100.00%	3 051 961.20	3 051 961.20	409 878.39	122 383.64
W16040003	Penhill/Welmoed Greenfields Development	Mzi	Level 1	100.00%	41 620.00	41 620.00	-	-
W16040003	Penhill/Welmoed Greenfields Development	IX Engineers	Level 1	100.00%	6 709 514.69	6 709 514.69	2 488 559.00	48 308.51
W16040003	Penhill/Welmoed Greenfields Development	BSP	Level 2	95.00%	1 353 886.08	1 286 191.78	-	-
W16040003	Penhill/Welmoed Greenfields Development	SMEC	Level 1	100.00%	1 987 273.34	1 987 273.34	735 291.14	-
W16040003	Penhill/Welmoed Greenfields Development	Zutari	Level 1	100.00%	103 068.20	103 068.20	4 844.21	1 102.83
-	Du Noon	JG Afrika	Level 1	100.00%	243 540.50	243 540.50	41 012.22	8 962.29
Sub-Total Expenditure					250 057 781.57	253 455 561.70	27 697 165.33	14 210 661.08

Non-Metro Projects

Human Settlement Development Grant

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
Cape Winelands								
Breede Valley Municipality								
W16020002	IRDP:PH1: Transhex: Martin & East	Martin and East	Level 1	100.00%	75 146 627.87	75 146 627.87	2 021 444.29	-
W17120009	IRDP:PH2: Transhex: TSSN	TSSN Carriers	Level 1	100.00%	18 493 668.03	18 493 668.03	-	-
W16020002	IRDP:PH1: BSP: Transhex: Structural Eng - Ph1 - PSP	BSP Consulting Engineers	Level 2	95.00%	403 750.00	383 562.50	-	-
W16020002	IRDP:PH1: Jubelie: Transhex: Prof fees	Jubelie Projects	Level 3	90.00%	2 669 983.00	2 402 984.70	1 321 641.59	-
W16020002	IRDP:PH1: Jubelie: Transhex: Proj & Contract Mng - PSP	Jubelie Projects	Level 3	90.00%	216 787.50	195 108.75	107 309.81	-
W16020002	IRDP:PH1: Jubelie: Transhex: Stakeholder Mng - PSP	Jubelie Projects	Level 3	90.00%	9 704.00	8 733.60	4 803.48	-
W16020002	IRDP:PH1: M Macdonald: Transhex: Internal Civils - PH1 PSP	Mpamot Africa	Level 1	100.00%	200 124.90	200 124.90	200 124.90	-
W16020002	IRDP:PH1: Mpamot: Transhex: Internal Civils PSP	Mpamot Africa	Level 1	100.00%	2 017 878.14	2 017 878.14	2 017 878.14	-
W16020002	IRDP:PH1: Ole Bogeng: Transhex: Quantity Surv - PSP	OLE Bogeng	Level 1	100.00%	465 624.60	465 624.60	-	-
W16020002	IRDP:PH1: Niel Lyners: Transhex: (Bulk Elec) PSP	Neil Lyners & Associates	Level 1	100.00%	534 503.19	534 503.19	192 421.15	-
W16020002	IRDP:PH1: Niel Lyners: Transhex: (Internal Civil Eng) PSP	Neil Lyners & Associates	Level 1	100.00%	1 955 770.51	1 955 770.51	704 077.38	-
W16020002	IRDP:PH1: SVA Arch: Transhex	SVA International	Level 1	100.00%	1 067 500.69	1 067 500.69	108 031.07	205 173 63
W16020002	IRDP:PH1: AMPS QS: Transhex -Quantity Surv -PSP	AMPS QS	Level 1	100.00%	624 393.00	624 393.00	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W16020002	IRDP:PH1: GNEC: Transhex - Enviro Consult - PSP - Phase 1	GNEC Transhex	Level 4	85.00%	115 940.00	98 549.00	-	-
W16020002	IRDP:PH1: Posh Ideas: Transhex Enhanced Serv Sites	Posh Ideas (Matlapa)	Level 1	100.00%	2 003 580.51	2 003 580.51	-	-
-	IRDP:PH1: Breede Valley: Planning (Matthysen Van Vuuren)	Matthysen Van Vuuren	Level 4	85.00%	86 209.00	73 277.65	73 277.65	-
Subtotal					106 012 044.94	-	-	-
Drakenstein Municipality								
W17110007	IRDP:PH1&PH2: Kalesego: Vlakkeland	Kalesego Maintenance Serv.	Level 1	100.00%	5 642 717.10	5 642 717.10	-	-
W17110007	IRDP:PH1&PH2: JVZ Construct: Vlakkeland	JVZ	Level 1	100.00%	5 765 944.57	5 765 944.57	1 778 217.31	-
W17110007	IRDP:PH1: BSP: Vlakkeland (Structural Eng-Ph1) PSP	BSP Consulting Engineers	Level 2	95.00%	11 495.09	10 920.34	-	-
W17110007	IRDP:PH1: Niel Lyners: Vlakkeland (Elec Eng Bulks & Internal) PSP	Neil Lyners & Associates	Level 1	100.00%	2 908 211.58	2 908 211.58	1 046 956.17	-
W17110007	IRDP:PH1: Jubelie: Vlakkeland (Project & Construct) PSP	Jubelie Projects	Level 3	90.00%	2 072 495.01	1 865 245.51	1 025 885.03	-
W17110007	IRDP:PH1: Jubelie Vlakkeland -PMT - (check contract)	Jubelie Projects	Level 3	90.00%	147 146.05	132 431.45	72 837.29	-
W17110007	IRDP:PH1: GNEC Enviro: Vlakkeland W17110007/1 - PSP	GNEC	Level 4	85.00%	98 406.00	83 645.10	-	-
W17110007	IRDP:PH1: AQS Consult: Vlakkeland (QS) PSP	AQS Consulting	Level 1	100.00%	206 950.00	206 950.00	20 695.00	-
W17110007	IRDP:PH1: Lakhanya Consult: Vlakkeland (QS) PSP - Phase 1	Lakhanya QS	Level 2	95.00%	137 966.67	131 068.34	39 320.50	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W17110007	IRDP:PH1: Red Ants: Vlakkeland Security	Red Ants	Level 2	95.00%	37 950.03	36 052.53	3 605.25	-
W19040008	IRDP:PH1: Schoongezicht 347 sites	Exeo Khokela	Level 1	100.00%	-	-	-	-
-	IRDP:PH1: Matthysen Van Vuuren Saron Housing Project	Matthysen Van Vuuren	Level 4	85.00%	79 687.50	67 734.38	67 734.38	-
Subtotal					17 108 969.60	-	-	-
Langeberg Municipality								
W16120001	IRDP:PH2: Mcgregor - Transfers	Asla Construction	Level 1	100.00%	258 754.95	258 754.95	21 347.28	31 490.48
-	ISSP: Boekenhoutskloof Informal Settlement (Dir Planning)	Planning	N/A	N/A	-	-	-	-
-	ISSP: Mandela Square Informal Settlements (Dir Planning)	Planning	N/A	N/A	-	-	-	-
W17030023	IRDP:PH1: Montagu: Mandela Square	Asla Construction	Level 1	100.00%	-	-	-	-
W18110004	IRDP: PH2: Robertson: Nkqubela	Asla Construction	Level 1	100.00%	4 274 640.27	4 274 640.27	352 657.82	520 223.72
Subtotal					4 533 395.22	-	-	-
Stellenbosch Municipality								
-	IRDP:PH1: Jubelie: De Novo Prof Fees PSP	Jubelie Projects	Level 3	90.00%	328 895.23	296 005.71	162 803.14	-
W21020006	IRDP:PH1: Jamestown 1044 Sites	Municipality	N/A	N/A	1 199 984.00	-	-	-
-	IRDP:PH1: Red Ants: Stellenbosch monitoring	Red Ants	Level 2	95.00%	37 950.00	36 052.50	3 605.25	-
W17080021	Stellenbosch: Northern Ext: 5200 Planning	Planning	N/A	N/A	5 976 932.00	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W17120010	IRDP:PH2: Idas Valley 89 Units	Municipality	N/A	N/A	4 285 397.37	-	-	-
W17120008	IRDP:PH1: Idas Valley: 370 sites	Municipality	N/A	N/A	5 379 292.94	-	-	-
W12030010	IRDP:PH1: Longlands: 145 sites	Municipality	N/A	N/A	1 534 048.82	-	-	-
Subtotal					18 742 500.36	-	-	-
Witzenberg Municipality								
W18050004	IRDP:PH1: Ceres: Vredebes: 600 T/S	Asla Construction	Level 1	100.00%	430 900.00	430 900.00	35 549.25	52 440.53
W18010002	IRDP:PH1: Ceres: Vredebes 529 sites	Asla Construction	Level 1	100.00%	8 443 912.00	8 443 912.00	696 622.74	1 027 624.09
Subtotal					8 874 812.00	-	-	-
Overberg								
Cape Agulhas Municipality								
W16010022/1	IRDP:PH2: Bredasdorp Site H - 158 units (Mellon)	Mellon Housing	Level 2	95.00%	1, 42 807.00	1 465 666.65	-	-
W18060012/1	IRDP:PH2: Bredasdorp Site F - 490 units (Asla)	Asla Construction	Level 1	100.00%	3 435 778.10	3 435 778.10	283 451.69	418 134.19
-	IRDP:PH1: Red Ants: Bredasdorp	Red Ants	Level 2	95.00%	2 725 592.83	2 589 313.19	258 931.32	-
-	IRDP:PH1: Pep: Ou Kamp (Dir Planning)	PEP Consult	N/A	N/A	74 468.67	-	-	-
-	IRDP:PH1: Pep: Napier (Dir Planning)	PEP Consult	N/A	N/A	38 442.42	-	-	-
-	IRDP:PH1: Pep: Zwelitsha (Dir Planning)	PEP Consult	N/A	N/A	14 667.89	-	-	-
-	Security: SS Solutions	SS Solutions	Level 4	85.00%	2 877 279.45	2 445 687.53	-	-
Subtotal					10 709 036.36	-	-	-
Overstrand Municipality								
W18040018	Land purchase: Mount Pleasant	Land Purchase	N/A	N/A	300 000.00	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W13070002	IRDP:PH1: Gansbaai: Blompark	Cornfield Construction	Level 1	100.00%	7 587 449.88	7 587 449.88	2 336 934.56	2 336 934.56
W14040004	IRDP:PH2: SwartdamRd: Site C: 150 Units	Municipality	N/A	N/A	17 064 011.00	-	-	-
W18060014	IRDP:PH2: Hawston 378 units	Mellon Housing	Level 2	95.00%	624 000.00	592 800.00	-	-
W21070003	IRDP:PH1: Mount Pleasant 371 & 199 sites	Municipality	N/A	N/A	6 366 245.28	-	-	-
Subtotal					31 941 706.16	-	-	-
Swellendam Municipality								
W19030001	IRDP:PH1: Swellendam: Railton - 950 sites	Municipality	N/A	N/A	40 116 103.00	-	-	-
W18040019	IRDP:PH1: Railton - 32 sites	Municipality	N/A	N/A	113 332.00	-	-	-
Subtotal					40 229 435.00	-	-	-
Theewaterskloof Municipality								
W16030005	PHP: 7Sirs: Hillside 321 Units	7SIRS	Level 1	100.00%	3 403 600.35	3 403 600.35	1 735 836.18	-
W16030005	PHP: Red Ants: Hillside 321 Units Security	Red Ants	Level 2	95.00%	3 314 364.36	3 148 646.14	314 864.61	-
W17120007	UISP: 7Sirs: Grabouw: Irak	7SIRS	Level 1	100.00%	194 271.58	194 271.58	99 078.51	-
W13060013/4	PHP: Grabouw: Rooidakke: Rainbow - Ph 4: 281 T/S	7SIRS	Level 1	100.00%	1 201 560.00	1 201 560.00	612 795.60	-
W20110006	IRDP:PH1: Grabouw: Grabouw: gypsy Queen	Municipality	N/A	N/A	574 705.00	-	-	-
W18070005	IRDP: PH2: Riversonderend 135 Units	Municipality	N/A	N/A	1 124 084.20	-	-	-
W15030003	IRDP: PH1: Villiersdorp: Destiny Farm	PEP Consult	N/A	N/A	4 348 411.23	-	-	-
Subtotal					14 160 996.72	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
Eden								
Bitou Municipality								
W19100004	IRDP:PH2: Bitou: Sonqua: Qolweni/ Bossiesgif: 169 units	Sonqua Consulting	Level 2	95.00%	3 061 164.49	2 908 106.27	-	-
W19100004	IRDP:PH2: Ruwacon: Qolweni/ Bossiesgif: 169 units	Ruwacon	Level 1	100.00%	10 737 238.78	10 737 238.78	3 779 508.05	2 334 275.71
W16010030	IRDP:PH2: Chauke: Kwanokuthula - 441 T/S Proffees	Chauke	Level 2	95.00%	77 730.52	73 843.99	-	-
W18020021	UISP: Sonqua: Qolweni: 164 Tra&Ablution Contr & Proffees	Sonqua Consulting	Level 1	100.00%	262 635.32	262 635.32	-	-
-	IRDP:PH1: Ebenezer	SC Housing Construction	Level 1	100.00%	13 962 379.81	13 962 379.81	-	-
-	IRDP:PH1: PEP: Sibanye Bossiesgif/ Qolweni (Dir Planning)	PEP Consultants	N/A	N/A	267 150.00	-	-	-
W21050002	IRDP:PH1: Kurland	Planning	N/A	N/A	1 724 115.00	-	-	-
W17080013	IRDP:PH1: Shell Ultra	Planning	N/A	N/A	266 494.00	-	-	-
W18010028	IRDP:PH1: Green Valley: Kwanokuthula Buffer	Planning	N/A	N/A	3 201 629.00	-	-	-
Subtotal					33 560 536.92	-	-	-
George Municipality								
W18010003/1	IRDP:PH1: Asla: Erf 325: Syferfontein 736 sites + 679 units	Asla Construction	Level 1	100.00%	6 814 184.18	6 814 184.18	562 170.19	829 286.21
W18010003/1	IRDP:PH1: Erf 325: Syferfontein - Beneficiary administration	Beneficiary Administration	N/A	N/A	491 900.00	-	-	-
W18010003/1	IRDP:PH1: Simply Do: Erf 325: Syferfontein 175 sites	Simply Do	Level 3	90.00%	17 639 616.46	15 875 654.81	-	8 096 583.96

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W18010003/1	IRDP:PH2: Enigma: Erf 325: Syferfontein 224 units	Enigma Built Environment	Level 1	100.00%	14 974 925.23	14 974 925.23	5 989 970.09	-
W18010003/1	IRDP:PH1: Khubeka: Erf 325: Syferfontein civils	Khubeka Construction	Level 1	100.00%	4 382 206.66	4 382 206.66	-	-
W18010003/1	IRDP:PH1: Royal Hask: Syferfontein: Erf 325 Prof Fees	Royal Hask	Level 2	95.00%	4 932 247.78	4 685 635.39	224 910.50	-
W18010003/1	IRDP:PH1: Syferfontein: Erf 325 -Journal	GJ	N/A	N/A	-1 879 484.83	-	-	-
W18010003/1	IRDP:PH1: NandiB Inc: Erf 325: Syferfontein	Nandi Bulabula Attorneys	Level 1	100.00%	663 028.24	663 028.24	663 028.24	-
W15030019	IRDP:PH1: ACV Civils: Metrogrounds: 671 Services	ACV Civils	Level 1	100.00%	6 651 184.15	6 651 184.15	-	-
W15030019	IRDP:PH1: Royal Hask: Metrogrounds: Prof Fees	Royal Hask	Level 2	95.00%	3 144 034.48	2 986 832.76	143 367.97	-
W16030012/ W16010084	George: Marnol: GoldenValley / Thembalethu	Marnol	Level 1	100.00%	24 852 067.98	24 852 067.98	288 283.99	-
W18040003	Thembalethu Bangalow 200 units	Municipality	N/A	N/A	11 741 536.18	-	-	-
-	Security: Monitoring of Provincial Land	Municipality	N/A	N/A	294 000.00	-	-	-
W17020022	PHP: Thembalethu: Ext42&52	Marnol Projects	Level 2	95.00%	2 025 645.00	1 924 362.75	22 322.61	-
W16010080	PHP: Thembalethu (700 UNITS)	Marnol Projects	Level 2	95.00%	13 018 820.34	12 367 879.32	143 467.40	-
Subtotal					109 745 911.85	-	-	-
Hessequa Municipality								
-	IRDP:PH1: Melkhoutfontein 600 sites	Asla Construction	Level 1	100.00%	47 334 189.80	47 334 189.80	3 905 070.66	5 760 570.90
Subtotal					47 334 189.80	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
Kannaland Municipality								
W16010057	IRDP: PH1: Zoar: Protea Park	Asla Construction	Level 1	100.00%	114 941.00	114 941.00	9 482.63	13 988.32
W16010059	IRDP: PH1: Ladismith Parmalat	Asla Construction	Level 1	100.00%	321 834.80	321 834.80	26 551.37	39 167.30
Subtotal					436 775.80	-	-	-
Knysna Municipality								
W07030007/2	PHP: Knysna: Vision 2002 459 units	Sikhulile Engineers (Sintec)	Level 4	85.00%	2 809 665.00	2 388 215.25	-	-
W18070007	PHP: Knysna: Bloemfontein 158 units	A & P Civils	Level 1	100.00%	1 939 621.90	1 939 621.90	969 810.95	-
W16080008	PHP: Knysna: Happy Valley 120 units	Sikhulile Engineers (Sintec)	Level 4	85.00%	1 838 526.50	1 562 747.53	-	-
		Sikhulile Engineers (Sintec)	Level 4	85.00%	3 867 842.96	3 287 666.52	-	-
W16080009	PHP: Knysna: Golweni 220 units	Seasonfind 1199CC	Level 1	100.00%	290 789.00	-	-	-
		Inyameko Trading	Level 1	100.00%	507 017.06	-	-	-
		Limise Design	Level 1	100.00%	470 363.51	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W16070003	PHP: Knysna: Hlalani units	Sikhulile Engineers (Sintec)	Level 4	85.00%	898 510.51	763 733.93	-	-
		Siya Construction	Level 1	100.00%	334 793.60	334 793.60	224 311.71	-
		Salotan Projects	Level 1	100.00%	210 000.00	210 000.00	-	-
		Isolabantwana	Level 1	100.00%	304 400.00	304 400.00	-	-
W16020008	PHP: Knysna: Ethembeni 200 units	Sikhulile Engineers (Sintec)	Level 4	85.00%	2 153 917.50	1 830 829.88	-	-
W18060013	PHP: Hornlee Infill 155 units	Nozomi t/a JPB Construction	Level 1	100.00%	1 675 788.95	1 675 788.95	-	-
W18020002	UISP: Sedgfield 600 sites	Sikhulile Engineers (Sintec)	Level 4	85.00%	51 837.95	44 062.26	-	-
W09100007	UISP: Knysna Vision fencing	S C Housing Construction	Level 1	100.00%	475 156.05	-	-	-
		-	N/A	N/A	-969 300.00	-	-	-
Subtotal					16 858 930.49	-	-	-

Mossel Bay Municipality								
-	IRDP:PH1: Mosselbay: Royal Hask: Louis Fourie	Royal Hask	Level 2	95.00%	6 732 628.04	6 395 996.64	307 007.84	-
W16050003	IRDP:PH1: Mosselbay: Ruwacon: Louis Fourie	Rawucon	Level 1	100.00%	88 883 349.90	88 883 349.90	31 286 939.16	24 585 134.58
-	IRDP:PH1: Mosselbay: DME: Louis Fourie electrification	Eskom	N/A	N/A	-3 740 000.00	-	-	-
W16080010	IRDP:PH1: Mosselbay: Sonskynvallei	Entsha Henra	Level 1	100.00%	192 000.00	192 000.00	34 272.00	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W19050002	IRDP:PH1: Mosselbay: Imfuneko: New Rest Fac	Imfuneko Projects	N/A	N/A	192 633.00	-	-	-
Subtotal					92 260 610.94	-	-	-
Oudtshoorn Municipality								
W16110008	UISP: Asla: Dysselsdorp 534 sites	Asla Construction	Level 1	100.00%	12 766 777.58	12 766 777.58	1 053 259.15	1 553 716.83
W21010002	IRDP: Asla: Dysselsdorp 522 UNITS	Asla Construction	Level 1	100.00%	10 746 619.81	10 746 619.81	886 596.13	1 307 863.63
W95050015	IRDP:PH1: Bongolethu (Advisory Consulting Services)	Municipality	N/A	N/A	40 000.00	-	-	-
Subtotal					23 553 397.39	-	-	-
West Coast								
Bergriver Municipality								
W15030006	IRDP:PH1&PH2: Velddrift: Noordhoek	Nozomi t/a JPB Construction	Level 1	100.00%	623 242.79	623 242.79	-	-
W19030005	IRDP:PH1: Porterville: De Kelders: 171 sites Tr1.2	Planning	N/A	N/A	484 494.00	-	-	-
W19030006	IRDP:PH1: Piketeberg: 156 sites Tr1.2	Planning	N/A	N/A	441 995.00	-	-	-
W18080008	IRDP:PH1: Eendekuil	Planning	N/A	N/A	79 654.00	-	-	-
Subtotal					1 629 385.79	-	-	-
Cederberg Municipality								
W18060009	IRDP:PH2: Lambertsbay Erf 168 184 units (NHBRC)	Asla Construction	Level 1	100.00%	11 271 075.55	11 271 075.55	929 863.73	1 371 689.89
-	IRDP:PH1: Riverview: 87 units	Asla Construction	Level 1	100.00%	1 798 552.62	1 798 552.62	148 380.59	218 883.85
Subtotal					13 069 628.17	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
Matzikama Municipality								
W18040025	IRDP:PH1: Vredendal North Ph 5: 398 Sites	Asla Construction	Level 1	100.00%	18 216 648.50	18 216 648.50	1 502 873.50	2 216 966.12
W21040007	IRDP:PH2: Vredendal North 150 units	Asla Construction	Level 1	100.00%	2 061 710.00	2 061 710.00	170 091.08	250 910.11
W19030003	IRDP:PH1: Lutzville	Asla Construction	Level 1	100.00%	8 621 810.05	8 621 810.05	711 299.33	1 049 274.28
W17080063	IRDP:PH1: Klawer 206 Sites	Asla Construction	Level 1	100.00%	770 105.00	770 105.00	63 533.66	93 721.78
Subtotal					29 670 273.55	-	-	-
Saldanha Bay Municipality								
W18060010	IRDP:PH1: Louwville 150 sites	Westland Construction	Level 1	100.00%	6 987 285.60	6 987 285.60	6 987 285.60	-
-	IRDP:PH1: SeaView - Tr1.1	Planning	N/A	N/A	91 953.00	-	-	-
-	IRDP:PH1: Witteklip/Bypass	Planning	N/A	N/A	1 485 200.44	-	-	-
W18030004	IRDP:PH2: Laingville 300 Sites	Planning	N/A	N/A	1 085 044.50	-	-	-
W14060004	IRDP: PH1: Paternoster	A & P Civils	Level 1	100.00%	238 364.00	238 364.00	119 182.00	-
W21020007	IRDP: PH1: Hopefield - 054136 Tr1.1	Planning	N/A	N/A	275 858.00	-	-	-
Subtotal					10 163 705.54	-	-	-
Swartland Municipality								
W17120006	Swartland: Riebeeck West - 244 units	Asla Construction	Level 1	100.00%	1 606 742.72	1 606 742.72	132 556.27	195 540.59

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W19090002	IRDP:PH1: Riebeeck Kasteel	Exeo Khokela	Level 1	100.00%	1 722 815.00	1 722 815.00	391 768.13	-
W19090003	IRDP:PH1: Kalbaskraal	Exeo Khokela	Level 1	100.00%	935 644.00	935 644.00	212 765.45	-
W19100001	IRDP: PH1: Malmesbury: De Hoop Sites	Exeo Khokela	Level 1	100.00%	5 254 947.00	5 254 947.00	1 194 974.95	-
W21040009	IRDP: PH2: Malmesbury: De Hoop Units	Simply Do Construction	Level 3	90.00%	26 906 224.05	24 215 601.65	-	-
W21040015	IRDP: PH1: Darling - 36 Sites Tr1.1 & 1.2	Asla Construction	Level 1	100.00%	143 378.00	143 378.00	11 828.69	17 449.10
Subtotal					36 569 750.77	-	-	-
	Municipal Expenditure				667 165 993.37	-	-	-
	Individual Non - Credit Linked Subs.				65 873 659.38	-	-	-
	Individual Financed Linked (FLISP)				68 624 625.13	-	-	-
	Enhanced Extended Discount Benefit				2 710 421.30	-	-	-
	OPSCAP/Ham Admin				42 141 089.85	-	-	-
	Fin-Intervention Expenditure				194 321 048.47	552 015 504.82	80 817 471.98	66 877 001.22
	GRAND TOTALS				861 487 041.84	-	-	-

Informal Settlement Upgrading Partnership Grant

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
Drakenstein Municipality								
W17010004	UISP: Lovers Lane Tr1.2	-	N/A	N/A	241 231.00	-	-	-
W19040008	IRDP:PHI: Schoongezicht 347 sites	-	N/A	N/A	2 798 845.00	-	-	-
Subtotal					3 040 076.00	-	-	-
Langeberg Municipality								
-	ISSP: Boekenhoutskloof Informal Settlement (Dir Planning) Habitat	Habitat SA	N/A	N/A	483 450.00	-	-	-
-	ISSP: Mandela Square Informal Settlements (Dir Planning) Habitat	Habitat SA	N/A	N/A	742 787.00	-	-	-
Subtotal					1 226 237.00	-	-	-
Stellenbosch Municipality								
W16090002	UISP: Enkanini	Corc	Level 4	85.00%	2 953 292.00	2 510 298.20	-	-
W16060005	UISP: Kayamandi Town centre	-	N/A	N/A	6 786 768.62	-	-	-
-	UISP: Watergang: Basic Services: 1420 sites	-	N/A	N/A	4 104 517.10	-	-	-
-	ISSP: Enkanini Informal Settlements Corc	-	N/A	N/A	1 530 100.00	-	-	-
Subtotal					15 374 677.72	-	-	-
Witzenberg Municipality								
-	IRDP:PHI: DAG: Tulbagh Chris Hani (Dir Planning)	-	N/A	N/A	-741 225.54	-	-	-
Subtotal					-741 225.54	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
Overberg								
Overstrand Municipality								
W13120001	UIP: Gansbaai: Masakhane 1184 Sites	-	N/A	N/A	43 099 433.37	-	-	-
W21020004	UIP: Schulphoek: Planning 400 Sites	-	N/A	N/A	344 129.96	-	-	-
W21020004	Overstrand: Schulphoek: VanZyl & Ass Rode & Ass	-	N/A	N/A	814 324.29	-	-	-
W12060003	UIP: Zwelihle: Transit Camp: 836 UIP sites	-	N/A	N/A	2 333 894.05	-	-	-
Subtotal					46 591 781.67	-	-	-
Theewaterskloof Municipality								
W17120007	Grabouw Irak - Mun - ISUPG	VPUU	Level 4	85.00%	3 149 019.95	2 676 666.96	-	-
W19040005	Botriver 1046 sites Tr1.2	-	N/A	N/A	2 096 663.66	-	-	-
W21100010	Botriver: Beaumont: 168 sites	-	N/A	N/A	9 063 427.40	-	-	-
W17040003	Grabouw: Rooidakke: 7000	VPUU	Level 4	85.00%	2 545 828.00	2 163 953.80	-	-
-	PEP: Villiersdorp	PEP	N/A	N/A	1 142 645.34	-	-	-
-	VPUU: Villiersdorp	VPUU	Level 4	85.00%	648 450.00	551 182.50	-	-
-	VPUU: Caledon/Riemvasmaak	VPUU	Level 4	85.00%	430 147.03	365 624.98	-	-
-	DAG: Caledon/Riemvasmaak	-	N/A	N/A	-163 622.34	-	-	-
Subtotal					18 912 559.04	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
Garden Route								
Bitou Municipality								
W19100004	IRDP:PH2: Bitou: Qolweni/Bossiesgif: 169 units	PEP	N/A	N/A	7 954 369.00	-	-	-
-	BITOU: PEP: Zawa Zawa	PEP	N/A	N/A	43 162.50	-	-	-
-	Bitou: Sonqua: Golweni W18020021 (Apex)	Sonqua Consulting	Level 2	95.00%	262 635.32	249 503.55	-	-
Subtotal					8 260 166.82	-	-	-
George Municipality								
W05120004	Thembalethu: 1749 sites UISP	-	N/A	N/A	5 853 221.07	-	-	-
-	Thembalethu: SAWIC	SAWIC	Level 1	100.00%	400 000.00	400 000.00	400 000.00	-
-	George: Outeniqua WWTW T15111	-	N/A	N/A	11 968 539.09	-	-	-
W17080014	George: Wilderness Heights	-	N/A	N/A	92 469.78	-	-	-
Subtotal					18 314 229.94	-	-	-
Kannaland Municipality								
W18040014	UISP: Zoar - 65 sites	-	N/A	N/A	95 028.70	-	-	-
Subtotal					95 028.70	-	-	-
Knysna Municipality								
W14030003	UISP: Hlalani 273 sites	-	N/A	N/A	2 572 722.24	-	-	-
W11090003	UISP: Vision 2002 1393 UISP sites	-	N/A	N/A	1 763 476.12	-	-	-
W14020002	UISP: Xolweni	-	N/A	N/A	417 960.00	-	-	-
W18020002	UISP: Sedgefield 600 sites	-	N/A	N/A	536 391.54	-	-	-
W09100007	Vision 2002 551 units fencing	Municipality	N/A	N/A	2 038 500.00	-	-	-

HSS No	Municipality and Project Description	Contractor	B-BBEE Level	HDI%	Project Expenditure 2021/22	HDI	Women	Youth
W14040002	UISP: Ethembeni 200 Sites	-	N/A	N/A	293 787.08	-	-	-
-	IRDP: PH1 Knysna: DAG: Sedgfield (Dir Planning)	DAG	Level 1	100.00%	-679 682.02	(679 682.02)	-	-
Subtotal					7 329 049.90	-	-	-
Mossel Bay Municipality								
W16100007	NUSP Intm serv	-	N/A	N/A	5 983 873.78	-	-	-
-	UISP: DAG: Greater Mossel Bay: 3790 Sites - NUSP (GJ)	DAG	Level 1	100.00%	-1 180 938.70	(1 180 938.70)	-	-
Subtotal					4 802 935.08	-	-	-
West Coast								
Matzikama Municipality								
W17080063	IRDP:PHI: Klawer 206 Sites	Asla Construction	Level 1	100.00%	13 514 017.24	13 514 017.24	1 114 906.42	1 644 655.90
Subtotal					13 514 017.24	-	-	-
Saldanha Municipality								
-	Saldanha Bay: ESST	Municipality	N/A	N/A	55 000.00	-	-	-
-	Saldanha Bay: Tsitsiratsitsi	-	N/A	N/A	1 152 000.00	-	-	-
-	Saldanha Bay: Middelpoos	-	N/A	N/A	931 514.00	-	-	-
Subtotal					2 138 514.00	-	-	-
Municipal Expenditure					-	N/A	N/A	101 899 078.13
GRAND TOTALS					101 899 078.13	20 570 626.51	1 514 906.42	1 644 655.90

Western Cape: Department of Human Settlements
5th floor, 27 Wale Street, Cape Town, 8001
Private Bag X9083, Cape Town, 8000
tel: +27 21 483 4965 fax: +27 21 483 2862

www.westerncape.gov.za

E-mail: Emmanuela.Maclean@westerncape.gov.za



**Western Cape
Government**

PR155/2022
ISBN: 978-0-621-50377-7